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Congressional Record

PROCEEDINGS AND DEBATES

OF THE

SECOND SESSION OF THE SIXTY-SEVENTH CONGRESS

OF

THE UNITED STATES OF AMERICA

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Congressional Record.

PROCEEDINGS AND DEBATES OF THE SIXTY-SEVENTH CONGRESS SECOND SESSION.

SENATE.

THURSDAY, *January 12, 1922.*

(Legislative day of Tuesday, January 10, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll and the following Senators answered to their names:

Ashurst	Hale	McKinley	Smith
Borah	Harreld	McLean	Smoot
Broussard	Harris	McNary	Spencer
Bursum	Harrison	Myers	Stanfield
Calder	Heflin	Nelson	Sterling
Capper	Hitchcock	Nicholson	Swanson
Caraway	Jones, N. Mex.	Norris	Townsend
Culberson	Jones, Wash.	Oddie	Trammell
Cummins	Kellogg	Page	Wadsworth
Curtis	Kenyon	Pepper	Walsh, Mass.
Dial	Keyes	Phipps	Walsh, Mont.
du Pont	King	Poindexter	Warren
Edge	Ladd	Pomerene	Williams
Fernald	La Follette	Ransdell	Willis
Fletcher	Lenroot	Robinson	
France	McCormick	Sheppard	
Glass	McKellar	Simmons	

Mr. CURTIS. I was requested to announce the absence of the junior Senator from Indiana [Mr. NEW] on official business.

I was also requested to announce the absence of the Senator from North Dakota [Mr. MCCUMBER], the Senator from Vermont [Mr. DILLINGHAM], the senior Senator from Indiana [Mr. WATSON], and the Senator from New Jersey [Mr. FRELINGHUYSEN] on official business.

Mr. HARRIS. I wish to announce that my colleague [Mr. WATSON of Georgia] is absent on official business.

The PRESIDENT pro tempore. Sixty-four Senators have answered to their names. There is a quorum present.

SENATOR FLETCHER ON TAX-EXEMPT SECURITIES.

Mr. RANSDELL. Mr. President, I ask unanimous consent to have printed in the RECORD a very timely and interesting article by the Senator from Florida [Mr. FLETCHER] appearing in the New York Journal of Commerce and Commercial Bulletin of the 3d instant entitled "Tax-exempt issues should be allowed. Proposal for constitutional amendment unsound." I ask that it be printed in 8-point type—the regular type of the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The article referred to is as follows:

[From the Journal of Commerce and Commercial Bulletin, Tuesday, Jan. 3, 1922.]

TAX-EXEMPT ISSUES SHOULD BE ALLOWED—PROPOSAL FOR CONSTITUTIONAL AMENDMENT UNSOUND—ARGUMENTS FOR ABOLITION OF PRIVILEGES OF STATES AND MUNICIPALITIES DO NOT EQUAL REASONS FOR THEIR MAINTENANCE.

(By Senator DUNCAN U. FLETCHER, of Florida, member Senate Committee on Banking and Currency.)

Proposal is made to amend the Constitution of the United States in order that holders of securities issued free from taxation in pursuance of State and municipal laws may be required to pay taxes on the income derived from such securities to the Federal Government.

The proposal is based on the claim that capital in large amounts seeks such securities in order to escape taxation, thus depriving industry of the benefits of financial support which would otherwise be furnished, and at the same time enabling large investors and capitalists to escape taxation, thereby denying to the Government the revenue they should contribute.

If these assertions were true, the case would be practically closed in favor of the proposed amendment.

But the arguments offered are challenged for the following reasons:

1. There is no proof that exempt securities outside of United States bonds are held in large amounts by men of large incomes. And who can say with certainty that investment by this class of investors—in United States bonds—is inspired more by a desire to escape taxation than by patriotic motives and safety.

2. Such amendment can not affect outstanding tax-exempt securities and therefore no increase of Federal revenue can come from outstanding issues.

3. The amendment would deprive States and municipalities from procuring future funds at a low rate of interest, and thus prevent development and progress in the way of essential public improvements.

4. The class of funds which go into tax-exempt securities comes largely from estate and trust funds, for the benefit of widows and orphans, by reason of the fact that the element of speculation (consequent from high interest rates) must be eliminated from such securities, the safety of the principal being the first requisite.

Again, capitalists will not, simply to escape a reasonable income tax, invest in securities paying from 4½ to 6 per cent when they are able to make many times this per cent by investing in some business or enterprise.

The income taxes now levied are not high for ordinary incomes and are more likely to be reduced than increased.

GREATER YIELDS AVAILABLE.

There are numerous, almost numberless, industrial, commercial, and business opportunities where the earnings will yield 10 per cent, with a possibility of 20 per cent, and the capitalist will not forego such undertakings merely for the certainty of 5 or 6 per cent.

Without questioning the dislike for taxes and the quite general desire to escape all kinds of taxation, placing the matter on the footing of self-interest, the capitalist generally looks for greater earnings and does not tie up his capital in low interest bearing securities, even though they are tax free.

Reference to the debates on the revenue law of this year, where actual incomes are stated—and if it were possible to obtain access to the records in the office of the Commissioner of Internal Revenue additional proofs could be had—show that a 5 or 6 per cent investment offers no inducement to those enjoying the dividends and profits arising from certain business ventures.

Take any financial journal and note the quotations on bank stock, bonds of foreign Governments, railroads, industrials, public utilities, stocks in certain corporations, to say nothing of investments not quoted, compare the total indebtedness, yielding income in the way of interest, with the amount invested in tax-exempt securities, and you find an answer to the argument that there is danger that a large portion of the money in the country is rapidly finding its way into nontaxable securities. The percentage is practically negligible.

Official figures of tax-exempt United States bonds and notes, of bonds issued by Federal and joint-stock land banks, of bonds issued by our insular possessions, also the census figures of State and municipal bonds, may be stated as follows:

Gross and net amounts of tax-exempt securities outstanding.

Date.	Gross amount outstanding.	Held by the Treasury.	Net amount outstanding.
Sept. 30—Prewar debt	$883,784,050	$742,570,890	$141,213,160
Sept. 30—3½ Liberty bonds	1,410,074,050	1,362,650	1,408,711,400
Sept. 30—3¾ Victory notes	557,251,600	196,000	557,055,600
Sept. 30—War savings securities	671,461,557	.....	671,461,557
Total Federal bonds	3,522,571,257	744,129,540	2,778,441,717
Oct. 31—Federal land-bank bonds	420,763,315	183,000,000	237,763,315
Oct. 31—Joint-stock land-bank bonds	77,705,000	.....	77,705,000
Philippine, Hawaiian, and Porto Rican bonds	70,000,000	5,458,000	64,542,000
State bonds, 1919	744,382,933	.....	744,382,933
City bonds, issued by cities with population of 30,000 and over, 1919	3,904,353,844	.....	3,904,353,844
Bonds issued by counties, cities, and all other civil divisions, 1913	6,600,000,000	.....	6,600,000,000

Exclusive of the Federal bonds, the securities mentioned are issued for the purpose of accomplishing some important public improvement or development or for productive purposes.

COUNTY FINANCING.

For instance, a county, after a vote of the people authorizing it, issues bonds in order to raise the money necessary to construct public roads. It is important that the bonds bear a low rate of interest and that they be sold at par, a small commission being charged by the broker marketing them. If the income derived from them is to be taxed, there will be difficulty in selling them, the interest rate will have to be increased, and the commission on their sale will be greater, or they must sell below par, thus indirectly increasing the rate of interest.

The investor who takes them really contributes to the public welfare as much by taking them at the low rate of interest as he would by taking them at a discount or at a higher rate and paying the Federal Government a tax on the income derived from them. The public derives the benefit of the tax-exempt feature rather than the investor. Without this feature it would not be possible to build roads, reclaim lands, construct water works and make public improvements where needed and most desirable, all of which is now being done from the proceeds of such bonds.

In many instances States will find it very difficult, if not impossible, to obtain their proportion of the $75,000,000 now available under the recent Federal highway act if the bonds issued to raise the funds necessary to match the Federal aid were not exempt from Federal taxes.

FEDERAL LAND BANK BONDS.

The argument against tax exemption will be applied to the Federal land bank bonds, which are now exempt from all taxation, the proceeds of which are loaned to actual farmers producing the Nation's food. If the purchaser should be obliged to pay an income tax on them it would be necessary, in order to sell them at par—and it is inconceivable that they should ever be sold at less—to increase the rate of interest, which would mean the farmer would have to pay this increase. Take away the tax exemption and you will have to remove the maximum interest charge of 6 per cent to borrowers now fixed by the farm loan act. Exorbitant interest charges and time prices have cursed the farmers of this country in the past. No other industry could have borne such burdens and survived. There can be no general prosperity unless and until the farmer prospers. We have a system provided by the farm loan act under which the farmers of the country are obtaining some financial accommodations on terms and rates they can meet. We want to improve and enlarge these accommodations. The bonds bear 5 per cent and sell at par. Five hundred million dollars have been furnished the farmers of the country under that system. If these bonds shall be taxed, or the income from them, it is inevitable that the borrowing farmer must pay it, which he can not do and prosper from the very nature of the business. The rate of interest on the bonds will have to be raised, and to that extent the interest the farmer must pay will be increased. The borrowers should pay not exceeding one-half of 1 per cent more than the bonds bear.

Private interests wish this done for reasons there is not space to discuss here. They always opposed the requirement in the farm loan act that these bonds should be exempt from all taxation.

Their opposition has led up to, if, indeed, it did not originate, this idea of taxing all securities.

I am unalterably opposed to disturbing this tax-exempt feature of farm loan bonds as interpreted by the United States Supreme Court.

Even now the Farm Loan Board claims that the public will not absorb more than $150,000,000 annually of these bonds. That sum does not half supply the demands of the farmers of the country. Another proof that capital is not overdoing it in looking for tax-free securities.

We sorely need more investors, more money to take more of these nontaxable bonds. Let it come. Why discourage it?

EFFECT ON LOCAL TAXES.

To do away with tax-exempt securities as proposed means an increase in interest rates and consequently increase in taxation by State and local governments to meet additional interest charges, or else the abandonment of public improvements under local authority and the discontinuance of progress in the betterment of social life.

Even if the proposed amendment should receive the required vote of Congress, I do not believe a sufficient number of States would ever ratify it.

As the ability to tax is the ability to destroy, States and municipalities are not likely to accord to the Federal Government the right to throw obstacles in the way of the procurement of capital which they consider sufficiently essential to their own prosperity as to exempt it from taxation. They will reasonably contend that local opinion should govern as to their own requirements and that the present is a wise provision of the Constitution which prohibits such interference by the Federal Government and restrains it in the grasp for additional power.

The considerations herein mentioned may well cause us to emphasize the caution contained in the President's address to Congress of December 6, 1921, to wit:

> Such a change in the Constitution must be very thoroughly considered before submission. There ought to be known what influence it will have on the inevitable refunding of our vast national debt, how it will operate on the necessary refunding of State and municipal debt, how the advantages of Nation over State and municipality, or the contrary, may be avoided.

Is it possible that international bankers would like to remove these tax-free securities from competition with the enormous offerings of foreign bonds they handle?

There is almost scandalous propaganda to induce the cancellation of debts due the United States by countries, some of which are claimed to be bankrupt, but these bankers do not hesitate to unload on the American public the bonds of these so-called insolvent countries at any figure they can get from 25 cents on the dollar up. Is there a reason why these people should favor taxing American securities now exempt? I am inclined to think there is some ulterior purpose behind this movement which I have been unable to fathom.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented a resolution adopted at a mass meeting of patients of the United States Public Health Service Hospital No. 61, of Fox Hills, Staten Island, N. Y., protesting against the enactment of House bill 8928, the so-called Lehlbach reclassification bill, which, among other things, places nurses under the institutional grade instead of in the professional grade, etc., which was referred to the Committee on Civil Service.

He also presented a resolution adopted by the Yale Forest School Alumni Association, of New Haven, Conn., protesting against the proposed transfer of the Forest Service from the Department of Agriculture to any other department, which was referred to the Committee on Public Lands and Surveys.

He also presented a memorial of Putnam Hill Chapter, Daughters of the American Revolution, of Greenwich, Conn., remonstrating against the enactment of legislation commercializing the national parks or monuments, which was referred to the Committee on Irrigation and Reclamation.

He also presented a telegram in the nature of a petition from members of A. E. F. Post, No. 320, Veterans of Foreign Wars, of New Haven, Conn., praying for the passage of a soldiers' bonus bill, which was referred to the Committee on Finance.

He also presented a memorial of John Gilbert Son Co., of New Haven, Conn., remonstrating against proposed increased rates of duty in the pending tariff bill on shelled almonds, shelled walnuts, and shelled filberts, which was referred to the Committee on Finance.

He also presented letters, telegrams, etc., in the nature of memorials of Corporal Frank Coyle Post, No. 1, the American Legion, and Wheeler-Young Post, No. 201, Veterans of Foreign Wars, both of Waterbury; and Frank S. Butterworth, chairman State fund committeee, Department of Connecticut, the American Legion; the New Haven Memorial Association, and Westville Post, No. 39, the American Legion, all of New Haven, all in the State of Connecticut, remonstrating against the transfer of reserve corps officers, United States Public Health Service, to civilian status, which were referred to the Committee on Finance.

He also presented three petitions of 467 employees of the E. Ingraham Co., of Bristol, Conn., praying for inclusion of the American valuation plan in the pending tariff bill, so as to better enable manufacturers to meet foreign competition and maintain the American standard of living for employees, which were referred to the Committee on Finance.

He also presented the petition of William A. Countryman, of Hartford, Conn.; Fabian J. Rouke, of Boston, Mass.; and Clifford H. McLain, of Miletus, W. Va., alleging the grievance of taxation without adequate representation, and praying for an amendment to the Constitution of the United States providing that Representatives shall be apportioned among the people according to the actual number of persons voting at the last preceding election of President of the United States, which was referred to the Committee on Privileges and Elections.

Mr. SHORTRIDGE presented a resolution adopted by the Men's Club of Washington Township, of Centerville, Alameda County, Calif., favoring the enactment of legislation imposing a higher protective tariff on sugar imported into the United States, especially from Cuba, which was referred to the Committee on Finance.

Mr. JONES of Washington, presented a petition of sundry citizens of Walla Walla, Prescott, and Huntsville, all in the State of Washington, praying for the recognition of the Irish republic by the Government of the United States, which was referred to the Committee on Foreign Relations.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 2956) fixing the site and authorizing plans and estimates to be prepared for an office building for the General Accounting Office of the United States; to the Committee on Public Buildings and Grounds.

By Mr. FRANCE:

A bill (S. 2957) to authorize the Comptroller of the Treasury to consider the claim of Col. Thomas B. Dugan; to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 2958) to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1913"; to the Committee on Indian Affairs.

By Mr. STANFIELD:

A bill (S. 2959) to authorize the improvement of the Oregon Caves in the Siskiyou National Forest, Oreg.; to the Committee on Agriculture and Forestry.

By Mr. WADSWORTH:

A bill (S. 2960) for the relief of Arthur A. Padmore (with accompanying papers); to the Committee on Claims.

By Mr. CALDER:

A bill (S. 2961) to carry out the findings of the Court of Claims in the case of Arthur E. Colgate, administrator of the estate of Clinton G. Colgate, deceased; to the Committee on Claims.

AMENDMENTS TO TARIFF BILL.

Mr. SMOOT submitted two amendments, intended to be proposed by him to House bill 7456, the permanent tariff bill, which were referred to the Committee on Finance and ordered to be printed.

EXPENSES OF CARSON CITY (NEV.) MINT.

Mr. ODDIE submitted an amendment proposing to appropriate $2,100 for salary of assayer in charge and $1,500 for salary of assistant assayer of the Carson City (Nev.) Mint, also for wages of workmen and other employees, $900, and for incidental and contingent expenses at said mint, $900, intended to be proposed by him to House bill 9724, the Treasury appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

MICHIGAN SENATORIAL ELECTION.

The Senate resumed the consideration of Senate resolution 172, submitted by Mr. SPENCER, November 15, 1921, declaring Truman H. Newberry to be a duly elected Senator from the State of Michigan.

Mr. McKELLAR. Mr. President, I propose to take only a few moments of the Senate's time this morning in the discussion of the Newberry case.

I wish to say at the outset that I have no personal animosity of any kind, nature, or description, toward the sitting Member in this case. Indeed, I regret very much that the facts of the case are such that I can not vote to seat him. I would much prefer to vote for a sitting Member rather than to vote against him. Senator Newberry is a most delightful and pleasing gentleman, always affable and agreeable, and I imagine that practically every one who feels compelled to vote against him feels about it as I do and would very much prefer to vote for him rather than against him. It is an unpleasant task, but a compelling sense of public duty requires that I cast my vote against him.

Mr. President, the facts in the case are such that it is difficult for me to understand how any Senator, if he has read the facts in the record, can vote to have Mr. Newberry retain his seat here. Regardless of the various technicalities which have been urged in his behalf, regardless of the ways certain facts have been seized upon to establish his excuses, we are confronted with the bald proposition of fact that Senator Newberry simply bought his seat. When I say that, I think I am absolutely within the record, and I think it can be demonstrated that this is simply a case of the purchase of a seat in this body.

Why do I say that? Let us look for a moment at the surrounding facts. Senator Newberry had never been particularly active in Michigan politics. He had never rendered any great service to his party or State there. The witnesses testified that there were hardly a thousand voters in the State who knew him when he started his campaign. By reason of his being in the Navy, he was outside of the State and had no opportunity to meet the voters. He had never rendered any such service to the country that the people of the State would rise en masse on his account and put him in a great office of this kind. He had never held a State office. He had spent his life in accumulating money and not in making political friends. He had, indeed, been in the Navy Department for a short time, but this service did not bring him in contact with the voters of Michigan.

What were his claims to office? What had he done in Michigan for the Republican Party that would entitle him to a nomination to this high office? He had received more at the hands of the Republican Party in a national way than he had ever given. There was no commanding reason why he should have received this great honor while absent from the State. There were probably 10,000 Republicans in Michigan better known than Mr. Newberry. Mr. President, there was but one reason why he did receive the nomination and this seat in the Senate, and that was his money. His money was the only political asset he had, but he had that in abundant measure. He could not have counted on his oratory, because he states himself that he was never a public speaker. He could not have counted on his friends, because, upon the undisputed evidence, he had less than a thousand in the State. He did not know that many, whether they were for him or not. Less than 1,000 out of a population of 3,000,000.

In the very beginning, as one of the witnesses testified, Mr. Newberry was hardly known to a thousand men in that State. He had but one reason to believe that he would be known, and that was a proper distribution of his money. It was a question of money from the beginning. Does anybody claim that Mr. Newberry was popular in Michigan? Does anybody claim that he had performed such service for the people of Michigan that they would reward him in this way? Does he himself make the claim? All of those who are familiar with his record know that he never held any kind of public office in Michigan. He was Secretary of the Navy for four or five months, but he had never done anything while occupying that position which would entitle him to come to the Senate.

Mr. President, as I look into the facts as they appear in the record, I think I can depict just what went on in Senator Newberry's mind at the time he first entertained the project of running for the Senate. He planted his desire to become a Senator of the United States from Michigan solely on the power of his money by a proper distribution under skilled management to bring him here. It was upon no other ground. As Senators, we all know that but for his money he would never have come to this body, and therefore the question before us is, Are we going to permit any man to purchase a seat in the Senate? It is the only question in the case. He virtually admits now that his office was bought and paid for, but gives as an excuse that he did not know it.

Mr. President, this does not excuse him. Ignorance of the law does not excuse. When the junior Senator from Michigan was about to become a candidate for the office he was told in the very beginning by his campaign manager that it would cost $50,000; he was told, as stated before, that he was hardly known to a thousand voters in the State of Michigan; he was told that it would take money, money, money, to bring him here. That was immaterial to him, for he had all the money that was necessary; and no question was raised about the amount of money being expended until the newspapers in July, 1918, began to call attention to the extravagant use of money and to refer to it as a national scandal. Then the question of money was again brought to the attention of Mr. Newberry; and he called his campaign manager over the telephone and complained of the use of money; but he did not stop it. He not only knew this money was being expended but he actually complained of the expenditures while they were going on. Why did he complain if it was not his money? Why did he complain of it if he did know it was being expended, as he stated in his affidavit? Of course he knew all about it.

He had 30 days within which to tell his campaign manager, "We will not buy this election"; but he did not do it. He stood mute for those 30 days while he knew that money was being lavishly spent. Therefore it does not lie in his mouth or in the mouth of those who would vote to seat him here that, under those circumstances, he did not know that these enormous amounts of money were being spent in his behalf. Of course he knew.

Now, Mr. President, I want for a moment to take up Senator Newberry's speech which was delivered here a day or

two ago. I read from page 963 of the CONGRESSIONAL RECORD, as follows:

I am here in my right as a Senator to give the facts, and nothing more.

* * * * * * *

It is perhaps unnecessary for me to say that I shall confine myself strictly and entirely to the facts as I know them to be and shall not attempt in any sense, either by argument or by appeal, to affect in the slightest degree the judgment of this body. As far as I am concerned, I desire that the facts as they are shall determine this matter.

Oh, Mr. Newberry, are you not a little late in talking about the facts in this case? You had two wonderful opportunities to talk about the facts when, if they had been favorable to you, they would have exonerated you. The first opportunity you had was when a jury of your peers in Michigan were trying you upon the facts in this case and you did not appear to testify. You offered no facts to that jury; you declined to come before that jury, and suffered a conviction and a sentence to the penitentiary. Do you not know what that indicates? If Mr. Newberry had known the facts that would have exonerated him, do we not know perfectly well that his able and splendid counsel would have put him before that jury and have let him explain those facts at that time? We all know that beyond the peradventure of a doubt. Why close our eyes to it?

Then, again, when the Supreme Court had reversed the decision of the trial court, solely upon constitutional grounds and not upon the facts, Mr. Newberry was given another chance to tell the facts for the benefit of his colleagues. The Senate committee investigating the case was overwhelmingly for him; I doubt if any Senator in the minority even felt otherwise than that he would be glad to seat him if the facts warranted it; but Mr. Newberry did not go before that committee; he did not ask to go before it; his learned counsel did not ask that he go before it, though they were there. He suffered the case to come to the Senate, without being willing to go before a committee of his own colleagues, a large majority, eight to five, being those of his own political party. He declined to give such a committee the facts. He knew no new facts Tuesday that he did not know when tried by jury or when tried by the committee. What can we say actuated him? We know what actuated him.

We know that if he had the facts within his knowledge, which facts would exonerate him, he would have made this case clear to his colleagues; he would have gone before the committee and given those facts to them. A day or two ago, on the 9th day of January, he came before this body and stated that he wanted to give the facts to the Senate in open session. Does not Mr. Newberry's statement come a little late, Senators? It will be recalled that he only came here after it had been published in the newspapers that a number of Republican Senators were going to vote against him unless he came before the Senate and made a statement that would exonerate him. He came here under this compulsion; he appeared before the Senate only after he knew that he would be defeated unless he did come before the Senate and make a statement. So he took advantage of neither of the two occasions offered to him voluntarily to make a clean breast of all the facts, and it was only when he was compelled by a statement widely published in this country that he appeared on the floor of the Senate and made the written statement to which I have referred and in which he talks about the facts and the facts as he would give them.

Now, Mr. President, I desire to read again from this very remarkable speech of the junior Senator from Michigan. In speaking of Mr. King, his manager, Senator Newberry said:

He came to New York and we had a brief interview there. We did not discuss, even indirectly, a single detail of the campaign. I recall that during the conversation had at that time Mr. King, in answer to a question as to how much it had cost the friends of Senator TOWNSEND, whose campaign Mr. King had managed, said it had cost approximately $20,000, and added that in view of the situation then existing in Michigan he thought it would cost my friends approximately $50,000 to make a comprehensive and successful campaign.

Yet with the knowledge at the outset that the campaign would cost at least $50,000, with the knowledge subsequently that the expenditure of money in that campaign was so great that it had caused a national scandal, Mr. Newberry, when his seat was bought and paid for and apparently given to him, had this to say in his report to the Secretary of the Senate:

The campaign for my nomination for United States Senator has been voluntarily conducted by my friends in Michigan. I have taken no part in it whatever, and no contributions or expenditures have been made with my knowledge or consent.

Oh, Senators, when Mr. Newberry comes before this body and says that he wants you to decide his case upon the facts, how can you keep from considering the undisputed fact that he knew $50,000 were going to be spent in the beginning, and that so much more was spent that it had become, according to Mr. Newberry himself, a scandal in the newspapers; and yet he says not a dollar was spent by anybody with his knowledge or consent. There is not the slightest question that he both knew of these expenditures and not only consented to them but approved them, and is now claiming the benefit of the same expenditures.

Did he consent when Mr. King told him the campaign would cost $50,000? Did he have knowledge when Mr. King told him the campaign would cost $50,000? Did he know and did he consent to the expenditure when so much money was being expended that it became a stench in the nostrils of every decent newspaper and man in this country? He accepted the office thus bought, and yet he filed an affidavit—and mind you, Senators, the affidavit constitutes the only statement under oath that Mr. Newberry has made—setting forth that—

No contributions or expenditures have been made with my knowledge or consent.

Is that the fact? Is there a Senator here—and I am going to stop long enough to have an answer—who believes that that statement is true? No one rises to answer.

Mr. OWEN. Mr. President——

Mr. McKELLAR. I yield to the Senator.

Mr. OWEN. The Senator seems to forget that it was necessary to make these expenditures, for Mr. Newberry said to the Senate in his address that it was necessary to make them.

Mr. McKELLAR. Of course he says it was necessary to make them. It was the only possible way he had of coming to the Senate. But he says in his affidavit that not a dollar was spent with his knowledge or consent, and yet the undisputed fact is that there were expended in the neighborhood of at least $200,000, and if the truth were known the sum was probably several times that amount. Are we going to establish the precedent that hereafter a man, even though he may not be in the State, can by the expenditure of $200,000 to $800,000 purchase a seat in this body? If we do, then indeed this body will soon become a millionaires' club. There are many men in every State who will be able to pay such sums, corrupt the electorate, and become Members of this body. Men who, like Mr. Newberry, have no particular qualifications for the office other than great wealth will sit here. Mr. President, such a condition will mark the decay of this great Republic. If we seat Mr. Newberry we will establish such a precedent. I repeat, it is undisputed that $200,000 were spent in his campaign, and there is little doubt that the sum expended was largely in excess of that amount. What rule are we establishing when we seat Mr. Newberry? We are establishing the rule that popularity, service to the people, desires of friends, fitness for service are no longer a requisite for a man to have a seat in this body. All these count for nothing as against the one requisite of having money. All that he has to do is to put up from $200,000 to $800,000 and buy his seat; and we establish the further rule that that is a reasonable sum for any gentleman to pay for a seat in the United States Senate. Are we going to establish that rule?

Oh, but it is said that Senator Newberry did not purchase this seat himself!

Senators, we know what happened just as well as if we had been there. We are all men of the world in this body. We are familiar with conditions. Now, what happened? Let me recount to you from the record, just for a moment or two, what actually happened when Mr. Newberry became a candidate for this high office in the winter or spring of 1918.

He knew he did not have popularity. He knew he had done no great service to the people of Michigan or to the Republican Party that entitled him to this nomination. He knew less than a thousand people in Michigan; only a small portion of these were his friends. He knew that he had but one means by which he could become a Member of this body, and that means was money, and that he had the money. There were two obstacles in this money path, this golden path of Truman Newberry, to the United States Senate, the goal of his ambitions. One was the little obstacle of a corrupt practices act that Congress had passed, and very properly passed, limiting to $10,000 the amount which might be expended in both primary and regular election. The other obstacle was the $3,750 limitation imposed by the statute of Michigan.

How were these to be overcome? Why, the means adopted were perfectly simple. Mr. Newberry interposed no demurrer when Mr. King told him it would cost $50,000. That was all right. That was entirely agreeable to Mr. Newberry. There was no suggestion that he never knew where the money was coming from; and it turns out that Mr. John S. Newberry, his brother, nominally put up the money in large part. Mr. John S. Newberry, as it turns out, had given Mr. Smith a power of attorney to draw on his account. Mr. Truman Newberry had also given the same Mr. Smith a power of attorney to draw

on his account; and the plan was perfectly simple—that the money for the campaign was to be drawn nominally out of Mr. John S. Newberry's account, and then made good out of Mr. Truman Newberry's account.

Does anybody, under the facts as they appear in the record, doubt that statement? Under the facts as stated by the witnesses, under the failure of the sitting Member to controvert those facts, can it be doubted in the slightest that those were the facts? Why, we know that they were the facts.

Here were the two reasons: Here was the Michigan statute, here was the congressional statute, both in the way. They had to be gotten around, and Mr. John S. Newberry's account was used as the vehicle by which they could be gotten around. Mr. Truman Newberry was eventually to pay the expenses of the campaign. Read Mr. John S. Newberry's testimony, and you can come to no other conclusion. Why, Mr. John S. Newberry is one of the most illuminating of all of the witnesses:

"Mr. Newberry, how did you happen to contribute this large sum to your brother's account?

"Well, I liked my brother.

"Did you ever talk to him about it?

"No, sir.

"Did he ever talk to you about it?

"No, sir.

"Did you ever talk to his campaign manager about it?

"No, sir.

"Did you ever talk to any of his friends about it?

"No, sir.

"Did you know how you were to put it up?

"No, sir."

This was the substance of John Newberry on this subject. Here was the brother of the candidate putting up confessedly $100,000 or more on the books, and yet he had never been asked to do it, and never told anybody he was going to do it; he never talked to his own brother about it; he never had any interest in the campaign!

Is not that a remarkable proceeding? One hundred thousand dollars may be very little to the Newberrys.

"Did you keep an account of it?

"No, sir.

"Did you ask your secretary, Mr. Smith, who had your power of attorney to draw on it, how much it cost?

"No, sir.

"Did you put any limit on him?

"No, sir.

"He had the right to draw on your account for $100,000?

"Yes, sir.

"If it had been a million dollars, he could have drawn on it?

"Yes, sir.

"And you have not asked any report of him?

"No, sir."

This is the substance of his testimony. Do reasonable men do that? Is there any man on earth who believes that those were the facts? If there is any Senator so gullible as to believe that the facts happened that way, he ought not to be a Member of this body. He ought to be removed for other reasons which I need not state.

Can anybody believe it? Why, of course, there is no man acquainted with the facts who can believe that. Of course there was an arrangement, and Mr. Smith himself gives you the key to the arrangement, because he said that afterwards, when Mr. John S. Newberry's account ran down, when his drawing on it for these expenses forced it down, he simply drew on Mr. Truman Newberry's account to make it good. Can that blind anybody? Is there any Senator who thinks that under those circumstances this money was paid out by John Newberry? The jury in Michigan found there was a conspiracy to purchase this election. Can any doubt the justice of this finding?

Senator Newberry now says that none of his money was paid out with his knowledge or consent; like his brother, he has never examined into it. He did not even say that he had examined it. I have no doubt that if his testimony were taken he would not know himself where those papers were. Just like his brother, he never asked any accounting of his agent. He told his agent what to do for him. He never asked any accounting. Neither of them has ever asked any accounting of Mr. Smith, their joint agent. Where are the papers? Where are the canceled checks? Where are the books? They are lost. They conveniently disappear.

Senator Newberry says he wants this case settled on the facts. Why does he not give us the facts? Mr. Smith's checks on Truman Newberry's account, Mr. Smith's checks on John Newberry's account would show absolutely what the facts are. Why did he not bring them here? He had the most learned counsel in this country to represent him. Why did he not bring those checks here and show them to the Senate?

My friends, those of you who are going to vote to seat Mr. Newberry, did you ever think of what he is asking you to do? He is asking you, upon your oaths of office, to seat him when he is not willing to say upon his oath what the facts are. Is not that asking a good deal of you?

Take it to yourselves. When you act to-day, if this question comes to a vote to-day, you act upon your oaths. You are not acting upon his oath. He has declined to give you his oath. The only oath that he has given you is this marvelous oath which says: "No contributions or expenditures have been made with my knowledge and consent." Can you cast your votes as Senators upon that remarkable statement made by the sitting Member?

Mr. President, we know what happened just as well as if we were there. This arrangement was made between Mr. Newberry and his brother that the funds primarily were to be drawn out of Mr. John S. Newberry's account and then placed back there by this common agent, Mr. Smith. We are indeed blind, we are indeed ignorant of this record, if we contend that there is any other conclusion to be drawn from this record.

I want to read you again from this statement of the sitting Member. He says he did not know what was being done. He comes here and pleads ignorance. He pleads ignorance of the law and ignorance of the facts. Can that be sustained by this record. No. He admits and the evidence shows that he knew all that was going on.

Speaking of Mr. King again, he says:

> He kept me constantly informed as to the progress of the campaign, in which I was, of course, keenly interested. On one or two occasions questions of policy were discussed between us, and in each instance the judgment of Mr. King controlled.
>
> As I recollect the facts, in one or two instances his action was the exact opposite of what I felt was the best thing to be done. I do not mean to say that I did not know generally what was going on in Michigan.

Listen to that!

> I do not mean to say that I did not know generally what was going on in Michigan. I had constant knowledge, as far as information was concerned, regarding the progress of the campaign, but I had no direct participation in it.

Oh, Senators, just read this record, the last 200 pages of which contain daily reports from Mr. King, the active manager of Mr. Newberry's campaign in Michigan to Mr. Newberry himself. Mr. Newberry was conducting his campaign through Mr. King. Have we any evidence that any committee conducted it? Is there the slightest statement anywhere that a committee of business men or any other committee conducted it? Mr. King, from the moment he was employed by Mr. Newberry himself in New York, reported only, according to this record, to Mr. Newberry.

He did not report to any committee anywhere at any time; and yet Mr. Newberry, in the only oath he has made in this case, says that he had no participation in this primary election and that the primary was conducted by a committee of his friends in Michigan.

Mr. JONES of New Mexico rose.

Mr. McKELLAR. Just one moment.

Mr. President, Mr. Newberry says he had no participation in this campaign. According to him it was conducted while he was out of the State. He did not make any personal canvass. He did not know enough people in Michigan to make a personal canvass. He says he could not have made it anyhow. He says he is not by nature a public speaker. He did not know the people, he never had come in contact with them, and yet he gets this enormous number of votes in Michigan, for what reason? Ah, Mr. President, for one reason, and one only, and that is Mr. Newberry's gold. His money—money, money, nothing but money—produced that result in Michigan; and there is not a Senator who can even blind himself into believing anything else. In his heart of hearts every Senator here knows that it was Mr. Newberry's money that purchased this seat in the United States Senate.

Mr. JONES of New Mexico. Mr. President——

Mr. McKELLAR. I hope the Senator will be brief, because my time is nearly exhausted.

Mr. JONES of New Mexico. I simply want to call the attention of the Senator to a statement which Senator Newberry made in his address to the Senate, which I think modifies the affidavit to which the Senator from Tennessee has referred. Senator Newberry undertook to detail the circumstances under which that affidavit was made, and he said that—

The form of report furnished by the Senate under the act of Congress then supposed to be in force—but which has since been declared to be void—called for a full, correct, and itemized statement, under oath, of all campaign contributions, names of contributors, all expenditures, and the purposes for which the expenditures were made.

Then he made this significant statement:

I had not the knowledge required to make such a verified report.

Mr. McKELLAR. Mr. President, if the Senator will excuse me, I am not talking about formal statements; I am talking about what he said about lack of knowledge. I am talking about what he wrote with his own hand in that statement, under oath. He said that these expenditures were not made "with my knowledge or consent," and that is the issue I have with Senator Newberry. Senator Newberry said he learned of these expenditures late in the campaign, with absolute amazement. He has known about them ever since. Has he offered to resign and go before the people of Michigan and let them determine whether he was right or not, whether he was correct in the use of money, whether he had spent an unusual amount? He has not done it. I feel sorry for Senator Newberry, or for anyone who is placed in the position in which he has been placed. It is a very embarrassing position. He admits in the speech that it is a very embarrassing position. I say that he knows now what the facts are. A 10-year-old child reading this record could not blind itself to the evidence contained in the record. Under these circumstances, there is but one thing for Senator Newberry to do, and that is to resign his place in this body. He should have resigned long ago, but surely now, when it must be evident to him, when he says that the expenditure of that money in his behalf did not meet his approval, that it was entirely too large an amount, and that he was struck with amazement, how can he do anything else but resign? Under these circumstances, how can an honest man right the wrong which has been committed in his behalf otherwise than by resigning his place, and if he feels, and the people of Michigan feel, that he has been unjustly treated, let the people of Michigan send him back?

There is no reason why that course can not be pursued. It is the only honorable course for him to take at this time. With all the facts staring him in the face, with full knowledge that this enormous sum of money was spent, with full knowledge of his lack of popularity, or of even knowledge of the people, with full knowledge of his lack of peculiar qualifications for the office, with full knowledge that he had never done anything for the Republican Party or for the people of Michigan that would entitle him to this great place, there is but one thing for him to do, in honor to himself and to the country, and that is to offer his resignation as a Senator to the governor of Michigan.

Now, I want to call attention a little further to Senator Newberry's statements in the speech he made on Monday. He said:

It is and always has been my understanding that in so far as the primary in Michigan is concerned, if the cost is not borne by the candidate himself, the committee in charge of the campaign may spend whatever amount it pleases for the 11 enumerated objects which are set forth at length in the Michigan primary law. I therefore assumed from the start, and I still believe, that the law was carefully obeyed by this independent committee, which had the campaign for my primary election in hand.

Is that correct? He knew from the start of these expenditures of money, he said. Has he ever examined into them, so far as this record shows? Has he ever told his colleagues in this body what the facts are? Has he ever shown that they come within the 11 exceptions? Is there any detailed statement of any kind that indicates it? There is not a line. The books and papers are all in the hands of Mr. Newberry and his friends. If his statement is a correct statement, why did he not produce the books and papers, and put it beyond the controversy? Do not Senators know he would have done that if the statement had been true? Do they not know that if the right of any Senator to his seat were challenged and he had the evidence which would exonerate him, he would produce that evidence to his colleagues?

If my distinguished friend from Montana or from Oklahoma or from any other State had the right to his seat in this body challenged, and he had evidence of facts on record—checks, books, accounts that would exonerate him—do not Senators know that he would submit them to the Senate, and do they not know that Mr. Newberry would have submitted them if they had been favorable to him?

Under all this public pressure, under all the facts which have been brought out, is it possible that he would not have brought them if they had been favorable to him? Of course, it is not possible that he would not have done it.

This is what he said as to the campaign fund:

As to the campaign fund, the question of its acquisition or of its expenditure was never called to my attention by anyone connected with me or the campaign committee; and when I stated that no money was spent with my knowledge or consent, I endeavored to convey the same impression which I now endeavor to make clear, namely, that as for myself I was spending no money, and that I knew nothing about the expenditure of money in the campaign.

I wonder what Mr. Newberry's opinion of his colleagues is when he makes such a statement as that in the face of this record? Is it possible that Mr. Newberry can believe for a moment that any man in this body can take that statement as true? It is an astounding thing to me if he thinks that anyone could take that statement as true. He says that he knew nothing about any expenditures being made for him. Is it his idea that a man wholly unknown to the people of his State, living outside of the State, can make such a campaign as this, employing the most splendid campaign managers in every county in the State, all reporting to him daily, and that a campaign like that can be carried on without the expenditure of money by some one? Is there a man in this body who believes that? If there is, I would like to have him stand up and say that he believes it. I note that no one stands up.

I can not conceive how any man, in the light of this record, could believe it, and yet Senators are going to say they believe it if they vote to seat Mr. Newberry. There is no other answer to the question than that you believe that he had knowledge of these expenditures. Yet here are 200 pages of printed record, containing letters passing between him and his campaign manager, Mr. King, filled with evidence of his knowledge of everything that was going on, and in another part of this specious argument that was made Mr. Newberry admits that he knew everything that was going on in that campaign.

Senators, take it to yourselves. Let us take the case of a campaign made by the distinguished Presiding Officer—Mr. CUMMINS in the chair—known and loved by us all, known and loved by a tremendous majority of the people of Iowa. He has been in this body, I believe, for nearly four terms. Suppose in the primary an active, vigorous, determined, able candidate challenged his seat. Would he sit here and leave the whole matter to a committee of his friends and not go into Iowa during the campaign? I do not believe it. He had some such experience, as I recall, earlier in his political career.

Every Senator knows that he can not get by that way. If the candidate does not go and take some interest in his campaign, there is no other way it can be managed except the way in which Mr. Newberry managed it, and that is to buy the votes to be cast for him. With all the popularity of the senior Senator from Iowa, with his long service, he being known practically to every voter in his State, if an active opponent came out in a primary against him, he would not take the course which Senator Newberry took.

How much greater is the probability that Mr. Newberry could not have taken that course except for one controlling cause, and that cause was money? Mr. President, I do not believe that Mr. Truman Newberry, known only to a thousand voters in his State, would have gotten 2,000 votes in his State for the nomination if it had not been for his money. Is there a Senator who believes he would have gotten more without the use of money? I would like to have him rise in his place and say he believes he would, if he does believe it. I note again that no one rises.

We know that money came into the campaign, and certainly came by devious ways, by secret ways; we do not know where it came from exactly. The greater part of it was charged to an account and the account is not produced. If there is no justification than the expenditure of money for his having obtained this nomination, can anybody believe that we ought to seat a Senator elected under those circumstances? I do not, and however we may vote, under whatever party pressure, political pressure, or any other pressure we may operate in arriving at a conclusion, we know in our heart of hearts, just as Senator Newberry knows in his heart, that this election was bought and paid for. We know it. He knows it. No power on the face of the earth could have kept him from going before that jury in Michigan if he had not known that his seat was bought. No power on the face of the earth could have prevented him from going before the Committee on Privileges and Elections of this body if he had not known that his seat was bought. No power on earth could have prevented him from bringing forth the canceled checks, bringing forth the account of expenditures, and bringing forth the books if he had not known that they would show beyond the question of a doubt that he had purchased his seat.

Oh, Mr. President, this great body can not afford to have the election of its Members brought about in this debauched and venal way. We owe it to ourselves, we owe it to our country, we owe it to an upright morality in this country, to do our duty. However hard it may be on personal grounds for some of us to vote against Mr. Newberry, on the uncontradicted facts in this

case we owe it to ourselves and to this body to vote to declare his seat vacant.

Now, Mr. President, one other word and I am through.

As to the campaign fund—

Said Mr. Newberry—

the question of its acquisition or its expenditure was never called to my attention by anyone connected with me or the campaign committee.

He does not say that he called it to the attention of Mr. King, which is the fact, and complained that too much money was being spent and wondering when it was going to cease. He did not say that the newspapers of his State and the newspapers of the country were calling the expenditure of money in his behalf a National scandal and a State scandal. He goes on to say—

and when I stated that no money was spent with my knowledge or consent, I endeavored to convey the same impression which I now endeavor to make clear, namely, that as for myself, I was spending no money, and that I knew nothing about the expenditure of money in the campaign. I want to make this point just as strong as I am able to do, because it has been hinted that money which was contributed, without my knowledge or consent, by relatives and friends of mine, was subsequently, in some way, directly or indirectly, repaid by me, or was to be repaid by me. There is not even a shadow of truth or the slightest foundation for any such statement. I did not know what amounts were given to the campaign. I did not know by whom these amounts were given. I did not know either their source, their amount, or their use. I have never agreed, either directly or indirectly, to repay, or in any way to reimburse such contributions, either in whole or in part, nor have I, directly or indirectly, repaid or reimbursed such contributions, in whole or in part. I have never made any agreement to do so, nor have I any intention of so doing.

Ah, Mr. President, that ought not to be left to doubt and uncertainty. Mr. John Newberry testifies that he never looked into these accounts to see who paid them, and never required an accounting from Mr. Smith. The one way for Senator Newberry to put it beyond question in this body was for him to produce the canceled checks and the books and the bank books which were all under his control and which he did not produce. That was the only way to make it clear. He did not see fit to do it. Therefore he must bear the burden of not producing the evidence.

His right to his seat has been challenged since he took it. Why did he not make it clear? He and his agents are the only ones who could do it. He has had ample time. He has ample time now, if those books and papers and checks substantiate his position and prove it. All he needs to do is to rise in his place here and ask that the matter go back to the committee for that purpose. No one will object to that. He can make it beyond doubt and beyond cavil and beyond question if the facts are as he stated them. There can be no doubt about it being in his power to give the Senate the absolute facts. Has he done it? Has he offered to do it?

Do not you gentlemen who expect to vote for him to retain his seat in this body want to know something more about it than you know now? Would you not like to know how much money John Newberry actually contributed and how much was placed in John Newberry's account from Truman Newberry's account? That is a vital question, as to whether Mr. Newberry himself spent any money or not. There is no way to establish the facts except the production of the books and checks. Only Mr. Newberry can produce them. He has not done so. If he does not know anything more about this financial business than his brother John Newberry knew, who states he does not know anything about it, then he is woefully ignorant. John Newberry swore he had never examined into the expenditure of this money and he did not know what had become of the checks, never asked for an accounting from his own agent, though $100,000 was admittedly paid out. How can we believe statements of this kind made in the presence of the undisputed facts?

Mr. President, for these reasons it is impossible for me to vote to seat Mr. Newberry.

This body has fixed a rule as to expenditures in campaigns by candidates for the office of Senator of the United States, which the Supreme Court has declared to be unconstitutional as far as primaries are concerned. We fixed that rule believing it was a right rule, that it was the rule of conduct for the Senate, and the very opinion rendered by the Supreme Court said that while it was unconstitutional in so far as that court is concerned and they could not pass upon it, yet under the Constitution this body had the right to pass on the question. The virtual meaning of the decision of the Supreme Court in the Newberry case is that it declared that under the Constitution it had no right to remedy this wrong, but that under that same Constitution the Senate of the United States had the sole and only right to remedy the wrong.

Are we going to shirk our duty as laid down by the Supreme Court of the United States? Are we going to shirk our duty and not comply with the rules this body itself has fixed? Though the Supreme Court holds that primary elections are not a part of the Federal machinery, yet it holds that the Constitution provides that the Senate of the United States can pass upon the qualifications of its own Members, and therefore no harm can be done. They have simply passed the question from the Supreme Court of the United States to the Senate of the United States. Will the Senate do its duty or will it obey some servile, extraneous influence and seat this Member?

Mr. President, in my judgment Mr. Newberry's seat should be declared vacant and the matter referred back to the people of Michigan.

Mr. MYERS. Mr. President, I assume that this debate is drawing near to a close. The issue has been exhaustively and ably debated, but I am not content to let it be decided without giving utterance to my protest, by voice as well as vote, against the undertaking to have the title of the sitting Member from Michigan, Mr. Newberry, to a seat in this body declared clear and perfect. Before that is done, if it is to be done, I desire to enter my protest against it, as well as to cast my vote against it.

I am not a member of the committee which investigated the matter, and my duties have been such that I have not been able to go into the testimony and the proceedings had in that committee and elsewhere, in this matter, to a sufficient extent to justify me in undertaking to make an analytical legal argument against the claim of Mr. Newberry, with the object of trying to influence the votes of other Senators, even if I were able to do so. That has been thoroughly and ably done by others who have the ability and were in a position to do so.

However, I have gone far enough into the testimony taken in this matter and have listened sufficiently to the debate that has taken place to cause me to come to a satisfactory conclusion as to what course I should pursue, and to be able to give my reasons for the vote that I shall cast, and that I shall briefly do.

In his post-election affidavit, which is required by law to be filed with the Secretary of the Senate, Mr. Newberry made this sworn statement:

The campaign for my nomination for United States Senator has been voluntarily conducted by friends in Michigan. I have taken no part in it whatever and no contributions or expenditures have been made with my knowledge or consent. I have read a public statement of Paul King, executive manager, concerning expenditures made by a voluntary committee of my friends, but these were made without my knowledge or consent. I have not received any money or thing of value nor has anyone else received for me any money or thing of value, with my knowledge or consent, from any source to aid or support my candidacy for election as United States Senator.

I can not believe that statement. I do not believe it. I do not see how any other Member of this body can believe it. In the light of the admitted facts, that statement is not true. In the light of later statements made by Mr. Newberry himself on the floor of the Senate the other day that statement is not true.

According to this bland statement, one who is not acquainted with the facts might conclude that Mr. Newberry was run for United States Senator by his friends and by the people of Michigan almost without his knowledge; that he was barely aware of the fact that he was being run by others; that he really was not a voluntary candidate; that the matter was being forced upon him by a voluntary uprising of the people of that State. Those are not the facts. The admitted facts in this controversy prove that that was not the case.

Mr. Newberry's subsequent statement upon the floor of the Senate the other day proves that that was not the case. He said in this sworn statement:

My campaign for nomination for United States Senator has been voluntarily conducted by friends in Michigan.

According to the admitted facts and Mr. Newberry's own statement on the floor of the Senate, that is not true. Mr. Newberry conceived the idea of becoming a United States Senator from the State of Michigan. He conceived the idea of acquiring a seat in the United States Senate. He sent for Mr. Templeton, a business associate, and told him that he had decided to become a candidate for United States Senator, and asked Mr. Templeton to take charge of his campaign. Mr. Templeton consented to do so. Mr. Templeton did not voluntarily enter into the matter. He acted at the request of Mr. Newberry. The admitted facts that were brought out in the testimony show that Mr. Templeton acted at the request of Mr. Newberry, and Mr. Newberry stated in his statement on the floor of the Senate the other day, I believe, that he made that request of Mr. Templeton.

So that Mr. Templeton was not acting voluntarily. Mr. Cody did not act voluntarily. He acted upon request. Mr. King did not act voluntarily. He acted upon request. These people all acted upon request, and the request, directly or indirectly, of Mr. Newberry.

In addition there is no doubt, there can be no doubt, under the whole of the testimony that Mr. King was well paid for his services. He did not act voluntarily. He not only acted by request, but undoubtedly was paid for his services. So this statement of Mr. Newberry's that he acted in a rôle of absolute self-abnegation and had nothing to do with it and that the entire campaign was conducted voluntarily by friends is not true.

It can not stand in the light of the admitted facts and of Mr. Newberry's statement on the floor of the Senate. He says:

I have taken no part in it whatever.

The testimony shows that he did take a supervisory part in his campaign, and a very essential and important part. Mr. Newberry himself stated on this floor the other day that he did take a general supervisory part in it, and from his statement he took quite an active part. He frequently sent for his agents and managers, and consulted with those who were conducting the campaign. He had a number of consultations with Mr. King, who was his most active manager. Mr. Newberry himself stated on the floor of the Senate that he kept in touch with the campaign, that in a general way he knew what was going on, that he communicated and consulted frequently with those who were conducting the campaign, and that he gave advice and directions to them. He further stated, in effect, that he was like one on the outside of a baseball game who was whooping up the players and encouraging them in every way possible and inciting them to added activity and increased effort. In substance and effect that was about the language he used. That indicates that he took a very active and a very important part in the conduct of the campaign. So Mr. Newberry can not now claim that he was in a state of total ignorance and inactivity and knew nothing of what was going on and had no part in it. Mr. Newberry's statements are decidedly contradictory; and the common and ordinarily accepted rule is that when a person has rights at stake and his statements are contradictory, those statements which are most derogatory to his interest are to be accepted as true.

I think Mr. Newberry by his own confession played a very important part in his campaign. I am satisfied also that the part he played did not consist altogether of words or consultation or advice or the giving of directions. I am satisfied, from all of the evidence, that he contributed very much more than that to the conduct of his campaign. I think Mr. Newberry was the principal actor in the whole proceeding.

Mr. Newberry started the matter; it had its inception in his desire to become a United States Senator. He sent for men and asked them to take charge of his campaign. From that time on he kept in active touch with all of the campaign. So the statement in his post-election affidavit is not true when he said:

I have taken no part in it whatever.

He does not say that he took no active part; he does not say that he took no direct part; but he says he took "no part whatever." I do not believe there is a Member of this body who believes that.

Mr. Newberry has admitted in a later statement on the floor of the Senate Chamber that it is not true. His affidavit further says:

No contributions or expenditures have been made with my knowledge and consent.

That is very sweeping language. He does not say "no contributions or expenditures of mine"; he does not say "no contributions or expenditures of my money have been made with my knowledge or consent," but he makes a more sweeping denial than that. He says under oath:

No contributions or expenditures have been made with my knowledge and consent.

That statement is not only manifestly untrue, but it is palpably absurd; it is absurdly false. The undisputed facts show that Mr. King told Mr. Newberry that it would require the expenditure of $50,000 to elect him, and Mr. Newberry consented to that expenditure; he assented to the proposition; he did not dissent from it. By his words and acts he assented and consented. Consent may be expressed or implied; it may be tacit; and tacit or implied consent is many times no less strong and no less binding on the person who gives the consent in that way than expressed consent.

Every admitted fact and everything that came out in the testimony in that particular shows that when Mr. King told Mr. Newberry that it would require the expenditure of $50,000 to elect him to the Senate Mr. Newberry consented to such an expenditure, and told him to go ahead. So Mr. Newberry consented to the expenditure of $50,000; and he knew that $50,000 was expended, because he had it from his own agent that that amount would be required and would be expended.

Mr. KING. Will the Senator yield to me?

Mr. MYERS. I yield, with pleasure.

Mr. KING. I call the Senator's attention to a very important piece of testimony which is in the record, namely, that Mr. Newberry wrote a confidential letter in which he stated, in substance, that he was to pay for the publicity. Mr. Haskins, one of the managers of publicity—and I ask Senators to remember that Mr. Newberry said that he was to pay for the publicity—testified that Hopkins, who was the manager of publicity, planned at the outset a publicity campaign that would cost $130,000. That was in March; but he said that did not nearly begin to cover the cost of the publicity campaign. So Mr. Newberry promised to pay for publicity at the outset and they planned a $130,000 publicity campaign; but that did not begin to cover the expenditures for publicity. Moreover, the lieutenant governor of Michigan wrote to Mr. Newberry stating that rumor had it that the expenditures in his campaign exceeded six figures. So Mr. Newberry was advised of the fact from representatives of his own party before the campaign was concluded that the expenditures then had reached an amount which would be indicated by six figures.

Mr. MYERS. I thank the Senator. There is a world of evidence in the testimony taken in the proceedings that Mr. Newberry knew that large sums of money were being expended in his behalf in his campaign. Mr. Vandenberg, during the course of the campaign, wrote Mr. Newberry that huge sums of money were being expended in his behalf by his agents to such an extent that it had become a scandal in Michigan. Mr. Newberry wrote him what he calls a "noncommittal reply," and he later wrote to his Detroit headquarters in regard thereto these words:

I am inclosing a copy of my noncommittal reply to the Grand Rapids people, which covers the situation in a rather flimsy manner.

"In a rather flimsy manner!" It is no more flimsy than was his statement in his defense made by him in the Senate.

There is an abundance of evidence, much of it coming from Mr. Newberry himself, to show that during the course of the campaign he knew and did not deny that huge sums of money were being expended in his behalf. Yet he said under oath:

No contributions or expenditures have been made with my knowledge or consent.

They were made with both his knowledge and his consent. The undisputed facts, incontrovertibly and conclusively, beyond and to the exclusion of all reasonable doubt, show that they were made with both his knowledge and consent.

The statement—I think in some respects the unfortunate statement—of Mr. Newberry made by him on the floor of the Senate a few days ago contradicts this sworn statement and shows that he did know that large sums of money were being spent with his knowledge and consent.

Mr. Newberry says further in his affidavit:

I have read a general public statement of Paul H. King concerning expenditures made by a voluntary committee of my friends, but these were made without my knowledge or consent.

He simply reiterates a false statement; that is all there is to it; he makes it again.

He says further:

I have not received any money or thing of value, nor has anyone else received for me any money or thing of value with my knowledge and consent from any source to aid or support my candidacy for election as United States Senator.

He knew that vast sums of money were being expended by his agents for publicity in Michigan in aid and support of his candidacy. He knew that large sums of money were being disbursed in other ways by his agents in Michigan in aid and support of his candidacy. He has admitted it since making this affidavit; and yet he filed the bald, naked affidavit which I have read.

No man who makes such an affidavit as that, in the face of the admitted facts and in the light of the circumstances under which it was made, can have my vote for a seat in this body. It would be violative of my sense of duty to vote to give a seat in this body to a man who has made such a statement, a sworn statement, an affidavit, in the face of the admitted facts and of his own later admissions to the contrary on the floor of the Senate.

The only reason that I can conceive why Mr. Newberry made and filed such an affidavit with the Secretary of the Senate is that he knew that some sort of an affidavit was required, and that he thought by making this general disclaimer, this statement of ignorance, he could comply with the law and avoid giving the facts as they existed.

I regard the undertaking to give Mr. Newberry a clear title to his seat in this body as an assault upon the purity of our elections, the honor and dignity of our country, and the sanctity of our institutions; and I can not permit it to be done, if it is to

be done, without entering my earnest protest against it, as well as voting against it. The whole record in this case—and I have read much of it—is reeking with evidence of money spent corruptly and contrary to law. The whole case is surrounded with evidence of a disposition not only to violate the law, but to evade the law, and to avoid and suppress giving to the public the facts. There is an air of evasion about the whole thing. In the trial of the case in the Federal court in Michigan the defendant did not take the stand, did not testify, had not a word to say in his behalf. I do not wonder that he did not. He says his lawyers advised him not to take the stand. I do not wonder at it. I think they were good lawyers. His lawyers undoubtedly knew that if Mr. Newberry took the stand and testified to anything, he would be opened up to cross-examination on the whole field of operations covered by the case, and that he could not stand a grilling and merciless cross-examination without detriment to his case, embarrassment, humiliation, and mortification. His manager, Paul King, testified in the trial of Mr. Newberry, and after going into an exhaustive, direct examination, and getting his side of the case before the jury, getting the defendant's case from his standpoint before the jury, getting before the jury everything that he could in behalf of Mr. Newberry, just as the direct examination closed and as the cross-examination was about to begin, Mr. King conveniently fainted at a convenient time and was never subjected to cross-examination.

Mr. King was requested, I understand, to come before the committee of the Senate which investigated this matter, and begged to be excused on the ground that his health was too poor to stand the ordeal; and he was excused and did not have to go through the ordeal of a cross-examination there.

Mr. KING. Mr. President, will the Senator yield?

Mr. MYERS. With pleasure.

Mr. KING. I was diverted by reading; but, as I understood the Senator, if he will pardon me, I think he made an error in regard to the testimony. Mr. King did come before the subcommittee and testify, and was cross-examined by Mr. Lucking, representing the contestant, and was also examined somewhat by the distinguished Senator from Ohio [Mr. POMERENE], and I think by Senator Wolcott, of Delaware.

Mr. MYERS. I thank the Senator. I am glad to be set aright in that particular. I have not read all of the 2,000 pages of testimony in this case. I do not wish to misrepresent anyone or misstate any fact, and will not knowingly do so. I understood that Mr. King, when requested to come before the committee, pleaded ill health, and I thought he was excused. I did not know that he came later.

Mr. SPENCER. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Missouri?

Mr. MYERS. With pleasure.

Mr. SPENCER. I was out of the Chamber for a moment. Did I understand the Senator to say that Mr. Paul King did not appear before the committee?

Mr. KING. The Senator from Montana so stated, and I called his attention to the record.

Mr. MYERS. I did not understand the question of the Senator from Missouri.

Mr. SPENCER. My question was, Did I understand the Senator from Montana to say that Mr. Paul King did not appear before the committee?

Mr. MYERS. I said it, and the Senator from Utah corrected me. I was glad to be corrected.

Mr. SPENCER. I did not hear the correction.

Mr. MYERS. I admitted I was in error in that respect.

Mr. SPENCER. Of course, the Senator knows that pages upon pages of Mr. Paul King's testimony was taken, and that in direct and cross examination every phase of the case was gone over, and that he was on the stand at least four different times on different days, so that both sides examined him to the full.

Mr. MYERS. No; I did not know it. I have admitted my error. I was set right by the Senator from Utah; and I am very glad that Mr. King stood the ordeal and did not faint, as he did in the trial in Michigan.

Mr. KING. Mr. President, will the Senator yield?

Mr. MYERS. With pleasure.

Mr. KING. I want to correct the statement made by the Senator from Missouri. The cross-examination of Mr. King did not show that he stood the ordeal at all. The cross-examination clearly indicated that Mr. King evaded and avoided, was not a frank or a fair witness, and displayed in his testimony a desire to cover up the facts as they were disclosed in other parts of the record.

Mr. SPENCER. Mr. President, if the Senator will yield for a moment——

The PRESIDENT pro tempore. Does the Senator from Montana again yield to the Senator from Missouri?

Mr. MYERS. I yield with pleasure.

Mr. SPENCER. It is hard to understand the purpose of such a remark. The Senator from Utah was not there. The Senator from Ohio [Mr. POMERENE] was there; and you will find in the RECORD from the Senator from Ohio, who heard the examination and who participated in it, a statement of the fairness and fullness of the testimony of Mr. King.

Mr. KING. Mr. President, may I be pardoned again?

The PRESIDENT pro tempore. Does the Senator from Montana further yield to the Senator from Utah?

Mr. MYERS. With pleasure.

Mr. KING. While it is true that I did not participate in the hearing, I have done something which perhaps the Senator from Missouri has not done. I have read the testimony of Mr. Paul King three or four times; I am familiar with it; and I repeat what I stated a moment ago, and the purpose of which was to negative the statement made by the Senator from Missouri [Mr. SPENCER], which was a eulogy of Mr. King, and which is not warranted by the facts in the record.

Mr. POMERENE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Ohio?

Mr. MYERS. I yield, with pleasure.

Mr. POMERENE. I do not want any misunderstanding about this matter. My impression of Mr. King is that he is a very able gentleman, a very clever gentleman, a very adroit gentleman, who can turn a corner with neatness and dispatch; and let me add another word.

I have been a trial lawyer in my lifetime. I had perhaps 25 years' experience in trial work before I came here; and that criminal case in Grand Rapids was the only case within my knowledge in which very clever, very adroit lawyers put a part of the defendants on the stand and failed to put the king defendant on the stand. If there was any failure to make out the case of Mr. King's and Mr. Newberry's direct connection one with the other, it was proven by Mr. King's testimony in chief. He was not then cross-examined; but if anyone has any doubt about King's being the direct representative of Mr. Newberry, his doubts will be dissipated when he reads and studies the cross-examination of Mr. King.

If I may add a word, one of the very significant things in that cross-examination is that it developed that Mr. King was the chairman of the committee for the senior Senator from Michigan [Mr. TOWNSEND] at the time of his primary, when there was no fraud and no very great extravagance in money matters; and Mr. King preserved all those records for several years; but from the very inception of the Newberry campaign by Mr. King, or very shortly thereafter, the people of Michigan, Republicans in Michigan, made wholesale charges as to the extravagant character of that campaign; and the remarkable thing is that Mr. King, who was so very careful to preserve the books and papers in the Townsend campaign, when no question was raised, does not keep the records of the Newberry committee. They are out of the reach of the law. They are not here.

There is no reasonable defense that can be made of the fact that those books are gone, except that they are purposely gone; and the men who were on that committee, and Mr. Newberry himself, can not evade or avoid the responsibility for the fact that they are missing. Neither can the majority members of this committee avoid responsibility for the fact that when it was developed that we could not get the books they denied us the right to get the secondary evidence, as we could have had it from the books of the banks.

I beg the pardon of the Senator from Montana.

Mr. MYERS. I am glad to have the Senator make the statement that he did.

Mr. SPENCER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Missouri?

Mr. MYERS. I yield, with pleasure.

Mr. SPENCER. The Senator from Montana is most kind, and I am not going to intrude upon him except to make one statement, by his courtesy, and that is that what we were discussing was the fairness and fullness of the testimony of Mr. King. The Senator from Ohio [Mr. POMERENE] has not contradicted it in the least. The praise of the Senator from Ohio for Mr. King's testimony is in the RECORD.

It is true that Mr. King was not cross-examined in Grand Rapids. Why keep back the facts? Against the advice of his physicians he insisted on going upon the stand. When the examination had proceeded as far as they wanted it to go, the man absolutely collapsed, and in an unconscious condition was

carried out of the court room, until the attorneys for both sides and the judge said: "This cross-examination shall not go on."

That is the fact. Why conceal it? What purpose is there back of it? What good can come from such concealment?

Mr. MYERS. Mr. President, to the contrary, instead of trying to conceal it——

Mr. SPENCER. Mr. President, I am not charging the Senator from Montana with that, because he did not do it.

Mr. MYERS. As I was saying, to the contrary, as far as I am concerned, instead of trying to conceal it, I stated that after Mr. King had gone as far as his lawyers wanted him to go, as the Senator from Missouri says, and just before the cross-examination was to begin, he conveniently fainted. I made that statement before the controversy arose.

I was saying when this colloquy arose that everything about this election bears the badge of fraud, and to my mind it is conclusively proven beyond and to the exclusion of all reasonable doubt, to have been fraudulent. The principal actor, Mr. Newberry, does not take the stand in his own behalf. Mr. King finds himself in a condition where he is not to be subjected to cross-examination when he closes his direct examination. All books, papers, accounts, and checks are gone and can not be had when it is sought to inquire into them. If there are any more evidences of fraud needed in connection with a matter under judicial inquiry, I do not know what they are. If, however, anything further is needed to show the fraud, it is the sworn statement of Mr. Newberry himself which I have read.

Mr. ASHURST. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Arizona?

Mr. MYERS. I yield with pleasure.

Mr. ASHURST. Not only was Mr. King not cross-examined in the trial but a very remarkably painstaking attempt was made in the committee to prevent Mr. King from being cross-examined before the committee, and I ask Senators to read page 325 of the record. It will be borne in mind that he was not cross-examined in Michigan, and then, when he was brought here, they said, "He is your witness, and you can not cross-examine your own witness." On page 325 of the record this appears:

> The ACTING CHAIRMAN. All this evidence is before us in the bill of exceptions, at page 663, where it was gone into in extenso. If you have anything new, let us have it; but let us not have a repetition of this evidence now before us. The whole story of the way they started out in that campaign is in the record at present. Do not go over it again.
>
> Mr. ALFRED LUCKING. I want to connect it with Mr. Truman H. Newberry—

And so on.

Finally Mr. Lucking protested and said:

> I think I have read all of Mr. King's testimony.
>
> I consider that practically cross-examination, and I wish to test this witness, one of the most important witnesses.

Then the acting chairman said:

> This is not cross-examination. Mr. King is your own witness.

In other words, the fainting at the appropriate time prevented cross-examination in the court, and then the committee sought to prevent cross-examination before the committee.

Mr. SPENCER. Mr. President, will the Senator from Montana yield to me for a moment?

Mr. MYERS. I yield with pleasure.

Mr. SPENCER. The Senator from Arizona did not read quite far enough.

Mr. ASHURST. Just a moment. Of course I do not read except what I want to read.

Mr. SPENCER. No; I know the Senator does not.

Mr. ASHURST. Every time the Senator from Missouri gets up he asserts that somebody else does not make his case. He is a strange lawyer if he expects somebody else to make his case.

Mr. SPENCER. I think that is true; but let me say to the Senator from Arizona that what he read is entirely true; when Mr. King was first upon the stand I was under the impression that he was not subject to cross-examination. However, if the Senator from Arizona had merely turned the page, he would have found that three minutes afterwards I said that I was mistaken about it and that he was subject to cross-examination. The Senator will find it on page 326, the very next page; and thereafter he was subjected to the closest cross-examination, both by Mr. Lucking, by Senator POMERENE, and by Senator Wolcott.

Mr. ASHURST. When the committee found that they could not prevent the cross-examination they yielded most gracefully.

Mr. SPENCER. No; I did it before the committee took any action. I said I was mistaken in what I had just said. I thought that King had been introduced as a witness in Grand Rapids by the Government. If that had been true he would not have been subject to cross-examination. I was mistaken in that; it was the other way, and they had a right to cross-examine him, and within a minute of time I said I was mistaken and the cross-examination opened. I know the Senator from Arizona did not know that fact, or he never would have said what he just now said, because he is a fair man and a very distinguished Senator.

Mr. ASHURST. Mr. President, I am a member of the subcommittee and I know an attempt was made to prevent the cross-examination of Paul King. I was not born yesterday; I have been in criminal courts, and I know when an attempt is made to shield a witness from a rigid cross-examination. I at least know that much.

Mr. MYERS. Mr. President, I think the Senator from Missouri has fully and fairly explained his mistake in that matter, and I am glad to know that the esteemed Senator from Missouri admits one mistake of what I consider many made by him in drawing his conclusions in this matter.

As I was saying when interrupted by the colloquy, Mr. Newberry has never permitted himself to be subjected to cross-examination in this matter. The only public statement he has ever made was the statement made on the floor of the Senate the other day, in which it was expressly stipulated by him and for him that he was not to be subjected to any cross-examination. He did offer to yield, and did yield, to a few questions by my colleague [Mr. WALSH], who went as far in asking Mr. Newberry questions as he could courteously and with propriety under the somewhat artificial rules of courtesy which prevail in this body. He went as far and did as much toward questioning Mr. Newberry as he could under the circumstances in a colloquy on the floor between one Senator and another, but it was in no sense a cross-examination. It was not intended to be a cross-examiation, and, in fact, Mr. Newberry had said that he would not submit to any cross-examination. He has always made that clear.

Mr. ASHURST. Mr. President, will the Senator yield again?

Mr. MYERS. With pleasure.

Mr. ASHURST. Moreover, Mr. President, at an executive meeting of the committee a resolution was introduced which provided that the acting chairman should himself determine all questions as to the admissibility of testimony, but so loud and just were the protests of the minority members of the committee that even that attempt fell because of the obvious injustice. They were going to lodge with the acting chairman, who had committed himself in favor of the respondent, the sitting Member, the sole and only power to determine the admissibility of evidence. They tried and seriously considered the hampering of your committee to that extent, Mr. President. The record may not show that, but it happened.

Mr. MYERS. Mr. President, resuming at the point where I was making comment, even under the very limited scope of questioning to which Mr. Newberry was subjected the other day by my colleague [Mr. WALSH], the few questions which were asked him, by their answers, brought out the fact that he did personally make some contribution to his campaign, in spite of his sworn denial filed in the office of the Secretary of the Senate, and the denial made on the floor of the Senate the other day.

Mr. Newberry has contended all the time that he never contributed a penny to his campaign fund, and yet, under the questions of my colleague [Mr. WALSH], he admitted the other day that when certain parties who were aiding him in his campaign, for whom he had sent, went to New York and stopped at a hotel, their bills were charged to him, and he did not deny that they were paid with his money. That money must have been spent with his knowledge and consent. The items might not have been charged to him with his knowledge at the time, but they could not have been paid with his money without his consent.

What were those conferences about? For what purpose did he send for Mr. Templeton, Mr. King, and others to come there and stop at the hotel at his expense, and confer with him? Did they confer about relief for the suffering Armenians, or the Christianizing of the heathen of the world, or about endowing some great college or hospital? No; they conferred about Mr. Newberry's campaign. That was the object of the conferences. That is why the parties were sent for, and that is why the money was paid which settled those hotel bills. It was paid out of Mr. Newberry's money, and therefore when he said in his post-election affidavit and said on the floor of the Senate that he never contributed anything to his campaign he was incorrect.

The few brief questions which my colleague was permitted to ask, under the circumstances, established the fact that Mr.

Newberry had contributed something in money to his campaign, and I believe that if in a court trial or before a committee, stripped of all fictitious surroundings of courtesy, Mr. Newberry were subjected for four or five hours to a grueling and merciless cross-examination by a skilled examiner, he would be left, at the end of the time, a most humiliated and pitiable spectacle, and I have no doubt that is the reason his attorneys never permitted him to be subjected to cross-examination, and that is doubtless the reason that he assumes the attitude that under no circumstances, no matter what statements he may make, shall he be subjected to the ordeal of a cross-examination; and I do not blame him for it.

In my opinion it will be a most unfortunate thing if Mr. Newberry is declared entitled to his seat in this body. It will be an unfortunate thing for the country and an unfortunate thing for the Senate. There has been nothing done in years, in my opinion, which has served more than that would serve to bring this body into disrepute and disfavor with the people of this country. There is already existing, and has long existed, in the popular mind of the people of this country, a feeling of dissatisfaction with this body. It has grown in disfavor, and scarcely any act which this body could commit would, in my opinion, more greatly intensify that feeling among the people of this country than to declare Mr. Newberry entitled to his seat in this body.

There is growing up in this country, and palpably manifest, a strong feeling of hostility to wealth and its possessors. I think that feeling in many respects goes too far. I think in many respects it is unjust. It does not have my approval. I do not share it. I think in large measure it is unfounded, and it does not have my sympathy; but I know of scarcely anything which could be done to aggravate and intensify that feeling more greatly than for this body, in the face of the admitted facts and the record as it stands, to declare Mr. Newberry entitled to a seat in this body. That hostile feeling is reflected in much legislation which emanates from Congress, some of which I think unjust and unwise; but, Senators, you are going to aggravate and intensify that feeling and accelerate such legislation if, in the face of the admitted facts and his own admission and the record in the case, you declare Mr. Newberry entitled to his seat in this body.

I am sorry to say I think politics will largely enter into the decision of this matter. If the facts and the record were exactly the same, and if Mr. Newberry were a Democrat, I will not say that all of the Republican Senators would vote to unseat him—I have no right to say that; but if Mr. Newberry were a Democrat, and if the facts were the same, I doubt exceedingly if there would be half a dozen Republican Senators who would vote to give him his seat.

Mr. McLEAN. Mr. President, I would like to ask the Senator how many Democrats he thinks would vote in favor of unseating him if the tables were reversed?

Mr. MYERS. That is not exactly the way in which the question should be put. The logical question under the circumstances is, If he were a Democrat, under the same circumstances, how many Democrats would vote to keep him in his seat? That is the parallel question exactly. I can answer for only one Democratic Senator, and that is myself. I would vote the same as I shall vote if Mr. Newberry were a Democrat.

I believe that in a large sense the Senate of the United States is on trial in this matter before the people of the country. If the people of the country have become sufficiently acquainted with the facts in the case, even in a general way, and have been apprised of the affidavit which Mr. Newberry filed in the office of the Secretary of the Senate, his postelection affidavit, and all the admitted facts in the case, and if Mr. Newberry is declared entitled to his seat I believe it will arouse in this country an immense amount of just indignation.

I do not forget the wave of indignation that was aroused in this country when the then Senator from Illinois, Mr. Lorimer, was declared, after trial in this body, entitled to his seat. It was aroused and grew to such proportions that it brought about a second trial of that issue in this body, and the result of the second trial was that Mr. Lorimer was unseated.

Since I have been a Member of the Senate I have voted to unseat the then Senator from Illinois, Mr. Lorimer, and the then Senator from Wisconsin, Mr. Stephenson, and I believe the record and the admitted facts in the pending case prove it to be a far worse case than was either one of those. I believe this case is worse than both of those put together. I believe there is more corruption exposed by the record in this case than was exposed in both the Lorimer and the Stephenson cases.

In my opinion it will be a bad thing for the United States Senate and for the country if this issue shall be decided in favor of Mr. Newberry. If this case is decided in favor of Mr. Newberry it will for generations be cited as a precedent that the United States Senate decided so-and-so; decided that if a candidate does not himself participate in the disbursing of money his friends, agents, and supporters can disburse any amount of money in his behalf in procuring his election and that his title to the seat can not be questioned. It will establish such a precedent that there will be no room for anybody ever again to be ousted from this body on account of any sum of money, no matter how large, that may be spent by his friends and agents without his actual, direct, and personal participation being proven.

I say, if a man's friends go out and commit burglary and steal a coat and he puts on the coat, he has no right to say, "Oh, I did not steal the coat; I did not commit burglary." He can not assume an air of innocence and say, "I had nothing to do with stealing the coat." I say let him take off the coat, let him divest himself of the stolen garment. There is no reason under the proof in this case, the astounding proof which Mr. Newberry says filled him with amazement when he learned the details of it, why Mr. Newberry should continue to enjoy the fruits of an unlawful act which, if not perpetrated by himself, was perpetrated by his agents, for whose acts he is, in fact and in law, responsible.

Mr. WILLIS. Mr. President, I desire to offer the following amendment, and request that it be read at the desk for the information of the Senate and be considered as pending. I shall desire to make some observations concerning it at a later time. I ask that the amendment be read and considered as pending.

The PRESIDENT pro tempore. The Secretary will read the amendment proposed by the Senator from Ohio.

The ASSISTANT SECRETARY. As a substitute for the words proposed as paragraph 3 of the resolution offered by the Senator from Missouri [Mr. SPENCER], and which the amendment of the Senator from Florida [Mr. TRAMMELL] proposes to strike out, insert:

That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended. The expenditure of such excessive sums, either by a candidate or by his friends and relatives in his behalf, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free government, such excessive expenditures are hereby severely condemned and disapproved.

The PRESIDENT pro tempore. In order that the Chair may fully understand the parliamentary status, does the Senator from Ohio offer the amendment as an amendment to the motion made by the Senator from Florida or as an amendment to the original resolution offered by the Senator from Missouri?

Mr. WILLIS. What I had in mind was to offer it as an amendment to the amendment offered by the Senator from Florida?

The PRESIDENT pro tempore. The Chair now understands the situation.

Mr. TRAMMELL. Mr. President, if the Senator from Ohio will offer it as an amendment taking the place of my amendment, I shall gladly withdraw my amendment with the consent of the Senate and let his amendment stand in the place of the amendment which was proposed by me.

Mr. WILLIS. If the Senator from Florida desires to withdraw his amendment, I shall then offer this as an original amendment to the resolution of the Senator from Missouri [Mr. SPENCER].

Mr. TRAMMELL. On the Senator's statement I will withdraw my amendment, with the consent of the Senate.

The PRESIDENT pro tempore. Is there objection to the withdrawal of the amendment offered by the Senator from Florida? The Chair hears none, and the amendment is withdrawn.

Mr. WILLIS. I now offer my amendment to the original resolution offered by the Senator from Missouri [Mr. SPENCER].

The PRESIDENT pro tempore. The amendment will be reported.

The ASSISTANT SECRETARY. In lieu of paragraph 3 of the resolution offered by the Senator from Missouri [Mr. SPENCER], insert the words just read at the desk.

Mr. KING. Mr. President, a parliamentary inquiry first and then I wish to ask the Senator from Ohio a question. I would like to inquire of the Chair whether or not that leaves the resolution with any recommendation as to disposition to be made of the case against Mr. Newberry?

The PRESIDENT pro tempore. The Senator from Utah must draw his own conclusion with regard to that subject.

Mr. KING. May I inquire of the Senator from Ohio whether he purposes submitting, as ancillary to the amendment which

he has just offered, anything in the nature of a conclusion of law or conclusion of fact, or any recommendation as to what disposition shall be made of the seat of the sitting Member?

Mr. WILLIS. Mr. President, I think the amendment is perfectly clear and speaks for itself. If the Senator from Utah will examine the resolution offered by the Senator from Missouri he will observe that certain things are set forth in the third paragraph thereof. My amendment proposes to strike out that paragraph and to insert in lieu thereof the language read at the Secretary's desk.

Mr. KING. As I understand, that expresses condemnation of the large expenditures as being derogatory to the honor and dignity of the Senate. Obviously it would seem there should be a concluding part, that in view of those findings——

Mr. WILLIS. The Senator can offer such an amendment. This amendment does not include that.

Mr. KING. That the sitting Member ought not to be permitted to retain his seat in the United States Senate.

Mr. WILLIS. We will meet that question when we get to it.

Mr. KING. Undoubtedly we will.

Mr. WILLIS. I have never dodged any question in this body.

Mr. KING. If the Senator does not care to offer that, perhaps some one else will.

Mr. McLEAN. Mr. President, in my consideration of this matter I have assumed that contested elections, like all other controversies involving the life, liberty, property, reputation, and rights of a fellow citizen are to be established according to the established rules of law and justice and the evidence presented. While the Senate is the sole judge of the qualifications of its Members to occupy seats in this body, I hold it to be my duty in passing upon the qualifications of my colleagues to permit such of them as are lawfully entitled to their seats to retain them. In other words, I must assume in reaching my decision that this is still a Government of law and not of personal preference or opinion.

It is my belief that the Senate of the United States is the place above all others where justice should be done, and I do not consider that I, as a Senator, have any special license to violate the basic and sacred principles which have for centuries stood between innocent men and their accusers.

It is true that if I were to vote on this question with an eye single to the preservation of my own seat in this body I would vote to unseat Mr. Newberry. I say this because I believe that the misrepresentations and distortions of the evidence which have been given to the public by the Democratic press have created the impression that Senator Newberry contributed $195,000 to the primary compaign in Michigan and that that money was used for corrupt purposes.

The precise contrary being the fact, I feel that I have no right to join in a hue and cry against an innocent man for the purposes of self-glorification. I know that if I should do it I would have an unspeakable contempt for myself, and as between preserving a seat in this body and my own self-respect, I prefer the latter.

The sole argument in support of Mr. Newberry's enemies is based upon the fact that $195,000 was spent in the primary which nominated him. It is the personal opinion of those who seek to unseat him that such an amount could not have been legitimately expended. In other words, the time has come when United States Senators are to assume the guilt of a colleague, notwithstanding the evidence establishes his innocence. Will any man undertake to say that $195,000 could not have been spent in the great State of Michigan in advertising, in hiring campaign speakers, in political meetings, parades, and banquets, in getting voters to the polls in 1918, when the price of Ford cars went to $1,000 or more and gasoline rose to 35 cents a gallon? Mr. President, $195,000 would not have paid for the transportation of 10 per cent of the voters of Michigan to the polls, to say nothing of giving them a ride home at 1918 taxicab rates. I do not know how much could have been spent in Michigan in advertising at war-time rates, but I will guarantee that the patriotic and unbiased press of Michigan would have absorbed $195,000 in 24 hours without a penny's assistance from the outside if they had had the opportunity. I do not know how much could have been expended for banquets, with soup at 40 cents a plate, or for parades, with cotton uniforms at $30 each. Personally I do not care how soon all expenditures of money above a certain and very low limit are prohibited to candidates or their constituents, but as long as it is lawful and as long as not a word of testimony has been presented to the effect that a dollar of this money was spent unlawfully, my duty is clear.

Mr. President, Senator Newberry is a member of the Committee on Banking and Currency, of which I have the honor to be the chairman. Before the agitation regarding his election began he was a constant attendant upon the meetings of that committee. He at once won my admiration and friendship because of his superior knowledge of banking and finance and his impartiality and integrity of purpose. He seemed to me to be just the kind of man who would be drafted by his party at a time when it needed a candidate who would inspire confidence and win the support of the independent voter. I did not give very close attention to the attacks upon the validity of his election when they were first given to the public. I assumed that they were of the sort that we always expect from poor losers and their friends.

I did not pay much attention to the criminal prosecutions in Michigan, considering their genesis and inspiration, and when I read of the verdict of the jury and the sentence of the court I was, to put it mildly, astounded. I was very certain that Senator Newberry had been made the victim of circumstances and that justice had been betrayed. When the Supreme Court in a unanimous opinion set the verdict aside, I was comforted and reassured, and I assumed that this decision, reached after able arguments and an exhaustive and careful consideration of the record, would end the matter. It has always seemed to me that the Senate is an utterly unfit tribunal to pass upon the validity of the election of one of its Members. The temptation to seek party or personal advantage, to misrepresent men and their motives, is irresistible. Anything approaching an impartial, nonpartisan, dispassionate consideration of a contested-election case in the House of Representatives or Senate never has and never will be had. It was for this reason that I rejoiced at Senator Newberry's vindication by the Supreme Court. I felt that it would and should be accepted by fair-minded men and women as final.

Mr. HEFLIN. Mr. President, will the Senator yield?

Mr. McLEAN. Mr. President, I decline to yield the floor.

Mr. HEFLIN. I will reply to the Senator when he is through.

Mr. McLEAN. I like to be courteous to the Senator from Alabama, but I do not care to have him cool his tea in my saucer this afternoon.

Mr. HEFLIN. I will pour it on you when you are through. [Laughter.]

The PRESIDING OFFICER (Mr. PEPPER in the chair). The Senator from Connecticut declines to yield.

Mr. McLEAN. Mr. President, Mr. Newberry was elected to the Senate at a time when the war spirit ran high. American boys were being killed by the thousands in France and millions of our best and bravest were crossing the seas to die, if need be, in defense of their country. Among them were the two sons of Mr. Newberry. Under the circumstances the patriotic people of Michigan resolved to use every legitimate means to defeat the man who had said if we entered the war the American flag should never again be raised above his property and that the word "murderer" should be written across the back of every American soldier. Money was spent by Mr. Newberry's friends, but there is no claim that a dollar of it was expended to buy or corrupt voters. At the trial by the jury the presiding judge told them to disregard the charge of bribery, as there was no evidence whatever to sustain it. The issue was not Newberry against Ford, the issue was America and her ideals and aspirations against conquest, frightfulness, and greed, and when that is the issue there are still a great many men in America who will shed their blood to the last drop and spend their money to the last dollar in defense of the flag and what it stands for. Senator Newberry and his friends are of that sort.

Mr. Newberry was a volunteer in the Spanish War and an officer in the Navy in the late war. It is true that the danger as personified by Mr. Ford might have been exaggerated; Mr. Ford might not have meant what he said; the $50,000 that he contributed to the election of President Wilson might not have saved his son Edsel from the draft; but the patriotic men and women of Michigan did not care to take chances. They called Mr. Newberry to the colors because they knew that he was an able, upright man who loved his country, the right man to head the ticket in a grave crisis and represent them in the Senate. Their motives were of the highest and their methods were legal.

The Chief Justice of the United States, a lifelong Democrat, a great lawyer, but, above all, a righteous judge, because of his abiding devotion to the truth, removed every taint of illegality from Mr. Newberry's election when in his opinion he said:

> There can be no doubt when the limitations as to expenditure which the statute imposed are considered in the light of its context and its genesis, that its prohibitions on that subject were intended, not to restrict the right of the citizen to contribute to a campaign, but to prohibit the candidate from contributing and expending, or causing to be contributed and expended, to secure his nomination and election a larger amount than the sum limited as provided in the statute. To

treat the candidacy, as did the charge of the court, as being necessarily the cause, without more, of the contribution of the citizen to the campaign, was therefore to confound things which were wholly different, to the frustration of the very object and purpose of the statute. To illustrate: Under the instruction given, in every case where to the knowledge of the candidate a sum in excess of the amount limited by the statute was contributed by citizens to the campaign, the candidate, if he failed to withdraw, would be subject to criminal prosecution and punishment. So, also, contributions by citizens to the expenses of the campaign, if only knowledge could be brought home to them that the aggregate of such contributions would exceed the limit of the statute, would bring them, as illustrated by this case, within the conspiracy statute and accordingly subject to prosecution. Under this view the greater the public service and the higher the character of the candidate, giving rise to a correspondingly complete and self-sacrificing support by the electorate to his candidacy, the more inevitably would criminality and infamous punishment result both to the candidate and to the citizen who contributed.

Mr. President, Senator Newberry contributed $1,500 to the primary campaign and nothing to his election. I will vote at any time for a law that shall forbid the use of a dollar in elections in excess of the amount needed to provide tickets and polling booths and to pay actual expenses, but so long as it is legal and easy to spend money in advertising, speech making, and a dozen other ways, I can not vote to unseat an honest, upright gentleman because his friends loved him, believed in him, and spent their money legitimately for the cause he represented. There are many ways by which candidates and their friends may endeavor to secure the confidence of the voter. One way is by mendacious misrepresentation, defamation, and abuse of honest men for party or other purposes. This method does not cost money, but it will cost this Republic its life if persisted in.

Mr. HEFLIN. Mr. President, the Senator from Connecticut [Mr. McLEAN] has justified the Newberry expenditure of $195,000 or $250,000, or whatever amount was expended. He has fallen into the error that some others have on the other side who have undertaken to defend the course of Mr. Newberry and his friends, who constituted a band of money marauders in the State of Michigan, making common barter of a seat in the United States Senate.

The Senator from Connecticut tells the Senate, in order to justify his position, that Mr. Ford had said something against the flag. As I understand, Mr. Ford has denied making such statements; but I do know that when the war came on and the country's life was imperiled and the boys were called to the colors, Mr. Ford went to the President, the Commander in Chief of the Army and Navy, and told him that he was ready to turn over all of his plants and to manufacture at cost any war materials that the country needed, and he did so. I submit that to the Senate and the country in reply to the insinuations of the Senator from Connecticut that Henry Ford was a traitor to his country.

I submit, in that connection, that Mr. Newberry, of Michigan, was representing the Government in connection with the Navy in New York, and at that time his firm, of which Mr. Templeton, his chairman, was a member, was selling thousands and hundreds of thousands of dollars' worth of material to the Government, and that they made a profit on every dollar's worth that they sold. In the hour of the country's peril, when its very life was at stake, who contributed most to the winning of the war, Henry Ford, who made nothing off the Government, who would accept no profits and turned over all his industrial machinery to his Government, or Mr. Newberry, who was on the inside, and who, through his own firm, doubtless directed the sale of thousands and hundreds of thousands of dollars' worth of material at a magnificent profit? I will let the country decide which one of them was the best patriot in that time of trouble and danger.

I do not care whether a man was serving his country here at home or whether he had gone to the front and came back and became a candidate for the Senate and opened a money barrel and tapped other money sources and marshaled a corrupt fund and went out into a State and debauched and corrupted the voters and made barter of a seat in the Senate; he had abandoned and deserted the course that he had previously and in honor pursued, and instead of being then the friend of the country he had become his country's bitter foe. There is not any getting around that.

I am not surprised at the speech of the Senator from Connecticut. I have said here before that the Senator from Connecticut personally is a very clever gentleman. He is, I understand, a man of great wealth, and the Senator has shown to the Senate and the country by the stand he has taken to-day his own conception of just what a seat in this body means.

The effect of his statement is if a man wants to spend money for a seat here, why, let him do it. That means that if a poor man of merit is a candidate and the special interests do not want him to come here, let them put up the money and beat him. Why not? That is the deduction you draw from the speech of the Senator from Connecticut.

I want to ask the western Senators, are you going to accept this New England standard? Mr. Newberry, from Michigan, is backed up by the Senator from Connecticut. Is the standard that New England has now set up the standard that western Senators heretofore have stood for? What is going to be your judgment now? Are you going to accept that standard? I trust that you will not.

Mr. President, the Senator from Connecticut is unfair in his argument. He undertook to convince the Senate that the Supreme Court had exonerated Mr. Newberry. The Supreme Court never once touched upon the facts as to his corrupting the ballot and buying the seat. The Supreme Court is silent upon that subject. It had no business to touch upon that subject. It was touching upon the subject of the constitutionality of the Federal statute which, by the sanction of this body, the sanction of the House, and the sanction and approval of the President, fixed $10,000, and no more, as the amount that could be expended in a race for the Senate. It declared that act unconstitutional. It never said that Mr. Newberry was innocent. That statement by the Senator from Connecticut can not be permitted to stand unchallenged. The Supreme Court did no such thing.

To show you that the Supreme Court meant that we had a chance to pass on this thing and that it was our duty to do so, listen: The majority opinion, written by Mr. Justice McReynolds, deals only with the question of the constitutionality of the act and concludes with these words. Now I read what Mr. McReynolds, of the Supreme Court, said:

> As "each House shall be the judge of the elections, qualifications, and returns of its own Members," * * * the National Government is not without power to protect itself against corruption, fraud, or other malign influences.

Senators, we are now called upon to protect the Government from fraud and corruption in the securing of a seat in the Senate. What did Mr. Justice Pitney say? They tried to get the court out there in Michigan, the Federal judge, a Republican, to charge the jury that in the light of the evidence it ought to acquit Mr. Newberry, and a Federal judge in his own State refused to do it. The opinion of Justices Pitney, Brandeis, and Clarke upheld the court's refusal to direct a verdict for the defendants. Mr. Justice Pitney, in his opinion, says:

> It may be said, however, that, in my opinion, the trial court did not err in refusing to direct a verdict for the defendants for want of evidence of the alleged conspiracy; nor in instructing the jury that the prohibition of the statute against the expenditure and use of money by a candidate beyond the specified limit is not confined to his own money, but extends to the expenditure or use of excessive sums of money by him, from whatever source and from whomsoever derived.

Mr. President, if the position taken by the Senator from Connecticut [Mr. McLEAN] is to become the position of this body, God help the States of this Union!

Vindication by the Supreme Court? The Supreme Court has not vindicated Mr. Newberry, and nobody can vindicate him under this testimony. You may by your votes seat him; you may have dinners like you had last night, as the rumor has it, and Senators may be sent for to go to the White House; but you are not going to vindicate him in the light of this testimony until you do it at the judgment bar of the American people.

I thank God that the terms of Senators are fixed, and that every six years they have to go back and submit their claims to the people of the various States, and if they forget the people at home and surrender here and refuse to protect the honor and integrity of this body and safeguard the rights of the American people, there is another trial to be had when they themselves must stand up accused before those who will render the verdict. I am glad that is the case.

The Senator from Nebraska [Mr. NORRIS], in what will go down in the RECORD as a classic of powerful and pungent sarcasm that he delivered here yesterday, bristling and burning with truth, said: "The question is, Shall the sale of this Newberry seat be confirmed?" That is the question. He summed it up in magnificent fashion. In that short statement he has told the truth of the story, the whole story: "Shall the sale of this seat be confirmed?" That is the question that we as United States Senators have to decide.

Mr. President, that is all I care to say at this time. I wanted to make this brief statement following the speech of the Senator from Connecticut because I want those who read the RECORD to know that there are those of us here who do not stand for the doctrine that he announced, and that it was challenged immediately, as soon as he yielded the floor. This RECORD is being read, Senators. I have received more letters

for the little part I have taken in this discussion in my humble way than in connection with any question that has ever come before me in 17 years of service. I had a telegram from a man in Michigan saying: "Michigan, misled and shamed, is with you in the fight you are making against Newberry." All over the country people are writing letters, and they are commending us for the stand we are taking to make it so that no man shall rely upon his money, or the money of those who will control him, to go out into the American wheat field and sow tares there.

What does the Bible tell us about that? When the servant went out to the wheat field and returned to his master and said: "Master, there are tares in the wheat," what did the master tell him? "Just as soon as they grow large enough for you to detect and distinguish the tares from the wheat, pluck them up, bind them, and burn them." Why? In order that they should not grow up with the wheat and the grain of the tare get in with the grain of the wheat and be ground into flour to poison those who ate the flour. He said: "Pluck them up, bind them, and burn them."

What are we to do? There are tares in the senatorial wheat field. They said: "All right, wait. A jury in Michigan has named it a tare, but the case is pending in the Supreme Court. Let us wait and see what it does." The court says: "The act under which this indictment was found is unconstitutional." "All right; then we will have a Senate investigating committee to look into this case"; and the committee investigated, and even the majority, the Republicans, said he spent too much money. That designated him as a tare in the senatorial wheat field.

The minority Members said he spent too much money. That is further testimony to the effect that he is a tare, a tare who corruptly obtained a place in the senatorial wheat field of America. I appeal to you to-day, in spite of presidential patronage, in spite of influences which may be brought to bear by the administration, in spite of power which may be appealed to, to stand by our oaths and pluck up this senatorial tare in the wheat field of the Senate, cast it out, and safeguard the honor of this body.

Mr. WALSH of Massachusetts. Mr. President, I do not propose at this late hour in this debate to discuss at length the evidence in this case, but I do think that some service may be rendered by a brief review of past political events that indicate the importance the American people have heretofore attached to the methods of electing their public officials. If there is anything in the political history of our country which shows a keen sensitiveness on the part of the American people it is their determination to keep unsullied the political machinery which they use to elect men to public office.

There is no gainsaying the fact that the issue which we are discussing to-day is sure to become, in the light of our past political history, the most important domestic issue that will come before the American people in the next congressional and presidential elections. Regardless of whether political parties adopt it as an issue, the people will make it one. There is no page in the history of our American political contests that is so glorious or so impressive as the political revolutions which the people of this country have undertaken again and again to keep unsullied representative government and to keep pure and unstained the political machinery of our Government, in order that they might send into public office men free and untrammeled by political cliques or by the power and influence of money or other corrupting agencies.

Have we forgotten our recent political history? Have we forgotten the glorious struggle of our people against the influence at work to destroy representative government? What started the movement in this country for progressive and stringent election laws? In the lifetime of every Member of the Senate the people of this country have taken power out of the hands of both political parties, and have written into the law of this land enactment after enactment seeking to erect barriers against every sinister influence that might permit the election of public officials by any method other than the free, untrammeled voice of the people expressed at the ballot box.

These sweeping reforms for pure elections began with the direct primary government, which was a protest against the nomination of public officials by political conventions. Nominations were notoriously bought and sold in these conventions. Money repeatedly triumphed over real merit and ability. That system made representatives responsible not to the people but to the bosses. The leaders of both political parties opposed the direct primary at the outset, and in some quarters their opposition has continued to this day; yet, notwithstanding bitter opposition from press and politicians in different parts of the country against the direct primary, the people triumphed and took the nomination of their public officials out of political conventions, where offices were bartered and sold, and placed the power to nominate as well as to elect in their own hands and in their own keeping. To appreciate the intensity and extent of this first great political revolution against sinister control of nominations, elections, and the service of public officials, one need but recall the power of the forces that fought this reform. The people, almost alone, without organization or money to legitimately inform the electorate of the abuses, opposed by every privileged interest, political boss, and controlled press, triumphed, as they have always when a great moral issue grapples their attention and absorbs their souls.

Not satisfied that the results from even the direct primary law would keep the public service clean and untainted, they proceeded immediately to launch a movement all over this country for the enactment of corrupt-practice laws. Every legislature in the Union, and the National Congress, through unmistakable demands by the people have been forced to enact stringent laws regulating the manner of conducting campaigns and limiting and restricting the amounts of money which could be used in our elections. In addition they provided for secret ballots for themselves.

The people did not stop even with these great reforms. Only a few years ago they took away from the legislatures of this country the power to elect United States Senators, and took that power and authority to themselves by amending the Constitution. We all know to what extent these great political revolutions were opposed in the beginning by the reactionary leaders of the political organizations of both the great parties. The very foundation upon which the Progressive Party in this country was built and rose to such great influence was based on the demand for free elections and free officials in public life. The whole political history of our country shows a never-yielding fight to erect such political machinery as would guarantee them public officials, free, independent, and responsible alone to them.

The very first test of progressivism has always been for the removal of all sinister influences, political and financial, from the election of men to public office. Every true progressive is unalterably opposed to dishonest public service and corrupt elections. The people have not stopped, in their efforts to keep their public officials free agents, with these drastic enactments or laws which were considered by many very radical at the time of their enactment. The movement for the initiative and referendum in this country has represented another effort upon the part of the people to make their representative Government responsive and responsible to them. In the whole political history of our country there is nothing so striking as the sacredness, the tenderness, the sensitiveness with which the American people have looked upon every question and every issue dealing with the manner of electing their public officials and the protection of their officials from financial and sinister influences in office.

In the face of this history a record for safeguarding our elections, I repeat, which has been initiated and consummated by the people themselves in every State in the Union, it is proposed at this late day that we shall give a seat in the United States Senate to a man whose friends spent the huge sum admittedly of $200,000 to obtain a party nomination that would lead to an election to this august body.

The most important domestic issue is here to-day for its initial decision. The final verdict will come next November. No matter what the Democratic Party or the Republican Party resolves, the people will pass later upon this Michigan election. In that contest does any Senator hesitate to predict where the Progressives, Republicans, and Democrats alike will be found? Are the people after all these victories for clean elections to abandon their struggle to prevent evasion of their reforms?

The defense in this case is somewhat as follows: "How much money has been spent? Never mind; it is none of our business. In what manner was it spent? Never mind; that also is none of our business."

The only issue the Senate must consider, so the defenders of this proposition assert, is that because the sitting Senator removed himself, divested himself from all responsibility for the management, control, and direction of his own campaign, therefore it is not for the Senate to ask how much money was spent, or how it was spent, or what, if anything, was done to debauch the electorate by the use of money. They contend that an innocent beneficiary of an election can not have his title questioned regardless of the extent of money spent or the corruption practiced.

Mr. President, you can not fool the American people with such a proposition. They are possessed of common sense, and have and will exercise it, on more occasions than on the day on which they elected each one of us. They exercised it in their strenuous efforts for clean, untrammeled election laws, and in their repeated demands for honest, faithful public service. Every fight for election reforms has been due to a growing distrust upon the part of the people against their public servants. They have above all else manifested a jealous regard for incorruptible elections and courageous and honest public service.

Finally, Mr. President, in the year 1922, we are to proclaim to our people that the Senate of the United States holds that a man who is a candidate for public office can shift or shirk all responsibility over the control, direction, and management of the campaign that results in his election. If a man can escape responsibility for the manner in which his campaign is conducted, why should he not escape responsibility for his service in office?

The American people will not accept any proposition that seeks to immunize the beneficiary of public office from the responsibility of the campaign for that office. You might just as well preach the doctrine that the innocent possessor of stolen property shall not and must not give it up, because he knew nothing of the methods employed in committing the larceny. The American people, even if the Senate does not, will demand that our public officials prove their title by compliance with the law and the absence of corruption.

The issue could not be simpler. The Senate must now meet it. This and this alone is the question, Can a man announce himself as a candidate for public office, close his ears, tighten his lips, and free himself from responsibility for the manner his friends conduct his campaign, and thereby rid himself of the duty of making an open, honest, clean, and legal campaign for public office?

Whatever the verdict may be here, there is another day coming when the American people will meet this issue without hesitancy. That verdict will make it certain for all time that a man who is a candidate for office can not, whether judge on the bench or soldier on the firing line, free himself from responsibility for the methods, the character, and the kind of campaign that is waged in his behalf and results in his election.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. WILLIS].

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gooding	McLean	Sheppard
Ball	Hale	McNary	Shields
Brandegee	Harreld	Moses	Shortridge
Bursum	Harris	Myers	Smith
Cameron	Harrison	Nelson	Smoot
Capper	Heflin	New	Spencer
Caraway	Hitchcock	Nicholson	Stanfield
Colt	Jones, N. Mex.	Norbeck	Sutherland
Cummins	Kellogg	Norris	Swanson
Curtis	Kenyon	Oddie	Townsend
Dial	Keyes	Overman	Trammell
Dillingham	King	Owen	Wadsworth
Elkins	Ladd	Page	Walsh, Mass.
Ernst	La Follette	Pepper	Walsh, Mont.
Fernald	McCormick	Phipps	Watson, Ind.
Fletcher	McCumber	Poindexter	Weller
Frelinghuysen	McKellar	Pomerene	Willis
Glass	McKinley	Robinson	

Mr. HARRIS. I wish to announce that my colleague [Mr. WATSON] is absent on official business.

The PRESIDENT pro tempore. Seventy-one Senators have answered to their names. There is a quorum present. The question is upon the amendment proposed by the Senator from Ohio [Mr. WILLIS].

Mr. HARRISON. Mr. President, I desire to have read two affidavits, one by Mr. O. A. Harrington, a very prominent real estate man in the city of Detroit, and the other by John C. Montgomery, a graduate of Johns Hopkins University Medical School. These affidavits refer to Mr. Emery, the witness about whom the junior Senator from Missouri [Mr. SPENCER] has lamented with crocodile tears, and who was not procured before the committee, nor were they able to get him at the trial of the case in Michigan. These affidavits state that Mr. Emery is now up and about, managing the construction of a $2,000,000 building in the city of Detroit.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and the Secretary will read as requested.

The reading clerk read as follows:

STATE OF MICHIGAN, *County of Wayne, ss:*

O. A. Harrington, being duly sworn, deposes and says that he is in the real estate business in the city of Detroit, Mich.; that he has lived in Detroit for more than 40 years; that he is acquainted with Mr. Benjamin F. Emery, who is in charge of the building operations of the Northwestern Building Corporation, so called, and which corporation is engaged in the construction of a theater building and business building, occupying a whole block at the northwest corner of West Grand Boulevard and Grand River Avenue, Detroit, Mich.; that he first became acquainted with said Emery personally about the 26th day of last August, although he had known him by sight and had seen him considerably about his office and the grounds of said building corporation for some weeks before that date. That since said 26th day of August last this deponent has met said Emery at his office a number of times and has discussed with him the topics of the day, and particularly the building operations and financial operations of said Northwestern Building Corporation. At said first interview, on August 26, Mr. Emery asked deponent to look over the plans of the proposed theater building, and Mr. Emery then explained said plans and the financial details of the project, its prospective income, and the like. On or about September 3 last deponent had a half-hour's conversation with said Emery, in which Mr. Emery gave deponent a prospectus of the theater project which he said he himself had gotten up, and he requested deponent to study it over and see him again, and that if deponent could interest any of his acquaintances to buy the stock, Emery said he would pay deponent a liberal commission. In that conversation he said the office had been on the grounds about some three months; that they now had nearly 500 subscribers. He stated to deponent he had recently been to Lansing negotiating with the Michigan Securities Commission to increase the capitalization of the building company from $300,000 to $500,000. He said organizing had always been his business, and mentioned his business when prospecting in the West. He also said that he was the Emery whose name had appeared in the newspapers so prominently in connection with the Newberry case. He took one of the subscription blanks and asked deponent if he would subscribe for some stock. At various dates deponent saw Emery actively engaged in his business of superintending the construction, and also dealing with people in connection with stock purchases, and the like, but had no extended conversation with him until about the 13th of September, when he saw him in company with one James Laird. Mr. Emery explained to said Laird the details of the project, and stated that they had sold 68 per cent of the stock to 522 subscribers. Laird asked Emery how long they had been operating. He replied that they opened the office the previous May 1, but had been working on the proposition one year, securing lease, organizing, and the like. Deponent asked Emery if he was at the office every day. He said, "Yes; I am here all the time every day, from half-past 7 in the morning until half-past 9 at night." Deponent saw Mr. Emery at his business at odd times throughout most of the month of September, and he appeared to be very busy, seeing many callers and directing the operations in connection with the building outdoors. Deponent has no recollection of seeing Mr. Emery again, especially, until about November 22, when he had a short conversation with him, in which Mr. Emery stated he was going to Lansing the following week to meet the State Securities Commission. Deponent remembers seeing Mr. Emery on the 3d of December, when he stated that he had just been to Lansing negotiating with the State Securities Commission in regard to their bonds. At that time he went over the figures in regard to the prospective income and expenditures of the theater and business building, the interest on bonds, annual payments on lease, cost of maintenance, overhead, and the like.

Deponent further states that from his numerous meetings with Mr. Emery and his observation of his business conduct and activities, he is able to state that during all that time Mr. Emery has been in good physical and mental condition so far as any acquaintance could detect, a thoroughly competent, able, business man, and well qualified to conduct business and to superintend large building construction and the promoting of the stock of such an enterprise; that in this deponent's opinion Mr. Emery is as well qualified, physically and mentally, to give testimony in any proceeding, legal or otherwise, as any man in the city of Detroit. This applies to his condition during the entire time since deponent first saw him and in a number of interviews that he held with Mr. Emery. Mr. Emery stated that he had been in charge of the construction work and the like of the building corporation above mentioned from the beginning of its operations, although he held no office as such in the corporation.

Deponent further says not.

O. A. HARRINGTON.

Subscribed and sworn to before me this 21st day of December, A. D. 1921.

[SEAL.] FRANK THAYER NELSON,
Notary Public, Wayne County, Mich.

My commission expires March 23, 1924.

Mr. HARRISON. I ask that the other affidavit may be printed in the RECORD without reading.

There being no objection, the affidavit was ordered to be printed in the RECORD, as follows:

STATE OF MICHIGAN, *county of Wayne, ss:*

John C. Montgomery, being first duly sworn, deposes and says that he is a graduate of Johns Hopkins University Medical School and is a practicing physician in the city of Detroit, Mich., on the staff of the Henry Ford Hospital; that on Saturday, the 3d day of December, 1921, he discussed with Benjamin F. Emery, at the office of said Emery, in the building at the northwest corner of West Grand Boulevard and Grand River Avenue, Detroit, Mich., for a considerable period of time, various business matters pertaining to the Northwestern Building Corporation, which corporation is engaged in constructing a large building advertised as a "$2,000,000 theater and store building" that "will occupy the entire four-block square bound by Grand River, the Boulevard, Lothrop, and Dexter Boulevard," to "consist of 18 modern stores, dance hall, recreation center, and one of the largest and finest vaudeville theaters in the country, with seating capacity for 3,500"; that said Emery fully stated the details in connection with this project and the preparations to finance the same; that said Emery further stated that he was managing the building operations of the aforesaid corporation and had recently been in the city of Lansing, where he had appeared before the State securities commission with respect to the

authorization by the commission of the sale of the securities of the aforesaid corporation; and that he had had the actual direction of the building operations of said company from its inception; that during the period of said discussion said Emery showed himself to be well oriented as to time, place, and persons, to have a keen grasp of detail, an excellent memory, and appeared possessed of unusual ability in calculation and argumentation and of considerable executive ability.

Deponent further says that he had no opportunity to make a formal physical examination of said Emery, but during said discussion deponent observed him closely and did not discover any physical or mental defect that would interfere with the said Emery giving testimony in any court of proceeding.

Deponent further says that said Emery stated during said discussion that he had been putting considerable energy into the affairs of said corporation, and deponent is of the opinion that said Emery can give testimony in any ordinary legal proceedings without the expenditure of any greater exertion than he is under at the present time.

And further deponent saith not.

JOHN C. MONTGOMERY.

Subscribed and sworn to before me this 22d day of December, A. D. 1921.

[SEAL.] JAMES W. THOMAS,
Notary Public, Wayne County, Mich.

My commission expires April 9, 1923.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Ohio [Mr. WILLIS].

Mr. HARRISON. Mr. President, it was somewhat tacitly understood on this side of the Chamber that there would not be a vote until about 3 o'clock, and so one Senator, who has been sick, but who is getting out of bed to come here and vote, was told that if he got here by 3 o'clock he would be in plenty of time. May I ask if there is no one on the other side of the Chamber who desires to speak? [After a pause.]

Well, Mr. President, we will get to a vote presently. I was in hopes that some one might rise at this late stage of the proceedings and defend the course of Mr. Newberry and give some excuse for his vote to seat him to-day. But the same practice of remaining silent, it seems, is to be followed to the end that has been followed from the beginning on the other side of the aisle.

There have been five speeches made, I believe, by Republican Senators in defense of Mr. Newberry, excepting Senator SPENCER, in charge of the resolution; one by his colleague [Mr. TOWNSEND]; one by the Senator from New Hampshire [Mr. MOSES], who directed the expenditure of enormous sums in the Wood campaign for the presidential nomination; one by the junior Senator from Connecticut [Mr. MCLEAN] this morning.

Another speech was made by the Senator from South Dakota [Mr. STERLING], who had made a campaign against former Senator Gamble because he had voted for Lorimer in the celebrated Lorimer case. The Senator from South Dakota had won out before the electorate of his progressive State on that issue. After the Senator was elected he gave a statement to the press in which he said that he was elected as a progressive Republican; that when he should be seated he would follow such men as the distinguished President pro tempore of the Senate [Mr. CUMMINS], presiding at this time. He named others than that progressive Senator, the senior Senator from Iowa. He named that Senator's colleague [Mr. KENYON].

Mr. President, before I proceed further I am going to ask that the conferences on the other side of the Chamber, which have been so frequent and constant since the beginning of this discussion, cease for a little while. I know that you are trembling in your boots; that you are shaking like frightened birds upon a rotten twig, with wings half spread ready to fly at the first breaking of the twig. I wish to call your attention before I have finished to the proposition in your State, and I am going to call you by name. If you are afraid of it and do not want to listen to it, then, Senators, excuse yourselves, but the people of your States will read what I have to say.

Here is the statement: I want Senators who are to come up for reelection next fall and their friends to hear what is going to happen to them if they vote to support Newberry to-day. Many of them have taken account of that; they have thought of it by night as well as by day. They are worried, yes, frightened at the situation. They followed the slogan of their President and "wiggled and wabbled" for some weeks, and some of you, I understand, are still wiggling and wabbling. You do not know how they are going to vote. The vote will be close, and that is why the responsibility is so much greater on each of you. A single vote may change the complexion of the United States Senate, and that is why the matter has received the serious consideration and concern, that has amounted almost to consternation, at the hands of certain Republicans, some of whom in the past have been classed as Progressives.

I am sorry the distinguished Senator from South Dakota [Mr. STERLING], who spoke here the other day in defense of Newberry, and who presented a legal argument, is not now in his seat. He will remember giving this statement to the country, and at that time his Progressive colleagues on the other side of the Chamber had great hopes that he would live up to it and follow the ideal to which he adverted:

I intend to cooperate in Congress with such progressive Republicans as CUMMINS and KENYON, of Iowa—

That was a great compliment to the senior Senator from Iowa—

CLAPP and NELSON, of Minnesota; LA FOLLETTE, of Wisconsin; BORAH, of Idaho, and others of like progressive Republican principles.

Of the progressive Senators that the Senator from South Dakota was going to follow, all who have spoken on this question have spoken against Mr. Newberry.

I do not know how the distinguished Senator from Iowa who now presides in this Chamber [Mr. CUMMINS in the chair] intends to vote. I can not imagine and will not believe that he will vote to seat Newberry. His record as a Progressive is written in the CONGRESSIONAL RECORD of the Congress to which he has been elected by that great element in the far West that has molded public opinion and forced progressive legislation here. It is a beautiful thought to remember how in the olden days, when a Senator from Wisconsin had spent $107,000 to win an election, the senior Senator from Iowa led the forces of progressivism in this Chamber and hurled his magnificent personality against those who stood at that time for mere politics. Oh, how he expended his eloquence in that fight!

Around him was the reactionary element of his party. They cringed under the lashing he gave. "Has his mind waxed weak and his heart waxed cold," that his war cry will not now tingle again in our ears? Surely the horn of Roland will sound again. Surely in this his favorite battle he will strike again for the people. Way back in the Lorimer contest case the senior Senator from Iowa led the assault against those on the other side of the Chamber who would retain Lorimer in the United States Senate. Stephenson expended only $107,000, while Newberry expended from $200,000 to $300,000, and again he led the assaults. So I shall not believe that the distinguished senior Senator from Iowa will now retrace his steps, repudiate the things for which he has fought, and vote to-day to seat Newberry. Oh, what a pang it would carry to the people of Iowa! How those who have stood by him in the great fights he has made in that State for progressivism would hang their heads in shame and apologize for the act! I believe that he who has made such a reputation in this body as a Senator and in Iowa as a progressive governor will not at this late day vote to seat a man in the Senate whose corruption is written in every page of the record of the trial of his case.

The senior Senator from Iowa has not forgotten the eloquent speeches which he made touching the primaries, and contending that they were a part of the general election of United States Senators. I quote a portion of one of those speeches. Listen to it. It sounds as good to-day as it did years ago when it was delivered. Said Senator CUMMINS:

Repeating, with slight paraphrase, the most serious and the most impressive utterance I ever heard in debate, I fear that the Senate is about to commit a grave mistake. I fear that the Senate is about to inflict all the injury that it can inflict upon the modern policy of nominating candidates for the Senate of the United States at a primary or popular election.

Some Senators here who have joined in the majority report openly and frankly avow that purpose.

Mr. President, I will wait until the conference at the Presiding Officer's desk is over. I am reading this not only for the edification of the Presiding Officer, but of those distinguished Senators who come up this fall for reelection and who are to vote on this important question. I feel a friendly interest in them.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. HARRISON. The distinguished senior Senator from Iowa continued:

Other Senators, it seems to me, will lend the weight of their influence to the same result unintentionally and unconsciously.

The distinguished senior Senator from Minnesota [Mr. NELSON] also aligned himself on the side of progressive Republicanism and voted to oust this man who had corrupted an election.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. HARRISON. Yes, indeed.

Mr. NELSON. The Senator from Mississippi need not borrow any trouble about the Senator from Minnesota. The Senator from Minnesota will take care of himself, and does not need the Senator from Mississippi as a guardian. [Laughter.]

Mr. HARRISON. I was paying the distinguished Senator from Minnesota a tribute which he seems not to appreciate. [Laughter.]

The PRESIDING OFFICER. The Senate will be in order. The Chair desires to announce once more that indications of approval or disapproval from the gallery are forbidden by a rule

of the Senate; and at some time or other, the Chair does not know just when, the Presiding Officer of the Senate will enforce that rule. The Chair makes this suggestion simply as a warning to those who indulge in manifestations of approval or disapproval.

Mr. HARRISON. Mr. President, I am not surprised that these arguments, when certain Senators apply it to their votes to-day, should make them squirm. It is natural that they should squirm. Of course I am not applying that statement to the distinguished Senator from Minnesota, because I am assuming that when the vote is taken he is going to follow the record which he has made in this body on similar occasions when he has voted against those who have undertaken to corrupt elections.

However, Mr. President, I have not finished the quotation from the distinguished Senator from Iowa, who is now the Presiding Officer of the Senate. I continue reading from his address in the Stephenson case:

When we say that the corruption of a primary has no effect upon the particular Senator elected by a legislature in obedience to the primary expression, or when we say that in order to establish the corruption of the primary we must prove that enough individual voters were corrupted in order to change the results, then we have simply turned the power of money free, untrammeled, and unrestricted upon the electorate of the United States.

Mr. ROBINSON. Mr. President, from whom is the Senator now quoting?

Mr. HARRISON. I am quoting from the distinguished senior Senator from Iowa [Mr. CUMMINS], whose eloquence burned into the hearts of Senators in the past when he fought to oust Lorimer and Stephenson from this body, but who now possesses a Sphinxlike silence.

Further along in that wonderful speech the Senator from Iowa, who is now presiding over the Senate, said:

I think it is due to the country that those Senators who may inferentially stand with the senior Senator from Idaho upon this most extraordinary proposition shall be heard before we close this debate, for I am curious to know how many men there are in this country who espouse a doctrine so full of menace, so destructive to peace and good order.

However, only a few of those who agreed with the then Senator from Idaho spoke in defense of Mr. Stephenson, and fewer have spoken in defense of Mr. Newberry in the consideration of this question than either in the Stephenson or the Lorimer case. There have been more speeches on the part of progressive Republican Senators on the other side spoken against Newberry than there have been speeches made in defense of Newberry by Senators on the other side.

Mr. President, that is not all; there is one further quotation which I desire to make from the great speech of the senior Senator from Iowa, delivered on March 27, 1912, in connection with the Stephenson case. If such a thing were possible, the Senator from Iowa was even more eloquent in this expression than in the others I have quoted. He said:

I look upon the influence of this vote as vastly more comprehensive and far-reaching than the determination of the title of Senator Stephenson to a seat in this body. We must deal justly with him; but in determining what is justice to him we ought to gravely and seriously consider what is justice to the people of the United States.

We are now engaged, throughout the whole country, in one of the most momentous struggles that civilization has ever seen in regard to representative government. No matter what may be true in the States, no matter how applicable the initiative and referendum may be to smaller communities and more homogeneous people, I think it is everywhere conceded that the Government of the United States must remain a purely representative government.

* * * * * * *

I hope that, no matter what may be the result of this controversy, the debate here will make it so clear that he who runs may read that primary elections, in the judgment of the Senate, are sacred and inviolable against the power of money and the influences of corrupt practices.

I could read from the speeches of the distinguished Senator from Washington [Mr. POINDEXTER], who grew eloquent in pleading for the purification of elections, but I shall not consume more of the time of the Senate. I am wondering if his silence in the consideration of this case is indicative that he, too, has deserted those principles for which in the past he has fought.

Let me say this in conclusion:

I know that some of you now do not know how you are going to vote. This question is coming straight. You are going to vote either to seat Newberry or to expel him. There will be no side issues involved. If you vote to seat him, you thereby set a precedent that millionaires and their friends only shall occupy places in this body in the future. You destroy every ray of hope to the poor, struggling, ambitious little fellow away back in the woods or in crowded cities who has read of the great men who have occupied places in this body, who entertains hope that perhaps some day he may rise, in the gift of his people, to a position here. Money is to be the measure in the future. If $200,000 is not sufficient, then you can make it more. If you set that precedent and seat Newberry to-day, a man may leave here and go to Europe and have some friend with his millions pour money into the coffers of the campaign and spend it in any way he sees fit and be elected to a seat in this Chamber. Those progressive measures that we have fought for—the election of Senators by direct vote of the people, their entrance into the primaries, the safeguards that we have thrown around the election box—will be destroyed and from this day on this body will become a degraded and degenerate institution.

Vote for him if you please. Do it because you may think that you are a part and parcel of this administration. Do it because perhaps you do not want to come under the displeasure of a presidential order or a presidential smile. Do it for social reasons if you want to. Do it because you have some pet measure that you want to pass through this body and you are afraid to vote against Newberry because the "powers that be" might place their grip of opposition upon it if you disobey their orders. But bear this in mind:

With this record before you, if you vote to seat Newberry to-day you may do to him and for him a personal favor, but you are destroying your party's future. Not only will the Democratic Party in the next campaign, now coming on, carry to the people the condemnation that you will deserve but progressives within the ranks of your own party will rise up in your States and, on hearing the news to-morrow that you voted to sell the United States Senate over to the millionaire's club, they will rise up, announce their candidacy against you, and in the primaries for a nomination this year you will meet the issue of progressive Republicanism.

Do what you please. The responsibility is great. The people are watching you and will condemn your betrayal of them.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Ohio [Mr. WILLIS].

Mr. CURTIS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum is suggested. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	France	McCumber	Sheppard
Ball	Frelinghuysen	McKellar	Shields
Borah	Gerry	McKinley	Shortridge
Brandegee	Glass	McLean	Simmons
Broussard	Gooding	McNary	Smith
Bursum	Hale	Myers	Smoot
Calder	Harreld	Nelson	Spencer
Cameron	Harris	New	Stanfield
Capper	Harrison	Nicholson	Sterling
Caraway	Heflin	Norbeck	Sutherland
Colt	Hitchcock	Norris	Swanson
Culberson	Jones, N. Mex.	Oddie	Townsend
Cummins	Jones, Wash.	Overman	Trammell
Curtis	Kellogg	Owen	Underwood
Dial	Kenyon	Page	Wadsworth
Dillingham	Keyes	Pepper	Walsh, Mass.
du Pont	King	Phipps	Walsh, Mont.
Edge	Ladd	Pittman	Warren
Elkins	La Follette	Poindexter	Watson, Ind.
Ernst	Lenroot	Pomerene	Weller
Fernald	Lodge	Ransdell	Williams
Fletcher	McCormick	Robinson	Willis

The PRESIDENT pro tempore. Eighty-eight Senators have answered to their names. There is a quorum present. The question is upon the amendment proposed by the Senator from Ohio [Mr. WILLIS].

Mr. WILLIS. Mr. President, I ask that the amendment may be again stated from the desk.

The PRESIDENT pro tempore. The Secretary will state the proposed amendment.

The ASSISTANT SECRETARY. It is proposed to strike out paragraph (3) of the resolution offered by the junior Senator from Missouri [Mr. SPENCER] and, in lieu thereof, to insert the following:

(3) That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums either by a candidate or by his friends and relatives in his behalf either with or without his knowledge and consent being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free Government, such excessive expenditures are hereby severely condemned and disapproved.

Mr. WILLIS. Mr. President, before a vote is had upon this amendment, I desire to modify it in one respect. As the amendment read, as I offered it, the second paragraph was as follows:

The expenditure of such excessive sums either by a candidate or by his friends and relatives in his behalf—

And so forth.

My attention has been called to the fact that the wording of that amendment would seem to express only disapproval and condemnation of the expenditure of such sums by a candidate.

I certainly had no such purpose as that, because any candidate who would do such a thing as that ought to be not only condemned and disapproved, but without question unseated. Therefore I shall perfect the amendment, with the permission of the Senate, by striking out the words "either by a candidate or by his friends and relatives," and after the word "in" striking out the word "his," so that it will read as follows:

The expenditure of such excessive sums in behalf of a candidate either with or without his knowledge and consent being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free Government, such excessive expenditures are hereby severely condemned and disapproved.

Mr. President, I offered this amendment without consultation with anyone, without any understanding or agreement with any gentleman on either side of the Chamber, but as an expression of my own thought, humble as that may be, that whatever the action of the Senate may be touching this very important question, there ought to be an expression of the policy of the Senate with reference to elections that may be held in the future.

As I view this case, Mr. President, it is not the junior Senator from Michigan who is on trial here, but it is the Senate of the United States that is on trial, and the people want to know and have a right to know what the policy of the Senate is and is to be touching this matter of great expenditures in elections.

Mr. President, threats have been bandied about this Chamber, and much has been said in the columns of the newspapers about the retiring of Members who vote this way or that way. Any man who casts a vote upon this question because of fear ought himself to be thrown out of the Senate and chased off the Capitol Grounds. So far as I am concerned, the vote that I shall cast will be based not upon threats or fear or blandishments but upon a conclusion that I have reached from a careful and conscientious study of this record. I am not influenced by threats within this Chamber or without, or from either side of the Chamber, as far as that is concerned.

My own opinion of this case is as stated in this amendment; a portion of the language of the amendment is from the majority report itself. My own opinion is that there was an excessive expenditure of money in this primary contest. I have searched the record in this case very carefully. I have listened to about all the speeches which have been made on the subject on either side of the Chamber. I listened to the address that was made by the junior Senator from Michigan; and, by the way, I want to say, without criticism of his friends in the Senate or out of it who have handled this case, that if Truman Newberry had been given a chance, in the trial in Michigan and in the investigation before the Senate committee, the situation would have been vastly different from what it is now. Truman Newberry stood here on the floor of the Senate, and in 20 minutes did himself more good than his friends had been able to do for him in 20 months. Why handle his case as if he had something to conceal? My own judgment is that he should have been invited to come before the committee; but that is neither here nor there.

Mr. President, I can not believe that this man stood here at his desk in this Chamber and, under his oath as a Senator of the United States, before his fellow Senators and as in the presence of God told one bare-faced lie after another. My own opinion is that Senator Newberry told the truth when he said that these expenditures were made without his personal knowledge or approval or consent. Personally, I am disposed to criticize his conduct, because I think he ought to have known; but I am unwilling to say that a man stands here and willfully makes statements for which, if they are not true, he ought to be convicted as a perjurer. I am not willing to put a stain upon a man simply upon implications and inferences and innuendoes, such as have been hurled across this aisle from day to day, many of them without the slightest foundation in the evidence.

Gentlemen start out talking about what the record shows; they state that it shows the expenditure of $195,000 in the early part of their speeches, before they get to the portion devoted to Wall Street, and then they easily raise it, in their heated imaginations, to $275,000, and later on in their addresses come to $500,000, and the highest figure announced, in one particular address, under the inspiration of perfervid imaginative oratory, was $800,000. It is a serious matter to undertake to convict a man of being a perjurer and a violator of law simply upon such bare, unsupported statements and implications as these.

While this man was derelict in failing to exercise a more rigid control over the conduct of his campaign, my own deliberate, conscientious judgment, based on an honest, careful examination of the sworn testimony, is that he did not have personal knowledge of these financial matters; but I do think, Mr. President, that the Senate owes it to the country to make a statement of its policy as to expenditures in elections and primaries.

What will be the result, Senators, if we shall say that there should be no limitation whatever upon expenditures in primaries and elections? The law does not now regulate the amount which can be expended in behalf of a candidate by his friends. I do not know whether it would be possible to enact such a law; I can not at this moment conceive of its terms; but there is one forum in which that matter can be settled, and that is here. I am unwilling, in the absence of such a settlement beforehand, without any statement from the Senate as to what its policy is to be, to act ex post facto and condemn and stain and ruin a man who had no reason to expect such action at the hands of the Senate from any legislation heretofore enacted or from any policy heretofore announced.

I therefore think, sir, that there ought to be a statement of the policy of the Senate, because if there is to be no statement of what the policy of the Senate is to be in the future, I tremble for the future of my country. I am not so very old, but I recall the time when it was said that fifteen or twenty thousand dollars was a large expenditure to be made in connection with a senatorial election, and I have seen the figure raised to $50,000, to $178,000, and $195,000, which, in my judgment, is vastly too high.

Shall we take the position that there is to be no limitation? I have no quarrel with wealthy men, Mr. President. Wealthy men, as a whole, are moved by the same motives and have about the same characteristics as other men. I have no quarrel with wealthy men; but I do have a quarrel with the proposition that wealth, as such, should control the deliberations of the Senate.

Shall we, therefore, by failing to adopt this amendment, say to any company of wealthy men anywhere in the country, "If you want to put a man across, come together; raise a fund as large as you want; send this man off outside of the country where he can know nothing of the campaign in his behalf, and then, though you may not buy a vote, though you may not violate the statute against bribery, you purchase all the avenues by which a candidate could approach the primary or the election; buy up the newspapers and the advertising space, and hire men. Do not hire men to work, but hire them to distribute cards; hire their automobiles."

Men understand what those things mean. Members of the Senate, the country is entitled to an expression of opinion from the Senate as to what its policy as to expenditures in primaries and elections is to be.

Therefore, sir, I have offered this amendment, and I trust it will be adopted.

Mr. ROBINSON. Mr. President, let no Senator misapprehend or misconceive the inevitable effect of the adoption of the amendment proposed by the Senator from Ohio [Mr. WILLIS]. I intend to vote for this amendment because, sirs, I believe that it is an accurate conclusion, fairly to be arrived at from the testimony in this case; but I challenge Senators, either the Senator from Ohio, who proposes this amendment, or others who may seek to hide themselves behind it from the responsibility for their positions upon the more important part of the resolution which would leave Mr. Newberry in his seat, to explain to the people of this Nation how it is that they declare that campaign was conducted, first, in a manner contrary to sound public policy; second, harmful to the honor and dignity of the Senate; and third, dangerous to free government; and yet vote to ratify and confirm the results of that election.

Will Senators contend that if the declarations of this amendment are true, if it is a fact that the election was contrary to sound public policy in that excessive sums of money were expended to encompass it; that it is harmful to the honor and dignity of the Senate and dangerous to free government, yet, in spite of those three declarations, they propose to retain Mr. Newberry in his seat?

What is the first duty of a Senator? It is to act in such a way that free government will not be endangered, and if an election conducted in the manner in which this election was conducted is dangerous to free government, what Senator here or elsewhere will justify himself in ratifying and confirming that election?

No higher responsibility or duty can ever come to any Senator than that now about to be discharged by all of us. If a Senator thinks that the election was fairly conducted, or that Mr. Newberry can not be charged with the responsibility for it, he may justify himself under his oath in voting to retain him here; but if he believes that that election was so conducted that it became dangerous to free government, was harmful to sound

public policy, and reflected upon the honor and dignity of the Senate, then axiomatically and without argument, if he is a Senator of honor he will vote to unseat Mr. Newberry.

The Senator from Ohio made arguments which are soundly consistent with the theory that the Senator from Michigan is not entitled to retain his seat. Mr. President, his conclusion seems to be, although he did not make it clear how he intends to vote upon the main question, that although the Senator from Michigan comes into this Chamber with a taint or a cloud upon his title, we can declare that he comes here as the result of an election which was conducted against sound public policy and harmful to the dignity and honor of the Senate and dangerous to free government and yet vote to seat him. But such a vote would be inconsistent with every sense of duty and every sense of honor.

Edwin Markham, I think it was, wrote some lines which I think appropriate in this connection. I have not read them for years, but I shall try to paraphrase them:

In storied Venice, down whose rippling streets
The stars go hurrying and the white moon beats,
Stood the great bell tower fronting seas and skies,
Facing the ages, drawing all men's eyes.
It marked the hours for Venice. All men said
Time shall not reach to bow that lofty head.
Time, that shall mark all else with ruin, must
Forbear to make that shaft confess its dust.

Yet all the while in secret, without sound,
The fat worms gnawed the timbers underground,
The twisted worm whose epoch is an hour,
Caverned its way into the mighty tower,
And suddenly it swayed, it shook, it broke,
And fell in darkening thunder at one stroke.
The tall shaft, with an angel on the crown,
Fell ruining—a thousand years went down.

And so I fear, my country, not the hand
That shall hurl might and whirlwind on the land.
I fear not Titan traitors that shall rise
To stride like Brocken shadows on our skies;
I fear the vermin that shall undermine
Senate and school and citadel and shrine;
The worm of fraud, the fatted worm of ease
And all the crawling progeny of these.
I fear the vermin that shall honeycomb the towers
And walls of state in unsuspecting hours.

If this election was conducted in the manner in which the Senator from Ohio says it was conducted, if the manner of its conduct was harmful to sound public policy, reflected upon the honor and dignity of the Senate, and was dangerous to free government, and is to be unqualifiedly condemned, then the adoption of his amendment implies a denial to the sitting Member of the right to continue here.

Mr. OWEN. Mr. President, the Senator from Ohio [Mr. WILLIS] bases his argument upon the false theory that this expenditure of money was not unlawful. Senator Newberry said before the Senate in his defense that, as he understood the law then and now, the committee might spend anything it pleased. The Senator from Missouri [Mr. SPENCER], in charge of this case, said yesterday on the floor that the laws of Michigan permitted the committee to spend for 11 different purposes any amount of money they pleased. The Senator from Ohio this morning makes the argument that this amendment is necessary in order to make it wrongful in the future to spend money in this way. What does this amendment add to section 8 of the act of August 19, 1911, when the Senate, as well as the House, declared that no Senator should expend over $10,000 or more than the laws of his State allowed, or cause the same to be done?

I challenge the Senator from Missouri, in charge of this case, to show any law permitting unlimited expenditure under the laws of Michigan. I have here in my hand the statutes of Michigan. Here is the law of Michigan:

SECTION 1. No sums of money shall be paid, and no expenses authorized or incurred by or on behalf of any candidate to be paid by him in order to secure or aid in securing his nomination to any public office or position in this State, in excess of 25 per cent of one year's compensation or salary of the office for which he is candidate: *Provided*, That a sum not exceeding 50 per cent of one year's salary may be expended by the candidates for governor and lieutenant governor.

This is also the law of the State of Michigan in this connection:

SEC. 48. * * * It shall be unlawful for any other person to do or perform, for or on behalf of any such candidate, or to help or injure the candidacy of any candidate, any of the acts or things which it is by this act made unlawful for such candidate to do.

Mr. SPENCER. Mr. President——

Mr. OWEN. It is made unlawful for a candidate in this case to expend over $3,750 in such a campaign, and made unlawful for "any other person to do" * * * "any of the acts or things which it is by this act made unlawful for such candidate to do."

I yield to the Senator from Missouri.

Mr. SPENCER. I am sure there can not be any difference of opinion between the distinguished Senator from Oklahoma and myself as to what the law actually is. The Senator was reading from section 3828. That section provides that a candidate shall not expend more than $3,750 in a campaign for the office of United States Senator, to be paid by him. The Senator read those words correctly. If the Senator will look at the succeeding section but one he will find in section 3830, the second section thereafter, the provision as to what any political committee, as distinguished from the candidate himself, may expend. He will find there, precisely as I said yesterday, that there are 11 specified objects in the State of Michigan for which a political committee can expend any sum of money without limit, and that has been the practice and the law and the accepted interpretation of Michigan ever since that law was enacted.

Mr. OWEN. Mr. President, I find nothing of the kind. I find the exact contrary. Here is the language to which the Senator refers:

No candidate and no treasurer of any political committee shall pay, give, or lend, or agree to pay, give, or lend, either directly or indirectly, any money or other valuable thing for any nomination or election expenses whatever, except for the following purposes.

Mr. SPENCER. There you are. Now, there are 11 of them.

Mr. OWEN. Just a moment. I have the floor at present.

Mr. SPENCER. The Senator has.

Mr. OWEN. No money whatever can be spent, "except for the following purposes." The exception is not as to the amount. The exception is as to the purposes, and gives no warrant to spend more than the law otherwise allows. Any lawyer who interprets this language with care, with scrutiny, with justice, will see that the exception is the exception as to the purposes and not the amount of the expenditure. All other purposes are forbidden and the door is not opened for the unlimited expenditure of money by the committee.

Mr. SPENCER. Mr. President——

Mr. OWEN. It is not an exception as to amount. I yield again to the Senator from Missouri.

Mr. SPENCER. The amount is not stated. The power of the political committee is stated. The power of the political committee is expressly provided, that they shall not either directly or indirectly expend any money except—I am reading from the statute, if the Senator will look at the record, page 932—

Except for the following purposes.

Mr. OWEN. The purposes alone are excepted.

Mr. SPENCER. I have the floor by the Senator's consent.

Mr. OWEN. The Senator has.

Mr. SPENCER. Then there follow 11 enumerated purposes for which a political committee may expend money, and there is no limitation upon that amount. I challenge the Senator from Oklahoma now to make the statement that either on the Democratic side or on the Republican side that interpretation which I give to it has not been the accepted interpretation of Michigan ever since that law was enacted.

Mr. OWEN. I care not a farthing what the politicians, Democratic or Republican, of Michigan interpret the law to be. Here is the law itself, and it says that—

No candidate and no treasurer of any political committee shall—

Directly or indirectly, expend money—

except for the following purposes.

It does not say that he may expend what he pleases for those purposes.

Mr. SPENCER. How much can be expended for those purposes? If the Senator's interpretation is right, how much can a political committee in the State of Michigan expend for meetings, conventions, and advertising?

Mr. OWEN. Three thousand seven hundred fifty dollars. [Laughter.] Oh, that is highly amusing, but that is the law of Michigan. Moreover, the Senator has never applied to the quotation here the language which forbids any person doing anything which the candidate himself is forbidden to do. What answer has the Senator to make about that language of the law of Michigan?

Mr. SPENCER. I will answer it. The Senator is a great lawyer.

Mr. OWEN. I deny the charge. [Laughter.]

Mr. SPENCER. But the Senator is reading the first section, 3828. He will find there the only limitation as to amount, and that limitation is by the provision of the section confined and limited to the candidate himself. He shall not expend by himself, out of his own pocket—the language of the section is, "to be paid by him"—more than one-half a year's salary, which the Senator is right in estimating at $3,750.

Now, when you leave the candidate himself and go to the political committee which has charge either of the primary or

of the general election you have the provision of law that such committee can expend only for the following purposes——

Mr. OWEN. And then only $3,750.

Mr. SPENCER. And for the 11 enumerated purposes there is absolutely not a word of limitation. Look at it in common sense.

Mr. OWEN. I am looking at it in common honesty as well as common sense.

Mr. SPENCER. They ought to be synonymous. Look at it in the State of Oklahoma or in the State of Missouri or in the State of Michigan. The Senator knows well enough that no language could be so construed, in the absence of some express provision, that would limit a political campaign committee in the State of Michigan, with 2,200 voting precincts, with 3,600,000 people, to $3,750 as the total of their expenses for speaking and advertising and rooms and stenographers and all the other details of a campaign, which the Senator and I agree are at least not forbidden if they are not desirable.

Mr. OWEN. I decline to agree to what the Senator is asserting on this point. I call the Senator's attention again to this language of the law:

SEC. 48. * * * It shall be unlawful for any person to do * * * any of the acts or things which it is by this act made unlawful for such candidate to do.

Mr. SPENCER. Exactly.

Mr. OWEN. What answer does the Senator make?

Mr. SPENCER. What is made unlawful for the candidate to do?

Mr. OWEN. To spend more than $3,750.

Mr. SPENCER. Exactly, and no man for that candidate, as his agent for him, can do in his place what he is forbidden doing; but when you leave the candidate and go to the political committee, the State committee if you like, the political organization of the party, there the law says "when you conduct a campaign here are the 11 purposes for which you can spend money, and you can not spend it for anything else." Under those 11 purposes in that section of the statute there is not a word of limitation, and there never has been in the State of Michigan in practice.

Mr. OWEN. It was not necessary to put any words in that section, because the law flatly forbade a candidate to spend over $3,750, and forbade any other person to do what the candidate himself could not do.

Mr. SPENCER. The law does not forbid a candidate expending directly or indirectly; the law prevents a candidate from expending amounts to be paid by him in excess of half a year's salary.

Mr. OWEN. Then the Senator interprets the law to mean that while it forbids the candidate himself expending money directly, he could indirectly spend what he pleased. Such an interpretation is preposterous and is contrary to common sense and common honesty.

Mr. SPENCER. The Senator from Oklahoma knows that the language of the statute does not mention $3,750.

Mr. OWEN. No; that was not necessary, and the Senator's observation is not relevant to the vital issue.

Mr. SPENCER. The Senator knows that it has reference to half a year's salary. We have no dispute as to that.

Mr. OWEN. No.

Mr. SPENCER. Very well. Then if the Senator's interpretation is right, when a State committee had to do with the election of a secretary of state, whose salary was only $2,000 a year, the aggregate expenditures in the campaign under the law could only be half a year's salary, to wit, $1,000, for the whole campaign expenses in a great State like Michigan.

Mr. OWEN. There is no doubt about that, but the observation is utterly irrelevant—"a red herring across the path."

Mr. SPENCER. The interpretation falls to the ground; it is an absurdity.

Mr. OWEN. Not at all. There is no question that the language of the law covers every officer. The amount which may be expended is one-half of a year's salary, so far as the governor or the lieutenant governor are concerned, and a Senator is put under the same head as a governor. The amount of $3,750, therefore, is what a candidate for Senator may spend in his campaign. But that is irrelevant. The point is the Michigan law [sec. 1] forbids the candidate for the Senate to expend over $3,750 in the primary campaign, and in section 48 forbids anyone to do what the candidate is forbidden to do—that is, among other things, to expend over $3,750 in the primary campaign.

The law provides that it shall be unlawful for any other person to do or perform anything which is by the act made unlawful for such candidate to do. The Senator from Missouri can not get away from that language; it is a complete answer to his assertion that the committee could expend what the candidate was forbidden to expend.

It is a complete refutation of the pretention that the expenditure of $200,000 was lawful, much less moral, or in accord with a sound public policy or consistent with the honor and dignity of the Senate.

Mr. President, this matter should be disposed of by the application of a few basic principles. It is conceded that a vast amount of money was expended to procure this seat, and except for the expenditure of money the result would have been entirely different. Mr. Newberry, in his address to the Senate twice declared these enormous expenditures were "necessary." Necessary for what? To elect a man whom the people otherwise would have surely defeated. The only defense is that Mr. Newberry personally did not contribute any money and that he did not know of the extent of expenditures until the treasurer made his report after the primary. Mr. Newberry himself says he knew it would cost his friends $50,000, and his financial secretary paid $99,000.

This defense proceeds upon the theory that the candidate is under no obligation to find out the source or the amount of the moneys he expended, notwithstanding he was warned a considerable time before the primary that scandalous amounts were being used in a scandalous manner.

The amount conceded to have been used was approximately $200,000, which is more than twenty-six times as much as the annual salary. The amount proved to have been expended before the committee was approximately $263,000, with indirect but compelling evidence of other large expenditures. Besides this, Richard Fletcher, a State official of high position and one of Newberry's active lieutenants, declared to Frank M. Sparks, associate editor of the Grand Rapids Herald, when Mr. Sparks asserted to Fletcher that the campaign must have cost nearly half a million dollars—

Half a million hell! It cost near $800,000, and I know what I am talking about.

Assuming it was only $200,000, the amount is appalling, indefensible, and enough to make any lover of his country almost despair of our institutions, if the confessed guilt shall be condoned.

What difference does it make whether Mr. Newberry furnished this money himself or his relatives furnished it? The principle must be established by the precedent here set in this case; either that seats may be purchased or they may not be purchased.

He was told in advance, before he opened this campaign, that he could not succeed without the expenditure of a great amount of money, at least $50,000. Nevertheless, he appointed agents and entered upon the campaign. They expended this money for him, and he now asks to keep the Senator's seat so purchased. He kept in close touch with them throughout the entire campaign, receiving daily and sometimes hourly reports. His counsel conceded before the committee that he was in close touch with all the activities of the campaign, advising and counseling the committee.

Complete information by him on every point is conceded except the sources of the money and the amount of the money he expended or participated in expending. Many thousands of letters were written by the committee, forwarded to him in New York, and by him signed and mailed to his thousands of supporters all over the State of Michigan. He personally assisted the publicity director who came to New York for the purpose of preparing the advertising which was carried in all the newspapers of Michigan, costing the committee over $140,000. In different places in his letters to King Mr. Newberry describes this as "our publicity" and tells King "to keep up with full pressure." What right had he, knowing, as he says he did, the laws of the United States and the State of Michigan, to actively assist in spending these vast sums without inquiring where the money came from or how much?

For six months, from February to August 16, which was just 10 days before the primary, not a dollar was put into this campaign except those sums paid in by Mr. Newberry's own private financial secretary, Mr. Fred Smith. Do you believe he did not know something about where the money was coming from? Nobody but a baby would believe such an assertion. Why, when he was notified by Vandenberg, the Grand Rapids editor, that at least a quarter of a million dollars was being expended, did he call up Mr. Smith about it, as he himself says he did, if he did not know that Smith was furnishing money? Why did Smith telegraph him on the 28th of July that all the chief campaign expenses would have to be kept up and continued until August 27, the primary day?

When he knew early in August, as he says he did, that the whole State of Michigan was ringing charges of a boodle campaign against his committee, why did he not call up Paul King or Allan Templeton and at least make some inquiry about it?

It is unimportant and immaterial whether he knew or did not know, whether he shut his eyes or kept them open, whether he was a dunce or a knave, he can not by any right of law or morals keep this seat thus deliberately purchased for him.

It is pitiful for partisanship to run mad and strike a blow at the very vitals of free government.

If partisanship were to control the Democrats in this matter, they would be delighted to see their opponents seat Mr. Newberry, thus outraging every honest voter in the United States, no matter what his politics.

The evidence shows indisputably another unanswerable ground for unseating Mr. Newberry, and that is the hiring of political helpers and workers to use their influence all over the State of Michigan. This practice was made a criminal offense by the primary statutes of Michigan, passed in 1909. The language of that statute is as clear as daylight, saying in so many words that its intent is to prohibit the practice which had prevailed among candidates of hiring workers at and before primary. This statute only made criminal a practice which had been denounced by the courts for many years as being inherently corrupt and against public policy. The statutes were not intended to forbid, and nobody has ever claimed that it forbade the hiring of clerks, stenographers, mailing agents, publicity agents, and the like; but the practice of hiring prominent politicians to use their influence in any form to obtain an office for the candidate, whether by persuading the appointing power or by inducing the electors to vote, has long been condemned as illegal and corrupt. The Michigan statutes in the most sweeping language forbid and make criminal this practice, and I am informed that it was so passed because previous to 1909 there had been two or three very scandalous campaigns, one of which, says the New York World, was that of Mr. Truman H. Newberry in 1904, when he ran in the primaries against the present Secretary of the Navy, Mr. Denby. The newspapers of Detroit then declared unanimously that Mr. Newberry was running a "barrel" campaign.

Now, why is this practice inherently corrupt? Nothing could better illustrate it than what happened in every county of Michigan. The agents and members of the committee went into these counties, to prosecuting attorneys, the judges of probate, the sheriffs, and other prominent politicians, and deliberately hired them to work for Mr. Newberry. They paid them large sums of money, sometimes by the month, sometimes by the week, sometimes in lump. These sums were secretly paid the followers of these prominent politicians, and they did not know when they were being advised and urged to support Newberry that those who were giving this advice had been paid in cash to do it.

The committee knew this was a criminal practice and concealed these payments. Nearly all payments were made in cash and not by check, and their books did not show these payments. The treasurer's report did not show these payments, the voters did not know anything about them until the facts were shown at the Grand Rapids trial by the testimony of some 200 of these persons who received the moneys and who constituted only a fraction of those who were employed.

Now, if this had only been a few instances, perhaps it might be overlooked; but it was the organized campaign plan of Mr. Newberry's committee, and he, Mr. Newberry, knew about it, as shown by the sinister letter which King wrote to Newberry on May 30 (B. E. 743), wherein he said:

> Of course, we could find people in these counties to take up the work, but in many cases they would be lesser lights, and we want to get the principal workers if possible.

This needs no interpretation; they wanted the principal workers because they had big influence and big followings.

The minority report quotes from evidence of 36 of these prominent officials, bankers, attorneys, and the like, who were but 36 out of the 200 sworn. Read that report. They show that these men swear that they were hired for $1,200 apiece to use their political influence for Mr. Newberry. The 200 were not all; those are the ones who confessed, and are only a fraction of those who were employed all over the State. Mr. King, on the witness stand, himself admitted that money was used in all these counties. For instance, Frank O. Gilbert testified that he was grand lecturer of the Masonic Lodge and that he received $50 per month just for talking wherever he went in favor of Newberry. He was asked a question: "And the only service you performed was in boosting, as it were, Mr. Newberry in the campaign?" Answer. "That is all" (Rec., 458, 459). Angus MacEachron testified that he was active in the United Commercial Travelers' Association and that he received in all $850, $500 being salary, and "my work consisted of just talking to the traveling men, nothing else" (Rec., 405). Allan K. Moore received $1,575 salary besides a large expense bill. He gave the names, residences, and occupations of large numbers of men to whom he paid sums ranging from $10 apiece up to several hundred dollars apiece. He said: "The whole object of these trips was the sounding out of the sentiment regarding Senator Newberry's candidacy and the promotion of it as far as I could through my own individual acquaintances" (B. E., 104, 105). Edward O. McLain, an advertising man, received $800 salary besides large expense bills. He worked along the Lakes, among the marine workers, and he testified, "I took up work among the marine workers, urging them to support Newberry."

These are simply three or four samples out of the 200 sworn. This practice is condemned by the Michigan statutes, condemned by public policy, condemned by court members, by legal decisions, and condemned by the simplest rules of any morality. Mr. Newberry knew of the illegality of these payments, and all evidence of them was hidden. This universal organized plan of campaign, illegal, corrupt, effective, was alone sufficient to unseat Mr. Newberry; the statutes expressly declare not only that the candidate shall not do it, but that no person shall do it in his behalf.

I submit a few cases establishing two principles:

1. Corrupting the primary avoids the election.

2. Hiring workers for their influence is inherently corrupting and abhorrent to the law.

Livingston *v.* Page (Vt., 59 L. R. A., 336, 337) establishes two propositions:

First. Corruption of the primary necessarily results in corruption of the election and will avoid the election.

Second. That an agreement to use one's influence to procure another any public office is wholly void at common law as being inherently corrupt and against public policy.

In the opinion are quoted several other cases and authorities.

To the same effect on both points is McCrary on Elections (3d ed., sec. 185).

The position of the Senator from Missouri [Mr. SPENCER] that the hiring of persons to use their influence to promote a particular candidacy is not either prohibited by the Michigan statute or contrary to the common law and to public policy is shown to be utterly without foundation and is completely overthrown by many authorities by the notes in 51 L. R. A. (N. S.), page 551, where it is stated:

> Contracts purchasing or hiring the influence of another to further a particular election are wholly void. (Citing many cases.)

In Whitman *v.* Ewin (Tenn., 39 S. W., 742) the court said:

> The greater his influence, the more powerful his eloquence, the more persuasive his arts and skill, the more important it is that such powers and capabilities should be preserved and protected, unbought and unpurchasable for the benefit of the State and the public weal and only allowed to be brought into activity from purely patriotic and unselfish motives.
>
> All such contracts as the one alleged are corrupt, contrary to public policy, illegal, and void.

Many cases are cited to support this doctrine, and it would seem to be very important, because the Michigan statute not only makes this a criminal offense on the part of the candidate but also on the part of any other person on his behalf. You will remember that hundreds of the most influential officials and most prominent citizens were hired by the Newberry committee all over Michigan. This ought to dispose of the case alone in the mind of any honest Senator.

The Senator from Missouri maintains that the hiring of such workers was not meant by the Michigan statute. He maintains that position right in the teeth of the plain words of the statute. But if there were no statute, the foregoing cases and authorities establish the corruption of the whole procedure. The Newberry committee knew this was so, and that affords a reason why none of the payments of moneys made to these prominent persons appear in their records and why their original records were destroyed.

Mr. BORAH obtained the floor.

Mr. SPENCER. Mr. President——

The PRESIDENT pro tempore. The Senator from Idaho has the floor.

Mr. BORAH. I yield if the Senator from Missouri wishes to be heard.

Mr. SPENCER. I am not going to make a speech, but I wish to make a brief statement, by the courtesy of the Senator from Idaho.

I approve of what the Senator from Ohio [Mr. WILLIS] has stated in his amendment to the resolution; I think it is a good thing to announce to the country the principle precisely as he indicated it in his amendment. I thought such language had been inserted in the report of the majority of the committee, a portion of which the Senator quoted in his amendment. Indeed,

the principle was announced by the junior Senator from Michigan [Mr. Newberry] when he spoke on the floor of the Senate.

Therefore I desire, Mr. President, to modify Senate resolution 172, which I have offered, so that it shall incorporate the amendment of the Senator from Ohio, and, further, in order that the resolution may be somewhat shortened, in my modification I have omitted the third clause of the resolution and added to the second clause a few words, so that the resolution as modified would consist of the three paragraphs, the third of which would be the clause offered by the Senator from Ohio as an amendment. I ask that the Secretary may read the resolution as I now propose to modify it.

The PRESIDENT pro tempore. The Secretary will read the resolution as proposed to be modified by the Senator from Missouri.

The Assistant Secretary read as follows:

Resolved, (1) That the contest of Henry Ford against Truman H. Newberry be, and it is hereby, dismissed.

(2) That Truman H. Newberry is hereby declared to be a duly elected Senator from the State of Michigan for the term of six years commencing on the 4th day of March, 1919, and is entitled to hold his seat in the Senate of the United States.

(3) That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free Government, such excessive expenditures are hereby severely condemned and disapproved.

Mr. BORAH. Mr. President——

Mr. NORRIS. Before the Senator from Idaho proceeds, may I interrupt him?

The PRESIDENT pro tempore. The Senator from Idaho has been recognized. Does he yield to the Senator from Nebraska?

Mr. BORAH. I yield.

Mr. NORRIS. I want to ascertain the parliamentary situation.

Mr. BORAH. That is the purpose for which I rose.

Mr. NORRIS. The Senator from Ohio [Mr. WILLIS] has offered an amendment to the pending resolution, and the Senator from Missouri [Mr. SPENCER] has modified his original resolution by incorporating the amendment. I wish to know if the Senator from Ohio has withdrawn his amendment?

Mr. WILLIS. Mr. President, as I understand the statement which was just made by the Senator from Missouri [Mr. SPENCER] he accepts the amendment which I have offered; so my amendment will be included in his resolution. That is my understanding of the parliamentary situation.

The PRESIDENT pro tempore. The Chair understands the parliamentary situation to be that the Senator from Missouri, within his right, modifies the resolution which he has offered, and that the Senator from Ohio [Mr. WILLIS] withdraws the amendment which he has offered; so that the original proposition now is the resolution offered by the Senator from Missouri as modified.

Mr. NORRIS. Will the Senator from Idaho yield to me for the purpose of offering an amendment to the resolution offered by the Senator from Missouri?

Mr. BORAH. I yield.

Mr. NORRIS. I offer as an amendment to the third clause of the resolution of the Senator from Missouri, as now modified, the following:

And therefore Truman H. Newberry is not entitled to a seat in the United States Senate.

I ask that the amendment which I have now offered be read in connection with the third paragraph of the resolution of the Senator from Missouri.

The PRESIDENT pro tempore. The Secretary will state the amendment which is proposed by the Senator from Nebraska to the resolution of the Senator from Missouri as modified.

Mr. SPENCER. Mr. President, a parliamentary inquiry. I am sure the Senator from Nebraska did not intend it, but I submit that no amendment is in order that in the final clause absolutely nullifies and contradicts a prior clause without eliminating the prior clause. In the resolution as it is now modified the second paragraph declares that Mr. Newberry was elected and is entitled to hold his seat, while the latter part of the third paragraph as now proposed to be amended by the Senator from Nebraska would, of course, if adopted, nullify and contradict the prior clause without changing its language.

The PRESIDENT pro tempore. The Chair is of the opinion that that is a matter for the Senate, and not for the Chair, to decide.

Mr. NORRIS. Mr. President, if the Senator from Idaho will permit me, I wish to say a word on that point. The present Presiding Officer is a great lawyer; he recognizes that when a demurrer is filed as a pleading in a case the opposite party can at once ask that that pleading apply to all the papers that precede. The Senator from Missouri objects to the amendment that I have offered to the third clause of his resolution because it contradicts another clause of the resolution. I want the Chair, in deciding that point of order, if he decides it, to pass upon it as a court would pass upon a demurrer, and say that a demurrer searches the record. If he does that, he will find that the amendment accepted by the Senator from Missouri himself, embodying a new paragraph 3, nullifies paragraph 2 of his own resolution. The amendment I have offered does the same thing, I think.

The PRESIDENT pro tempore. The Chair repeats his position upon that point; that is a matter for the Senate to decide, and not for the Chair. The Senator from Idaho is entitled to the floor.

Mr. BORAH. Mr. President, I am a little more bewildered than I was when I arose, and I should like to ask the Chair what is the subject matter now before the Senate upon which we will be called upon to vote?

The PRESIDENT pro tempore. The Chair holds that at the present time the pending question that must be submitted first to the Senate is the amendment offered by the Senator from Nebraska [Mr. NORRIS].

Mr. BORAH. Mr. President, with the utmost respect for the Senate and for my colleagues, it seems to me that the resolution as now framed is somewhat disparaging to the seriousness of the controversy which is here involved. The amendment offered by the Senator from Ohio, which has now been incorporated, I understand, by the Senator from Missouri in the resolution which he has offered, reads as follows:

3. That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free government, such excessive expenditures are hereby severely condemned and disapproved.

Mr. President, I have only a word or two to say. If this amendment were designed, as I understand the Senator from Ohio to declare, simply to announce a policy upon the part of the Senate and the opinion is held that to declare the seat of the sitting Member vacant prior to a declaration of that policy would be in the nature of an ex post facto penalty, I beg to say that the policy of the Senate was fully declared, fully known, and fully understood at the time of the election which we are now investigating. Some years ago we passed a law which, although it was held unconstitutional, it being decided by a majority of the court that we did not have the power to pass such a law, nevertheless expressed beyond peradventure and beyond controversy what the policy of the Senate was with reference to campaign expenditures. If the resolution as now modified were adopted, it would amount to no more in the way of declaring a policy than the policy which was declared and fully understood at the time when the primary election in Michigan took place. The mere fact that the Supreme Court has held that we were technically without the authority to pass such a law does not at all militate against the proposition that it was known to be the expressed view of this body that that should be the law.

Mr. President, secondly—and this is the most serious part of it, it seems to me—Mr. Newberry is either entitled to exoneration here and to hold his seat on a level with every other Senator in this body or he should be excluded from membership here. What we do when we pass this resolution is to say to Mr. Newberry, "You may hold your seat, but you hold it here and sit in the presence of your colleagues and before the people of the world as one who has obtained it in a manner which imperils the very life of the Republic." We put the brand of shame upon Mr. Newberry as completely as if we should exclude him from the Senate when we say that he crept in here by methods and means which every Member of the body condemns as dishonorable, unpatriotic, and in violation of the law of common decency. Let us strip the resolution so as to cover the only question that is before us, and that is as to whether or not this seat should be declared vacant because the election was corrupt, and pass upon it in that form. If Mr. Newberry is entitled to a seat here, let him sit upon an equality with the Senator from Ohio and the Senator from Idaho. Why should he sit here under a cloud for four years if he did not corrupt the election? If he is exonerated, if, as he says, before his God and his conscience he did nothing dishonorable, how dare you place the brand of shame upon him in

this way? It is by reason of the fact, my friends, that we have not the courage to meet this thing as it should be met, and the reflection will be upon us quite as much as upon Truman H. Newberry. This resolution puts upon Newberry a stigma, it discredits his title, it dishonors his State, and yet in miserable shameless fashion you permit him to sit in a body whose very honor you declare he has compromised. Could anything be more humiliating to this body or more discreditable to men charged with a high and solemn responsibility?

Mr. LENROOT. Mr. President, I am very much surprised at the construction that the distinguished Senator from Idaho [Mr. BORAH] has given to the amendment proposed by the Senator from Ohio, because the construction that he gives to it involves the judgment that Senator Newberry was a party to this excessive expenditure of money.

Mr. BORAH. No; that is not what the resolution says.

Mr. LENROOT. I know that is not what it says, but that is the conclusion that the Senator from Idaho draws from the resolution when he says that the adoption of this particular amendment disgraces Senator Newberry. It could not disgrace him unless the conclusion follows that he participated in the excessive use of money.

Mr. BORAH. The resolution says, "with or without his knowledge."

Mr. LENROOT. Certainly; and if any Senator believes that Senator Newberry did participate in this excessive use of money, of course, that Senator will vote against this resolution.

Likewise, the construction that is given by Senators upon the other side of the aisle as to the effect of this amendment, especially by the Senator from Arkansas [Mr. ROBINSON], is that this is a declaration that the election of Senator Newberry was secured through and because of this excessive use of money. If any Senator believes that this excessive use of money was the cause of Senator Newberry's election, that he would not have been elected without it, then I frankly say that I think it would be the duty of every such Senator to vote against the resolution.

But, Mr. President, what is this amendment? This amendment makes a declaration against the excessive use of money in Michigan or elsewhere. It makes a declaration against it although the candidate knows nothing whatever of it, has no knowledge of it, and did not consent to it; but there is not a word in this amendment from which any conclusion can be drawn that Mr. Newberry's election was the result of this excessive use of money.

Suppose the record in this case had disclosed that half a dozen men had been bribed in this senatorial election. Suppose it had also been shown that that bribery did not affect the result of the election, and that Senator Newberry was absolutely ignorant of it. Would that have affected the right of Senator Newberry to his seat? And yet, Mr. President, that being disclosed in the record, would it not be entirely proper for the Senate of the United States, in passing upon that election, to make a declaration against bribery in elections?

Mr. BORAH. Mr. President, will the Senator yield for a moment?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. I yield.

Mr. BORAH. This resolution says that the expenditure of $195,000 in condemned, and that is all.

Mr. LENROOT. Yes.

Mr. BORAH. Would the expenditure of $190,000 be all right?

Mr. LENROOT. No; I do not think so.

Mr. BORAH. The fact is the resolution says nothing except to condemn the particular amount which Mr. Newberry himself expended. It singles out Mr. Newberry's election and condemns that amount.

Mr. WILLIS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LENROOT. Yes; I yield.

Mr. WILLIS. I drew the resolution myself, and I can not permit the Senator from Idaho to read into it that which is not there and was never intended to be there.

Mr. BORAH. It might not have been intended to be there, but it is there.

Mr. WILLIS. I understood the Senator to say that it condemns only what Mr. Newberry expended. Such language the Senator will not find in the resolution.

Mr. BORAH. The resolution begins:

That whether the amount expended in this primary was $195,000—

Whose primary? Mr. Newberry's primary. You are dealing with Mr. Newberry's election; and you condemn and denounce it, and then you say: "However, Mr. Newberry, you may hold your seat."

Mr. LENROOT. Mr. President, it seems to be very clear that it is very proper for the Senate of the United States to condemn the expenditure of $195,000 in the State of Michigan, although a Senator in voting for that resolution may also conclude and believe that Mr. Newberry is as guiltless as a newborn babe, and may also conclude and believe that the expenditure of that $195,000, instead of being an assistance to Mr. Newberry in this particular case, was a positive detriment to him, as I believe it was.

Mr. OWEN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Oklahoma?

Mr. LENROOT. I yield to the Senator from Oklahoma.

Mr. OWEN. I wish to ask the Senator why he condemns the expenditure of $195,000 when the corrupt-practices act passed by this body condemned the expenditure of a small amount?

Mr. LENROOT. The corrupt-practices act passed by this body—and the Senator will correct me if I am wrong in my construction—dealt with the expenditures of a candidate.

Mr. OWEN. Mr. President, the corrupt-practices act passed by this body referred not only to the candidate but to any expenditure which might be caused by him or consented to by him.

Mr. LENROOT. Caused by him, certainly; but if some one in the State of Oklahoma, we will say, when the Senator was a candidate, without the knowledge of the Senator from Oklahoma, and because he believed that he ought to continue to represent his State in the Senate of the United States, undertook to spend $10,000 in the Senator's behalf, and the Senator was not a party to it in any way, does the Senator say he believes that he should have been deprived of his seat in the Senate in that event?

Mr. OWEN. Mr. President, in reply to the Senator, I will say that the Senator from Oklahoma took good pains to observe the laws passed by the Congress of the United States, and kept well within the bounds.

Mr. LENROOT. Oh, the Senator from Wisconsin has not implied to the contrary in the least degree. The Senator from Wisconsin was putting a hypothetical case to the Senator from Oklahoma: If he had had some good friend in Oklahoma who believed that he had a serious contest before him and who, without the consent or the participation of the Senator from Oklahoma, had voluntarily expended $10,000 in his behalf, does the Senator from Oklahoma think that in such event he should be deprived of his seat in the United States Senate?

Mr. OWEN. Mr. President, the Senator from Oklahoma, being kept in daily touch with a campaign carried on in his behalf, and being advised in the first place that the chairman whom he had approved expected to expend a minimum of $50,000, would have seen to it that the law was obeyed by his agents and representatives.

Mr. LENROOT. The Senator from Wisconsin is not now speaking of agents and representatives of the Senator from Oklahoma. The Senator is asking the Senator from Oklahoma if some friend—neither his agent nor his representative—undertook to spend this amount of money in his behalf, does the Senator from Oklahoma think that he should be deprived of his seat in the United States Senate?

Mr. BORAH. Mr. President, if the Senator will pardon me——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LENROOT. I yield to the Senator from Idaho.

Mr. BORAH. I should really like to come back to this resolution, because I think both the Senator from Ohio and the Senator from Wisconsin are arguing a proposition which is not here.

This resolution does not refer to any expenditures except the expenditures of this particular primary. In other words, you are placed in the position that you leave it where it is, you condemn the election, you condemn the expenditure, whether Mr. Newberry knew about it or not, and yet you permit him to retain his seat; and I can not believe any Senator wants to vote for that kind of a resolution.

Here is what the resolution says:

That whether the amount expended in this primary—

The primary that we are now investigating—

was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended—

Where? In this primary—

was in either case too large, much more than ought to have been expended. The expenditure of such excessive sums—

That is, the amount which we have referred to—

In behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free government, such excessive expenditures are hereby severely condemned and disapproved.

If that does not condemn the title by which Mr. Newberry sits here, notwithstanding permitting him to hold his seat, I do not know what language would.

Mr. LENROOT. Mr. President, I claim to have only average intelligence, but I can not for the life of me see how the Senator from Idaho can contend that this language condemns the election. To condemn the election there would have to be some phrase or some paragraph in this amendment to the effect that the use of this excessive amount of money affected the result of the election, which it does not do. If I believed it did, I should agree with the Senator from Idaho.

Mr. BORAH. Mr. President, the Senator from Michigan himself, his attorneys, and, so far as I have heard anyone speak here, his supporters, have all stated that without the expenditure of this money he could not have won the primary.

Mr. LENROOT. That may be. I am not aware of that fact; but——

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. LENROOT. I want to say to the Senator from Idaho that from this record and from what transpired at the time I was satisfied then and I am satisfied now that Mr. Newberry would have had a much larger majority in the Michigan primary if there had been $50,000 expended instead of $195,000, and so believing I do not believe that the expenditure of this sum of money resulted in his election, but, on the contrary, I believe that the excessive use of money was to the detriment of Mr. Newberry.

Mr. BORAH. Mr. President, I think it was to the detriment of Mr. Newberry's election, because he ran, I am told, 400,000 behind his ticket; but I do not think the expenditure of that money was a detriment to his nomination. Mr. Newberry, if I correctly recall his statement—and if I am mistaken you will correct me—said that this expenditure was too large in any ordinary campaign, but that in this instance it was necessary.

Mr. ROBINSON. That is exactly right.

Mr. SPENCER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. LENROOT. I yield to the Senator from Missouri.

Mr. SPENCER. Just for a moment. Mr. President, there must be no misunderstanding about this resolution. No quibbling of words can change its clear meaning. When we adopt a resolution to the effect that a man is elected and entitled to his seat, there is nothing that brings the blush of shame upon that man.

Mr. ROBINSON. Mr. President, will the Senator yield in order that I may ask the Senator from Missouri a question?

Mr. SPENCER. Not for a moment. Every Senator knows that when a man is declared elected to this body and entitled to a seat, with those words go that which makes him the peer of any Senator in this body.

Mr. BORAH. That would be true if it were not for the fact that you incorporate in the resolution itself which gives him his title a declaration that he obtained his seat in a way that is contrary to the dignity of the Senate.

Mr. LENROOT. Mr. President, I can not yield further. The Senator from Idaho can not read into this resolution any declaration that this election was obtained through the excessive use of money. It is not there.

Mr. CARAWAY. Mr. President, will the Senator yield to me?

Mr. LENROOT. I yield to the Senator from Arkansas.

Mr. CARAWAY. May I read just briefly what the Senator from Michigan himself said about it?

Mr. LENROOT. Mr. President, I can only yield for a question. I can not yield further.

Mr. CARAWAY. It is just one sentence.

Mr. LENROOT. I do not care. I do not know what the Senator from Michigan said about it. It would not affect my judgment whatever the Senator from Michigan said about it. I myself am satisfied that that excessive use of money by the friends of Mr. Newberry was a detriment to him, instead of a help.

That is all I have to say upon that feature of it.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. LENROOT. Only for a question.

Mr. KING. Does the Senator think that if a candidate for an office who spent a half million dollars corruptly, by reason of that fact lost a large number of votes, but because of the great majority of the party should win, he still would be entitled to his seat?

Mr. LENROOT. Of course not; the Senator does not need to ask me such a question as that. He knew beforehand what the answer would be.

Mr. President, I rose for the purpose of trying to show that there was nothing in the amendment proposed by the Senator from Ohio and accepted by the Senator from Missouri inconsistent with the second paragraph of the resolution, declaring that Mr. Newberry is entitled to his seat. While I am on my feet, Mr. President, I shall take a moment to give my reasons for the vote which I shall cast upon this resolution when we come to its final disposition.

If I believed that Mr. Newberry was a participant in any way in this vast expenditure of money, I would not vote to seat him, of course. I frankly say that if I did not know Mr. Newberry, if I were to form a judgment from the cold letter of the record, a presumption might arise in my mind that Mr. Newberry was such a participant; but, Mr. President, exactly as cases are tried in court, where a jury is influenced in judging of the credibility of a witness by his attitude and frankness upon the stand, so, aside from the letter of the record in this case, in forming my judgment, I very properly considered Mr. Newberry's attitude throughout this protracted siege he has endured, and, taking that into consideration, and considering his speech made upon this floor, if I should conclude that Mr. Newberry had really participated in this expenditure of money, I would not only be compelled to conclude that he had violated the laws of Michigan, but that he was a liar upon the floor of the Senate of the United States.

Senators may conclude that Mr. Newberry stood upon this floor and deliberately lied; I do not. I believe he told the truth, and, believing that, I am forced to the conclusion that he did not participate in any way in the expenditure of this money.

Then, Mr. President, there is only one question remaining for me to decide in forming my own judgment, and that is, Did this vast expenditure of money, although not participated in by Mr. Newberry, result in Mr. Newberry's nomination and election, and would he not have secured the office but for this huge, and perhaps in some cases improper, expenditure? In arriving at a conclusion on that question, as I have studied the record and studied the case, as I stated a little while ago, I believe Mr. Newberry received fewer votes because of this excessive expenditure; that it harmed him rather than benefited him; that he would have been nominated exactly the same, and with a larger majority, had it not been for this excessive expenditure.

So, answering those two questions in the negative, upon my oath as a Senator I can not do otherwise than vote for the resolution declaring that Mr. Newberry was duly elected and is entitled to his seat.

Mr. JONES of New Mexico. Mr. President, I had not intended to say a word upon this subject. However, I desire to refer to the statement of the junior Senator from Ohio [Mr. WILLIS]. If I was able to understand the Senator from Ohio, he claims for the junior Senator from Michigan very much more than the Senator from Michigan claims for himself.

The junior Senator from Ohio said that he was satisfied that Mr. Newberry neither knew nor consented to the expenditure of any money in the primary or in the election. I simply request that the Senator from Ohio read the speech made in this Chamber by the junior Senator from Michigan, and if that be done, I feel sure he will not repeat the claim which he has made this afternoon.

I listened to the speech of the Senator from Michigan with a great deal of interest and a great deal of concern. I wanted to know the real situation as it was viewed by the junior Senator from Michigan. I do not believe we have been called upon to exercise our duty as Senators in a case which carries more responsibility than the case which is now presented to us, and I have sought to ascertain the truth, I have tried to learn the facts, and when the junior Senator from Michigan came before us I listened with alert ears to what he had to say. I, of course, was interested. I wanted to weigh his words, as he evidently did, when he came before us, and I submit that upon reading his own words no one can rise in this Chamber and say that this money was spent in Michigan without his knowledge or consent.

I have that speech before me, and in it he told us the story of the conversation between him and Paul King in which he himself inquired about the expenses of the campaign in Michigan; in which he inquired about the amount which had been expended by Senator TOWNSEND or his committee; in which he

was told that that had cost $20,000, but that Newberry's campaign would cost not less than $50,000, in response to a question propounded by Mr. Newberry himself to Paul H. King at the time he induced Paul H. King to act as the manager of his campaign.

With that in view, I call attention to some further statements of the Senator in his speech. He said:

I do not mean to say that I did not know generally what was going on in Michigan. I had constant knowledge, as far as information was concerned, regarding the progress of the campaign, but I had no direct participation in it.

I knew, as a matter of fact, that a campaign of publicity was being extensively carried on, and I realized that such a campaign must necessarily cost a considerable sum of money.

That is the background. He said he knew what was going on in a general way, and when Senators read that in connection with his explanation of the affidavits which he filed in the office of the Secretary of the Senate the whole scene becomes perfectly plain. He quoted his own affidavit, in which he said that nothing was contributed or expended with his knowledge or consent, and then he undertook to explain it, and he did explain it, as I shall read it to the Senate. He explained it in this way, that he made that affidavit upon one of the forms gotten up by the Senate, and that these forms called for particular information. I read his own words:

As every Senator knows, this form refers only to campaign contributions, disbursements, and promises, and I think other things of value, and to nothing else.

I had not the slightest intention of misleading anyone in making this statement, nor do I believe that any fair-minded man was in the least deceived thereby.

The form of report furnished by the Senate under the act of Congress then supposed to be in force—but which has since been declared to be void—called for a full, correct, and itemized statement, under oath, of all campaign contributions, names of contributors, all expenditures, and the purposes for which the expenditures were made.

The significant sentence follows:

I had not the knowledge required to make such a verified report.

That is his explanation. He does not come here now and in this speech claim that nothing was spent without his knowledge or consent. He told us that he knew what was going on in Michigan; that he had daily reports of what was going on there; that he knew a wide and active campaign was being made, and then he told us that when he made the affidavit to the effect that there was nothing expended with his knowledge or consent he simply meant that he had no such definite knowledge as would enable him to make the detailed statement as to names, dates, and particular amounts, such as the form gotten up by the Senate required.

Instead of a denial that he knew these large sums were being expended, he came in and confessed that he did know, and he then undertook to excuse the affidavit which he had filed in the records of this body.

Instead of that being a vindication, he is convicted by his own words. He told us very frankly that his affidavit meant that and nothing more, because in the very next sentence he said:

Had my affidavit so stated this fact, all criticism would have been avoided.

What was the fact? The previous sentence:

I had not the knowledge required to make such a verified report.

Mr. WILLIAMS. Therefore he swore that he had not spent anything.

Mr. JONES of New Mexico. Because he had not the information, the data, the names, and the amounts, he came into the Senate and made an affidavit that there was nothing expended with his knowledge or consent, and then he told us that he was entitled to make that kind of an affidavit, and that if he had simply added that to his statement there would have been no criticism of his affidavit.

Instead of being an exoneration, instead of claiming ignorance, Mr. Newberry himself came in and confessed the whole case. In view of that I would like to know how the junior Senator from Ohio can come before us this afternoon and say he believes that none of this money was spent with the knowledge or consent of Mr. Newberry.

Moreover, Mr. President, if Mr. Newberry were here now and entitled to a vote upon this amendment he would be compelled to vote against it. The amendment says that it is contrary to public policy and the dignity of the Senate to spend any such sum of money as Mr. Newberry admitted on the floor of the Senate had been expended. But what is Mr. Newberry's attitude regarding it? I read just a few words from the speech which he made to us. He said:

The amount expended was large, more than I had any idea was being expended, and more than ought to be necessary—

Listen to those words—

and more than ought to be necessary to expend in any ordinary campaign. But this was not an ordinary campaign.

I will skip the next sentence. It is not necessary to put it in.

I can only say that I regret exceedingly—

Regret what? The expenditure of the money? Not at all. Listen:

I regret exceedingly the fact that so large an amount of money was necessarily expended.

That is his language.

Mr. CARAWAY. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Arkansas.

Mr. CARAWAY. In other words, he admits if he had not expended that much he would have been beaten.

Mr. JONES of New Mexico. That certainly is the only inference which can be drawn from his language. He said it was necessary to spend that amount of money. So when you put into this resolution the language of the amendment which has been accepted by the Senator from Missouri, you condemn the position which Mr. Newberry himself takes. If Mr. Newberry were here, under his own language to us he would have to condemn the declaration of any such policy. He regretted that it was necessary to expend any such sum, but he admits that it was necessary, that he could not have been nominated otherwise, and instead of trying to excuse what was done, we hear him in language of no uncertain terms voicing his approval of what was done.

In another part of his speech he said:

I have no criticism to make of those who managed the campaign which resulted in my election to the United States Senate.

He has no criticism! Just three days ago he appeared in this Chamber, after having read the entire record, as he said he had, after admitting on the floor of the Senate that not less than $195,000 had been expended, and said he has no criticism to make. He approves what was done; that it was necessary to his election; that he could not have been nominated without it. It will be recalled that in other places he said he would be forever grateful to those who conducted his campaign with such magnificent skill and which resulted in his election to this body.

Do those words appeal to the sentiment of those who are supporting the amendment of the Senator from Ohio? We have here a case where the expenditure was made with the knowledge and consent of the candidate. We have him saying that it was necessary. We have him thanking the men who expended it for their skill in so expending it. With that situation staring us in the face, if any Senator here votes to let Mr. Newberry retain his seat, how can he vote for that amendment denouncing such act as contrary to the dignity of the Senate and contrary to public policy?

Mr. TRAMMELL. I had not contemplated talking further on the case, but because of the new situation which has arisen as the result of the amendment offered by the Senator from Ohio [Mr. WILLIS] and accepted by the Senator from Missouri [Mr. SPENCER] I wish to speak briefly.

I heartily concur with the contention made by the distinguished Senator from New Mexico [Mr. JONES] that the address made before the Senate on Monday by the sitting Member, Mr. Newberry, instead of establishing his innocence goes to corroborate and confirm his guilt. The evidence which was before us before he made his statement convinced me that the sitting Member's seat was tainted with corruption, and his own admissions adds only to the other convincing testimony. Mr. Newberry admitted in his own statement that he had asked Mr. Templeton to be chairman of the so-called business men's committee.

His statement was equivalent to an admission he had in conferences with Paul King asking him to be campaign manager.

He admitted that very shortly after he and Paul King had a conference in New York, the Newberry campaign headquarters was opened in Detroit. As to his knowledge of the campaign, he said: "I had constant knowledge, as far as information was concerned, regarding the progress of the campaign, but I had no direct participation in it." He only qualified his statement by saying "direct participation." I judge he meant his participation was only indirect because he carried on the campaign through Paul King, his campaign manager. Whether he meant this or not the record is full of evidence to show he was constantly participating in the campaign through Paul King, campaign manager, and others.

Regarding expenses, he said: "I knew as a matter of fact that a campaign of publicity was being extensively carried on, and I realized that such a campaign must necessarily cost a considerable sum of money."

How did he know of the extensive campaign of publicity, and why did he know it was costing a considerable sum of money? The answer of the evidence in the case is because Paul King

first told him before the campaign began that his campaign would cost $50,000 or more; because he had daily detail reports from Paul King, and knew of practically every step taken by Paul King and others working with and under him; for the reason also that the sitting Member, Mr. Newberry, also very frequently had conferences with the campaign manager and others and advised with them regarding plans.

The evidence discloses the sitting Member, Mr. Newberry, approved of the character of the campaign while it was in progress, and when he appeared before the Senate the other day he further approved of the methods and policies employed in the conduct of the campaign. Upon this subject he said:

> Whatever may happen, it is a gratification for me to remember that in the examination before the grand jury in New York City, in the diligent and detailed examinations which were made by numerous agents of the Department of Justice from Washington, in all that was brought out in the minute investigation of every step in the campaign in Michigan, in all that was presented to the grand jury at Grand Rapids, and before the petit jury who tried the Grand Rapids case, there was not the slightest evidence which involved moral turpitude in the remotest degree, nor was there any evidence, so far as I have been able to learn, of a single dollar that was spent dishonestly for corruption or bribery.

Senator Newberry now, after full knowledge of all the details of the corrupt use of money; the reprehensible methods employed in the campaign, states, with God as his witness, that "there was not the slightest evidence which involved moral turpitude in the remotest degree" nor "of a single dollar that was spent dishonestly for corruption or bribery."

Senators, do you, who have acquainted yourselves with the evidence to which he makes reference, agree with him?

What is the situation upon that subject? Mr. Newberry does not condemn the excessive expenditures of money. He does not condemn the questionable methods employed in conducting that campaign nor the debauchery and corruption plainly proven by the evidence. He in this Senate approves of the campaign. Yet certain Senators who condemn this boodle campaign favor seating him. While he defends the conduct and management of the campaign and approves of it in toto, you would clothe him with a robe of innocence. The Senator from Ohio [Mr. WILLIS] by his amendment would condemn the campaign corruption and the expenditure of at least $195,000, although Senator Newberry approves of it, and then as a reward to Senator Newberry he would give him his seat in this body. What are we coming to when Senators take such inconsistent positions? The sitting Member, Mr. Newberry, claims that during the campaign he did not know all the details of the expenditures.

Of course, he knew they had a great force in the field, and that they were doing a great deal of newspaper advertising. He knew, according to his statement made to the Senate, that it was costing a considerable sum of money, but since Mr. Newberry has acquired from the grand-jury investigation, from the trial in the lower court in Michigan, a minute and detailed knowledge of the campaign that was carried on in behalf of his nomination, he now, with full knowledge of the details, comes before the Senate and says that from all this testimony he is gratified to see that there is no evidence of any use of money in an improper, dishonest, or corrupting way.

Now, what does that mean? That means that as far as Mr. Newberry is concerned he approves of the conduct of that campaign. We have evidence here in great abundance, and that evidence is the evidence that Mr. Newberry is talking about when he talks about the evidence before the grand jury and before the trial court at Grand Rapids. Upon all of that evidence Mr. Newberry said he is very much gratified that there was nothing done during the campaign involving moral turpitude, that there was nothing done of a corrupting nature.

The question resolves itself into one of what a man believes constitutes "moral turpitude," what "bribery" and "corruption" mean.

Mr. President, I can not concur with Mr. Newberry's conception of what constitutes moral turpitude, what is involved in the definition of corruption and bribery. Mr. Newberry, admitting his familiarity with the testimony in all the court proceedings following the primary, could not have meant anything other than that he approved of the methods employed in the campaign. Then, he approved of the hiring of field workers at $30 to $75 a week; he approved of the hiring of chairmen and secretaries of county committees, some of them having received as much as $1,200 compensation. He approved of large sums being placed in the hands of field agents, in the hands of chairmen of county committees, to be used by them in all manner of corrupting and buying up men to use their influence for him. He approved of agents working for him going to men for Osborn and other opponents and telling them if they would work for Newberry they would be paid to do so. He thinks this reprehensible way of buying up men was all right.

His statement means he approved of the hiring of workers upon primary day at the polls in a large number of cities in Michigan; that he approved of the expenditure of fabulous sums in many instances for the purpose of buying certain newspapers that were not naturally inclined to support Mr. Newberry's campaign.

The record of the grand-jury investigation and the trial at Grand Rapids is full of testimony to prove that these outrageous forms of corruption were carried on without limit in the Newberry campaign, and yet he says he was gratified that this evidence did not prove any moral turpitude or bribery or corruption.

Mr. Newberry in his own defense—this defense which the Senator from Ohio said vindicated him—came here and approved of the conduct of this campaign, the conduct of which brands it as a barrel campaign, as a boodle campaign, as one of the most corrupt campaigns within the history of American politics.

His statement to the Senate vindicated him! No; it only established more conclusively his guilt.

Now, I submit, Mr. President, that if we are going to write into this resolution an amendment setting forth that we condemn the excessive use of money in this campaign, either by Mr. Newberry or by anyone else, and that such conduct is inimical to our system of government and endangers and threatens our free elections, if that is the expressed sentiment of the Senate, how can we consistently seat the man who was the moving factor in the campaign, in intimate touch with the campaign, who knew that it was costing an excessive amount of money, and who later comes here and approves and commends the methods employed in the campaign? How can we condemn the one and accept the other?

I admit, Mr. President, that, as stated by the Senator from Wisconsin [Mr. LENROOT], the excessive expenditure of money, the corruption which was perpetrated in that campaign, did doubtless injure Mr. Newberry's cause in the general election. It should have done so. It was that, however, which caused him to win the nomination in the primary; it was that which caused him to drive from the field aspirants like ex-Gov. Warner and Senator William Alden Smith; it was that which brought about the crippling of ex-Gov. Osborn in that campaign, for at that time and up to the time of the primary the people of Michigan were not very well informed upon what had been done by the Newberry campaign organization; they were not familiar in detail with the corruption of the ballot. They knew that a "barrel" or two "barrels" had been opened, but they did not know much of the details. The Newberry campaign organization had denied the charges.

This corruption procured for Mr. Newberry the election. Senators upon this floor defending him have claimed that he was unknown and that it was necessary for him to make large expenditures; he himself practically claims that it was necessary to make them; but after the primary, then, as the Senator from Wisconsin stated, these facts came to the surface; the people of Michigan began to find out more in detail about the corruption, and many of them, regardless of their party ties, despite whatever may have been Mr. Ford's record in regard to the World War, went to the polls at the general election and registered their protest against Mr. Newberry because of the methods by which his primary campaign had been conducted.

The junior Senator from Michigan received only about 4,000 majority in the election, when it was customary for Michigan to go Republican by 100,000 to 125,000 majority. But the fact that it injured him when the character of his primary campaign became known is no reason why he should be seated; the fact that 100,000 people of Michigan rebelled against such conduct, rebelled against a "barrel" campaign, rebelled against the corruption that ran through the entire campaign from beginning to end, forcefully suggests to United States Senators that they, too, should condemn the corruption and debauchery by the use of $200,000 or more in the Newberry campaign. A Michigan jury convicted Mr. Newberry for his part in this campaign. A Federal judge who heard all the testimony sentenced him to two years' imprisonment.

Senators who are going to vote to seat Mr. Newberry now say they will write into the resolution a paragraph condemning the campaign resulting in his nomination and election. I am glad that you admit that the campaign was corrupt and constituted an election scandal that should be severely condemned; but when you do so, then you can not, even in a remote degree, justify yourself in seating Mr. Newberry, and thereby make him the beneficiary of that which you condemn.

So far as I am concerned, Mr. President, it seems to me that the only effective and proper way to deal with a case of this character would be to visit our disapproval upon the man who seeks to enjoy the fruits of the corruption which was perpetrated for the purpose of winning an election to the United States Senate. Indeed, it would be a great error on the part of the Senate to seat Mr. Newberry and at the same time condemn the methods which were employed in his campaign; methods which he himself, since he has at last broken his masterful silence, approves and commends. You can not by any such tactics vindicate the sitting Member, Mr. Newberry.

What do you think men with their "barrels" of gold, who have an eye upon the United States Senate, will think as to their fate if they desire to aspire to the Senate and purchase a seat in this body? They will be justified in saying, "There are a lot of men in Washington in the United States Senate who, for political purposes and to fool the people back home, write into a resolution in a case involving the expenditure of a great deal of money, which was used to purchase a seat in the United States Senate, that they do not approve of that kind of conduct; but they were not serious. I will go out and I will purchase a seat in the United States Senate for $200,000 or more, and I will be seated just as Senator Newberry was seated."

I do not care, Mr. President, to be placed in any such ridiculous attitude as that. The Senators should have the courage and meet the issue as men. If that campaign should be condemned, and in my opinion it should be in unequivocal language, condemn it, but do not make yourselves ridiculous by condemning the campaign of corruption and debauchery, resulting in Mr. Newberry's election, and then reward him by giving him a seat in the Senate. If you do, your inconsistent attitude will be disappointing to the American people, who will, in my opinion, in time rebuke in no uncertain terms those who by seating Mr. Newberry approve of a seat being purchased in this body at a price of $200,000 or more.

SEVERAL SENATORS. Vote!

Mr. HEFLIN. Mr. President, I am not going to detain the Senate very long. There are many on this side and a few Senators on the other side of the Chamber who have been here right along during the trial of this case, but most of them have not been present at all. I have seen faces here to-day that have become almost strangers to me, the faces of Senators who have come into the Senate on the eve of the vote in this case. One of the Senators on the other side who has been away, when confronted with damaging statements that Mr. Newberry had made, said that whatever Mr. Newberry said would not have any effect on his judgment. In view of that situation, Mr. President, I should think if Mr. Newberry were to plead guilty here to the charges and should desire to withdraw from the Senate they would seat him anyhow.

Mr. President, what is the Senate of the United States? It is an important national institution vested with vast powers. It approves every appointment of importance which the President of the United States makes; it must place the stamp of its approval upon the members of the Cabinet, who direct the operations of the departments of this Government. The Senate of the United States must approve the appointment of Federal judicial officers in every State in the Union; the Senate of the United States must approve the appointment of every member of the Supreme Court; the Senate has the power and authority to impeach Federal judges of the United States, including justices of the Supreme Court; the Senate of the United States has the power to impeach the President of the United States; the Senate has the power to initiate all legislation, except bills raising revenue; the Senate has the power to veto every measure passed by the House of Representatives.

The Senate of the United States must ratify all treaties with foreign nations, and, therefore, has much to do not only with shaping the destiny of 100,000,000 people but with the affairs of the whole world. Yet this afternoon some of us are battling as we have been day after day until we are worn and weary, trying to defend this body against influences of all kinds which have been brought to bear in the effort to seat Mr. Newberry. I have never witnessed such a campaign as the present one since I have been in Congress. Social lobbies have been active, as was pointed out by the Senator from Iowa [Mr. KENYON]. They have worked and worked and worked; they have besieged Members of the Senate at social functions and elsewhere. We are told that even the administration has taken a hand; in fact, the rumor is that the President has sent for Senators. We heard on yesterday that a certain Senator was sent for, but that he sent word to the President that his mind was made up and that he was going to vote against Mr. Newberry. I do not know how true that is; but I know that we have a solemn duty to perform in this hour.

Our soldiers never faltered on the fields of France, and I pray God that we shall not falter in our duty here to-day. They were fighting against autocracy and military despotism; fighting to preserve our liberties, and we are called upon to fight against the corrupt power of predatory wealth in the politics of America—the sale of seats in the United States Senate. The issue is plain. On which side do you battle? Are you on the side of your country, which means clean politics, the protection of the ballot, the honor and integrity of this body, the rights and liberties of the American people, or are you on the side of the man who procured his seat in the Senate by the corrupt use of money?

Senators, we are told that the Roman Emperor Vespasian made his peremptory command on a Senator to give his vote against the interests of his country and threatened him with immediate death in case he spoke the least word in favor of the other policy. The intrepid patriot, conscious that through his prevailing influence there was a chance of saving the people of Rome from utter ruin, answered the emperor with a smile:

"Did I ever tell you I was immortal? My virtue is at my own disposal; my life, I know, is at yours. Do, then, what you will; I shall do what I ought. If I fall in the service of my country, I shall have more triumph in my death than you with all your laurels."

Senators, what happened to Rome? She fell down among her beautiful hills and died. Money, the corrupt use of money in politics, overthrew the Roman Empire.

The Senator from Idaho [Mr. BORAH] reminded you in your last national convention that certain Republican candidates were trying to buy the nomination for President. If they can buy seats in this body, and the Senate approves and confirms the sale, the day is not far distant when they will buy the office of President. There are certain predatory interests in this country seeking to control the Government.

Senators, we owe it to the oath that we took, to the honor of the Senate, and the good of the country to stand firm here to-day. Let us refuse to permit anyone with bought credentials to have and hold a seat in this body. Let us make no exceptions. The Senator from Ohio [Mr. WILLIS] offers a resolution that condemns Mr. Newberry, condemns his committee, condemns the band of money marauders that roamed the State of Michigan buying voters, and yet I got the impression that my good friend from Ohio was going over and would vote to seat Mr. Newberry.

I hope and pray that he will vote against him; but if he votes for him in the face of that declaration, it is precisely like telling a man, "What you did to steal this horse is reprehensible, it brands you as a criminal, and you deserve the scorn and contempt of everybody, but you may keep the horse."

What is the magic power of this siren song that is luring Senators over to the Newberry side? I repeat, has this man contributed so much money to the Republican campaign fund that you dare not unseat him? Has Wall Street demanded that you seat him? Senators, what was it at Verdun that saved Paris for months and months when the Crown Prince battered at her gates? It was the unfaltering and intrepid spirit of the French soldier, who faced danger and death, exclaiming all the while, "They shall not pass!" The French soldier, stricken down, the light of battle still gleaming in his eye, lisping with his last breath, "They shall not pass!" And they did not pass. Our boys said the same thing at Chateau-Thierry, and they did not pass.

Let us reconsecrate ourselves to-day at the altar place of this Senate and say to every man in the Republic, Democrat or Republican, who seeks to come to the Senate by the lavish and unlawful use of money, "You shall not pass!"

Mr. President, in Lord Byron's poem on Cain, he tells us that Cain sought to learn the mysteries of death, and, following Lucifer from place to place, suddenly Lucifer led him from under the starry sky out into a realm where there was no ray of light, and immediately Cain, ill at ease and horrified, cried out to Lucifer—

> It is dark! It is dark! The stars are gone!

I ask you to-day, Senators, and I ask the people of the Republic, whose Senate this is: Are the stars of the faithful guardianship of the Senate's honor and integrity gone out of the firmament of this Chamber? Shall we permit the power of the purse to poison the life of the Republic, and principle and patriotism to perish in the country? God forbid.

Senators, let us do our duty to-day, and protect the honor and integrity of the Senate and safeguard the rights of the American people. If the Republic is to live, Newberry and those like him who buy seats in this body must not be permitted to cross the threshold of the Senate of the United States.

SEVERAL SENATORS. Vote!

Mr. KENYON. Mr. President, I hope we may vote. I am not going to delay the vote as far as I am concerned. I hope we will soon write the last chapter in this miserable farce.

All over the country in the last campaign we read upon the billboards, in great letters: "Let us quit wiggling and wabbling"; and that was what we charged the Democratic Party with. If there ever in all the history of the world has been such a spectacle of wiggling and wabbling as there is in this case right now, I should like to have anybody produce the record; and this is the Senate of the United States!

We are asked here to support a proposition writing our own infamy; that this election was against sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of free government, and yet to seat the man; and the gentlemen who have done the wiggling and wabbling have now found a cyclone cellar where they think they can go and escape the wrath and the tornado of an indignant public opinion.

We are told by the Senator from Ohio [Mr. WILLIS] that his resolution will express some policy in campaign expenditures. We have a policy expressed in the $10,000 limit that both Houses of Congress voted, and that was flagrantly violated in this Michigan campaign. What more policy do we want? When five or six years from now some one presents himself here with a certificate and an acknowledged expenditure of $500,000, will we write another policy then, and say: "We seat the man. It is destructive of free government, and yet we swallow our conscience and say for the future that no such sum shall be spent. It is all right in this case."

Oh, what a farce! I should like to see Senators stand up and vote one way or the other. I hold no brief for Truman Newberry, but I do respect him, and I believe he has courage. I think if he had the time he would come into this body and denounce this thing of giving him his seat and still saying that his primary campaign was destructive of free government.

Great God! What are we trying to do? Do you think he wants a seat under those circumstances? Do you think he wants to go through the years to come with infamy written upon his election because Senators here are afraid to face the issue?

They say they have been threatened in their seats. I have heard very little of threats. I said the other day that this case would go to a higher court, the people. That is not a threat. Is it a threat to a Senator in this Chamber to take his record to the people? How many Senators on this side will go to the people in the campaigns and say: "Read my record. I am not ashamed of it. I stood for the proposition that any amount of money could be expended to buy a seat in the United States Senate, provided the candidate did not know it. That is my platform, ladies and gentlemen. I am proud of it"?

Take the issue to the people. There are no threats in that. You ought to be proud of it, if that is what you stand for. Go to the people and tell them that. Tell them that Newberry did not know anything about this in the face of this record of agents spending the money for him—a record under which he would be responsible in law for the acts of Cody and the acts of King. Tell them, though, "I have studied the record. I say to you, my friends, that he did not know what was going on; and I am firmly of the belief, and it is a part of my political platform which I present to you with enthusiasm, that any man's friends can spend a million dollars to secure for him a seat in the Senate of the United States, but if he did not know it he is entitled to hold that seat. He can go to Europe, he can go up in a flying machine or a balloon, and know nothing about it."

Ah, what a farce! I wonder if you will tell them that. I wonder if you will tell them that you voted practically that the $195,000 spent as Mr. Newberry admits it was spent was wrongly spent. It is against public policy, it lessens the dignity of the Senate. My God! You never can lessen the dignity of the Senate after to-day. It is destructive of free government, but you voted for it because you were afraid to face the issue.

Truman Newberry would not do it. He does not want this seat under any such circumstances. Let us have the vote on the square issue. He is entitled to this seat and to be cleared and exonerated, or if what is said in this carefully contrived, wiggling, and wabbling amendment is true, he takes it with a cloud upon it.

I wish I had the time to read what great Senators in the past have said on the subject of corruption in elections. I have several such speeches before me. They did not wiggle and wabble; they met the issue.

Let any man take the speech of the great Senator from Maine, Senator Frye, in the Payne case. He pictured what this kind of corruption meant. Or take the speech of the other Senator from Maine, bearing the name of Hale, who, at the close of Senator Root's speech in the Lorimer case, uttered some thoughts about corruption in elections.

Take what Senator Frelinghuysen in the old days, during the consideration of the Pomeroy case, said about corruption in elections, and what Senator Hoar said. Read it. I have Senator Hoar's speech here, too, and that great, wise statesman from Massachusetts pointed out the perils to this Republic from the corruption of elections. Where are the voices now from that great section of this country, made immortal by those statesmen who raised their voices against corruption in elections?

Mr. President, the Senator from Wisconsin [Mr. LENROOT] said this resolution as now formed does not disgrace Mr. Newberry. Maybe not, but it disgraces the Senate of the United States vastly more than it disgraces Mr. Newberry.

I have a letter here from a traveling man of my State about this case, and if Senators think the people of the United States are not studying this case as they have studied few things they are mistaken. He said in this letter:

> The slogan of our business and the slogan of every commercial house is, "Keep it clean."

That is the motto we ought to write above the doors of the United States Senate, "Keep it clean," as a great part of this Government, and if we do not keep it clean ourselves the people will see that it is kept clean. You are not going to write above the doors here, "These seats are for sale."

Justice Miller, one of the greatest justices who ever sat upon the Supreme Court bench, at one time said that the two greatest dangers to the Republic were open, external violence and insidious corruption. The latter is just as bad as the former, perhaps worse.

I see a predecessor of the Senator from Ohio [Mr. WILLIS] in the Senate Chamber at this time, Senator BURTON. I have his speech in the Lorimer case before me and intended to read a part of it to the Senate, showing where he stood, noble and honest soul that he was, standing for an absolutely uncorrupted electorate.

Justice Miller was right, and when external violence threatened this country 5,000,000 men massed to go out and fight for this country. Make no mistake; when insidious corruption threatens this country, as it does now, with the Senate writing its infamy into this resolution, there will be millions of people with the same courage and with the same love of country who will mass to fight corruption. That is no threat; it is the statement of a fact.

Thank God for the folks at home! Thank God for the men and women in the factories and on the farms and around the firesides of this country who will eventually determine this question! I do not care how it is determined here. I know how it will be determined. I know they have been gathered in; they are ready to sign the directed verdict. Sign it in your infamy!

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Nebraska [Mr. NORRIS] to the resolution offered by the Senator from Missouri [Mr. SPENCER].

Mr. SPENCER. Let it be read.

The PRESIDENT pro tempore. It will be read.

The ASSISTANT SECRETARY. It is proposed to add to the resolution the following:

> And, therefore, Truman H. Newberry is not entitled to a seat in the United States Senate.

Mr. TRAMMELL. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk called the roll.

Mr. WALSH of Montana. The Senator from Kentucky [Mr. STANLEY] is paired with the Senator from Delaware [Mr. DU PONT]. The Senator from Kentucky was called from the city last night. If present he would vote "yea" on this amendment.

The Senator from Wyoming [Mr. KENDRICK] is paired with the Senator from Pennsylvania [Mr. CROW]. If the Senator from Wyoming were present he would vote "yea" on the pending amendment.

The Senator from Missouri [Mr. REED] is paired with the Senator from New Hampshire [Mr. MOSES]. If the Senator from Missouri were present he would vote "yea."

Mr. CURTIS. If present and not paired the Senator from Pennsylvania [Mr. CROW] would vote "nay," the Senator from New Hampshire [Mr. MOSES] would vote "nay," and the Senator from Delaware [Mr. DU PONT] would vote "nay."

Mr. HARRIS. My colleague [Mr. WATSON of Georgia] is absent on official business.

The result was announced—yeas 41, nays 46, as follows:

YEAS—41.

Ashurst	Harrison	Norbeck	Smith
Borah	Heflin	Norris	Sutherland
Broussard	Hitchcock	Overman	Swanson
Capper	Jones, N. Mex.	Owen	Trammell
Caraway	Jones, Wash.	Pittman	Underwood
Culberson	Kenyon	Pomerene	Walsh, Mass.
Dial	King	Ransdell	Walsh, Mont.
Fletcher	Ladd	Robinson	Williams
Gerry	La Follette	Sheppard	
Glass	McKellar	Shields	
Harris	Myers	Simmons	

NAYS—46.

Ball	Fernald	McKinley	Smoot
Brandegee	France	McLean	Spencer
Bursum	Frelinghuysen	McNary	Stanfield
Calder	Gooding	Nelson	Sterling
Cameron	Hale	New	Townsend
Colt	Harreld	Nicholson	Wadsworth
Cummins	Kellogg	Oddie	Warren
Curtis	Keyes	Page	Watson, Ind.
Dillingham	Lenroot	Pepper	Weller
Edge	Lodge	Phipps	Willis
Elkins	McCormick	Poindexter	
Ernst	McCumber	Shortridge	

NOT VOTING—9.

Crow	Kendrick	Newberry	Stanley
du Pont	Moses	Reed	Watson, Ga.
Johnson			

So Mr. NORRIS's amendment was rejected.

The PRESIDENT pro tempore. The question is now upon the amendment in the nature of a substitute proposed by the Senator from Montana [Mr. WALSH], which the Secretary will report for the information of the Senate.

The ASSISTANT SECRETARY. Strike out all after the word "*Resolved*," in line 1, and insert in lieu thereof the following:

That Henry Ford, contesting the election of Truman H. Newberry as United States Senator from the State of Michigan for the term commencing March 4, 1919, not having received a majority of the votes cast at the election, is not entitled to a seat in this body.

Resolved further, Considering that it is against a sound public policy that huge sums of money should be spent for the nomination or election of a candidate for the United States Senate, and that such excessive sums were spent to secure for Truman H. Newberry the Republican nomination as such candidate for the State of Michigan at the primary election in that State for the term mentioned, and considering that the campaign for his nomination was conducted in gross and flagrant violation of the laws of the State of Michigan and in contravention of the statutes of the United States, he was not duly elected and is not entitled to a seat in this body.

Mr. OWEN. I call for the yeas and nays.

The yeas and nays were ordered and the reading clerk called the roll.

Mr. WALSH of Montana. I wish to announce the following pairs:

The Senator from Kentucky [Mr. STANLEY] with the Senator from Delaware [Mr. DU PONT];

The Senator from Wyoming [Mr. KENDRICK] with the Senator from Pennsylvania [Mr. CROW]; and

The Senator from Missouri [Mr. REED] with the Senator from New Hampshire [Mr. MOSES].

If the Senator from Kentucky [Mr. STANLEY] were present he would vote "yea," and the Senator from Wyoming [Mr. KENDRICK] and the Senator from Missouri [Mr. REED] would vote likewise.

Mr. CURTIS. Making the same announcement as on the previous vote, I wish to announce that on this question the Senator from Pennsylvania [Mr. CROW], the Senator from Delaware [Mr. DU PONT], and the Senator from New Hampshire [Mr. MOSES] would vote "nay."

Mr. HARRIS. I wish to announce that the junior Senator from Georgia [Mr. WATSON] is absent on official business.

The result was announced—yeas 41, nays 46, as follows:

YEAS—41.

Ashurst	Harrison	Norbeck	Smith
Borah	Heflin	Norris	Sutherland
Broussard	Hitchcock	Overman	Swanson
Capper	Jones, N. Mex.	Owen	Trammell
Caraway	Jones, Wash.	Pittman	Underwood
Culberson	Kenyon	Pomerene	Walsh, Mass.
Dial	King	Ransdell	Walsh, Mont.
Fletcher	Ladd	Robinson	Williams
Gerry	La Follette	Sheppard	
Glass	McKellar	Shields	
Harris	Myers	Simmons	

NAYS—46.

Ball	Fernald	McKinley	Smoot
Brandegee	France	McLean	Spencer
Bursum	Freling	McNary	Stanfield
Calder	Gooding	Nelson	Sterling
Cameron	Hale	New	Townsend
Colt	Harreld	Nicholson	Wadsworth
Cummins	Kellogg	Oddie	Warren
Curtis	Keyes	Page	Watson, Ind.
Dillingham	Lenroot	Pepper	Weller
Edge	Lodge	Phipps	Willis
Elkins	McCormick	Poindexter	
Ernst	McCumber	Shortridge	

NOT VOTING—9.

Crow	Kendrick	Newberry	Stanley
du Pont	Moses	Reed	Watson, Ga.
Johnson			

So the amendment of Mr. WALSH of Montana in the nature of a substitute was rejected.

The PRESIDENT pro tempore. The question now is upon agreeing to the resolution offered by the Senator from Missouri [Mr. SPENCER] as modified.

Mr. ASHURST. Let it be read.

Mr. McKELLAR. I call for the yeas and nays.

Mr. MYERS. I ask that the resolution may be read in full.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The ASSISTANT SECRETARY. The resolution as modified reads as follows:

Resolved (1), That the contest of Henry Ford against Truman H. Newberry be, and it is hereby, dismissed.

(2) That Truman H. Newberry is hereby declared to be a duly elected Senator from the State of Michigan for the term of six years commencing on the 4th day of March, 1919, and is entitled to hold his seat in the Senate of the United States.

(3) That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate and dangerous to the perpetuity of a free government, such excessive expenditures are hereby severely condemned and disapproved.

Mr. OWEN. I submit the following substitute.

The PRESIDENT pro tempore. The Secretary will report the substitute proposed by the Senator from Oklahoma.

The ASSISTANT SECRETARY. Strike out all after the word "*Resolved*," in line 1, and insert in lieu thereof the following:

That Truman H. Newberry is not entitled to a seat in this body because his relatives and friends, against a sound public policy, confessedly expended approximately $200,000 at the primary election to acquire the nomination for him, and because such a precedent would be harmful to the honor and dignity of the Senate of the United States and contrary to the best interests of the United States Government.

The PRESIDENT pro tempore. The question is upon the amendment in the nature of a substitute offered by the Senator from Oklahoma.

Mr. OWEN. On that I demand the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HARRIS (when the name of Mr. WATSON of Georgia was called). My colleague [Mr. WATSON of Georgia] is absent on official business.

The roll call was concluded.

Mr. WALSH of Montana. I announce the following pairs, as on the preceding vote:

The Senator from Kentucky [Mr. STANLEY], who would vote for, with the Senator from Delaware [Mr. DU PONT], who would vote against the substitute;

The Senator from Wyoming [Mr. KENDRICK], who would vote for, with the Senator from Pennsylvania [Mr. CROW], who would vote against the substitute; and

The Senator from Missouri [Mr. REED], who would vote for, with the Senator from New Hampshire [Mr. MOSES], who would vote against it.

The result was announced—yeas 41, nays 46, as follows:

YEAS—41.

Ashurst	Harrison	Norbeck	Smith
Borah	Heflin	Norris	Sutherland
Broussard	Hitchcock	Overman	Swanson
Capper	Jones, N. Mex.	Owen	Trammell
Caraway	Jones, Wash.	Pittman	Underwood
Culberson	Kenyon	Pomerene	Walsh, Mass.
Dial	King	Ransdell	Walsh, Mont.
Fletcher	Ladd	Robinson	Williams
Gerry	La Follette	Sheppard	
Glass	McKellar	Shields	
Harris	Myers	Simmons	

NAYS—46.

Ball	Fernald	McKinley	Smoot
Brandegee	France	McLean	Spencer
Bursum	Frelinghuysen	McNary	Stanfield
Calder	Gooding	Nelson	Sterling
Cameron	Hale	New	Townsend
Colt	Harreld	Nicholson	Wadsworth
Cummins	Kellogg	Oddie	Warren
Curtis	Keyes	Page	Watson, Ind.
Dillingham	Lenroot	Pepper	Weller
Edge	Lodge	Phipps	Willis
Elkins	McCormick	Poindexter	
Ernst	McCumber	Shortridge	

NOT VOTING—9.

Crow	Kendrick	Newberry	Stanley
du Pont	Moses	Reed	Watson, Ga.
Johnson			

So Mr. OWEN's amendment in the nature of a substitute was rejected.

The PRESIDENT pro tempore. The question now is on the resolution offered by the Senator from Missouri [Mr. SPENCER] as modified.

Mr. OWEN and Mr. KING called for the yeas and nays.

The PRESIDENT pro tempore. The question is on agreeing to the resolution of the Senator from Missouri [Mr. SPENCER], as modified, which will be read.

The resolution (S. Res. 172), as modified, was read, as follows:

Resolved, (1) That the contest of Henry Ford against Truman H. Newberry be, and it is hereby, dismissed.

(2) That Truman H. Newberry is hereby declared to be a duly elected Senator from the State of Michigan for the term of six years commencing on the 4th day of March, 1919, and is entitled to hold his seat in the Senate of the United States.

(3) That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free government, such excessive expenditures are hereby severely condemned and disapproved.

Mr. SPENCER and Mr. SMOOT asked for the yeas and nays, and they were ordered, and taken.

Mr. WALSH of Montana. I desire to announce the following pairs:

The Senator from Kentucky [Mr. STANLEY] is paired with the Senator from Delaware [Mr. DU PONT]. If the Senator from Kentucky were present, he would vote "nay" on the adoption of the resolution and the Senator from Delaware would vote "yea."

The Senator from Wyoming [Mr. KENDRICK] is paired with the Senator from Pennsylvania [Mr. CROW]. If present, the Senator from Wyoming would vote "nay" and the Senator from Pennsylvania would vote "yea."

The Senator from Missouri [Mr. REED] is paired with the Senator from New Hampshire [Mr. MOSES]. If present, the Senator from Missouri would vote "nay" and the Senator from New Hampshire would vote "yea."

Mr. HARRIS. I desire to announce that my colleague [Mr. WATSON] is absent on official business.

The result was announced—yeas 46, nays 41, as follows:

YEAS—46.

Ball	Fernald	McKinley	Smoot
Brandegee	France	McLean	Spencer
Bursum	Frelinghuysen	McNary	Stanfield
Calder	Gooding	Nelson	Sterling
Cameron	Hale	New	Townsend
Colt	Harreld	Nicholson	Wadsworth
Cummins	Kellogg	Oddie	Warren
Curtis	Keyes	Page	Watson, Ind.
Dillingham	Lenroot	Pepper	Weller
Edge	Lodge	Phipps	Willis
Elkins	McCormick	Poindexter	
Ernst	McCumber	Shortridge	

NAYS—41.

Ashurst	Harrison	Norbeck	Smith
Borah	Heflin	Norris	Sutherland
Broussard	Hitchcock	Overman	Swanson
Capper	Jones, N. Mex.	Owen	Trammell
Caraway	Jones, Wash.	Pittman	Underwood
Culberson	Kenyon	Pomerene	Walsh, Mass.
Dial	King	Ransdell	Walsh, Mont.
Fletcher	Ladd	Robinson	Williams
Gerry	La Follette	Sheppard	
Glass	McKellar	Shields	
Harris	Myers	Simmons	

NOT VOTING—9.

Crow	Kendrick	Newberry	Stanley
du Pont	Moses	Reed	Watson, Ga.
Johnson			

So Mr. SPENCER's resolution, as modified, was agreed to.

WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS.

The PRESIDENT pro tempore laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of the withdrawals and restorations of public lands under the provisions of an act entitled "An act to authorize the President of the United States to make withdrawals of public lands in certain cases," approved June 25, 1910, for the year ended November 30, 1921, which, with the accompanying papers, was referred to the Committee on Public Lands and Surveys.

ADJOURNMENT TO MONDAY.

Mr. CURTIS. I move that the Senate adjourn until Monday next at 12 o'clock meridian.

The motion was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate adjourned until Monday, January 16, 1922, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 12, 1922.*

The House met at 12 o'clock noon and was called to order by Mr. WALSH, as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, we would wait in a reverent hush for that guidance which Thy Spirit alone imparts. Teach us that goodness earns its own reward and that its highest object is man and its greatest service is love. O make our lives sacrificial that our work may be noble. Lead us to a thoughtful understanding that strength is the splendor of life only when it stoops to weakness, and wisdom is the might of divinity only when it parts the veil of ignorance. May truth and purity hold their white and stainless dominion over us. Always inspire our lips to declare their message and forbid that they should utter Thy holy name only at the sacred altar of the soul. For the sake of Jesus our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 77) for the consolidation of forest lands within the Clearwater, St. Joe, and Selway National Forest, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMOOT, Mr. NORRIS, and Mr. MYERS as the conferees on the part of the Senate.

THE PATENT OFFICE.

The SPEAKER pro tempore. When the House adjourned yesterday the previous question had been ordered on the bill (H. R. 7077) to increase the force and salaries in the Patent Office, and for other purposes, to final passage. The question is on the amendments. Is a separate vote demanded on any amendment?

Mr. NOLAN. Mr. Speaker, I demand a separate vote on the Stafford amendment that would deprive the employees——

Mr. STAFFORD. Oh, never mind, the gentleman has sufficiently described the amendment. It is not subject to debate.

The SPEAKER pro tempore. The gentleman from California demands a separate vote upon the Stafford amendment. Is a separate vote demanded on any other amendment? If not, the question is on agreeing to the other amendments.

The other amendments were agreed to.

The SPEAKER pro tempore. The question now is on the Stafford amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, after line 1, insert a new section to read as follows:

"That the provisions of section 6 of the act of March 3, 1921, making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, shall not apply to any of the employees whose compensation is fixed by this act."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken, and, on a division, demanded by Mr. BLANTON, there were—ayes 10, noes 39.

So the amendment was rejected.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BLANTON. Mr. Speaker, I offer the following motion to recommit, which I send to the desk.

The Clerk read as follows:

Motion to recommit by Mr. BLANTON:

Mr. Speaker, I move to recommit this bill to the Committee on Patents with instructions to reframe same to conform to the limitations prescribed in the Lehlbach classification bill heretofore passed by the House.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken and on a division, demanded by Mr. BLANTON, there were—ayes 13, noes 73.

Mr. BLANTON. Mr. Speaker, I object to the vote, because it shows there is no quorum present; and I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Texas makes the point of order that there is no quorum present and objects to the vote. It is clear that there is no quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the motion to recommit.

The question was taken; and there were—yeas 44, nays 306, answered "present" 1, and not voting 79, as follows:

YEAS—44.

Almon	Byrns, Tenn.	Hukriede	Roach
Anderson	Collier	Jones, Tex.	Sears
Anthony	Collins	Kraus	Sisson
Begg	Connally, Tex.	Lowrey	Snyder
Bell	Cramton	MacGregor	Steagall
Bird	Deal	Madden	Strong, Kans.
Black	Dominick	Mondell	Sumners, Tex.
Blanton	Ellis	Parrish	Thomas
Box	French	Patterson, Mo.	Tincher
Briggs	Hoch	Quin	White, Kans.
Buchanan	Huddleston	Rankin	Williamson

NAYS—306.

Ackerman	Elliott	Lankford	Robsion
Andrew, Mass.	Evans	Larsen, Ga.	Rodenberg
Andrews, Nebr.	Fairchild	Larson, Minn.	Rogers
Ansorge	Fairfield	Layton	Rose
Appleby	Faust	Lazaro	Rosenbloom
Arentz	Favrot	Lea, Calif.	Rossdale
Aswell	Fenn	Leatherwood	Rouse
Atkeson	Fish	Lee, Ga.	Rucker
Bacharach	Fisher	Lehlbach	Ryan
Bankhead	Fitzgerald	Linthicum	Sabath
Barbour	Focht	Little	Sanders, Ind.
Barkley	Fordney	Logan	Sanders, N. Y.
Beck	Foster	London	Sanders, Tex.
Beedy	Frear	Longworth	Sandlin
Benham	Freeman	Luce	Schall
Bixler	Frothingham	Luhring	Shelton
Blakeney	Fuller	Lyon	Shreve
Bland, Va.	Funk	McClintic	Sinclair
Boies	Gahn	McCormick	Sinnott
Bond	Garner	McDuffie	Slemp
Bowers	Garrett, Tenn.	McKenzie	Smith, Idaho
Bowling	Garrett, Tex.	McLaughlin, Mich.	Smithwick
Brand	Gensman	McLaughlin, Nebr.	Snell
Brennan	Gernerd	McLaughlin, Pa.	Speaks
Britten	Gilbert	McSwain	Sproul
Brooks, Ill.	Glynn	Magee	Stafford
Brooks, Pa.	Goodykoontz	Maloney	Stedman
Brown, Tenn.	Gorman	Mann	Steenerson
Browne, Wis.	Graham, Ill.	Mapes	Stephens
Bulwinkle	Graham, Pa.	Martin	Stoll
Burdick	Green, Iowa	Mead	Summers, Wash.
Burke	Greene, Mass.	Merritt	Swank
Burroughs	Griest	Michener	Sweet
Burtness	Griffin	Miller	Swing
Burton	Hadley	Mills	Tague
Butler	Hardy, Colo.	Millspaugh	Taylor, Ark.
Byrnes, S. C.	Hardy, Tex.	Montague	Taylor, Tenn.
Cable	Harrison	Montoya	Temple
Campbell, Kans.	Haugen	Moore, Ohio	Ten Eyck
Campbell, Pa.	Hawes	Moore, Va.	Thompson
Carew	Hawley	Moores, Ind.	Tillman
Chalmers	Hayden	Morgan	Tilson
Chandler, N. Y.	Hersey	Murphy	Timberlake
Chindblom	Hickey	Nelson, A. P.	Tinkham
Christopherson	Hicks	Newton, Minn.	Treadway
Clague	Himes	Nolan	Tyson
Clarke, N. Y.	Hogan	Norton	Upshaw
Cockran	Houghton	Ogden	Vaile
Codd	Hudspeth	Oldfield	Vare
Cole, Iowa	Hull	Oliver	Vestal
Cole, Ohio	Husted	Olpp	Vinson
Colton	Hutchinson	Overstreet	Voigt
Connell	Jacoway	Padgett	Volk
Connolly, Pa.	Jefferis, Nebr.	Paige	Volstead
Cooper, Ohio	Jeffers, Ala.	Park, Ga.	Walters
Cooper, Wis.	Johnson, Ky.	Parker, N. J.	Ward, N. C.
Copley	Johnson, Miss.	Parker, N. Y.	Wason
Coughlin	Johnson, S. Dak.	Parks, Ark.	Watson
Crago	Johnson, Wash.	Patterson, N. J.	Weaver
Crisp	Jones, Pa.	Perkins	Webster
Curry	Kearns	Perlman	Wheeler
Dale	Keller	Petersen	White, Me.
Dallinger	Kelly, Pa.	Porter	Williams
Darrow	Kendall	Pou	Wilson
Davis, Minn.	Ketcham	Pringey	Wingo
Davis, Tenn.	Kiess	Purnell	Winslow
Dempsey	Kincheloe	Radcliffe	Wise
Denison	King	Raker	Woodruff
Dickinson	Kinkaid	Ramseyer	Woods, Va.
Doughton	Kissel	Ransley	Woodyard
Dowell	Kleczka	Rayburn	Wright
Drane	Kline, Pa.	Reavis	Wurzbach
Drewry	Knutson	Reber	Wyant
Driver	Kopp	Reed, N. Y.	Young
Dunbar	Kunz	Reed, W. Va.	Zihlman
Dupré	Lampert	Rhodes	
Dyer	Langley	Ricketts	

ANSWERED "PRESENT"—1.

Chandler, Okla.

NOT VOTING—79.

Bland, Ind.	Cullen	Goldsborough	Ireland
Brinson	Dunn	Gould	James
Cannon	Echols	Greene, Vt.	Kahn
Cantrill	Edmonds	Hammer	Kelley, Mich.
Carter	Fess	Hays	Kennedy
Clark, Fla.	Fields	Herrick	Kindred
Classon	Free	Hill	Kirkpatrick
Clouse	Fulmer	Hooker	Kitchin
Crowther	Gallivan	Humphreys	Kline, N. Y.
Knight	Moore, Ill.	Reece	Strong, Pa.
Kreider	Morin	Riddick	Sullivan
Lanham	Mott	Riordan	Taylor, Colo.
Lawrence	Mudd	Robertson	Taylor, N. J.
Lee, N. Y.	Nelson, J. M.	Scott, Mich.	Towner
Lineberger	Newton, Mo.	Scott, Tenn.	Underhill
McArthur	O'Brien	Shaw	Walsh
McFadden	O'Connor	Siegel	Ward, N. Y.
McPherson	Osborne	Smith, Mich.	Wood, Ind.
Mansfield	Rainey, Ala.	Stevenson	Yates
Michaelson	Rainey, Ill.	Stiness	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. KAHN with Mr. CULLEN.

Mr. LAWRENCE with Mr. HUMPHREYS.

Mr. FREE with Mr. LANHAM.

Mr. DUNN with Mr. O'BRIEN.

Mr. KENNEDY with Mr. GALLIVAN.

Mr. LINEBERGER with Mr. KITCHIN.

Mr. MORIN with Mr. RIORDAN.

Mr. OSBORNE with Mr. FIELDS.

Mr. TAYLOR of New Jersey with Mr. STEVENSON.

Mr. MCPHERSON with Mr. KINDRED.

Mr. ECHOLS with Mr. CANTRILL.

Mr. CANNON with Mr. GOLDSBOROUGH.

Mr. NEWTON of Missouri with Mr. CLARK of Florida.

Mr. EDMONDS with Mr. SULLIVAN.

Mr. STRONG of Pennsylvania with Mr. HOOKER.

Mr. KNIGHT with Mr. FULMER.

Mr. MOORE of Illinois with Mr. BRINSON.

Mr. FESS with Mr. RAINEY of Illinois.

Mr. MUDD with Mr. TAYLOR of Colorado.

Mr. KREIDER with Mr. HAMMER.

Mr. SIEGEL with Mr. CARTER.

Mr. BLAND of Indiana with Mr. MANSFIELD.

Mr. HAYS with Mr. O'CONNOR.

Mr. IRELAND with Mr. RAINEY of Alabama.

The SPEAKER pro tempore. A quorum is present. The Doorkeeper will open the doors.

The question is on the passage of the bill.

The question was taken, and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 198, noes 36.

So the bill was passed.

On motion of Mr. LAMPERT, a motion to reconsider the vote by which the bill was passed was laid on the table.

POST OFFICE APPROPRIATIONS.

Mr. SLEMP. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9859, the Post Office appropriation bill.

The SPEAKER pro tempore. The gentelman from Virginia moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9859——

Mr. SLEMP. And pending that motion——

Mr. STEENERSON. Mr. Speaker, I desire to reserve all points of order on the bill.

The SPEAKER pro tempore. The points of order have already been reserved.

Mr. SLEMP. Mr. Speaker, pending that motion I ask unanimous consent that the debate be limited.

Mr. SISSON. Mr. Speaker, I will state that I have requests for two hours and a half. That does not include any time I might take myself in explaining the bill.

Mr. SLEMP. Can the gentleman get along with a couple of hours on that side if we cut our requests down to that amount?

Mr. SISSON. We could, I think, Mr. Speaker, if the gentleman could manage to make arrangements to give me about 30 minutes.

Mr. SLEMP. I am not sure that that can be done, but we are willing to do that.

Mr. SISSON. I will say to the chairman of the committee that I have no desire to take time unnecessarily. These gentlemen really want to make speeches, but not all of them on the bill. I understand that we will consume practically the balance of the day anyway, and I suppose that along the latter part of the afternoon, if we should find we have not accommodated all of our friends, we might by unanimous consent extend the time.

Mr. SLEMP. I think we can get along with two hours on this side.

Mr. SISSON. I will try that, Mr. Speaker, with the understanding that there will be no objection in the time left on

the shank of the evening to getting unanimous consent to extend it somewhat.

Mr. SLEMP. I ask unanimous consent that the general debate be limited to four hours, one-half to be controlled by myself and one-half by the gentleman from Mississippi [Mr. SISSON].

The SPEAKER pro tempore. The gentleman from Virginia asks unanimous consent that general debate be limited to four hours, one-half to be controlled by himself and one-half by the gentleman from Mississippi. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted as follows:

To Mr. STEVENSON, for to-day, on account of sickness.

To Mr. LANHAM, for to-day, on account of illness.

POST OFFICE APPROPRIATIONS.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Virginia that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9859, the Post Office appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9859, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9859, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9859) making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes.

The CHAIRMAN. The gentleman from Virginia is recognized for two hours.

Mr. SLEMP. Mr. Chairman, the subcommittee on appropriations, to whom was referred the Post Office appropriation bill, began work immediately on the reassembling of Congress the early part of December and continued their labors practically without intermission until this week, when we are reporting the bill to this committee. It is the largest bill in point of money that will be presented to Congress. It has in its service a number of employees greater than exist in the entire personnel of the Army and Navy of the United States combined. It is a service that reaches every home, every individual, and every business. It knows no discrimination as to race, color, religion, or condition of servitude. To do service is its motto. It operates through the dead hours of night; it is going when dawn steals over the earth as when night closes it in darkness. it defies wind, rain, storms, and blizzards. It is equally active in sunshine or in cold. With equal impartiality it brings all messages of hope, love, or news. It is a service of which the American people are proud, and without which, or even an impairment of which, our civilization would be thrown backward.

Contemplating the service from this standpoint, having the same enthusiasm for its personnel and its accomplishment as held by the men who are now conducting its affairs, the subcommittee began and pursued its investigations. The best of cooperation was shown by the gentlemen who appeared representing the department. This we are glad to report to this committee.

The bill as reported to the House subdivides itself naturally into the departmental or Post Office Department, the main seat of executive direction, and the field service, heretofore carried in two separate bills. There were a number of increases requested in departmental salaries, a great many of which, at least, and perhaps all, seem to be justified, but which are not recommended in view of the reclassification proposals now before Congress. The department requested 30 additional clerks here in Washington, but the committee did not deem it wise to concur in this recommendation inasmuch as part of the number requested was to provide for legislation not yet enacted into law and because, in reference to the remainder of the requests, one of the bureaus will doubtless be able to release a number of clerks equivalent to the additional number needed.

A glance at the number of employees in the Post Office Department for several years back does not indicate a growth in departmental personnel in strict relation to growth in field service. The committee feels confident that the present personnel will be able to take care of the business next year even if there is the expected increase in postal receipts. A similar situation does not, however, exist with reference to the field service. The business of the department has shown a steady growth, averaging as a rule about 100 per cent, or doubling every decade. Increased business carries with it necessarily increased expenses. The more stamps that are sold, the more letters and packages to be carried, more carriers to do collecting, more clerks to do distributing, more space in railroad cars to pay for, more carriers for delivery, and more supervisors to overlook the increasing personnel, and so forth, and on through all the ramifications of the service.

Increasing expenses necessarily attends growth of population, establishment of towns, of post offices, and postal facilities. Educational development of the people natually promotes reading and interchange of ideas, and therefore more mail to carry, and we would not have it otherwise. To perform this service in the most expeditious manner and at the lowest expense is the great problem of the Post Office Department.

In all the history of the Postal Service there has been a close relationship between postal receipts and postal expenditures. There has nearly always been an excess of expenditures over receipts, though never large. From 1837 to 1900 the expenditures over receipts reached $10,000,000 only three times in this period of 67 years, including both our Civil and our Spanish War periods. Since 1900 the difference between receipts and expenditures has not averaged $10,000,000 per annum, though exceeded in some years, while in other years an actual surplus seems to have been declared. I take it from all this record of nearly 90 years that the various Congresses and the various distinguished Postmasters General have striven to make this service largely self-supporting.

The reclassification acts of 1920 and subsequent acts and the decision of the Interstate Commerce Commission increasing the compensation of railroads combined added about $70,000,000 to our annual expenditures. This makes it well-nigh impossible for the Postmaster General and his very able Assistant Postmasters General to balance receipts and expenditures and absorb in a short time so large an additional expense. If this $70,000,000 should have been deducted from this expenditure of 1921, the last year of Mr. Burleson's administration, the difference between receipts and expenditures would have been only about $11,000,000. Likewise if this $70,000,000 should be deducted from the estimated difference of $77,000,000 for the current fiscal year, there would be a difference only of $7,000,000, which would average well with the record of the department in all the years of its history.

The postal receipts for the first six months of the current fiscal year show some increase over receipts for the corresponding period of last year, but not very much. The turn for the better seems to have come in the latter part of October, but it is doubtful if we can expect the receipts for 1922 to represent the normal growth of 7 per cent for the entire year.

Mr. DUNBAR. Will the gentleman from Virginia yield?

Mr. SLEMP. Yes, sir.

Mr. DUNBAR. I notice in the estimates that the village delivery service is reduced for the coming fiscal year from $1,500,000 to $1,300,000. Does this contemplate curtailment of the village delivery of mail?

Mr. SLEMP. If the gentleman will pardon me, the Post Office Department submitted an estimate of $1,500,000 for this service. The Budget Committee reduced that to $1,300,000. The annual rate of expenditure on this is $1,200,000. The number of applications on file not acted upon is 113. The number of cities that come within the regulation of the department is 2,079, of which 86 have gone to second class. The committee originally, I think, were unanimously in favor of having the Post Office Department estimates, the original estimates, of $1,500,000 to go on, but the matter was submitted to the full committee, and the full committee directed the matter to be submitted to the House with an amendment to be offered embodying $1,500,000. That will take care of the 113 applications on file now and give about 20 per cent increase. There are about 770 post offices having that delivery now, having one or two carriers each. The 86 offices there that are entitled to city delivery are being carried under the village delivery at a lower cost, probably $400 a man.

Mr. DUNBAR. Then I understand that an amendment will be offered so that it will not deprive any village now enjoying postal delivery service of that service which they have heretofore enjoyed?

Mr. SLEMP. Not only that, but it will take care of new applications for that service.

Mr. MANN. It does not take any amendment to take care of the existing service.

Mr. SLEMP. The existing service is more than taken care of by the surplus, and $1,500,000 will more than take care of the additional ones. This $1,500,000 will also take care of the

increasing possibilities, because there are 2,000 cities eligible for the service.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. WALSH. Has this service now become an established institution?

Mr. SLEMP. Yes. It is proposed to provide deliveries to towns of populations ranging from 1,500 to 2,500 and having postal receipts of $5,000, the theory being that outside of that the country people have the rural free delivery and the city people have the city delivery. It is a smaller service at a smaller cost.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. DOWELL. As I understand the gentleman's statement, hereafter all these cities will have that service?

Mr. SLEMP. There are only 700 of these towns having village delivery. This takes care of those applications on file, about a 20 per cent increase in number.

Mr. DOWELL. I know of a number of applications that were made that were turned down because the population was not sufficient.

Mr. SLEMP. They are holding it back down there and not spending the money that they have got.

Mr. DOWELL. It was understood to be refused because of lack of funds.

Mr. SLEMP. That situation will be remedied.

Mr. DOWELL. This will take care of that situation?

Mr. SLEMP. Yes.

Mr. UPSHAW. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. UPSHAW. The gentleman is clear that it is not contemplated to cut off any town now receiving city delivery?

Mr. SLEMP. It does not curtail the post-office service in any particular at all. It does not take off anybody's salary, and it does not eliminate any permanent appointment, and makes no change or addition, and does nothing to anyone's salary except as is provided by law. It does not curtail the service in any way, but it even provides a possible leeway for additional business next year, and that applies to the village delivery and to everything else.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. SNELL. On page 3 of the report it speaks of the total estimated expenditures being approximately $554,000,000, which would leave an estimated deficit for 1923 of $74,000,000. Will you explain why you start out with an estimated deficit?

Mr. SLEMP. Yes. As I say, for about 100 years the postal receipts and expenditures have run about even. The acts of 1921 added about $70,000,000 to our annual expenditures. It is difficult to absorb that. This fiscal year the receipts are not coming up to expectations. Instead of increasing normally they remain about the same. That is, the receipts for the first six months of this fiscal year differ only a few dollars from the receipts of the first six months of the last fiscal year. That leaves us a large deficiency to absorb this fiscal year. In other words, the receipts are not coming in to balance expenditures as expected.

I want to say right here that the department has met that situation in a very businesslike manner. They have curtailed expenditures this year out of 1922 appropriations about $24,000,000 and have taken care of the loss in postal receipts by the curtailment of expenses in the operation of the service.

Now, as to this $36,000,000 that the gentleman speaks of, it is based on the calculation that there will be a 7 per cent increase in the postal receipts in the remaining six months of this fiscal year and that there will be an increase in the next fiscal year of 9 per cent on the average over the postal receipts of the year 1922. Whether that is right or not I do not know. If it is only 6 or 7 per cent, then the difference between receipts and expenditures, technically called a deficit, will be about $50,000,000.

Mr. SNELL. Is not the 7 per cent increase taken into consideration in the estimate of $74,000,000 of deficit?

Mr. SLEMP. Yes, sir.

Mr. SNELL. Then when we make the statement that the bill is $26,000,000 less than it was, it does not mean so much when we are starting out with a deficit of $36,000,000.

Mr. SLEMP. We have a deficit of $77,000,000 this year. We hope to curtail the expenditures until the thing gets even again.

Mr. SNELL. If you started to-day with the general proposition to expect a deficit of that amount, will the department try to hold down expenditures?

Mr. SLEMP. I will say to the gentleman that this year in six months they have been able to return to the Treasury about $24,000,000, and if the postal receipts do not advance in the next six months we will have a reversion from this year's appropriation of $10,000,000 more. We have already returned $24,000,000.

Mr. SNELL. Then you think there is a possibility to get enough out of the postal receipts to pay for the expenses of the service?

Mr. SLEMP. No; we do not this year.

Mr. SNELL. Then why should not the full appropriation be made at this time?

Mr. SLEMP. We carry that provision in the bill appropriating the entire amount of money in excess of whatever is necessary outside of the postal receipts. That provision is now in the bill.

Mr. SNELL. I do not see the object.

Mr. SLEMP. Nobody knows what the amount will be.

Mr. MADDEN. Mr. Chairman, if the gentleman will allow me, I wish to say that the deficit will depend entirely upon the revenues. Nobody can tell what the revenues will be.

Mr. SNELL. Is it taken into consideration that there will be an increase of 9 per cent in the revenues?

Mr. MADDEN. Yes.

Mr. SNELL. They are not increasing to that degree this year.

Mr. MADDEN. No. We have cut $25,000,000 off the estimates to meet possible conditions that may arise, to which the gentleman alludes.

Mr. SNELL. You have cut that off the estimates, but your committee in your report said you will spend more.

Mr. MADDEN. You can not tell what the revenue will be.

Mr. SNELL. You say that even with the 9 per cent increase you will have $24,000,000 deficit.

Mr. MADDEN. That has been the case since the Post Office Department was created.

Mr. SNELL. I understood the gentleman from Virginia [Mr. SLEMP] to say just a moment ago that last year was the only time that we had a very large deficit.

Mr. MANN. Is not this the simple solution? The cost of operation of the department is greater than it was a year ago.

Mr. SLEMP. Absolutely.

Mr. MANN. The postage rate has not been increased.

Mr. SLEMP. That is correct.

Mr. MANN. While the cost of operation has been increased.

Mr. SLEMP. We added $72,000,000 to the cost of operation in the last two years.

Mr. SNELL. I am not disputing that; but I understood the gentleman to say that up to last year there had not been any great deficit.

Mr. SLEMP. Congress passed a reclassification act for the Post Office Department increasing everybody's salaries, and then the Interstate Commerce Commission's decision came in, adding as a total $70,000,000 more to the expense of operating the Railway Mail Service.

Mr. SNELL. I appreciate that. We can not get away from that. My question is, Why should we not appropriate as nearly as we can a sufficient amount to pay the expenses, without estimating a deficiency?

Mr. SLEMP. We do.

Mr. MANN. We have to appropriate a year in advance.

Mr. SNELL. Yes.

Mr. MANN. That is the truth about it. We estimate what the receipts will be, based upon the past. It is a guess, as it always is.

Mr. SNELL. Surely I appreciate that, but my question is, when we are pretty sure there is going to be a deficit, why should we not come nearer to meeting it? Perhaps I may be wrong about that.

Mr. MANN. They have got to perform the service anyway.

Mr. SNELL. There is no dispute about that.

Mr. MANN. It costs more to perform the service than it did before.

Mr. SNELL. Agreed.

Mr. MANN. If you want to pay the cost of operation out of the postal receipts, you have got to raise the postage rate; and I do not think anyone here wants to do that.

Mr. SNELL. We are absolutely agreed on that. My only question was, why we should leave so much of a deficit to start with?

Mr. MANN. We do not leave it to start with. It is an estimate.

Mr. SNELL. The whole thing is an estimate.

Mr. MANN. I say the estimate is that there will be a deficit. We do not have any deficit to begin with for that year, because we have not reached that year yet; but based upon the probable receipts and the probable cost of operation the committee

estimate that there will be a deficit of $34,000,000. I think it will be more.

Mr. SLEMP. I agree with the gentleman from Illinois.

Mr. SNELL. That is the point. When we believe there will be a deficit, I do not think we should flatter ourselves that we are cutting down expenses.

Mr. ANDREWS of Nebraska. Will the gentleman from Virginia yield for a question?

Mr. SLEMP. I yield to the gentleman from Nebraska.

Mr. ANDREWS of Nebraska. I just want to ask two questions: First, we have a definite amount appropriated for the service for the coming fiscal year. Then the revenues may measure up to and possibly go beyond that amount, but usually not. If the appropriations total $250,000,000 and the revenues are $225,000,000, there will be a diffrence of $25,000,000 between authorized expenditures and receipts. Then the provision ordinarily follows that that $25,000,000 shall be paid out of the general fund of the Treasury, and in that way the total amount of authorization will be covered by actual appropriations.

Mr. SLEMP. That is correct.

Mr. DUNBAR. Will the gentleman yield?

Mr. SLEMP. I yield to the gentleman from Indiana.

Mr. DUNBAR. You estimate a deficiency in the Post Office Department for next year of $34,000,000?

Mr. SLEMP. Personally I think the gentleman from Illinois is correct about that, and that there will be a greater difference than that, but I am only giving you the maximum expectancy of the Post Office Department, which is a 7 per cent increase during the remaining six months of this year and a 9 per cent increase beyond the amounts of this fiscal year next year, and that is larger than the normal increase as measured throughout the years.

Mr. DUNBAR. What is your estimated deficit for the present fiscal year?

Mr. SLEMP. The figures given by the department estimate it to be about $70,000,000.

Mr. DUNBAR. How much was it last year?

Mr. SLEMP. Technically $157,000,000, but you should subtract that from the back pay to the railroads that was chargeable to previous years, over $70,000,000, leaving approximately $80,000,000 deficit.

Mr. DUNBAR. Then the deficit in the appropriation for the Post Office Department is being reduced?

Mr. SLEMP. Yes; I should say that was generally true.

Mr. JOHNSON of Mississippi. Will the gentleman yield for one question?

Mr. SLEMP. I yield to the gentleman from Mississippi.

Mr. JOHNSON of Mississippi. There are a number of villages and towns that have made application for free delivery.

Mr. SLEMP. Village delivery.

Mr. JOHNSON of Mississippi. In the event that these applications are granted by the Post Office Department does this bill make provision for the payment for such service?

Mr. SLEMP. Yes; it makes provision for the payment for the service for every one of those that have applied and for some more in addition.

Mr. JOHNSON of Mississippi. For those that are pending also?

Mr. SLEMP. Yes; for those that are pending. That is correct.

Mr. GORMAN. Will the gentleman yield?

Mr. SLEMP. I yield to the gentleman from Illinois.

Mr. GORMAN. On the subject of the expected deficit, the explanation so far given is not clear to my mind. If you anticipate a deficit of $34,000,000 and the gentleman from Illinois [Mr. MANN] predicts that it will be even greater than that——

Mr. SLEMP. Yes; I agree with him.

Mr. GORMAN. Is not that an open invitation for the introduction of deficiency appropriation bills in violation of the budgetary principle?

Mr. SLEMP. They can not tell what it is going to be, and that has been the uniform experience.

Mr. MANN. If the gentleman will pardon me, it is customary to carry in the appropriation bill a provision that if the receipts of the Post Office Department are not sufficient the amount over and above that shall be paid out of the funds in the Treasury by warrant on the Treasury of the United States.

Mr. SLEMP. That is correct.

Mr. SNELL. That is included.

Mr. MANN. It does not provide for any deficiency bill.

Mr. SLEMP. That is carried on page 19 of this bill.

Mr. DENISON. Will the gentleman yield?

Mr. SLEMP. I will.

Mr. DENISON. What disposition has the committee made in this bill for the care of the air mail service?

Mr. SLEMP. The air service was eliminated by the full committee although recommended by the subcommittee.

Looking briefly at the bill itself, the appropriations range around the offices of the various Assistant Postmaster Generals, by whom the manifold activities of the field service are administered. The Postmaster General retains the inspection force of which there is no increase requested, and has transferred to him the postal savings division, with the purpose of securing the cooperation of the postmasters of the country in this important work in a more active way. The transfer involves no additional expense and is purely administrative. Two important branches have been transferred from the First Assistant's office, one the mail messenger service to the Second Assistant's office and the other the motor transport service to the Fourth Assistant's office. This is also administrative and without additional expense to the Government. It is believed that better coordination in these activities with other branches of the service will thus be secured.

The total estimates considered by the committee amounted to $580,735,066. The amount recommended to be appropriated is $554,064,375, or a reduction from the estimates of $26,670,691. Of this reduction approximately $2,000,000 represents the elimination of the air service. The expenditures for this air service had been gradually reduced, all routes eliminated except the transcontinental one from New York to San Francisco, and the department undoubtedly was making splendid progress in demonstrating the feasibility of mail transportation by air in regard to safety, certainty of service, and reduction of expenditures, but as this is more related to airplane development than to carrying the mails the full committee eliminated the item from the bill. Had it been presented it would have been subject to a point of order. The chief remaining reductions were in the services administered by the First and Second Assistants, the largest item being $9,000,000 in railway mail pay. The annual rate for which this service is being carried now is $82,000,000, and the forceful and attractive Second Assistant Postmaster General believes by the most careful consideration of the space problem, checking it wherever needed, and filling to capacity the space paid for, studying the routing of mails, that this economy can be effected and provide for increased postal business also. He has brought about large economies in the mail messenger service turning back to the Treasury several millions this year and promising fine results for next year.

Mr. SNYDER. Will the gentleman yield?

Mr. SLEMP. I will.

Mr. SNYDER. The gentleman has stated that the deficit of the present year will be $70,000,000 and the previous year it was over $80,000,000. It has been stated that the expense for operation has greatly increased, and the gentleman has pointed out where savings have been made. Can the gentleman tell us definitely where some of the big increases in expenses has been that created the deficit?

Mr. SLEMP. That is simple. The reclassification act of 1921 and the Steenerson Act and the decision of the Interstate Commerce Commission added $70,000,000 to the annual expenditure. Deducting that from what we got you will see the difference between the actual receipts and expenditures is about what it has always been. The department has not been able to absorb the $70,000,000 in that short time.

Mr. SNYDER. Of course, the department is handling a good deal of work below cost. There has been talk about an increase for the Parcel Post Service.

Mr. SLEMP. I will say that we have no way of getting information on that subject except an estimate secured from the amount of fourth-class mail. The receipts on that, I think, are about $144,000,000. They took away the special parcel post stamp, and so they do not know whether the stamps go on letters or on fourth-class matter. They have no stamps at the present time to check up the amount of parcel-post business. But they state that they have authority to have the Postmaster General submit the matter to the Interstate Commerce Commission for determination without carrying it to Congress at all and he can bring it to the Interstate Commerce Commission when he is in position to state the facts.

Mr. SNYDER. It must be conceded that if the normal expense of the department is going to stay where it is and the receipts are not sufficient, some arrangement should be made to bring the receipts up to the outgo. I think that this is one of the departments that the public is willing to pay for the service.

Mr. MADDEN. If the gentleman from Virginia will allow me, I would like to say that a large part of the increase was caused by the decision of the Interstate Commerce Commission to increase the railroad pay rate about 35 per cent, causing the appropriation for that purpose to go up from $70,000,000 to $96,000,000 a year. It must be remembered by everybody here that in the last two years the legislation increasing the com-

pensation of the men in the Postal Service added $115,000,000 a year to the pay.

Mr. SNYDER. I thank the gentleman for the information, and that is what I am trying to get into the RECORD.

Mr. SLEMP. That is what brought it about, and the department has not been able to absorb the additional increase.

Mr. GORMAN. Will the gentleman yield?

Mr. SLEMP. Yes.

Mr. GORMAN. What provision is going to be made to take care of the air mail service?

Mr. SLEMP. I can not answer that. That was simply an auxiliary service. It was to take the mail that did not go on the train at night the next morning. Of course, it will go on the regular railway schedule.

Mr. GORMAN. It practically abolishes the air mail service.

Mr. SLEMP. Yes; that is the effect of it.

Mr. HARDY of Colorado. Will the gentleman yield?

Mr. SLEMP. Certainly.

Mr. HARDY of Colorado. The gentleman might state that the Committee on the Post Office and Post Roads is considering legislation along this line which may permit the Government to contract with private parties to carry the mail by air. The Post Office Department is negotiating with people who demand rapid transmission to see if they are not willing to pay a little larger postage rate for this service. Between the Post Office Department and these people they are trying to work out a substitute for the air mail service.

Mr. SLEMP. I thank the gentleman for his statement. The reason that the subcommittee carried this was to demonstrate the commercial possibilities of this service.

Mr. ROSSDALE. Will the gentleman yield?

Mr. SLEMP. I will.

Mr. ROSSDALE. Has the gentleman's committee any information as to what the air mail service costs?

Mr. SLEMP. No; you have the same stamps for that service that you have for the ordinary mail business. I can give the gentleman the number of letters and the number of miles covered by the air mail planes.

Mr. ROSSDALE. Has the gentleman any figures as to what it actually costs?

Mr. SLEMP. No; but taking everything—the number of employees, the overhead, the upkeep, the gasoline, the rent of the fields—it costs $5.50 per ton as against 11 cents per ton.

Mr. ARENTZ. Will the gentleman yield?

Mr. SLEMP. I will.

Mr. ARENTZ. Something has been said about it being a needless expense.

Mr. ROSSDALE. It seems that way to me.

Mr. ARENTZ. Travel through the air must be improved, and the only way it can be improved is to travel through the air. If we are not going to subsidize commercial companies to travel through the air, the Government must do the service.

Mr. ROSSDALE. It would appear to me that that would properly be the function of either the War or the Navy Department, or both.

Mr. ARENTZ. England and France and Italy are subsidizing commercial air service. I think the United States Government should do the same thing.

Mr. ROSSDALE. In these days of economy and retrenchment we ought not to experiment needlessly.

Mr. SLEMP. The evidence before the committee is that they are bringing the cost down rapidly and demonstrating just what the gentleman from Nevada contends.

Mr. ARENTZ. Yes.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. SNELL. I notice in appropriating for the amount for railroads there is a decrease of $10,000,000. I thought that was one of the items that had gone up.

Mr. SLEMP. The rate of expenditure is $82,000,000 at which that service is being performed now, and, according to the Second Assistant Postmaster General, that has run along as an average. He says that he is crowding these cars so as to get more mail in a particular space. Then he is supervising the determination of the amount of space, because any vacant space must be paid for. Then he is studying the routing of mails, so that it goes between two points on the shortest line.

Mr. SNELL. Then, by increased efficiency in the Post Office Department he hopes to keep it down and carry it for the $86,000,000 appropriated?

Mr. SLEMP. Yes; and he has turned back $11,000,000 to the Treasury for this fiscal year.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. WILLIAMSON. I notice an item on page 12 for village delivery service.

Mr. SLEMP. Yes.

Mr. WILLIAMSON. Is it the purpose to restore the old appropriation?

Mr. SLEMP. Yes. The principal other changes in the bill relate to the first assistant's office, or rather to the activities under him. The activities in this bureau are so complex and so diversified, of such large personnel, that one reaches a conclusion with much difficulty. As a general thing, we followed closely the desires of this able and hard-working official. He is now engaged in a far-reaching survey of the various branches of the service, and promises much in efficiency of service and economy of operation. He is handicapped by not having at his command a sufficient number of inspectors to do what he would like to do. In this connection I would call the attention of the committee to this situation, because there is a curtailment there in expenditure of about $11,000,000 in the activities coming under the First Assistant Postmaster General. Nearly all of that is based on what the department itself thinks they can do the work for, such as temporary and auxiliary clerk hire, where we have cut off $1,000,000. That was agreeable to the department. Rent, light, heat, and fuel were more or less a mathematical calculation of what they are doing now with an annual rate, and also the number of rent items that would come in the next year; so we are justified in that. The only one, perhaps, that we had any doubt about was for temporary clerk hire, from which we cut off $4,000,000, whereas the department wanted us to cut off only $1,000,000.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. TAYLOR of Tennessee. I have not had an opportunity to read the bill, but does it provide for a continuation of guards for mail cars?

Mr. SLEMP. There is no provision carried in the bill for that, and there is no expense attached to the Post Office Department for the performance of that service, since it is more or less based on an informal request from the Postmaster General for assistance from the marine service, and he is using marines who would otherwise perhaps be at some camp. What the policy of the Postmaster General is upon that is to be determined by a conference, understood to take place shortly between the Secretary of the Navy and the Postmaster General. They have about 2,000 people engaged in that service now, and it is rapidly being curtailed.

Mr. TAYLOR of Tennessee. Is not that service costing the Post Office Department anything?

Mr. SLEMP. No.

Mr. TAYLOR of Tennessee. I understand they are marines, but what about their maintenance?

Mr. SLEMP. We tried to find that out. There may be some small miscellaneous expense there for maintenance, but it is very little. There is no appropriation carried for it in the bill for next year.

Mr. TAYLOR of Tennessee. The gentleman does not know whether it is the understanding that it will be the policy to continue this?

Mr. SLEMP. The understanding is that they are going to get rid of that as rapidly as possible. In other words, the Postmaster General acted under an emergency. A number of robberies were taking place and the department itself did not have the force and the Department of Justice did not have the force. The Postmaster General did the wise thing. He acted quickly and got hold of a force from another place and put them on the trains to stop the robberies.

Mr. MANN. The gentleman says there is no appropriation for that this year? Is it not the policy now to take the marines off the trains——

Mr. SLEMP. Yes; I just stated that.

Mr. MANN. And add to the number of inspectors the same number of people for the Post Office Department, and guard the mail between the post offices and the trains?

Mr. SLEMP. Yes. I would say to the gentleman that the policy of the Post Office Department has not been completely worked out on that, so that we can make any definite statement in respect to it.

Mr. MANN. Are they not still endeavoring to guard the mails, at least between the stations and the post offices?

Mr. SLEMP. They are still attempting to guard the mails, with a diminishing force.

Mr. MANN. By a force from the Post Office Department?

Mr. SLEMP. Yes. They are increasing that and diminishing the other.

Mr. KETCHAM. Mr. Chairman, referring to the matter of guarding the mails, has the gentleman any information as to whether the guarding that has been provided under this emergency has been effective in reducing the number of robberies?

Mr. SLEMP. They claim that it has been effective in reducing them, but, of course, we can not give any figures on that, because we would not know.

Mr. KETCHAM. I thought there might be some report of robberies which have taken place since and a comparison with those that took place before the guards were put on.

Mr. SLEMP. I would say that the Postmaster General in an emergency situation acted well and promptly.

Mr. WILLIAMSON. If the gentleman will permit, I saw a statement a short time ago emanating from the Post Office Department, though not from the Postmaster General, to the effect that there has not been any robbery at all of any consequence since that time.

Mr. SLEMP. Practically not; and prior to that time they lost millions of dollars through robberies, even in populous centers like New York City.

Mr. DOWELL. Is there any provision in this bill for taking care of that situation?

Mr. SLEMP. That is being developed by the department, and, I will say, has not been fully worked out.

Mr. DOWELL. An appropriation has not been prepared for it?

Mr. SLEMP. No. There is no request for it.

Mr. ROSSDALE. How large an increase of employees does this bill make provision for that will guard the mails in first-class cities?

Mr. SLEMP. That is being worked out by the Post Office Department. This was a sort of epidemic of robberies, and they have not determined on a policy. They are gradually increasing their force of inspectors.

Mr. ROSSDALE. Might I ask how large an increase of postal employees—I mean regular employees, such as clerks, who will presumably guard these mails—is provided for in this appropriation bill?

Mr. SLEMP. Their report was that they looked to the postmaster's recommendation for the personnel for that business, and that under the item of clerks for offices and all that we allow an increase of about $3,000,000, part of which was to be taken up with work of this kind.

Mr. ROSSDALE. That will probably allow approximately about 2,000 clerks. But it would seem to me it would be necessary, as in the past, to use these temporary employees.

Mr. SLEMP. We have.

Mr. ROSSDALE. These robberies came from the use of such temporary employees.

Mr. SLEMP. We tried in this bill to give them the amount for temporary service that they want.

Mr. MANN. If the gentleman will pardon me, I was informed yesterday, or at least I thought I was, by the Post Office Department that the guarding of the mails now is not to be done by the marines but by people in the inspector's office.

Mr. SLEMP. I do not think that is quite their policy.

Mr. MANN. That is what I understood they said yesterday. It is what I thought they said.

Mr. DENISON. During the preceding administration, in the interests of economy, there were many changes made in the rural carrier system, reducing the length of routes, and there were a great many routes taken off in the interest of economy. Now, I would like to ask the gentleman if he has any information upon the question as to whether or not there was any real economy resulting from the changes in the rural-route system of the country? We know that people all over the country are very much dissatisfied with it, and now I am receiving applications almost every day asking for the original arrangements to be restored and for the routes to be somewhat shortened and more routes put in. Is there anything of that kind contemplated?

Mr. SLEMP. I will say to the gentleman that we did not consider it a function of our committee to go back and review the official acts of any previous administration, but we limited ourselves to the financial needs of the department for the coming year. And if the gentleman will give me his attention just a moment I will refer to the Rural Free-Delivery Service. I say that we did not consider it our function to go back and examine into the records of other administrations and their policies, and what they did, but we limited ourselves to the financial needs of the coming year. There were 600 applications on file in the department for new routes. Two hundred have been allowed this fiscal year, leaving 400 subject to investigation. We make provision for those to be granted if the department wishes to do it and if the public demand is for it. We make provision in this bill for an equal number next year, so that the continuation of the rural free delivery according to the wishes of the people is provided for in the bill if they meet the conditions.

Mr. GRAHAM of Illinois. I found also that during the last administration there were a great many railway mail clerks taken off and the distribution of mail en route was discontinued in many places and mail taken to distributing centers, where it was distributed. Do you know whether the present post office administration is attempting to make any effort to put back clerks that were taken off and reestablish the distribution of mail en route?

Mr. SLEMP. The Second Assistant Postmaster General stated in the hearings that he was attempting to do what the gentleman says.

Mr. GRAHAM of Illinois. The reason I ask it is, that I always believed the system of taking this mail to distributing centers was wrong; that it did not facilitate the rapid distribution of the mail.

Mr. SLEMP. The Second Assistant Postmaster General, Mr. O'Shaughnessy, stated clearly in the hearings that he agreed with the position which the gentleman from Illinois takes.

Mr. MANN. It cheapens the cost?

Mr. SLEMP. Yes, sir. Of course, that separation in the city is a matter of economy, because that is only a dollar-a-foot space instead of $4.

I would say right here that the Second Assistant Postmaster General is making a fine record, it seems to me.

Mr. GRAHAM of Illinois. I agree with the gentleman about that. I think so.

Mr. SLEMP. The recommendations we have made have been the best we could make and are the unanimous opinion of the subcommittee, who have at all times had in mind that the Government owed it to the people to render the best service possible at the lowest cost to the taxpayers.

I want to acknowledge my own personal indebtedness to my associates on the committee, Mr. OGDEN, of Kentucky, who had been a member of the previous committee, and whose services have been invaluable, and also the gentleman from Mississippi [Mr. SISSON]. I do not think anything too good could be said about him. He was not assigned to this subcommitee at all, but was drafted from his other duties by the imperious courtesy of our distinguished chairman, Mr. MADDEN. He labored with us unceasingly to bring out the best possible bill. Beyond that, we acknowledge our indebtedness to our worthy chairman, the gentleman from Illinois [Mr. MADDEN], who knows something of everything, even of the post office business. In all our difficulties he was our chief guide and support. [Applause.]

Mr. REED of West Virginia. Mr. Chairman, will my colleague yield?

Mr. SLEMP. Yes.

Mr. REED of West Virginia. I wish to ask the gentleman about that deficit. It was scaled down, down to $81,000,000. Was the deficit for the aerial mail taken into account as a part of that?

Mr. SLEMP. No. That was put in because the Interstate Commerce Commission added about $40,000,000 to the railway mail pay and the reclassification of salaries amounted to $30,000,000.

Mr. REED of West Virginia. That is accounted for?

Mr. SLEMP. It came in and could not be absorbed by the postal receipts.

Mr. REED of West Virginia. It is in the $81,000,000 deficit?

Mr. SLEMP. All these postmasters had their salaries increased, and the mail carriers had their salaries increased, and also the clerks; and then they have had automatic promotions and sick leave, and I do not know all they do have. Anyway, it adds on $70,000,000, including the extra pay to the railroads.

Mr. REED of West Virginia. The Air Service is added?

Mr. SLEMP. That amounts only to about $2,000,000. That is eliminated from this bill.

Mr. REED of West Virginia. Do you call that extraordinary?

Mr. SLEMP. No.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. SLEMP. Yes.

Mr. KETCHAM. Considerable has been said concerning the deficit in this bill. Will the gentleman kindly explain the use of the word "deficit," as applied in this bill in contradistinction to the use of the word in the sense in which it is used in other bills?

Mr. SLEMP. It is intended to define the difference between postal receipts and postal expenditures. In a few years there has been a surplus. It is with satisfaction, however, that we note that while postal revenues have not increased as hoped for, the very able officials of the Post Office Department have met this situation in a business way and have reduced expenses by

an amount equal to the falling off in postal receipts, and perhaps greater. [Applause.]

The CHAIRMAN. The gentleman from Virginia has consumed 72 minutes. The gentleman from Mississippi [Mr. SISSON] is recognized for two hours.

Mr. SISSON. Mr. Chairman and gentlemen of the House, the House and the country are to be congratulated on the services which the chairman of this subcommittee has rendered. This is one of the most difficult bills in which to reduce estimates, because so much of the bill is made up of contracts which are fixed by law, and of fixed salaries, so that it is next to impossible to reduce the estimates much. But the chairman of this subcommittee has done some wonderfully effective work. His talent seems to run along the line of investigation, searching out points and places where you might save a little money. I think he has reported to the House as good a bill as law will permit and if the bill is not good it is not the fault of your chairman or the subcommittee, and I doubt extremely whether any additional dollars could well be saved beyond what is represented in this bill unless you change existing law. If there is any extravagance in this bill it is because Congress has put it there by enacting extravagant laws.

Prior to the taking hold of this matter by Congress the Post Office Department under Gen. Burleson was being run from year to year with some balances left in the Treasury from postal receipts. I do not think quite as much money has been saved as we were led to believe at one time, but the present financial officer, now the accountant under the Budget System, gives the following figures in reference to the amount saved:

In 1914 there was a surplus of $4,000,000, omitting the odd dollars. In 1915 there was a deficit of $11,000,000. In 1916 there was a surplus of nearly $6,000,000. In 1917 there was a surplus of $9,000,000. In 1918 there was a surplus of $64,000,000, but in that sum was included the war tax, and some $50,000,000 must be taken from that $64,000,000. There was a surplus of $73,000,000 in 1919, but that also included the war tax.

Now, Postmaster General Burleson, when he was in the House and after he became Postmaster General, insisted that the Postal Service should be made self-sustaining. Gen. Burleson did make it a little more than self-sustaining. But Congress, as soon as it found that there was a surplus, proceeded to add more than $75,000,000 in increased salaries in one sweeping sum, or approximately that, so that that not only wiped out any little surplus that Gen. Burleson had but left the incoming Post Office Department practically with a $70,000,000 or $75,000,000 deficit. This was done by the Republican House and Senate, and Gen. Burleson was helpless, just as the present Postmaster General is.

As to the operation of the automatic promotion system, that is difficult to determine, because some men entitled to promotion die and new ones take their places, and various transfers occur, so that the Post Office Department can not tell you with absolute certainty just exactly what the automatic promotions will be at the end of the year. But that will take several million dollars, and before the automatic promotions shall have ceased under the Steenerson bill of the Republican House and Senate the salaries in the Post Office Department alone will be increased something like $100,000,000. Of course, this is staggering in amount, especially when we get no additional service and no better service than before the increase.

Now, as suggested in this debate by the gentleman from Illinois [Mr. MANN], there is absolutely no use in our speculating or figuring or talking about the Post Office Department running itself on the revenues unless one of two things happens: You have either got to increase the postal receipts—and that may be done by increasing the stamp rate—and if it is not done that way I do not see how you can increase it; and the other method is to decrease the expenses. I do not see how you can reduce expenditures unless Congress shall have enough courage to take the initiative and change the existing law in reference to salaries and compensation to railroads, and, of course, this Congress has no such courage.

Now, I am going to omit the establishment in Washington, although it is remarkable to see how rapidly the expense of the establishment in Washington has increased in the last few years, and it is also a remarkable increase when you look at the salary increase which Congress itself put on.

But take some of the items just as they come. I will mention postal cards. In 1915 the appropriation was $86,350. In 1923 the amount carried in this bill is $225,000. Of course, that is an item which may be affected somewhat by the increased number of postal cards used, but that does not account for that vast increase in cost. The amount is largely accounted for by the increase in price charged for each postal card.

Now, I want to run through the bill. Here is an item in the office of the chief inspector; that is, the inspection for the entire Postal Service. In 1912 the amount carried was $704,450. In 1922, the current year, it was $1,390,000, almost an increase of 100 per cent. Again, for compensation of clerks at division headquarters, in 1912, the amount appropriated was $99,000. In 1913 it was the same, and also in 1914, and in 1915 it was $134,000, until in this current year it has grown from 1912, $99,000, to $238,000.

Mr. ROSSDALE. Mr. Chairman, will the gentleman yield?

Mr. SISSON. Yes.

Mr. ROSSDALE. I presume the gentleman does not take into consideration the fact that the growth of the country has made necessary an increased force of employees in that department. Has the gentleman taken that into consideration?

Mr. SISSON. Yes. I have taken that into consideration, but if the growth in the postal expenditures had been anything like that from 1912 down to the present time you would have added less than 12 per cent.

You can not add from 300 to 400 and in many instances 500 and 600 per cent, because the country has not increased in business or population that rapidly. In other words, I am endeavoring to call the attention of Congress and the attention of the country to the fact that when you pass bills like the one you passed here this morning, and when you pass bills like the Lehlbach reclassification bill, you are not serving the people at home, but you are increasing their burdens. If I thought that the increase in salaries would obtain more efficient service, then you could say that they were doing more work per man than they did under the old salaries, but that is not true. They do less per man than ever before in the Government. The Government pays more for what it gets than any other institution. You all know this to be true.

Mr. ROSSDALE. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from New York.

Mr. ROSSDALE. Is the gentleman aware that the Lehlbach bill does not apply to the Post Office Department?

Mr. SISSON. I am aware of that.

Mr. ROSSDALE. The gentleman evidently has reference to some other bill.

Mr. SISSON. I am talking about the Lehlbach bill and the bill that passed this morning.

Mr. ROSSDALE. But that does not apply to the Post Office Department. It expressly excepts the Post Office Department.

Mr. SISSON. I know that and everyone in the House knows that. I have never intimated that was not true. I am simply calling attention to those bills to show how Congress itself is the criminal, is responsible for all this extravagance. My God, if you are not satisfied you certainly ought to be with the increases in salaries in the Post Office Department. About the best office in the United States that I know of is that of rural or city carrier. I know they have got votes in my district and they have got votes in your district. I know this is a dangerous thing to talk about, but you have got to talk about somebody if you are going to reduce the expenses of the Government. The only question is, Have you the nerve and the courage to do it? You have not. Come clean with it. You know you have not.

Mr. ROSSDALE. Does the gentleman know how much it costs to live in New York and other large cities?

Mr. DOWELL. Does the gentleman contend that these carriers are receiving too much money now for the service they perform?

Mr. SISSON. Yes.

Mr. DOWELL. Does the gentleman believe their pay should be cut?

Mr. SISSON. Yes. But both the city and rural carrier should be treated alike. The city carrier is paid higher now for what he does than the rural carrier. The city carrier is now paid too much.

Mr. DOWELL. The gentleman believes their pay should be cut below what they are now receiving?

Mr. SISSON. Yes. Why does not somebody else say it? Because the carriers have votes. It would be easy for me to say, "Yes; I think the carriers ought to have more money," and then go back and whisper in their ears and get their votes. What I want to say to you is that if the employees in this Government continue to increase in number much more, and if their organizations continue to increase so that they can inveigh against Congressmen to the extent that they are doing now, and multiply their influence in the matter of votes, you will not be able to get Congressmen who are capable and able and efficient enough and courageous enough ever to reduce governmental expenses.

Mr. ROSSDALE. Presumably the gentleman is aware what it costs to live in the large first-class cities? Presumably he

knows, and that if the maximum pay of a carrier is $1,800, probably one-third of that has to go for rent.

Mr. SISSON. The gentleman will have to revise his figures. They get more money than that.

Mr. ROSSDALE. In the city of New York one-third of that goes for rent alone. You can not get an apartment under $600 a year. These men must live within a radius of 10 or 20 miles of their post-office employment.

Mr. SISSON. I want to tell you about apartments in New York and everywhere else that I know of. They get just exactly what the trade can pay, no more and no less, and if the United States Government continues to increase salaries in Washington and in all of the large cities you will have rents going up accordingly. There is one thing about private pay; it can be reduced. You can cut that down, but when you get Government pay too high you can not reduce that.

Mr. ROSSDALE. But private pay is higher than Government pay.

Mr. SISSON. I do not believe a word of that, either. I have heard all that sort of stuff, but except a few specialized classes of people, I find they are mighty glad to give up their jobs at home and come with the Government—that is, the purely salaried people. You are always hearing that sort of "bunk," and it is pure "bunk." Not one of you but that knows that there are hundreds of people with what they call good jobs who will quit instantly for a Government job. Why? Because they know they will get higher pay, less hours, and less work than in private employment.

Mr. KETCHAM. Will the gentleman from Mississippi yield?

Mr. SISSON. I yield to the gentleman from Michigan.

Mr. KETCHAM. If the gentleman's statement with reference to the high salaries paid rural letter carriers is true, will he kindly explain how it happens that there were 6,281 vacancies occurring in the rural letter carrier force during the fiscal year, of which 5,059 were due to resignations?

Mr. SISSON. Ah, at that time they could get more money; but more than 10,000 of them are trying to get back into the service now. Do not talk to me about that, because down in my district they were resigning, and one fellow sent his resignation in to me, and I wrote back and told him, "My dear boy, had not you better hold this a month or two?" He held it two or three months, and then he wrote me a long letter and said: "I never was as glad of anything in my life, because I now find that conditions on the farm are such that I can not make anything like what I thought I could, and this is the best job I know of right now." Oh, no; that will not do.

Mr. KETCHAM. Will the gentleman yield further?

Mr. SISSON. Yes.

Mr. KETCHAM. If the gentleman's statement is true, how does he explain the fact that since the new administration came in, up to June 30, 1921, there were 1,665 vacancies?

Mr. SISSON. Those vacancies may occur pretty regularly all through the service. I do not know. I am not able to account for the reasons why men resign here and there, but let me ask the gentleman from Michigan, does he believe in these big salaries?

Mr. KETCHAM. Yes; I do.

Mr. SISSON. All right; does he believe in the platform of his party that pledged reduction of expenses of the Government?

Mr. KETCHAM. I do, sir.

Mr. SISSON. Then how can you eat your cheese and keep it, too?

Mr. KETCHAM. If I were to reduce, I would say it would not be in the salaries of these men who carry a load of mail on their backs on days like yesterday, or those who travel country roads on stormy days like that.

Mr. SISSON. This is not a very good place to demagogue. The fine place to demagogue is right at home. We ought not to try to demagogue around here among these men who can give us cards and spades and out-demagogue both of us. I want to have the gentleman come right down to brass tacks. Now, how are you going to reduce the expenses of the Government?

Mr. KETCHAM. Did you ever carry the mail on these roads?

Mr. SISSON. I never did. I suppose the gentleman has.

Mr. KETCHAM. I have.

Mr. SISSON. The gentleman has done that, but now he has gotten above all that, and now he is getting $7,500 a year.

Mr. MANN. The gentleman from Michigan is one of the resignations. [Laughter.]

Mr. SISSON. I thank the gentleman from Illinois. The gentleman from Michigan is one of the resignations. And now to my question: Where are you going to reduce the expenses of the Government?

Mr. KETCHAM. I will certainly not try to reduce them by reducing the pay of these carriers.

Mr. SISSON. That does not answer my question. The gentleman's party is pledged to reduce expenses. Now, come across the line. I do not owe the gentleman's party anything, but I am trying to help reduce the expenses of the Government. Go and ask any man on the Appropriations Committee with whom I have served. I can give you some evidence of the faith that is in me. What evidence can you show that you have tried to keep your party pledge?

Mr. KETCHAM. When we begin the reduction of expenditures——

Mr. SISSON. Where are you going to begin?

Mr. KETCHAM. I deny that it is pure demagoguery.

Mr. SISSON. Denial does not make it so.

Mr. KETCHAM. But my denial is as strong as the gentleman's assertion.

Mr. SISSON. I will leave it to these Members here to say who is right about it. But the gentleman has not answered my question. Where are you going to begin?

Mr. KETCHAM. I will not begin here, will you?

Mr. SISSON. Yes; I will. That is the way with you. You are willing to reduce away from home and where it will not affect you politically, but only the other fellow. But when you have to look the boys from your own district straight in the face you have not the courage to reduce. You are brave with the other fellow's voters but the reverse with your own. That is the trouble with the Government now. We need men, men of courage, men who their duties know and knowing will do.

Mr. GORMAN. Will the gentleman yield?

Mr. SISSON. Yes.

Mr. GORMAN. I will suggest that we are going to start to reduce the Government expenses and the burdens on the taxpayers by cutting out the profligate and extravagant waste of the Democratic Party in making war contracts and by the world disarmament conference.

Mr. SISSON. Oh, well, let us see about that. Was the gentleman here during the war?

Mr. GORMAN. No; I was not.

Mr. SISSON. If the gentleman had been here he would have been a patriot. He would have discharged his duty. He would not have left the boys over in France without food and arms, but would have sent the money necessary to give them arms and munitions and food. He would have gone on the stump and said we were more patriotic than the Democrats. He would have been boasting of how he stood for President Wilson in this war and did everything that was necessary. He would have said, "I did everything in the war that I could. I did not measure the cost against the blood of the boys across the seas. No; I did not." But now the complexion has changed; you have come too late. It is an easy thing to say it now, but here is my good friend JOHN TILSON, my good friend JIM MANN, who are patriots, and all around them are patriots. Of course, they have got to stand up and stand hitched, because they voted for all these appropriations, but the gentleman from Illinois was not here and he did not do it and he does not have to answer to an intelligent constituency.

Mr. ROSSDALE. Will the gentleman yield?

Mr. SISSON. No; I can not yield.

Mr. ROSSDALE. I have a question for the gentleman.

Mr. SISSON. Well, let us have it.

Mr. ROSSDALE. And an answer. I will give you the question with the answer.

Mr. SISSON. Oh, well; I do not want that. The gentleman can not inject that into my speech, and if he tries to put it in I will cut it out. I do not want anybody to ask me a question and answer it himself. The gentleman can take his own time. [Applause.]

Now to go a little further. Here are the traveling expenses of the post-office inspectors. In 1912 the bill only carried $176,400. In 1922, the present current year, they carry $447,000. What about the taxpayer? He is staggering along with that. It is so easy here to increase compensation; it is so easy to hear the evidence for these increases, make a little different sound, one is aye and the other is nay, and you put the additional burden on the taxpayer. Take another item, the expenses of the division headquarters. In 1912 it was $5,000 and in 1922, the present year, it is $16,000, and so on through the bill.

Now, gentlemen, I am going to ask permission to put in the RECORD the figures showing how rapidly the Government's expenses have increased.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SISSON. Gentlemen, I thank you for this permission. Before doing so, I want to say that I am placing these figures in the RECORD for the purpose of showing you and the taxpayers of America how their expenses for their mails have mounted higher and higher each year, and this department of Government is but a sample of all the others. I also want to say that unless there is a change, the Postal Service will have a deficit of nearer $100,000,000 than the $50,000,000 referred to by the gentleman from Virginia [Mr. SLEMP], the chairman of the subcommittee. I also desire to say that the radical increase is not due to the Democratic administration of Gen. Burleson nor to the present Postmaster General, Gen. Hays. The enormous increase was fastened upon the country by the last Congress, which was Republican in both branches, and no one can tell where these automatic increases will end. Do not try to pass the fault on to others. This extravagance lies at the door of Congress. I think Gen. Burleson and Gen. Hays are both free from blame. They both alike would keep down extravagance and remove from the backs of the taxpayers every burden possible. Congress alone is to blame.

I trust every Member of Congress will study these figures and see what they mean to the taxpayer:

Total appropriations, office of the Postmaster General.

1912	$1,245,847.98
1913	2,034,905.32
1914	1,230,652.59
1915	1,338,825.12
1916	1,524,150.00
1917	1,578,910.00
1918	1,345,410.00
1919	1,606,050.00
1920	1,514,500.00
1921	1,617,325.00
1922	2,130,000.00

Office of the First Assistant Postmaster General.

For compensation to postmasters:

1912	$29,300,000.00
1913	30,000,000.00
1914	30,250,000.00
1915	30,750,000.00
1916	31,150,000.00
1917	31,924,034.75
1918	32,000,000.00
1919	35,000,000.00
1920	36,500,000.00
1921	40,300,000.00
1922	42,300,000.00

For compensation to assistant postmasters at first and second class post offices:

1912	2,800,036.00
1913	3,000,000.00
1914	3,075,000.00
1915	3,200,000.00
1916	3,200,000.00
1917	3,500,000.00
1918	3,500,000.00
1919	4,075,000.00
1920	4,631,500.00
1921	5,672,125.00
1922	7,000,000.00

For compensation to clerks and employees at first and second class post offices, including substitutes for clerks and employees absent without pay:

1912	37,102,800.00
1913	39,820,800.00
1914	42,832,100.00
1915	46,082,100.00
1916	46,082,100.00
1917	48,631,100.00
1918	50,735,100.00
1919	62,750,000.00
1920	68,450,000.00
1921	84,500,000.00
1922	97,000,000.00

For compensation to printers, mechanics, and skilled laborers, 5 at $1,400 each, 5 at $1,500 each, 5 at $1,600 each, 7 at $1,700 each, 35 at $1,800 each; in all:

1912	44,600.00
1913	44,600.00
1914	44,600.00
1915	44,600.00
1916	44,600.00
1917	59,000.00
1918	61,800.00
1919	71,070.00
1920	71,100.00
1921	81,200.00
1922	97,400.00

For compensation to watchmen, messengers, and laborers, 500 at $1,350 each, 2,625 at $1,450 each; in all:

1912	900,000.00
1913	1,008,000.00
1914	1,182,000.00
1915	1,404,000.00
1916	1,404,000.00
1917	1,512,000.00
1918	1,642,500.00
1919	1,989,500.00
1920	2,200,000.00
1921	3,241,875.00
1922	4,481,250.00

For compensation to clerks in charge of contract stations:

1912	$930,000.00
1913	930,000.00
1914	1,010,000.00
1915	1,100,000.00
1916	1,100,000.00
1917	1,160,000.00
1918	1,170,000.00
1919	1,180,000.00
1920	1,200,000.00
1921	1,350,000.00
1922	1,400,000.00

For temporary and auxiliary clerk hire and for substitute clerk hire for clerks and employees absent without pay at first and second class post offices and temporary and auxiliary clerk hire at summer and winter resort post offices:

1912	375,000.00
1913	1,325,000.00
1914	1,725,000.00
1915	2,450,000.00
1916	2,450,000.00
1917	2,270,000.00
1918	4,600,000.00
1919	6,728,572.00
1920	9,000,000.00
1921	16,750,000.00
1922	12,000,000.00

For unusual conditions at post offices:

1912	125,000.00
1913	125,000.00
1914	100,000.00
1915	90,000.00
1916	110,000.00
1917	130,000.00
1918	160,000.00
1919	275,000.00
1920	325,000.00
1921	250,000.00
1922	250,000.00

For allowances to third-class post offices to cover the cost of clerical services:

1912	1,830,000.00
1913	1,725,000.00
1914	1,725,000.00
1915	1,700,000.00
1916	1,700,000.00
1917	1,775,000.00
1918	1,900,000.00
1919	2,400,000.00
1920	3,300,000.00
1921	3,700,000.00
1922	4,500,000.00

For rent, light, and fuel for first, second, and third class post offices:

1912	4,350,000.00
1913	4,550,000.00
1914	4,800,000.00
1915	5,200,000.00
1916	5,200,000.00
1917	5,500,000.00
1918	5,900,000.00
1919	6,500,000.00
1920	7,300,000.00
1921	8,000,000.00
1922	10,500,000.00

For miscellaneous items necessary and incidental to post offices of the first and second classes:

1912	325,000.00
1913	350,000.00
1914	318,000.00
1915	350,000.00
1916	350,000.00
1917	350,000.00
1918	650,000.00
1919	650,000.00
1920	700,000.00
1921	700,000.00
1922	700,000.00

For pay of letter carriers at offices already established, including substitutes for letter carriers absent without pay, City Delivery Service:

1912	32,180,000.00
1913	32,752,175.00
1914	36,160,000.00
1915	37,700,000.00
1916	37,700,000.00
1917	39,116,700.00
1918	40,590,000.00
1919	49,100,000.00
1920	50,500,000.00
1921	60,000,000.00
1922	70,000,000.00

For pay of substitutes for letter carriers absent with pay and of auxiliary and temporary letter carriers at offices where city delivery is already established:

1912	1,100,000.00
1913	1,900,000.00
1914	2,285,000.00
1915	2,975,000.00
1916	2,975,000.00
1917	4,100,000.00
1918	4,100,000.00
1919	4,685,715.00
1920	4,685,715.00
1921	9,000,000.00
1922	10,500,000.00

For pay of letter carriers, substitute and auxiliary letter carriers at offices where City Delivery Service is established during the year:

1912	75,000.00
1913	50,000.00

For pay of letter carriers, etc.—Continued.

1916	$770,000.00
1915	100,000.00
1916	100,000.00
1917	75,000.00
1918	75,000.00
1919	94,000.00
1920	94,000.00
1921	130,000.00
1922	200,000.00

For car fare and bicycle allowance:

1912	475,000.00
1913	500,000.00
1914	500,000.00
1915	525,000.00
1916	525,000.00
1917	625,000.00
1918	625,000.00
1919	625,000.00
1920	750,000.00
1921	975,000.00
1922	1,100,000.00

For fees to special-delivery messengers:

1912	1,469,312.92
1913	1,665,304.52
1914	1,826,904.48
1915	2,225,000.00
1916	2,225,000.00
1917	2,713,702.28
1918	2,765,383.78
1919	4,684,042.80
1920	5,505,454.31
1921	5,000,000.00
1922	6,000,000.00

Total, office of First Assistant Postmaster General:

1912	114,932,248.92
1913	121,968,379.52
1914	130,719,104.48
1915	138,901,200.00
1916	143,193,000.00
1917	152,976,788.03
1918	162,629,033.78
1319	193,818,149.80
1920	210,444,019.31
1921	262,114,600.00
1922	294,868,050.00

Office of the Second Assistant Postmaster General.

For mail-messenger service:

1912	$1,605,000.00
1913	1,681,900.00
1914	1,900,000.00
1915	2,123,440.00
1916	2,160,000.00
1917	2,253,000.00
1918	2,643,000.00
1919	3,050,000.00
1920	3,500,000.00
1921	5,900,000.00
1922	9,500,000.00

For inland transportation by railroad routes:

1912	48,971,000.00
1913	47,751,500.00
1914	52,190,000.00
1915	56,188,000.00
1916	58,172,000.00
1917	61,685,000.00
1918	81,212,672.00
1919	90,369,144.00
1920	88,614,616.03
1921	96,636,822.00
1922	96,000,000.00

Railway Mail Service:

1912	20,623,700.00
1913	23,443,200.00
1914	24,969,990.00
1915	28,521,440.00
1916	28,521,440.00
1917	28,825,050.00
1918	28,385,500.00
1919	32,500,000.00
1920	33,904,000.00
1921	37,109,275.00
1922	45,000,000.00

For travel allowances to railway postal clerks and substitute railway postal clerks:

1912	769,000.00
1913	1,340,743.00
1914	1,465,030.00
1915	1,534,500.00
1916	1,534,500.00
1917	1,488,336.00
1918	1,638,959.00
1919	1,613,959.00
1920	2,689,931.00
1921	2,689,931.00
1922	3,089,931.00

For rent, light, heat, fuel, telegraph, miscellaneous and office expenses, schedule of mail trains, telephone service, and badges for railway postal clerks, including rental of offices for division headquarters and chief clerk, Railway Mail Service, in Washington, D. C., and rental of space for terminal railway post offices for the distribution of mail when the furnishing of space for such distribution can not under the Postal Laws and Regulations properly be required of railroad companies without additional compensation, and for equipment and miscellaneous items necessary and incidental to terminal railway post offices:

1912	75,000.00
1913	80,000.00
1914	80,000.00
1915	770,000.00

For rent, light, heat, etc.—Continued.

1916	$770,000.00
1917	606,723.00
1918	557,156.00
1919	732,156.00
1920	832,156.00
1921	1,032,156.00
1922	1,849,156.00

For transportation of foreign mails by steamship, aircraft, or otherwise:

1912	3,322,600.00
1913	3,748,400.00
1914	3,900,000.00
1915	4,000,000.00
1916	4,000,000.00
1917	3,800,000.00
1918	3,720,000.00
1919	5,800,000.00
1920	5,699,500.00
1921	4,700,000.00
1922	5,920,000.00

For balances due foreign countries:

1912	487,400.00
1913	486,400.00
1914	475,000.00
1915	681,800.00
1916	681,800.00
1917	681,700.00
1918	681,700.00
1919	681,700.00
1920	681,700.00
1921	681,700.00
1922	681,000.00

Total, office of Second Assistant Postmaster General:

1912	86,604,780.00
1913	89,227,124.00
1914	96,411,551.00
1915	106,118,303.74
1916	104,257,949.00
1917	105,185,869.00
1918	119,804,032.00
1919	135,635,701.00
1920	234,586,300.03
1921	146,468,125.00
1922	155,068,087.00

Office of the Third Assistant Postmaster General.

For manufacture of adhesive postage stamps, special-delivery stamps, books of stamps, and for coiling of stamps:

1912	$716,000.00
1913	768,000.00
1914	822,000.00
1915	810,000.00
1916	810,000.00
1917	948,000.00
1918	1,022,000.00
1919	1,500,000.00
1920	1,380,000.00
1021	1,470,000.00
1922	1,460,000.00

For manufacture of stamped envelopes and newspaper wrappers:

1912	1,423,000.00
1913	1,728,000.00
1914	1,664,000.00
1915	1,650,000.00
1916	1,650,000.00
1917	2,086,000.00
1918	2,525,000.00
1919	3,000,000.00
1920	3,000,000.00
1921	6,327,000.00
1922	6,358,000.00

For the manufacture of postal cards:

1912	351,000.00
1913	371,000.00
1914	375,000.00
1915	385,000.00
1916	385,000.00
1917	440,000.00
1918	500,000.00
1919	580,000.00
1920	500,000.00
1921	1,092,000.00
1922	1,240,000.00

Total, office of the Third Assistant Postmaster General:

1912	2,577,250.00
1913	3,021,050.00
1914	3,120,550.00
1915	3,077,250.00
1916	3,129,250.00
1917	3,906,150.00
1918	5,404,150.00
1919	7,296,543.45
1920	9,260,050.00
1921	11,920,525.00
1922	13,629,525.00

Office of the Fourth Assistant Postmaster General.

For stationery for the Postal Service:

1912	$100,000.00
1913	100,000.00
1914	115,000.00
1915	135,000.00
1916	135,000.00
1917	325,000.00
1918	682,000.00
1919	854,929.42
1920	1,036,000.00
1921	1,820,000.00
1922	2,000,000.00

For miscellaneous equipment and supplies:	
1919	$400,000.00
1920	480,000.00
1921	1,187,000.00
1922	1,226,000.00
For wrapping twine and tying devices:	
1912	200,000.00
1913	200,000.00
1914	225,000.00
1915	250,000.00
1916	225,000.00
1917	250,000.00
1918	335,000.00
1919	522,282.95
1920	585,000.00
1921	683,000.00
1922	628,000.00
For defraying expenses incident to the shipment of supplies:	
1912	100,000.00
1913	110,000.00
1914	135,000.00
1915	145,000.00
1916	145,000.00
1917	133,000.00
1918	175,000.00
1919	193,900.00
1920	194,000.00
1921	270,000.00
1922	279,810.00
For the purchase, manufacture, and repair of mail bags and other containers and attachments, mail locks, keys, chains, tools, machinery, and material necessary for same, and for incidental expenses pertaining thereto; also material, machinery, and tools necessary for the manufacture and repair in the equipment shops at Washington, D. C., of such other equipment for the Postal Service as may be deemed expedient; for compensation to labor employed in the equipment shops at Washington, D. C.:	
1914	455,500.00
1915	363,000.00
1916	478,000.00
1917	480,000.00
1918	617,000.00
1919	1,000,000.00
1920	2,000,000.00
1921	3,500,000.00
1922	4,000,000.00
For inland transportation by star routes (excepting service in Alaska), including temporary service to newly established offices:	
1912	7,117,000.00
1913	7,032,000.00
1914	8,155,000.00
1915	8,725,000.00
1916	8,675,000.00
1917	8,675,000.00
1918	8,675,000.00
1919	10,175,000.00
1920	11,100,000.00
1921	12,363,000.00
1922	13,000,000.00
For pay of rural carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, and toll and ferriage, Rural Delivery Service, and for the incidental expenses thereof:	
1912	42,790,000.00
1913	47,000,000.00
1914	47,500,000.00
1915	53,000,000.00
1916	53,000,000.00
1917	53,000,000.00
1918	53,000,000.00
1919	65,800,000.00
1920	68,800,000.00
1921	78,000,000.00
1922	86,800,000.00
For vehicle allowance, the hiring of drivers, the rental of vehicles, and the purchase and exchange and maintenance, including stable and garage facilities, of wagons and automobiles for, and the operation of, screen-wagon and city delivery and collection services:	
1917	4,565,000.00
1918	6,765,000.00
1919	9,200,000.00
1920	10,950,000.00
1921	10,250,000.00
1922	15,000,000.00
Total, office of the Fourth Assistant Postmaster General:	
1912	51,043,360.00
1913	55,047,700.00
1914	57,909,420.00
1915	64,537,420.00
1916	64,562,520.00
1917	64,586,700.00
1918	65,285,000.00
1919	80,652,112.37
1920	86,458,000.00
1921	99,519,615.00
1922	108,396,890.00
Total, field service of the Post Office Department:	
1895	87,499,528.06
1896	91,415,858.59
1897	94,380,567.04
1898	98,339,092.28
1899	102,270,522.00
1900	108,468,451.56
1901	116,097,959.07
Total, field service, etc.—Continued.	
1902	$125,291,392.26
1903	139,984,622.85
1904	155,133,412.31
1905	171,464,913.72
1906	181,817,660.70
1907	194,562,119.45
1908	213,240,218.79
1909	225,768,668.22
1910	236,170,859.15
1911	246,981,006.98
1912	256,403,486.90
1913	271,299,158.84
1914	289,391,038.07
1915	313,972,998.86
1916	316,666,767.00
1917	328,234,417.03
1918	354,467,625.78
1919	419,008,556.62
1920	442,262,869.34
1921	521,671,890.00
1922	577,325,102.00

These figures are alarming to all men who love good government, it does not matter what their political faith. I have, since I have been a Member of Congress, devoted myself to the task of fighting extravagance. I know that I have accomplished something with the help of others. But while a few of us have tried to keep the greedy fingers out of the Treasury, others have been sleepless in their ingenuity to get money from the people and put it in their capacious pockets. Every man in this House knows that I have ever been on guard fighting every extravagance. But "the love of money is the root of all evil," and that love of money is ever manifesting itself here in Washington. The press is not in sympathy with economy in Government expense and those who control the policy of our great newspapers will not assist in giving the people the facts and assist in creating a sentiment throughout the country for economy. Give me the control of the press of the United States for six years and this Republic can be saved from bankruptcy, but at the rate we are going we will be more than bankrupt in six years.

Now, gentlemen, I want to make these remarks for the purpose of impressing upon the Members of Congress, if I can, the fact that we must economize. The safety of the Republic demands it. There is one way to economize, and only one way. There is only one way for you and me to economize in our expenses, and that is to deny ourselves many of the things that we think we greatly need. The Government can only economize in the same way.

CUT DOWN EXPENSES.

I want to make this statement, and let it stand out in bold relief in the RECORD, and I hope it will enter, if not into everybody's, at least into somebody's heart. I had rather be extravagant with my own funds than be extravagant with the public funds. I am afraid of the man that is penurious and stingy with his own money and lavish with the expenditure of the public money. I am afraid of the man who ruthlessly votes away the taxpayers' money but is himself careful of the expenditure of his own.

That sort of man is not to be trusted. What I fear is that we are getting to be entirely too free with public money; but there is back home now, while you are sitting quietly in this beautiful Chamber, a constituency behind you. Those on the farms are laboring and economizing, and those in the city, many of them, are trying to keep out of the reach of the sheriff. They are now complaining grievously about these burdens. The burden of taxation in the State is greater than it ever was before in the history of the country. Municipal taxes are greater, county taxes are greater, State taxes are greater. The burden is staggering to them. Added to that is the staggering burden of Federal taxes. The Federal Government now owes, in round figures, $25,000,000,000, and the interest on that has to be paid. We ought to be creating a small sinking fund each year to reduce the debt. That is good business.

In addition to this debt all other expenses have increased beyond bounds, as I have endeavored to show you. What are you doing to reduce expenses? What are you going to do? It will not be long, if the falling prices continue, if wages continue to go down—and the last statement I have seen is that there are now between five and six million people in this winter month looking for something to do—it will not be long if you take out of industry every dollar you can and you take out of the factories every dollar you can and out of agriculture every dollar you can and spend it in this Government for official salaries and clerk hire and in governmental activities until you will so greatly increase the burden upon the people that they can and will bear it no longer. The Government then becomes a curse and not a blessing. You may spend money if you will upon certain public works and in that way you may take from the rich a certain amount of money and give employment to people, but

this remedy is only temporary; it will furnish no permanent relief. There never was a government that ever added to the wealth of a country by taxation. Let me lay down this proposition: No government ever made a whole people rich, but many governments have made people poor. No government ever created one cent of value. Governments are consumers of wealth and not producers of wealth. Governments can take from the masses that which they have created by their labor and give it to a few and make the few rich and the many poor.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for a question?

Mr. SISSON. Yes.

Mr. DOWELL. Does not the gentleman believe that we would have more faith in his argument if during the eight years the gentleman was a member of this committee and his party had a majority and control of the House he had used this argument to reduce the appropriations then made, rather than to criticize the appropriations now being made?

Mr. SISSON. Mr. Chairman, I find that my argument has fallen upon a stony place. My Democratic colleagues have many times become almost angry with me because I so repeatedly admonished them, because of items of extravagance, that they had no right to point the finger of scorn at the Republicans.

Gentlemen on this committee will recollect that I have never played politics with appropriations, and I hope to God I never shall. Let the gentleman ask Mr. WOODS or Mr. SLEMP or any of these men who have served with me in a confidential way on these subcommittees, and he will not find a single man but will tell him that I have given them my heart support as well as whatever mind support I have to reducing expenses under Democratic as well as under Republican Congresses. I am sorry that my argument has fallen on deaf ears. But none are so deaf as those who will not hear and none so blind as those who will not see. The gentleman also knows that I have always as I now do criticize extravagance. But to come back. Governments do not produce wealth. They are consumers of wealth. I will tell you what governments can do after wealth is produced. Governments can, by special law, take from one man and give to another, and governments, after wealth has been brought into existence, can tax directly and indirectly the property of the people and take it from one man and give it to another. Governments can transfer wealth, but they can not produce it. You know that God in His order, when He created the world and man was put out of the Garden of Eden, laid down the law of wealth, and from that day to this there has been but one way to create wealth, and that is by work, by labor, by toil. "Six days shalt thou labor." That is what produces the wealth of the country. It must be taken out of the ground by labor in the form of coal and minerals or it must be taken out of the soil by its cultivation, or it must be taken out of the sea. Wealth can not be brought into existence in any other way. After you shall have brought the raw material into existence, you may add to its usability by changing its form from raw material into the finished product for the use of mankind, but the basis of all wealth is the labor. All wealth is brought into existence by labor—work.

This Government makes a horrible blunder when it imagines that you do not finally reach the point in taxation beyond which you must not go. When you shall tax the labor that brings that wealth into existence, you must not go so far as to paralyze it. Men begin to desert the farms because they do not find the same income and the same opportunity for themselves and their children on the farm that they find elsewhere.

The opportunities for success may be cut off so much that men will leave the farms, and, as Sir Thomas Buckle says, when that time is reached, it matters not how gilded may be your domes, it matters not how magnificent may be the residences, it matters not how great the schools and the universities, the moment that point is reached when agriculture begins to wane and those people who produce wealth by cultivating the soil begin to leave that avenue of employment, that moment that nation has reached the point where it is a dying nation. Therefore I warn you, as the servants of that labor, the keepers of that freedom, that liberty which our fathers established on this continent—I warn you here now not to be so thoughtless, not to be so careless in the expenditure of wealth that you put a burden upon the people greater than they can bear, because if you do you are likely to reach that point where it will be followed with socialism and revolution and the destruction of the greatest Government of all time. The French Revolution was caused largely by the burdens of taxation. The revolution that destroyed the great Roman Empire was caused by the corn laws and by the burdens of taxation. Rome was filled up then with idle people from the various avenues of industry. But men in everyday life would say, "This is the City of Seven Hills; this is the eternal city." They thought that was true. Men to-day say that this is the eternal Government here in the United States.

It is the future that God keeps from us, not the past. We can only learn by studying the past, and mankind has learned but slowly, even from the past, and unless we are wiser than those people who went before us, then I fear that we, too, are going to learn but little from the experience of the past. We may be too rich and too powerful. I do not know. I hope we are not. It may be that we have reached the day when men will not work with their hands, when men are going to avoid the toil that makes a people rich. Why? Because they see that their toil is in vain. It is all taken from them by the Government and given to others; given to some official or State or Federal employee; or, what is just as bad, taken from them by others who are favored by the Government with some special privilege. The men who work on the farms can not enjoy these special privileges. Theirs is a life where God only can help them. He alone can give them health and strength and good seasons, and this alone can enable them to produce abundantly. The Government can not do this. But we hear the cry, "Back to the farm is the salvation of our Government."

Yes; but the cry will not be heard under present conditions. For, as I have said on this floor before, you may talk about the sweet-smelling up-turned sod, and the beauty of the dogwood blossoms, you may tell of how the fish used to bite, and picture the magnificent freckled-faced boy riding bareback on his mule to the field, and all that sort of thing, but I merely want to say that I tried that when I was a boy. The man who thinks that he will get a boy to stay on the farm or to return to the farm as long as conditions remain as they are now is mistaken. You must relieve him of the burdens you have placed upon him that are greater than he is willing to bear. No; he must have more joys and less burdens. He must see more hope for the future there than he can now see. No; I tell you that if Congress does its duty it must remove these burdens from those who toil.

Now, one other thing. I am in favor of maintaining the present mail service by airplane from New York to San Francisco. Some call this extravagance; if it is I plead guilty to it. I do not believe, however, it is extravagant, because, when I spend my money to put a few new acres of land in cultivation and build a new house on it, and get ready to raise more crops next year, I am doing a wise and economical thing. I hope I have gotten out of the stone-hatchet age. Some still live in it. You know that one of the greatest developments of modern times has been the development of this air service. We have spent hundreds of millions of dollars developing the air service to kill people, developing the air service to drop bombs, developing the air service for war purposes. I do not know whether the experts tell the truth about it or not, but they say a development of a bombing plane or a fighting plane is not directly in line with the development of a plane for mail and commercial purposes. Now, that is the testimony of practically all of the men who fly when we have examined them in the past about it. There is no difference of opinion on this.

The Post Office Department sought a development of the air service for mails. Gen. Burleson first put it on. Nobody expected it to revolutionize the mail service in a minute, any more than the automobile took the place of the carriage in a day, or the telephone was established in a day, or steel ships to take the place of wooden ships in a day. But the present Postmaster General did this: He dropped all of the service except one route. His proposition was this: "We will establish a route from New York to San Francisco." Up to the present moment they have only been able to carry the mail in the daytime. That is to say, they will start with the mail at New York and carry it to the first stopping point before night, which, we will say, is Cincinnati or Chicago, and there deposit that mail, and a fast train takes it and carries it on during the night. The next morning whatever fast mail there may be is picked up and is carried on to the next point before night, and so on across the continent. In that way they have been able to reduce the time very much. But it has been rather disappointing in the time saved over the mail that travels both day and night. Now, the Postmaster General's program was that they would establish that one route and establish markers at night, so that the boys might fly from the time they left New York, and, except for taking the time in exchanging planes and perhaps crews, they will make one continuous flight. I do not mean with one plane, but they will have a continuous flight established clear across the continent, demonstrating whether it is feasible to carry freight and passengers by night, and thus maintain a continuous flight across the continent. Now, that is one of the longest flights that can be had, perhaps, in America, going east and west. Now, there is another reason for

adopting it. If there is any important mail in New York from any of the European countries, destined for the Far East, it could be brought by fast ship to New York and carried by airplane across the continent. When you have demonstrated whether or not it is practicable then they can fix a charge for such mail that about pays expenses and thus ascertain of what value such service is. No man would pay 10 or 12 cents to carry a letter as a mere experiment.

I think the amount asked for by the Post Office Department is a reasonable amount for the purpose of demonstrating to the people of this country and of the world what can be done. I think it was a stone-hatchet policy to cut that item out. I would rather have cut items at other places than to cut that out.

A MEMEBER. Why did you not?

Mr. SISSON. Because the majority of the committee did it. I did not do it. They did perhaps what you are going to do, to vote for a penny-wise and pound-foolish proposition. I do not believe, gentlemen, that they were justified in cutting that out.

Mr. DOWELL. Will the gentleman yield?

Mr. SISSON. I will.

Mr. DOWELL. It is true, is it not, that the item was subject to a point of order and that there was no question there would be a point of order raised? Is it not also true that the Senate will pass this item, and, if the bill finally passes, it will contain the item suggested?

Mr. SISSON. That is true. We hoped that nobody would raise the point of order. I would have brought the item in here, and if anybody wanted to make the point of order, he could do it. But at any rate, I am sorry the item went out of the bill. I do not think the House ought to pass the buck to the Senate. Every man ought to perform his own duties and do as he sees fit. I could have passed this buck if I had wanted to and not said anything about it. I would rather move along a little. It has been the Government that developed the telegraph service and demonstrated its usefulness, and we are going to have to do this now.

Mr. LAZARO. Will the gentleman yield?

Mr. SISSON. I will.

Mr. LAZARO. Would it not have strengthened the item in the bill if it had been brought out and gone out on the point of order?

Mr. SISSON. I agree with the gentleman from Louisiana that it would have strengthened its position in the Senate.

Now, this item that was stricken out of the bill also strikes me with peculiar regret, because we spent so many millions of dollars trying to develop this Air Service into a proposition to destroy the human race, to kill human beings. Now, we are not willing to spend a cent to develop the Air Service so as to make it useful to mankind and make it a blessing in time of peace. Now, all the authorities that have testified about it say that the plane is suitable for fighting purposes, but what they call the bombing plane is not at all adapted to carrying the mail. You need a great deal of space in the machine that carries mail, and you need stabilization to a greater or less extent, and then, in addition to that, you have got to have a well mapped out course.

The markers have got to be such that they can be distinguished at a considerable distance, so that the pilot may not go astray, and the greatest of all the problems is not in the clear days but in the foggy and cloudy days. They are working to overcome that difficulty if they can, and I was more than willing to vote to recommend this small appropriation in proportion to the great service to be rendered. If we could solve that problem, I think the money would be well expended.

Mr. TILSON. Mr. Chairman, will the gentleman yield for one question?

Mr. SISSON. Yes.

Mr. TILSON. If the Post Office Department does not do this, is there any other agency of the Government or any private agency that is going on with the development of aviation for peaceful commercial purposes?

Mr. SISSON. No. I want to thank the gentleman for that question. He is absolutely right about it. I do not believe that men are going to spend enough money at this experimental stage on the commercial side of this problem to determine whether it is going to be a dividend-paying proposition for them. Men do not put their money into propositions unless they feel they can make money out of them. I believe that the American people can bear this burden more easily than any one company could. I understand that what is in the mind of the Postmaster General is that he wants to make an effort on this one route and eliminate everything else out of the bill, because he believes that is the most reasonable flight that can be taken. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SLEMP. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. MCKENZIE].

The CHAIRMAN. The gentleman from Mississippi has used 42 minutes. The gentleman from Illinois [Mr. MCKENZIE] is recognized for 10 minutes.

Mr. MCKENZIE. Mr. Chairman and gentlemen of the committee, knowing the members of the subcommittee who framed this bill, I have all confidence in their report, and I shall not undertake to criticize their work. But I wish to take advantage of the general rules of the House to make a few remarks in connection with another matter.

If we can rely upon newspaper reports, it is a part of the program for this session of Congress to take up what is known as bonus legislation, or readjustment legislation, for the soldiers and sailors of the late war. Now, gentlemen, I just want to make a few statements in order that they may go into the RECORD, hoping that the members of the Committee on Ways and Means may give my suggestion some consideration when the proper time comes.

When we entered the war, or prior to our entry into the war, the base pay of the enlisted man in the Army, Navy, and Marine Corps was approximately $15 a month. When we got into the war, realizing that $15 a month for a soldier in the field would not procure him the little necessaries that he ought to have, Congress increased the amount to $30. That would give the individual soldier $30 a month with which to buy a few little things for himself when away from home. Later on we passed the draft law. I took quite an active part in that. One of the provisions of that law that I was very insistent upon was one providing that the President of the United States, through the various draft boards, might exempt from the military service those having dependents. But prior to the passage of the draft law thousands of men had entered the service voluntarily from April 6 and before we passed that law, leaving at home wives and little ones and in some cases dependent mothers.

Following that legislation, in October, 1917, we enacted a law which required a soldier having dependents to set aside by compulsion $15 of the $30 that we had allowed him under the law that we had passed increasing his pay. In other words, we took $15 away from the soldier and sent it back to his home to help take care of his wife and little ones or other dependents, and the 110,000,000 remaining citizens of this country matched that with another $15, and if the soldier happened to have a child, we added $5 more. In that way his dependents were to be cared for.

For one—and I think I speak the sentiment of the vast majority of the people of this Nation—I believe that when the Government takes a man and puts him on the battle field to fight our battles for us, it is the duty of this country to take care of his dependents, and I would propose that in whatever readjustment legislation we enact the first thing done should be to provide that this Government should return to those men the sums of money taken from them for the support of their dependents at home. That would be the first proposition to be considered, in my judgment.

Mr. SLEMP. Mr. Chairman, will the gentleman yield?

Mr. MCKENZIE. If I have time, I will yield.

Mr. SLEMP. What amount of money would that involve?

Mr. MCKENZIE. I am unable to say; but it is a matter that could readily be ascertained through the War Department. But whether it be $1,000,000 or $50,000,000, in my judgment it is right and just, and this Government could well afford to do it. That is what I would call readjustment of compensation.

Another thing: When we provided $30 a month to the boys——

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Mississippi?

Mr. MCKENZIE. I have only 10 minutes. If I have time I will yield to the gentleman.

We provided $30 a month for the enlisted man, thinking of him as a single man. We provided that he should have $30 a month to go out and fight our battles for us. We had scarcely passed the law, and he was scarcely entering the field when the purchasing power of a dollar depreciated 50 per cent, so that he was no better off then than if he had been a soldier who had enlisted prior to 1917. In other words, when we intended him to get $30 he practically got only $15.

Did the man in the shop or the man on the farm or the man in the store or any other workingman in this country suffer in the same manner? Not by any means. The workingman got his wages raised, voluntarily or by strike, to enormous heights.

The common laborer got $4 or $5 a day, and sometimes more. The farmer got enhanced pay for his products. The merchant marked up the price of his goods, and the only man in this country who suffered absolutely from that reduction was the soldier boy in the field; and I say that we could very properly and justly give to each one of them $15 a month additional to make them whole and in that way readjust that part of their pay.

Mr. RANKIN. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. RANKIN. In that connection does not the gentleman think that in these post office and rural route appointments that are taking place the ex-service men who served in the war should be given preference in the appointments?

Mr. McKENZIE. The gentleman is not very well acquainted with me or he would not have asked that question. Certainly I am for the soldier boy when his qualifications fit him for the place, but I am not discussing that now.

I do want to call the attention of my good friend the gentleman from Connecticut [Mr. TILSON], who is on the Ways and Means Committee, to this matter when it comes up for consideration, and to urge upon him that they first adjust the pay of the boys, to put them all upon a level, giving them what we took away from them, so that the man with a wife and little ones at home who out of the $15 that he had left would take a sufficient amount to pay his insurance, so that he might leave a little something to them if he died on the battle field, shall be put on a level with the rich man's son, who had his $30 from the Government and money from home. Take care of that first, and then I am satisfied that this great, rich, patriotic Nation of ours will be willing to add a little something on top of that in the nature of what we call a bonus. And what is a bonus? It is giving to some one a little more than the contract called for. And in my judgment, if a bonus is ever given anywhere, it should be given to these men. We can not pay them here. That is nonsense, and the soldier boy who would think for a moment that he would surrender his discharge papers that he holds in his pocket for any amount of gold at this time, in my judgment would be making a great mistake, for that discharge is better than any policy that he could hold in any accident insurance company in the world. But after all I am glad to know that the Congress of the United States is going to take up this question and settle it once for all, and I am sure that the Committee on Ways and Means will make it liberal, but will in no sense undertake to pay the soldier in full for his sacrifices, for that would destroy the one thing that has ever been dear to the people of every land, and that is their love and admiration and respect for the men who fight their battles and make the sacrifices for them, for without the sacrifices they would not be entitled to that consideration.

Mr. Chairman, I make this statement simply to have it go into the RECORD, so that when this momentous question comes up for consideration Members will think of it in the light of an adjustment first, and then such bonus as they may see fit to give. [Applause.]

Mr. BARKLEY. Mr. Chairman, by direction of the gentleman from Mississippi [Mr. SISSON], I yield to the gentleman from Tennessee [Mr. BYRNS] 10 minutes. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, on January 5 I submitted some remarks in what might be called a general discussion of the entire estimates which were submitted to Congress for the fiscal year 1923. A typographical error was made in the daily CONGRESSIONAL RECORD of that date as to some of the figures submitted, but the facts are that those estimates for the fiscal year 1923 showed a total of $3,809,413,659.53 as the appropriations which would be required to meet the expenditures for the fiscal year 1923. As was stated the appropriations actually made for the present fiscal year 1922 amounted to $3,771,900,514.

Since those remarks were made the Bureau of the Budget, or rather the President, has submitted supplemental estimates to Congress for additional appropriations for the year 1923. The estimates as they appeared in the Book of Estimates carried an item of $50,495,735 for the Shipping Board. The supplemental estimates amend that particular estimate and make it $100,000,000, or an increase of $49,504,265, which if added to the sum of $3,809,413,659.53 makes a total of appropriations asked for by the President for the fiscal year 1923 of $3,858,917,924.53, which is an actual increase over the appropriations made for 1922 of $87,017,410.53.

Mr. SNYDER. Will the gentleman yield?

Mr. BYRNS of Tennessee. For a brief question.

Mr. SNYDER. Is it not possible that before the Committee on Appropriations gets through with all the estimates the amount may be reduced to less than the amount appropriated for the present fiscal year?

Mr. BYRNS of Tennessee. I was coming to that. As we all know, the President estimated that there would be a deficit in 1923 of $167,571,977, and he told Congress that that could possibly be met by the practice of economy.

Mr. DUNBAR. Will the gentleman yield?

Mr. BYRNS of Tennessee. In just a moment. This additional, supplemental estimate increases that estimated deficit of the President to $217,076,242—the President's own figures. The gentleman from Texas [Mr. GARNER], who has wide knowledge of revenue matters, says in his judgment it will be six or eight hundred millions, and this may be true by the time Congress gets through making deficiency appropriations and new commitments on the Treasury. Now, as the gentleman from New York [Mr. SNYDER] says, Congress must exercise economy in order to cut that deficit down, and the Appropriations Committee in its report on this bill, and the House in its action on the Treasury bill, reduced the estimates of the Bureau of the Budget; but I wish to say to my friend from New York [Mr. SNYDER] that we are not going to get very far in the practice of economy if the House continues to pass bills increasing salaries in one bureau of the Government to the extent of $447,740, as it did this morning.

Mr. SNYDER. I quite agree with the gentleman's statement.

Mr. BYRNS of Tennessee. I wished to call the attention of the House to these figures as supplementary of the statement I made on January 5. I wanted to further emphasize the criticism I made at that time, not for partisan purposes but simply with the hope that the Bureau of the Budget in the future will function as the advocates of that law and the people expect it to function. We are in a situation where the Bureau of the Budget has estimated for 1923 more than $87,017,410.53 increase over the actual appropriations for 1922, and it must rest with Congress, and in the last analysis with the House of Representatives, as it always has, to cut the estimates down in the interest of economy and in the interests of the people. I want to commend these figures to the prayerful consideration of my friends the gentleman from Michigan and the gentleman from Illinois, who had the colloquy with the gentleman from Mississippi about the general reduction of expenditures.

Mr. KETCHAM. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. KETCHAM. In the estimated increase brought about by the bill this morning of $447,000, did the gentleman take into consideration the increase of receipts from the increase of applications as an offset against it?

Mr. BYRNS of Tennessee. The advocates and proponents of that bill certainly claimed every dollar they could by the increase made. The largest amount they claimed which would be put in the Treasury, and that was a mere estimate, was $409,000, and that bill was passed in the face of a deficit of over $217,000,000. My point is that Members of this Congress can not afford to continue to make new commitments and thereby increase the great burden now resting on the people. [Applause.] And yet the Republican majority continues to do so. And let me say, further, that there is this increase of estimates despite the fact that hundreds of millions of it are for supplies, such as coal, furniture, bookcases, stationery, printing, and the like, which everyone figures will be reduced 15 to 25 per cent in 1923 from prices paid early in 1922. If this is considered, there is no way to determine just in what sum the President proposed to increase the appropriations for 1923. The people were promised there would be a downward cut in appropriations. If the President should have his way, the result will be an enormous increase and our Government will have to borrow to meet its ordinary expenses in peace times—a condition which no one will defend.

Mr. Chairman, I yield back the balance of my time.

Mr. BARKLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, we have all enjoyed very much the discussion which has taken place on the bill, because we have been furnished another declaration by those in authority that we may soon expect radical economies in the public administration. Promises are valuable things when kept. We have been assured ever since the Republican platform of 1920 appeared that if the people of the United States would but put in power a Republican Congress, with a Republican Chief Executive, all the terrible ills let loose from Pandora's box would disappear and it should be forever closed, and that we might expect an era full

of prosperity and happiness and that the Republican Party in Congress, like Tittlebat Titmouse in Parliament, would give to each citizen that which he most desired. Of course, these promises were understood by a great many experienced in politics, knowing the vanity and short life of promises by political parties, but there are, as we all know, a considerable element of the American people who are guileless and who take at their full value these solemn promises by those high in station and authority, and who are frequently influenced to the extent of casting their votes in the hope if not in the belief that these promises will yield a dividend in beneficial legislation.

Now, I do not want the committee to labor under the impression that I believe that legislation is a cure for all industrial or commercial, agricultural, or trade difficulties and failures. We must realize that we can not lift ourselves by our boot straps, and we all realize that artificial prosperity is not the kind of prosperity that is for the best interests of the whole people of the United States. But on the faith of these promises the country has been waiting for many months, hoping that at last some of these roseate pictures, so skillfully portrayed by the master managers of the Republican Party, might be realized in the flesh and blood and would not simply remain as the depiction of a campaign dream on the political canvas.

The country and the people are beginning to discuss and wonder why we have not realized some of the promised blessings, and the question has arisen in the public mind, "When are the Republican Congress and the Republican administration to fulfill these promises and relieve our ills?"

But, gentlemen, the country need wait but little longer. The country need hesitate but a little while, for we are given assurance by a newspaper in the city of Washington that out of this legislative wilderness, out of the foul morass into which the Republicans have become bogged, out of the legislative mire in which you are now floundering there is to be guidance to firmer ground; there is to be leadership and rescue. The Washington Star of January 6, 1922, carries this statement:

PRESIDENT ASSERTS PARTY LEADERSHIP.

President Harding has determined to assert in a positive manner his leadership of the Republican Party, according to recent developments and to high authorities at the White House.

Not only is he extremely anxious to have Congress, without unnecessary delay, pass the several more important administration measures now pending, but he disapproves of organized group opposition to the legislative program as agreed to by the President and leaders in both the House and Senate. He is holding almost daily and nightly conferences with party leaders regarding legislation, and with all of those attending these conferences he has made plain his intentions as to his assertion of leadership.

FARM "BLOC" LEADERS CALLED.

He yesterday sent for Senators KELLOGG, of Minnesota; CAPPER, of Kansas; and KENYON, of Iowa, leaders of the "farm bloc" in the Senate, and in no uncertain terms made known to them his disapproval of bloc-sponsored legislation providing farmer representation on the Federal Reserve Board, besides indicating to them that he proposes to use the full weight of his office to defeat opposition to the administration's legislative program.

Mr. Chairman and gentlemen of the committee, whatever may be said in derogation of the policy of forming what may be called blocs or groups, either to promote or to resist legislation, whatever may be said as to the merits or demerits of such a policy, the question does occur to an inquiring mind why the President of the United States when he begins his attack against such a system should single out first and above all the little group in another body who are supposed to represent the agricultural interests of the Nation. The trouble with the farmer now is not so much that Congress does not do something for him as it is that the Congress of the United States does not quit doing things to him—that the Government does not stop granting favors to special interests at his expense. I would like to have some one rise in his place who has the ear of the upper councils and point out to the Congress and the country when it was that the manufacturers' bloc, having for its purpose the extortion by legislation of tremendous profits from the agriculturalists and the consumers of the Nation, was ever called to the carpet and lectured and its actions denounced. When, let me ask, was it that that little group in New England, who went before the Committee on Ways and Means and asked a tariff tax on boots and shoes and leather, and yet at the same time demanded that hides be admitted free, was ever the subject of presidential wrath such as we are advised was exhibited against the farm bloc?

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. SNYDER. The gentleman read a statement from a newspaper stating that the President had made such a statement. The gentleman has no knowledge of the fact that the President ever did make such a statement, has he?

Mr. CONNALLY of Texas. I will state frankly to the gentleman that I have no knowledge of that fact. The gentleman well knows that I am not permitted, nor is anyone on this side of the Chamber permitted, to become privy to the doings in the White House. Right here in the council chambers of this House we are not permitted to learn the doings of the gentleman's steering committee that shapes and directs legislation, and the gentleman should not wonder why I do not know, particularly when his own party does not know on this floor what policies are to be advocated, in advance, until behind closed doors, with drawn shades, his steering committee has met and dictated a policy that the majority party must follow.

Mr. SNYDER. I merely thought the gentleman must have definite knowledge of this matter, because he made such a direct statement.

Mr. CONNALLY of Texas. Oh, I am sure the gentleman did not think that, because he clearly understood me to base my statement upon the newspaper article which I read. The Evening Star newspaper of this city is credited at least with being reasonably close to the circles whose conferences prompted the article. Let me ask the gentleman from New York, who is interested enough in the matter to inquire my authority, when the surtax bloc, which was interested in reducing the surtaxes on incomes above $70,000 and transferring the money thereby lost to the Treasury to the others of the 100,000,000 people of this country, was ever pilloried by the President of the United States? On the other hand, the President, in his message delivered here, made it clear that he looked with disfavor on that element in the Republican Party that had the courage to oppose the efforts of the surtax bloc which sought to reduce their own surtaxes.

Mr. SNYDER. It would be very difficult to answer the gentleman's question, because there never was any such bloc.

Mr. CONNALLY of Texas. Oh, no; the bloc is not in very good standing now, I grant you, because there were enough independent Republicans out of your 300 membership to make it impossible for the surtax bloc to accomplish its purpose. Those independents refused to cut the surtaxes down to 32 per cent. Of course, that bloc was scattered before the votes of your own party and those of the Democrats, and necessarily it disclaims any existence at this time.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. DEMPSEY. If the gentleman will permit an interruption, I might call his attention to one thing about which there is no dispute at all, and that is that the President has just called, or is about to call, through the Secretary of Agriculture an agricultural conference, in an effort to solve in a legitimate and orderly and helpful way all of the problems which confront the farmer.

Mr. CONNALLY of Texas. Oh yes; I expected the gentleman from New York or some other statesman who is very much interested in agriculture to ask that question.

Mr. SNYDER. Mr. Chairman, will the gentleman permit——

Mr. CONNALLY of Texas. Oh, permit me to answer first the gentleman from New York [Mr. DEMPSEY], and I can not answer any more questions I fear unless I get five minutes more time. Oh, yes; you are going to call a conference, and you are going to talk about it. You are going to have some professional farmers who will make observations about the matter and your conference will dissolve and nothing substantial will transpire as a result of its deliberations, just as was the case of your unemployment conference. Wise gentlemen met here and talked and talked and talked and discussed the matter and went back to their homes, and unemployment continued its march just the same, gaining recruits as it marched.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY of Texas. I am afraid I will not have the time.

Mr. SISSON. I yield the gentleman five minutes additional time.

Mr. SNYDER. I do not think the gentleman from Texas knew when he was addressing the gentleman from New York [Mr. DEMPSEY] that he is not only a statesman, but one of the largest real farmers in the State of New York.

Mr. CONNALLY of Texas. I am sure that is true, although I never realized it as fully as I do now that I have the gentleman's assurance of that fact.

Mr. BARKLEY. Oh, one can tell that by looking at the gentleman from New York.

Mr. CONNALLY of Texas. He is one of these farmers who do not farm.

Mr. SNYDER. Oh, yes he does farm.

Mr. CONNALLY of Texas. Oh, he farms some down here in Congress, it is true. His duties in Congress during the last 8 or 10 years have been such that if he wants to farm he could not have farmed. I am as much a farmer as the gentleman from New York is. I own a farm and help keep it up.

Mr. DEMPSEY. Oh, I do not run a farm in that way.

Mr. CONNALLY of Texas. I know the type of farmer the gentleman is. He is a farmer of farmers every two years, along about the first part of November. [Laughter.] But let me inquire, having disposed of the surtax bloc, which the President never called upon the legislative carpet—let me inquire when the shipping bloc, composed of the coastwise shipping interests and the transcontinental transportation companies, who are seeking a repeal of the toll legislation, was ever called to account and lectured or scolded about its asking special privileges at the hands of the Congress of the United States? When was it rebuked for advocating the repeal of Panama Canal tolls?

And I might inquire further, when was it that the railroad bloc, which, "with its cohorts, gleaming in purple and gold, swept down on the White House like a wolf on the fold," ever was the subject of presidential wrath?

When an effort was made here to take $500,000,000 out of the Treasury and loan it to the railway companies, instead of sending them out into the markets of the country, where other people go for their credit, was this bloc arraigned at the bar of the White House? Was there ever any command that it disperse? The Chief Executive came here to this Chamber, as I now recall it, and expressed to Congress his desire that legislation looking to the granting of a particular relief to a particular interest should be granted.

Mr. BARKLEY. The President was the leader and head of that bloc.

Mr. DEMPSEY. I think the committee of the gentleman from Kentucky practically as a whole indorsed the action of the President.

Mr. BARKLEY. I do not assume the responsibility for all the things the committee does.

Mr. CONNALLY of Texas. I will get to the gentleman's committee in a moment. When were the interests who were responsible for the high rates that are now making impossible a return to *normalcy*, when were the interests that were keeping those rates so high that agricultural and other commercial interests of this Nation can not survive——

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. CONNALLY of Texas. In a moment I will.

When was that legislative bloc visited with the displeasure of the administration?

Oh, but that is not all. When we come to speak of tariff legislation, which has for its very essence the taking of money from one citizen through legislation and giving it to a special interest and a special class, we find the Chief Executive coming before this Congress and asking it to grant to him executive power more transcendant——

The CHAIRMAN. The time of the gentleman has expired.

Mr. SISSON. I yield to the gentleman three additional minutes.

Mr. CONNALLY of Texas. When was that bloc, which, somehow or somewhere, induced the President of the United States to come before this Congress and request of it powers more transcendent than ever resided in a Chief Executive in time of peace, when he asked the Congress of the United States—the House of Representatives, if you please—to grant to the President the power to make and fix rates, tariff duties, and promulgate them, and upon that promulgation that they should become the law of the land, ever placed under the ban? Under the Constitution of the United States the power to raise revenue resides in the House of Representatives, and resides nowhere else. And yet we have the Chief Executive, whose party went all over the country in 1920 denouncing President Wilson for the exercise of broad powers during the time of war, we have this Chief Executive, elected on such a plea, coming before the Congress in peace times and asking the House of Representaives to actually, in one respect, abdicate its functions and turn them over to the President of the United States and give him power to fix the rates or tariff duties that shall be charged at the customhouses, and upon his promulgation to let that proclamation have the force of law.

Mr. ANDREWS of Nebraska. Before we get too far away from the railroad-rate question, I wish to ask these questions.

Mr. CONNALLY of Texas. Do not ask too many.

Mr. ANDREWS of Nebraska. Just two. You can answer them if you like. Were not the wages for railroad employees fixed by a railroad board appointed by President Wilson, and were not the railroad charges fixed by an Interstate Commerce Commission appointed by Woodrow Wilson, and are not those the rates we have to-day?

Mr. CONNALLY of Texas. Of course, they were while Wilson was in office. But I want to tell you that the present railroad rates were fixed by the act of 1920, passed by a Republican Congress, and your platform of 1920 claims credit for it. You placed in that act a section which guaranteed to the railway companies the earning of a fixed percentage.

Mr. ANDREWS of Nebraska. And not one single dollar has ever been paid out of the Treasury or can ever be paid out of the Treasury under the guaranty to which the gentleman refers.

Mr. CONNALLY of Texas. The gentleman does not understand the situation. The rates come out of the pockets of the people in either event. I said a little while ago that the chief trouble with the farmer lies in the things Congress does "to" him instead of its failure to do things "for" him.

If Congress will refuse to build up tariff barriers that tax him for the benefit of the manufacturer and that force him to buy in a restricted market and yet force him to sell in an unrestricted foreign market, his prosperity will increase. If Congress, instead of cutting off foreign trade by preferential rates, would encourage foreign trade; Europe will be enabled to buy the farmers' products and the farmer can sell what now he can not sell. His chief trouble now is lack of a foreign market.

If the farmer can be protected from ruinous freight rates, his condition will improve. If special legislation to aid other interests at his expense could be kept off the books, he can prosper and succeed. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SLEMP. I yield 15 minutes to the gentleman from Kentucky [Mr. OGDEN].

Mr. OGDEN. Mr. Chairman and gentlemen of the committee, in the preparation of the bill the committee was mindful of the necessity of adhering to the strict line of economy and of eliminating every item of expenditure not essential to a proper and efficient standard of efficiency in administering the Postal Service. We regarded it as much the duty of the departments of the Government to lend assistance in returning the country to a normal state as it is the duty of private industry, and in omitting items not really essential to the Postal Service I feel that a contribution has been made to the effort to reach normalcy. I wish to acknowledge the assistance that the committee received from the representatives of the department who appeared and presented the estimates and the spirit of cooperation exhibited by them in the work involved in the formation of the bill. As a whole, they exhibited an eagerness to limit the expenditures to the services indispensable to a well and efficiently conducted business, and the large reduction in the estimates accomplished by the committee was in no small way made possible by the assistance and cooperation on the part of these officials. In the outset we were confronted with a deficit of $157,517,688 for the fiscal year 1921 and an estimated deficit for the fiscal year 1922 of $81,000,000. This disparity between revenues and expenditures should prompt very careful consideration of estimates for appropriations and the making of substantial reductions where such may be done without any impairment to the service. It is illuminating to review the revenues and expenditures covering the last two years and the estimated revenues for the current and ensuing fiscal years together with the origin of some of the items of expenditure that go to make up the large deficit of 1921. For the fiscal year ended June 30, 1920, the revenues were $437,150,212, an increase over the preceding year of $1,000,000, in round numbers, and the expenditures were $454,420,695, or an increase over the previous year of $91,000,000. For the fiscal year ended June 30, 1921, the revenues were $463,491,274, or an increase over the previous year of $32,341,062. The expenditures were $621,008,962, or an increase over the previous year of $166,588,267. The estimated revenues for the fiscal year ending June 30, 1922, are $480,000,000, or an increase over the previous year of $15,000,000, in round numbers. The estimated expenditures are $561,800,000, or a decrease over the previous year of $59,208,000. For the fiscal year 1923 the comptroller of the department has recently estimated that the revenues will be $520,000,000, or an increase over the previous year of $40,000,000. This bill for the fiscal year 1923 carries $553,764,375, or a decrease in the estimated expenditures for the previous year of $8,035,625. This is a decrease in the amount requested in the budget of $26,935,691 and approximately $27,000,000 less than the appropriations of 1922.

Statement of revenues and expenditures, 1920 to 1923, showing increases and decreases.

	Revenues and expenditures.	Increase.	Decrease.
1920—Revenues	$437,150,212	$1,000,000	
1920—Expenditures	454,420,695	91,823,000	
Deficiency	17,270,483		
1921—Revenues	463,491,274	32,341,062	
1921—Expenditures	621,008,962	166,588,267	
Deficiency	157,517,688		
1922—Revenues	480,000,000	15,500,000	
1922—Expenditures	561,800,000		$59,208,962
Deficiency	81,800,000		
1923—Revenues	520,000,000	40,000,000	
1923—Expenditures	553,764,375		8,035,625
Deficiency	33,764,375		
Budget for 1923	580,700,066		
Bill carries	553,764,375		
Decrease	26,935,691		

As will be noted there was a deficit in 1920 of $17,270,483 and in 1921 of $157,517,688, and that the estimated deficit for 1922 is $81,000,000 and for 1923 $33,764,000. The increase in expenditures for 1920 is explained by the advent of the two bonuses, which gave substantial advances to a large class of employees. The expenditures for the fiscal year 1921, in which year the deficit of over $157,000,000 appears, includes extraordinary payments authorized by Congress in deficiency appropriations for allowances to railroads following an order of the Interstate Commerce Commission retroactive from November 1, 1916, affecting the expenses of the preceding three fiscal years. These payments aggregated $76,000,000, in round numbers. Another factor which played a part in creating this large deficit was the reclassification act allowing increased compensation to postal employees. This item alone amounted to $41,855,000. The additional payments to railroads over allowances theretofore in force were more than $30,000,000. If we eliminate the $76,000,000, representing the retroactive allowances to the railroad companies, the deficit for the year under consideration will be reduced to about one-half, and when the increase in the compensation of the employees, due to the reclassification act, the passage of which I had the pleasure of supporting, and the increase in the railroad transportation rates, without any corresponding increase in the revenues, are taken into consideration the appearance of deficits not only in the fiscal years 1920 and 1921 but in the succeeding two years should not be an occasion for surprise. Under these circumstances it does not follow that waste and extravagance have been and will continue to be practiced in the administration of the service.

The cost of operating the service has advanced to a higher cost level, not as a matter of choice on the part of anyone or the lack of economical administration but as a result of the things to which I have alluded. Cognizant of the necessity of keeping the cost of the Government activities at the minimum the committee has endeavored to provide for the maintenance of a high standard of efficiency in the conduct of the services at the least possible expenditure.

The estimates for appropriations as they came from the Budget Committee totaled $580,700,066. The bill as reported by the Appropriations Committee carries $553,764,375, or a reduction in the estimates of the Budget Committee of $26,935,691. And I desire to say that this reduction was not made arbitrarily, but it was accomplished by a very careful and thorough analysis of the manifold items entering into the estimates and using the pruning knife wherever the facts seemed to justify. I wish to review some of the larger items carried in the bill and point out the policy pursued in reaching the amounts which we believed were sufficient to take care of the several activities. The largest single item is that of $100,000,000 for compensation to clerks and employees at first and second class post offices. The amount estimated for was $104,750,000. The reduction of $4,750,000 was accomplished by materially decreasing the number of clerks to be admitted to the regular service and reducing the overtime allowance. The estimate was for an appropriation based upon the employment of 3,000 additional clerks during the balance of the current fiscal year and for 2,500 clerks during the fiscal year 1923, or an increase of 5,500 clerks in a period of 18 months. The appropriation suggested in the bill takes care of an increase of about 2,500 clerks to be appointed during the current and next fiscal year. This allowance for regular clerks is reflected in the temporary and auxiliary item, as it will be noted that a reduction of $4,000,000 has been made.

There are approximately 54,000 clerks and supervisory employees, segregated as follows:

Clerks	43,677
Special clerks	6,114
Supervisory employees	4,209

The clerks are carried in grades ranging in salaries from $1,400 to $1,500 and are promoted to the next higher grade at the beginning of the first quarter following one year's satisfactory service. Therefore it is necessary to carry an item for this automatic promotion. The estimate for this was $1,300,000; however, a reduction of the number of new clerks is reflected in the gross sum appropriated. Furthermore, it is necessary for the department to make an overtime expenditure, but upon investigation it was found that this item had grown very rapidly during the past few years.

Mr. SLEMP. Mr. Chairman, will the gentleman yield?

Mr. OGDEN. Yes.

Mr. SLEMP. Is it not a fact that the department is satisfied that it can conduct the business next year with this amount?

Mr. OGDEN. Yes. The reductions were quite agreeable to the department, and the department felt sure that the business could be conducted in the fiscal year on the appropriation made.

In 1917 it amounted to $815,375.
In 1918 it amounted to $1,719,282.
In 1919 it amounted to $3,090,000.
In 1920 it amounted to $4,003,927.
In 1921 it amounted to $2,213,261.
In 1922 it amounted to $1,200,000.

The expenditure for overtime for 1923 will be materially reduced and brought back to something like normal. The Budget Committee recommended an appropriation of $43,300,000 for the compensation to postmasters, but this bill carries $300,000 less, and it is believed that this amount will be adequate.

Postmasters of the first, second, and third class post offices receive their compensation based upon gross annual receipts for the calendar year. For 1923 their compensation will be fixed on the receipts of the calendar year 1921. A comparison of the revenues for the first six months of 1921 with the same period of 1920 shows an increase of sixty-nine one-hundredths of 1 per cent, and by a comparison of the revenues for the third quarter of the calendar year and of the 50 largest offices of the final quarter with the same period of the year 1920 shows the receipts to be about the same. Manifestly the expenditures for 1923 will not greatly exceed those of 1922, which the department estimates at $42,870,000; hence the amount carried gives a sufficient leeway to take care of any increase in the third-class offices as well as any that may occur in the other classes.

The number of letter carriers on June 30, 1921, was 38,532, and since then over 400 additional carriers have been appointed, making the present number about 39,000. The estimates of the department for an appropriation of $71,000,000 included the appointment of 800 additional carriers by the end of the current fiscal year and 1,400 in the fiscal year 1923, or an increase of 2,200.

The bill carries $1,000,000 less than the department asked for, or $70,000,000, which amount should be sufficient to meet all requirements. It will not permit the increase in the number of carriers requested, but considering the lack of appreciable improvement in the revenues and the consequent indication of a limited growth in the mails there seemed to be no real justification for a larger expenditure.

Mr. SLEMP. Mr. Chairman, will the gentleman yield again?

Mr. OGDEN. Yes.

Mr. SLEMP. The gentleman is confident, is he not, that the expenditures for the next fiscal year will not exceed that amount?

Mr. OGDEN. Yes. They have reduced the expenditures for the next fiscal year, as indicated by the gentleman from Virginia.

It may be true that the postal receipts can not be relied upon entirely in estimating the demands upon this service, as the expansion and growth of the cities will require the department to expand its service; however, the bill gives sufficient leeway to take care of any conditions likely to arise.

The compensation to the railroads for the transportation of mails is one of the large items in the bill, amounting to $88,000,000.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SLEMP. Mr. Chairman, I yield to the gentleman two additional minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized for two minutes more.

Mr. OGDEN. The Second Assistant Postmaster General voluntarily reduced it to $95,000,000.

The original estimate was $98,200,000, but Mr. Shaughnessy, Second Assistant Postmaster General, voluntarily reduced it to $95,000,000 when he appeared before the Budget Committee, and when he came before our committee he consented to a further reduction of $9,000,000. He is entitled to be commended for this action, and under his able and earnest administration I am sure the results of the operation of the service will fully justify the good judgment that he has displayed. The rates for transporting the mails are fixed by the Interstate Commerce Commission, and the only latitude of discretion given to the department is in regard to the amount of space deemed necessary for the transportation of the mails. Of course, the full utilization of the space ordered and upon which the charges are made belongs to good administration, and the evidence shows that these orders are conservatively given and that what would be vacant space is being used for the carriage of magazines, thus effecting a substantial saving by decreasing the so-called blue-tag service. Furthermore, so-called "deadhead space" is made use of in the return of empty mail bags, which if transported otherwise would run into a considerable sum. The expenditure for 1921 for this service was $91,853,000, but for 1922 the cost has been brought down, and on December 10 the annual rate was $82,000,000, and allowing for a normal increase in the business it is believed that the cost will not exceed the amount of the appropriation. The employees engaged in handling the Railway Mail Service receive a scale of pay somewhat higher than the post-office clerks and carriers and their hours of actual service are less, but these differentials exist by reason of the type of work they perform, it being more hazardous and exacting.

Railway postal clerks are divided into classes A and B and arranged in six grades, with a range of salary from $1,600 to $2,300. The present cost of the service, which comprises the compensation of about 20,600 clerks, of the personnel of over 300 in the division superintendent's office, and of 200 laborers, is the sum of $43,600,000, and Gen. Shaughnessy believes that the increasing efficiency in this service will enable him to operate on a like sum for 1923 and take care of the automatic promotions and the necessary overtime cost.

It is gratifying to note that the Post Office Department is administering the service not only on a high plane of efficiency, but with marked economy, with the result that it is now estimated that the expenditures for the fiscal year ending June 30, 1922, will be $23,000,000 less than the appropriation. This achievement, of course, has been made possible by the commendable cooperation that has come from the army of energetic and faithful employees, many of whom are intrusted with the performance of very arduous and difficult duties requiring capacity and integrity.

This bill is submitted with the hope and expectation that it will provide the department with adequate funds for the proper administration of the service. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. SISSON. I yield 30 minutes to the gentleman from Mississippi [Mr. COLLINS].

Mr. COLLINS. Mr. Chairman, I am very sorry that this bill (H. R. 13) was ever permitted to reach the floor of this House. If a particle of good could be accomplished by its consideration and passage, there might be some excuse for it, but when all of us know that no benefit whatever will come from it, but harm instead, then I wonder why you bring it here and permit its consideration. Not a life will be saved if it is passed, not a conviction had that would not come through the orderly processes of our State courts. No one will be benefited or helped. Many crimes which it does not punish may follow its passage, so why its necessity?

Everyone deplores the taking of human life. No one can be glad when a homicide is committed, and lynching is but a form of homicide. We all realize that all kinds of homicides are too frequent in every State in this Union. But will they be any less frequent simply because the Federal Government legislates and makes a felony a crime that is already condemned and made a felony now by every State in the Union? The same men who sit on grand juries in State courts will sit on grand juries in the Federal courts; the same juries that try men in State courts will try men in the Federal courts. Certainly these same men will not find more indictments if this law is passed than now, nor convict more promptly and readily than now. This is not a mere surmise, but is justified by our present and past experiences.

Lynchings are gradually becoming less frequent; they are decreasing year by year. For the last 36 years there have been 115 lynchings per year—2⅛ to each State of the Union. The number for the year 1921 was 63, or less than 1¼ to each State, or a decrease of about 50 per cent. This, to me, is encouraging progress, so why disturb a situation that is improving so rapidly?

Of course, there have been obstacles in the way. These obstacles still exist. Two entirely different races live in the same territory. There is a want of homogeneity in the population; besides there has been the permanent fixing of the two races into distinct and separate peoples by "outside influences and external predominant forces," and these are serious obstacles; but in spite of them headway has been made and will still continue if the people of the several States are permitted to work out their own salvation.

I believe that the proper and requisite service for a wise and patriotic statesmanship where different races occupy the same territory and constitute one citizenship is to do everything possible to encourage them to live in peace and harmony; at all events nothing must be done to increase the natural results of race differences. To treat the one as helpless infants requiring Federal aid is a mistake, and to consider the other as enemies of the Nation and their native States is a crime. To teach the one to distrust and harbor bitterness toward the other will do no good, and to excite and intensify race prejudices for mere party advantage should stop, and unless stopped grave and serious possibilities will surely follow. The great body of good people of the country know that the Federal Government should let the States solve these purely local questions. They know that peace and confidence can not come from distrust and suspicion and that this Congress can not, by statute, change God's eternal laws.

IS THE LEGISLATION CONSTITUTIONAL?

All I have stated relates to the policy of this kind of legislation. There is still another question equally important and equally serious to us, and that relates to the constitutionality of the proposed legislation—whether we, as Representatives, can honorably vote for it, for as Abraham Lincoln said in his Cooper Union speech of February 27, 1860:

> No man who has sworn to support the Constitution can conscientiously vote for what he understands to be an unconstitutional measure, however expedient he may think it.

In order, however, to determine this, let me call your attention, first, to the provisions of the bill:

(1) By its first paragraph it defines a mob to mean an assemblage composed of five or more persons acting in concert for the purpose of depriving another person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed crime.

(2) That if any State or governmental subdivision thereof fails, neglects, or refuses to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage, such State shall, by reason of such failure, neglect, or refusal, be deemed to have denied to such person the equal protection of the laws of the State, and to the end that such protection as is guaranteed to the citizens of the United States by its Constitution may be secured it is provided:

(3) That any State or municipal officer charged with the duty, or who possesses the power or authority as such officer, to protect the life of any person that may be put to death by any mob or riotous assemblage, or who has any such person in his charge as a prisoner, who fails, neglects, or refuses to make all reasonable efforts to prevent such person from being so put to death, or any State or municipal officer charged with the duty of apprehending or prosecuting any person participating in such mob or riotous assemblage who fails, neglects, or refuses to make all reasonable efforts to perform his duty in apprehending or prosecuting to final judgment under the laws of such State all persons participating, except such, if any, as are or have been held to answer for such participation in any district court of the United States, as herein provided, shall be guilty of a felony, and upon conviction thereof shall be punished by imprisonment not exceeding five years or by a fine of not exceeding $5,000, or by both such fine and imprisonment.

Any person who participates in a mob or riotous assemblage that takes from the custody or possession of any State or municipal officer any person held by such officer to answer for some actual or supposed public offense and puts such person to death as a punishment for such offense, or any person who participates in any mob or riotous assemblage that obstructs or prevents any State or municipal officer in discharging his duty to apprehend, prosecute, protect, or punish any person suspected

of or charged with any public offense and puts such person to death as a punishment for such offense shall be guilty of a felony, and on conviction thereof shall be imprisoned for life or for not less than five years.

(4) That any person who participates in any mob or riotous assemblage by which a person is put to death shall be guilty of a felony, and on conviction thereof shall be imprisoned for life or for not less than five years.

(5) That any county in which a person is put to death by a mob or riotous assemblage shall forfeit $10,000, to be recovered by action in the name of the United States against the county for the benefit of the family of the person put to death.

UNDERTAKES TO PUNISH THE ACTS OF INDIVIDUALS.

It will be seen that all of the bill, except the first part of section 3, addresses itself to the action of private individuals. The alleged criminal acts of private individuals are those sought to be punished. It prescribes a code of law for the punishment of certain crimes committed within the jurisdiction of the several States of the Union. This is a clear invasion of the reserve powers of the States and can not be justified in any power granted to Congress or to any officer or department of the National Government. It invades the jurisdiction of the State and authorizes a control over the authorities of the State by the Federal courts to an extent that would enable the Federal courts to destroy counties and the properties of the citizens therein, although such citizens and counties may be entirely innocent of any participation in the crime. Under the provisions of this bill, citizens of another county or another State could go into a county in the silent hours of the night and commit a crime, and by so doing impose liability upon the county for their acts. To do this is contrary to every principle of justice, for innocent and thrifty people should never suffer for the acts of the lawless, and they should not be made to pay for the acts of others.

APPLIES ALSO TO LABOR UNIONS.

While it is stated in the committee's report, and I assume, therefore, that it is true, that the legislation is intended to curb lynching, at the same time it has been intimated that it has for its real purpose the curbing of the activities of labor unions and the membership of these organizations and embarrass them and their members during strikes with indictments in Federal courts. If this is the hidden purpose actuating those responsible for the bill, they have more than succeeded for its provisions are certainly broad enough to envelop and encompass them. To illustrate: Suppose a strike should occur anywhere in the country, on a railroad or in a factory—a half dozen of the striking employees are congregated on a street corner or in a store or in a public place peaceably attending to their everyday duties, and some strikebreaker or hired detective should order them to leave or move on and upon refusing to do so should begin shooting at them, under all the laws of God and man, they and all of them would have the legal right to take the life of their assailant because they would be acting in necessary self-defense. But, under this bill, they are refused the right of self-defense. If any of them shoot back or assist each other or "act in concert for the purpose of depriving" their assailant "of his life" "as a punishment for or to prevent the commission of some actual or supposed public offense," then they render themselves liable to the penalties of this bill. This simple illustration shows the extent to which it can be carried. Its limits are as broad and far-reaching as some regard the provisions of the fourteenth amendment.

CAN THE FEDERAL GOVERNMENT PUNISH CRIMES COMMITTED BY PRIVATE INDIVIDUALS?

But it matters not the class of citizens its purpose is to reach. It undertakes to punish the citizens' action—persons acting in their individual capacity and not State action, and to do this is beyond the power of Congress. The bill is not planted upon a single grant of power to the National Government. I have studied the report of the committee and citations of authority and the quotations under which its constitutionality is justified, and I find that none of the cases cited support the proposition contended for by the committee. The principles upon which the constitutionality of it is predicated are claimed to rest upon the first paragraph of the fourteenth amendment of the Federal Constitution. It is as follows:

All persons born or naturalized in the United States and subject to the jurisdiction thereof are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

It is argued, and I presume seriously, that when a half dozen or more citizens commit a homicide that then the deceased has been denied by the State the equal protection of the law. This contention is ridiculous and in the teeth of the language of the amendment itself, and at variance with all the decisions of the United States Supreme Court. As stated in Rose's Notes on the United States Reports, volume 12, 105:

Fourteenth amendment nullifies all State legislation, and State action impairing privileges of citizens or injuring them in life, liberty, or property without due process of law, or denying equal protection of laws.

And again, on page 106:

Fourteenth amendment was designed to prohibit State invasion of equal civil rights, and to authorize Congress to adopt appropriate legislation for correcting effects of prohibited State laws, but not to authorize enactment of laws for equal protection of civil rights.

And so forth.

And on page 108:

Civil rights, guaranteed by fourteenth amendment, can not be impaired by wrongful acts of individuals, unsupported by State authority.

Every provision of this bill, except the first part of section 3—and I think this part does, too, but this will be discussed later—undertakes to punish individual and not State action and this can not be done. The States alone have this power. It is reserved to them and can not be taken away or assumed by the National Government.

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people. (Art. X, amendment U. S. Constitution.)

The scope of the fourteenth amendment and the power therein conferred were liberally considered in the Civil Rights cases (109 U. S., 3; 27 Law Ed., 835). On page 839 of the Twenty-seventh Law Edition, the court said:

The first section of the fourteenth amendment, which is the one relied on, after declaring who shall be citizens of the United States and of the several States, is prohibitory in character and prohibitory upon the States. It declares that "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws." It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation, and State action of every kind, which impairs the privileges and immunities of citizens of the United States, or which injures them in life, liberty, or property without due process of law, or which denies to any of them the equal protection of the laws. It not only does this, but in order that the national will thus declared may not be a mere brutum fulmen, the last section of the amendment invests Congress with power to enforce it by appropriate legislation. To enforce what? To enforce the prohibition. To adopt appropriate legislation for correcting the effects of such prohibited State laws and State acts, and thus to render them effectually null, void, and innocuous. This is the legislative power conferred upon Congress, and this is the whole of it. It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation; but to provide modes of relief against State legislation or State action of the kind referred to. It does not authorize Congress to create a code of municipal law for the regulation of private rights; but to provide modes of redress against the operation of State laws, and the action of State officers, executive or judicial, when these are subversive of the fundamental rights specified in the amendment. Positive rights and privileges are undoubtedly secured by the fourteenth amendment, but they are secured by way of prohibition against State laws and State proceedings affecting those rights and privileges, and by power given to Congress to legislate for the purpose of carrying such prohibition into effect; and such legislation must necessarily be predicated upon such supposed State laws or State proceedings and be directed to the correction of their operation and effect. A quite full discussion of this aspect of the amendment may be found in United States *v.* Cruikshank (92 U. S., 542; XXIII, 588); Virginia *v.* Rives (100 U. S., 313; XXV, 667), and Ex parte Virginia (100 U. S., 339; XXV, 676).

And on page 840 the court said:

And so in the present case, until some State law has been passed or some State action through its officers or agents has been taken adverse to the rights of citizens sought to be protected by the fourteenth amendment, no legislation of the United States under said amendment, nor any proceeding under such legislation, can be called into activity, for the prohibitions of the amendment are against State laws and acts done under State authority. Of course, legislation may and should be provided in advance to meet the exigency when it arises; but it should be adapted to the mischief and wrong which the amendment was intended to provide against, and that is State laws or State action of some kind adverse to the rights of the citizens secured by the amendment. Such legislation can not properly cover the whole domain of rights appertaining to life, liberty, and property, defining them and providing for their vindication. That would be to establish a code of municipal law regulative of all private rights between man and man in society. It would be to make Congress take the place of the State legislatures and to supersede them. It is absurd to affirm that, because the rights of life, liberty, and property, which include all civil rights that men have, are, by the amendment, sought to be protected against invasion on the part of the State without due process of law, Congress may, therefore, provide due process of law for their vindication in every case, and that, because the denial by a State to any persons, of the equal protection of the laws, is prohibited by the amendment, therefore Congress may establish laws for their equal protection. In fine, the legislation which Congress is authorized to adopt in this behalf is not general legislation upon the rights of the citizens but corrective legislation—that is, such as may be necessary and proper for counteracting such laws as the States may adopt or enforce, and which, by the amendment, they are prohibited from making or enforcing, or such acts and proceedings as the States may commit or take, and which, by the amendment, they are prohibited from committing or taking. It

is not necessary for us to state, if we could, what legislation would be proper for Congress to adopt. It is sufficient for us to examine whether the law in question is of that character.

An inspection of the law shows that it makes no reference whatever to any supposed or apprehended violation of the fourteenth amendment on the part of the States. It is not predicated on any such view. It proceeds ex directo to declare that certain acts committed by the individuals shall be deemed offenses and shall be prosecuted and punished by proceedings in the courts of the United States. It does not profess to be corrective of any constitutional wrong committed by the States; it does not make its operation to depend upon any such wrong committed. It applies equally to cases arising in States which have the justest laws respecting the personal rights of citizens, and whose authorities are ever ready to enforce such laws, as to those which arise in States that may have violated the prohibition of the amendment. In other words, it steps into the domain of local jurisprudence and lays down rules for the conduct of individuals in society toward each other and imposes sanctions for the enforcement of those rules without referring in any manner to any supposed action of the State or its authorities.

If this legislation is appropriate for enforcing the prohibitions of the amendment it is difficult to see where it is to stop. Why may not Congress with equal show of authority enact a code of laws for the enforcement and vindication of all rights of life, liberty, and property? If it is supposable that the States may deprive persons of life, liberty, and property without due process of law, and the amendment itself does suppose this, why should not Congress proceed at once to prescribe due process of law for the protection of everyone of these fundamental rights in every possible case, as well as to prescribe equal privileges in inns, public conveyances, and theaters? The truth is that the implication of a power to legislate in this manner is based upon the assumption that if the States are forbidden to legislate or act in a particular way on a particular subject, and power is conferred upon Congress to enforce the prohibition, this gives Congress power to legislate generally upon that subject, and not merely power to provide modes of redress against such State legislation or action. The assumption is certainly unsound. It is repugnant to the tenth amendment of the Constitution, which declares that powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people.

And on page 841 the court said:

In this connection it is proper to state that civil rights, such as are guaranteed by the Constitution against State aggression, can not be impaired by the wrongful acts of individuals, unsupported by State authority in the shape of laws, customs, or judicial or executive proceedings. The wrongful act of an individual, unsupported by any such authority, is simply a private wrong or a crime of that individual; an invasion of the rights of the injured party, it is true, whether they affect his person, his property, or his reputation; but if not sanctioned in some way by the State, or not done under State authority, his rights remain in full force and may presumably be vindicated by resort to the laws of the State for redress. An individual can not deprive a man of his right to vote, to hold property, to buy and sell, to sue in the courts, or to be a witness or a juror; he may, by force or fraud, interfere with the enjoyment of the right in a particular case; he may commit an assault against the person, or commit murder, or use ruffian violence at the polls, or slander the good name of a fellow citizen; but, unless protected in these wrongful acts by some shield of State law or State authority, he can not destroy or injure the right; he will only render himself amenable to satisfaction of punishment and amenable, therefore, to the laws of the State where the wrongful acts are committed. Hence, in all those cases where the Constitution seeks to protect the rights of the citizens against discriminative and unjust laws of the State by prohibiting such laws, it is not individual offenses but abrogation and denial of rights which it denounces, and for which it clothes the Congress with power to provide a remedy. This abrogation and denial of rights, for which the States alone were or could be responsible, was the great seminal and fundamental wrong which was intended to be remedied. And the remedy to be provided must necessarily be predicated upon that wrong. It must assume that in the cases provided for the evil or wrong actually committed rests upon some State law or State authority for its excuse and perpetration.

It will be noted that the proposed bill does not undertake to counteract or redress the operation of prohibitive State laws or proceedings of such officers acting under authority of State statutes, ordinances, regulations, proceedings, or customs. It defines a mob or riotous assemblage and makes everyone connected with it guilty of a crime, even innocent citizens of the county, together with officers of the county and State, and by so doing it invades the entire field of State action. It supersedes and displaces State legislation on the same subject or allows it permissive force. It ignores such legislation and assumes that the matter is one that belongs to the domain of national regulation. Whether more effective protection of the rights of citizens would come by clothing Congress with the power to enact this law, as is claimed by the report of the majority members of the committee, is beside the question, the only one being whether such plenary power has been conferred upon Congress by the fourteenth amendment, and it has not. In the case of United States *v.* Harris (106 U. S., 29; 27 Law Ed., 290) the court was asked to pass upon the constitutionality of section 5519 of the Revised Statutes of the United States, making it a criminal offense for two or more persons in a State or Territory to deprive any person of the equal protection of the laws of the State, and the court declared the law unconstitutional. On pages 293 and 294 of the Twenty-seventh Law Edition the court said:

It is, however, strenuously insisted that the legislation under consideration finds its warrant in the first and fifth sections of the fourteenth amendment. The first section declares "All persons born or naturalized in the United States and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws."

The fifth section declares: "The Congress shall have power to enforce by appropriate legislation the provisions of this amendment."

It is perfectly clear from the language of the first section that its purpose also was to place a restraint upon the action of the States. In the Slaughterhouse cases (16 Wall., 36; 83 U. S., XXI, 394), it was held by the majority of the court, speaking through Mr. Justice Miller, that the object of the second clause of the first section of the fourteenth amendment was to protect from the hostile legislation of the States the privileges and immunities of citizens of the United States, and this was conceded by Mr. Justice Field, who expressed the views of the dissenting justices in that case. In the same case the court, referring to the fourteenth amendment, said that, "If the States do not conform their laws to its requirements, then by the fifth section of the article of amendment Congress was authorized to enforce it by suitable legislation."

The purpose and effect of the two sections of the fourteenth amendment above quoted were clearly defined by Mr. Justice Bradley in the case of United States *v.* Cruikshank (1 Woods, 316), as follows: "It is a guaranty of protection against the acts of the State government itself. It is a guaranty against the exertion of arbitrary and tyrannical power on the part of the Government and legislature of the State; not a guaranty against the commission of individual offenses; and the power of Congress, whether express or implied, to legislate for the enforcement of such a guaranty does not extend to the passage of laws for the suppression of crime within the States. The enforcement of the guaranty does not require nor authorize Congress to perform 'the duty that the guaranty itself supposes it to be the duty of the State to perform and which it requires the State to perform.'"

When the case of United States *v.* Cruikshank came to this court, the same view was taken here. The Chief Justice, delivering the opinion of the court in that case, said: "The fourteenth amendment prohibits a State from depriving any person of life, liberty, or property without due process of law, or from denying to any person the equal protection of the laws; but this provision does not add anything to the rights of one citizen as against another. It simply furnishes an additional guaranty against any encroachment by the States upon the fundamental rights which belong to every citizen as a member of society. The duty of protecting all its citizens in the enjoyment of an equality of rights was originally assumed by the States, and it remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees and no more. The power of the National Government is limited to this guaranty." (92 U. S., 542; XXIII, 588.)

So in Virginia *v.* Rives (100 U. S., 313; XXV, 667) it was declared by this court, speaking through Mr. Justice Strong, that "These provisions of the fourteenth amendment have reference to State action exclusively and not to any action of private individuals."

These authorities show conclusively that the legislation under consideration finds no warrant for its enactment in the fourteenth amendment.

The language of the amendment does not leave this subject in doubt. When the State has been guilty of no violation of its provisions; when it has not made or enforced any law abridging the privileges or immunities of citizens of the United States; when no one of its departments has deprived any person of life, liberty, or property without due process of law, nor denied to any person within its jurisdiction the equal protection of the laws; when, on the contrary, the laws of the State, as enacted by its legislative and construed by its judicial and administered by its executive departments, recognize and protect the rights of all persons, the amendment imposes no duty and confers no power upon Congress.

And on page 295 of the same report (27 Law Ed.) the court said:

There is another view which strengthens this conclusion. If Congress has constitutional authority under the thirteenth amendment to punish a conspiracy between two persons to do an unlawful act, it can punish the act itself, whether done by one or more persons.

A private person can not make constitutions or laws, nor can he with authority construe them, nor can he administer or execute them. The only way, therefore, in which one private person can deprive another of the equal protection of the laws is by the commission of some offense against the laws which protect the rights of persons, as by theft, burglary, arson, libel, assault, or murder. If, therefore, we hold that section 5519 is warranted by the thirteenth amendment, we should by virtue of that amendment accord to Congress the power to punish every crime by which the right of any person to life, property, or reputation is involved. Thus under a provision of the Constitution which simply abolished slavery and involuntary servitude we should, with few exceptions, invest Congress with power over the whole catalogue of crimes. A construction of the amendment which leads to such a result is clearly unsound.

There is only one other clause in the Constitution of the United States which can in any degree be supposed to sustain the section under consideration, namely, the second section of Article IV, which declares that—

"The citizens of each State shall be entitled to all the privileges and immunities of citizens of the several States."

But this section, like the fourteenth amendment, is directed against State action. Its object is to place the citizens of each State upon the same footing with citizens of other States, and inhibit discriminative legislation against them by other States. (Paul *v.* Virginia, 8 Wall., 168; 75 U. S., XIX, 357.)

The court in Gardner *v.* Michigan (199 U. S., 153; 50 Law Ed., 213) reaffirmed the same views expressed in the cases heretofore mentioned. And the court in Logan *v.* United States (144 U. S., 263; 36 Law Ed., 429) said, on page 437 of the Law Edition, the following:

It was held that a conspiracy of individuals to injure, oppress, and intimidate citizens of the United States with intent to deprive them of life and liberty without due process of law did not come within the statute, nor under the power of Congress, because the rights of life and liberty were not granted by the Constitution, but were natural and inalienable rights of man; and that the fourteenth amendment of the Constitution, declaring that no State shall deprive any person of life, liberty, or property without due process of law, added nothing to the rights of one citizen as against another, but simply furnished an addi-

tional guaranty against any encroachment by the States upon the fundamental rights which belong to every citizen as a member of society. It was of these fundamental rights of life and liberty, not created by or dependent on the Constitution, that the court said: "Sovereignty, for this purpose, rests alone with the States. It is no more the duty or within the power of the United States to punish for a conspiracy to falsely imprison or murder within a State than it would be to punish for false imprisonment or murder itself." (92 U. S., 553, 554; 23: 591, 592.)

It was held that the provision of the fourteenth amendment forbidding any State to deny any person within its jurisdiction the equal protection of the laws gave no greater power to Congress. (92 U. S., 555; 23: 592.)

It was held, in accordance with United States *v.* Reese, above cited, that courts for conspiracy to prevent and hinder citizens of the African race in the free exercise and enjoyment of the right to vote at State elections, or to injure and oppress them for having voted at such elections, not alleging that this was on account of their race, color, or previous condition of servitude, could not be maintained, the court saying:

"The right to vote in the States comes from the States, but the right of exemption from prohibited discrimination comes from the United States. The first has not been granted or secured by the Constitution of the United States, but the last has been." (92 U. S., 556, 23, 592.)

I also call attention to United States *v.* Cruikshank (92 U. S., 542; 23 Law Ed., 588); Virginia *v.* Rives (100 U. S., 313; 25 Law Ed., 667); Ex parte Virginia (100 U. S., 539; 25 Law Ed., 675); Butchers' Union *v.* Crescent City (111 U. S.; 28 Law Ed., 585); Slaughterhouse cases (16 Wall., 36; 21 Law Ed., 394).

Each of these cases shows that Congress has no general legislative power under the fourteenth amendment making the acts of individuals crimes by virtue of that amendment, but that the only power in the United States Government to pass laws results from powers delegated to the National Government by the Constitution. There is one clause of the Constitution that expressly gives Congress power to pass criminal statutes; that is clause 10, section 8, Article I, which reads:

10. To define and punish piracies and felonies committed on the high-ways, and offenses against the laws of nations.

The enumeration of this power under familiar rules of construction would eliminate all power in other cases to pass general criminal laws not having a relation to and an expressed grant of the power to the Federal Government. It is possible that under this clause Congress could pass a law punishing the lynching of citizens of other countries, especially when it had entered into a treaty to protect such citizens, but to go further than this is beyond its power.

I have considered every case passed upon by the Supreme Court of the United States that deals directly or indirectly with this subject, and I fail to find a single one which bears out the idea that Congress has the power to punish individuals for the commission of crimes, the States alone being in possession of this power.

OTHER AUTHORITIES ON THE SAME SUBJECT.

James G. Blaine, in his Twenty Years of Congress, gives expression to this same constitutional truth in discussing the fourteenth and fifteenth amendments. He says, on page 419, that—

Both of those amendments operate as inhibitions upon the power of the State and do not have reference to those irregular acts of the people which find no authorization in the public statutes. The defect in both amendments, in so far as their main object of securing rights to the colored man is involved, lies in the fact that they don't operate directly upon the people, and therefore Congress is not endowed with the pertinent and applicable power to give redress.

Again he says, in speaking of violence, such as mobs, as follows:

Those outrages are the deeds of individual citizens or of associated masses, acting without authority of law and in defiance of law.

And, of course, says that Congress has no power to legislate, as this field is solely within the reserve power of the States.

Mr. Bryce, in his American Commonwealth, volume 1, pages 338 and 339, makes substantially the same statements as those made by Mr. Blaine. He says:

What then, the European reader may ask, is the National Government without the power and the duty of correcting the social and political evils which it may find to exist in a particular State and which a vast majority of the Nation may condemn? Suppose widespread brigandage to exist in one of the States, endangering life and property. Suppose contracts to be habitually broken and no redress to be obtainable in the State courts. Suppose the police to be in league with the assassins. Suppose the most mischievous laws to be enacted, laws, for instance, which recognize polygamy, leave homicide unpunished, drive away capital by imposing upon it an intolerable load of taxation. Is the Nation obliged to stand by with folded arms while it sees a meritorious minority oppressed, the prosperity of the State ruined, a pernicious example set to other States? Is it to be debarred from using its supreme authority to rectify these mischiefs?

The answer is yes. Unless the legislation or administration of such a State transgresses some provision of the Federal Constitution—such as that forbidding ex post facto laws, or laws impairing the obligation of a contract—the National Government not only ought not to interfere but can not interfere. The State must go its own way, with whatever injury to private rights and common interests its folly or perversity may cause.

All of the authorities cited merely show that which will be observed by a reading of the first paragraph of the fourteenth amendment. It is clear in its provisions, otherwise courts in considering it immediately after the Civil War, when the temper of people generally was aroused, would have given it very much more liberal and far-reaching interpretation. As a matter of fact, the Congress knew its true meaning at the time it was adopted. They knew it applied only to State action, for they voted down an amendment which would give the Federal Government the right to do exactly what is sought by this bill.

BUT IS THE FIRST PART OF SECTION 3 OF THE BILL CONSTITUTIONAL?

Under the authority of these decisions and quotations all that part of the bill is unconstitutional except the first part of paragraph 3. But what about this part of it? This is the part that undertakes to create an offense upon a State or county officer having a prisoner in his custody and who fails, neglects, or refuses to make all reasonable efforts to prevent the prisoner from being taken by a mob and put to death. But it is claimed that under the case of Ex parte Virginia (100 U. S., 339) that Congress has the right to pass this character of legislation. A reading of the whole case will convince anyone that this is not true. This case holds exactly the contrary. Page 345, in speaking of the thirteenth and fourteenth amendments, the court said:

They were intended to be what they really are, limitations of the power of the States.

And on page 346 it is stated:

The provisions of the fourteenth amendment are directed to the States, and they are to a degree restrictions of State power.

And again on pages 346 and 347 it was stated:

We have said the prohibitions of the fourteenth amendment are addressed to the States. They are:

"No State shall make or enforce a law which shall abridge the privileges or immunities of citizens of the United States, nor deny to any person within its jurisdiction the equal protection of the laws."

The judge in this case in excluding and failing to select juries solely because they were Negroes was acting for the State and within the powers conferred upon him by the State, and therefore did act as a State officer in his discretion as such officer. It was the only expression that the State could make through its officer. On the other hand, if the State law prohibited the doing of this and he could be punished therefor under State laws if he was a lawbreaker, then it was not the State's act.

The first part of the fourteenth amendment addresses itself to State action, and the act of an officer acting as a citizen contrary to a State statute can not be the act of the State. If the officer was acting in pursuance of a State statute that was unconstitutional, as was the case in Ex parte Young, or if he were acting as an officer with discretion and in an unconstitutional way, then the State might be considered acting; but when the officer acts contrary to and in violation of the State law—in other words, as a private individual—his act ceases to be that of a State officer and he becomes simply a State lawbreaker, and is punishable under the laws of the State whose laws have been broken as any other criminal. If this were not so, any State officer at any time could do any foolish or willful act entirely outside of his authority and in violation of the law too, and by so doing give Congress the power to act on the subject, and pursuing this to a finality the States would be destroyed and the dual form of our Government ended. To hold any other way will destroy the Constitution; in other words, make the Constitution destroy itself. All of the States have statutes covering this entire subject. Murders are forbidden, conspiracies are condemned and made violations of the law, and so forth. Some States have laws exactly in the form of this one. All of them do everything within their power as States to prevent lynchings.

As further evidence that it was State action in its true sense and not the mere violation of the law by an officer acting in his individual capacity that was condemned in the Virginia case just cited, the State itself recognized that it was a party to the litigation by filing a petition in its own name, praying for a habeas corpus and the discharge of Coles, the judge. In addition to this, on page 348, the court says:

Coles, when he refused to permit Negroes to act as jurors, was "claiming to act for the State."

It is further contended by some that under the provisions of the Home Telephone Co. *v.* Los Angeles (227 U. S., 278) Congress may legislate as to a public officer and punish him whenever a murder is committed or a person is taken from him by force and murdered. I think I have already shown that no such power is vested in the Congress; but since this case, too, has been referred to and cited in support of a contrary contention, it is well to discuss it. In Los Angeles an ordinance was passed by the proper city authorities fixing telephone rates

for a given period. This right was one possessed by these officers, and acting on it they passed the ordinance. The telephone company claimed the rates fixed were so low as to be confiscatory and hence were repugnant to the due process clause of the fourteenth amendment, and hence a bill was filed praying an injunction, and so forth. The contention of the city was that because the State of California had a provision in its constitution exactly in the language of the due-process clause of the fourteenth amendment, that the State had acted and that any act in violation of this provision of the constitution by the city could not be attacked in the United States courts until the supreme court of the State upheld the act. In other words, that the Federal courts had to wait until all the State courts had acted and could not proceed until final action had been taken by them, although the acts of the officers might also be in violation of the Federal Constitution. The court, however, held that one whose rights, protected by a provision of the Federal Constitution which is identical with a provision of a State constitution, are invaded by State officers claiming to act under a State statute is not debarred from seeking relief in the Federal court under the Federal Constitution until after the State court has declared that the acts were authorized by the statute. It will be seen, then, that the most this case holds is:

> It presupposes the possibilities of an abuse by a State officer or representative of the powers possessed and deals with such a contingency. (P. 287.)

I also direct your attention to this quotation from page 288:

> Under these circumstances it may not be doubted that where a State officer, under an assertion of power from the State, is doing an act which could only be done upon the predicate that there was such power, the inquiry as to the repugnancy of the act to the fourteenth amendment can not be avoided by insisting that there is a want of power. That is to say, a State officer can not on the one hand, as a means of doing a wrong forbidden by the amendment, proceed upon the assumption of the possession of State power and at the same time, for the purpose of avoiding the application of the amendment, deny the power and thus accomplish the wrong. To repeat, for the purpose of enforcing the rights guaranteed by the amendment, when it is alleged that a State officer, in virtue of State power, is doing an act which, if permitted to be done prima facie, would violate the amendment, the subject must be tested by assuming that the officer possessed power if the act be one which there would not be opportunity to perform but for the possession of some State authority.

Consider carefully, too, the significance of the language in the following quotation from page 290:

> Determining whether the enforcement of the State officer of a nondiscriminating statute in discriminatory manner was within the amendment.

These quotations, as well as a careful reading of the opinion, will convince anyone that an officer must be acting as an officer and not in his capacity as an individual in order to be within the purview of the Constitution. There is not a single decision of the Supreme Court of the United States which holds to the contrary. An officer must be doing something that he regards as one of his duties, as was so in this case, otherwise he is not acting as an officer and his act is not the act of the State. When an officer has his shoes shined, he is not acting as a State officer. When he goes bird hunting, he is not acting as a State officer. After his day's work is over and he goes to a moving-picture show or a theater, he is not then acting as a State officer. He is acting as an individual. So, when an officer violates the law against gambling, when he commits a homicide, when he commits any criminal act, he is acting as a private individual and not in his official capacity. In the instant case the authorities were acting as a rate-fixing board, they were pursuing their duties as officers, they were "enforcing the provisions of a nondiscriminatory statute," but were enforcing it in a discriminatory manner, and to do this was a violation of the fourteenth amendment. The same thing would apply to any other officer who has a discretion to perform and who exercises this discretion in such manner as to violate the provisions of the fourteenth amendment. But this does not mean and can not mean that an officer who commits a crime commits it as an officer. It is not in line with his duties. It is an act of violence and contrary to the laws of the State and condemned by the laws of the State, and can be reached by the laws of the State and only by them.

A sheriff who turns over a State prisoner to a mob can not be punished by a Federal court. The Federal Government can not act in such cases. The officer had no discretion in the matter—his duty is well defined. The law of the State requires him to keep his prisoners safe from harm. He must act in one way and only one, and that is in conformity with the law which requires him to safely keep those in his custody. If he fails in this, or if he refuses to do this, he is simply a lawbreaker and punishable the same as a private citizen who is guilty of another kind of a crime. He is acting purely as a private individual. This is exactly what was held in Barney *v.* State of New York (193 U. S., 430), the court holding that where it appeared on the face of plaintiff's own statement of his case that the act complained of was not only unauthorized but was forbidden by the State legislation in question, the circuit court rightly declined to proceed further and dismissed the suit. This case dealt with the construction of a tunnel which was being built contrary to the plans and specifications adopted by the municipal authorities, and in deciding it the court said that the—

> defendants were proceeding not only in violation of provisions of the State law, but in opposition to plain prohibitions. (P. 441.)

The court also said, on page 437:

> Controversies over violations of the laws of New York are controversies to be dealt with by the courts of the State. Complainant's grievance was that the law of the State had been broken and not a grievance inflicted by action of the legislative or executive or judiciary departments of the State; and the principle is that it is for the State courts to remedy the acts of State officers done without the authority of or contrary to State law. (Missouri *v.* Dockery, 191 U. S., 165; Civil Rights Cases, 109 U. S., 3; Virginia *v.* Rives, 100 U. S., 313.)

In the case of United States against Thompson et al., decided January 3, 1922, the court held that the United States Government was not liable for the torts of an agent. By the same reasoning neither can the acts of a lawbreaker be regarded as the acts of a State. The State defines certain acts to be crimes. It condemns them. These acts are not the acts of sovereignty.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. COLLINS. I will.

Mr. CAMPBELL of Kansas. Suppose he merely neglects to take the precaution that is necessary to protect the prisoner in his custody, then what does the gentleman have to say with respect to liability?

Mr. COLLINS. I was going to get to that in a little while, but I do not mind answering it now. There is no denial of equal protection of the law, because he has given to the man in his custody the same protection that every other prisoner has had. Everyone has the same protection and all the Constitution guarantees is the same sort of protection for every man in his custody.

Mr. CAMPBELL of Kansas. Suppose it is shown that the man charged with murder or rape happens to be a white man who, six months before, had been arrested by him, was in his custody, and while there there were a good many threats made, yet his attitude was such that no assault was made on the prisoner in his charge.

Mr. COLLINS. The gentleman assumes that he did nothing but his duty. Of course, he has violated no statute.

Mr. CAMPBELL of Kansas. But in the one case he did his duty and in the other he failed to protect the prisoner in his charge.

Mr. COLLINS. If he did his duty, the State has not denied the equal protection of the law. If he failed to do his duty, he can be punished by State authorities.

Mr. CAMPBELL of Kansas. If I have not succeeded in making myself clear, my question is this: In the one instance his action resulted in protecting the prisoner in his charge and in the other instance his action failed to protect the prisoner, or his inaction failed to protect the prisoner.

Mr. COLLINS. Of course, we all know that States, through public officers, can not keep people from committing acts of violence. All in the world that the last clause of the first section of the fourteenth amendment does is to prevent a State from denying to any person the equal protection of its laws. In other words, it condemns State action that does this and not individual action, and the law is that when an officer does something in violation of a State law then his action is that of an individual and not that of an officer. If the gentleman from Kansas went down town and got drunk, he would not be acting as a Congressman of the United States but as an individual, as a citizen. Anybody who is a lawyer and familiar with the decisions knows this.

Mr. CAMPBELL of Kansas. The Constitution guarantees the equal protection of the law.

Mr. COLLINS. It does not.

Mr. CAMPBELL of Kansas. It guarantees that no State shall deny equal protection of the law.

Mr. COLLINS. That is right; that is the way it is.

Mr. CAMPBELL of Kansas. In the question I put in the one instance the officer gave the protection of the law to the prisoner in his charge, and in the other case he failed to give that protection.

Mr. COLLINS. The State did not violate any provision of the Constitution in either instance. The same officer gave to every prisoner within his jurisdiction the same protection, the identical protection, and equal protection.

Mr. CAMPBELL of Kansas. In one case he protected the prisoner from the mob.

Mr. COLLINS. In the one case murder was committed and in the other murder was not committed, but the State did not commit the murder. Some lawbreaker did it, and lawbreakers are not agents for the State. States operate through legislatures, through the courts and other public officers, and only through them. States do not operate through reckless or lawless individuals, and when an officer violates the law he is not acting for the State, but as an individual. If the gentleman will read the cases he will see that that is correct.

Mr. CAMPBELL of Kansas. I have evidently failed to make my point clear to the gentleman.

Mr. COLLINS. No; the gentleman has not. I understand it thoroughly.

Mr. CAMPBELL of Kansas. Then the gentleman has not answered my question. The officer in both cases represents the State.

Mr. COLLINS. Not when he does an unlawful act.

Mr. CAMPBELL of Kansas. He is in charge of the prisoner in both cases.

Mr. COLLINS. Sure, and the State law requires him to protect the prisoner.

Mr. CAMPBELL of Kansas. But in the one instance he protects the prisoner and in the other he does not.

Mr. COLLINS. Then he has violated the State law and the State can punish him, but the Federal Government can not because it is a State matter.

Mr. CAMPBELL of Kansas. The fourteenth amendment guarantees equal protection of the law.

Mr. COLLINS. To whom?

Mr. CAMPBELL of Kansas. To all people.

Mr. COLLINS. No; it does not. The gentleman ought to be ashamed to say that. The fourteenth amendment addresses itself to State action and not to individual action.

Mr. CAMPBELL of Kansas. I think after the semicolon it addresses itself to the sheriff.

Mr. COLLINS. The gentleman can not cite a single case to uphold him in that. If the gentleman will get Rose's Notes, he will see that after the word nor "any State" is added. If the gentleman will examine any of the cases, he will be driven from such a conclusion. Even a reading of the amendment will show him this. It is pure ignorance for the gentleman to talk otherwise.

Mr. CAMPBELL of Kansas. At least, I am not prejudiced in the matter.

Mr. COLLINS. And neither am I. If I thought the bill would do a single particle of good, I would vote for it, but I know better than that.

Aside from all this, there has been no denial to any person the equal protection of the laws provided for in the fourteenth amendment, because the States have not, in fact, accorded prisoners that have been lynched other and different protection than that accorded other prisoners. All that is required by the Constitution is the same kind of protection or equal protection, and this has been given.

The report of the Tuskegee University, as quoted by the author of the bill, shows that the States do everything within their power to prevent lynchings. It says:

> According to the records compiled at Tuskegee Institute by the department of records and research, Monroe N. Work, in charge, there were 72 instances in which officers of the law prevented lynchings. Of these, 8 were in Northern States and 64 in Southern States. In 1920 there were 56 such instances, 46 in Southern States and 10 in Northern States. In 66 of the cases, the prisoners were removed, or the guards were augumented, or other precautions taken. In 6 instances armed force was used to repel the would-be lynchers. Concerning the cases of lynching, there were 19 instances in which prisoners were taken from the jail and 16 instances in which, before reaching the jail, they were taken from the officers of the law.

This same report shows that less than one and one-third lynchings per year average per State were committed for the year 1921. Is this small average sufficient to show a State policy in favor of lynchings? Is this small average sufficient for us to charge that the States and State officers are denying to prisoners the equal protection of the laws? If this is so, then any homicide that is committed, any theft, burglary, or any crime of any character can also equally be deemed a denial of the equal protection of its laws to its citizens and a sufficient one to warrant the Federal Government to legislate on the subject. Followed to its ultimate conclusion, Congress could pass laws covering every offense or crime committed within the borders of sovereign States, all State governments must be conducted without error, no crime must be committed within their borders, all must be perfect, otherwise Congress can take over the entire subject and legislate accordingly.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. CAMPBELL of Kansas. Could a State be liable for inaction?

Mr. COLLINS. Of course not.

Mr. CAMPBELL of Kansas. It could only be held liable then under the fourteenth amendment, taking both clauses——

Mr. COLLINS. Oh, there are five of them.

Mr. CAMPBELL of Kansas. I mean both clauses that refer to equal protection of law.

Mr. COLLINS. The first and the last sections are the ones which the gentleman is interested in.

Mr. CAMPBELL of Kansas. The only ground upon which it could become liable would be upon some affirmative action upon the part of the State. Is that the contention of the gentleman?

Mr. COLLINS. Of course, if a State did not violate a provision of the amendment there can be no ground for Federal action.

Mr. CAMPBELL of Kansas. And that a failure to act in any particular would not make them liable?

Mr. COLLINS. Of course not.

NOT PERMISSIBLE UNDER DUE PROCESS CLAUSE EITHER.

It has not been suggested by anyone, but it may be yet, that the first part of section 3 of the bill may be enacted under that clause of the fourteenth amendment, which provides:

> Nor shall any State deprive any person of life, liberty, or property without due process of law.

This clause, however, would have no more application than the other because it, too, addresses itself to State action. But let us consider the view most favorable to the constitutionality of this part of the bill—the one that assumes that this can be done—that a State officer by failure to prevent a lynching and under the conditions prescribed in the bill represents the State and that his action is State action. This action would not then amount to a deprivation of the person lynched of due process of law granted by the fourteenth amendment. The bill does not predicate liability of the officer upon participation by him in the lynching or by his aid, assistance, or connivance. It predicates liability upon his failure, neglect, or refusal to "make all reasonable efforts to prevent a lynching." He committed no act, hence there was no State action. If any person was deprived of his life without due process of law, it was done by individuals who composed the mob. The officer did not do it, so under no possible circumstances could Congress reach the subject under the due process clause of the fourteenth amendment. If a contrary view should be taken, then Congress would be warranted in passing laws covering any situation where State officers failed to give protection to life, liberty, or property as against the lawless acts of individuals. If an assault is committed by one individual upon another individual, then this person has not had the equal protection of the laws because of the failure of State officers to prevent it and therefore Congress must legislate upon the subject. If a house is broken into in the night, officers should have prevented this, the person injured has not been protected in his rights, and Congress must legislate on this subject, too. Under this view, Congress can impose penalties upon State officers whenever any crime has been committed within the borders of a State or because of any wrong done to an individual or corporation. In other words, the entire field of State action can be entered.

The due process clause of the fourteenth amendment is directed against some deprivation of due process of law by the State or some of its officers or agents; that is to say, some action by the State or some of its agencies which, of itself, results in the denial of due process of law to some person. If the wrong suffered is the direct and immediate result of lawless action by individuals there can not, in any real sense, be a deprivation of due process of law by the State as contemplated by the fourteenth amendment. Congress has no power under the fourteenth amendment to destroy our form of government. An interpretation of a provision of the Constitution can not be sanctioned when this interpretation will destroy other sections of the Constitution. Neither will an interpretation of a provision of the Constitution be sanctioned that will destroy our dual form of government. Constitutional provisions must be construed so as to harmonize them with other provisions of the Constitution. This is settled law. Evans against Gore, recently decided.

STATES ALONE POSSESS POLICE POWERS.

But it is stated that under its police powers the Federal Government can legislate to punish crimes in the several States. Of course nobody up to now has ever heard of the police powers of the Federal Government. They are not in the Constitution. And I can not believe that anyone will seriously contend that there are any such powers. Under article 10 of the amendments to the Federal Constitution, it has been expressly held

that the police powers are not granted to the Federal Government, but such powers are reserved to the States.

In Kelier *v.* United States (213 U. S., 138; 53 Law Ed., 737) the court was called on to pass on the constitutionality of a Federal statute seeking to declare certain acts an offense when committed wholly within the jurisdiction of the State, but it was very expressly held that the Federal Constitution does not grant any of the police powers to Congress, but reserves such powers to the State. The court said, on page 741 of Fifty-third Law Edition:

That there is a moral consideration in the special facts of this case, that the act charged is within the scope of the police power is immaterial, for, as stated, there is in the Constitution no grant to Congress of the police power.

See also New York *v.* Mill (9 Law Ed., 648), United States *v.* Cruikshank (92 U. S., 542; 23 Law Ed., 588), Butchers Union *v.* Crescent City (111 U. S., 746; 28 Law Ed., 585), Kansas *v.* Colorado (206 U. S., 46; 51 Law Ed., 956).

I direct attention specially to the following language on pages 971 and 972 of Fifty-first Law Edition:

Appreciating the force of this, counsel for the Government relies upon "the doctrine of sovereign and inherent power"—

Adding—

"I am aware that in advancing this doctrine I seem to challenge great decisions of the court, and I speak with deference. His argument runs substantially along this line: All legislative power must be vested in either the State or the National Government; no legislative powers belong to a State government other than those which affect solely the internal affairs of that State, consequently all powers which are national in their scope must be found vested in the Congress of the United States. But the proposition that there are legislative powers affecting the Nation as a whole which belong to, although not expressed in, the grant of powers is in direct conflict with the doctrine that this is a Government of enumerated powers. That this is such a Government clearly appears from the Constitution, independently of the amendments, for otherwise there would be an instrument granting certain specified things made operative to grant other and distinct things. This natural construction of the original body of the Constitution is made absolutely certain by the tenth amendment. This amendment, which was seemingly adopted with prescience of just such contention as the present, disclosed the widespread fear that the National Government might, under the pressure of a supposed general welfare, attempt to exercise powers which had not been granted. With equal determination the framers intended that no such assumption should ever find justification in the organic act, and that if, in the future, further powers seemed necessary, they should be granted by the people in the manner they had provided for amending that act. It reads:

"'The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.' The argument of council ignores the principal factor in this article, to wit, 'the people.' Its principal purpose was not the distribution of power between the United States and the States, but a reservation to the people of all powers not granted. The preamble of the Constitution declares who framed it, 'we, the people of the United States,' not the people of one State, but the people of all the States, and Article X reserves to the people of all the States the powers not delegated to the United States. The powers affecting the internal affairs of the States not granted to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, and all powers of a national character which are not delegated to the National Government by the Constitution are reserved to the people of the United States. The people who adopted the Constitution knew that in the nature of things they could not foresee all the questions which might arise in the future, all the circumstances which might call for the exercise of further national powers than those granted to the United States, and, after making provision for an amendment to the Constitution by which any needed additional powers would be granted, they reserved to themselves all powers not delegated. This Article X is not to be shorn of its meaning by any narrow or technical construction, but is to be considered fairly and liberally, so as to give effect to its scope and meaning."

CONCLUSION.

While I believe ours to be the best Government yet devised, I am frank enough to say that it is far from perfect. Many changes ought to and will be made as time goes by. These changes should come, however, in an orderly manner and by orderly processes—not by brute force or judicial fraud but in the ways laid down by our fathers for our guidance. When this is done, all is well, and full confidence in the Government remains with the people. Let us, therefore, pursue the course outlined. It is the right one and the only safe one. We can not afford to trade our form of government for this law. Besides whatever of hope for better and more effective enforcement of the law lies not in a centralization of power in Washington but rather in the individual States. They can more fully and completely fulfill their own duties as sovereigns with the least possible Federal interference. The equality of States and the ability of the people of them for self-government and for a discharge of their duties and responsibilities to the National Government must be recognized. Legal autonomy can not exist long in one State or one section and national imperialism in another State or another section. You may feel safe now, but it will not be long before the same ghost will be knocking at your doors, and your acts to-day will surely come back to haunt you.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SLEMP. Mr. Chairman, I yield to the gentleman from Iowa [Mr. RAMSEYER].

Mr. RAMSEYER. Mr. Chairman, in the time allotted to me I shall make some observations on the stupendous growth of the national debts of the world. Nations did not acquire the "debt habit" until in very recent times. Formerly nations did not spend except out of current receipts. Nations paid as they went. Raising money to defray national expenditures by bond issues for future generations to pay is a strictly modern evil.

I am going to give you some figures. The figures I shall give you on national debts in my discussion are on the authority of Mr. O. P. Austin, formerly Chief of the Bureau of Statistics in the Treasury Department and now statistician of the National City Bank of New York. Officers in our Treasury Department regard Mr. Austin as the leading authority on this subject.

I have here a table prepared by Mr. Austin in 1900 while he was Chief of the Bureau of Statistics showing the debts of the principal nations and the aggregate for all nations of the world from 1688 to 1900. I also have a table prepared by him last November showing the debts of 100 principal nations and colonies of the world for the year 1913, preceding the World War, the year 1918, at the close of the war, the year 1919, a year after the war, and the latest available figures for the year 1921. Furthermore, I have a personal letter from Mr. Austin giving aggregate national debts for years not shown in the tables. The figures on national debts I shall give are on the authority of Mr. Austin. Further than that, Mr. Austin should not be held to any responsibility for anything that appears in my remarks.

Now, Mr. Chairman, I shall proceed. It appears from the first table before me that in 1688 Great Britain was the only nation that had acquired the debt habit. That year her national debt was $3,232,636. By 1783 her national debt had increased to $1,126,515,090. That year the following nations had no national debts: Austria, France, Germany, Italy, Netherlands, Turkey, Russia, and the United States. Here are the aggregate national debts of the world for various dates:

1793	$2,433,250,000
1820	7,299,750,000
1850	9,000,000,000
1874	22,500,000,000
1900	31,201,759,000
1913	43,362,300,000
1918	205,396,000,000
1919	295,070,000,000
1921	400,000,000,000

The increase of national debts from 1793 to 1874 was largely due to wars which will be readily recalled by every student of history.

During 40 years preceding the World War national indebtedness doubled. During that period there were no costly wars. However, there was feverish activity in the preparation for war, which proved a heavy burden on the national treasuries. This period was one of great activity in development of the new areas of the world. South America, Africa, Canada, Mexico, Australia, and New Zealand show a rapid development in that period in railways and other transportation facilities, and a large portion of such development was met by the Governments, which necessarily contracted large loans for that purpose.

The railways of the whole world in 1874 were about 150,000 miles, and in 1914 over 700,000 miles, of which about one-third was Government owned. Telegraphs were in 1874 but 300,000 miles and in 1914, 1,500,000 miles. Other public improvements during the period were harbors deepened, rivers made navigable, inter-oceanic canals created, and great and costly buildings erected.

Of the 220,000 miles of railway in Europe, about 120,000 are government owned; of the 70,000 miles in Asia, 45,000 are government owned; of the 28,000 miles in Africa, about 17,000 are owned by the Government; of 23,000 miles in Australia, over 20,000 are government owned. All of the telegraph lines of the world, except those in the United States, are owned by the Governments in which they operate.

The wealth of Great Britain in 1865 was $30,000,000,000, and in 1914 it was $80,000,000,000; that of France in 1865 was $25,000,000,000 and in 1914, $70,000,000,000; in the United States in 1860, $16,000,000,000, and in 1914, $250,000,000,000. The world's available wealth practically trebled in the 40 years prior to the World War. During that time the nations were doubling their indebtedness in times of comparative peace.

We come now to the World War, with the national debts of the world, in round numbers, $43,000,000,000. The war was chiefly financed by borrowing. "Pay as you go" found little favor with the war statesmen, although that plan has since been heartily approved for future wars by President Harding in his inaugural address. Naturally one would suppose that

when war was over borrowing would cease. I call your attention to the second table referred to, which shows the total national indebtedness in 1918 was $205,000,000,000 and in 1919 $295,000,000,000. The national debts of the world at the end of the year 1921 by a later estimate were a little over $400,000,000,000.

The aggregate national debts are about ten times what they were before the war and about double what they were at the time of the armistice. The United States is the only nation that was in the war that has reduced her national debt in the last two years. Last year Great Britain was the only European nation actively engaged in the war whose expenditures did not exceed receipts.

With the figures before us our national debt is less than 10 per cent of our prewar wealth, that of great Britain a little less than 50 per cent of her prewar wealth, and that of France 73 per cent of her prewar wealth. Among the defeated powers of Austria, Hungary, and Germany each has a national debt in excess of her national wealth. Poland came into existence as a nation since the armistice, but she in some way has piled up a national debt of $69,000,000,000, a sum far in excess of her national wealth.

I urge you to give careful study to these tables which I shall place in the RECORD. How many of these nations will pay their debts? How many of them are insolvent? What per cent of her national wealth can a nation owe without being insolvent? What confronts the European nations—the shackles of the bondholders or bankruptcy?

Our country can and undoubtedly will pay off the national debt in 20 or 25 years. These huge national debts are on the Christian nations of the world. It is the European nations that suggest the query: Can they ever pay? Observe the Asiatic powers with their unlimited power of men and undeveloped resources with practically no national debts. Direct your special attention to Japan, one of the allies in the World War. Her national debt was not materially increased by her participation in the war. Of course, Europe is the center of world chaos financially.

The increase in the national debts of the world from $43,000,000,000 in 1913 to $400,000,000,000 in 1921 is the direct result of the reckless and short-sighted methods of financing the war and represents almost a total economic loss. Furthermore, the debts were contracted on highly inflated values and will be paid in the future—unless repudiation or bankruptcy intervenes—with money very much deflated, thus greatly adding to the burdens of the nations heavily in debt.

Mr. Chairman, the tables to which I referred in the course of my remarks are as follows:

Debts of principal nations, and aggregate for all nations of the world at various dates from 1688–1900.

Dates.	Austria.	Belgium.	France.	Germany.[1]	Italy.	Netherlands.	Turkey.	Russia.	United Kingdom.	United States.	World.
	Dollars.	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*
1688									3,232,636		
1702									62,131,700		
1714			[2] 389,320,000						176,047,876		
1727									257,198,404		
1748									368,939,740		
1775	[3] 72,997,500								618,835,883		
1783									1,126,515,090		
1800	[4] 170,327,500			25,549,125		[5] 486,650,000			[6] 2,616,488,363	82,976,294	[7] 2,433,250,000
1820	480,323,550		[8] 689,923,705	150,861,500		[9] 700,776,000			[10] 4,381,975,906	91,015,566	7,299,750,000
1850	[11] 608,312,500		[12] 1,192,292,500		[13] 194,660,000	[14] 498,621,590	[15] 189,793,500	[16] 608,312,500	[17] 4,082,596,603	63,452,774	[11] 8,419,045,000
1870	[18] 1,464,816,500	[19] 133,147,440	2,676,575,000	[20] 115,948,000	[19] 1,386,952,500	[19] 392,434,560	447,718,000	[19] 1,459,950,000	3,896,606,550	[21] 2,331,169,956	[22] 22,410,232,000
1880		[23] 246,994,341	[24] 4,065,946,151		[25] 2,218,861,209	[23] 390,823,749		[26] 2,238,872,257	3,778,858,366	[21] 1,919,326,748	[27] 26,249,901,000
1890	[28] 1,485,292,500	[29] 383,723,525	[29] 5,031,119,096	[29] 233,932,655	[30] 2,459,237,110	[29] 442,194,523		[29] 2,827,684,692	3,361,115,568	[21] 890,784,371	
1900	[21] 1,697,255,140	[22] 504,460,000	5,800,691,814	557,626,622	2,583,983,780	466,419,294		3,167,320,000	3,060,926,304	[21] 1,107,711,257	31,201,759,000

[1] Prussia prior to 1870; figures for 1889 and 1900 are exclusive of State debts, which in 1899–1900 amounted to $2,015,958,000.
[2] 1716.
[3] 1763.
[4] 1789.
[5] 1810.
[6] 1802.
[7] 1793.
[8] 1830.
[9] 1814.
[10] 1815.
[11] 1848.
[12] 1852.
[13] 1847 (figures for Sardinia).
[14] 1851.
[15] 1854.
[16] 1853.
[17] 1857.
[18] 1868.
[19] 1869.
[20] Chiefly former debt of North German Confederation.
[21] Total debt, less cash in the Treasury.
[22] 1872.
[23] 1879.
[24] 1883.
[25] 1885.
[26] 1876.
[27] 1882.
[28] 1888.
[29] 1889.
[30] 1894.
[31] 1898.
[32] 1899.

National debts of the world, in United States dollars, reduced to normal (prewar) value of the respective currencies.

[000,000 omitted.]

Countries.	1913	1918	1919	1921
Argentina	$732	$866	$576	$758
Australia	81	1,382	1,586	1,956
Austrian States	1,349	1,824	1,854	[1] 1,859
Austria [2]	2,152	15,807	16,910	15,834
Algeria	35	[3] 35	[3] 35	[3] 35
Barbados		2	2	[1] 2
Belgium	722	[4] 1,902	1,902	4,670
Belgian Kongo	53	[4] 67	67	[4] 67
Bolivia	19	26	27	[4] 27
Brazil	[5] 664	1,145	1,133	969
British East Africa	1	2	2	[1] 2
British Guiana	4	5	5	[1] 5
British Honduras	1	1	1	1
British Colonies [6]	8	12	13	14
Bulgaria	[5] 135	900	1,432	[4] 1,432
Canada	483	1,863	2,250	2,345
Ceylon	30	27	24	[4] 24
Chile	210	228	231	240
China	969	[7] 1,061	1,886	[4] 1,886
Chosen	22	47	53	[1] 59
Colombia	24	23	23	39
Costa Rica	16	[8] 20	30	[4] 30
Cuba	[9] 67	83	84	87
Cyprus	1	1	1	[1] 1
Czechoslovakia			[1] 7,000	9,135

[1] 1920.
[2] Includes share of Austro-Hungarian debt.
[3] 1913.
[4] 1919.
[5] 1912.
[6] Exclusive of those separately named.
[7] 1916.
[8] 1917.
[9] 1914.

National debts of the world, in United States dollars, reduced to normal (prewar) value of the respective currencies—Continued.

[000,000 omitted.]

Countries.	1913	1918	1919	1921
Denmark	$96	$162	$210	$215
Dominican Republic	[1] 13	14	13	[2] 13
Dutch East Indies		[3] 92	170	[2] 149
Ecuador	18	26	28	[4] 28
Egypt	459	460	469	[3] 461
Finland	34	120	357	382
France	6,346	30,400	40,000	51,000
French Colonies [5]	[6] 211	579	580	[4] 580
French Indo-China	47	[7] 47	[7] 47	[7] 47
Germany	1,194	39,200	48,552	71,000
German States	3,855	[8] 4,341	4,500	[8] 8,300
German Colonies	32	[7] 32	[7] 32	[7] 32
Gold Coast	12	16	16	[3] 12
Greece	207	248	469	812
Guatemala	[9] 18	[8] 16	17	18
Haiti	[1] 30	24	32	[4] 32
Hawaii	[3] 8	9	9	[3] 11
Honduras [10]	91	29	28	[3] 30
Hongkong	7	7	7	[3] 7
Hungary	[11] 1,731	8,514	9,412	14,200
Iceland	47	51	53	[4] 53
India, British	[6] 1,475	1,546	2,310	2,263
Italy	2,921	12,000	13,102	18,650

[1] 1914.
[2] 1920.
[3] 1916.
[4] 1919.
[5] Exclusive of those separately named.
[6] 1912.
[7] 1913.
[8] 1917.
[9] Exclusive of internal debt not available.
[10] Exclusive of arrears of interest stated in 1921 at $108,000,000.
[11] Includes share of Austro-Hungarian debt.

National debts of the world, in United States dollars, reduced to normal (prewar) value of the respective currencies—Continued.

[000,000 omitted.]

Countries.	1913	1918	1919	1921
Jamaica	$18	$18	$18	[1] $19
Japan	1,242	1,246	1,300	1,713
Jugo-Slavia	[2] 174	546	705	[1] 705
Latvia			11	[3] 11
Leeward Islands	1	1	1	[1] 1
Liberia	[4] 2	2	2	2
Lithuania			10	10
Luxemburg	[5] 2	[6] 9	[1] 25	[1] 25
Madagascar	18	[3] 20	20	[3] 20
Malay States:				
Federated	6	8	8	[1] 8
Other		2	2	[1] 1
Mauritius	6	6	6	[1] 6
Mexico	[7] 222	377	409	[8] 282
Morocco	60	80	[1] 103	[1] 103
Netherlands	[4] 462	652	981	1,046
Newfoundland	27	35	42	[8] 42
New Zealand	438	734	856	978
Nicaragua	9	16	10	5
Nigeria	40	41	41	57
Norway	97	197	268	[1] 314
Nyasaland		15	15	[8] 15
Panama	.3	7	7	3
Paraguay	13	14	9	9
Persia	32	41	45	46
Peru	34	28	[9] 28	[1] 29
Philippines	12	[6] 20	20	21
Poland			[1] 36,050	69,000
Portugal	948	1,200	1,294	1,880
Porto Rico	7	8	9	[1] 10
Rumania	317	1,022	4,100	5,270
Russia	[4] 4,538	[6] 22,774	[6] 22,774	[10] 22,774
Salvador	10	11	14	18
Siam	28	33	33	36
Sierra Leone	6	8	8	[1] 8
Spain	1,814	1,661	1,986	2,335
Straits Settlements	34	68	72	[3] 72
Sweden	161	268	298	340
Switzerland	23	205	341	[11] 370
Trinidad	5	8	1	[1] 1
Tunis	45	[12] 69	[12] 69	[12] 69
Turkey	676	2,000	2,310	[3] 2,310
Uganda	1	1	1	[1] 1
Union South Africa	573	781	801	[1] 847
United Kingdom	3,485	28,613	36,401	37,910
United States	1,029	17,005	25,234	23,922
Uruguay	138	164	163	172
Venezuela	35	29	27	41
Windward Islands	3	1	1	[1] 1
Total	43,362.3	205,396	295,070	382,634

[1] 1920.
[2] Serbian debt, 1913.
[3] 1919.
[4] 1914.
[5] 1910.
[6] 1917.
[7] 1912.
[8] Statement of minister of finance, June 30, 1921.
[9] 1918.
[10] 1916.
[11] Exclusive of railway debts stated at $430,000,000.
[12] 1915.

Mr. SLEMP. Mr. Chairman, I yield 30 minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, in every period of depression or liquidation which has occurred in the past the prices of all commodities have suffered a great reduction. It has not been confined to any one thing, such as farm products. For instance, in the depression or panic in the early nineties the prices of all products were greatly reduced, such as shoes, clothing, food, and farm machinery. Everything was low; everything was cheap. Now, during this present depression or liquidation period, farm products have been sacrificed and depressed, but the prices of other products, manufactured stuff, have in large measure been maintained.

I think this is due to organization on the part of these industries, coupled with the fact that a manufacturing concern can shut down. If the price it receives is not satisfactory, it can cease to produce. Now, the farming business can not be shut down. It can not close down. It must go on. And for that reason we have seen a depression, a great cut, a slaughter in the prices of farm products, while the prices of things that the farmers buy have been in large part maintained. That is a situation that calls, I think, for the attention and action of Congress. We are facing a condition now that was never faced before. The situation is unprecedented, and to my mind, gentlemen, we must not hesitate to apply an unprecedented remedy. Our old governmental landmarks have pretty well disappeared, and some things must be done to meet new conditions.

President Harding says it is quite "unthinkable," with the country's vast agricultural resources, that the United States should develop into a distinctly industrial nation, and there should be, he says:

> Some corrective and constructive steps taken to remedy the severe hardships under which so important a portion of our productive citizenship is struggling.

Secretary Wallace says:

> We are approaching that period which comes in the life of every nation when we must determine whether we shall strive for a well-rounded, self-sustaining national life, in which there shall be a fair balance between industry and agriculture, or whether, as have so many nations in the past, we shall sacrifice our agriculture for the building of cities, and expect our food to be produced not by independent farmers but by men and women of the peasant type.

I received to-day copy of a resolution adopted on December 14 by 250 farmers and business men at Minnewaukan, the county seat of Benson County, N. Dak. It reads:

> Resolution and petition.
>
> We, a body of 250 farmers and business men of Benson County, N. Dak., gathered at the courthouse at Minnewaukan this 14th day of December, 1921, after having for a period of about three hours discussed the bill introduced in Congress on July 12, 1921, known as House bill 7735, the object of which is to stabilize prices on farm produce, came to the conclusion that this bill, if passed, would be of benefit to the producer as well as the consumers of all farm products in the United States; wherefore we petition our Senators and Congressmen to support this measure.
>
> (Signed) G. A. GILBERTSON,
> JOHN F. RANDALL,
> B. OLSON,
> *Committee.*

This petition was also signed by most of those who attended the meeting—all excepting those who had to go home before the resolution was typed. It refers to the bill introduced by the Member from South Dakota [Mr. CHRISTOPHERSON], designed to protect both the producer and consumer against both overproduction and underproduction.

Mr. Chairman, I know personally many of those who signed this petition, and served with some of them in the State legislature. I know them to be honest, straightforward, thoughtful, intelligent, and dreadfully in earnest. You will observe that the resolution was first discussed for a period of three hours, but before that I know from letters received from time to time that the subject of a price guaranty had been considered by the farmers in their homes and as they met in small groups. The statement contained in the resolution represents their mature judgment. Farmers, as a rule, are cautious, and to some extent conservative. They did not reach this decision hastily and not without sufficient reasons. Some of the reasons are contained in the letter of transmittal of John F. Randall. Mr. Randall is the sheriff. If anyone knows the financial condition of farmers when a panic is on, it is the sheriff. He begins by saying:

> We are hard hit—

Mr. Chairman, there never was a more true statement. He continues:

> something has to be done to save agriculture, and that soon.
>
> In 1919 I sold my clip of wool for $1,010; in 1920, the hardest times in which to operate a farm and when expenses were the largest, I could not sell my clip of wool at all. So we pooled it at the pool at Fargo, and I just got my returns to-day. I received $164, and the expense to clip and buy twine and sacks for my wool was $50. The amount of wool for each year was practically the same.
>
> I own 1,100 acres of land. The farm is rented while I am in the sheriff's office. The renter's share of the crop lacked $17 of paying his share of the thrash bill. I paid his help and gave him $200 to winter on. He could pay no expenses. I write this to show you where we are going to, and fast.
>
> I have a loan coming due. It is on a quarter section without buildings. I can not renew this loan, and the land is over half paid for.
>
> I believe we should have a guaranteed price for wheat, as it is the only thing that will help this country at this time. The same complaint comes from every town and hamlet in the State.
>
> We hope you can use your influence to help us get cost plus a reasonable profit, which we have to have if we hope to save the equities we have in what property we have left.

Victor Wardrope, of Leeds, N. Dak., who attended this farmers' meeting, writes to tell of the ruinous conditions on the farms and scores Congress for not remedying the situation. He concludes:

> I have lived in this community all my life and as a barefoot boy helped my parents pick buffalo bones over these prairies before a railroad had entered the county. I have witnessed the ups and down of North Dakota nearly 40 years and have no hesitation in saying that the situation is the worst we have ever seen.
>
> I am not a pessimist and I am not, as a rule, profane, but anyone who has the welfare of the country at heart and who understands the situation can't help being almighty d—n sore.
>
> We appreciate the fact that you have been doing and are doing everything that you possibly can in the interests of our farmers. Keep the good work up and go after it stronger than ever. If there is anything we can do out here to lend aid and assistance, please let me know.

Many other farmers have written to me to show the great disparity in the prices of things which they sell and which they buy. Some of them assure me that they are already insolvent, and others say that they are facing bankruptcy.

You men of the East, who are in the majority here, say you are opposed to Government price fixing, and that the farmers' bloc constitutes a menace to the country's welfare—you take the short-sighted and erroneous view that increased prices for farmers will be burdensome to the consumers, whom you represent. Some time you may wake up to the fact that millions of your men will continue to walk the streets of your towns and cities until the purchasing power of the farmers has been restored.

What puzzles me is that your city men always give a sort of intellectual assent to the fact that the basis of all prosperity is agriculture, and then forget all about it when it comes to matters of legislation. Here is a recent weekly business review issued by the Irving National Bank of New York, an authority which you men of the East should respect, from which I quote:

> Roughly, the farmer is now forced to give two bushels of corn, two hogs, two horses, and relatively the same proportion of everything he sells, in exchange for the units of manufactured goods which formerly cost him one bushel of corn, one hog, etc. It is therefore obvious that the farmer can not buy the same quantities of manufactured goods he was able to buy in the five years before the war and that this decrease in the farmer's purchasing power is bound to be reflected in decreased production in manufactures.

Another authority from the East, Mr. Edwin McKnight, of Medina, who has given much study to farm problems, says:

> The population of our country is now about evenly divided, one-half living in the city and the other one-half living in the country. When the price of farm products took such a sudden drop in the fall of 1920, and it has continued to decrease ever since, the purchasing power of one-half of our whole population was and is almost entirely confined to the barest necessities. The stoppage of such an amount of buying has caused the manufacturers to suffer losses, to materially cut down their business, and to lay off their employees. Without wages the purchasing power of these idle men has already been substantially decreased, and as time goes on will become almost nothing.
>
> In the winter, when coal is costly, and housing is scarce and expensive, much suffering will take place in the cities. The bread lines will be long and continuous, the lodging houses overcrowded, and the soup kitchens well patronized.
>
> Had the cost plus a profit price for all farm products been received by the farmers in 1920, and since then through intelligent guidance, no conditions such as now exist would distress the population of our cities.

Mr. SLEMP. The gentleman is discussing a very interesting subject. What remedy has he to suggest?

Mr. YOUNG. I am coming to that.

Gentlemen, you are expecting that in some mysterious way agriculture will come back, the same as after the panic of 1893. You will wait in vain.

Agriculture is not coming back.

Conditions have changed since 1893. The door was open then. It is closed now.

The farmer can not pull himself up by his own boot straps. Nobody knows that better than the farmers. You men from the East, and those you represent, do not seem to sense it. You can prophesy good times are coming until your faces become blood red, but they will not come until the farmers are placed on a cost-of-production basis. That can only be accomplished by one of two things:

(1) Reduce all other industry to the extremity of agriculture, so that farmers can buy upon the same deflated prices at which they sell, or (2) have the Government, through intelligent acreage control and price guaranty, restore cost-plus prices to the farmers.

I have already called attention to the fact that manufacturers shut down when they can not sell at a profit. Their goods are largely sold in advance.

The farmers produce their goods without any orders on the hook to indicate quantities required or prices obtainable. They have not the slightest idea how much they ought to produce or how much money they will receive.

They produce all they can and have done so ever since history began.

Farmers only know how much they will get after they have hauled their products to market. When they overproduce, they get what their customers are willing to pay, and sometimes discover that they can not sell at any price whatsoever. They transgress every rule of economics.

Manufacturers take the trouble to find out where their goods will be sold, or else do not make them. A manufacturer nowadays who would not do this would be considered crazy.

Then why should farmers continue to produce blindly? There are reasons, of course, but are they unsurmountable? I am inclined to say yes, if left to private resources, but if Government cooperation is given, I believe the problem can be solved.

To secure cost of production plus a profit there must be intelligent crop control, which at this particular time must take the form of crop limitation. I am not prepared to say this could not be brought about by voluntary organization upon the part of the farmers, but the task is stupendous, and if ever possible of accomplishment can not be done soon enough to help the present deplorable and distressing conditions.

Throughout the war there was a scarcity of wheat, and the United States Grain Corporation found a ready market for all available wheat grown in this country. The war operated to prevent overproduction. It is different now. It would require an immense sum of money to fix and maintain prices under present conditions if no attempt were made to curtail production. Upon the other hand, it can be done in time of peace as well as in time of war if the Government will resolutely take hold of the problem and control the production. All it requires is organization. In a sense it is difficult, but with the great organization of the Department of Agriculture available the work of limiting production can be successfully carried out.

The Representative from South Dakota [Mr. CHRISTOPHERSON] has devoted a large amount of time to the solution of this subject, and proposed as a remedy H. R. 7735. This is the bill approved by the Benson County farmers.

There are also some excellent points in the bill introduced by my colleague from North Dakota [Mr. SINCLAIR]. I believe it is entirely possible by taking portions of both of these bills and the addition of some amendments to safeguard the entire plan of crop and price control in such a way as to make it entirely workable and confer great blessings upon both producers and consumers. This plan would involve the revival and enlargement of powers of the United States Grain Corporation.

There are three big things which the Department of Agriculture should do: Show how to produce, determine how much to produce, and how to sell it. About all they have done up to date is to show how to produce. It would require comparatively little more money to accomplish all of them.

The Department of Agriculture of the future must play a new rôle. It must meet the requirements of new conditions. To my mind, it must be completely reorganized in order to put in the forefront of its activities:

First. Crop control; and

Second. Sale of farm products.

We appropriate annually enough money to handle such an organization. It should be spent in different channels.

Mr. Chairman, while I would be willing to accept emergency legislation rather than none at all, I believe we should place permanent price and crop control legislation on the statute books. Why should a great Nation, with the welfare of over 100,000,000 people at stake, wait until a panic occurs before taking action.

The lack of a market for our surplus farm products may not remain temporary; a dispatch announced to-day by the Department of Commerce from Alfred P. Dennis, commercial attaché at London, declares that Europe is fast pulling up to the prewar production in foodstuffs.

The after effects of the war constitute only one element in the hazards of farm producers. They are subject to hail, hot winds, cyclones, excessive moisture, drought, insect pests, and noxious weeds. So we ought to legislate on account of the ordinary crop hazards, which we shall always have, rather than confine our legislation to meet an emergency created by the World War.

A permanent policy would be advantageous in many ways. The problem of financing agriculture would vanish. If bankers knew that the lottery of farm prices had been removed, they would readily finance all farm activities. If the guaranteed price were to take into account the elements of interest and storage, so that it would make no difference when delivered, the different crops would come on the market in an orderly manner to the benefit of the entire people.

The problem of carrying over a surplus from one year to another would not make the farmers or tradesmen nervous, because the crop acreage for the following year, being under Government control, could be reduced so as to absorb the surplus.

This plan would also deal a cruel blow to the speculators.

Distribution costs would be reduced by the elimination of some of the middlemen. This would benefit both producers and consumers.

All costs of food products would tend toward stabilization. For instance, flour is likely to go up quickly with the price of wheat, but the retailers are slow to reduce the price after wheat has suffered a decline.

The wheat gamblers on the big exchanges would fold their tents and depart. The flour millers would not need them for price-fluctuation insurance, nor would the growers.

The purchasing power of farmers would be constant and not subject to sudden change by reason of everything in the long

list from crop hazards to market manipulations. This would spell good business for all others in our Nation.

This is, of course, all predicated upon the idea of having the Government take hold of it resolutely and make the plan of acreage and price control and salesmanship the very heart of the Department of Agriculture, and not simply a side show.

It should be kept in mind that it would only be the surplus which the Government corporation need buy in order to fix the price, and in case of doing so would only have to carry it for a limited period, because by acreage control a vacuum could be created the following year which would take up the surplus. A corporation with such powers and under such circumstances should be able to borrow the money upon the security of the surplus carried over in storage, and thus save the United States Treasury. It can be done and without much burden upon the National Treasury.

Gen. Hancock was not the first nor the last man to discover that the ordinary citizen is apt to view public questions from the local or sectional standpoint. The problem of the Nation's food supply ought not to be approached from a sectional viewpoint. A thorough study of the whole subject from the broad standpoint of the welfare of our entire country will confirm the view that farmers should be assured the cost of production plus a reasonable profit. Unless that is done American farming will never be on a sound foundation nor the Republic secure.

Mr. SLEMP. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. KETCHAM].

Mr. KETCHAM. Mr. Chairman and members of the committee, in the first place I certainly want to offer words of congratulation to the subcommittee having in charge the preparation of this bill for the very splendid way in which they have discharged the duty imposed upon them. The hearings of subcommittees in the preparation of bills are not ordinarily considered to be particularly fascinating reading, but, for the comfort and consolation of this subcommittee, may I say that upon securing a copy of the hearings a few days ago I sat down and went through them from beginning to end with all the interest that I would have in the reading of a story. And so, Mr. Chairman, I desire to congratulate most sincerely this committee upon the excellent work they have done both in the preparation of the bill and in the very careful and painstaking way in which they went into every detail of every item of appropriation.

In connection with the discussion this afternoon, I notice that a number of Members have continuously referred to the idea of deficit, and I desire to call the attention of the committee to a use of the term "deficit" with reference to the matter of the Post Office appropriations which is not applied to any other appropriation bill. If we use the term "deficit" as we use it ordinarily in connection with the other appropriations voted by the House, all the appropriations, all the expenditures in other bills should be regarded as a deficit. Really, if we do use the word "deficit" in its proper application here it would be only a small amount, as Government amounts go, of a few million dollars, and that, as weighed over against the tremendous importance of the work done by this department, ought certainly not to cause any great amount of concern.

This afternoon in the course of a colloquy that took place here between a distinguished member of this subcommittee and myself—I would hardly say it took place between us; I do not flatter myself with that statement, but it occurred during the time the distinguished gentleman was speaking—I was so completely carried away by his eloquence that I could not frame my thoughts and give him an intelligent answer to his very pertinent question as to "where I would save." Inasmuch as he has honored me with his presence at this time, I will undertake to answer the question now.

I said, as best I can recall, that certainly if I were called upon to save in any governmental expenditures, it would not be in connection with the splendid delivery service rendered by the men who do the dray-horse work in connection with the Post Office Department. If I recall correctly, he made the statement, in direct contradiction to this, that there would be the place that he would save, and declared that the salaries of all the rural letter carriers and city delivery carriers are altogether too high at the present time.

In view of that statement and in view of my reply, I have had a little time to gather a few thoughts upon this matter, and I desire to present them at this time. Where would I save in connection with governmental expenditures? If I undertook to go at it in an orderly manner, I would first find out where we spend our money, and with that idea in mind, I refreshed my memory with some figures that I gathered a few days ago. I find that since the establishment of the Government, and extending over the period of our entire history since the adoption of the Constitution, that 78½ per cent of all the money that has been spent by the United States Government has been spent on wars or things relating to and resulting from wars, and that 21½ per cent has been spent in all other disbursements.

If we add to the money thus actually expended the amount of indebtedness which has been incurred, all of which, I think we all agree, has been incurred on war account, the tremendous total rises to 84 per cent. In other words, all the money we have expended in 131 years of our history on war account, together with the obligations we have yet to discharge, amounts to the stupendous sum of seventy-seven and one-tenth billions of dollars in contrast with fourteen and one-tenth billions spent for all other purposes. Answering the gentleman from Mississippi [Mr. SISSON] directly, I would say that I would proceed as the Republican Party to-day is proceeding, through the calling of the great world conference that has had our attention lately, to institute an inquiry and take a definite step, to come down out of the clouds of theory and idealism, and begin at something actually practical in the way of accomplishing some reduction in governmental expenditures. I trust that this, in a way at least, will be an intelligent answer to the question directed this afternoon.

Because of the statements, rather reflecting, it seems to me, upon the service that is rendered by at least two splendid groups of our public servants, namely, the city letter carriers and the rural letter carriers, I hope I may be permitted to make this statement in that connection, that it seems to me when we consider the work performed by the 39,144 city letter carriers who are paid the tremendously large (?) sum of $1,722 per year, out of which they support their families and try to live according to the standards that we want to see the servants of this Government live under; when I recall, I say, this tremendous amount that is expended, I certainly would have to think a considerable number of times before I would begin my policy of governmental retrenchment at this point.

With reference to the men who drive the rural free delivery routes, when I realize that 43,642 of these men go out on days, for instance, like yesterday, on all kinds of roads and in all kinds of weather, and that they supply six and one-half million families throughout the country, or a total of over 30,000,000 of our people, with facilities of mail that bring those people in active touch with the great movements of the world, certainly I would think many times before I began my policy of Government retrenchment at that particular point.

Some time in the future I think some historian, as he writes the history of this country, will notice a particular development that began along about the close of the last century and at the beginning of this. It might properly be called the renaissance of the people who live in the open country—a new birth, a new beginning in their life, a new attraction to country life. When he undertakes to trace out the cause of this new birth, this new beginning, this fine opening of a period of progress in connection with country life, I think undoubtedly he will trace it very largely to the free rural delivery of mail, and certainly no impairment of this service, no desire to retrench at that particular point, seems to me to be worthy of consideration.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KETCHAM. May I have one additional minute?

Mr. SLEMP. Mr. Chairman, I yield to the gentleman one additional minute.

The CHAIRMAN. The gentleman from Michigan is recognized for one additional minute.

Mr. KETCHAM. I desire to take that additional minute to read into the RECORD this tribute, paid to those who do the work of the Postal Service, and surely my friend from Mississippi [Mr. SISSON] will not designate this as demagogy:

> The Postal Service is the heart pumping the blood through the veins and arteries of our national life. It makes a thousand scattered communities into a State; it makes 48 scattered States into a Nation. Through the printed matter it carries it brings the joys, the sorrows, the crimes, and the achievements, the political, social, economic, and religious theories and experiences of the whole people before each minute portion of it; to instruct, to inspire, or to horrify; sweeping away sectional lines and breaking up religious prejudices; molding political thought and building political parties; advancing good causes, checking dangerous tendencies. Without it business would languish in a day and be at a standstill in a week. Public opinion would die of dry rot. Sectionalism only would flourish and provincialism thrive.

This is the work of the Post Office Department, as pictured by its brilliant and able head, Postmaster General Hays, and I am certainly willing now to say again, with all the strength I have, that if asked to retrench in governmental expenditures, it would not be done in connection with the work of this splendid department, and I therefore expect to vote for the splendid measure which has been reported by this very able subcommittee. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SLEMP. Mr. Chairman, I yield to the gentleman from Ohio [Mr. CABLE] five minutes.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes.

Mr. CABLE. Mr. Chairman and gentlemen of the committee, elections are public affairs, participation in them a public duty. I want to take the time allotted to me to call the attention of the Members of the House to the need of a new corrupt practice act for election of Senators and Representatives. The present law has been enacted in piecemeal in 1907, in 1909, in 1910, in 1911, in 1912, and in 1918. The law, while it has taken a long time to be placed on the statute books, was knocked out in May of last year by the so-called Newberry case. Money and means should not be the first and primary qualification for an election to either House of Congress. Purchase of power reflects both upon the Government and he who derives that power. We should put on the statute books a new law. It should be such a law as will protect a qualified man against one who as his first qualification seeks a seat in Congress through corrupt methods.

I have introduced a bill in Congress, known as H. R. 9720, to reenact a corrupt practice act that will apply to elections. Congress is without power to legislate as to primaries. This bill takes from the States the right to limit campaign expenditures in the election of Senators and Representatives. In one State the limit is $500, in another $750, and in some States there is no limit at all. In some States we have a corrupt practice act and in other States we have none. We should provide a uniform rule, so that a Member from Maine and a Member from Texas should each be limited to a certain amount of expenditures in elections. By passing a uniform corrupt practice act as to elections we will encourage the States to pass similar laws as to primary elections.

Under the decision in the Newberry case the State only has the right to legislate as to primaries and conventions. I have provided in this bill a section that will prohibit again the unfortunate episode that is now being enacted in the Senate. It is provided that before any friend of a candidate can expend a cent he must obtain the written consent of the candidate, and that expenditure by others is counted in the limit that may be used in the election.

Another provision in the act is this, that if a man goes out and willfully violates the provisions of the Federal act each House of Congress has the authority to unseat that man and may seat the man receiving the next highest number of votes. We must put a law on the statute books for the coming election. The people of this country will not put their stamp of approval on the party that hinders or delays the enactment of a law that purifies elections and eliminates the buying of seats in Congress.

I believe it is the duty of every Member of the House to urge a prompt and quick action and to put a law on the statute books so that it will be ready for the election this fall. My bill also provides that the total amount permitted to be expended by a candidate and his friends for his election shall be based upon 3 cents per vote for the total number of votes cast for all candidates for said office at the last general or special election, with a maximum and a minimum for the Senate of $25,000 and $10,000, and for the House of $4,000 and $2,000. A penalty provision is inserted in the bill that will make it effective, and violators may be punished in Federal courts by Federal officials. Let us preserve the integrity of the ballot by the prompt enactment of a new Federal corrupt practice act.

Mr. SLEMP. I yield 20 minutes to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman, I had 12 minutes remaining.

The CHAIRMAN. Yes.

Mr. SISSON. I yield 30 minutes to the gentleman from Texas [Mr. BLANTON].

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] is recognized for 30 minutes.

Mr. BLANTON. Mr. Chairman, on December 17, 1921, while discussing the efforts of the Committee on Appropriations to economize and the wasteful, extravagant action of Congress in voting the people's money out of the Public Treasury in $20,000,000 blocks to relieve the Lenin and Trotski bolsheviks and communists of Russia, the chairman [Mr. MADDEN] had this to say:

> Mr. MADDEN. * * * You are coming into the House and spending millions where we are saving dollars. Do we hope by this method to be able to reduce the cost of Government? I do not believe we can. And for myself, I wish I could say what I know to be the facts. I would not dare say it, but I do know of conditions in America that would appall the Congress and the people if they dared to be told. Knowing them as I do——
>
> Mr. COCKRAN. Why should we not know?
>
> Mr. MADDEN (continuing). From confidential information given to me I can not see my way to vote a dollar out of the Treasury of the United States to be paid for any purpose that does not mean a relief to the conditions of the people in the Nation which we are sworn to serve.

Mr. Chairman, it is certainly a serious situation when the people of the United States can not be told the facts concerning the financial condition of their own business. And it is certainly a most precarious situation when even the Representatives of the people in Congress are given to understand that even they can not be trusted with this grave knowledge.

I respectfully protest, Mr. Chairman, against any such doctrine. I submit that it is the duty of every Representative of the people to know every fact existent concerning the business of his Government, and, as he is but a mere servant of the people, it is his duty to impart such information about their own business to the people of this Nation. They are entitled to know the facts.

Let me illustrate how the people are kept in ignorance of what is going on in Washington. On January 4, 1922, after Chairman IRELAND had called up his measure to use the people's money in employing cooks and waiters and to pay the losses of the House restaurant, the following occurred:

> Mr. BLANTON. Mr. Speaker, will the gentleman yield?
> Mr. IRELAND. After making a preliminary statement.
> Mr. BLANTON. Will the gentleman give me a little time on this resolution to oppose it?
> Mr. IRELAND. If the gentleman desires it, but I would like to get through as early as possible, and I would rather not yield the floor.

And without yielding the floor, after assuring Members that his committee intended to make the House restaurant equal that of the Senate, the chairman moved the previous question, which would have prevented any debate, the following occurring:

> Mr. IRELAND. We hope to bring ours up to the standard of the Senate, Mr. Speaker. I move the previous question on the adoption of the resolution.
> Mr. BLANTON. Mr. Speaker, the gentleman said he would give me a little time on the resolution. I should like to oppose it.
> Mr. IRELAND. Then the gentleman was in a somnolent condition and did not realize it.
> Mr. BLANTON. I would like to have a little time.
> Mr. KNUTSON. Mr. Speaker, I make the point of order that the previous question has been moved.
> Mr. BLANTON. Mr. Speaker, I would like for the gentleman from Illinois to yield me five minutes if he will.
> Mr. IRELAND. All right. I yield five minutes to the gentleman from Texas [Mr. BLANTON].

And then, Mr. Chairman, simply because I explained what this measure meant to the people and their Treasury, I was ridiculed, belittled, bemeaned, and laughed at amid great and prolonged applause. I was represented to favor, and my district of 314,000 honest, intelligent, educated, cultured, and high-minded people was represented to use one roller towel a week for a family, simply because I protested against the Government paying part for our meals and have favored taking the barbers and congressional body rubbers off of the pay roll of the Government.

Now, what were the facts about this House of Representatives' restaurant? The Government furnishes rent free the kitchens, the cooking ranges, the refrigerators, the utensils, the fuel and power, the restaurant dining rooms, the fine mirrors that run from the floor to the ceiling, the fine chandeliers, the fine new furniture just installed, the silver, the china, the glassware, the linen tablecloths and napkins, and most of the overhead expense. And this resolution will pay all losses on food and employment of cooks and waiters out of the people's money.

One other gentleman saw fit to get time, five minutes, to speak against this resolution. The distinguished gentleman from Mississippi [Mr. SISSON], who is a member of the Committee on Appropriations, to the members of which committee the people of this country are looking for retrenchment, knew the importance of the resolution, and he is a man who is not afraid, and here is what he said on the floor of this House, as found in the RECORD, on page 887:

> Mr. SISSON. Mr. Speaker, the only trouble with the restaurant is that Members of Congress demand too much for their money; it is losing money, and if you make Members pay what they ought to pay this would not be true. So you want to pass this resolution to pay the loss out of the people's pockets—that is, the Treasury. This is a little thing, you say, but the real way to determine the character of a man is found more frequently by considering the little things that he does than the big ones. O gentlemen, this is petty graft.

Now, you understand I am not saying this is petty graft. It is the gentleman from Mississippi [Mr. SISSON] who says that. Were I to say that, possibly I would be in danger of my seat in Congress. The majority leader probably would introduce a resolution to expel me before morning. But it is the gentleman from Mississippi [Mr. SISSON], who has had long and distinguished service here, who says that it is petty graft, and I am

repeating his language from the RECORD. Continuing, Mr. SISSON said:

If I were going to be a grafter, I would start out with a bigger thing than grafting on the difference between the loss we suffer downstairs and what we pay. O gentlemen, I beg of you do not do this little thing. Let us pay for our own meals. This is such a little thing. It is too cheap a thing for this House to be guilty of.

Now, honest Indian, there is no justification on the face of the earth for having the Government pay the loss incurred in that restaurant. You can not find in your own heart any reason for it. The body at the other end of the Capitol had, some years ago, an expense account that was so bad that they did not dare print it. In the items embraced within the statement of expenses they had "a masseur" at one time, but he is now put on the roll as "a helper," and so on. Why? Because they knew that the people would not stand for it. * * *

You know that the Government of the United States ought not to pay one single cent out of its Treasury to feed you. [Applause.]

And he got applause, and I was the one who applauded him.

Now, I realize that when you talk in the interest of people, even about a little thing like this, you do not get anywhere. The fellow in this case does the voting and enjoys the graft. If you do not think that your salary is big enough to feed you, vote to increase it and quit. You know there is a passage of scripture that is absolutely and everlastingly true, * * * it says that "*the love of money is the root of all evil.*" And it is.

Then the gentleman from Illinois [Mr. MANN] asked him if he knew about the appropriation for the special spring water for Congressmen to drink. He admitted knowing of it, and then the gentleman from Illinois asked him if he did not drink the water, and the gentleman declined to yield. That is what we meet with. Every time we go to stop a piece of graft in government we are met with, "Do you not do so-and-so? Are you not paid so-and-so? Are not your perquisites so-and-so?" What are the perquisites of a Congressman? Well, we get our salaries and we get mileage, 20 cents a mile. We Texas men get a mileage check of $700 three times in each Congress. In the war Congress we each got $2,100, in the last Congress $2,100 each. Last April we each got $700 mileage, and in order for us to get another $700 mileage check in December Congress adjourned, as the late Speaker Clark used to say, for prudential reasons, adjourned for 10 days so we could get another $700 mileage check in December. Four of the Texas delegation are bachelors. There are 67 bachelors in this Congress. Thus our four bachelor Members from Texas each get $2,100 a Congress for mileage. That is a valuable asset.

Mr. KELLER. Will the gentleman yield?

Mr. BLANTON. I am sorry; I can not yield.

Mr. KELLER. Did you take your check?

Mr. BLANTON. Just a minute. That is the way they come back at you, "Did you not take it?" Why, of course, I took it, because I would be a fool not to take it when it is there to my credit. Nobody else can take it. If I did not take it, who would spend it? There is a voucher issued payable to me for it.

But I say it is these things that ought to be stopped. For instance, all Members of Congress who know about it, who have made an investigation, Democrats and Republicans alike, know that besides the waste and the extravagance of the Shipping Board and the Emergency Fleet Corporation, that one department of the Government has grafted about $800,000,000 from this Government. We all know it, but when we go to reach these big things we are confronted with these little things that we take ourselves. They say, "Did you not take this and that?" What are the things we take? Oh, we get a free trip to Panama, each one of us, at Government expense, and we can take every member of our family for a little, measly $61 apiece to pay for meals, it says.

Now, this House barber shop. Why should all those barbers there draw $70 a month from the pay roll of this Government, I want to ask you? If it is a proper charge, why do you not put them on the roll as barbers and not as laborers or helpers? They are every one of them drawing $70 a month. Why is it that Bruce over here and William Richardson are still drawing $95 a month from the Government in that House bathroom, and Tompkins, another one of the body rubbers, $78 a month to rub Congressmen when they come back from golf games or other places of amusement? Why should they be paid by the people's money? Why do we not pay them when we want to be rubbed, I ask you? Why, all those fixtures and that furniture in that bathroom and barber shop are paid for by the Government. They are paid for and furnished by the Government.

I have not complained about towels, merely, as was suggested the other day. Why, in the splendid offices that are furnished each one of us, magnificently furnished, we are supplied with a secretary and an extra clerk. We are furnished with the finest furniture and carpets. We are furnished with two typewriting machines. We are furnished everything we need—comb and brush, clothes brushes, soap, hot and cold water, and clean towels every day. And what else? In every Congress each one of us has credited to his account $125 each session for stationery. In the war Congress we each had $375 credited to our account in the stationery room, and in the last Congress $375 each. We have already had $250 credited in this Congress, less than a year old, to each one of us, and we will have another $125 credited next December. What do we do with the $375? What do they keep in the House of Representatives' stationery room for us to buy with it? Let me show you some of the things they keep there in the stationery room for Congressmen of the United States to buy with Government money. It is all right for us to be furnished with official stationery. Why should we be furnished with stationery of this kind? [Exhibiting.] Big box of fine, fancy, lady's stationery. That box down town sells for $6, $8, or $10, but you buy it over here because they buy it at the manufacturer's prices—you buy it for less than $4 over here. What else do they keep over there? Fine desk pads like this, for instance, that sell for $19 at manufacturer's price. The price to the Government is $19. That is kept there for sale. What else is kept there? Take, for instance, carving knives and forks, with steels, like this. What use have we as Congressmen for such truck as that? What else is kept there? Let me see. Now this came from the stationery room. This is a leather-bound poker set, with four decks of cards and full of red and white and blue poker chips. It is in a leather-covered box, and would cost about $25 in the stores in Washington. It is kept there for us Congressmen to buy with Government money. And they furnish you with a dozen extra decks of cards to go with it. [Exhibiting them.]

What else do they furnish? Things of this kind [exhibiting]: Notice the color of the lining, fancy lavender, lady's manicure set; all these pieces, every one of them with pearl handles, that in the stores of Washington would sell for about $40. Over here it sells for about $20. That is what they keep there for Congressmen to buy.

Now, you know they had so much demand for this little article [exhibiting], a pocket pint whisky flask, covered with ostrich-skin leather, during Christmas time that they sold out. What else do they have there? Ladies' bags of this character, covered with genuine ostrich leather, guaranteed, on the outside and fixed up with that character of lining on the inside. At the wholesale manufacturer's price that sells for $22.90. Down town it would cost about $40. You buy it from a paid employee of the Government on the pay roll of the Government, and he sells you articles of that kind on your stationery account!

Now, what else do they keep there? I have a number of things I want to show you that you can buy with Government money on your credit of $375 a Congress in the stationery room. Here is a lady's toilet set with brush, comb, and a big fine mirror.

Mr. CROWTHER. Does the gentleman get any commission for displaying these articles?

Mr. BLANTON. Then they have fine electric chafing dishes that at manufacturers' prices cost about $15, while in the stores of Washington they sell for about $25 or $30. I say, as the gentleman from Mississippi well said, the graft is too little for Congressmen to permit to exist longer. I went to the dean of a delegation after I had been here less than six months, a man who is honest, a man in whom I have the utmost confidence, and I said, "John, we have got to stop this, and we will stop it." He laughed at me. He says, "Tom, this was here 50 years before you and I got here. It was here when I came here, nearly 20 years ago, and it was here when you got here. You had better let it alone." He says, "If you ever get up on the floor of the House and say anything against it, they will call you a demagogue," and they did. He knew what he was talking about.

Mr. ROSSDALE. Will the gentleman yield?

Mr. BLANTON. No; I decline to yield. He told me that neither I nor any one man could stop it. He told me the truth. I can not stop it, but I am here to tell you that I am going to try to stop it. I am here to tell you that if I can get enough of you men to vote with me we can stop every bit of it tomorrow. We could stop all of these items I have mentioned, as well as the restaurant expense that the gentleman from Mississippi denominated as petty graft, and we would feel better, we would be in a better position to face and fight the big graft in this Government, the hundred million dollars in the Shipping Board and the Emergency Fleet Corporation. We could come with a better heart and a better grace and stand up like men when we say that we are going to stop it.

I know that whenever a man gets up here and says anything against these things he is placed in the attitude of being holier than thou; he is placed in the attitude of trying to hold himself out as more honest and honorable than his colleagues. I do not pretend any such thing. I do not pretend to be any more honorable or honest than my colleagues, but I do pretend to have nerve enough to stand up on this floor and tell you that we

ought to stop it, even if we do personally profit by it. The time has come in the history of this Government when the people ought to know more about their business. They are entitled to know more about their business. We have no right to furnish ourselves with barber shop accommodations at the expense of the Government. We have no right to furnish ourselves with masseurs and manicurists and men to rub us when we come in from the golf fields. We have no right to call upon the Government to furnish all overhead expense for our eats in the restaurant. It ought to be on a commercial basis. We ought to pay just what everybody else pays—we ought to walk up like men and pay our bills and not ask the Government to stand it.

Oh, the gentleman said that he was going to have this House restaurant equal that of the Senate. That was his object in passing the resolution. Let me show you what you will have to do if you equal the Senate. Here is the menu, and I want you to remember that the purpose of the chairman in passing the resolution was stated to be, because sometimes the House would adjourn and all of the food down there would be left on the hands of the restaurant and would spoil. Some one asked him if they could not protect it by a refrigerator, and he said no; that it would spoil; that they had not been able to protect it.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I can not yield now. I have not the time. He said that it would spoil, and he said that no private institution could afford to stand the waste and stay in business, but the Government has got to stand the waste and the people have to pay the bill. Let me show you how much food is put up for one meal that would have to be wasted if we adjourned and did not eat it, if we were to equal the Senate restaurant. Here is a menu of the Senate restaurant for January 10, 1922, the day before yesterday. At the bottom of it is printed "No tips allowed." Do you know why? Because the employees are paid by the Government. You are letting the Government pay your tips even. Let us see what the food is:

SPECIALS TO-DAY.

Oysters and clams: Blue points, Lynnhavens, cherry stone or littleneck clams, oyster stew in milk.

Ready to serve: Chicken soup with rice, white bean soup, consomme xavier, fried scallops with bacon and tartar sauce, fillet of flounder, oyster sauce; deviled crab, shirred eggs nantua, omelet with asparagus tip, Brookfield sausage gastronome, New England baked pork and beans, boiled fresh calf's tongue, supreme sauce, string beans; roast spring lamb, mint sauce; roast prime rib of beef with potatoes.

To order: Venison steak with Cumberland sauce, minute steak with O'Brien potatoes, half spring chicken saute with mushrooms, broiled Smithfield bacon with poached egg, two lamb chops with baked stuffed potatoes, broiled fresh mushrooms on toast, broiled fresh pig's feet with French string beans, broiled bluefish or sea bass.

Vegetables: Fresh spinach with egg, lima beans, buttered beets, mashed potatoes, spaghetti American, French string beans, fried egg plant, stewed tomatoes, boiled potatoes, stewed hominy.

Cold buffet: French endive salad with Roquefort cheese dressing, fresh shrimp salad, parliament salad, box select sardines, crab Ravigotte, Romaine and grapefruit or orange salad, crab salad, combination ham, lettuce, tomato, and mayonnaise sandwich.

Desserts and fruits: Deep dish rhubarb pie, apple or chocolate custard pie, peach cobbler, fruit sauce; Demonet's chocolate or vanilla, raspberry ice, Velvet ice cream, half grapefruit, cup custard, baked apple with cream, apples, apple sauce, stewed prunes with cream, orange marmalade, sliced oranges, individual jar skinless figs, individual jar strawberry or raspberry preserves, peaches or pineapple in sirup.

TUESDAY, *January 10, 1922.*

What I have read to you constitutes the first page of the menu. There is a whole bunch of stuff on the opposite page, twice as many articles as those that I have read, which I shall not take the time to read, but with the permission of the House, if there is no objection, I shall put into the RECORD in connection with the other page, just to show how much food would be ruined in one day if we adjourned:

A LA CARTE.

Relishes: Crab cocktail, dill pickles, tomato (Norfolk), stuffed mangoes, stuffed olives, Queen olives, ripe olives, shrimp cocktail, mixed sweet pickles.

Soups: Cream of tomato, clam broth, vegetable, chicken with rice, consomme.

Fish: Fillet of sole (tartar sauce), sea trout, fillet of bass Duglere, broiled or boiled salt mackerel, bass.

Broiled or fried: Broiled chicken (half), minute steak (with potatoes), ham or bacon and eggs, lamb chops, sirloin steak, Boston baked beans, broiled or fried ham or bacon, calf's liver and bacon.

Eggs: Boiled, fried, poached, shirred, scrambled, omelet (plain), omelet (with ham or jelly), cheese, Spanish omelet.

Cold meats and sandwiches: Sugar-cured ham, assorted cold meats, chicken sandwich, Swiss cheese, Virginia ham, chicken, ham, tongue, American cheese, roast beef, chicken salad sandwich, lettuce, smoked ox tongue, fried egg, club.

Vegetables: French fried potatoes, saute potatoes, stewed in cream potatoes, O'Brien potatoes, buttered beets, Lima beans, Julienne potatoes, au gratin potatoes, fried sweet potatoes, spinach with egg, succotash, asparagus tips, hashed brown potatoes, lyonnaise potatoes, boiled rice, string beans, green peas, sugar corn, asparagus (butter sauce).

Salads: Chicken with mayonnaise, cold slaw, potato, asparagus tips, fruit (cream dressing), hearts of lettuce, combination, mayonnaise dressing, lettuce and tomato, cucumber.

Cheese: American, cream cheese (guava jelly), Camembert, Philadelphia cream, imported Swiss Gruyere, imported Swiss, Liederkranz cheese, Roquefort.

Tea, coffee, etc.: Coffee, milk, buttermilk, cream, tea (Oolong, Orange Pekoe, English breakfast, mixed), cocoa, malted milk, instant Postum.

Toast, cereals, etc.: Dry or buttered toast, milk toast, Shredded Wheat, Grape Nuts, or Corn Flakes (with cream), wheat or corn cakes (with maple sirup), cream toast, corn bread, Graham crackers.

Mineral waters, etc.: Lemonade, White Rock, Anheuser-Bush ginger ale, Pluto (split), Apollinaris (pint), C. & C. ginger ale, Bevo, Evans' ale, Granite State ginger ale, White Rock ginger ale, Red Raven (split), grape juice, loganberry juice, Budweiser, cigars and cigarettes.

No tips allowed.

Mr. CABLE. How about the prices?

Mr. BLANTON. I am illustrating wastage now. Are the people cognizant of the fact that we are putting up all that food at their expense, partly? Are they willing to bear the losses, or is it right that they should do it, I ask you?

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a minute. Is it right that they should do it? When the Congressman said that I could not stop it, I will tell you what else I asked him. I then asked him how on earth we could go back to the people and face them unless we did stop it. He said, "TOM, I tell you what I did. I went down and told my people about every graft that there is up here. I told them about every one of them, and I told them that I could not stop them and that nobody else could." I am now doing what he did—telling the people of this country about it.

Mr. KING. Mr. Chairman, will the gentleman yield now?

Mr. BLANTON. Yes.

Mr. KING. I just want to ask the gentleman if he will not put in the prices, so as to show the people of the country that we are paying for them, so that it will not appear that we are getting this for nothing.

Mr. BLANTON. I will do that if the gentleman will get permission from the House to permit me to put in in connection with it the menus for the same day from the first-class restaurants of Washington, so that the people may compare the prices. Let my colleague get permission to do it, and I will then put them all in, and you may see the difference between the Hotel Raleigh and the Hotel Willard and the prices contained in this menu. I was illustrating wastage merely in the variety of food.

Oh, but it was said on the floor here the other day that I was raising an objection to the restaurant bill and this barber shop and other matters because I wanted votes. It was charged that I was after votes in Texas. Let me tell you something, and let me tell the good Member from Oklahoma, who said that on the floor, just watch the next election reports and you will find that there will not be a Member in Congress here who gets more votes than I shall get in the seventeenth district of Texas in the next election, not one of them. If your people will stand by you just like my people will stand by me, you will get the biggest majority that any Congressman ever received. It is not to get votes, and you people know it. I know how I stand with my people; I know where I stand. Somebody said, "Oh, BLANTON is a candidate for the United States Senate." I would be if I were able financially to do it, but I am not, and I am not going to run for the Senate. I state that to the people who have been fearful that I would run. I am not going to run for the Senate, because I am not able to campaign the State.

Mr. CABLE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CABLE. If the gentleman will help me put through a bill, he will be able to run, a corrupt practices bill, limiting the amount of the expense.

Mr. BLANTON. Oh, we have a corrupt practices act in Texas that limits the expense to $5,000, and yet one governor of Texas had spent for him $78,000 to be elected not long ago—not the present governor, but another one—and $5,000 is a big sum for a poor man.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SLEMP. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Thereupon the committee rose; and Mr. WALSH, having taken the Chair as Speaker pro tempore, Mr. SANDERS of Indiana, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9859, the Post Office appropriation bill, and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. GRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Post Office appropriation bill.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the

RECORD on the Post Office appropriation bill. Is there objection? [After a pause.] The Chair hears none.

Mr. COLLINS. Mr. Speaker, I make the same request.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. COLLINS] asks unanimous consent to extend his remarks in the RECORD on the Post Office appropriation bill. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. SLEMP. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 52 minutes p. m.) the House adjourned until Friday, January 13, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATION.

467. Under clause 2 of Rule XXIV, a letter from the Acting Secretary of the Interior transmitting list of useless papers to be disposed of was taken from the Speaker's table and referred to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PARKER of New York, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 9813) to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes, reported the same without amendment, accompanied by a report (No. 559), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER, from the Committee on Indian Affairs, to which was referred the bill (S. 902) to amend an act entitled "An act for the relief of Indians occupying railroad lands in Arizona, New Mexico, or California," approved March 4, 1913, reported the same without amendment, accompanied by a report (No. 562), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 140) relative to payment of tuition for Indian children enrolled in Montana State public schools, reported the same without amendment, accompanied by a report (No. 563), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. SUTHERLAND, from the Committee on the Territories, to which was referred the joint resolution (H. J. Res. 249) authorizing the Secretary of the Interior to donate and grant certain buildings in Alaska to the Woman's Home Missionary Society of the Methodist Episcopal Church, reported the same without amendment, accompanied by a report (No. 560), which said joint resolution and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 8460) to authorize the occupation and use of certain lands in Alaska by Ketchikan Post, No. 3, American Legion, and for other purposes, reported the same with an amendment, accompanied by a report (No. 561), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9830) granting an increase of pension to Mary Kelly, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RAMSEYER: A bill (H. R. 9879) to correct the military record of officers and enlisted men of the Davis County Regulators and all other militia organizations of the State of Iowa that cooperated with the military forces of the United States in suppressing the War of the Rebellion who served 90 days or more; to the Committee on Military Affairs.

By Mr. VAILE: A bill (H. R. 9880) creating an immigration board and prescribing the powers and duties thereof, and amending the act of February 5, 1917, entitled "An act regulating immigration of aliens to and residence of aliens in the United States," and amending also the act of June 29, 1906, entitled "An act to provide for a uniform rule for the naturalization of aliens throughout the United States and establishing the Bureau of Naturalization," and acts amendatory thereof, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LUHRING: A bill (H. R. 9881) authorizing the erection of a Federal building at Mount Vernon, Ind.; to the Committee on Public Buildings and Grounds.

By Mr. WEBSTER: A bill (H. R. 9882) making appropriations for the further investigation and control of the white-pine blister rust; to the Committee on Agriculture.

By Mr. MILLS: A bill (H. R. 9883) to supplement and amend the act entitled "An act to incorporate the North River Bridge Co. and to authorize the construction of a bridge and approaches at New York City across the Hudson River, to regulate commerce in and over such bridge between the States of New York and New Jersey, and to establish such bridge as a military and post road," approved July 11, 1890; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BECK: A bill (H. R. 9884) granting a pension to Dora B. Brown; to the Committee on Invalid Pensions.

By Mr. BRENNAN: A bill (H. R. 9885) granting an increase of pension to Mary Jane Wilking; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 9886) authorizing the President to appoint John M. Beggs to the position and rank of second lieutenant of Infantry in the United States Army; to the Committee on Military Affairs.

By Mr. CRAGO: A bill (H. R. 9887) for the relief of the Pennsylvania Railroad Co.; to the Committee on Claims.

By Mr. DARROW: A bill (H. R. 9888) for the relief of Samuel A. Rixon; to the Committee on Claims.

By Mr. FORDNEY: A bill (H. R. 9889) granting a pension to Imogene Burdick; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 9890) granting a pension to Emma E. Howe; to the Committee on Invalid Pensions.

By Mr. HICKEY: A bill (H. R. 9891) granting a pension to Mary E. Cappis; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 9892) granting a pension to Grace Kennett Wheelwright; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 9893) granting an increase of pension to Herbert O. Kohr; to the Committee on Pensions.

Also, a bill (H. R. 9894) granting a pension to Sarah A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9895) granting an increase of pension to Emma C. Eldridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9896) granting an increase of pension to Mary E. Shannon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9897) granting a pension to Mary A. Lawyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9898) granting a pension to James H. Laflin; to the Committee on Pensions.

Also, a bill (H. R. 9899) granting a pension to May Blunt; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 9900) granting an increase of pension to G. A. Settle; to the Committee on Pensions.

By Mr. ROSENBLOOM: A bill (H. R. 9901) granting a pension to Sanford L. Martin; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 9902) granting a pension to Mary E. Kellogg; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 9903) granting a pension to Laura A. Hoyt; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 9904) to authorize the President of the United States to appoint Homer A. Berger an officer of the Navy and to place him on the retired list; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3481. By the SPEAKER (by request): Petition of the city of Chicago, office of the clerk, tendering a resolution adopted by the city council of the said city urging amendments to the prohibition law; to the Committee on the Judiciary.

3482. By Mr. ATKESON: Petition of residents of Bates County, Mo., urging the extension of game privileges; to the Committee on Interstate and Foreign Commerce.

3483. By Mr. FULLER: Petitions of Henry H. Boyer Post, No. 589, of Rockford, Ill., and of John R. Fairly and Louis H. Gillardon, of Rockford, Ill., favoring immediate enactment of a protective tariff bill based on American labor costs and the American standard of living; to the Committee on Ways and Means.

3484. By Mr. FUNK: Petition of 65 citizens of Ford County, Ill., urging the President and the Congress of the United States to take immediate steps to collect the $10,000,000,000, both principal and interest, now owing to the United States by foreign nations; to the Committee on Ways and Means.

3485. Also, resolution of the Ford County (Ill.) Farm Bureau, that the payment of interest on debts owed our Government by foreign nations be required; to the Committee on Ways and Means.

3486. By Mr. GALLIVAN: Petition of the Harvard Engineering School, Harvard University, urging "duty-free" privileges in connection with scientific apparatus imported for educational purposes; to the Committee on Ways and Means.

3487. By Mr. KISSEL: Petition of Ralph Arnold, of New York, N. Y., relative to foreign ownership of oil lands; to the Committee on Interstate and Foreign Commerce.

3488. Also, petition of the Foster & Reynolds Co., of New York City, opposing the passage of House bill 7452 unless amended; to the Committee on the Public Lands.

3489. By Mr. RUCKER: Resolution of the Missouri Baptist General Association, representing a membership of 196,867, indorsing the constitutional amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3490. By Mr. SINCLAIR: Petition of about 40 citizens of Powers Lake, N. Dak., urging the enactment of legislation for the revival of the United States Grain Corporation, and relief for agriculture; to the Committee on Agriculture.

3491. Also, petition of 250 farmers and business men of Benson County, N. Dak., in support of legislation for the stabilizing of prices of farm products; to the Committee on Agriculture.

3492. Also, petition of citizens of Des Lacs, Minot, Glenburn, Sawyer, Plaza, Crosby, Medora, Makoti, Donnybrook, Ryder, Drady, Kenmare, Washburn, Deering, Palermo, and Bowbells, all in the State of North Dakota, in support of House bill 9461, for the stabilization of prices of farm products; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES.

FRIDAY, *January 13, 1922.*

The House met at 12 o'clock noon, and was called to order by Mr. WALSH as Speaker pro tempore.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord, every daydawn awakens the echo of Thy merciful Providence. It is a miracle of Thy great love, so glorious and so impartial. May we lay hold of this truth and hide it away in our hearts. O direct us to hallow all our days with a due recognition of Thee as our Creator, whom we love to call "Father," and of our God in whose wisdom our Republic was conceived. Always bestow upon us the treasures of Thy truth, and may it be our authority and our guide. O let fall upon our loved ones the sweet benedictions of Thy spirit, through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

ECONOMIC SITUATION OF FRANCE.

Mr. McFADDEN rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Pennsylvania rise?

Mr. McFADDEN. Last evening it was my good fortune to attend a meeting of financial men and bankers in Philadelphia. There was delivered at that meeting an address by Hon. Maurice Casenave, the financial expert to the Disarmament Conference here, representing the French Republic, in which he deals with the economic and political rehabilitation of France; and because of the important statements which he has made, and in view of the legislative matters here pending, including the refunding of the public debt and our loans to foreign countries, I believe it is extremely important for the House to have this information. I therefore ask unanimous consent to extend my remarks by printing this speech, which was delivered in Philadelphia last evening.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to extend his remarks by inserting in the RECORD a speech made at Philadelphia last evening. Is there objection?

There was no objection.

Following is the address referred to:

ADDRESS DELIVERED BY THE HON. MAURICE CASENAVE TO GROUP 1 OF THE PENNSYLVANIA BANKERS' ASSOCIATION AT ITS DINNER HELD AT THE BELLEVUE-STRATFORD IN PHILADELPHIA ON THE EVENING OF THURSDAY, THE 12TH OF JANUARY, 1922.

GENTLEMEN: I am most appreciative of the opportunity which the Pennsylvania Bankers' Association affords me of speaking on the economic situation of France. This situation is of world-wide interest; all nations are connected with each other as are connected liquid-containing vases, the contents of which is common to the others.

At the present time the most important of all problems in France is reconstruction. This complicated problem embraces all economic, financial, and social questions, and not the future development only but even the future existence of the nation depends upon its solution.

The direct losses suffered by France during the war are known; about 1,400,000 of her young men were killed, and 700,000 permanently crippled, who have to be supported by the nation for their lifetime. Thus by their death and disablement an important economic factor is eliminated, and the pensions which have to be paid to their families weigh down upon the French budget, and will continue to weigh down upon it, until certain cash payments on account of reparations are paid into our national treasury.

The material destructions suffered by France have been estimated, after careful study, at about $12,000,000,000 gold, to which must be added the total of the pensions which have to be paid to the families of the dead or incapacitated soldiers, and which have been capitalized at about $12,000,000,000 also.

The French debt has risen from $7,000,000,000 to $60,000,000,000, of which more than $6,000,000,000 are foreign debt due to the United States and Great Britain.

Moreover, there are some losses to which references are seldom made, and which have increased the economic difficulties of France. Before the war France was close to being the greatest lender to foreign nations. Foreign nations had acquired the habit of coming to France in order to issue loans for national expenses, public works, or even private industrial enterprises. The proverbial thrift of the French people has helped to construct railways in the United States, Italy, Argentina, Brazil. These loans were made at a rate of interest averaging under 5 per cent. French money was lent to the Imperial Russian Government to an amount exceeding $2,500,000,000, and to Russian railways and mining and industrial enterprises to the extent of about $1,500,000,000. These loans made to Russia have undoubtedly been of use to France, as they have permitted the building of the former Russian Army, whose opportune diversion on the eastern front helped us to win the Battle of the Marne. But at the present time they seem to be greatly endangered, and although they may be recuperated when principles of honesty prevail in Russia, they do not actually bring any income at a moment when any income would be most helpful to France.

In the Balkans France has invested money in a similar manner in Rumania, Serbia, Bulgaria, Greece, and Turkey to an amount of over $1,000,000,000. These investments seem even more dangerously imperiled than the loans made in Russia, as these last-mentioned nations are comparatively poor. It seems very doubtful that their prewar indebtedness can ever be collected, inasmuch as some of these nations—Rumania, Serbia, and Greece—have increased their debt to France during the war. The sums advanced by France to her allies exceed 14,000,000,000 francs. As the franc during the war was always maintained near its par value, these sums exceed by about $500,000,000 the sums which were advanced to France at the same time by the United States.

The thrift of France, which manifested itself by lending money for the development of the world, must now manifest itself to provide for the necessary expenditures, as alloted every year in the budget, to repair French losses and to create new riches, thereby to enable us to comply with our national obligations.

France has to provide for expenditures of a different nature:

1. Expenditures necessary for the upkeep of the Government, national debts, administration, public works, army, navy, etc. They are of a permanent character and repeated every year. What we call in France the "ordinary budget" provides for them.

2. Expenditures to meet transitory necessities, which once paid for will not be renewed; for example, expenses paid in the Near East or Morocco. These expenses are essentially temporary and form the "extraordinary budget."

These two budgets for 1922 total about 25,000,000,000 francs. After every possible compression these budgets are about 2,000,000,000 francs less than the corresponding budgets for 1921. With the exception of a deficit of about 1,000,000,000 francs, which has to be covered by loan, both "ordinary" and "extraordinary" budgets are covered by taxes.

Considering the general condition of the world, this deficit of 1,000,000,000 francs does not seem so exaggerated. The United States are facing even a larger deficit. Before the war the northern departments paid one-fifth of the total amount of the taxes paid by France. Three years only have elapsed since the cessation of the hostilities, the population of these departments having not yet recuperated from the ruins caused by the Germans, can not be taxed at this time. Owing to the world crisis, the turnover tax, considered as the most just and most scientific of all taxes, is far from bringing in France, as in any other country, the expected returns. In this connection, I dare make the remark that the French people pay more taxes than is generally believed in this country. Calculations have been made by the financial organization of the League of Nations of the taxation

per capita in the principal countries of the world. This calculation does not refer to income tax only, but includes the proceeds of all taxation, direct or indirect. According to this calculation, England is taxed 26 per cent, United States 8 per cent, France 19 per cent, and Germany only 12 per cent of the revenue per capita. In this country I often heard just complaints made from a purely business point of view about the inconveniences of overtaxation. It seems to me that these inconveniences should be felt even more in France, who has suffered so much from the war, than in the United States, which are certainly in a much better financial position.

In any case, considering the present conditions, one may rest assured that as soon as restoration of our devastated regions has been achieved and as soon as the general conditions of business in the world have been improved the French budget will be balanced by taxation only.

Especially more so, as some of the expenditures of the extraordinary budget are only temporary; for example, our expenses in the Near East, which are the consequences of a mandate provided by the treaty of Versailles.

France, as a European nation with long tradition and located in the midst of all European difficulties, is not in a position to reject mandates. The only thing which she can do is to exercise these mandates so as to make them as inexpensive and as peaceful as possible. This she succeeded in doing in the Near East by the recent negotiations in Angora which, although being the object of criticism, nevertheless brought to the problem involved a solution less expensive than the continuance of war.

To sum up, I feel quite certain that, considering the difficulties confronting France, her "ordinary" and "extraordinary" budgets are in the best possible condition.

There is a third kind of expenses which are incurred for reconstruction and for the paying of pensions. These expenses have been incorporated under the name of "Budget of expenses to be recuperated from Germany." This incorporation is misleading; it is made for reference only. Properly speaking, these expenses are foreign to any budget.

They constitute an account opened by the French treasury to record the indemnities advanced by the French Government to the victims of the war, and which, in compliance with the Versailles treaty, are to be paid by the Germans. As it would be too odious to impose taxation on the victims for reparations of the wrong done by a destructor because of his reluctance to pay, these advances can not be considered as budgetary expenses, to be covered by taxation.

Notwithstanding the fact that Germany did not pay for the wrong she has done, it was of absolute necessity to bring the families, the population, back to their homes; to rebuild the towns, churches, and schools; to give the people means of existence; to restore the fields; reconstruct the farms and manufacturing plants; to put the mines into operation. This was of primary importance, as France was depending upon the devastated regions for large quantities of wheat, sugar, coal, and textiles. Until these regions brought returns France was compelled to buy a corresponding amount of raw materials in foreign countries at an adversed rate of exchange.

Under those difficult conditions, while awaiting payments from Germany, the French Government began financing reparations out of the resources of France. Of course, if one considers that certain of the goods necessary for reparations have to be purchased abroad it is readily understood that the cost of reconstruction is weighing heavily upon France, as the exchange is now against the franc and as the purchasing power of money in general has been greatly deteriorated.

In spite of these adverse conditions a sound and provident reconstruction began, the part most apt to produce riches receiving first attention, and now 95 per cent of the fields are cultivated, 75 per cent of the manufacturing plants are in operation; everywhere one can see fields covered with crops and newly equipped factories surrounded by huts in which employers and employees alike live in hardship. The spirit of the farmers, laborers, and of the people in general can be compared with the spirit of the pioneers, for they give no thought to the hardship of their daily life, having only one thought, the work to be done.

Thus since the armistice about 50,000,000,000 francs have been provided by the French Government for reparations and pensions. To cover these enormous sums—which, as I insisted above, should not be covered by taxation—the French Government appealed to the public by direct loans and by indirect loans floated by a bank, the "Crédit National," created especially for the purpose. Others were issued by corporations established with the object of using the organized credit of the devastated populations themselves.

But the sums required reached such a figure that it was an impossible task to raise them out of the savings of the country. Consolidated loans would have meant, to say the least, a very slow process, and reconstruction had to be made quickly.

At first the circulation of the "Banque de France" had been increased; but the Government, considering that this inflation was endangering public credit, put an end to the issue of such notes. For the past two years, instead of printing notes in conformity with the German system, not only has inflation of the notes of the bank been completely stopped in France but circulation of outstanding notes has been reduced by more than 2,000,000,000 francs.

With the view of providing for reconstruction the Government had recourse to another process. It framed a mean of mobilization of all the working funds of all the responsibilities of France, by issuing treasury bills. The Government has been reproached for having issued these treasury bills; however, thanks to these treasury bills, the 50,000,000,000 francs needed could be raised and a large part of reconstruction has been made in spite of the slowness with which Germany has made her payments.

If one can judge a financial policy by its social results, one can not help noticing that in France there are less strikes than in some other countries, even in those less hurt by the war than we have been; in France everyone goes to his work peacefully; recent statistics spoke about 14,000 unemployed, this out of a population of 40,000,000.

I must lay stress on the fact that payments made for reparations are only advances which ultimately must be met by Germany. Contrarily to prevailing rumors, France from the beginning tried to organize a practical settlement of reparations with the Allies as well as with Germany; attempts in this direction were made in December, 1920, and in January, 1921, but the attitude of the German Cabinet, then presided over by Mr. Fahrenback, was such that it did not permit the application of the elaborated scheme. Germany ceded only to an ultimatum which was served together with the menace of the occupation of the Ruhr and of some economic sanctions. These sanctions were lifted at the first manifestation of good will shown by the Germans and the French minister of the liberated regions, Mr. Loucheur, signed an agreement in August last, at Wiesbaden, to provide for payments in goods.

The terms of the Wiesbaden agreement lay down a modus vivendi whereby a committee or possibly a corporation will be established in France to represent all the French sufferers of war damages. This corporation will receive orders from these sufferers for whatever materials they may require for reconstruction. These orders may be placed up to 1,000,000 gold marks per annum. They will be handed by the French committee or corporation to a committee or corporation of Germans which will represent all the leading German manufacturers of all types of materials. The payment for these materials in Germany will be made at the price of materials bought on the French internal market.

The German committee or corporation opens a credit in Germany on behalf of the French committee or corporation of an amount of 7,000,000,000 gold marks. This credit will be repaid in 1936. So as to permit rapid reconstruction with the goods to be purchased with this credit, these will have to be delivered up to the value of the full amount of the credit before May 1, 1936.

The German seller is paid by the German organization; the amount of each payment so made is placed to the credit of the German Government and is deducted from the German debt according to the maturities of the said debts. Interest at 5 per cent will be paid to Germany because of the anticipated payments which she is to make. If in 1936, the date of the maturity of the said credit, the rights of France to indemnity have not reached the sum of 7,000,000,000 gold marks, France shall pay in cash the difference between the amount of the indemnity due her and the said sum of seven billions.

One can see that this agreement has the great advantage of bringing the question of reparations from the financial to the economic ground. It begins a collaboration with the living, working Germany; with the part of Germany which honestly wants to pay its debts. By that fact, it is the most momentous of all negotiations since the Versailles treaty. It proves that France does not seek to ruin Germany, as some people try to persuade the world, which they deem simple-minded enough to believe that a creditor is stupid enough to seek the ruin of his debtor.

Because it seems to interfere with payments due to other allies, the Wiesbaden agreement has not yet been put into execution; but it seems to indicate a new spirit. It is undeniable that Europe is beginning to reconstruct herself morally; this condition is necessary for her material reconstruction. A young nation, like the American people, is not always apt to understand the virtue of time as a healer of moral wounds; this healing is beginning to take effect on the health of Europe.

The fact which can not be overemphasized is that at the present time the only desire of France is for peace. Peace is the main factor of France's financial and economical reconstruction; armaments are one of our greatest expenses, and since the termination of the war our constant effort has been to reduce them. This is the reason why France was the first to welcome, with the utmost sympathy, the proposal of a conference for the limitation of armaments when it was called by President Harding.

But in order to be fully effective peace can not be separated from security in the minds of the people of France. France as a nation has a long past and a long history. Owing to her geographical position, it took long and bloody wars to build and to preserve her national unity. In the last 50 years France has been invaded twice—in 1870 and in 1914.

It is obvious that the mere thought that the horrors of these times could reoccur is sufficient to alarm the French people. Our history teaches us another lesson. In 1807, after the Battle of Jena, Emperor Napoleon, then dominating Europe, and having all the potentates as his confederates, tried to annihilate the military power of Prussia. However, by the underhanded and indefatigable work of her Government and people, Prussia succeeded in building a militaristic organization so promptly that six years later she was in a position to send the strong army which decided the fate of the Battle of Waterloo.

To be certain that such a nation as Germany is no longer a menace to France one has to have proofs that she is disarmed morally as well as materially, and that she is ready to pay for the wrong which she has committed. In the laboring and most-honest classes there seems to be signs of repentance. But anyone returning from Germany is impressed by the fact that the great magnates of industry and the former junker classes are filled with the spirit of vengeance only. Can France run the risk of another attack?

During the negotiations for peace, in order to protect ourselves against future invasions, some of our great generals who enjoyed the confidence of the French people who they had saved, advised France to exact from Germany forever the frontier of the Rhine. More cold-blooded advice came from the allied nations. Their representatives promised the French people that their help would again be given in case of another attack. France believed in them and refused to heed the advice of her military chiefs. Circumstances, which it is useless to recall, proved that France had to rely solely upon her own army to protect a frontier which had proved inefficient in 1870.

In spite of the fact that Germany in the last war was not invaded as we were in 1870, and that three years have passed since the cessation of the hostilities, Germany is far from having paid us half of what we in 1870 had paid to Germany in one year. In order to insure by our own means the protection of our frontier and to secure the fulfillment of obligations which were laid upon us by virtue of the mandates, or which were imposed upon Germany in our favor, we need an army. This army, which is sometimes made a subject to reproach us with, seemed very useful to all, for since the end of the war not long ago, when Poland had been crushed and when Warsaw was menaced by the triumphant armies of bolshevism, what would have become of the world at that time if the army of France had not been ready?

But these times are past and we hope they never will be known again. The bolshevists themselves seem to have reached a more thorough understanding of what nations owe each other. The military power of Germany has undoubtedly been reduced and is at the present time somewhat controlled by interallied commissions; our army need neither be as large nor as important as it was before the war. By comparing the figures for 1922 with those of 1914 one can readily see that the number of men under the French colors has been greatly reduced. To begin these reductions we did not wait for the meeting of the conference for disarmament in Washington; they were anticipated in the projected budget for 1922, which was submitted to the French Chamber of Deputies at the beginning of 1921. Before the war our troops, including those necessary to the defense of our colonies, figured 947,000; according to the budget for 1922 they are reduced to 643,000 men; prior to

the war every man was compelled to serve three years in the service; at the present time men are serving only about two years, and ere long the time will be reduced to 18 months.

If we compare the proportion of military expenses to the total expenses we see even a larger reduction. In 1914, out of a total budget of 5,200,000,000 francs, military expenses amounted to 1,435,000,000, or 27 per cent. In 1922, out of a total budget of 24,500,000,000 francs, military expenses amount to 3,700,000,000, or 14 per cent. Of course, in these figures two factors must be considered: First, the reduced purchasing power of the franc and at the same time the increase in the cost of living; second, the increase of our debt, the interest of which is included in the budget.

The above explanations are necessary to enable you to understand the position taken by France at the Washington conference, as well as to show you that France since the end of the war succeeded in reducing her army by one-third.

As regards naval armaments France has recently been reproached with some kind of megalomania and of lavish dilapidation of her finances. At the conference in Washington she spoke of 350,000 tons of capital ships, light cruisers, and 90,000 tons of submarines. This provoked universal disapproval and even indignation; dark designs were suspected; public references were made pretending that certain Frenchmen intended to wage war against our ally, who yesterday fought with us for liberty and civilization.

I am glad that such utterances were made openly; it furnishes an opportunity to clear ourselves of an infamous and stupid suspicion. It is not with the view of attacking anybody that we ask for such a fleet; it is for the very simple reason that a big country must be in a position to rely upon herself, to protect her own coasts, and to assure communications with her overseas possessions. It is for the same reason that the United States and Great Britain, who were never suspected of being militaristic nor megalomaniac, ask for a fleet of 500,000 tons each.

Everyone knows that a fleet which shows on every sea the flag of a big nation is commercially a very important factor in time of peace and that it has a far-reaching effect, as advertisement, toward the development of maritime commerce.

The main reason why the demand of France caused such an emotion in the United States is because the man in the street in America ignores that the total area of the French colonies slightly exceeds that of the United States, Alaska, Porto Rico, and the Philippines combined. Some of our overseas possessions, Algeria, Tunis, Morocco, only at a few hours' distance, really form a part of continental France; others, like Madagascar, an island as large as the State of Texas; Indo-China, which covers an area equal to that of California, Oregon, and Washington States combined, are located at distances varying from 5,500 to 9,000 miles. The islands of Oceania, which number over 100 and which were the object of the recent agreement regarding the Pacific, are located at the Antipodes of France.

The total length of the coasts of the colonies is 7,000 miles. The population figures 60,000,000 inhabitants.

French possessions and colonies are very valuable. Their annual commerce was greatly developed during the war and now exceeds 10,000,000,000 francs a year. They produce large quantities of tropical products, cereals, foodstuffs, metallic ores, and raw materials of every description which otherwise France would have to buy in foreign markets at a rate of exchange very unfavorable to us. We expect our colonies, by producing new wealth for France, to play the same part in our reconstruction as did the western territories in the reconstruction of America after the Civil War.

A large number of the inhabitants of the colonies are either good agriculturists or dairy farmers; some have become excellent mechanics; they are grateful to us for the benefit of the civilization which they receive from us and for the security which they enjoy under French domination.

During the war they helped us with men and money. Over 680,000 fought in the trenches, 238,000 worked in the rear of the army, and 107,000 served as agricultural workers. We need a navy to assure our communications in time of emergency with these important overseas possessions.

Nevertheless, as soon as the armistice was signed, we began reducing our navy, with a view to curtailing our budgetary expenses. The construction of 5 battelships, amounting to 126,000 tons, was stopped; 13 old battleships, totaling 148,000 tons, were scrapped; we gave up the laying down of five replacement units, amounting to 120,000 tons, and of the total program for 1912, amounting to 155,000 tons. Thus the total of our abandonments amount to 544,000 tons long before the call of the United States to the conference had been sent forth. Our naval expenses before the war amounted to 461,000,000 francs, or less than 9 per cent of our total budget; our naval expenses for 1922 provided for 940,000,000, or less than 4 per cent of the total budget.

Moreover, in consideration of the concessions made by others, the French Government showed its willingness to sacrifice a large part of the program of 10 capital ships, which had been prepared by our naval experts and the laying down of which had been postponed; we have agreed to reduce our construction in this connection to 175,000 tons as against 500,000 tons for the United States and England, 350,000 tons for Japan, and 175,000 for Italy. The light cruisers and submarine questions remain open. Having such reduced tonnage of capital ships, we must take other measures to safeguard our communications with our overseas possessions. Such communications have to be made by convoys, so we need light cruisers. The safety of the French coast proper and of the coasts of her colonies must be protected in some way; we need submarines to protect them. But on the proposal of two eminent statesmen, Messrs. Elihu Root and Arthur Balfour, regulations for submarines have been adopted which forever prevent the ruthless use of submarines in time of war.

This is a candid explanatory statement of the situation of France. Lately it has been the subject of so much discussion that I thought it would prove of some interest to you to have it explained from an economic as well as from a political point of view. I hope that you will admit that, under the most trying circumstances which were ever borne by a nation, France has followed a line of conduct in conformity with her past of courage and that the adopted course will be fruitful, bringing in the future peace and prosperity to herself and to the world.

REPORT OF THE AGRICULTURAL INQUIRY.

Mr. KIESS. Mr. Speaker, I desire to make a privileged report from the Committee on Printing.

The SPEAKER pro tempore. The gentleman from Pennsylvania offers a privileged resolution, which the Clerk will report.

Mr. GRIFFIN. Mr. Speaker, will the gentleman withhold for a moment until I make a request for unanimous consent?

Mr. KIESS. This will take only a moment. The gentleman can then follow.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Mr. KIESS, from the Committee on Printing, submitted the following report (No. 564) to accompany House concurrent resolution 37:

The Committee on Printing, to which was referred the resolution (H. Con. Res. 37) providing for the printing of 50,000 additional copies of the report of the Joint Commission of Agricultural Inquiry (H. Rept. No. 408, 67th Cong.), having had the same under consideration, report the resolution back with the recommendation that it do pass as amended.

The resolution provides for the printing of the report in four parts. The committee proposes an amendment authorizing the printing of 50,000 copies of part 1 and part 2 of the report.

The Public Printer estimates the cost of printing of part 1 at $3,749.05, and the approximate cost of printing of part 2 at $2,400.

The resolution is as follows:

House concurrent resolution 37.

Resolved by the House of Representatives (the Senate concurring), That there be printed 50,000 additional copies of the report of the Joint Commission of Agricultural Inquiry, in four parts, of which 10,000 shall be for the Senate, 30,000 for the House, 1,000 shall be for the Senate document room, 2,000 for the House document room, and 7,000 for the Joint Commission of Agricultural Inquiry.

With a committee amendment, as follows:

Page 1, line 3, after the word "of," insert "parts 1 and 2 of House Report No. 408, being."

Mr. KIESS. Mr. Speaker, the resolution provides for the printing of the report of the Joint Commission of Agricultural Inquiry in four parts. Only two of these parts have been printed, and we are unable to get an estimate of what the other two parts will cost. The Committee on Printing does not feel like coming before the House and asking the House to authorize printing when it can give no estimate as to the cost. The cost of part 1 will be approximately $3,700, and of part 2, which contains 160 pages, approximately, $2,400. We believe that this report is of enough importance to warrant the expenditure of this amount of money. The resolution as amended by the committee authorizes only the printing of parts 1 and 2.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. KIESS. Yes.

Mr. GARNER. I notice in most of these resolutions that the proportion allowed to the 435 Members of the House is not what it ought to be, in my opinion, of the total print. You take this resolution, for instancee, and you allot to the 435 Members of the House 30,000 copies, and you retain for other people, including the Senate, very properly, twenty-odd thousand copies. That is not sufficient for 435 people in proportion to the number printed, especially when you allow 7,000 copies to some other particular body to send out. It is not treating the 435 Members right.

Mr. KIESS. Mr. Speaker, this resolution was introduced by the gentleman from Minnesota [Mr. ANDERSON], who is chairman of this commission. Mr. ANDERSON is a Member of the House, and this is a House concurrent resolution, and it is to be supposed that a House Member would take care of the Members of the House.

I want to call attention to the fact that the Senate gets 10,000 copies and the House 30,000. Seven thousand copies go to this commission, whose members, of course, receive many requests for the same. I think they are entitled to a liberal number of these reports.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield to me for two or three minutes?

Mr. KIESS. Certainly.

The SPEAKER pro tempore. The gentleman from Washington is recognized for five minutes.

Mr. JOHNSON of Washington. Mr. Speaker, I am in favor of this resolution in its present form; but I want to make a suggestion which I hope will reach the Secretary of Agriculture. This resolution calls for a considerable amount of printing, to be paid for out of the House and Senate funds, which come from the taxpayers. The printing is necessary for the further study of the present situation of the farmers of the United States. The joint committee on farm problems, headed by the gentleman from Minnesota [Mr. ANDERSON], has done a big work. To promulgate its report in pamphlet form is necessary. But while I consider the printing of the report to be important and necessary, I beg to say that I do not consider all the printing put out by the Government either necessary or desired by the farmers. I refer to all Government printing, last administration and this administration. It has just "growed up."

Therefore, I take the liberty of suggesting that the distinguished Secretary of Agriculture can do no better service in the interest of economical printing than to recall from the Printing Office the manuscript of the Farmers' Almanac, which for the

year 1922 has just gone to the Printing Office, in the guise of a farmers' bulletin, and is not yet in type and will not be printed and bound within 30 days, and which will be distributed by Congress and the slow processes of the Department of Agriculture when the year will be about one-fourth gone. The proposed edition of the Farmers' Almanac for 1922 is 175,000 copies, which, if it is of any good, would not be enough to supply the intelligent farmers of the State of Pennsylvania alone. It was prepared too late and I have done what I could to shut it off, but I am hampered and stopped for the reason that the Department of Agriculture and the supporters of all agricultural printing, regardless of the value of the same, dislike to throw up the sponge for the Farmers' Almanac because, before the Joint Committee on Printing knew about it, the Bureau of Mines has printed 15,000 almanacs for the miners for 1922 and the Public Health Service had put out a limited almanac edition for 1922.

Now, if the Miner's Almanac is any good at all, I could use 5,000 copies in my district, which would leave only 10,000 for Pennsylvania, Ohio, Illinois, Colorado, and other mining States.

Mr. CAMPBELL of Kansas. I could use 20,000 copies in my district if they are worth anything.

Mr. JOHNSON of Washington. Of course, the gentleman could very well use 20,000 copies for his district. I think they are worth something, but I contend that both farmers and miners will agree that the Government ought not to be in the almanac business, particularly when the almanacs call attention to the birthdays of Secretaries and also call attention to the important fact that the agricultural experiment station at Sitka, Alaska, was established on August 12, 1898. Who cares? Last year's Farmers' Almanac tells us, for instance, that August is a good month for picnics, or, I quote, "Just to go fishing." It says:

> And from the hot field's farthest edge
> The cricket's soft refrain
> With mellow accent tells the tale
> That August's here again.

Just so, just so, and when August is here again we will know it and the farmers will know it without 175,000 Farmers' Almanacs, masquerading as Farmers' Bulletin No. 1202, to tell us so.

The Joint Committee on Printing has resolved against the further printing of almanacs, but shall we see them come forth next year labeled "Compendiums of Information," or something like that? The Secretary of Agriculture is calling loudly for the reestablishment of certain agricultural periodicals—not all. He knows there has been waste. Let him please the farmers, millions of whom will never see the almanac for 1922, by recalling the copy. It will be cheaper to lose the labor of the editor than to go ahead with the printing of $5,000 or $6,000 worth.

Mr. CHINDBLOM. Can we not get Hostetter's Almanac any more?

Mr. JOHNSON of Washington. Not if the Government continues to compete with its four or five kinds of almanacs.

Mr. CHINDBLOM. I was wondering whether it was out of public use.

Mr. CAMPBELL of Kansas. There is still a demand for the bitters. [Laughter.]

Mr. JOHNSON of Washington. Well, last year's Farmers' Almanac itself says:

> Many almanacs have been published by vendors of patent medicines, and even these have at least partially merited the sentence of "most despised, most prolific, and most indispensable of books."

If indispensable, why does not the Department of Agriculture print a few million? Why? Perhaps, for two reasons—the farmers would see the waste and the foolishness, and the Government Printing Office is pretty busy these days running off a small edition of 13,000,000 blanks for the collection of income taxes.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. There is to be a national conference of farmers held on the 26th day of this month in Washington, in which the commission now investigating agriculture is to assist. Are the proceedings of that conference to be published also?

Mr. JOHNSON of Washington. No; except, perhaps, the date of it will be printed along about 1930. Mr. Speaker, I do not wish to take up any more time, and I support the resolution of the committee. I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. SNELL. Will the gentleman from Pennsylvania yield for one question?

Mr. KIESS. Yes.

Mr. SNELL. I did not understand what the cost of this publication would be.

Mr. KIESS. The cost will be approximately $5,100 for 50,000 copies of part 1 and 50,000 copies of part 2.

Mr. SNELL. Is it absolutely necessary to have this number of copies of this report printed?

Mr. KIESS. I want to say that this resolution was introduced on December 10, and that the members of this commission are very anxious to have it passed. The Committee on Printing did not take action until they had made a very thorough investigation, and, as I have said before, they refused to authorize the printing of parts 3 and 4 until we know more about them. We are satisfied that parts 1 and 2 are important enough to print, and that there should be 50,000 additional copies printed.

Mr. SNELL. I have no doubt that it is an important document, but it seems to me it is not necessary to print as many copies at this time.

Mr. BLACK. Will the gentleman yield?

Mr. KIESS. I will.

Mr. BLACK. When the gentleman speaks of parts 1 and 2, does he mean the testimony contained in parts 1 and 2? It is not the report of the committee, is it?

Mr. KIESS. It is the report of the commission.

Mr. BLACK. I was under the impression, from the number of pages spoken of, that it would be the testimony.

Mr. KIESS. No; this is the report and not testimony.

Mr. BLACK. I am glad to hear the gentleman state that, because I remember several years ago when the Industrial Relations Commission made its report the House printed all of the testimony at a cost of $85,000 or $90,000. I think the printing of the testimony at that time, in 8 or 10 books, was entirely unnecessary and was an expense which could have been avoided. I am glad to hear the gentleman say that this printing now called for is confined to the report of the committee.

Mr. KIESS. This is only the report.

The SPEAKER pro tempore. The question is on the amendment to the concurrent resolution.

The amendment was agreed to.

The SPEAKER pro tempore. The question is upon the passage of the concurrent resolution.

The resolution was agreed to.

DIPLOMATIC RECEPTION AT THE WHITE HOUSE.

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to print in the RECORD the account in to-day's Washington Herald of the first diplomatic reception held in the White House since before the war.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to insert in the RECORD an account printed in to-day's Washington Herald of the diplomatic reception. Is there objection?

Mr. JOHNSON of Washington. I shall have to object.

The SPEAKER pro tempore. The gentleman from Washington objects.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to address the House for one minute on a matter of program of procedure.

The SPEAKER pro tempore. The gentleman from Wyoming asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Speaker, if the House concludes the consideration of the Post Office appropriation bill to-day, I shall ask unanimous consent that when we adjourn we adjourn to meet on Monday.

POST-OFFICE APPROPRIATIONS.

On motion of Mr. SLEMP, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9859) making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes, with Mr. SANDERS of Indiana in the chair.

The CHAIRMAN. There remains one minute on each side for general debate.

Mr. SLEMP. I ask for the reading of the bill.

Mr. SISSON. I join in that request.

The CHAIRMAN. The gentleman from Virginia and the gentleman from Mississippi each yield back one minute. The Clerk will read.

The Clerk read as follows:

POST OFFICE DEPARTMENT, WASHINGTON, D. C.

SALARIES.

Office Postmaster General: Postmaster General, $12,000; chief clerk, including $500 as superintendent of buildings, $4,000; private secretary, $2,500; disbursing clerk, $2,250; appointment clerk, $2,000; assistant to chief clerk, $2,000; confidential clerk to Postmaster General, $2,000; chairman board of inspection, $2,000; chief inspector, $4,000; chief clerk to chief inspector, $2,000; purchasing agent, $4,000; chief clerk to purchasing agent, $2,000; assistant attorneys—1 $4,500, 1 $3,500, 2 at $2,750 each, 1 $2,500, 1 $2,000; bond examiner, $2,500; Division of Postal Savings—director, $4,800; assistant director, $3,000; chief clerk, $2,500; clerk in charge of administrative section, $2,000; clerk in charge of audit section, $2,000; law clerk, $1,800; clerks—118 at $1,800 each, 102 at $1,600 each, 278 at $1,400 each, 356 at $1,200 each, 138 at $1,000 each, 26 at $900 each; skilled draftsmen—3 at $1,800 each, 8 at $1,600 each, 5 at $1,400 each, 7 at $1,200 each; map mounter, $1,200; assistant map mounter, $1,000; blue printer, $900; assistant blue printer, $840; telegrapher, $1,400; typewriter repairer, $1,200; 3 telephone switchboard operators at $720 each; 6 messengers in charge of mails at $900 each; 30 messengers at $840 each; 18 assistant messengers at $720 each; captain of the watch, $1,200; additional to 3 watchmen acting as lieutenants of watchmen, at $120 each; 34 watchmen at $720 each; 2 engineers at $1,200 each; 9 assistant engineers at $1,000 each; 2 blacksmiths or steam fitters at $1,000 each; 3 oilers at $840 each; 16 firemen at $720 each; 20 elevator conductors at $720 each; chief engineer, $1,600; assistant electricians—2 at $1,200 each, 3 at $1,000 each; 2 dynamo tenders at $900 each; carpenters—1 $1,600, 1 $1,200, 2 at $1,000 each; plasterer and mason, $1,200; awning maker, $1,000; painters—1 $1,200, 1 $1,000; plumbers—1 $1,200, 1 $1,000; laborers—foreman $900, assistant foreman $840, 2 at $840 each, 78 at $720 each, 4 at $660 each; female laborers—1 $540, 3 at $500 each; 7 at $480 each; 58 charwomen at $240 each; actual and necessary expenses of the purchasing agent while traveling on business of the department, $500; in all, $1,798,730.

Mr. STEENERSON. Mr. Chairman, I make a point of order on this paragraph, and would like to be heard.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. STEENERSON. This paragraph and the following paragraph, down to page 8, relate to the compensation and salaries of officials and clerks in the Post Office Department in Washington. Although the report on this bill states that there is no change of law, my contention is that this is a change of law. I do not think there can be any question about it after I have pointed out the existing statute.

The first paragraph of this bill reads as follows:

That the following sums are appropriated in conformity with the act of July 2, 1836, for the Post Office Department for the fiscal year ending June 30, 1923, namely.

The CHAIRMAN. The Chair does not hear the gentleman distinctly.

Mr. STEENERSON. The first paragraph specifies that these appropriations are pursuant to the act of July 2, 1836. The act of July 2, 1836, is an act that provided for the reorganization of the Post Office Department and established the Fifth Auditor of the Post Office Department, under which all the appropriation bills for the Postal Service have been enacted for 86 years. I will read a part of the provision:

The revenue derived from the Post Office Department and all debts due the same shall, when collected, be paid by the Postmaster General to the Treasury of the United States.

SEC. 2. The Postmaster General shall submit to Congress at the next and each succeeding annual session specific estimates of the sums of money expected to be required for the service of the department in the subsequent year, commencing on the 1st of July, under the following heads: Compensation of postmasters, transportation of the mails, ship and steamboat and way letters, wrapping paper, office furniture—

And so forth, giving a long list.

It further provides that the Postmaster General shall render an account to Congress at each successive annual session of the amount actually expended for such purpose above specified:

Be it further enacted, That the aggregate sum required for the service of the Post Office Department—

And that is printed in quotation marks—

in each year shall be appropriated by law out of the revenue of the department, and all payments and receipts of the Post Office Department in the Treasury shall be to the credit of said appropriation.

Now, when these estimates for the Post Office Department were sent to Congress they appeared in the Book of Estimates. I examined them and they were in accordance with the law, which requires the estimates on these subjects. That is all that the law authorizes to be put into the estimates, and the estimates were in accordance with that.

But yesterday when I found this bill I looked at the hearings, and I found for the first time that they have included $5,000,000 for expenses of the Post Office Department, not for the service of the Post Office Department, which they are authorized to estimate for and which Congress is required to appropriate out of the postal receipts and not out of the Treasury, and they are limited by the act of 1836 to appropriate for the service of the Post Office Department. That has been the practice for 86 years without any exception. The estimates are to be limited to the service and appropriations must be made out of the postal receipts.

Now, here is a bill that appropriates, in this paragraph and the following paragraphs down to page 12, for each division of the Post Office Department in Washington; first is the Postmaster General, which we have read, and then the First Assistant and Second Assistant, Third Assistant, and Fourth Assistant. These items have for the last 86 years always been carried in the legislative appropriation bill and never in the Post Office appropriation bill until this bill appears here. I have examined the budget law, and there is nothing in that law that authorizes the making of the change in the existing law. There is no repeal of the existing law and no implications can be drawn from that law that repeals the law of 1836. Evidently the department never knew that this could be done until after they sent in the estimates and appeared before the Appropriations subcommittee. Then for the first time they sought to have this appropriation bill cover the department expenses in Washington and the committee has appropriated for it.

Now, this is certainly legislation upon an appropriation bill, because the existing law says that the estimates shall be limited to that and the appropriation shall be limited to that, and it shall be taken out of the postal receipts. Here they appropriate $5,000,000 out of the receipts that are not authorized by any existing law. Now, it has been said that it does not make any difference, that if there is a deficit in the postal receipts it will be made up by taking it out of the Treasury. Very well. If they want to change the law, why not do it? But why not be content with existing law? It seems to me that this may have a very far-reaching effect. It is well known that the compensation of employees in the Post Office Department are regulated by different laws. They are included within those provided for by the reclassification act recently passed by the House and now pending in the Senate. No one can tell what the department will rule as to this appropriation out of the receipts for the service, whether it will have the same effect as those appropriated out of the Treasury. The committee does not know anything about it. They do not know what the consequence of the invasion might be; there might be indirect increases and probably would be. However that may be, the plain proposition is that this statute limits the appropriation out of the postal receipts.

The CHAIRMAN. The Chair would like to ask the gentleman from Minnesota whether he has noticed that in volume 17 of the Statutes at Large, section 227, the act to which he has referred and which is enumerated in the first paragraph of this bill, is repealed? The Chair would like to have the gentleman's opinion upon that.

Mr. STEENERSON. I do not see that they ever repealed this section of the act of 1836. I am unable to locate that. Is it a specific clause, or is it an annotation? I do not think it changes the law in this regard, the language here says that money required for the Post Office Department each year shall be appropriated for by law out of the revenues of the department, and that all payments of the receipts of the Post Office Department shall be turned into the Treasury.

The CHAIRMAN. But the language does expressly repeal that portion of the act.

Mr. STEENERSON. How much of the act is repealed?

The CHAIRMAN. The section to which the gentleman referred is repealed.

Mr. STEENERSON. But it is recited here in another form. It is reenacted, and the new version also requires the appropriation for the service shall be out of postal receipts.

The CHAIRMAN. Another provision was reenacted, but not that provision. The present provision reads:

The money required for the Postal Service in each year shall be appropriated by law out of the revenues of the service.

Mr. STEENERSON. That does not change the law. That is just the same as the act of 1836, referred to.

The CHAIRMAN. Then the point of order is that it is not in order on account of the act of 1872?

Mr. STEENERSON. That is more accurate. This does not change my point. This is a reenactment of the same thing. In other words, the appropriation for the Postal Service, not the expenses of the Post Office Department, but for the Postal Service, shall be appropriated for, and so forth. That term is well understood and has been for nearly 100 years. It means the field service, and this provides that that shall be appropriated for out of the revenues of the department. This does not change the former law at all. It is true, perhaps, that I should have referred to this. The law that requires the appropriations to be made out of the Postal Service is still in force. I was not aware that these changes in this later act had been made, but it does not change the point of order that I have made in the slightest. The appropriations must still be made out of the receipts of the Postal Service, so far as the Postal

Service is concerned, and the Postal Service does not include the departmental service. This is the service of the Post Office Department. The very language of the bill is that it is for the service of the Post Office Department, so that this clause, it seems to me, is plainly a violation of existing law, and therefore is subject to a point of order.

Mr. MADDEN. Mr. Chairman, Rule XI of the House rules provides:

All proposed legislation shall be referred to the committees named in the preceding rule, as follows, viz, subjects relating to—

3. To appropriation of the revenue for the support of the Government, to the Committee on Appropriations.

Appropriations for the Post Office Department, usually carried in the Post Office appropriation bill, have been made in conformity with the act of 1836. This practice and the use of the quoted language in the enacting clause of the Post Office appropriation bill have been in the various Post Office bills as far back as 1870, and probably before that, although the act of July 2, 1836, was repealed specifically by the act of June 8, 1872, Statutes at Large, volume 17, page 327.

Section 46 of the act of June 2, 1872, provides that the money required for the Postal Service in each year shall be appropriated by law out of revenues of the service.

Section 4054 of the Revised Statutes of 1878 of the United States provides that the money required for the Postal Service in each year shall be appropriated by law out of the revenues of the service.

Since the passage of the act of 1836 appropriations for the Post Office Department at Washington have been carried separately. The committee is willing to admit that. There is no law specifically defining the term "Postal Service" as distinguished from the Post Office Department. How could we have a Postal Service without somebody to manage it? The fair presumption must be that the department manages the service. If we take the department away from the service, who is going to manage the service? The terms "department" and "service" have been used interchangeably always. It might be just as well said that a bill of exchange or a draft or an acceptance are three different propositions, when, as a matter of fact, everyone knows that each one of these titles refers to the same thing, just as the Post Office Department refers to the Post Office Service and as the Post Office Service refers to the Post Office Department. It would be absurd to think otherwise. What good would the department be if it had no service to manage?

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question?

Mr. MADDEN. Not just now. What good would the service be if there was no department to manage it, and so here we have a great service, with headquarters here in Washington, with a manager of the service in charge of the department in Washington. It can not be said that the managers in Washington have nothing to do with the service, or that the duties of the managers are separate and apart from the service. We have a chief inspector with headquarters in Washington. What are the duties of the chief inspector? His duties are to direct the inspection of the service.

We have a Postmaster General. What are his duties? His duties are to direct the management of all the service. We have a First Assistant Postmaster General with headquarters in Washington, and what are his duties? His duties are to direct a given function of the Postal Service. Can it be said that because he happens to be here in Washington he is in no wise connected with the Postal Service and that his functions are entirely ornamental, as they would be if he had no connection with the service? What do we need of a Postmaster General if his function is purely ornamental? What do we need of the First Assistant Postmaster General if he has no duty to perform in the field? Is there any business in the world that would take away the managing officer from the service and expect the service to be continued and succeed?

The payment of appropriations for the Post Office Department in Washington from "moneys in the Treasury not otherwise appropriated" is a matter of custom, not of law. There is no law specifically stating that the expenses of the Post Office Department in Washington shall be paid from "money in the Treasury not otherwise appropriated." Section 4054 of the Revised Statutes of 1878 provides that money for the Postal Service shall be appropriated out of the revenues of the service. Further, there is no law defining what constitutes the Postal Service as distinguished from the Post Office Department, and surely it would be in order for the committee to provide for the payment of the expenses of the Post Office Department from the postal revenues, especially so since the jurisdiction of the committee is to appropriate revenue for the support of the Government, not for the support of any fraction of the Government.

No law existing defining what revenue the Post Office Department in Washington shall be paid from, it would be proper for the committee to designate the particular revenue which should be used for that purpose. That should be so particularly in this case, as we propose that the revenue of a particular department shall be devoted to the payment of the expenses of that department. Could there be anything more absurd than to assume that the revenue of the department, which includes the service, should not be used to pay the expenses of the department? The absurdity that has existed for years, namely, that the managing end of the Post Office Service has been paid by the Treasury Department, ought not any longer to continue to be tolerated. The Appropriations Committee, in following the alternative budget, formulated the subcommittees of the Appropriations Committee to provide that the entire expenses of a given department should be appropriated for in a single bill and thereby show on the face of the bill what the cost of the department is.

Is there any reason that a great business enterprise like the Post Office Department should have $4,000,000 of its expenses paid every year and charged to the Treasury Department? Why, there is no sense in it; no justice in it; no business in it. It complicates and mystifies where we are endeavoring to simplify and to clarify. All we are doing here is to exercise the authority which the rules of the House vest in the Committee on Appropriations. If the contention of the gentleman from Minnesota [Mr. STEENERSON] should prevail, you can segregate every department and transfer the cost of its management to any other department. You could divide it up into any number of sections, if you please. But what are we trying to do? We are trying to put the Government finances on a simplified basis, so that not only the Members of the House and the Senate but the people of the United States may know what the cost of each activity is.

Talk about the necessity for continuing the absurd proposal of charging $4,000,000 a year for Post Office activities to the Treasury Department; why, any schoolboy that this question might be referred to would decide against that. Appropriations for the Post Office Department proper up to 1832 will be found in bills making appropriations for the support of the Government. From 1833 in the civil and diplomatic bill; from 1857 in the legislative, executive, and judicial appropriation bill.

In 1799 appropriations for the department were paid out of the fund of $600,000 reserved by the act making provision for the debt of the United States, together with so much as might be necessary from the proceeds of the duties on imports and tonnage on ships and vessels and duties on domestic and distilled spirits. So you see there was a time when they even took the revenues to pay the cost of the Post Office Department and all its activities from various other sources. From the year 1800 they were paid out of the $600,000 appropriation and also out of moneys in the Treasury not otherwise appropriated. In 1801 they were paid out of moneys in the Treasury not otherwise appropriated. From 1836 the appropriations for the department proper were made by the civil and diplomatic bill out of any moneys not otherwise appropriated. Prior to 1836 the power of the Postmaster General over his expenditures were practically unchecked and unlimited. July 2, 1836, Fifth Statutes at Large directed the aggregate sum required for the service of the Post Office Department in each year should be appropriated out of the revenue of the department. Sections 43 and 44 provide annual salaries for three Assistant Postmasters General, auditors, clerks, messengers, watchmen, and they appropriated the sum of $3,150,000 to conduct the Post Office Department, including all of its activities. Then, from 1837 to 1842, inclusive, the civil and diplomatic act made the appropriations for the Post Office Department proper out of unexpended moneys and appropriations for the Postal Service combined, in conformity with the act of July, 1836.

The present fiscal year was established on and after July, 1843, by act of August 26, 1842. The appropriation for the department proper in the six months ended July 30, 1843, will be found in Fifth Statutes at Large. It will be noted that the first appropriation for the Postal Service was for the fiscal year commencing July 1, 1836; and so on, down the list.

And I contend that, inasmuch as all the appropriation work has been placed in the hands of the Appropriations Committee of the House, and that it has jurisdiction under the rules of the House to recommend appropriations for the conduct of the Government, the committee had a perfect right to provide the appropriation in the manner and form set out in the bill that is now before the House for consideration.

Mr. YATES. How long have they been charging this off to the Treasury, or is it simply a new proposal?

Mr. MADDEN. That has been going on as I have stated, and we are taking it away from the Treasury and putting it where it belongs.

Mr. MANN. Mr. Chairman, if I understand correctly, and I am not sure that I do, the point of order is that appropriations for the postal field service must be made out of the revenues of the Post Office Department, and the appropriation for the general offices in Washington must be made out of other funds in the Treasury. May I ask my friend if that is correct?

Mr. STEENERSON. That is the provision of the section.

Mr. MANN. I want to know what the point of order is.

Mr. STEENERSON. That the appropriation as proposed in this bill for the postal department is a change of law.

Mr. MANN. There is nothing in this bill that appropriates the expenses of the general office out of the receipts of the Post Office Department.

Mr. STEENERSON. Yes.

Mr. MANN. Not at all. Where?

Mr. STEENERSON. It appropriates it out of the receipts.

Mr. MANN. There is nothing in this bill that says the expenses of the Post Office Department shall be paid out of the receipts of the post office. If the gentleman's contention is correct, that under the law of 1836 the field service must be paid out of the receipts of the Post Office Department, and the department expenses here must be paid out of the Treasury, the bill absolutely follows that line, because it says that the "following sums are appropriated in conformity with the act of July 2, 1836."

If that act provides that the expenses of the field service shall be paid out of the receipts and that the expenses of the department shall be paid out of the Treasury, that will follow as the consequence of this language. What point of order is there? The gentleman has not made a point of order that you could not consolidate in one bill the appropriations for what he calls two different services, and if that point of order were made, it would not lie; and so far, if the gentleman is correct—and I do not say that he is—but if the gentleman is correct as to his interpretation of the act of 1836, then it is up to the Treasury Department in paying these appropriations to pay the field service out of the receipts of the Postal Service and to pay the departmental expenses out of the Treasury. That does not affect the point of order.

Mr. STEENERSON. Mr. Chairman, I first want to call attention to the fact that the alleged repeal of this act of 1836 is based on the note in the statute which says the act of May 9, 1836, is repealed in part:

So much of section 1 as relates to the duties of the Postmaster General.

Now, section 3 does not relate to the Postmaster General. It simply relates to Congress, because Congress is the body that makes the appropriation. It provides that the aggregate sum required for the service of the Post Office Department each year shall be appropriated by law out of the revenues of the department, and that all payments from the receipts of the Post Office Department in the Treasury shall be to the credit of such appropriations. That does not say anything about the Postmaster General, so that if the contention is made that this has been repealed, it does not repeal that section. It may repeal some other section of the law. That section stands unrepealed, and it absolutely requires appropriations to be made out of the revenues.

Now, my ingenious friend from Illinois [Mr. MANN] has pointed out that this bill might be construed so as to require the payment of departmental expenses in Washington out of the Treasury. But if that is so, the gentleman differs from the other distinguished gentleman from Illinois [Mr. MADDEN], the chairman of the Committee on Appropriations, and differs from the officials who testified, and from the report. The report they made on this bill was to the effect that they had eliminated that provision about payment from the Treasury, and had made it payable altogether out of the revenues.

The whole argument of the gentleman from Illinois [Mr. MADDEN] was that this is a reform, very beneficial, admitting thereby that it is a change of law, which is desirable. But we are not here to discuss the desirability of a change of law. The recommendation for the change of laws in the Postal Service should come from the Committee on the Post Office and Post Roads, and this Committee on Appropriations should not desire or attempt to aggrandize the power to make laws, however beneficial they may be. There is a manifest danger in every bill that comes from that committee that they are going to assume legislative as well as appropriating functions. It is time to stop it. It is to the interest of this House and of every Member of this House that we make the point, and here we take them at their own word. Their report on this bill and their hearings say that this bill is so written as to take money appropriated for the Post Office Department out of the receipts or revenues of the Postal Service.

Taking up the point which the gentleman from Illinois, the chairman of the Committee on Appropriations, made in regard to the construction of the words "Postal Service," it seems to me that the Chairman of the Committee of the Whole should not embark upon an interpretation that is contrary to all precedents here for 86 years. The Postal Service is the service that brings in the revenue. The Post Office Department does not bring in any revenue. We appropriate that revenue. The fact that they put these words in the original act, the one that created the organization of the Post Office Department and created the Auditor for the Post Office Department, referring to this service in quotation marks in the statute, "That the aggregate sum required for the service of the Post Office Department," shows that it was something that had a well-understood and established meaning, a technical meaning, recognized for nearly 100 years.

Now the gentleman wants the Chair to wipe out that distinction, which has been followed not only in legislative but in judicial proceedings all these years. Everybody has understood that the appropriations and receipts of the Postal Service had a distinct meaning.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. MANN. Is it not the contention of my distinguished friend from Minnesota that the appropriations carried in this bill are in conflict with the act of 1836?

Mr. STEENERSON. So far as it appropriates for the Post Office Department out of the revenues, yes.

Mr. MANN. But the bill says that the appropriations are made in conformity with that act.

Mr. STEENERSON. I know; but that is false.

Mr. MANN. That is the law, if it is written into the law. If this is enacted, it is the law, and any contention that it is in conflict falls, because the law says it is in conformity with the act of 1836.

Mr. STEENERSON. It is evident when they wrote that law that they had in mind the fact that the act of 1836 was repealed.

Mr. MANN. No. I assume that they did not assume that they were saying that the appropriation should be made in conformity with a repealed act. However, I do not think that makes any difference. But this will be the law if it is enacted, and this law will say, if it is enacted, that the appropriations in this bill are in conformity with the act of 1836, notwithstanding my genial friend from Minnesota insists that they are in conflict with the act of 1836.

Mr. STEENERSON. So does the chairman of the committee contend.

Mr. MANN. But that is the opinion of the gentleman. The law says it must be in conformity with the act of 1836.

Mr. STEENERSON. Here is the report on this bill. It says:

The appropriations for the Post Office Department——

Mr. MANN. I look at the law, not at what somebody says.

Mr. STEENERSON. I read:

The appropriations for the Post Office Department customarily carried in the legislative, etc., act and the item for printing and binding customarily carried in the sundry civil act have heretofore been paid from the General Treasury, while the appropriations customarily carried in the Post Office bill have been payable from the postal revenues. In consolidating all the appropriations for the department in one bill the committee has recommended that all the expenses of the department be paid from the postal revenues to the extent that they are sufficient therefor and has carried the paragraph heretofore carried each year for many years appropriating from the General Treasury such sum as may be necessary to meet the deficit in the revenues.

In making provision for the Post Office Department in this bill the committee has used the phrascology of the various appropriating paragraphs in which appropriations for the items have heretofore been made. Most of these paragraphs are the result of years of development in accordance with legislative and departmental practice and decisions of the Comptroller of the Treasury, and it was deemed unwise at this time to attempt a general rephrasing or rearrangement of them.

The contention now is that the Committee on Appropriations, with the witnesses from the department before them, did not know what they were talking about. This bill is framed, as shown by the speech of the gentleman from Illinois [Mr. MADDEN], for the express purpose of taking the money for the departmental expenses out of the revenues, and I think that the whole act must be construed together, and if so construed it will necessarily be held that that innovation which the committee recommends and asks the House to approve will follow.

Mr. OGDEN. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. OGDEN. The language under which this item has been carried for the expenses of the department, as I understand, is this:

Out of any moneys in the Treasury not otherwise appropriated, in full compensation of the services—

And so on. That is the language under which this item has been carried throughout these many years, is it not?

Mr. STEENERSON. I do not know from what the gentleman is reading.

Mr. OGDEN. If he will get the language of the current bill making the appropriations for the department——

Mr. STEENERSON. Here is the language from the last year's bill which the same committee reported:

That the following sums are appropriated in conformity with the act of July 2, 1836, for the service of the Post Office Department for the fiscal year ending June 30, 1922.

That differs slightly from the language of the pending bill.

Mr. OGDEN. Without the use of the language which I have read, how would the appropriation for the department be made available for the expenses of the department? Would it not come under the act of 1836?

Mr. STEENERSON. Under the act of 1836 the appropriations are required to be made out of the Treasury.

Mr. OGDEN. But I say, without the language the gentleman has just read, which is in the current bill, would the appropriation for the departmental expenses come under the terms of the act of 1836 or not?

Mr. STEENERSON. I must confess that I do not exactly catch the gentleman's idea in asking the question. The fact is that all the bills heretofore have contemplated an appropriation out of the postal revenues, and the department is not referred to. The department is provided for in another bill. This is the first time that the departmental expenses have ever been brought in here as a part of the Post Office appropriation bill. This is not, strictly speaking, the Post Office appropriation bill at all.

Mr. OGDEN. If you omit that provision which appropriates under this language current language, the appropriation being made out of the Treasury for departmental expenses, then you will get the appropriation not only for your field service, but for your departmental service under the act of 1836—that is, "the following sums are appropriated in conformity with the act of July 2, 1836, for the Post Office Department for the fiscal year ending June 30, 1923."

Mr. STEENERSON. So far as that applies to the Postal Service—that is, the field service—it is taken out; but there is nothing——

Mr. OGDEN. Just another question. Has not that language been subject to a point of order in all those bills? Was it not legislation?

Mr. STEENERSON. This legislation never has been carried in the Post Office appropriation bill before in all the history of the United States. This is the first time it has appeared.

Mr. OGDEN. I understand——

Mr. STEENERSON. The gentleman's committee has brought this in for the first time, and the only place where you can find provision for the payment of the expenses of the Post Office Department is in the legislative act for each year. But the bill must be construed together. All its provisions must be construed together, notwithstanding the fine point that was made here that this would authorize the department to pay the departmental expenses out of any money in the Treasury. That can not be so, because this first clause says in compliance with the act of 1836, and that says that all appropriations must be paid out of the revenues. Now, if you are going to comply with that, you are going to pay departmental expenses. Certainly the gentleman's question does not throw any light on it. Here is a clause that begins by saying that they appropriate the following sums in compliance with the act of 1836. Then follows an item that is outside of the act of 1836. If that appropriation stands, the Comptroller of the Treasury would be bound to pay it as provided for here, or else he could not pay it at all.

Mr. BLANTON. Will the gentleman yield?

Mr. STEENERSON. I yield to the gentleman from Texas.

Mr. BLANTON. Is not the department the business end of the entire Postal Service?

Mr. STEENERSON. No doubt it is the center from which the business is managed.

Mr. BLANTON. Is there any part of the Postal Service that is not connected with the department itself?

Mr. STEENERSON. The department is the managing end; but the gentleman overlooks the fact that the department itself can get no revenue. It does not earn anything.

Mr. BLANTON. Is there any portion of the business of the Post Office Department that is not of itself a part of the Post Office Service?

Mr. STEENERSON. Does the gentleman seek to argue that the interpretation of the words "service of the Post Office Department" has been wrong for these 86 years, and that therefore they should have construed it to mean the service of the Post Office Department?

Mr. BLANTON. They are so intimately connected that they are a part of it.

Mr. STEENERSON. Then the interpretation of the comptroller and of the courts and of the Congress has been wrong, and that discovery has just been made to-day. Now the officials of the Post Office Department have no revenue. Their revenue must come from appropriations out of the Treasury. That has been the rule, as I have said, for nearly a hundred years. Now, if you are going to change it, and if it is wise to change it, you should not do it by this indirect and concealed method. I venture to say there was nobody on the floor here who really noticed that this was a revolutionary proposition, that it is broader than appears on its face, because the bill says as usual that it is appropriated under the act of 1836, but the act of 1836 covers only appropriations out of the revenue.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Minnesota makes the point of order that in paragraph 2 of the bill there are items of appropriation which do not come within the usual term of "field service," that it is an appropriation in violation of the provisions of the act of July 2, 1836. The act of July 2, 1836, reads as follows:

And be it further enacted, That the aggregate sum required for the service of the Post Office Department in each year shall be appropriated by law out of the revenues of the department, and all payments and receipts of the Post Office Department in the Treasury shall be to the credit of said appropriation.

That provision is expressly repealed by the act of June 8, 1872, not by implication but by expressly referring to it in the repealing clause. The provision of law (act of June 8, 1872) which supplants the repealed section reads as follows:

The money required for the Postal Service in each year shall be appropriated for out of the revenues of the service.

The scope of the term "Postal Service" presents a very interesting question. The Appropriation Committee has plenary appropriating power. It might be the committee would have the right to make this appropriation irrespective of the construction contended for by the gentleman from Minnesota. It seems to the Chair, however, that the point made by the gentleman from Illinois [Mr. MANN] makes it unnecessary for the Chair to decide whether the Appropriations Committee under the present rule has the power to report items of appropriation for expenditures in the department out of the revenues of the department. In ruling on the point of order, the Chair must be governed by the language of the bill. The language of the bill expressly provides that the sums are appropriated in conformity with the act of July 2, 1836. The fact that that act has been repealed does not militate against reference to it in the present bill. An act which has been repealed may be referred to in a measure in order to make it definite. In other words, by the terms of the bill these appropriations covered by all the items in section 1 are in conformity with the provisions of the act which the gentleman from Minnesota says they violate.

Mr. STEENERSON. Will the Chair allow me to make a statement?

The CHAIRMAN. Yes.

Mr. STEENERSON. The legislation repealing the act or part of the act enacted a new provision which says that that appropriation shall be paid out of the revenues of the service. There is no difference between the reenacting section and the old section.

The CHAIRMAN. There is some difference in language, but in the opinion of the Chair that is immaterial. The gentleman from Minnesota makes the point of order that the committee violates the provisions of the act of July 2, 1836, when by the very terms of the bill it appropriates in conformity with that act. To be sure, there are some things in the report and in the statements by gentlemen on the floor that indicate a contrary view of the effect of the bill. But the Chair is bound by the terms of the bill and the Chair overrules the point of order.

Mr. SLEMP. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 2, line 18, after the word "and" where it last appears in the line insert the word "seventy."

Mr. SLEMP. In explanation of that amendment I will say to the committee that the language was written "one hundred and seventy-two," but in some way in printing the word "seventy" was left out. This is to restore the proper number.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. ROUSE. Mr. Chairman, I move to strike out the last word in order to ask the gentleman, the chairman of the com-

mittee, a question. I notice on page 2, line 7, the statutory salary of the appointment clerk is $2,000. Does the gentleman know what amount he is paid in addition to his statutory salary?

Mr. SLEMP. This is the statutory amount as given to us by the Post Office Department. I believe in view of the work being done in connection with war-savings stamps he may have additional compensation.

Mr. ROUSE. What authority has the department to pay him additional compensation?

Mr. SLEMP. That is a matter between him and the Treasury Department. These appropriations carry only this particular salary.

Mr. BUTLER. Will the gentleman yield?

Mr. ROUSE. Yes.

Mr. BUTLER. Is there any evidence that he is being paid an extra salary? I have seen an explanation made——

Mr. SLEMP. I have no evidence of it myself, and we are not carrying in the appropriation act any extra sum.

Mr. ROUSE. I have evidence in a letter from the Postmaster General. The question is this: On page 28 of the hearings the gentleman from Mississippi [Mr. SISSON] asked this question of the appointment clerk:

> I want the title and the assignment and the duties of all the employees in the Post Office Department—that is, the department here in Washington—who receive a salary of $2,000 or more per annum, including the bonus, and the appropriations from which paid.
>
> Mr. REGER. I will insert the information in the record, as you suggest.

I notice he refers to the duties which he performs, but does not state the salary that he is receiving. The fact is that he is receiving $3,200 a year, so stated by the Postmaster General, and with the permission of the committee I shall insert in the RECORD a copy of a letter I addressed to the Postmaster General and his reply giving the salaries of the several different officials and the duties to which they are assigned.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. ROUSE. Yes.

Mr. DOWELL. Does this official state that he has other duties to perform besides the one referred to in the bill?

Mr. ROUSE. I think the Postmaster General states that he does.

Mr. SLEMP. He is assigned to the war savings stamps work.

Mr. DOWELL. Then, of course, the salary, if there is additional salary, is for work done in addition to the work of the appointment clerk.

Mr. SLEMP. Yes.

Mr. MADDEN. If I may be allowed, I would like to make this statement: I do not know anything about what salary this man gets outside of the statutory salary provided for, if he gets any.

Mr. ROUSE. He gets $1,200 in addition to this.

Mr. MADDEN. The Postmaster General has at his disposal $55,000 with which to pay the force charged with the responsibility of paying off the war savings stamps and certificates that fall due from time to time. To whom these duties are assigned or how they are divided I do not know. He has authority out of that lump sum to pay for the service rendered in his office in connection with the work of the cancellation and the payment of the war savings stamps and certificates as they fall due.

These stamps are presented to the postmasters of the United States for payment. After payment the canceled stamps are sent to the Post Office Department for audit. The Post Office Department, through its force paid from the $55,000 allotment from the Treasury Department, audits and then transfers the stamps, after they are audited, checked, and accounted for, to the Treasury Department itself, where a further audit is made. To whom they pay the money out of the $55,000 I do not know, but as far as this committee is concerned we carry nothing except what the law provides.

Mr. ROUSE. I do not think this official performs any duties at all connected with the war-savings stamps. I shall ask further consent to insert in the RECORD the duties of the appointment clerk as he outlines them in the report of the hearings, on page 30.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. ROUSE. I want now to ask the chairman of the committee about the salary of the assistant to the chief clerk, which is carried in this bill at $2,000.

Mr. SLEMP. I have no information that he gets any more than the statutory amount provided for.

Mr. ROUSE. The Postmaster General reports that he is receiving $3,000. I take it that that is a violation of the civil-service order, and I ask unanimous consent to insert in the RECORD a copy of that order.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ROUSE. Yes.

Mr. MOORE of Virginia. Does the Postmaster General explain why these payments are made?

Mr. ROUSE. He does. I ask unanimous consent to extend my remarks in the RECORD by inserting a copy of my letter to the Postmaster General and his reply.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Chairman, in reply to the complaint that the gentleman makes I would say that I personally investigated the matter more or less and I found out what I have already said about the $55,000. In the bill making appropriations for the Treasury Department, as the gentleman from Tennessee [Mr. BYRNS] will remember, $100,000 is provided by the Treasury Department to be set apart for the Post Office Department, to be used for the continuation of this work about which I have just talked.

We placed a limitation upon that appropriation in the Treasury Department bill to the effect that no person employed and paid out of that appropriation shall receive a greater sum than $1,800 per annum.

Mr. ROUSE. This man could not perform the duties of appointment clerk and at the same time perform the duties connected with the war savings stamps.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. ROUSE. Yes.

Mr. MANN. Does the gentleman know how long this clerk has been detailed to this extra work?

Mr. ROUSE. I think he was detailed to it in the last administration, about July 1, 1920.

Mr. MANN. The gentleman knows that he was.

Mr. ROUSE. The letter of the Postmaster General explains that.

Mr. MANN. It is not a political matter now.

Mr. ROUSE. Oh, no.

Mr. MANN. If there is any criticism to be made of it, that criticism should be made of the former Postmaster General, Mr. Burleson.

Mr. ROUSE. If the last administration permitted that to be done, that is no reason why it should be continued by the present administration.

Mr. MANN. I suppose it is proper for the gentleman to call attention to it now.

Mr. ROUSE. Yes; and I am glad to have the opportunity to do so.

Mr. MANN. Although he did not call attention to it in the last administration; but I presume there is good reason for it, or it would not have been done.

Mr. ROUSE. Absolutely. Under the permission granted to extend my remarks, I append hereto the correspondence between the Postmaster General and myself, the civil-service order to which I referred, and the duties of the appointment clerk as outlined by himself:

COMMITTEE ON THE POST OFFICE AND POST ROADS,
HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., January 11, 1922.

Hon. WILL H. HAYS,
Postmaster General, Washington, D. C.

MY DEAR MR. POSTMASTER GENERAL: Will you kindly inform me at the earliest possible moment the salary received by each official listed under the Post Office Department, beginning with page 275 of the Congressional Directory of December 21. What I desire to know is the amount of money actually paid to each of these officials for their services and from what appropriation it is paid. If they are being carried on the rolls at any other salary than the statutory salary prescribed by law for the position under which they are listed, kindly state who is receiving the statutory salary and the duties to which assigned. To illustrate: Is Robert S. Ragar, who is listed as appointment clerk, drawing the salary prescribed by law for that position? If not, what salary is he receiving and from what appropriation is it paid, and who is receiving the salary prescribed by law for the appointment clerk and to what duties is he assigned?

I wish this information in each case and will thank you to have it sent me, in order that I may make use of it to-morrow.

Very respectfully,
A. B. ROUSE.

—

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., January 12, 1922.

Hon. A. B. ROUSE,
House of Representatives.

DEAR CONGRESSMAN: I have your letter of January 11, requesting certain information in connection with the salaries and assignments of certain officials of the Post Office Department, and am giving you the information desired:

Name.	Position.	Salary.	Appropriation.
Will H. Hays	Postmaster General	$12,000	Legislative act.
Geo. W. Perkins	Private secretary to Postmaster General.	2,500	Do.
Wm. M. Mooney	Chief clerk	4,000	Do.
Thos. J. Howell	Assistant chief clerk	3,000	Do.
Robert S. Regar	Appointment clerk	3,200	War Savings and Thrift Stamp appropriation.
Louis A. Delano	Disbursing clerk	2,250	Legislative act.
Direlle Chaney	Confidential clerk to Postmaster General.	2,500	Do.
Courtland Smith	Clerk	1,900	Do.
Malcolm Kerlin	Director, Postal Savings	4,800	Do.
Chas. L. Gable	Assistant director, Postal Savings.	3,000	Do.
Jos. Stewart	Special assistant to Attorney General.	6,000	Department of Justice.
John H. Edwards	Solicitor	5,000	Do.
H. J. Donnelly	Senior assistant attorney	4,500	Legislative act.
Walter E. Kelly	Assistant attorney	2,750	Do.
Edwin A. Niess	do	2,750	Do.
Calvin W. Hassell	do	2,500	Do.
Wm. L. Rhoads	do	2,000	Do.
E. L. Porterfield	do	3,500	Do.
S. E. Blassingham	Law clerk	1,800	Do.
T. S. Degnan	Purchasing agent	4,000	Do.
Alfred H. Keim	Chief clerk to purchasing agent.	2,000	Do.
Rush D. Simmons	Chief inspector	4,000	Do.
Daniel S. Shook	Chief clerk to chief inspector	2,000	Do.
Hubert Work	First Assistant Postmaster General.	5,000	Do.
Geo. B. Corey	Chief clerk, First Assistant	2,500	Do.
Wm. R. Spillman	Superintendent Post Office Service.	4,000	Do.
Chas. F. Trotter	Assistant superintendent Post Office Service.	3,000	Do.
J. R. Tullis	Clerk in charge Post Office Service.	2,250	Do.
Lorel N. Morgan	Superintendent postmasters' appointments.	3,000	Do.
S. E. Sullivan	Assistant superintendent postmasters' appointments.	2,000	Do.
R. T. Bouton	Assistant superintendent postmasters' appointments.	2,000	Do.
C. N. Dalzell	Superintendent dead letters	2,500	Do.
K. L. Russell	Chief, division of correspondence.	3,000	Mail equipment shops.
E. H. Shaughnessy	Second Assistant Postmaster General.	5,000	Legislative act.
E. R. White	Chief clerk to Second Assistant	2,500	Do.
Wm. E. Triem	Superintendent railway adjustments.	3,000	Do.
Geo. H. Grayson	Assistant superintendent railway adjustments.	2,250	Do.
Edwin Sands	Superintendent foreign mails	3,000	Do.
M. K. Macarty	Assistant superintendent foreign mails.	2,000	Do.
W. H. Riddell	General superintendent Railway Mail Service.	4,000	Do.
Geo. F. Stone	Assistant general superintendent Railway Mail Service.	3,500	Do.
Chase C. Gove	Chief clerk, Railway Mail Service.	2,000	Do.
Carl F. Egge	General superintendent Air Mail Service.	4,000	Airplane service, etc.
C. I. Stanton	Assistant general superintendent Air Mail Service.	3,600	Do.
J. C. Edgerton	Superintendent of Radio	3,600	Do.
G. L. Conner	Chief clerk, Air Mail Service	2,700	Do.
W. I. Glover	Third Assistant Postmaster General.	5,000	Legislative act.
W. J. Barrows	Chief clerk, Third Assistant	2,500	Do.
W. E. Buffington	Superintendent Division of Finance.	2,250	Do.
C. E. Matthews	Superintendent Division of Money Orders.	2,750	Do.
W. C. Wood	Superintendent Division of Classification.	2,750	Do.
M. L. Eidsness, jr	Superintendent Division of Stamps.	2,750	Do.
C. H. Buckler	Superintendent registered mails.	2,500	Do.
H. H. Billany	Fourth Assistant Postmaster General.	5,000	Do.
L. M. Dow	Chief clerk to Fourth Assistant	2,500	Do.
Geo. L. Wood	Superintendent Division of Rural Mails.	3,000	Rural Delivery Service.
Chas. L. Davison	Chief clerk, rural mails	2,000	Legislative act.
T. G. Mallalieu	Superintendent Motor Vehicle Service.	3,700	Motor Vehicle Service.
E. B. Cranford	Assistant superintendent Motor Vehicle Service.	2,500	Do.
Geo. Landick, jr	Superintendent Equipment and Supplies.	3,000	Legislative act.
J. H. McAllister	Chief clerk, Equipment and Supplies.	2,000	Do.
John B. Cady	Superintendent mail equipment shops.	3,000	Mail equipment shops.
Chas. A. Kram	Comptroller of the Post Office Department.	5,000	Bureau of Accounts.
T. H. Sweeney	Chief clerk, comptroller	3,000	Do.
L. M. Bartlett	Expert accountant, comptroller.	3,000	Do.
F. Stevenson	Law clerk, comptroller's office	3,000	Do.
J. R. White	Superintendent Division Postmasters' Accounts.	2,460	Do.
J. H. Clark	Superintendent Postal Service pay rolls.	2,460	Do.
Louis Brehm	Superintendent electric accounting system.	3,000	Do.

Mr. Thomas J. Howell, superintendent Division of Rural Mails, at $3,000 per annum, is detailed to the position of Assistant Chief Clerk. His salary is paid out of the legislative, executive, and judicial appropriation. Mr. Howell was promoted and detailed, effective August 1, 1920, by the then Postmaster General, Mr. Burleson. Under the direction of the chief clerk, the assistant chief clerk has charge of the immediate supervision of the subclerical forces, including the engineers, electricians, firemen, dynamo tenders, oilers, watchmen, telephone operators, laborers, charwomen, etc.; telephone and telegraph offices, printing section, file room, stationery and supply room, a total of 300 employees; the care of the three departmental buildings, consisting of the main building, the new post-office building, and the mail equipment shops, also ascertaining the need of and supervising the repairs to such buildings. To keep these buildings in the proper condition and to meet the constantly changing requirements of the department it is a matter of necessity to make certain repairs and alterations from time to time, and the cautious and businesslike handling of this work enables the saving of thousands of dollars to the Government. The buildings are large ones, and in them are housed 4,000 employees for whose health and comfort it is necessary to give close attention to the questions of ventilation, sanitation, heating, and lighting. These details are assigned by the chief clerk to the immediate supervision of the assistant chief clerk. The assistant chief clerk also handles the details of the work of preparing estimates for the contingent expenses of the department and for printing and binding for the entire Postal Service, and the consideration of all requisitions involved in the expenditures of such appropriations.

It is proper to state here that all the correspondence prepared by the bureaus for the signature of the Postmaster General, much of which involves questions of policy affecting the Postal Service throughout the country, come through and is reviewed by the assistant chief clerk of the department. This includes much important work which must be personally looked after on behalf of the Postmaster General, and the chief clerk's office is a clearance office, so to speak, for the work of the entire department.

Attention is invited to the fact that the assistant chief clerk of the Post Office Department proper at Washington must have a very general and thorough knowledge of the entire postal establishment, and when need be acts as chief clerk in the absence of that officer, with whom, as indicated, he shares the work and responsibility.

The designation of assistant chief clerk is held by Mr. Wm. C. O'Brien, detailed to the office of the solicitor as assistant attorney. He is performing legal work in the office of the solicitor.

Mr. Robert S. Regar, personnel officer, at $3,200 per annum, is detailed from the office of the Third Assistant Postmaster General to his present assignment and is paid out of the appropriation "Expenses of war savings and thrift stamps, Post Office Department." Mr. Regar was promoted and detailed on July 1, 1920, by the then Postmaster General, Mr. Burleson. His duties are as follows:

"'Follow-up man' on all important matters pending in the department. Has charge of work incident to the appointment, assignment to duty among the different offices, and separations from the service of all employees in the Post Office Department proper at Washington and certain positions of the Postal Service. The number of employees aggregate more than 3,000. This entails a large volume of work, consisting of the examination of papers in the case of eligibles certified by the Civil Service Commission to fill vacancies and deciding whether such eligibles have the necessary qualifications and conducting correspondence incident thereto."

He is charged with the preparation of monthly reports to the Civil Service Commission, giving in detail every change of status, as required by law, notices and oaths of changes to the employees affected, and reports to disbursing clerk for proper adjustment of salaries requiring a knowledge of precedents, postal laws and regulations, and comptroller opinions.

He also has charge of the granting of leave to employees, keeping record thereof, and the adjustment semimonthly of salaries of employees who have exceeded the leave allowed under the law and regulations, requiring a thorough knowledge of postal laws and regulations and opinions of the comptroller.

He is a member of the Postmaster General's staff.

The appointment clerk's office adjusts efficiency ratings upon which changes in status of employees are based. This work requires the greatest care and accuracy, and inasmuch as the turnover of the department is between 25 and 30 per cent a year a great amount of work is necessary. The efficiency ratings are always open to the employees for inspection so that the work has to be kept up to date and in such shape that the employees' status can be gone over in detail.

The checking and certifying to pay rolls is also charged to this office.

He has immediate charge of the discipline of employees of the department, which requires a thorough knowledge of the civil-service rules and regulations and the department's policies and procedure.

The appointment clerk is also required to carry out the provisions of the retirement act, requiring not only a knowledge of the act, but also has to keep in constant touch with decisions affecting the various provisions of the act.

Numerous other duties are performed by the appointment clerk requiring a knowledge of the department organization, precedents, laws, and regulations, and an enormous amount of correspondence incident thereto.

The designation of appointment clerk is held by Mr. Ebert K. Burlew, who is confidential secretary to the Postmaster General.

Mr. Direlle Chaney, assistant attorney at $2,500 per annum, is detailed as confidential clerk to the Postmaster General and is temporarily paid out of the legislative appropriation. Mr. Chaney is an attorney and handles important matters in connection with the departmental and field service for the Postmaster General. The position of confidential clerk to the Postmaster General at $2,000 remains unfilled at this time.

Mr. Kirk L. Russell, special agent, at $3,000 per annum, temporarily paid out of the appropriation for "Mail bags and equipment, office of the Fourth Assistant Postmaster General," is performing the duties of investigating suggestions made by employees of the Postal Service, boards of trade, and the general public looking to the interests of the public service.

The designation of chief, division of correspondence, is held by Mr. Charles E. Warren, who is receiving the salary of $2,000 paid out of the appropriation for legislative, executive, and judicial expenses. He has been an employee of the Post Office Department since October 1, 1906, and his duties consist of miscellaneous correspondence not assigned to other bureaus and offices of the department; also correspondence in connection with the stationery and other supplies used by the department proper.

Mr. George L. Wood, general superintendent, division of rural mails, at $3,000 per annum, is paid out of the appropriation for rural delivery service. He has entire supervision of the division of rural mails, including the personnel, in which division is handled the rural delivery, star route, screen-wagon services, and contract-vehicle service in cities. This includes the establishment and maintenance of rural delivery routes and the appointment, discipline, and discontinuance of rural delivery carriers under civil-service rules; the establishment and maintenance of star routes and screen-wagon routes and the furnishing of vehicles for city delivery service, including the awarding of contracts therefor and enforcement thereof; keeping contractors' accounts and reporting same to the proper officer for payment. Perhaps the greatest responsibility is in connection with the awarding of contracts, it being entirely a matter of judgment when service should be established or continued in operation and how high a rate of pay is justified, as there is no law or regulations governing on these points.

Mr. Wood meets and confers with callers, Congressmen and others, interested in the service; confers with and directs the clerks in charge of sections as to policies, passing personally upon the more important correspondence and cases and the awarding of contracts in the more complex cases.

The designation of superintendent, division of rural mails, as indicated above, is held by Mr. Thomas J. Howell, who is detailed to the position of assistant chief clerk.

In this connection attention is called to the fact that since the establishment of the Post Office Department it has been the practice to detail employees from one bureau to another in the interest of good administration and the service. A careful analysis of the foregoing will disclose that at the present time there are five details to the positions listed under "Post Office Department," beginning on page 275 of the Congressional Directory of December, 1921, as compared with a total of 74 details during the fiscal year 1914, which was the first fiscal year under the last administration.

The five details existing at the present time include two made by my predecessor, Hon. A. S. Burleson, namely, the details of Mr. T. J. Howell and Mr. R. S. Regar.

I assure you that these details are in the interest of the public service and were made solely with that idea in mind.

Very sincerely, yours,

WILL H. HAYS,
Postmaster General.

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APPOINTMENT OR ASSIGNMENT OF EMPLOYEES TO DUTIES OUTSIDE THE SCOPE OF THEIR RESPECTIVE RATINGS.

The Civil Service Commission has requested that the following instructions be communicated to nominating and appointing officers of the executive civil service:

1. The appointment or assignment of competitive classified employees to duties outside the scope of their respective designations when justified by circumstances has not been regarded as contrary to the civil service act and rules unless administrative regulations adopted thereunder prohibit such action. The basis of this practice is that an officer is responsible for the work under his charge, and its prosecution may require assignment of employees to duties not within the scope of their designation. The propriety of these assignments has not been questioned so long as employees were not changed in designation or promoted to rates of pay above those appropriate for their designation.

NOTE.—Appointment or assignment of mere unskilled laborers to duties of the kind usually performed by classified employees is forbidden by the civil-service rules, with the sole exception that with the prior approval of the commission unclassified laborers may be assigned to classified work which is incidental to their regular work and which can not be economically and conveniently done by classified employees.

2. This practice was believed to be a sound administrative measure by permitting wide latitude to officers and obviating complaints by employees against assignments not agreeable to them. Recently there has been so much abuse of the privilege in some quarters as to bring the operation of the civil-service rules into disrepute. Pressure due to the war has probably caused action which would not have been taken under normal conditions.

3. It is impossible to describe all probable abuses which have taken place or may take place under the wide practice heretofore prevailing. Among those which may be mentioned are the appointment of persons as mere unskilled laborers and their assignment to classified duties; appointment to trades positions for which applicants are not plentiful and their assignment to clerical or other office duties; and appointment under inappropriate designation to permit payment of higher rates than would be paid should appropriate designations be used.

4. All nominating, appointing, or other personnel officers of this department will, within three months, return employees to the duties ordinarily performed by them under their respective designations; correct assignment by removal, if necessary, of persons appointed under one designation for the performance of work of an entirely different designation; or report for consideration to the department any such cases in which change would cause serious embarrassment. Failure to carry out these instructions will lead to disciplinary action in the case of officers responsible therefor.

5. Any employee who is assigned to work outside the scope of his official designation, or any employee who shall become cognizant of such assignment of another employee, must bring the fact in writing to the attention of the head of his bureau or office.

These instructions have been approved, and it is directed that copies be posted on all bulletin boards.

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DUTIES OF APPOINTMENT CLERK.

Appointment clerk; salary, $2,000 plus $240 bonus: The appointment clerk, under the direction of the chief clerk, has charge of the work incident to the appointment, assignment to duty among the different offices, and separation from the service of all employees in the Post Office Department proper at Washington and certain positions of the Postal Service. The number of employees aggregate more than 3,000. This entails a large volume of work, consisting of the examination of papers in the case of eligibles certified by the Civil Service Commission to fill vacancies and deciding whether such eligibles have the necessary qualifications and conducting correspondence incident thereto.

He is charged with the preparation of monthly reports to the Civil Service Commission, giving in detail every change of status, as required by law, notices and oaths of changes to employees affected, and reports to disbursing clerk for proper adjustment of salaries requiring a knowledge of precedents, Postal Laws and Regulations, and comptroller opinions.

He also has charge of the granting of leave to employees, keeping record thereof, and the adjustment semimonthly of salaries of employees who have exceeded the leave allowed under the law and regulations, requiring a thorough knowledge of Postal Laws and Regulations and opinions of the comptroller.

The appointment clerk's office adjusts efficiency ratings upon which changes in status of employees are based. This work requires the greatest care and accuracy and, inasmuch as the turnover of the department is between 25 and 30 per cent a year a great amount of work is necessary. The efficiency ratings are always open to the employees for inspection so that the work has to be kept up to date and in such shape that the employees' status can be gone over in detail.

The checking and certifying to pay rolls is also charged to this office.

He has immediate charge of the discipline of employees of the department which requires a thorough knowledge of the civil-service rules and regulations and the department's policies and procedure.

The appointment clerk is also required to carry out the provisions of the retirement act, requiring not only a knowledge of the act, but also has to keep in constant touch with decisions affecting the various provisions of the act.

Numerous other duties are performed by the appointment clerk requiring a knowledge of the department organization, precedents, laws, and regulations and an enormous amount of correspondence incident thereto.

The Clerk read as follows:

In making readjustments under the foregoing paragraph the salary of any clerk in any class may be fixed by the Postmaster General at $100 below the salary fixed by law for such class and the unused portion of such salary shall be used to increase the salary of any clerk in any class entitled thereto by not less than $100 above the salary fixed by law for such class. The Postmaster General shall assign to the several bureaus, offices, and divisions of the Post Office Department in the District of Columbia such number of the employees authorized in the foregoing paragraph as may be necessary to perform the work required therein; and he shall submit a statement showing such assignments and the number employed at the various salaries in the budget following the estimates for salaries in the Post Office Department.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph for the reason that it is a change of existing law and is legislation on an appropriation bill. For instance, Mr. Chairman, take the 118 clerks provided for at $1,800 each. This paragraph would authorize the Postmaster General to reduce the salary of each one of 117 of those clerks by $100, and it would then authorize him to give the total sum of the reductions of the 117, or the sum of $11,700, to one particular man as an increase in salary, if he saw fit. It would thus permit the department to show favoritism in behalf of certain employees to the detriment of others. That is true with respect to the 102 employees and also in respect to the 278 employees; also with respect to the 356 employees and the 138 employees provided for on page 2 of the bill. He could cut the great majority of them down $100 each below the salary fixed by law and then give the total amount of reductions, without limitation at all, to some particular favorites as increases in their salaries. I submit that it should not be permitted in this bill.

Mr. MADDEN. This language has always been carried in the act, and it is not subject to the point of order.

Mr. BLANTON. But there is no substantive law authorizing it.

Mr. MADDEN. Of course, if we are going to get back where we insist on language that is only carried on account of substantive law, probably most of the appropriations would be stricken out. But this is good practice; it is for orderly management. It has always been done and ought to continue to be done. I do not believe it is subject to a point of order. It is not legislation. It is simply a matter in the conduct of the office which should exist.

Mr. BLANTON. I do not wish to be technical, Mr. Chairman, and I do not wish to make an objection unless I have a good reason for it. If there were good reason for carrying this, it would be different; but I do not think it is a wise policy to permit some particular bureau chief, even in the Post Office Department, to decide that he will reduce the salary of a great number of employees by $100 below that which the law fixes, and then give it in increases to somebody else for whom he has a special liking.

Mr. SLEMP. This provision here has been requested by various Postmasters General in recent years and in the interest of efficiency in the service.

Mr. BLANTON. Do you think it is a wise policy?

Mr. SLEMP. I certainly do.

Mr. BLANTON. Then why not take away from Congress altogether the right to fix these salaries and place them in the hands of the Postmaster General entirely?

Mr. SLEMP. This slight variation here is all they ask, and they contend it is in the interest of efficiency.

Mr. BLANTON. It gives them authority to reduce the salary of hundreds of employees in the department to the extent of $100 each, and then to increase other salaries without limitation.

Mr. SLEMP. But his statement is that he does not reduce any clerks.

Mr. BLANTON. It does not say "not more" than $100 increase, but "not less" than $100 increase. There is therefore no limitation placed whatever upon the increase, except so far as the maximum of the total amount of reductions made on others. It should be "not more" instead of "not less."

Mr. SLEMP. I was just going to state how this operates. The gentlemen that came before the committee stated that they had not reduced any clerks, because under their efficiency system no clerks could be reduced. Here is a person who receives an $1,800 clerkship that leaves the service, and you take off that $1,800 and promote anybody along the line and make promotion to $1,700. That is the way it works out. They contend it is a very important matter.

Mr. MOORE of Virginia. On line 2, page 4, is it intended the language should stand "by not less than $100," or is it intended to be "not more than $100"?

Mr. SLEMP. Yes; less than $100.

Mr. BLANTON. It thus leaves no limitation whatever on the increase. In other words, he could increase one man's salary $100,000. If they saved $100 each on a thousand clerks by so reducing them, he could.

Mr. ROSSDALE. I think I can explain the matter to the gentleman. On line 23, page 3, it says:

Salary of any clerk in any class may be fixed by the Postmaster General at $100 below the salary fixed by law for such class, and the unused portion of such salary shall be used to increase the salary of any clerk in any class entitled thereto by not less than $100 above the salary fixed by law for such class.

Note the words "by law." There is a statutory law fixing it in *these* various salaries and grades, and the Postmaster General could not advance any employee more than $100.

Mr. BLACK. Mr. Chairman, there is no doubt in the world that the contention of the gentleman from Texas is correct in that there is no limit to which he might increase it in so far as this fund is concerned. That language, if it stays in the bill, ought to read "not more than $100." There is no question about that. If that language stays in the bill, although the Post Office Department may always interpret it to mean not more than $100, the way it is written now it says "not less than $100," and there is no maximum at all. Therefore we should have the word "more" instead of the word "less."

Mr. SLEMP. Does the gentleman contend that this is not legislation?

Mr. BLANTON. There is absolutely no substantive law for it. I think it is an unwise policy to give such power to anybody, because there is favoritism shown right now with respect to reducing assistant postmasters to the grade of clerks all over the country. I have several of them in my district that have been reduced from assistant postmasters to clerks, with a reduction in salary to $1,800, where they had been getting salaries of assistant postmasters heretofore.

Mr. DOWELL. Will the gentleman from Texas yield?

Mr. BLANTON. I yield, if I have the floor.

The CHAIRMAN. The gentleman from Virginia [Mr. SLEMP] has the floor.

Mr. SLEMP. I yield.

Mr. DOWELL. May I inquire, if the gentleman is correct and means what is actually being done in the department, and the salary is not increased to exceed $100, the gentleman would then withdraw his objection?

Mr. BLANTON. I think that would materially help the situation. Suppose the gentleman had 20 of his constituents in this class of 118 clerks here drawing $1,800, and those 20 clerks were reduced $100 apiece and that $2,000 then given to another clerk adjoining his constituents as an increase of salary, would he be satisfied with that kind of a proposition?

Mr. DOWELL. If it was for the good of the service, and I assume that the language is here for that purpose. It seems to me there ought to be an adjustment here whereby the department could adjust these so that they could get the best service possible.

Mr. BLANTON. Is the contemplated resignation of the chief of this entire department now intended for the good of the service?

Mr. DOWELL. The question that I am asking is, If the gentleman could be assured there would be no increase of more than $100 to any clerk, it would relieve the objection he has?

Mr. BLANTON. It would help it out wonderfully.

Mr. SISSON. I would like to ask the gentleman from Texas if the committee would agree to change in line 5 the words "not less than" to the words "not more than" $100, if he would then agree to the amendment? I say that because I think by doing that it would give the Postmaster General simply the right to reduce the salary in the event the salary was thought by him to be too high, and would not give him the right to increase the salary.

Mr. BLANTON. Does the gentleman from Mississippi believe this to be a wise policy that gives the Postmaster General the right to reduce $100 below the amount fixed by law the compensation with respect to hundreds of clerks? Not with respect to just a few, but to hundreds of clerks?

Mr. SISSON. To be frank, if the Postmaster General is willing to assume that right in favor of the taxpayers, I would be glad to vest him with that power.

Mr. BLANTON. If it were done for that purpose, yes; but if it were done on the recommendation of certain bureau chiefs who are trying to show favoritism to a few as against the many, then what would the gentleman's action be?

Mr. SISSON. On the statement that the gentleman now makes I would say instantly no; but I would not want to assume that everybody connected with the department would do that. In other words, I would rather indulge the presumption which the law indulges in, that a man will do his duty. But if he would abuse this power by punishing people that he does not like, I think that such a Postmaster General would not last long.

Mr. BLANTON. He could do it time and time again without knowing it, on the recommendation of bureau chiefs. I have had complaints of favoritism being shown, not merely in this administration, but in the preceding administration. It is not a partisan matter.

Mr. SISSON. I really believe that if you would change the word from "less" to "more" it would not be subject to a point of order, but it would be in order under the Holman rule.

Mr. DOWELL. Mr. Chairman, will the gentleman from Texas yield for one other question?

Mr. BLANTON. I do.

Mr. DOWELL. Would the gentleman withhold his point of order if an amendment can be offered to this paragraph making the word "less" read "more"?

Mr. BLANTON. Well, the gentleman is such a good parliamentarian that he knows if I did that the point of order would be waived.

Mr. DOWELL. I think not.

Mr. BLANTON. It would. If you were to permit the paragraph to be amended at all, then the point of order is waived.

Mr. DOWELL. But I am assuming that if it is amended the condition would be largely relieved and the gentleman would not want to press his point of order.

Mr. BLANTON. I think it is an unwise policy.

Mr. MADDEN. I hope the gentleman will not make the point of order. We will offer an amendment. I think it would be a wise policy to offer an amendment.

Mr. BLANTON. If both the majority and the minority side agree, and if the gentleman from Virginia [Mr. SLEMP] will assure us that that amendment will be placed there, so as to place a maximum of $100 on the increase, I will withdraw the reservation of the point of order.

Mr. SLEMP. Yes.

Mr. BLANTON. Then, Mr. Chairman, I withdraw the reservation.

The CHAIRMAN. The reservation of the point of order is withdrawn.

Mr. SLEMP. Mr. Chairman, I offer an amendment, on page 4, line 2, to strike out the word "less" and insert "more," so that the language shall read "by not more than $100 above the salary fixed by law for such class."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SLEMP: Line 2, strike out the word "less" and insert in lieu thereof the word "more."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Office, First Assistant Postmaster General: First Assistant Postmaster General, $5,000; chief clerk, $2,500; division of post-office service—superintendent $4,000, assistant superintendent $3,000, clerk in charge $2,250; division of postmasters' appointments—superintendent $3,000, two assistant superintendents at $2,000 each; superintendent, division of dead letters, $2,500; chief division of correspondence, $2,000; in all, $28,250.

Mr. ROUSE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky moves to strike out the last word.

Mr. ROUSE. Mr. Chairman, I would like to ask the chairman of the committee if he knows what salary the acting chief clerk to the First Assistant Postmaster General now receives?

Mr. SLEMP. All that I know is what he is authorized by law to receive.

Mr. ROUSE. Does the gentleman know whether an employee from the inspection service has been detailed to this department to do the work of the chief clerk at an increased salary over the statutory allowance for chief clerk?

Mr. SLEMP. I am sorry I have not the data.

Mr. ROUSE. I do not know it to be a fact, but I have been informed that an official from the inspection service is the acting chief clerk and receives a salary in excess of the statutory allowance for chief clerk.

Mr. SLEMP. We asked the Post Office Department to insert in the record a complete statement of all transfers connected with the Postal Service, with the duties they are performing and the salaries they are now receiving.

Mr. ROUSE. That has been done, but it is not complete. What I want to put into the RECORD is a copy of the law. I would like to read it to the gentleman, and especially call attention of the Solicitor of the Post Office Department and the Civil Service Commission. On page 34 of the Postal Regulations it is provided:

Hereafter it shall not be lawful to detail clerks or other employees paid from general appropriations for the Postal Service from any branch of said Postal Service, whether located at the seat of government or elsewhere, to any of the offices or bureaus of the Post Office Department at Washington.

That is from the law of 1898, March 15, chapter 68, Thirtieth Statutes, page 317.

Now, if I can have the attention of the chairman, I would like to ask him about one other official. This provision provides for the salary of the chief of the division of correspondence at $2,000. The Postmaster General states that this position is being held by Mr. K. L. Russell, and that he is being paid from the appropriation for the mail bag and equipment service. I would like to ask the gentleman if he does not think that is a violation of the law?

Mr. SLEMP. We bring that out on page 55 of the hearings. We got that one. We were informed that Mr. Russell's assignment is merely temporary.

Mr. ROUSE. But he is paid $3,000, and he is not performing any duty connected with the mail bag and equipment service.

Mr. SLEMP. Can the gentleman state how long that has been going on?

Mr. ROUSE. I can not.

Mr. SLEMP. The provisions in this bill are exactly the same as have been carried for a number of years. This provision is exactly as it was last year.

Mr. ROUSE. The Postmaster General states in his letter that the five details existing at the present time include two made by his predecessor, and those two details are of Mr. Howell and Mr. Regar. The other three details have been made by the present administration.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For compensation, to be fixed by the Postmaster General, of such number of employees as may be necessary to audit the accounts and vouchers of the Postal Service, $592,790.

Mr. BLANTON. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Texas reserves a point of order.

Mr. BLANTON. I should like to ask the Chairman why there is no limitation as to salaries in this paragraph?

Mr. SLEMP. This is under the Bureau of Accounts. They submitted to the committee an estimate for a rather large increase in salaries in that bureau, and also for the transfer of a lot of statutory salaries to the lump-sum roll. We went over the matter very thoroughly with Mr. Cram, the gentleman in charge of that, and the committee denied all salary increases of every kind, declined to make any transfers from statutory salaries to the lump-sum roll, but left the department in the same situation as we found it, without increasing the personnel or anything else.

Mr. BLANTON. We did this during the war, but why should we continue to do it in peace times?

Mr. SLEMP. Just a moment. They contend that the salaries paid and the amount expended under this particular lump-sum appropriation are less than would be expended under the statutory provision, so that this represents a net saving to the Government, and I feel very confident, and I am sure the members of the committee feel that that discretion has been exercised very wisely.

Mr. BLANTON. But without any guide or limitation whatever this paragraph gives approximately $600,000 to the Postmaster General and permits him to employ any number without limitation, and to give them any salaries he wants without limitation.

Mr. SLEMP. Of course, we have filed with us here the number of employees, their names, and the compensation paid.

Mr. BLANTON. That is merely a guide to the committee, but is not a limitation on the Postmaster General.

Mr. SLEMP. I will say further that the statement is made that they can take care of 8 per cent increase in the business next year with this same force.

Mr. BLANTON. The gentleman knows that we have two employees of the Government in another department who are drawing $35,000 a year.

Mr. SLEMP. If this were changed it would result in the payment of an increased amount of money.

Mr. BLANTON. But the gentleman knows that there is another department that is paying $35,000 a year to each of two certain employees.

Mr. SLEMP. The gentleman will understand that I am just as much opposed to that as he is.

Mr. BLANTON. But that is done in another department, and if it is done there it could be done in this department.

Mr. SLEMP. These gentlemen always keep faith with the Congress and with the pledges they make in their statements to the committee.

Mr. BLANTON. Mr. Chairman, I think this is an unwise provision, and I make the point of order that it is legislation on an appropriation bill without authority of law.

Mr. SLEMP. It is not subject to a point of order.

Mr. MADDEN. Mr. Chairman, it is within the province of the Committee on Appropriations to say whether they will make a lump-sum appropriation for a given activity or whether they will make it in detail, or whether they will make a limitation on particular appropriations. This activity is authorized by law. This is the comptroller of the Post Office Department, an office authorized by law.

Mr. SISSON. It is a matter of administration.

Mr. MADDEN. It is simply a matter of the best way to administer the funds set apart for the payment of the expenses of this office. The office of the chief accounting officer of the Post Office Department is created by law, and the force that he must employ is authorized, and the question of the manner of payment is one that should be decided upon the facts; and the committee decided that this was the best way to do it, the most economical way, and that it would bring about the greatest amount of efficiency.

Mr. BLANTON. May I call the attention of the Chair to the language here:

For compensation, to be fixed by the Postmaster General, of such number of employees as may be necessary to audit the accounts and vouchers of the Postal Service, $592,790.

All the employees are in the department and the positions are fixed by law. There is no substantive law authorizing the Postmaster General to employ an unlimited number of employees at such salaries as he may deem necessary to fix in his discretion. It is beyond the warrant of law to do that.

Mr. MADDEN. No; the law distinctly provides that the Post Office Department is a going concern. It is a work in progress, and as it increases in volume they may increase the number of people employed in the service in order to keep the work up current. This, it seems to the committee, is the best way to provide for this activity in this case.

Mr. BUTLER. Mr. Chairman, will the gentleman answer a question?

Mr. MADDEN. Certainly.

Mr. BUTLER. Is there any authority in the law for the employment of these people?

Mr. MADDEN. Oh, yes.

Mr. BUTLER. Is there any statute which provides for the auditing of these accounts?

Mr. MADDEN. Certainly.

Mr. BUTLER. A direct statute?

Mr. DOWELL. Does the gentleman believe any department could exist without the right to audit its accounts?

Mr. BUTLER. No.

Mr. DOWELL. If that general authority is given without a statute fixing salaries, the committee may permit the Postmaster General to fix those salaries. It seems to me there can be no question about this.

Mr. BLANTON. Then why did the committee insist on designating so many specified positions at such and such salaries on pages 2 and 3, and why was not that left to the discretion of the Postmaster General under a general authorization?

Mr. DOWELL. These salaries are fixed by law. Under this provision, of course, under the general provisions for the existence of the Post Office Department, there would be authority to conduct an accounting department.

Mr. MADDEN. Here is the authority, if the Chair please. This is the law:

The administrative examination of the accounts and vouchers of the Postal Service now imposed by law upon the Auditor for the Post Office Department shall be performed on and after July 1, 1921, by a bureau in the Post Office Department to be known as the Bureau of Accounts, which is hereby established for that purpose.

Mr. BUTLER. Is that the statute?

Mr. MADDEN. Yes.

The Bureau of Accounts shall be under the direction of a comptroller, who shall be appointed by the President, with the advice and consent of the Senate, and shall receive a salary of $5,000 a year. The comptroller shall perform the administrative duties now performed by the Auditor for the Post Office Department and such other duties in relation thereto as the Postmaster General may direct. The appropriation of $5,000 for the salary of the Auditor for the Post Office Department for the fiscal year 1922 is transferred and made available for the salary of the comptroller, Bureau of Accounts, Post Office Department. The officers and employees of the office of the Auditor for the Post Office Department engaged in the administrative examination of accounts shall become officers and employees of the Bureau of Accounts * * *. The appropriations for salaries and for contingent and miscellaneous expenses and tabulating equipment for such office for the fiscal year 1922, and all books, records, documents, papers, furniture, office equipment, and other property shall be apportioned between, transferred to, and made available for the Bureau of Accounts and the General Accounting Office, respectively, on the basis of duties transferred.

Mr. SISSON. I want to call the Chairman's attention to an oversight in reading. He failed to read three or four words. It says "at their grade and salaries on July 1, 1921." So that is fixed by law. I want to say here that the auditor doing this work is one of the most efficient men in this Government. I do not mind calling his name. His name is Cram. Mr. Cram has instituted a system in the Post Office Department, and did it over the protest of a good many people, a system fixing the salaries in accordance with meritorious work of the employees under him. If we had more officials like Mr. Cram we would save millions of dollars in the department service. I think it is not only a matter of administration of the law but authority to the Postmaster General to do the specific things necessary to be done to have this office administered under him in accordance with the new budgetary system that has gone into effect.

The CHAIRMAN. The Chair thinks that the authority given by law does not authorize the appropriation of a lump sum to employees generally to be fixed by the head of a department, and the point of order is sustained.

The Clerk read as follows:

Contingent and miscellaneous expenses: For miscellaneous items, including purchase, repair, and exchange of typewriters and adding machines, of which not exceeding $200 may be used for furniture and repairs, not exceeding $850 may be used for rental of telephones, and not exceeding $200 may be used for the purchase of law books, books of reference, and city directories, $7,700, to be expended under the direction of the Comptroller of the Post Office Department under rules and regulations to be prescribed by the Postmaster General and to operate as a specific exception of the said office from the appropriation for contingent expenses, Post Office Department, unless otherwise provided by law.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I am surprised at the ruling of the Chair.

The CHAIRMAN. The Chair will reserve his ruling and hear the gentleman.

Mr. MADDEN. As we go along with the bill the Chair will find that we appropriate in several instances—letter carriers, for example—a certain amount of money, and substitute letter carriers, $70,000,000. Does the Chair contend that we have not a right to appropriate a lump sum? We do the same thing for the substitute clerks. That is all done because we have calculated how many people will be employed under the lump sum and whose salaries are fixed by law. It has been the practice all the time in order to shorten up the wording of the bill. If we were to enumerate so many clerks in every class we would have a bill of a couple of hundred pages.

Mr. TILSON. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. TILSON. Would the gentleman say that under this provision if it became a law the Postmaster General might, if he wished to do so, employ one person for $20,000?

Mr. MADDEN. No.

Mr. TILSON. Would not the language as it stands authorize him—"for compensation to be fixed by the Postmaster General"? Assuming the Postmaster General wished to do a thing of that sort—and I realize that the Postmaster General will be just as much interested as the gentleman and myself to get good service for a reasonable compensation—from the standpoint of a point of order whether or not this language as it stands would not authorize the Postmaster General, if in his discretion or his indiscretion he wished to do so, to give an exorbitant salary?

Mr. MADDEN. If it did, I would not stand for it.

Mr. BLANTON. Mr. Chairman, the gentleman from Connecticut is correct; it would authorize the Postmaster General to appoint two at $25,000 a year if he saw fit. The Chair was correct in his ruling.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that we may be permitted to go back to the former paragraph, in order that I may offer an amendment.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to return to the item just passed.

Mr. BLANTON. Before we agree to it, I would like to know what the gentleman's amendment is.

The CHAIRMAN. The Chair will state that the gentleman from Illinois was on his feet when the Clerk began to read the paragraph. He addressed the Chair but the Chair asked the gentleman to wait until the Clerk had read the paragraph. The Chair thinks that the gentleman has a right to offer his amendment to the other paragraph, because the Chair cut him off.

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 7, after line 13, insert a new paragraph, as follows:

"For compensation of such number of employees as may be necessary to audit the accounts and vouchers of the Postal Service, $592,790."

Mr. BLANTON. I make no objection to that, because it is in accordance with the law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. SISSON. Mr. Chairman, I would like to call attention to the fact that the Post Office Department has changed the word "audit" to the word "settle." Formerly the Secretary would appoint the Auditor of Accounts of the Post Office Department, but under the new system the President appoints the Auditor for the Post Office Department. The President appointed this auditor making him an independent Auditor for the Post Office Department. What I want to ask is whether the word "audit" instead of "settle" would have any effect on the right of the Post Office Department to pay these claims?

Mr. SLEMP. The Post Office Department does not make the final payments; they simply audit the account.

Mr. SISSON. But somebody ought to have the right to declare the account settled and closed. I presume Mr. Cram must have had some reason for changing the word "audit" to the word "settle."

Mr. SLEMP. The subcommittee struck out the new language and inserted the language now carried in the bill, and that was in accordance with the wishes of the accounting office.

Mr. SISSON. All right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The Clerk read as follows:

Appropriations hereinafter made for the field service of the Post Office Department, except as otherwise provided, shall not be expended for any of the purposes hereinbefore provided for on account of the Post Office Department in the District of Columbia.

Mr. GRIFFIN. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 15 minutes on the bill, but slightly out of order, as I do not care to talk on this particular section.

Mr. SISSON. Mr. Chairman, I call the attention of the chairman of the subcommittee to the fact that we had an understanding with the gentleman from New York that he was to have 15 minutes at this time, because there was not sufficient time to grant him that time in general debate.

Mr. SLEMP. That is correct.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for 15 minutes. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Chairman and gentlemen of the committee, the subcommittee reporting this bill, in my opinion, have been guilty of two very flagrant acts of inconsistency. The committee is to add $200,000 to the appropriation for village postal delivery, without being asked for it and against the recommendation of the Budget Bureau, with which we are expected and presumed to cooperate, and, with paradoxical inconsistency, it has stricken out the appropriation for air mail service amounting to $1,935,000, wiping out the entire appropriation, although that appropriation was recommended by the Budget Bureau and notwithstanding that it is desired by the Post Office Department.

There is, of course, this difference: The appropriation for village mail delivery, which is to be enhanced at the hands of the committee—because the chairman was authorized to offer an amendment on the floor increasing the appropriation by $200,000—will furnish patronage to a few local bosses and aid

in the repair, perhaps, of party fences. The appropriation eliminated will furnish campaign material to make a demagogic appeal to constituents who can see no further than the end of their whiskers.

As to the justification for the abandonment of the plan with which we started out in the course of Budget reform, no intelligent man can devise a sane or adequate apology. The Postmaster General, in his annual report for this year, on page 34, recommends the complete abolition of the village delivery. Instead of following his suggestion, we will be asked to add $200,000 to the appropriation, the obvious effect of which is to provide about 200 jobs for needy partisan villagers. I hear a gentleman suggest that that is a very good reason.

In striking out the appropriation for air mail service we have emulated the cocksure prophets of the last century who opposed the carrying of mail by the few straggling railroads, which were just on the verge of transforming a wonderful experiment into a practical realization.

The mossbacks of those days could see no future for those darned new-fangled things on rails which emitted fire to burn down their barns by night and scare their cattle by day. They were opposed to the carrying of mail by railroads, as to-day they are opposed to the carrying of mail by airplane. They could see nothing beyond the safe and sane stagecoach of their venerable ancestors and despised and feared anything that threatened any taint to the atmosphere more novel or exhilarating than that of the stagecoach and stable.

What is the effect of striking out the airplane appropriation? What does it mean? It means the abandonment of 15 aviation stations established at great expense all over this land from the Pacific to the Atlantic, and with that goes all of their equipment and 75 airplanes, which will be discarded. In short, it means that this valuable Government property shall be sacrificed or ruthlessly thrown into the scrap heap. In the name of common sense, have we not gone far enough in such foolishness already? It means the throwing out of work of nearly 500 employees. Now, as to my whispering friend, who says that the employment of 200 for postal delivery in villages is an adequate reason for the appropriation, is it not worth consideration that you are throwing out of employment 500 men of the aviation service, who have devoted their lives to the study of this branch of art, and who are fitted for no other occupation in God's world if they are deprived of their posts? It means perhaps a fatal blow to all progress so far made in the delimitation of air lines and in the other advances in aviation transportation.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. DOWELL. I am with the gentleman so far as the air mail service is concerned, but I take it that the argument he makes in respect to throwing these men out of employment would apply with equal force to the village delivery. I also take it that the gentleman, living in New York City, is not affected by the village delivery. However, in those towns that have had the delivery, to now have it taken away would deprive them of what is now being given to the people of the city of New York.

Mr. GRIFFIN. That is correct, and I am very glad the gentleman has brought that up, because I hope that in anything that I have said I shall not be understood as opposing village delivery. I do not oppose it. I believe everything should be done to make the Postal Service effective and beneficial to all the people, and that the people living in small villages, towns, and hamlets are entitled to the same consideration as that accorded to the people of the greater cities.

Mr. DOWELL. With that explanation, I heartily agree with the gentleman.

Mr. GRIFFIN. I thank you. Now, the act of this committee means, in addition, the deliberate short-sighted refusal of an opportunity to enhance the public revenue in the near future in a very material manner. I know this will be disputed, but I shall prove my statement by the very testimony in the hearings upon which the recommendation is based to strike out the appropriation. Mr. Chairman, these are the things which animate the cartoonist when he draws Members of Congress as short, pudgy gentlemen, with chin whiskers and with no common sense, and not a spark of foresight or of ideality.

There are four classes of people who cheerfully coincide with this pretended economy: First, there are the men who, like their predecessors in the last century, opposed the evolution from the stagecoach to the rail; second, there are the commercial adventurers who are planning the establishment of airplane lines and the securing of fat star-route contracts for mail transportation, and these, by the way, will be real star-route lines, because their lines of travel will be among the stars.

These are the men who are anticipating that the United States Government shall take its hands off in the matter of aerial progress and leave the field to them to be exploited in the future.

Mr. TILSON. Will the gentleman yield at that point for a question?

Mr. GRIFFIN. I will.

Mr. TILSON. Has the gentleman any assurance that these private individuals will establish these aerial lines? If he has, I shall be disposed to accept this action of the committee in striking out this one, but, so far as I know, there is not much immediate hope that private individuals are going to do that thing.

Mr. GRIFFIN. I will show you what they are dreaming of. On page 282 of the hearings, Col. Shaughnessy, who was before the committee, said:

> We are led to believe that during the coming year the commercial interests in the United States who are looking into the aviation situation will begin to establish air lines and in that way provide service to relieve us of the necessity of making further extensions.

Mr. RAMSEYER. Do I understand the Post Office Department recommended the elimination of this item?

Mr. GRIFFIN. No; they did not.

Mr. RAMSEYER. Or was it the attitude of the subcommittee that framed this bill?

Mr. GRIFFIN. The subcommittee did not recommend the elimination.

Mr. SISSON. I do not know whether the gentleman knows about the subcommittee or not.

Mr. RAMSEYER. I thought the gentleman was on that committee.

Mr. SISSON. We recommended the item asked for by the Postmaster General, and the full committee cut it down.

Mr. RAMSEYER. Of course, the gentleman probably knows this item has never gone on in the House. It has been recommended a few times by the committee, but has gone out on a point of order. The Senate has always placed it on, and undoubtedly will do so this year.

Mr. GRIFFIN. I know that. Now, as to the reasons for the objection of the railroads, on page 283 of the hearings we find this. Col. Shaughnessy, still testifying, says, referring to a reduction in the expense of operation:

> We reduced our expenses to the extent of about $675,000 a year. That came out of the railroad appropriation.

Think that over! On page 284, continuing his testimony, he says:

> The records of the comptroller show that $850,406.19 was so spent in 1920. That is to say, this sum was diverted, under a technical interpretation of the law, from the railroad appropriation to the air-mail service.

Now, can we see anything? Can we glimpse the nigger in the woodpile? The railroads do not like the idea of the mails being carried by airplane. They are in the position themselves to-day that was occupied by the owners of the stage coach of the last century, who opposed the transmission of mail over steel rails by railroad trains. So that for once we find intended rivals joined together in opposition to this particular appropriation. The airplane men are looking for fat contracts in the future, and the railroad men are opposed to having their appropriation diverted to the air mail service.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. GRIFFIN. I will.

Mr. SMITH of Michigan. I am in harmony with the gentleman's position for the air service. I am in favor of it. As I understand it, they are not going to eliminate the service from New York to San Francisco. That will be a main line?

Mr. GRIFFIN. Oh, yes; they are going to eliminate everything.

Mr. SMITH of Michigan. Can the gentleman tell us how near self-supporting it is, or whether the receipts exceed the expenditures?

Mr. GRIFFIN. The only line in operation to-day of airplane transportation is that extending from New York to California, and if this appropriation is eliminated it means that that line will be discontinued, involving the abandonment of all its stations, and all its equipment, and all its accumulated experience will be thrown in the scrap heap.

Mr. SMITH of Michigan. Is it proposed to eliminate that line?

Mr. GRIFFIN. Absolutely.

Mr. QUIN. Can the gentleman tell me what the rate is on that line for first-class mail matter?

Mr. GRIFFIN. The Post Office Department in carrying on this experiment of airplane delivery has not charged any higher

rate of postage for air letters than they have for any other. The selection of the mail is largely a matter of chance and of circumstance, the object of the postal authorities being to expedite the service of mail and to advance the speed of delivery on the Pacific coast. Under the practice which they are now following they have 21 sailings a day, sailings only during the daytime. The character of the airplanes which they have, which have come to them from the War Department, forbid them to fly at night. They can not fly at night at the present time. So these planes which are now operated carry the mail, say, from New York to Cleveland, where it is dropped and taken up by train and advanced to another section on the line, and the plane which has carried the Cleveland mail takes up a pouch that has left New York before the airplane left in the morning. In that way they succeed in advancing the mail across the entire country 24 hours ahead of train service. But the sailing time of these planes between New York and San Francisco, and the reverse, is 36 hours, and if we had a suitable form of planes to permit them to engage in continuous flight they could without doubt, I am sure, carry the mail across the continent in 48 hours.

Now, as to the cost.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent to proceed for five minutes longer.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GRIFFIN. Now, as to the cost. The modern type of airplane which they are now using carries 800 pounds of mail. There are 40 letters to the pound. That makes 32,000 letters which may be carried. At 2 cents a letter, that would amount to $640. Now, if the Government would charge, say, the special-delivery rate for this material, as they started out in the beginning to do, because, after all, an airplane letter is a special-delivery letter—if they charged 10 cents per letter, the revenue from that one airplane flying from New York to Chicago would amount to $3,200.

The distance from New York to Chicago is 770 miles. The expense of such a flight, for operation and maintenance, is 75 cents per mile. The total cost of the flight would therefore be $577.50, showing a balance of profit to the Government of $2,622.50 for each plane.

Gentlemen, this service has possibilities that we ought not to ignore. Col. Shaughnessy, testifying in the record of the hearings, at page 294, said that it is costing us 75 cents for operation and maintenance per mile flown and the capacity of the plane is 800 pounds.

It is a simple matter of calculation. I have had prepared some figures. For the six months ending December 21, 1921, the air mail service carried 548,771 pounds of first-class mail. At 40 letters to a pound that makes the total number of letters carried 21,950,840.

The postage received on those letters was $439,016.80, nearly half of the appropriation which it is proposed to eliminate. Now, at 10 cents a letter the revenue would have been $2,195,084. As an offset to that, what are the salaries? There are 479 employees, and the annual salary is $787,620 for one year. For half a year, that is, the period for which the figures are calculated, the salaries would aggregate $393,810, leaving a margin of profit to the Government of $1,800,000 for six months.

That is why I say that in eliminating this factor of airplane delivery we are shutting out from the coffers of the Government the opportunity to gain an immense revenue.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. I do.

Mr. MANN. Is it practical to have 10 cents postage on a letter carried by an airplane?

Mr. GRIFFIN. I think it is.

Mr. MANN. I do not think it is.

Mr. GRIFFIN. It is a special-delivery letter. We use the special delivery to-day.

Mr. MANN. The airplane service is once a day. If a man drops a letter in the post office in time for the air-mail service that day, very well. But if he drops it in too late, would the gentleman have the letter held for 24 hours?

Mr. GRIFFIN. Yes; if he wanted it to go by air mail. If not it would go by train.

Mr. MANN. That would make it much later in getting to its destination than by the regular mail.

Mr. GRIFFIN. If they were delayed 24 hours they can only blame themselves. They ought to know the time at which the airplane leaves. They are confronted with the same difficulty with respect to the ocean liners. Their dates of sailings are published in the papers.

Mr. MANN. But we do not charge any extra fee for that mail. Take it from New York to Chicago; that is a little less than a 24-hour run. Certainly no one would want to have a letter held over 23 or 24 hours because it has a 10-cent stamp on it.

Mr. GRIFFIN. Such letters are not held to-day, and the conditions would be no worse by cooperation and employment of the air service. I would not use any other stamp than the usual special-delivery stamp, leaving it to the discretion of the Post Office Department to manage the cooperation between air and rail service to the best advantage. An airplane, for instance, leaves New York at 7.15 in the morning. It goes to Cleveland, Ohio, and there it picks up mail that has gone out on the midnight train from New York. It is therefore able to advance the delivery of that mail—presumably special-delivery mail—between seven and eight hours at Chicago.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. Mr. Chairman, I will ask for five minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. WATSON. What is the life of an airplane under the circumstances you have presented?

Mr. GRIFFIN. About five or six hundred hours, ranging from 40,000 to 50,000 miles. I will insert the details at this point, taken from page 291 of the hearings:

Type number.	First trip.	Miles.	Hours.	Condition.
JN4-H 12	May 15, 1918	40,666	588	Serviceable: stored.
JN4-H 17	May 17, 1918	41,347	597	Do.
JN4-H 11	June 1, 1918	39,690	577	Do.
R-4 31	July 19, 1919	43,437	498	Good; in service.
DeH-4 71	Mar. 3, 1919	62,136	699	Do.
DeH-4 99	Nov. 15, 1919	65,663	712	Do.
DeH-4 104	Dec. 17, 1919	58,219	634	Do.

Mr. WATSON. How much per flight is that, in accordance with the expense of the plane? You say it costs 75 cents a mile. Does that include the value of the plane?

Mr. GRIFFIN. Yes; and the operation and everything.

Mr. WATSON. Does that include depreciation?

Mr. GRIFFIN. Yes; depreciation. In the hearings here, on one of the pages, you will find a summary of the life of an airplane.

Mr. SLEMP. It is on page 291 of the hearings.

Mr. GRIFFIN. Yes. There you will find the number of trips scheduled in three years from July 1, 1919, to June 30, 1921. The number of trips attempted was 10,964. The number of trips completed is 10,353; the average performance was 85.68 miles. The miles traveled was 2,264,295. The average operation cost per mile in the three years from July 1, 1918, to June 30, 1921, was 84½ cents per mile. In the three months from July 1, 1921, to October 31, 1921, the average cost was 75¼ cents. I will print at this point the table taken from the hearings:

	3 years, July 1, 1918, to June 30, 1921.	4 months, July 1, 1921, to October 31, 1921.
Number of trips scheduled	12,438	2,688
Number of trips attempted	10,964	2,670
Number of trips completed	10,353	2,636
Weather encountered—trips in fog	4,282	540
Weather encountered—trips clear	6,682	2,130
Forced landings—mechanical troubles	1,001	102
Forced landings due to other causes	1,115	105
Mail flights—miles possible	2,642,685	536,210
Mail flights—miles traveled	2,264,295	529,777
Average performance	85.68	98.8
Number letters carried	77,507,040	13,976,560
Average operation cost per mile	$0.84½	$0.75¼

Mr. MOORE of Virginia. That is simply operation. It does not include investment and depreciation.

Mr. GRIFFIN. There is no investment. They get the planes from the War Department.

Mr. MOORE of Virginia. Of course, they cost something to construct and the depreciation is very acute. This money, as I understand, simply covers the cost of operation?

Mr. GRIFFIN. No. On page 290 you will find that the Post Office now does all its own repairing and rebuilding work, also all work on Army ships, to make them mail carrying. Notwithstanding the assumption of this burden the total expenditure in the air-mail service per mile flown has been reduced from $1.43 to $1.04, which figures include the overhead expenses. Up to June 30, 1921, the department did pay airplane companies for rebuilding and converting planes the sum of $276,109.08, and eight planes were purchased for $200,000, a total of $476,109.08; but at present the estimated flying cost of 75 cents includes the entire expense of maintenance and operation.

Mr. PARRISH. Mr. Chairman, will the gentleman yield?

Mr. GRIFFIN. Yes.

Mr. PARRISH. Does not the gentleman think that this service could be handled under private contract with aviating companies at a less rate and more practically than the Government is handling it?

Mr. GRIFFIN. Personally, I do not.

Mr. PARRISH. The Third Assistant Postmaster General, as I understand it, gives it as his opinion that this service can be handled under private contract and at a reduced rate from that suggested by the gentleman.

Mr. GRIFFIN. I take it that that is more of a philosophical opinion on the question of Government ownership and operation than anything else.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. STEENERSON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Minnesota moves to strike out the last word.

Mr. STEENERSON. This subject of airplane transportation is a very interesting one, and we have not got very far toward a solution. As you all know, when an airplane service was first authorized the Government operated the lines. We had a statute, and have yet, authorizing the Postmaster General to issue a distinctive air-mail stamp, and providing that the rate should be not exceeding 24 cents an ounce. But the act had no minimum, so that it was within the discretion of the Postmaster General to fix any figure, as he understood it, from nothing up to 24 cents an ounce. He fixed it at different amounts at different times. My recollection is that it was tried at 8 cents, then 6 cents, then 4 cents, and finally the extra charge was dropped and the airplane mail was carried at the regular postage. The committee had some correspondence. I introduced a resolution of inquiry on the subject and got a very full answer explaining the reason why the distinctive stamp was abolished. Of course there was no distinctive stamp needed when the postage was the same whether the mail went by rail or airplane, and the explanation was that people would not pay the extra postage; that the airplanes could get no load. The planes started from down here in Potomac Park with only a very few pounds, less than a man could carry on his back. In order to have the airplane travel they had to put on ballast. So they thought they would abolish the distinctive stamp and the extra postage and take any kind of mail that was available. Manifestly since this rule was inaugurated the air mail brings in no extra revenue, no extra income to the United States. It is a method of transportation that costs a great deal. It has been estimated that it costs one hundred times as much as it costs to transport mail by rail. Lately it has been estimated to cost about sixty times the cost by rail. We are now paying about $100,000,000 for the transportation of the mail, and if we should pay sixty times as much and transport all the mail by airplane it would cost us $600,000,000, or more than the total revenues of the Post Office Department.

Mr. MADDEN. The gentleman means $6,000,000,000, does he not?

Mr. STEENERSON. Whatever it is, it is more than the total revenues of the department.

Mr. JEFFERIS of Nebraska. Will the gentleman yield?

Mr. STEENERSON. I yield to the gentleman from Nebraska for a question.

Mr. JEFFERIS of Nebraska. I should like to know whether the gentleman is in favor of the air mail service or against it? Does he favor it, or does he think it ought to be abolished?

Mr. STEENERSON. I am trying to explain the present situation, and if the gentleman will have patience, I think he will find out something. We have got thus far: We know that it is impracticable to get any extra revenue by making an extra charge and having a distinctive stamp for the air mail service.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEENERSON. I ask for five minutes more.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. STEENERSON. Some time ago the department advised me that there had been a conference between the different branches of the Government interested in aeronautics, and that they wanted to submit propositions for a contract air mail service, and after that they submitted information that they had gathered from the various European countries and elsewhere on this subject, and they cited cases in Holland, Belgium, and France where this contract air mail service is in successful operation. These companies are engaged in carrying all kinds of small freight, as well as passengers, and they take mail in addition to their express and passenger business, and carry it at a reasonable price. So, lately, I introduced a bill on this subject which simply authorizes the Postmaster General to make contracts for carrying mail by air service, prescribing a postage three times the ordinary postage, payable by a distinctive stamp, giving the Government the regular postage and giving the contractor the other two-thirds. In other words, if that plan should be worked out, the Government would not be called upon to pay any extra charge for the expediting of the mail, if it was expedited by airplane. The Government would get the ordinary postage, and what was charged more than that would go to the contractor. We held a hearing on that proposition lately, and as the gentleman from Texas [Mr. PARRISH] has stated, the Postmaster General approved the idea. There were very many changes suggested in the bill, which is simply tentative, but he approved the idea of a contract mail service; and I call attention to the fact that ever since the air mail service was started the Post Office Department has told us that it was an experimental service, and that when the art of flying is sufficiently developed and a sufficient load can be carried and there is a sufficient factor of safety, they would like to see these private companies undertake this transportation the same as they undertake railroad transportation or star-route transportation.

They have stated that they would like to have this hearing continued for the purpose of calling into conference those interested in aeronautics, and a date has been fixed some two weeks hence for the purpose of hearing those interested. I myself have received several letters on the subject from people who are engaged in transporting goods and passengers, or who propose to transport goods and passengers if they can get the business on a plan of this kind. They will all be invited to the hearing.

The trouble with the present Government-operated air mail service is that although we have a line from New York to San Francisco that carries mail, there is a demand from every quarter of the country for similar service. There is a demand to have it to Chicago and Minneapolis and St. Paul and St. Louis and Atlanta and New Orleans. In fact, it would take millions and millions of dollars to satisfy these demands. The only justification that has been advanced, and which I think can be advanced for this transcontinental air line from New York to San Francisco is that it is of value as a military proposition.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STEENERSON. I should like to have five minutes more.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that he be allowed to proceed for five minutes additional. Is there objection?

There was no objection.

Mr. STEENERSON. I think from that point of view this transcontinental line may be justified.

Mr. GRIFFIN. Will the gentleman yield for a question just there?

Mr. STEENERSON. Yes.

Mr. GRIFFIN. Does not the gentleman consider that it is some achievement to have carried 22,000,000 letters in six months?

Mr. STEENERSON. Wait a minute. I do not want to discuss the figures in this report. The figures given by the department do not agree. Mr. Shaughnessy stated before our committee only a few days ago that it cost a dollar a mile to operate a flying machine, and that it carries 350 to 400 pounds of mail.

Mr. GRIFFIN. Seventy-five and a quarter cents.

Mr. STEENERSON. I do not want to have any dispute about that. The testimony was before our committee, not the gentleman's committee. I have only a short time, and I wish to proceed without interruption. I say this transcontinental air mail line may be justified, and can be justified, on the theory that it is an experiment and that it develops our knowledge of aeronautics.

Now, the fact that it is 3,000 miles long is of great value, because there is where the air mail is of benefit, because it will expedite the mails for long distances, but for short distances, like from Washington to New York, it is of no use, because it delays it instead of expediting it. One of the objections to the air mail service heretofore has been that suggested by the gentleman from Illinois [Mr. MANN] as to the gathering of the mail. If it is put into the mail box, even if you have it marked for the airplane mail, it would not be collected any sooner than other mail, and it does not expedite it. As it is now, you can not tell whether you get your mail carried by air or by railroad. Nobody can tell. Probably 1 out of 25,000 gets it carried by the expensive method where the others have it carried by the ordinary means. It is believed by the Second Assistant Postmaster General that a private contractor would have a special interest in getting this business and could relieve the Government in gathering the mail. They could have boxes placed at depots, like they have in New York and Chicago, for the fast mail, the Twentieth Century mail, where they have a box containing hundreds of pounds of mail, and the business men and the big banking and trust companies that have mail to expedite send a special messenger there a few minutes before the train starts, and it goes on that train. Something like that could be done by the air-mail contractor. He could arrange with the users of the mail, the big financial companies, whereby they would be willing to pay 6 or 8 or 10 cents to have that mail expedited, and a special clerk could take it to the airplane station. In that way a man could get business enough to pay for the whole transaction. There is no question but that the financial mail could be made a profitable source of revenue in this respect. The financial concerns in many cities have written the Post Office Committee stating that they would be willing to pay $8,000 or $10,000 a day for a fast mail to Chicago, airplane mail, that ran at night or daytime. It would be good business for them to put on an extra stamp and have it gathered at the different houses and expedited by fast mail. You could get plenty of business and make it profitable without any expense to the Government. It is obvious that a check for $100,000 or $1,000,000, if it can reach a clearing house a few hours earlier, saving hundreds of dollars of interest, is desirable.

We are in hopes that this theory may be developed and made practicable. It has been practicable in other places and we think it can be made practicable here. I shall be glad to have the Members of the House attend the hearings on this subject, as well as all those interested in aeronautics generally. [Applause.]

The following correspondence will show what we have in mind relative to air mail:

MAY 24, 1921.

The honorable the POSTMASTER GENERAL,
Washington, D. C.

MY DEAR MR. HAYS: I have your favor of the 7th instant relative to amendment of section 3 of the current Post Office appropriation act, also of the 9th relative to the comptroller's decision, also yours of the 12th inclosing memorandum prepared by the Second Assistant Postmaster General on the entire subject of air-mail service, and I have called these matters to the attention of the committee, but so far no action has been taken.

In view of the suggestions contained in the memorandum on the subject of making provisions for reorganization of the entire air-mail service, I have the honor to suggest that the department prepare a detailed plan at an early date—suggestions for legislation to carry the same into effect on the lines therein mentioned. Frequently since the subject of air-mail legislation has been before this committee in the past, it has been stated by the representatives of the department that the direct operation by the Government of air-mail routes was only temporary, with a view to establishing its feasibility and practicability, but that ultimately the service should be carried on by private enterprise under contract with the department in analogy to the manner in which railroad and steamship mail service is now carried on.

It is stated in the memorandum: "The theory upon which the air-mail service was started by the department was to do the necessary pioneering work to demonstrate that an air service was possible. This work has been done, and the time has arrived for the necessary constructive legislation to make it possible for private interests to get started." The memorandum also points out that in July, 1838, provision was made for carrying the mail by rail at not more than 25 per cent above the cost of similar service by post coaches, and it is also pointed out that some countries of Europe authorize the private contractor by air route to charge an extra compensation, the extra charge to be retained by the contracting company.

These suggestions seem to me to point the way for desirable legislation, and I have the honor to request that a draft of such legislation, or at least an outline thereof, be submitted, and I will at an early date call the committee together for the purpose of considering the same. The committee would be glad to have the views of the department specifically on the amount of extra compensation to be allowed the contractor for carrying the mail by air, and what the amount of the extra compensation charged to the mailer and kept by the contractor should be, and the manner in which it should be collected. If your department will indicate the time when these matters could be submitted and when the officials of the department can be present to explain their views to the committee, I will call an early meeting of the committee for the purpose of hearing them.

The consideration by the committee of the suggestions contained in your letters of May 7 and May 20 regarding equipment to be supplied by the War Department could be considered at the same time as the other suggestions I mentioned are taken up.

Very respectfully,

H. STEENERSON, *Chairman.*

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OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., May 12, 1921.

Hon. HALVOR STEENERSON,
House of Representatives.

In re air mail.

DEAR CONGRESSMAN: The situation in the above matter in the department is more or less unsatisfactory and has given us much concern. I am taking the liberty of inclosing herewith:

(a) Copy of the original memorandum on the situation prepared today by Col. Shaughnessy, Second Assistant Postmaster General.

(b) Copy of the recommendations which he makes in the matter.

I will be very grateful if these might have your consideration and if you will aid in such action as may be necessary to take care of the situation. I am sending copies also to Senator TOWNSEND and Congressmen Good and MADDEN.

Col. Shaughnessy will be very glad to come up at any time. The matter really requires some real consideration and attention.

Sincerely, yours,

WILL H. HAYS.

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* * * * * * *

The same sort of direct action should be taken at this time with reference to aviation. In my judgment, the air-mail situation should be immediately reviewed by the Congress, and after an investigation a decision arrived at as to whether the precedent established above should be followed and how liberal an allowance above railway-mail pay should be authorized, or whether the continental practice of permitting an extra charge on mail matter transported by plane should be adopted, this extra charge to be retained in whole or in part by the transporting company.

The continental practice is, in my opinion, much preferable from every standpoint. Departmentally, it removes the discrimination more or less in effect at the present time, wherein only a very small portion of the available first-class mail is handled by the Air Mail Service. The postage rate being the same for either train or plane, it follows that some letters are given better service than others, it being entirely problematical which way the posted letter will travel.

With the extra charge going to the private company, there is the incentive, now lacking, to build up a highly specialized important mail service between the larger cities that would willingly contribute additional postage for very fast handling. This consists of bank mail, brokerage-house mail, etc., involving financial transactions where in gaining a day on bank clearings would save large interest charges. The department's experience with the extra postage was not successful, because there was no well-handled advertising or personal solicitation such as would be the case with a private company. This method is working very successfully on the Continent. I am informed that in Holland alone there are already some twenty-odd mail-planes privately operated; and if it can be done there it, of course, can be done here with a greater field to draw from. It is requested that I be advised quickly if you approve of the policy outlined herein.

E. H. SHAUGHNESSY,
Second Assistant.

MAY 12, 1921.

The Clerk read as follows:

For payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, and highway mail robbers: *Provided*, That rewards may be paid, in the discretion of the Postmaster General, when an offender of the class mentioned was killed in the act of committing the crime or in resisting lawful arrest: *And provided further*, That of the amount herein appropriated not to exceed $5,000 may be expended, in the discretion of the Postmaster General, for the purpose of securing information concerning violations of the postal laws and for services and information looking toward the apprehension of criminals, $25,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Is there any reason for this appropriation since the department has been using the marines and arming the employees in the service?

Mr. SLEMP. I will say that the amount of $25,000 is the amount that has been carried for a great many years.

Mr. BLANTON. That is the reason I am asking the question.

Mr. SLEMP. It is a very small amount.

Mr. BLANTON. The department has made arrangements where certain employees in every office must carry arms, and in some offices where the employees are women those women have been forced to put on .45's.

Mr. ROSSDALE. Does the gentleman mean 45 size?

Mr. BLANTON. The gentleman knows what I meant. I thought possibly we could do away with this item of expense.

Mr. SLEMP. I think we had better keep this item in the bill.

The Clerk read as follows:

For compensation to clerks and employees at first and second class post offices, including substitutes for clerks and employees absent without pay, $100,000,000.

Mr. ROSSDALE. Mr. Chairman, I reserve a point of order against this paragraph. I would like to know what this item of $100,000,000 is for. Is it for clerks, special clerks, foremen,

superintendents, or what? There are ordinary clerks and there are special clerks and other distinct classes of employees.

Mr. MADDEN. It includes everybody.

Mr. ROSSDALE. This item really ought to be divided so that Congress will know for what and for whom we are legislating. To put such a large amount in a lump sum I do not think is fair to Members of the House, because they do not and can not know for whom and for what this legislation is being enacted.

Mr. SLEMP. The salaries are classified by statute, each particular grade and the number of clerks in the respective grade. All this is fixed by law.

Mr. ROSSDALE. I want to call the attention of the committee and of the House to one item that is proposed to be included in this $100,000,000 appropriation. The department issued instructions to the various postmasters throughout the country, instructing them to submit names of such fifth-grade clerks as the postmasters deemed worthy for promotion as special clerks. They divided this lump sum which the department has for that purpose into 25 per cent for such clerks as are employed upon the windows, as they call it, or have or are engaged in special occupations, and 75 per cent of this lump sum was to be awarded to distributers—that is, to those clerks separating and distributing the mail, and that means to all those who are expressly assigned to sorting the mail. There is a peculiar situation existing in the post office in connection with this. There are more men now who have the classification of special clerk and who are employed as such than the 25 per cent that the department quota calls for. Consequently, the postmasters are called upon to make recommendations for promotions that the clerks so recommended can never get, and no post-office clerk throughout the country, no matter how proficient or deserving he or she may be, will be able to get by or within this 25 per cent quota. It will not make any difference whether he is engaged in banking, on the money-order window, or whether his occupation involves the handling of large sums of money or whether it is of a very skilled or technical nature. They can not possibly get an increase under this 25–75 division. I do not like to vote for something blindly, and I believe the committee ought to tell us exactly how many special clerks are provided for in this great lump-sum appropriation.

Mr. SLEMP. In the $1,400 grade there are 8,122; in the $1,500 grade there are 4,458; in the $1,600 grade, 3,317; in the $1,700 grade, 6,009; in the $1,800 grade, 21,771.

Mr. ROSSDALE. How many in the $1,900 and $2,000 special-clerk grades?

Mr. SLEMP. In the special class at $1,900 there are 2,104 and at $2,000 there are 4,010, making a total of 6,114. That leaves in the supervising positions, where the salaries range from $2,100 to $4,400, between 4,000 and 5,000, and they are also subdivided into various grades.

Mr. ROSSDALE. Can the gentleman tell me how much of an increase in those two grades of $1,900 and $2,000 there is over the present or previous fiscal-year appropriation?

Mr. SLEMP. I could not say. No one can tell as to the character of service performed.

Mr. ROSSDALE. Then we are gambling with the appropriation?

Mr. SLEMP. Slightly. The basic salaries are fixed by statute absolutely.

Mr. ROSSDALE. I want to say in connection with this that I was once a post-office clerk; that I was once a distributor; and that I was also employed on a window. Knowing and understanding the nature of the services performed by these men, I do not want to see any discrimination between these classes of employees. I am certain it ought not to be left blindly to the department to automatically decide as to how many or how much the department would allow. Congress ought to do that.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. ROSSDALE. Yes.

Mr. BLACK. How is Congress going to know how many men are distributing mail and how many money-order clerks ought to be promoted to the grade of special clerk?

Mr. ROSSDALE. Congress could know that very well if they wanted to know.

Mr. BLACK. It seems to me that that is strictly an administrative function of the Post Office Department.

Mr. ROSSDALE. How does Congress know how many clerks are needed? Why, by the Postmaster General ascertaining these needs from the various postmasters and then making recommendations to the committee here and to Congress. How do we know anything at all about the department? Through the information received from the Postmaster General's office.

Mr. MANN. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. ROSSDALE. Yes.

Mr. MANN. Up to within a very recent period we made appropriations specifically, enumerating the number of clerks in each class, and at the end making the appropriation. We never made an appropriation sufficient to pay the salary of the number of clerks that we enumerated. It had to be left to the Post Office Department. We always provided for more clerks than we appropriated for. The result was that where there was a certain number of clerks, say, 2,000 clerks of a certain class, authorized, and no appropriation made for it, all through the service there was more or less dissatisfaction because the whole 2,000 were not appointed. When we adopted the classification act fixing the salaries automatically and in some cases of special clerks for efficiency, we thought we were adopting a reform by appropriating a lump sum.

Mr. ROSSDALE. In my opinion it is not a reform to give this lump-sum appropriation. A great injury is going to be done to a class of very deserving employees. I do not think Congress ought to permit that sort of a thing to go on year after year. Men who devote their lives to the public service at a small rate of pay are entitled to some consideration by way of promotion for efficiency.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROSSDALE. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROSSDALE. Mr. Chairman, my purpose in making this objection is not to hold up the bill, which in general is a very good bill, but rather to bring to the attention of the Post Office Department the fact that Congress wants these men looked out for, that the postmasters know best who are efficient and deserve promotion, that Congress does not intend to have the department send an order to the postmasters throughout the country that is not intended to be lived up to, that it costs a considerable sum of money to print the order and mail it through the country, and that the men have a right to believe when they are asked to present their own efficiency records that the Government is honest about it and actually intends to promote them if they are deserving. That was the purpose of my objection, and I now withdraw the reservation of the point of order.

The Clerk read as follows:

For unusual conditions at post offices, $150,000.

Mr. ZIHLMAN. Mr. Chairman, for the purpose of asking the chairman a question I move to strike out the last word. What was the amount of the appropriation for this service during the last fiscal year?

Mr. SLEMP. Two hundred and fifty thousand dollars.

Mr. ZIHLMAN. Has the gentleman any information as to where the money was expended?

Mr. SLEMP. Wherever there were unusual conditions throughout the country. It is very much curtailed now. It is going on now some in Alaska and all over the country, in small allotments.

It is now running down the expenses on this fiscal year. One-half is now on the basis of $75,000.

Mr. ZIHLMAN. I wish to call the attention of the committee to the fact that during the last fiscal year in which the previous Postmaster General was in office more than 50 per cent of this money was expended in Texas, a large part of it in the district of the gentleman from Texas [Mr. BLANTON].

Mr. MADDEN. They were entitled to it. There were one or two towns that grew up of a sudden out of nothing, until they were large cities. They did not have a postmaster. The oil development grew up there.

Mr. MANN. And it was on account of the popularity of the gentleman from Texas [Mr. BLANTON].

Mr. MADDEN. It was necessary to establish the post offices and appoint postmasters in the places where oil development was, and it happened that the development was in Texas, and if it had happened to be in Maryland the same thing would have applied.

Mr. BLANTON. Will the gentleman from Maryland yield?

Mr. ZIHLMAN. I yield.

Mr. BLANTON. For instance, at such oil fields as Ranger, Eastland, Cisco, Breckenridge, Caddo, Desdemona, Wichita Falls, Burkburnett, and Mexia, and other places in Texas, it became necessary to take care of unusual conditions. At Mexia there is an oil well now flowing as much as 10,000 barrels a day.

People congregated at these oil fields from Maryland, from Pennsylvania, from Ohio, from New York, from Boston, even, and some little villages grew up in a few days to cities of approximately 25,000 people, and it was necessary for them to have mail. Eastern business men sent as far as 40 miles away for mail, and had their mail addressed to offices 40 miles away, to a place where there was no congestion, in order that they could get it earlier. Does not the gentleman think that under such unusual conditions as that money should be spent to benefit eastern men, even in Texas?

Mr. ZIHLMAN. I think when the conditions justify the money should be expended where needed. I trust the gentleman under this administration will be able to see that the postal needs of his district are met by the required appropriation.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, $1,300,000.

Mr. SLEMP. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SLEMP: Page 12, line 6, after the word "delivery," strike out "$1,300,000" and insert "$1,500,000."

Mr. SLEMP. I would like to say that that amendment was authorized by the full Committee on Appropriations, to enlarge the amount from $1,300,000 to $1,500,000.

Mr. CLARKE of New York. Will the gentleman permit a question?

Mr. SLEMP. Yes.

Mr. CLARKE of New York. Do I understand this additional appropriation will continue the service of the village delivery where it is already established?

Mr. SLEMP. Yes, sir.

Mr. ROACH. Will the gentleman yield for a question?

Mr. SLEMP. I will.

Mr. ROACH. Do I understand that if your amendment carries it will be sufficient to maintain the present village delivery service?

Mr. SLEMP. In all places where it now exists, taking care of all the applications for new village service and also about 15 or 20 per cent increase.

Mr. ROACH. It then contemplates the extension of the service as well as maintaining the present delivery service? Does it place any limitation on the extension of the population?

Mr. SLEMP. By limitation of 1,500 on the population and $5,000 postal receipts. In this service there are about 86 cities now having village delivery that really were justified in having city delivery on account of their postal receipts, and this really is carrying the mail to 86 cities at a cheaper rate than if they were transferred to the grade to which they belonged.

Mr. ROACH. I am not only in favor of maintaining the present delivery service, but I am in favor of extending that service to all that are entitled to it under the present rules and regulations. It has been stated officially to me that unless this appropriation was materially increased there could be no extension of this village delivery service.

Mr. SLEMP. I beg to say that the appropriation required to take care of the village delivery service was $1,200,000, and so $1,500,000, we think, will take care of all the existing needs.

Mr. ROACH. What was the appropriation last year?

Mr. SLEMP. It was $1,500,000, but they are now expending $1,200,000.

Mr. SMITH of Michigan. Who has authority to discontinue the village delivery service?

Mr. SLEMP. Congress would have to discontinue it.

Mr. SMITH of Michigan. It is established by the Postmaster General, is it not?

Mr. SLEMP. But we appropriate for it.

Mr. SMITH of Michigan. There is nothing in this bill that discontinues it?

Mr. STEENERSON. Congress does not establish village delivery. We authorize the department to establish it. The language might be debatable as to whether the department, if authorized to establish it, might not also have authority to discontinue it.

Mr. SLEMP. The Post Office Department has not discontinued village delivery service——

Mr. SMITH of Michigan. And there is no purpose in this bill to discontinue it?

Mr. SLEMP. And I will say that the Postmaster General and the Post Office Department would be responsive to the desire of Congress as expressed in the appropriations.

Mr. ROACH. As the law now stands, the Post Office Department would have no authority to discontinue the village delivery service?

Mr. SLEMP. No.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. I think it might be well enough to say, for the information of the Members of the House, that the village delivery service cost to-day is about $1,200,000 a year. Eighty-six of the places where village delivery exists are entitled to go into the City Delivery Service. The presumption is that they will go into the City Delivery Service; they are entitled to it, both on account of population and receipts. If those 86 villages should go into the City Delivery Service, of course it would make 86 more places where village delivery service could be established. There are now 749 villages where the village delivery service is established. The $200,000 provided for in the amendment offered by the gentleman from Virginia [Mr. SLEMP] not only would maintain all the existing village delivery service but it would provide for the transfer of the 86 that may go into the higher class. It would not only do that but it would provide also for an extension of about 20 per cent to the existing villages in which village delivery exists.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. In a moment. Let me make this statement.

It would be unfair to assume that you could establish all the village delivery service throughout the United States at once. There are many, many thousands of villages, and you will have to extend the service gradually to the country, and if we can extend it at the rate provided for in this bill there need be no complaint from any village anywhere in the United States that is really entitled to the service.

It is the intention of the Committee on Appropriations in offering this amendment to serve notice on the Post Office Department that we are in favor of a continuance of the village delivery service. [Applause.] We are in favor of its reasonable extension from time to time. [Applause.] So that whatever the attitude of the Post Office Department may be in respect to the advisability of continuing this service, the Committee on Appropriations wishes it understood and begs to express their opinion to the House through me—and I know I speak the unanimous sentiment of the committee when I say this—that we hope there will be no further alarm expressed anywhere in respect to the continuance of the village delivery service. [Applause.]

Mr. STEENERSON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. STEENERSON. In connection with that I would like to state that the Postmaster General last Monday before the joint commission made a statement in which he practically withdrew his recommendation for this reduction, and said that he did not favor any reduction in the service.

Mr. MADDEN. That is fine.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes; I yield.

Mr. KINCHELOE. I was very much impressed with what the gentleman said. I was wondering, though, in view of the fact that the Postmaster General has expressed an unfavorable opinion in his annual report——

Mr. MADDEN. He has expressed a new opinion.

Mr. KINCHELOE. Inasmuch as he has expressed an unfavorable opinion in his annual report, whether this policy would receive much encouragement from the administration?

Mr. MADDEN. It will, undoubtedly.

Mr. STEENERSON. The Postmaster General was perfectly satisfied with the proposed action.

Mr. HULL. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last two words.

Mr. HULL. Mr. Chairman, I am in favor of the amendment offered by the gentleman from Virginia [Mr. SLEMP]. I am in favor of the extension of this service if the people in the small towns desire it.

But I want to call the attention of this body to something that is not understood. If all the villages in this country receive their mail by free delivery, the approximate cost will be over $30,000,000 a year. I am not opposed to it if the people want it in these small towns. But I call the attention of this House, and I have called the attention of the department from time to time to the fact that if the department would adopt a reasonable charge for box rent in these small towns, the most of them would prefer to go and get their mail at the local post office. The trouble is that at the present time you are taxing by excessive box rent the small towns for the privilege of going

to the local post office and getting their mail, and you are not only taxing them but you are outrageously taxing them. You do this by charging the people in these small towns an excessive rate of rent for a box, and they must be their own carriers.

In my district we have two that have the free delivery. I am in favor of their receiving it. You have probably 20 more that ought to have it if they want it. Most of these towns would prefer to go to the local post office and get their mail if you would let them do it at a reasonable rate for the box rent. But the people of those towns are charged in less than a year more than the entire cost of the outfit that the local post office has for the handling of the mail. It is a tax on the towns, and unless the Post Office Department or somebody down in the Post Office Department has vision enough to see that situation and adopt a reasonable charge for boxes in these villages, you will drive the people in these towns to have their mail delivered at a cost of over $30,000,000, and you will lose the box rent besides, whereas if the department will make a small or nominal charge for box rent, most of these small towns would prefer to go to the post office for their mail, and unless this is done quickly you are going to have a cost of over $30,000,000 saddled on you when the people would prefer another method.

Mr. STEENERSON. Mr. Chairman, will the gentleman yield?

Mr. HULL. Yes.

Mr. STEENERSON. Has the gentleman ever come across an instance where this village delivery has been imposed on the people of a village without their consent?

Mr. HULL. You will not, and every one of them will want it as long as you tax them for the privilege of going to the local post office many times what they ought to pay. I have been a postmaster in a small town, and I know the situation.

Mr. STEENERSON. I do not know of a case where it has been imposed upon the people where the people did not want it.

Mr. BARKLEY. What size of a town does the gentleman from Iowa refer to?

Mr. HULL. Towns of 1,000 to 3,000 population. I was postmaster in a small town. I had to buy the old outfit. It was a piece of junk. It did not cost me much. The inspector who came to the town wanted me to double the box rent on the people of that town. I called his attention to the fact that the Post Office Department did not own that outfit. At first I succeeded in preventing an increased box rent, but finally they raised the rent, so that the people had to pay for the entire outfit twice over every three months.

Mr. BARKLEY. When the gentleman refers to the tax he means the box rent?

Mr. HULL. Yes. When I refer to the tax I refer to the box rent. The Government was getting in one quarter three times the value of the outfit. If you charge a town $1,000 box rent per year to get their mail it is a tax on that town, and if you deliver the mail free to a near-by town then the people that are charged $1,000 will prefer free delivery. Everybody except a bureau of dumbheads in the Post Office Department can understand this proposition.

Mr. SMITH of Michigan. Is it not always optional whether a person shall have a post-office box or not?

Mr. HULL. No; it is not. There is not a small city in this country that could throw its mail into the general delivery and give the people their mail within a week. This is a matter of clerical help which the Government can not afford to furnish.

Mr. SMITH of Michigan. That is a question of the service.

Mr. TOWNER. Mr. Chairman, I want to ask the chairman of the subcommittee [Mr. SLEMP] to make a little plainer for our record and for our information what I understand to be the fact. There are 86 of these village delivery offices now that are entitled to become city delivery offices. If we should fail to keep up the village delivery system, they would be forced to go into city delivery offices, and that, so far as they are concerned, would increase considerably the cost.

Mr. MADDEN. Yes; it would put on four or five carriers where they have two now, and receive first $1,400 and then $1,800 where we pay about $1,050 now.

Mr. TOWNER. I want to say that so far as my experience goes I am compelled to differ from my colleague from Iowa [Mr. HULL] as to the appreciation which the people of these towns of from 1,500 to 2,000 inhabitants show with regard to this service. If the gentleman had seen the petitions which have come to me and the letters that have been written to me within the last few days because of the fact that they had heard of the recommendation of the Postmaster General, I am quite sure that the gentleman would believe that they really appreciate the service that they are now receiving.

Mr. HULL. Will the gentleman yield?

Mr. TOWNER. Certainly.

Mr. HULL. I do not doubt the appreciation of the people for this service. There is no question about it, and wherever it is established they will appreciate it more and more, but there are thousands of towns in this country to-day that do not want the service. I contend that if they do not want the service they ought to be privileged to go to the local post office and get their mail and not be taxed an excessive amount for the privilege in the way of box rent.

Mr. TOWNER. I understand, of course, that no village that now has not the service will be forced to accept it. It will be necessary for them to make application and petition for it and to arrange to receive the service. So no town will have this service forced upon it under any circumstances. If the towns do not want the service, the question whether they shall or shall not pay box rent is entirely separate from the consideration of this question, as I see it.

Mr. MANN. I should like to make one inquiry. It seems anomalous for the Committee on Appropriations to report an item like this where no amount is limited by law, and to accompany the report with an amendment to increase the amount reported. It is so much easier to say $1,500,000, and print it in the bill as reported to the House, that I think some explanation is due to the House as to why you report a bill with one hand and with the other offer an amendment to increase it.

Mr. SLEMP. I will say to the gentleman that the reduction made in the estimates was made by the Bureau of the Budget; that the Post Office Department originally submitted an estimate for $1,500,000 for this service; that the Budget officer reduced it to $1,300,000, and the subcommittee, as well as the Committee on Appropriations, have rather gone on the theory that the Budget people had presented a maximum estimate to Congress, and we thought that inasmuch as this was going against the recommendation of the Budget officer it ought to be submitted to the House, to adopt the recommendation if it saw fit.

Mr. MANN. Of course, it would have been submitted to the House itself if the original appropriation suggested of $1,500,000 had been carried. It only illustrates after all the beating of the devil around the stump. There has been an idea on the part of many people in the country that Congress should have no right to increase an appropriation over the amount suggested by the Director of the Budget, and should have no right to make any appropriation which was not recommended by him. Now, the distinguished Committee on Appropriations, desiring to keep in line with this reform sentiment—without much basis of reform—have reported a bill which did not increase the amount recommended by the Director of the Budget, but they slip in an amendment at the same time which does increase it—which only shows how ridiculous the whole proposition is. [Laughter.]

Mr. BLACK. I move to strike out the last word. I want to make an inquiry of the gentleman from Virginia [Mr. SLEMP]. If I understand the appropriation that is carried in the bill, of $1,300,000, would it be sufficient to maintain the service without expansion for the next fiscal year?

Mr. SLEMP. Yes.

Mr. BLACK. And that if this additional appropriation of $200,000 is granted, it means a further expansion of the service?

Mr. SLEMP. That is correct.

Mr. TILSON. What will become of the expense of the 86 cities that are referred to if they are elevated to the free carrier service?

Mr. SLEMP. It is not proposed to elevate them, as I understand it. I want to make it clear that the Post Office Department in its efforts to economize does not propose to transfer them next year.

Mr. TILSON. Is there an appropriation carried to take care of them if they should be transferred?

Mr. SLEMP. Yes.

Mr. MANN. The preceding item.

Mr. TILSON. So that that much will be saved out of this appropriation if they are not transferred?

Mr. SLEMP. Yes.

Mr. GILBERT. Mr. Chairman, I rise in opposition to the amendment. The business of the Government is so large that a little item of $200,000 seems so inconsequential that we pass right over it, and the tendency among those who are to receive benefits to accept them is so great that we often permit ourselves to pursue an erroneous policy. Now, I live in one of these villages. I have three or four towns in my district that are seeking this delivery, and yet candor compels me to say that there is nothing more savoring of luxury and less of necessity than this. In the town in which I live and in which I get my mail by city or village delivery I do not even have a box. We go to the post office and get our mail. Why? For many

reasons. We are closer to the post office than the average farmer is to his mail box. Besides, it is a social opportunity to go to the post office. We rather like to gather there with the boys and girls at mail time to get the mail. I know that we do not need it, and therefore, although I will be a beneficiary of it, as I said in the outset, candor compels me to say that there is no necessity for it in my district, and I think the same is true over the entire country. [Applause.]

Mr. DOWELL. Mr. Chairman, I move to strike out the last two words. I want to ask the chairman of the committee a question. The increase of appropriations in this bill does not affect conditions as they now exist. As I understand it, only $1,200,000 is to be expended this year.

Mr. SLEMP. One million two hundred and thirteen thousand.

Mr. DOWELL. And $1,500,000 has been appropriated for this next year.

Mr. SLEMP. That is correct.

Mr. DOWELL. Irrespective of this bill the department has authority to continue the extension during the existing fiscal year.

Mr. SLEMP. The gentleman is correct.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn and the question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was agreed to.

Mr. ROUSE. Mr. Chairman, I ask unanimous consent that the recommendation of the Postmaster General on this subject in his report be printed in the RECORD.

The CHAIRMAN. Is there objection?

Mr. DUNBAR. Reserving the right to object, may I ask the chairman of the Appropriations Committee if the recommendation of the Postmaster General is placed in the RECORD, the testimony before your committee is placed in the RECORD, if that will not wrongfully state his attitude to-day on the village delivery?

Mr. MADDEN. It will, because he has already withdrawn it.

The CHAIRMAN. Is there objection?

Mr. STEENERSON. I object.

The Clerk read as follows:

For Detroit River postal service, $14,400.

Mr. FROTHINGHAM. Mr. Chairman, I ask to proceed for two minutes.

The CHAIRMAN. The gentleman is recognized for two minutes.

Mr. FROTHINGHAM. Mr. Chairman, I am anxious to help the committee save money. We are all anxious to save money, and with the consent of the committee I want to say a few words, chiefly relating to the city of Boston, because I know more about the situation there, in relation to the rentals being paid by the Veterans' Bureau for its 14 branches. In Boston they have taken over two floors of a huge building. Twice it has had tenants for the whole building, both of whom failed, and the building remained vacant for a long time. I happen to know about the circumstances, because it was first occupied by the Siegel Co., and I was one of the trustees in bankruptcy of that concern. The building was then put under the hammer, I believe, and bid in by the mortgagee. I do not know who owns it now, but I do know that the rental for the two floors of that building is now being paid at the rate of $154,000 per year. I understand that in Ohio some of the Representatives on this floor heard that an exorbitant rental was to be paid, or had been agreed to be paid, for district No. 7 headquarters, and they protested against it, and it was reduced by two-thirds. I will ask the gentleman from Ohio if that is not so.

Mr. LONGWORTH. The original arrangement was something like $120,000. Objection was made to paying such an enormous rent, and quarters were procured in another building, as I remember, for about $40,000.

Mr. FROTHINGHAM. I want to put in the rentals that are paid in the different cities. They are as follows:

Boston, Mass	$154,500.00
New York, N. Y	166,430.00
Philadelphia, Pa	135,300.00
Atlanta, Ga	18,000.00
New Orleans, La	46,552.00
Cincinnati, Ohio	44,152.58
Chicago, Ill	191,500.00
St. Louis, Mo	30,202.00
Minneapolis, Minn	63,732.00
Denver, Colo	54,989.96
San Francisco, Calif	56,900.00
Seattle, Wash	46,783.00
Dallas, Tex	36,750.00
Total yearly rent (14 offices)	1,045,791.54

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for three minutes.

The CHAIRMAN. The gentleman asks unanimous consent that the time of the gentleman from Massachusetts be extended for three minutes. Is there objection?

There was no objection.

Mr. GRIFFIN. Now will the gentleman yield for a suggestion?

Mr. FROTHINGHAM. Certainly.

Mr. GRIFFIN. I suggest that the gentleman also with his figures give the floor space so as to enable the House to judge of the relativity of these rents.

Mr. FROTHINGHAM. I shall be glad to add the floor space, but so far as the city of Boston is concerned the floor rent is not material, because in that case there was a building that has been practically going begging, and you can not compare it with what is paid per foot in the neighborhood.

Mr. GRIFFIN. I think that all of the rents are too high.

Mr. FROTHINGHAM. That is my point, and all I wanted to do was to call it to the attention of the House. We are all anxious to save money. We do not want this bureau to function the way its predecessor did.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. FROTHINGHAM. Yes.

Mr. GREEN of Iowa. As I understand it, the gentleman thinks that the necessary quarters in his city—and I presume he is acquainted with the rents there—under the circumstances could be obtained for a considerably less sum.

Mr. FROTHINGHAM. I do. Besides the Government has some buildings there.

Mr. GREEN of Iowa. Not in use?

Mr. FROTHINGHAM. Not in use, as I understand it. There is no reason why they can not at least get bids, and there is no reason why this bureau should be in the heart of the business section of Boston or in the most expensive buildings. I want to see this money go to the soldiers and not to these people who have buildings to rent.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. FROTHINGHAM. Yes.

Mr. KEARNS. The gentleman from Massachusetts states that it is proposed to pay $154,500 for two floors of this building in Boston to which he refers.

Mr. FROTHINGHAM. Yes.

Mr. KEARNS. What did the entire building rent for when it was rented?

Mr. FROTHINGHAM. I do not remember. It must be 12 years or more ago that I had to do with it. All I want to do here is to get the committee to look into the matter.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. FROTHINGHAM. Yes.

Mr. LONGWORTH. Where is this building in Boston?

Mr. FROTHINGHAM. It used to be called the Siegel Building. It do not know who owns it now. It is on the corner of Washington and Essex Streets.

Mr. LONGWORTH. That is a very important business district?

Mr. FROTHINGHAM. Yes.

Mr. LONGWORTH. And there is no necessity whatever for having the bureau at that point in the center of the business district?

Mr. FROTHINGHAM. Not in the least.

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. FROTHINGHAM. Yes.

Mr. ARENTZ. I wonder if the gentleman is of the same opinion that I am with respect to the regional directors relative to the scattering of the records of the Veterans' Bureau all over the United States. I think we might as well acknowledge now as six months or a year from now——

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that his time be extended for five minutes. He has just now come to the important part.

Mr. FROTHINGHAM. I am willing to have my time extended, but I did not mean to interfere with the passage of this bill.

Mr. MADDEN. I think we ought to get through with the bill. We are anxious to get through with this bill this afternoon, so that the House may adjourn over until Monday.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi that the time of the gentleman from Massachusetts be extended for five minutes?

Mr. MADDEN. I object.

Mr. FROTHINGHAM. Mr. Chairman, at the suggestion of the gentleman from New York [Mr. GRIFFIN], I append as a part of my remarks the following table:

UNITED STATES VETERANS' BUREAU.

Leases—District offices.

State and city.	Address.	Area.	Annual.	Monthly.	Square foot.	Cancellation notice.	Term.
DISTRICT OFFICE NO. 1.							
		Feet.				*Days.*	
Boston, Mass.	Washington Essex, E. T. Redmond & Co. (Inc.), agents for Washington Essex Building.	57,946	$154,500.00	$12,894.99	$2.66	30	June 30, 1926.
DISTRICT OFFICE NO. 2.							
New York, N. Y.	25 West Forty-third Street, National Association Building Co.	42,070	115,692.50	9,641.04	2.75	.....	Do.
Do.	....do	3,000	8,250.00	687.50	2.75	.....	Do.
Do.	....do	15,450	42,487.50	3,540.62	2.75	.....	Do.
DISTRICT OFFICE NO. 3.							
Philadelphia, Pa.	140 North Broad Street, United States Shipping Board	22,500	61,875.00	5,156.25	2.75	.....	Apr. 22, 1922.
Do.	....do	4,200	11,550.00	962.50	2.75	.....	Do.
Do.	....do	22,500	61,875.00	5,156.25	2.75	.....	Do.
DISTRICT OFFICE NO. 4.							
Washington, D. C.	Arlington Building (Government owned)	.....	Free space.	.....	.....	.....	
DISTRICT OFFICE NO. 5.							
Atlanta, Ga.	433 Peachtree Street, United Motors Service Co.	30,772	18,000.00	1,500.00	.58	30	June 30, 1922.
DISTRICT OFFICE NO. 6.							
New Orleans, La.	Hibernia Bank, Hibernia Safe Deposit Co.	23,276	46,552.00	3,879.00	2.00	30	Do.
DISTRICT OFFICE NO. 7.							
Cincinnati, Ohio.	408 Pioneer Street, Goodyear Tire & Rubber Co.	46,476	44,152.58	3,679.38	.95	30	Do.
DISTRICT OFFICE NO. 8.							
Chicago, Ill.	Leiter Building, Ed B. Maguire, agent for L. Z. Leiter (deceased) estate.	15,000	37,500.00	3,125.00	2.50	.....	June 30, 1925.
Do.	Leiter Building, Ed B. Maguire, agent	2,500	7,500.00	625.00	3.00	.....	Do
Do.	....do	30,700	92,100.00	7,675.00	3.00	.....	Do.
Do.	....do	16,800	54,400.00	4,533.33	3.00	.....	Do.
DISTRICT OFFICE NO. 9.							
St. Louis, Mo.	Mag & Press, Regents Mercantile Co.	10,380	13,494.00	1,124.33	1.30	.....	Do.
Do.	....do	11,369	14,780.00	1,231.66	1.30	.....	Do.
Do.	....do	560	728.00	60.63	1.30	.....	Do.
Do.	Mag & Press	798	1,200.00	100.00	1.50	30	June 30, 1922.
DISTRICT OFFICE NO. 10.							
Minneapolis, Minn.	Keith Plaza, Walter J. Keith	21,000	28,350.00	2,362.50	1.35	30	Do.
Do.	....do	350	210.00	17.50	.60	30	Do.
Do.	....do	6,300	6,000.00	500.00	.95	30	Do.
Do.	....do	10,500	14,175.00	1,181.25	1.35	30	Do.
Do.	....do	2,000	1,200.00	100.00	.60	30	Do.
Do.	....do	10,220	13,797.00	1,149.75	1.35	30	Do.
DISTRICT OFFICE NO. 11.							
Denver, Colo.	United States National Bank, Hitchings Van Schaack Co.	18,560	27,122.00	2,260.17	2.00	.....	June 30, 1925.
Do.	....do	13,934	27,867.96	2,322.22	2.00	.....	Dec. 31, 1923.
DISTRICT OFFICE NO. 12.							
San Francisco, Calif.	Lincoln Realty, Hinz & Landt (Inc.)	33,144	52,200.00	4,350.00	1.57	30	June 30, 1922.
Do.	....do	3,000	4,700.00	391.16	1.56	30	Do.
DISTRICT OFFICE NO. 13.							
Seattle, Wash.	Arcade Building, Arcade Realty Co.	16,082	31,312.00	2,609.33	2.00	30	Do.
Do.	....do	7,736	15,471.00	1,289.25	2.00	30	Do.
DISTRICT OFFICE NO. 14.							
Dallas, Tex.	1503 Pacific Avenue, Rhodes S. Baker and Mrs. A. A. Rembert.	10,000	17,500.00	1,458.33	1.75	90	Do.
Do.	....do	1,000	1,750.00	145.83	1.75	90	Do.
Do.	....do	10,000	17,500.00	1,458.33	1.75	60	Do.

The Clerk read as follows:

For transportation of foreign mails by steamship, aircraft, or otherwise, $6,500,000: *Provided*, That not to exceed $150,000 of this sum may be expended for carrying foreign mail by aircraft.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. This is an item for carrying foreign mail by aircraft, is it not?

Mr. MADDEN. Yes; from Seattle to Vancouver. They have to carry the mail there by air in order to make the connections with the steamers.

Mr. WINGO. Is that recommended by the Postmaster General?

Mr. MADDEN. That has been carried for some time.

Mr. SLEMP. That is recommended by the department.

Mr. WINGO. Has it the approval of the Postmaster General?

Mr. SLEMP. Yes.

Mr. WINGO. Does the committee approve of it?

Mr. SLEMP. Yes.

Mr. WINGO. Mr. Chairman, it occurs to me, although you may say I am provincial, that the village delivery of mail is more important than the transfer by aircraft of foreign mail. You can not deliver the village mail by aircraft, and yet the Republican Postmaster General approves this aircraft proposition for carrying foreign mail. We find on pages 34 and 35 of his report a very condemnatory statement with respect to the village delivery service. He there states:

This service (village delivery) was first authorized as "experimental" in 1913, with an appropriation of $100,000.

That is $50,000 less than the amount you spend for the delivery of foreign mail by aircraft. It may be of interest to know just exactly what the Postmaster General, a leading member of our Republican millionaire Cabinet, has to say about this matter of village delivery service.

Under the subtitle "Village Delivery Service," in the annual report of the Republican Postmaster General for the fiscal year ended June 30, 1921, he condemns village delivery mail service in the following language:

VILLAGE DELIVERY SERVICE.

This service was first authorized as "experimental" in 1913, with an appropriation of $100,000. It was designed to provide for the delivery of mail in communities not covered by either city or rural delivery service.

After the first year of its experiment its discontinuance was recommended on the ground that its ultimate extension to all offices of the second class with receipts below $10,000 per annum, and to all third-class offices, would involve an annual cost of $10,000,000. At that time the average cost per office was about $1,000 per annum. This has been increased to more than $1,200, which would bring the prospective cost of village delivery service to approximately $13,000,000 should it be established at all third-class offices, which number increased 2,259 during the past year.

Congress having the following year continued the appropriation for village delivery service, the department fixed a minimum of $5,000 gross annual receipts for offices at which such service would be established on the ground that at smaller offices the expense would not be warranted, and this rule has since been followed with but few exceptions. There must also be at least 1,500 people within the limits to be served by the carrier.

The appropriation has been increased from year to year until at present it is $1,500,000, while the salaries of carriers have been increased for $600 in 1913 to $1,200, the present maximum. Village delivery has been inaugurated at 749 offices with 1,109 carriers, as follows:

	Offices.	Carriers.
Second-class offices	265	427
Third-class offices	484	682
Total	749	1,109

In view of the small size of these towns and the postal conditions present, it is believed that the expenditure of public funds is not warranted by the benefits received. As a general rule, the dwellings in towns of this character are clustered around the business section, which is concentrated within a space of one or two blocks. No patron, therefore, has any considerable distance to travel for his mail, and the bulk of the mail is for the business houses, which are within a few steps of the post office. Some member of practically every family has occasion to visit the business section, near the post office, one or more times daily, and their mail can thus be obtained without inconvenience or a special trip for that purpose. Furthermore, patrons residing farthest from the office who would naturally receive the greatest benefits from delivery service are almost invariably excluded therefrom because of the lack of necessary improvements, such as sidewalks, crosswalks, street sign, etc.

The original purpose of delivery service was to relieve congestion in post-office lobbies, which condition does not exist in towns and villages where village delivery may be established, and to obviate the necessity of patrons traveling long distances for their mail, which necessity is not overcome by that service.

The Congress should give consideration to these facts and determine whether the appropriation for this service should not be discontinued.

In other words, he is perfectly willing to look after the cities and have frequent deliveries of mail each day in the great cities in that part of the country which the Republican chairman of this great committee boasts runs the Government. He, this Republican Postmaster General, is perfectly willing to provide for four or five or six deliveries a day in the great cities like Chicago, Boston, Philadelphia, and New York, but he would take away delivery service in the towns and small cities whose citizens are served by village delivery. Those small-town folks, in his opinion, are not very important anyway, and why, he asks, give them one or two deliveries of mail a day? Oh, no; that would never do; we must save that money for carrying this foreign mail by aircraft, and for the purpose of delivering mail four to six times a day to men in these great cities.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. LONGWORTH. I fear the gentleman missed the eloquent speech of the gentleman from Kentucky [Mr. GILBERT], who lives in one of these villages and who referred to this as a pure luxury, and put forth the advantages of the post office as a meeting place for society.

Mr. WINGO. No. That only shows the enervating effect of associating with the distinguished gentleman from Cincinnati [Mr. LONGWORTH]. I am doing what I am doing deliberately, and I think the gentleman from Ohio is not deceived as to what my purpose is at the present time in occupying the floor for a few moments. Having accomplished that object, and finding my time is not up, I thought I would provoke something from my genial friend from Ohio. The point is this: The administration, with its millionaire Cabinet spending thousands upon thousands of dollars to help the faithful and for keeping them in office, regardless of the methods used, seems to have very little use for these people who live in villages and small towns throughout the country, and does not want to continue the mail service extended to them by the last Democratic administration.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The Clerk read as follows:

For payment of limited indemnity for the injury or loss of pieces of domestic registered matter, insured and collect-on-delivery mail, $4,365,000.

Mr. FESS. Mr. Chairman, I move to strike out the last word, in order to ask the chairman of the committee whether this amount is increasing very much or not?

Mr. SLEMP. No, sir; it is not. I will say that we get about $16,000,000 of revenue out of that, and the statement of the department was that the work was largely due to pilfering and was not due to inefficient handling of mail, or bad handling, or bad wrapping, or anything of that kind. A little more careful watching has a tendency to reduce that.

Mr. FESS. Have we any estimate at all of what amount of value is transported through the mails in a year?

Mr. SLEMP. We have that in the Postmaster General's report. I think it is rather fairly full on that. This item is infinitesimally small in comparison with the business that is done.

Mr. TILSON. Will the gentleman state as to this business, whether it is increasing rapidly or not? I mean the insuring of mail packages?

Mr. SLEMP. It is increasing as the packages and the number of pieces increase.

Mr. TILSON. As a matter of fact, it is a net source of revenue to the Government?

Mr. SLEMP. The office received $1,600,000 in 1917 and $6,218,000 in 1921. The cases adjusted were 39,000 then, and they went from that to 368,000. The whole statement of that can be found in the hearings on page 304.

Mr. WHITE of Maine. Will the gentleman permit a question for information?

Mr. SLEMP. I will.

Mr. WHITE of Maine. In line 19 there is a reference to insured mail. Is there any class of mail other than the parcel post mail that is the subject of insurance?

Mr. SLEMP. You can register or insure any mail.

Mr. WHITE of Maine. Can you insure first-class mail?

Mr. SLEMP. I am not sure of that.

Mr. WHITE of Maine. Why I ask is——

Mr. STEENERSON. As my information goes, there is no insurance on first-class mail. That insurance is largely done by private companies.

Mr. WHITE of Maine. There is no insurance by the Post Office Department on any mail other than parcel-post mail? I did not hear the gentleman's answer.

Mr. STEENERSON. There is a limit of $50 of loss on registered mail. That is somewhat in the nature of insurance. But the law in regard to insurance is simply in regard to parcel-post mail.

The Clerk resumed and concluded the reading of the bill.

Mr. SLEMP. Mr. Chairman, I move that the committee do now rise and report the bill to the House with amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and Mr. WALSH having resumed the chair as Speaker pro tempore, Mr. SANDERS of Indiana, Chairman of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 9859, had directed him to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. SLEMP. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SLEMP, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. STEENERSON. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from Minnesota rise?

Mr. STEENERSON. To ask unanimous consent to extend my remarks in the RECORD on this bill.

The SPEAKER pro tempore. The gentleman from Minnesota asks unanimous consent to extend his remarks in the REC-

ORD on the bill just passed. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. Mr. Speaker, I make the same request.

Mr. ROUSE. And I make the same request, Mr. Speaker.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT OVER.

Mr. MANN. Mr. Speaker, at the request of the gentleman from Wyoming [Mr. MONDELL], I ask unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next. Is there objection? [After a pause.] The Chair hears none.

WITHDRAWAL OF PAPERS.

Mr. WILLIAMS, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of Richard Dove, Sixty-fourth Congress, no adverse report having been made thereon.

EXTENSION OF REMARKS.

Mr. BOX. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. GOLDSBOROUGH] be permitted to extend his remarks in the RECORD on the question of American valuation.

The SPEAKER pro tempore. Is there objection?

Mr. LONGWORTH. Are those the gentleman's own remarks, or is it some printed statement?

Mr. BOX. They are his own remarks.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

SOLDIER MEMORIALS.

Mr. SLEMP. Mr. Speaker, I move that the House do now adjourn.

Mr. BEGG. Will the gentleman withhold that just a minute?

Mr. SLEMP. I will.

Mr. BEGG. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating a resolution, which covers one typewritten page, of the Ohio Archæological and Historical Society on the subject of Ohio soldiers' memorials.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD by inserting the resolution of the association referred to, on soldiers' memorials. Is there objection? [After a pause.] The Chair hears none.

The following is the resolution referred to:

At a meeting of the board of trustees of the Ohio State Archæological and Historical Society, following the annual meeting of the society on October 12, 1921, the following resolution was adopted:

Resolved, That immediate steps be taken with the funds now in possession of the society to begin the erection of a World War Memorial Annex to the society building in memory of the soldiers of Ohio who served in the World War, for the purpose of preserving all records and references, muster rolls, maps, news clippings, and papers relating to the World War, particularly Ohio's part therein, in such manner as to make them immediately available to the soldiers of Ohio, and for the exhibition of the numerous relics and memorials of that great combat in which Ohio soldiers so worthily participated.

Be it further resolved, That the trustees of the Ohio State Archæological and Historical Society respectfully invite attention to the manner in which Sandusky County, Ohio, has memorialized her heroic dead of the World War by the construction, through the property of the trustee for Spiegel Grove, of the Soldiers' Memorial Parkway, of Sandusky County, consisting of a boulevard 100 feet in width with 2 rows of buckeye trees, the insignia of the Thirty-seventh, or Ohio, Division, placed 35 feet apart, to which are affixed enameled metallic tree labels 4 by 8 inches, containing the name, organization, place of death, and date of death of each soldier. On either side of the 50-foot lobe two 14-foot paved drives have been constructed, while in the center of the parkway an ellipse 60 by 110 feet in diameter has been constructed, in which has been planted a mammoth Red Cross in flowers with flower insignias of the Young Men's Christian Association, the Knights of Columbus, the Salvation Army, and the Jewish Welfare have been placed in the four sections of the Red Cross, while a beautiful flag pole occupies the center. In addition to the Soldiers' Memorial Parkway there has been placed on the Hayes Memorial Building, in the Spiegel Grove State Park, a beautiful tablet containing the names of each soldier of Sandusky County who died in the service of his country. This mode of memorializing Ohio's dead at the county seat of each county is respectfully recommended to each county in Ohio.

ADJOURNMENT.

The SPEAKER pro tempore. The gentleman from Virginia moves that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 9 minutes p. m.) the House, under its previous order, adjourned until Monday, January 16, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

468. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Arlington Memorial Bridge Commission for the fiscal year 1923 in the sum of $25,000 (H. Doc. No. 152); to the Committee on Appropriations and ordered to be printed.

469. A communication from the President of the United States, transmitting suggested legislation requested by the Commissioners of the District of Columbia authorizing the recorder of deeds of the District of Columbia to expend from the fees and emoluments of his office $5,872.20 for new equipment (H. Doc. No. 153); to the Committee on Appropriations and ordered to be printed.

470. A communication from the President of the United States, transmitting suggested legislation requested by the Secretary of the Treasury transferring $205,000 from the present appropriation for the subhead of "Rations," under the Coast Guard, to the subheads "Fuel and water" and "Contingent expenses" of the Coast Guard (H. Doc. No. 154); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. FROTHINGHAM, from the Committee on Military Affairs, to which was referred the bill (H. R. 9059) providing for the conveyance to the town of Marblehead, in the State of Massachusetts, of Fort Sewall Military Reservation for public use, reported the same with an amendment, accompanied by a report (No. 565), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 9058) providing for the conveyance to the city of Salem, in the State of Massachusetts, of Fort Lee Military Reservation for public use, reported the same with an amendment, accompanied by a report (No. 566), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 9057) providing for the conveyance to the city of Salem, in the State of Massachusetts, of Fort Pickering Military Reservation for public use, reported the same with an amendment, accompanied by a report (No. 567), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CROWTHER: A bill (H. R. 9905) to enlarge and extend the post-office building at Amsterdam, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9906) to enlarge and extend the post-office building at Schenectady, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. DUPRÉ: A bill (H. R. 9907) to authorize the Secretary of War to sell all the right, title, and interest of the United States of America in the abandoned military reservation known as Fort Macomb, Orleans Parish, La.; to the Committee on Military Affairs.

By Mr. NEWTON of Minnesota: A bill (H. R. 9908) to amend subdivisions (a) and (c) of section 206 of the transportation act, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMMERS of Washington: A bill (H. R. 9909) to encourage the development of agricultural resources, water power, and waterways of the United States through cooperation of the United States with the several States of the United States, in conjunction with each other, giving preference in the matter of employment and the establishment of rural homes to those who have served with the military and naval forces; to the Committee on Irrigation of Arid Lands.

By Mr. APPLEBY: Resolution (H. Res. 263) authorizing and directing the Secretary of the Treasury to submit to the House of Representatives a report of all United States Treasury funds now on deposit to the credit of the United States Government; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEEDY: A bill (H. R. 9910) granting a pension to Emma D. Manson; to the Committee on Pensions.

By Mr. BEGG: A bill (H. R. 9911) granting a pension to Edward J. Bundschu; to the Committee on Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 9912) for the relief of Felix A. Dunn; to the Committee on Claims.

Also, a bill (H. R. 9913) for the relief of Henry E. Dudley; to the Committee on Claims.

Also, a bill (H. R. 9914) for the relief of Dacy McHenry; to the Committee on Claims.

Also, a bill (H. R. 9915) for the relief of Laura Peters; to the Committee on Claims.

By Mr. GENSMAN: A bill (H. R. 9916) to provide for the issuing of a patent to Richard Murphy for a certain tract of land in what is known as the "Big Pasture of Oklahoma," and upon which he has made full payment of purchase price; to the Committee on the Public Lands.

By Mr. GRAHAM of Illinois: A bill (H. R. 9917) granting a pension to Susan A. Wilsey; to the Committee on Pensions.

By Mr. HARDY of Colorado: A bill (H. R. 9918) granting a pension to Edward F. Poe; to the Committee on Invalid Pensions.

By Mr. HUDSPETH: A bill (H. R. 9919) granting a pension to Lucy Ord Mason; to the Committee on Pensions.

By Mr. KINCHELOE: A bill (H. R. 9920) granting an increase of pension to Alfred Green Hawkins; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 9921) granting an increase of pension to William R. Drain; to the Committee on Pensions.

Also, a bill (H. R. 9922) granting a pension to Miles S. Sisk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9923) granting an increase of pension to Sankey Gray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9924) granting a pension to Hezekiah Woodby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9925) granting an increase of pension to Charles P. Basket; to the Committee on Pensions.

Also, a bill (H. R. 9926) granting a pension to Mercia Fox; to the Committee on Pensions.

By Mr. RYAN: A bill (H. R. 9927) for the relief of John Cowitz; to the Committee on War Claims.

By Mr. SHELTON: A bill (H. R. 9928) granting a pension to Martha E. Walker; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 9929) granting an increase of pension to Mary Ely; to the Committee on Invalid Pensions.

By Mr. VINSON: A bill (H. R. 9930) for the relief of the Southern Railway Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3493. By Mr. ANSORGE: Resolution adopted by the Woman's Republican Club, of 1723 Amsterdam Avenue, New York City, urging the passage of the Dyer antilynching bill (H. R. 13); to the Committee on the Judiciary.

3494. Also, petition of Schlesinger Bros., of 95 Orchard Street, New York City, relative to the Government Parcel Post System; to the Committee on the Post Office and Post Roads.

3495. By Mr. FROTHINGHAM: Resolution by 10 coworkers in a Boston office, indorsing the fivefold adjusted compensation plan; to the Committee on Ways and Means.

3496. By Mr. KAHN: Petition of San Francisco Chapter, No. 3, Disabled American Veterans of the World War, protesting against the transfer of disabled American veterans to soldiers' homes; to the Committee on Appropriations.

3497. By Mr. KELLY of Pennsylvania: Resolution of Charles W. Ziochkan Post, American Legion, of Turtle Creek, Pa., favoring adjusted compensation; to the Committee on Ways and Means.

3498. By Mr. KISSEL: Petition of the National Association for the Advancement of Colored People, of New York, urging the passage of the Dyer antilynching bill; to the Committee on the Judiciary.

3499. By Mr. KNUTSON: Petition of citizens of Fern Township, Minn., opposed to the passage of House bill 4388; to the Committee on the District of Columbia.

3500. By Mr. NEWTON of Missouri: Petition of 66 citizens of St. Louis, Mo., praying for an extension of the duck-shooting season in Missouri; to the Committee on Agriculture.

3501. By Mr. RAKER: Memorial of the Legislature of the State of Oregon, adopted December 22, 1921, urging Congress to take appropriate action with reference to the relief of soldiers of the Spanish-American War; to the Committee on Pensions.

3502. Also, petition of Graham & Harris, attorneys at law, and the Union Tool Co., both of Los Angeles, Calif., indorsing and urging support of the Patent Office relief bill (H. R. 7077); to the Committee on Patents.

3503. Also, petition of Everett E. Beddoe, Mrs. A. W. Savercool, Mrs. Mary E. Beddoe, Mrs. Mabel Morel, Mrs. Ira C. Baldwin, George H. Scheppler, H. D. Morel, Mrs. Maud Scheppler, Mrs. Elsa Thompson, J. E. Cooke, Mrs. J. E. Cooke, J. H. Taresh, George Saesce, W. Dunlap, B. Nevins, Mrs. J. Pierce, J. I. Kelley, Rachel I. Kelley, Ada I. Powers, O. Powers, G. E. Chamberlin, A. W. Savercool, Mrs. G. E. Chamberlin, M. B. Herring, C. A. Taylor, Joe Baccala, Miltie Baccala, and L. D. Johnstone, residents of Plumas County, State of California, protesting against the compulsory Sunday observance bill (H. R. 4388); to the Committee on the Judiciary.

3504. Also, telegram from Morgan Keaton, adjutant, Department of California, American Legion, protesting against the policy of disrupting medical service of Veterans' Bureau by disenrollment of reserve officers of Public Health Service; to the Committee on Interstate and Foreign Commerce.

3505. By Mr. ROSSDALE: Resolution adopted by the staff of the New York Agriculture Experiment Station for the continuation of the publication of the Experiment Station Record and the Journal of Agricultural Research; to the Committee on Agriculture.

3506. By Mr. WOODYARD: Petition of the St. Marys Board of Trade, of St. Marys, W. Va., protesting against discontinuance of village mail delivery service; to the Committee on the Post Office and Post Roads.

SENATE.

MONDAY, *January 16, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

O Lord, our God, grant that the meditations of the heart, as well as the expressions of the lip, be acceptable in Thy sight as we come to Thy throne of grace. May we reverently recognize Thy mercy to us constantly in evidence; and so guide our thoughts and minister to us in all the problems of life that we may do Thy will and fulfill the highest interests of Thy kingdom. We ask in Jesus Christ's name. Amen.

HIRAM W. JOHNSON, a Senator from the State of California, appeared in his seat to-day.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Tuesday, January 10, 1922, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

REPORT OF THE DAUGHTERS OF THE AMERICAN REVOLUTION.

The VICE PRESIDENT laid before the Senate the annual report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1921, which was referred to the Committee on Printing.

REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

The VICE PRESIDENT laid before the Senate the financial report of the Georgetown Barge, Dock, Elevator & Railway Co., submitted, pursuant to law, for the year 1921, which was referred to the Committee on the District of Columbia.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Interior, transmitting a list of documents and papers on file in the Department of the Interior which are not needed in the conduct of business in that department and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The Vice President appointed Mr. SMOOT and Mr. MYERS members of the committee on the part of the Senate, and ordered that the Secretary of the Senate notify the House of Representatives thereof.

EMPLOYMENT OF ATTORNEYS BY ALIEN PROPERTY CUSTODIAN.

The VICE PRESIDENT laid before the Senate a communication from the Alien Property Custodian, in response to Senate resolution 191, agreed to January 5, 1922, which was ordered to lie on the table and to be printed in the RECORD, as follows:

ALIEN PROPERTY CUSTODIAN,
Washington, D. C., January 13, 1922.

To the PRESIDENT OF THE SENATE,
The Capitol, Washington.

SIR: Will you please inform the Senate, in answer to resolution No. 191, that I shall transmit the facts requested as soon as the same may be compiled.

It is respectfully suggested that the resolution covers the work of this office from its beginning, October 6, 1917, to date, and thus the completion of the information will require a reasonable time consistent with the usual work.

The Senate is further advised that prior to the passage of the resolution this office had begun the preparation of a report substantially covering the information requested as covered in that section of the trading with the enemy act, requiring an annual report to be transmitted to the President as soon after January 1 each year as is practicable.

Respectfully, yours, THOMAS W. MILLER,
Alien Property Custodian.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 7077) to increase the force and salaries in the Patent Office, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 37) providing for the printing of 50,000 additional copies of the report of the Joint Committee of Agricultural Inquiry, in which it requested the concurrence of the Senate.

SENATOR FROM MICHIGAN—PERSONAL EXPLANATION.

Mr. UNDERWOOD. Mr. President, last week when the Newberry case was before the Senate the Senator from Kansas [Mr. CURTIS] announced a pair between the Senator from Georgia [Mr. WATSON] and the Senator from South Dakota [Mr. NORBECK]. A few minutes previous to that announcement I had received information from Mr. Keller, who represents the Democratic side in reference to pairs, that we had received a notice from the secretary of Senator WATSON to the effect that Senator WATSON did not desire to be paired in the case. The Washington Herald of this morning contains an article which I desire to have the Secretary read.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

FRIENDS SAY RUSE CANCELED VOTE FOR NEWBERRY—WATSON DENIES HE HAD AUTHORIZED REPUDIATION OF PAIR WITH NORBECK.

Friends of Senator NEWBERRY are aroused over discovery of what they believe were dishonest tactics resorted to in the effort to unseat the Michigan Senator last week.

When the voting began Senator CURTIS, the Republican whip, announced the pairing of Senator WATSON, of Georgia, for seating, with Senator NORBECK, of South Dakota, for unseating NEWBERRY. WATSON was absent, and NORBECK withheld his vote at first. Senator TOWNSEND, of Michigan, had informed Senator CURTIS he had the authority of WATSON to pair the Georgian in favor of NEWBERRY.

Before the result was announced Senator UNDERWOOD, the Democratic leader, informed Senator CURTIS that WATSON'S secretary had sent word to cancel the pair. Senator CURTIS announced the cancellation, and NORBECK voted against NEWBERRY.

Senator WATSON stated yesterday that neither he nor his secretary had authorized cancellation of the pair, and intimated he would ask for an investigation. Senator UNDERWOOD says the message to cancel came by telephone, but he had believed it genuine.

Mr. UNDERWOOD. Mr. President, I am not criticizing my friends on the other side of the Chamber at all about their making the pair; but this question of the integrity of pairs is a very important thing for the Senate, and a scurrilous charge of this kind can not be allowed to go by uncontradicted without impairing the whole organization of the Senate.

I did not raise this question originally on the floor of the Senate. I merely suggested to the Senator who made the pair that I had information that the Senator involved—and it was a personal matter to the Senator—did not desire the pair made. Since this paper was published I have conferred with the Senator from Georgia [Mr. WATSON] in reference to the matter, and he has assured me—and the Senator is now on the floor of the Senate—that the statement I made that he did not desire the pair made was correct, and that I had authority to make the statement that no pair should be made in his name.

I say that without criticism of the Senators who made the pair, because I know they made the offer in all good faith. I am not criticizing them at all; but I can not allow a newspaper to publish without contradiction a scurrilous statement in reference to the pairs of the Senate that is not warranted by the truth and the facts in the matter.

Of course I did not see the Senator from Georgia at the time I stated that he did not desire a pair made. It came to me as a message; but it was my duty, as leader, to represent the Senators on this side, and I was sure a mistake was being made, and I only put it on that ground. There is no reflection on the Senator who announced the pair, but the Senate can not allow the statement to be made that improper methods were used to cancel a pair.

I now state with authority that I had a message from the Senator from Georgia that he was not paired in the case, and he is here on the floor to hear my statement. So with that contradiction, showing that I did have the authority to do what I did, I hope this statement will go into that basket of untruths that sometimes creep into the public press.

Mr. CURTIS obtained the floor.

Mr. WATSON of Georgia. Mr. President, if the Senator from Kansas will allow me to make a brief statement, I think a few simple words of truth will clear up the whole matter.

Mr. CURTIS. Certainly.

Mr. WATSON of Georgia. Mr. President, the facts are these: On one day of last week—I think last Thursday morning—something after 9 o'clock, on my way to the office preparatory to going to the committee room where the soldier investigation has been under way, I passed the Senator from Michigan [Mr. TOWNSEND], who was standing at the elevator on the lower floor waiting to go up to his floor. I merely remarked to him that I supposed I would have to be paired on the case and went by. I spent the whole morning in the committee room where the soldier investigation was going on, and afterwards returned to my own room in the George Washington Inn for luncheon with my wife. After the luncheon I did not feel disposed to return to the Senate. I had work that would occupy me; I was not feeling well, and I exercised my privilege to remain indoors. During the afternoon I told one of my clerks, Mr. Edmondston, to come to the pairing clerk, Mr. Keller, and to tell him that I did not care to have my vote paired, supposing, of course, that that would be communicated to the Senator from Michigan.

The Senator was quite honest, I am sure, in supposing that I had authorized him to pair me, but I really did not go to that extent. I merely remarked that I might have to pair. Afterwards I decided not to pair, and that is all there is to it.

In the paper to which reference has been made by the Senator from Alabama [Mr. UNDERWOOD] it is stated:

Senator WATSON stated yesterday that neither he nor his secretary had authorized cancellation of the pair, and intimated he would ask for an investigation.

Mr. President, that statement is absolutely unfounded. I spoke to nobody about the pair yesterday or the day before. I made no such statement as this at any time. On the contrary, the statement I have made as to what I said in passing to the Senator from Michigan [Mr. TOWNSEND] on the way to my office, and what I afterwards decided to do at my room are the absolute and the whole truth about it; and that explains the entire situation as I see it.

While I am on my feet, Mr. President, I beg the Senate to allow me to correct another statement that is in this same paper, the Washington Herald of this morning. It is stated that I, the Senator from Missouri [Mr. REED], the Senator from Tennessee [Mr. SHIELDS], and the Senator from Massachusetts [Mr. WALSH], were on the stage at the meeting at the house of the ex-President yesterday afternoon. That statement is not true. I was at my rooms. I had no knowledge that such a meeting was to be had. I was not invited there. I could not with propriety have accepted such an invitation had I received it. Therefore, both these statements in reference to myself are untrue.

Mr. TOWNSEND. Mr. President, I understood the situation practically as the Senator from Georgia [Mr. WATSON] has stated it. He brought the matter up to me as I stood by the elevator, saying, as I remember the terms, "You will have to pair me, as I fear I can not get there; our committee is in session." I did not think about it at the time; but when we got here and the question was brought up, I called the office of the Senator, and the clerk said the Senator was not there; he did not know what he wanted. I said to the Senator from Kansas [Mr. CURTIS] exactly what I am saying now to the Senate. I said then: "I do not know that the Senator meant to authorize me to pair him, although he used the words, 'I fear you will have to pair me on this vote,' and I tried to find out"; and I stated to the Senator from Kansas exactly the language I am using now in reference to that matter, and the pair was made.

I regret exceedingly that anything was printed in the newspaper which would reflect either upon the Senator from Alabama or upon the Senator from Georgia. I never had any suspicions about the matter. When the word came to me from the Senator from Alabama [Mr. UNDERWOOD] that he had received word from the Senator from Georgia that he did not want to pair, I immediately insisted that the pair should be withdrawn. I never thought there was any unworthy motive or any-

thing involved in it except that the Senator from Georgia had made up his mind that he did not want to be paired on this question, as he had a right to make it up, and I never questioned his integrity or his honesty or that of anybody else in this matter.

Mr. SPENCER. Mr. President, what I know about this matter bears out precisely what the Senator from Alabama [Mr. UNDERWOOD] has said. When he told me that he had information that the Senator from Georgia [Mr. WATSON] did not care to be paired I took the precaution, because he himself had not seen the Senator from Georgia, to inquire as to what the situation was. I personally talked with the secretary of the Senator from Georgia—I think his name is Mr. Edmonston, a tall man with reddish hair, who came to me by the courtesy of Mr. Keller—and he at once told me frankly that the Senator from Georgia said that he did not care to be paired. That was after the pair had been announced and after the pair had been canceled. It bears out exactly what the Senator from Alabama has said.

HOUSE BILL REFERRED.

The bill (H. R. 7077) to increase the force and salaries in the Patent Office, and for other purposes, was read twice by its title and referred to the Committee on Patents.

FEDERAL RESERVE BANK BUILDING IN NEW YORK CITY.

Mr. FRELINGHUYSEN. Mr. President, I ask unanimous consent to have printed in the RECORD certain facts concerning the Federal reserve bank building in New York. I notice that there have been several speeches made on the subject, and in order that full information may be had with reference to this building I ask that these facts may be printed in the RECORD for the information of the Senate.

There being no objection, the matter was ordered to be printed in the RECORD as follows:

THE BANK BUILDING OF THE FEDERAL RESERVE BANK OF NEW YORK—VOLUME OF THE BANK'S BUSINESS.

The Federal Reserve Bank of New York is the largest bank in the country in resources, in size of its staff, and in daily turnover. It does about one-third of the entire transactions of the Federal reserve system. Its present staff is 36 officers and 2,715 clerks, exclusive of the Buffalo branch. The volume of its operations for 1920 was as follows:

Discounts and advances, 180,462 items aggregating $50,539,428,847.

Acceptances purchased for New York and other Federal reserve banks, 106,237 items aggregating $2,428,000,000.

Federal reserve notes and other paper money handled and counted, 558,397,400 pieces aggregating $2,291,785,688.

Shipments of currency and coin, 67,405 shipments.

Checks collected, 87,036,424 items aggregating $55,325,112,827.

Notes and drafts collected, 563,814 items aggregating $1,994,713,245.

Telegraphic transfers of funds, 147,302 transfers aggregating $17,021,509,734.

Balances settled through gold settlement fund, $48,840,900,000.

United States Government checks and warrants paid 10,712,243 items aggregating $2,437,759,148.

Government bond department transactions, 47,797,417 pieces aggregating $6,955,101,000.

Total certificates of indebtedness department transactions, including issues and redemptions, $4,897,841,000.

Securities handled in custody for United States Treasury and member banks, $100,759,404,785.

The cost of operating departments handling United States Government transactions is about $800,000 per annum, a large part of which used to be paid by the Treasury, but since July 1, 1921, it is all absorbed by the bank. This does not include the cost of printing, issuing, and redeeming Federal reserve notes which are an obligation of the United States of America and a necessary element in our circulation, replacing in part the gold certificates which the Government formerly printed, issued, and redeemed. The cost to the bank of printing, issuing, and redeeming Federal reserve notes in 1921 was over $2,000,000.

UNSATISFACTORY OPERATING CONDITIONS NECESSITATE BUILDING.

The conditions under which this vast volume of work is carried on are unsafe, unhealthy, an uneconomical. The main offices of the bank are scattered about in eight floors of the Equitable Building. In addition 561 employees are housed in the annex building four blocks away and 178 in the Subtreasury Building.

Safety: The bank holds about $5,000,000,000 in cash and securities, stored in 11 vaults located in 5 separate buildings. Some of these vaults do not afford sufficient protection, but no others are available. The average value of cash and securities withdrawn and replaced in the various scattered vaults daily is cash $180,000,000, securities $1,940,000,000. A daily average of 368 transfers of cash and securities are made through the streets and the corridors of office buildings at great risk of loss.

Health: The health and morale of the staff is in constant danger through overcrowding and poor ventilation. The space per person is considerably below the proper requirements. The Equitable Building is designed for offices and not for use in large areas such as bank uses and which require mechanical ventilation.

Economy: These scattered and crowded conditions make economy of operation impossible. Two thousand working days per year are lost in distributing cash and securities from vault to various floors in Equitable Building. Three hundred and sixty-eight visits per month to vaults outside Equitable Building consume 2,366 work days per year. The auditing department, located several blocks away, makes 57 trips per day to the Equitable Building, equivalent to 814 working days per year. The public and the member banks are greatly inconvenienced by having to call at the various floors of the Equitable Building, the Subtreasury, and the Annex Building. During the busiest periods 10,000 people in a single day visited the Government bond department of the bank.

The directors have an immeasurable responsibility to the bank's stockholders—that is, member banks—to the Treasury, and to the public, not only to provide means to conduct these huge operations safely and expeditiously but to erect a building providing every precaution for the safeguard of the vast amount of securities and cash entrusted to them. If the Treasury were gutted, Congress would have to provide for recoupment, but if any of the many threats to blow up or rob the Federal reserve bank were by any chance attempted and executed, the loss would have to be met out of the bank's own capital or resources, for which the directors, and not Congress, are responsible. Appreciating that responsibility, they are impelled by every consideration of duty and good sense to provide appropriate quarters for the bank's employees and adequate and safe space for the bank's immense assets. They would have failed in both duty and good sense had they not selected a location adaptable to the uses for which the bank exists or had they not provided for a building sufficiently large to meet not only the bank's present needs but reasonable future expansion. The present plans provide for a possible expansion of from 50 to 75 per cent, a not unreasonable allowance in view of the past rapid growth in the business of the bank and the business of the New York district. Until needed, the space provided for expansion will be available for renting, just as in any other private banking building. It has been found by experience that banks in New York City and elsewhere which have built without similar precautions have been forced later to provide additional buildings or space elsewhere at relatively heavy expense and inconvenience. In fact, two Federal reserve banks which have constructed their own buildings have already found it necessary to provide additional buildings.

The fact that the amount of loans made by the Federal reserve bank may be reduced in dollars does not of itself mean any corresponding reduction in the amount of services rendered to the member banks, to the Government, and to the public in the other operating departments of the bank. This is shown by the fact that though our loans have been reduced from a high point of $1,038,000,000, in November, 1920, to $156,000,000 at present, nevertheless the work of the check department, for instance, the largest department of the bank, with 589 employees, has quite steadily increased since its organization to what is now about the maximum. That is also true of other large departments of the bank. (For increase in volume of business of bank see pp. 38–45, inclusive, of S. Doc. No. 75, 67th Cong., 1st sess.) While the volume of business of the discount division, the division which actually negotiates the loans of the bank, has decreased in dollars, as stated above, nevertheless, that division employed only 86 employees when operating at its maximum, so that the decrease in the number of its employees to the present number of 49, which is only 1.8 per cent of the total number of employees of the bank, represents a relatively small decrease in the total volume of work of the bank. In fact, the number of pieces actually handled by this division showed only a small decrease from 180,462 in 1920 to 136,878 in 1921, further evidence that even a great decrease in the dollar value of the bank's loans makes only a relatively slight difference in the volume of work of even this division.

Finally, there being no question as to the necessity for the building, there could be no better time for construction than on a falling market for both labor and materials, the general contract being such as to give the bank the benefit of such falling costs. It will be shown later how the bank has already profited greatly because of these facts.

THE SITE.

To purchase a site a real estate committee was created in 1918, consisting of three directors and the governor of the bank.

Acting on expert advice, the property bounded by Liberty and Nassau Streets and Maiden Lane, only two blocks from the United States Subtreasury, was gradually bought in 1918 and 1919 at the low figure of $4,797,381.72, at a time when real estate was greatly depressed. The area of the plat is 45,950 square feet and the price $104 per square foot. A piece of land situated across the street from the bank property recently sold at double the price per square foot. There was no unimproved property available; but, fortunately, a great part of the existing improvements were poor. They were appraised at $1,703,831.72, and have been charged off, reducing the book value of the site to $3,094,050.

THE BUILDING.

Organization: A building committee of five directors and the governor, with a deputy governor as its executive, controls all policies, plans, and proposals, and the letting of contracts.

Architects: In September, 1918, a consulting architect, employed jointly by the bank and the Federal Reserve Board, after studying the organization of the bank and its operations, prepared a plan under which Messrs. York & Sawyer, of New York, were chosen in 1919 architects for the building. The terms of the competition provided for the architects the usual fee adopted by the American Institute of Architects, of 6 per cent of the completed cost of the building. To this was added 1½ per cent upon that portion of the building built under the supervision of special engineers, from which the architect would pay all engineering fees.

On the basis of the estimated cost of the building in March, 1921, the architects would receive a fee of $1,106,000, of which about $270,000 would go to the vault, heating and ventilating, and foundation engineers.

The fee of 6 per cent paid to the architects is at the same rate as that which the same architects recently received from the Treasury for building the assay office in New York City.

The fees to be paid in the case of the Federal Reserve Bank Building represent a period of employment of about five years and cover the services of their staff in designing and superintending the work.

General contractor: The firm of Marc Eidlitz & Son (Inc.) was chosen by the directors because of their qualifications to do work of the sort required, demonstrated over a period of many years in building in New York City. Their fee is on the basis of 5 per cent of the first $6,000,000 spent, 4 per cent of the next $3,000,000, and 3 per cent of any expenditure above $9,000,000. In no case is their fee to exceed $500,000. This figure is lower than the customary one for work of this character.

Under this contract the firm puts its large staff at the disposal of the bank, undertakes the management and superintendence of the job, securing the widest competition in all subcontracts and in the purchase of all supplies, building materials, and tools.

Foundations: The Foundation Co., of New York, is doing its work at cost, plus a fixed fee of $140,000. The cost upon which this fee was based was the first estimated cost of $1,838,000. The fee is approximately 8 per cent of this cost and has been separated by the subcontractor into two parts, 3½ per cent for the overhead and 4½ per

cent for the profit. It is common practice among subcontractors to charge considerably more than this for overhead and profit.

The foundation work is the biggest job of the kind ever undertaken in New York, the excavation going down 90 feet below the street level. The risk to surrounding property is very great. The company was chosen because of the confidence of the directors in their ability to do a thorough and workmanlike job within a minimum of risk. As in the case of the general contractor, wide competition is secured in the purchase of all supplies, building materials, and tools.

Estimated cost of the building: The estimate of $17,990,347 prepared in March, 1921, was an outside cost estimate for the entire building and equipment, except vault equipment. That it was an outside allowance is indicated by the fact that on wrecking, steel, stonework, boilers, coal-handling device, foundations, and vault walls, the seven items as to which figures are available, there is a saving over the figures of the March budget for these items of 23 per cent. Further substantial savings on 61 other items, as to which no figures are available yet, is reasonably assured in view of the falling market.

For the wall construction of the security vaults, which will be the largest and most secure ever constructed in the United States, an allowance of $1,003,600 was originally made. As a result of experiments conducted by the Federal Reserve Board and the Bureau of Standards vault walls will be constructed many times as strong as any now in use, at an estimated cost of $500,000, a saving of $503,600.

The building is being erected in a time of falling prices, and under the contracts every decline in price or freight accrues to the bank.

NATURE OF THE BUILDING.

The building is designed to meet the particular needs of the Federal reserve bank. It is 15 stories high above the street and 5 stories below the street for vaults and machinery. Except for the vaults it is a commercial type of building and is a real asset of the bank. Such floors as the bank may at any time not need to occupy are suitable for renting.

Exterior: The design for the exterior of the bank is conspicuous for its simplicity. All ornament has been omitted. The architects expect to obtain a good result through well-studied proportion of openings and a careful study of stone jointing. The material for the exterior, some of which has already been cut, is selected from the limestone quarries of Indiana and a sandstone quarry in Ohio. For the most part the selection is from that part of the output which, because of color markings, the quarrymen usually consider worthless, as there has heretofore been no market for it. The architects visited the quarries and, realizing that the grained, colored, and mottled limestone was not only cheap but was well adapted to add interest to a wall surface already devoid of ornament, they recommended to the building committee that this grade of stone be used. A saving of $1,004,860 under the budget allowance for stone was realized, partly because of the selection of a stone not in general demand but chiefly through the efforts of the architects in cooperation with the general contractor to reduce the quantity of stone to a minimum.

Interior finish: The intention is to finish this building for work and not for show. A reading of the memorandum specifications prepared in March, 1921, at the time the budget was prepared, discloses a finish which in a very large part is no more elaborate than the degree of finish in an ordinary commercial loft building. If these specifications were to be offered to a private banking corporation for its use in the construction of a building, they would prove to be inadequate and lacking in the many niceties which are usually considered necessary for a high-grade banking institution. The amount of marble called for in the public halls throughout the building is considerably less than is usually installed in an ordinary office building built for investment. On many of the floors the public halls exist only in the elevator corridors, the working quarters of the bank opening quite directly from these corridors. Thus the cost of long marble-wainscoted corridors, a feature of many commercial office buildings, is not incurred in this special type of building.

In certain spaces, such as the employees' entrance hall and the security corridors in the basements, the walls will be covered to a height of 4 feet, and in some cases 5 feet, with steel wainscoting. Similar spaces in other buildings usually contain marble wainscots.

Throughout the building, in basements and on typical working floors, most of the spaces will have cement floors, slate bases, and plastered walls. The bank has no intention of carrying this economical treatment so far as to work injury to the building. Where durable, easily cleaned material is required on walls or columns, in the public spaces of the first and second floors, a stone or marble treatment will be carried out, though the extent of this work has not yet been determined.

The officers' rooms are to be finished no more elaborately than the rooms rented to tenants in the Equitable Building, where the bank is now installed, walls and ceilings to be finished in plain plaster.

On the three upper floors, considerably smaller than the area occupied by a typical working floor, are to be installed certain departments designed to promote the efficiency and the well-being of the employees. Here will be found a medical department; two cafeterias, one for men and one for women, where employees serve themselves and pay for their lunch; rest rooms, indispensably necessary in the employment of large numbers of female employees; a small gymnasium; and an assembly room, 4,600 square feet, susceptible of being cut up into classrooms, containing space on the floor for about 650 persons, and in a gallery for about 350 additional. The inclusion of these features in the building was decided upon after a careful survey of the business and industrial world to ascertain the accepted practice in modern business organizations concerning the safeguarding of the health of the employee and the building up of a morale as the result of fair treatment. In all of these spaces the plan is to use plain, plastered walls and ceilings, with slate bases, wood chair rails, and picture molding (where required), and cement floors. In the cafeteria the floor is to be of terazzo, a material commonly used in Child's restaurants, and so specified because it is readily cleaned and is nonabsorbent.

Vaults: The vaults are all underground, three stories high, and the strongest in the world. They are large enough to provide for an immense amount of securities and cash, which now have to be carried in 11 different vaults, located in 5 different buildings, because of the lack of adequate space.

FRANCHISE TAX.

It should be borne in mind, in considering building operations, that the Federal reserve banks in acquiring building sites and constructing bank buildings are making capital expenditures, and consequently these operations do not diminish in any way the amount of franchise taxes payable to the United States Government. The amount of the franchise tax is adversely affected only to the extent that the Federal reserve banks are authorized to charge depreciation and amortization allowances on their bank premises to current net earnings.

The building is not a public building and is not built with public money. Under the law it is subject to local and State taxation.

The estimated cost of the bank and annex buildings are as follows:

Estimated cost of bank and annex buildings—exclusive of equipment.

Annex building (finished):		
Land cost	$681,558.69	
Building cost	1,388,185.40	
Total cost		$2,069,744.09
Bank building (under construction):		
Land cost		4,797,881.72
March, 1921, estimated cost of building	16,671,078.00	
Less savings already made (approximately 23 per cent of March, 1921, estimate on work already let)	1,479,755.00	
Estimated maximum cost of building if no further savings are made		15,191,323.00
Estimated maximum cost of building if proportionate savings (23%) are made on items not yet let		12,836,730.00

Estimated maximum cost of equipment about $1,300,000, but probable cost less than $1,000,000.

NEW YORK ASSAY OFFICE.	FEDERAL RESERVE BANK OF NEW YORK.
(1) Architects: York & Sawyer.	(1) Architects: York & Sawyer.
(2) Architects' fees: 6 per cent of cost (excluding cost of vaults, construction of which was not under jurisdiction of York & Sawyer, but under an independent concern).	(2) Architects' fees: 6 per cent of cost.
(3) Actual cost of building (including vaults and fees, but excluding equipment), $779,406.30.	(3) Estimated maximum cost of building (including vaults and fees, but excluding equipment), $15,191,323.
(4) Cubic feet in building (including vaults), 382,100.	(4) Cubic feet in building (including vaults), 13,870,000.
(5) Total cost per cubic foot (including vaults and fees, but excluding equipment), $2.04.	(5) Estimated maximum cost per cubic foot (including vaults and fees, but excluding equipment), $1.09.
(6) Total cost per cubic foot (excluding vaults and equipment, but including fees), $1.44.	

ORDER OF BUSINESS.

Mr. HARRIS. Mr. President——

Mr. CURTIS. I understand the Senator from Georgia wishes to address the Senate, pursuant to the notice he gave the other day, on the unfinished business, the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913. I trust the Senator will defer making his speech until after the routine morning business has been transacted.

Mr. HARRIS. Very well.

PETITIONS AND MEMORIALS.

Mr. FERNALD presented petitions of members of the Lend a Hand Circle, International Order of the King's Daughters and Sons, and sundry citizens of Whitefield, Chelsea, North Pittston, Coopers Mills, Gardiner, East Pittston, Jefferson, Dresden Mills, and Randolph, all in the State of Maine, praying for the enactment of legislation to prohibit polygamy or polygamous living anywhere under the United States flag, which were referred to the Committee on the Judiciary.

Mr. NELSON presented a memorial of sundry citizens of Hubbard County, Minn., remonstrating against the enactment of Senate bill 1948, providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted by members of the Orwell, Otter Tail County (Minn.) Farm Bureau Unit, favoring the providing of accurate information of actual conditions of the world market to the American producer of grain, and also that he be provided with means for protection against unfortunate manipulation by grain dealers, which was referred to the Committee on Agriculture and Forestry.

Mr. ROBINSON presented a letter in the nature of a memorial of A. J. R. Curtis, president American Society of Agricultural Engineers, of Chicago, Ill., remonstrating against the enactment of legislation transferring the Forest Service from the Department of Agriculture to the Interior Department, which was referred to the Committee on Public Lands and Surveys.

He also presented letters in the nature of petitions of H. G. Cook, of Walnut Lake, and B. E. Bigelow, of Waldron, both in the State of Arkansas, remonstrating against the alleged policy of the Federal farm loan banks in restricting applications for loans and unduly deferring consideration of the same, which were referred to the Committee on Banking and Currency.

He also presented the petition of Howard W. Kellogg, of Siloam Springs, Ark., praying that Congress take immediate action for the relief of Austria by securing deferment of the Austrian reparations debt, etc., which was referred to the Committee on Foreign Relations.

Mr. LADD presented a resolution adopted by the executive committee of the Hettinger County (N. Dak.) Farm Bureau, favoring the making of an appropriation allowing loans to farmers for the purchase of necessary seed and feed for next year's crop, etc., which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the committee on rural problems appointed by the governor of North Dakota, praying for the enactment of legislation to further the stabilizing of prices of farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by the American Warehousemen's Association, cold-storage division, at its annual convention in St. Louis, Mo., December 9, 1921, favoring the enactment of legislation to regulate cold storage, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Bergen Farmers' Club, of Bergen Township, Nelson County, N. Dak., favoring the enactment of legislation establishing a minimum price on wheat which will cover cost of production plus a fair profit, which was referred to the Committee on Agriculture and Forestry.

He also presented 45 petitions of sundry citizens of the State of North Dakota, praying for the enactment of legislation reviving the Government Grain Corporation so as to stabilize prices of certain farm products, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by farmers and business men of Benson County at Minnewaukan, N. Dak., favoring the enactment of legislation to stabilize prices on farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by the Fargo (N. Dak.) Trades and Labor Assembly, protesting against the enactment of legislation which will interfere with the right of an American citizen to cease work when and where he may desire, etc., which were referred to the Committee on Education and Labor.

Mr. McLEAN presented a memorial of members of Orford Parish Chapter, Daughters of the American Revolution, of South Manchester, Conn., remonstrating against the enactment of legislation commercializing the national parks, which was referred to the Committee on Public Lands and Surveys.

He also presented petitions of Eunice Dennie Burr Chapter, Daughters of the American Revolution, of Fairfield, Conn., praying for the erection of an archives building at Washington, D. C.; the exemption of the remaining office lots of the Daughters of the American Revolution from taxation; the securing of a department of education; and the acquisition of Yorktown (Va.) as a national military park, which were referred to the Committee on Appropriations.

He also presented a petition of sundry members of the Putnam Hill Chapter, Daughters of the American Revolution, of Greenwich, Conn., praying for the enactment of legislation to make a national military park at Yorktown, Va., which was referred to the Committee on Appropriations.

He also presented a petition of the Connecticut Foundrymen's Association, of New Britain, Conn., praying for inclusion of the American valuation plan in the pending tariff bill, which was referred to the Committee on Finance.

He also presented memorials of Henry Bresky & Sons, of Bridgeport; M. Epstein & Co., C. C. Weed, and J. C. Geffray, of Stamford, all in the State of Connecticut, protesting against the enactment of legislation increasing rates of import duties on shelled almonds, shelled walnuts, and shelled filberts, contained in the pending tariff bill, which were referred to the Committee on Finance.

He also presented letters and a telegram in the nature of petitions of the Fairfield County Council, Veterans of Foreign Wars of the United States, of Danbury; Seicheprey Post, No. 296, Veterans of Foreign Wars of the United States, of Winsted; and Corporal Howard Bossa Post, No. 653, Veterans of Foreign Wars of the United States, of New Canaan, all in the State of Connecticut, praying for the passage of the so-called soldiers' bonus bill, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. McCUMBER, from the Committee on Finance, to which was referred the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, reported it with amendments and submitted a report (No. 400) thereon.

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 1074) to prescribe the method of capital punishment in the District of Columbia, reported it without amendment and submitted a report (No. 401) thereon.

Mr. JONES of Washington, from the Committee on the District of Columbia, to which was referred the bill (S. 1312) to amend the charter of the Potomac Insurance Co. of the District of Columbia, reported it with an amendment and submitted a report (No. 402) thereon.

Mr. NORBECK, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 386) authorizing a right of way for the transportation of water for improvement of grazing and development of the live-stock industry upon public and national forest lands in Arizona, reported it without amendment and submitted a report (No. 403) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (H. R. 7601) to amend an act incorporating Prospect Hill Cemetery, and for other purposes, reported it without amendment and submitted a report (No. 404) thereon.

He also (for Mr. CAMERON), from the same committee, to which was referred the bill (S. 2616) to empower the Commissioners of the District of Columbia to convey certain land, reported it with amendments and submitted a report (No. 406) thereon.

He also (for Mr. ELKINS), from the same committee, to which was referred the bill (S. 2589) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, reported it without amendment and submitted a report (No. 405) thereon.

AGRICULTURAL ENTRIES OF ALASKAN COAL LANDS.

Mr. SMOOT. Mr. President, from the Committee on Public Lands and Surveys I report back favorably with amendments the bill (H. R. 8842) to provide for agricultural entries on coal lands in Alaska, and I submit a report (No. 398) thereon.

The other day the Senate passed a bill of this exact nature, and the House passed this bill on about the same day. Therefore I ask for the immediate consideration of the House bill. I will state to the Senate that the amendments which were made in the Senate bill I have incorporated in the House bill which I have just reported.

The VICE PRESIDENT. The Senator from Utah asks unanimous consent for the present consideration of the bill. Is there objection?

Mr. KING. Mr. President, may I inquire of my colleague whether there are any changes made in the bill as passed by the Senate?

Mr. SMOOT. None whatever. With the amendments which I now report the House bill is exactly the same as the bill which recently passed the Senate.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments were, on page 1, line 12, before the word "initiated," to strike out "prior to the passage of this act"; on page 1, line 15, after the word "therein," to strike out "and not otherwise reserved or withdrawn"; on page 2, line 22, after the word "under," to strike out "said laws as applicable to Alaska" and to insert "the laws of the United States"; and on page 3, line 21, after the words "*And provided further*," in line 20, to strike out "That nothing herein contained shall be held or construed to authorize the entry or disposition of withdrawn or classified coal lands or lands valuable for coal, oil, or gas under section 2306, United States Revised Statutes, or acts amendatory thereof or supplemental thereto, commonly known as soldiers' homestead law," and to insert in lieu thereof "That nothing herein contained shall be held or construed to authorize the entry or disposition, under section 2306, United States Revised Statutes, or under acts amendatory thereof or supplemental thereto, of withdrawn or classified coal, oil, or gas lands or of lands valuable for coal, oil, or gas," so as to make the bill read:

Be it enacted, etc., That from and after the passage of this act homestead claims may be initiated by actual settlers on public lands of the United States in Alaska known to contain workable coal, oil, or gas deposits, or that may be valuable for the coal, oil, or gas contained therein, and which are not otherwise reserved or withdrawn, whenever such claim shall be initiated with a view of obtaining or passing title with a reservation to the United States of the coal, oil, or gas in such lands, and of the right to prospect for, mine, and remove the same; and any settler who has initiated a homestead claim in good faith on lands containing workable deposits of coal, oil, or gas, or that may be valuable for the coal, oil, or gas contained therein, may perfect the same under the provisions of the laws under which the claim was initiated, but shall receive the limited patent provided for in this act: *Provided, however*, That should it be discovered at any time prior to the issuance of a final certificate on any claim initiated for unreserved lands in Alaska that the lands are coal, oil, or gas in character, the patent issued on such entry shall contain the reservation required by this act.

SEC. 2. That upon satisfactory proof of full compliance with the provisions of the laws under which the entry is made and of this act the entryman shall be entitled to a patent to the lands entered by him, which patent shall contain a reservation to the United States of all the coal, oil, or gas in the land so patented, together with the right to prospect for, mine, and remove the same. The coal, oil, or gas deposits so reserved shall be subject to disposal by the United States in accordance with the provisions of the laws applicable to coal, oil, or gas deposits or coal, oil, or gas lands in Alaska in force at the time of such disposal. Any person qualified to acquire coal, oil, or gas deposits, or the right to mine and remove the coal or to drill for and remove the oil or gas under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by the provisions of this act, for the purpose of prospecting for coal, oil, or gas therein, upon the approval by the Secretary of the Interior of a bond or undertaking to be filed with him as security for the payment of all damages to the crops and improvements on such lands by reason of such prospecting. Any person who has acquired from the United States the coal, oil, or gas deposits in any such land, or the right to mine, drill for, or remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining and removal of the coal, oil, or gas therefrom, and mine and remove the coal or drill for and remove the oil or gas upon payment of the damages caused thereby to the owner thereof, or upon giving a good and sufficient bond or undertaking in an action instituted in any competent court to ascertain and fix said damages: *Provided*, That the owner under such limited patent shall have the right to mine the coal for use on the land for domestic purposes at any time prior to the disposal by the United States of the coal deposits: *Provided further*, That nothing in this act shall be construed as authorizing the exploration upon or entry of any coal deposits withdrawn from such exploration and purchase: *And provided further*, That nothing herein contained shall be held or construed to authorize the entry or disposition under section 2306, United States Revised Statutes, or under acts amendatory thereof or supplemental thereto, of withdrawn or classified coal, oil, or gas lands or of lands valuable for coal, oil, or gas.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TREASURY DEPARTMENT APPROPRIATIONS.

Mr. WARREN. Mr. President, I am about to report from the Committee on Appropriations a bill which comes from the House under a new title and under a different arrangement of expenditures than heretofore. It is the first one of the great annual supply bills for this session, and changes have seemed to be made necessary in the terms and names of several other of the supply bills, because of the Budget law recently enacted.

In reporting the bill, I wish to give notice that I shall undertake to-morrow, at the close of the routine morning business, to bring the bill before the Senate for the purpose of submitting some remarks upon the Budget law and its application and upon the terms of our Senate rules, which seem somewhat ajar when compared with the law aforementioned and with the changes in names and arrangement of items in the annual appropriation bills which will come to us later. The changes have thrown out of gear the names and arrangement of bills and committees as comprehended at present in our rules.

I now report from the Committee on Appropriations with amendments the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, and I submit a report (No. 399) thereon.

Mr. KING. Mr. President, may I inquire of the Senator from Wyoming, in view of the rather extraordinary character of this measure, whether the committee present figures in their report by which we may institute a comparison as to the cost of the various items carried in the bill with the cost heretofore? I have read the bill, and it looks to me as though one would have to go back to three or four bills in the past in order to find the items or the subjects which receive recommendation in this bill, and therefore it is impossible to institute a comparison except by an examination of those bills, unless the committee submit such a report.

Mr. WARREN. I will say to the Senator that we have presented a report as to the totals which will show just the information to which the Senator has referred, and during the consideration of the measure I shall be glad to respond to any inquiries the Senator may make, knowing the inquiring mind the Senator has with reference to appropriations.

Mr. KING. The Senator, I am sure, ought to be glad to have some support, because I have been glad to support him.

Mr. WARREN. I thank the Senator, and I hope the Senator will continue to give me his support.

Mr. POINDEXTER. Mr. President, I should like to make an inquiry of the Senator from Wyoming, in view of his statement that certain changes seemed to be necessary in the program of the Appropriations Committee. I do not understand exactly what changes are recommended by the bill which the Senator has just reported. In view of the fact that he states he will bring the matter up again to-morrow, I should like to have him state, if he will in brief, the character of the new program of the Appropriations Committee.

Mr. WARREN. I desire to say to the Senator that the Appropriations Committee will present no program, but will present to the Senate the condition in which we find ourselves and ask the Senate to arrange matters in whatever way may seem best.

Mr. POINDEXTER. What arrangement does the Senator expect to request the Senate to make?

Mr. WARREN. I propose to bring before the Senate the reasons why the present rules contain some ambiguity, together with opinions of many of our predecessors and contemporaries as to the most efficient way of handling appropriation bills.

In fact, there would be referred to the general Appropriations Committee but two bills, if we followed them by name only. Those would be the two bills which are perhaps of least consequence as to aggregate amounts, and so forth—the District of Columbia appropriation bill and the deficiency appropriation bill. On the other hand, there will be a number of bills with other names, which are not named in our rules, but which I assume would go to the Appropriations Committee because of their having no name that is carried in our existing rules.

Mr. POINDEXTER. What are those?

Mr. WARREN. There would be the appropriation bills for the Treasury, the State and Justice Departments, the Interior Department, the independent offices, and others for which we have no names heretofore. The subcommittees which have been arranged heretofore under the old names or titles will, of course, have to be rearranged under the new line of bills, according to title and contents.

Mr. POINDEXTER. The bills to which the Senator refers are those matters which heretofore have been acted upon by the Appropriations Committee through its subcommittees?

Mr. WARREN. Some of them, and some of them by other committees of the Senate.

Mr. POINDEXTER. What does it include that heretofore have been acted on by other committees?

Mr. WARREN. For instance, there will now come before Congress bills providing appropriations for the War Department, the Navy Department, the Post Office Department, and the Agricultural Department by name, as has been the case heretofore.

Mr. POINDEXTER. Does the Senator desire——

Mr. WARREN. One moment, if the Senator pleases. There will be contained in the bills I have named various and sundry items which have heretofore been carried in other bills, and some of the other bills will carry items—a very few, if any, however—which have heretofore been embraced in the four other bills mentioned by me. I shall try to lay before the Senate to-morrow morning exactly what the condition will be.

I desire to say, furthermore, to the Senate that if the so-called budget law is put into effect as it was intended it will require us to pursue very much the same procedure as the other House is now pursuing and under which they are working so harmoniously and expeditiously in the present Congress. On the other hand, if it be sought to divide the jurisdiction over the various appropriation bills as heretofore, then, I think, it will be better that the rule shall distinctly refer to the bills under this new designation and cause their reference to whatever committees may be provided. My purpose will be to state the facts and to introduce a resolution which may go to the Committee on Rules in order that they may consider the entire subject.

Mr. POINDEXTER. Heretofore, so far as I know, a number of the measures to which the Senator from Wyoming has referred, such, for instance, as the Post Office appropriation bill, the Army appropriation bill, and the naval appropriation bill, have been dealt with by the several committees having charge of those subjects matter, as especially provided under our rules.

Mr. WARREN. Exactly.

Mr. POINDEXTER. There has been no change made in the rules of the Senate, so far as I know, in that respect.

Mr. WARREN. No; there has not been in reference to those measures.

Mr. POINDEXTER. And there is no general law which requires any change to be made as to the mode of the disposition of such measures under the rules of the Senate.

Mr. WARREN. There has been no law passed dealing specifically with that matter, but the general budget law requires rearrangement, and of course it is intended that such rearrangement shall be made.

Mr. POINDEXTER. The budget law is a law which relates exclusively to the executive department, and I hope it is going to have the effect which the Senator from Wyoming has stated; but the arrangement in the House of Representatives seems

to be simply to substitute one set of committees for another set of committees; that is about all. The committees which are substituted may be better committees than were previously provided, but still they are, to all intents and purposes, separate committees dealing with these separate subjects. They are called subcommittees, but everyone knows that, as a matter of fact, the subcommittee on military appropriations does not go into the details which are dealt with by the subcommittee on Post Office Appropriations.

Mr. McNARY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Oregon?

Mr. POINDEXTER. In just a moment I will yield.

The Senator from Wyoming [Mr. WARREN] has referred to the expedition in the consideration of appropriation bills which has resulted from the adoption of the new method in the other House; but my recollection is that some of the appropriation bills which were dealt with by the subcommittees of the House Committee on Appropriations were not passed until some weeks after the fiscal year for which they provided had begun. Instead of there being expedition, therefore, there seems to have been a great deal of delay.

There has also been considerable talk about the economies which would result from the new system; but I have noticed that the recommendations for naval appropriations, for instance, which have been made to Congress by the Bureau of the Budget amount to something like $425,000,000, notwithstanding the proposed curtailment of naval construction.

Mr. WARREN. Will the Senator allow me to interrupt him at that point?

Mr. POINDEXTER. Just one moment, if the Senator from Wyoming please.

Mr. WARREN. Very well.

Mr. POINDEXTER. There may be economy in that, but it is difficult to see where the economy comes in. It looks very much as though the procedure will be just as it has been heretofore, and that Congress will be the economical body, so far as the comparison of actual appropriations with recommendations made by the executive department is concerned, and will be engaged in curtailing and cutting down the recommendations made by the so-called Director of the Budget instead of being induced by the Budget Bureau to curtail its appropriations.

Mr. McNARY. Mr. Presient, I demand the regular order.

The VICE PRESIDENT. The regular order is reports of committees.

Mr. WARREN. I had hoped to correct the Senator from Washington [Mr. POINDEXTER] if he had been kind enough to allow me to do so, for he and I will not differ on the matter. I alluded to House procedure of this session, since the new organization, when I spoke of harmony, efficiency, and dispatch in House consideration of appropriation bills. In the last Congress the budget alternative estimates had not been received and adopted.

Mr. POINDEXTER. So far as I am concerned, I am perfectly willing to yield to the Senator. He knows that there was no intention of any discourtesy on my part.

The VICE PRESIDENT. The bill will be placed on the calendar. The regular order is reports of committees.

AMENDMENT OF VOLSTEAD ACT.

Mr. FRELINGHUYSEN. Mr. President, when petitions and memorials were being presented the petition which I hold in my hand was on its way from my office. I wish now, before presenting the petition, to make a brief statement regarding it, and I ask unanimous consent that I may do so.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from New Jersey will proceed.

Mr. FRELINGHUYSEN. Mr. President, there is in my State an organization which is known as the Anti-Dry League of New Jersey. In August last this organization presented a petition similar to the one now before me which purported to be signed by 35,000 citizens of New Jersey. At that time I presented the petition to the Senate and asked that it be filed with the proper committee.

About two months ago the petition I now desire to present was sent to me by express and by mistake was delivered at my house. About two weeks ago I found it and ascertained what it was, although I had been advised by the petitioners that it was to be sent; and I had intended when the Senate had the opportunity to consider it to present it at the proper time.

The antidry league has seen fit, through its officers, to attack me for suppressing, ignoring, and withholding this petition. I wish to say that such a public statement is entirely untrue, as I have during my entire career always presented to the Senate petitions addressed to the Congress or to myself.

This petition purports to be signed by 15,000 citizens of my State who are opposed to the present Volstead Act. They appeal to the House of Representatives and the Senate to vote for a modification of the Volstead Act. Of course, I am opposed to a modification of that act, having voted for it only a few weeks ago; but, believing in the right of petition, I now present this petition, which, as I have said, purports to be signed by 15,000 citizens of my State, in favor of a modification of the Volstead Act, and ask that it be referred to the Committee on the Judiciary.

The VICE PRESIDENT. The petition will be received and referred to the Committee on the Judiciary.

MARY ROBERTS.

Mr. CALDER. I report back favorably from the Committee to Audit and Control the Contingent Expenses of the Senate, Senate resolution 203, submitted by the Senator from Oregon [Mr. STANFIELD] on the 4th instant, proposing to pay Mary Roberts, widow of Charles F. Roberts, late a private of the Capitol police, a sum equal to six months' salary. It is the usual resolution in cases of this kind, and I ask unanimous consent for its present consideration.

The resolution was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the miscellaneous items of the contingent fund of the Senate to Mary Roberts, widow of Charles F. Roberts, late a private of the Capitol police, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WARREN:

A bill (S. 2962) granting an increase of pension to Frances A. Bright (with accompanying papers); to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 2963) to consolidate and codify and establish a uniform law to prevent corrupt practice in the election of Senators, Representatives, and Delegates in Congress, and providing a penalty for the violation of the same; to the Committee on Privileges and Elections.

By Mr. LADD:

A bill (S. 2964) to promote agriculture by stabilizing the prices of certain agricultural products; to the Committee on Agriculture and Forestry.

By Mr. McNARY:

A bill (S. 2965) for the relief of the port of Astoria; to the Committee on Claims.

By Mr. PHIPPS:

A bill (S. 2966) granting a pension to Lavina Frame; to the Committee on Pensions.

A bill (S. 2967) to amend section 73 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, as amended by an act approved June 12, 1916; to the Committee on the Judiciary.

By Mr. KEYES:

A bill (S. 2968) granting a pension to Mabel A. Bergeron; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 2969) amending an act making appropriations for the support of the Army for the fiscal year ending June 30, 1919, as approved July 9, 1918 (40 Stats., 871), relating to the award of medals of honor; to the Committee on Military Affairs.

By Mr. MOSES:

A bill (S. 2970) granting an increase of pension to Susan Boyson (with accompanying papers);

A bill (S. 2971) granting an increase of pension to Elizabeth Reardon (with accompanying papers); and

A bill (S. 2972) granting a pension to Patrick J. O'Malley (with accompanying papers); to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 2973) granting an increase of pension to Carthenia H. Moore;

A bill (S. 2974) granting a pension to Joseph Gallaway;

A bill (S. 2975) granting a pension to Emma Braunlich;

A bill (S. 2976) granting a pension to Hannah F. Taylor;

A bill (S. 2977) granting a pension to Melvina Roberson;

A bill (S. 2978) granting a pension to Amanda Brewster (with accompanying papers);

A bill (S. 2979) granting a pension to Maggie J. Carr (with accompanying papers); and

A bill (S. 2980) granting a pension to Louisa Edwards (with accompanying papers); to the Committee on Pensions.

A bill (S. 2981) for the relief of John W. Millar; to the Committee on Claims.

A bill (S. 2982) for the relief of Abner W. Loomis; to the Committee on Military Affairs.

By Mr. PITTMAN:

A bill (S. 2983) to authorize the Secretary of the Interior to grant extensions of time under permits for the development of underground waters within the State of Nevada, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. SMITH:

A bill (S. 2984) for the relief of Thurston W. True; to the Committee on Claims.

By Mr. KING:

A bill (S. 2985) transferring to the Department of Justice certain functions, powers, and duties relating to the national prohibition act and the Secret Service Division, and for other purposes; to the Committee on the Judiciary.

By Mr. NORBECK:

A bill (S. 2986) for the relief of Angy Anderson; to the Committe on Finance.

A bill (S. 2987) authorizing extensions of time for the payment of purchase money due under certain homestead entries and town-lot purchases within the former Cheyenne River and Standing Rock Indian Reservations, North Dakota and South Dakota; to the Committee on Public Lands and Surveys.

By Mr. ROBINSON:

A bill (S. 2988) making permanent the admission of excess quota aliens who have been permitted to land temporarily; to the Committee on Immigration.

By Mr. CAPPER:

A bill (S. 2989) granting a pension to Nettie Benward (with accompanying papers); to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 2990) authorizing the erection of a public building at Philippi, W. Va.; and

A bill (S. 2991) authorizing the acquisition of a site and the erection thereon of a public building at Keyser, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. CUMMINS:

A bill (S. 2992) authorizing the Secretary of War to furnish certain information for historical purposes to the adjutant general of the several States and the District of Columbia, and making an appropriation therefor; to the Committee on Military Affairs.

By Mr. NEW:

A bill (S. 2993) authorizing a modification of the adopted project for Indiana Harbor, Ind.; to the Committee on Commerce.

By Mr. HEFLIN:

A bill (S. 2994) to revive and reenact the act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917; to the Committee on Commerce.

By Mr. CALDER:

A bill (S. 2995) for the relief of Charles L. Schroeder;

A bill (S. 2996) for the relief of the owner of the derrick lighter *November;*

A bill (S. 2997) for the relief of the owner of the scow *John E. Donovan;*

A bill (S. 2998) for the relief of the owner of the barge *Mobile;*

A bill (S. 2999) for the relief of the owner of the steam tug *Castor;*

A bill (S. 3000) for the relief of the owner of the barge *Dunmore;*

A bill (S. 3001) for the relief of the owner of the scows *No. 152* and *No. 104;*

A bill (S. 3002) for the relief of the owner of the steam lighter *Victor T;*

A bill (S. 3003) for the relief of the owner of the barge *Albany;*

A bill (S. 3004) for the relief of the owner of scow *No. 74;*

A bill (S. 3005) for the relief of the owner of the barge *Katie Tracy;* and

A bill (S. 3006) for the relief of the owner of scows *65 H* and *72 H;* to the Committee on Claims.

By Mr. WILLIS:

A joint resolution (S. J. Res. 155) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. KING and Mr. HARRIS submitted amendments intended to be proposed by them to the bill (S. 2263) to amend the Federal reserve act, approved December 23, 1913, which were ordered to lie on the table and to be printed.

FINANCIAL AFFAIRS OF EUROPEAN STATES.

Mr. McCORMICK. Mr. President, I offer the resolution which I send to the desk, and ask unanimous consent that it may be read and considered at this time.

The VICE PRESIDENT. For information the Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 208), as follows:

Resolved, That the Secretary of State be, and hereby is, requested, if not incompatible with the public interest, to lay before the Senate such information regarding the revenues, expenditures, and deficits of the European States as may be available to the Department of State, showing for the last and current fiscal years especially the annual cost of land armaments in the several States, as compared with the annual deficits of the several States (including both "ordinary" and "extraordinary" expenditures) and the sum of the interest annually due from the several States on account of the loans made to them by the United States.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. HARRIS. I ask that it may go over until after I address the Senate, because I think it will lead to some debate.

Mr. KENYON. Mr. President, has the morning business closed?

The VICE PRESIDENT. The Chair understands there is objection to the immediate consideration of the resolution offered by the Senator from Illinois. It will go over.

Mr. McCORMICK. I can imagine no ground for objecting to a request for this information.

Mr. HARRIS. Evidently the Senator was not in the Chamber earlier this morning. Some days ago I gave notice that on last Friday I should address the Senate, and the Senate was not in session then. This morning I was recognized again to address the Senate, and the Senator from Kansas [Mr. CURTIS] asked me if I would not give way until the morning business was over, which I did. I do not wish to object to the request of the Senator from Illinois, but I am sure that after that agreement he will not wish to interfere with the address I am going to make. After my address is concluded I shall be very glad to have the other matter taken up.

Mr. McCORMICK. I shall be delighted to meet the convenience of the Senator from Georgia. May I ask, while so many Senators are in the Chamber, if there are any who might have an objection to acting to-day upon this resolution, which seeks information, and nothing else?

Mr. HARRIS. I have no objection if it can be passed without debate.

Mr. SMITH. What is the resolution?

Mr. McCORMICK. It has been read once. I ask that it be read again.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution was again read by the reading clerk.

Mr. McCORMICK. I simply wanted to give Senators who might be disposed to object an opportunity to object now, because I want to ask unanimous consent for a vote upon the resolution before an hour or more has passed.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. KENYON. Mr. President, why can we not finish the routine morning business and then take up this resolution, if there is to be a discussion of an hour?

Mr. HARRIS. I must object, because it will lead to debate.

The VICE PRESIDENT. On objection, the resolution will go over.

AMENDMENT OF THE RULES—NOMINATION OF SENATORS.

Mr. POMERENE. Mr. President, I desire to offer a new rule, to be added to the Standing Rules of the Senate, relating to the nomination and election of United States Senators.

The Supreme Court held the corrupt practices act unconstitutional so far as it related to the nomination of Senators. The Justices of the Supreme Court in handing down their opinion said:

As each House shall be the judge of the elections, qualifications, and returns of its own Members, and as Congress may by law regulate the times, places, and manner of holding elections, the National Government is not without power to protect itself against corruption, fraud, or other malign influences.

The rule which I present modifies the corrupt practices act so as to make it a rule of the Senate, and thereby avoid the constitutional question which was decided by the Supreme Court. If it should be adopted and enforced, the method of relief against extravagant expenditures will be the same in the Senate that it would have been under the act if the act had been held constitutional. I ask that the rule may be incorporated in the record of the proceedings without reading and that it may be referred to the Committee on Rules.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. POMERENE's resolution (S. Res. 210) was referred to the Committee on Rules, as follows:

Resolved, That the Standing Rules of the Senate be, and the same are hereby, amended by inserting after Rule VI an additional rule, as follows:

STATEMENT OF RECEIPTS AND EXPENDITURES OF CANDIDATE FOR NOMINATION FOR UNITED STATES SENATOR.

Every person who shall be a candidate for nomination at any primary election or nominating convention, or for indorsement at any general or special election, as Senator in the Congress of the United States, shall, not less than 10 nor more than 15 days before the day for holding such primary election or nominating convention and not less than 10 nor more than 15 days before the day of the general or special election at which he is seeking indorsement, file with the Secretary of the Senate at Washington, D. C., a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate or by his agent, representative, or other person for and in his behalf with his knowledge and consent, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made for the purpose of procuring his nomination or election.

Every such candidate for nomination at any primary election or nominating convention or for indorsement or election at any general or special election shall, within 15 days, after such primary election or nominating convention and within 30 days after any such general or special election, file with the Secretary of the Senate a full, correct, and itemized statement of all moneys and things of value received by him or by anyone for him with his knowledge and consent, from any source, in aid or support of his candidacy, together with the names of all those who have furnished the same in whole or in part; and such statement shall contain a true and itemized account of all moneys and things of value given, contributed, expended, used, or promised by such candidate or by his agent, representative, or other person for and in his behalf with his knowledge and consent up to, on, and after the day of such primary election, nominating convention, general or special election, together with the names of all those to whom any and all such gifts, contributions, payments, or promises were made for the purpose of procuring his nomination, indorsement, or election.

Every such candidate shall include therein a statement of every promise or pledge made by him, or by anyone for him with his knowledge and consent, or to whom he has given authority to make any such promise or pledge, before the completion of any such primary election or nominating convention or general or special election, relative to the appointment or recommendation for appointment of any person to any position of trust, honor, or profit, either in the county, State, or Nation, or in any political subdivision thereof, or in any private or corporate employment, for the purpose of procuring the support of such person or of any person in his candidacy, and if any such promise or pledge shall have been made, the name or names, the address or addresses, and the occupation or occupations of the person or persons to whom such promise or pledge shall have been made shall be stated, together with a description of the position relating to which such promise or pledge has been made. In the event that no such promise or pledge has been made by such candidate that fact shall be distinctly stated.

No candidate for Senator of the United States shall promise any office or position to any person, or to use his influence, or to give his support to any person for any office or position for the purpose of procuring the support of such person, or of any person, in his candidacy; but such candidate may, within the limitations and restrictions and subject to the requirements of this rule, contribute to political committees having charge of the disbursement of campaign funds.

No candidate for Senator of the United States shall give, contribute, expend, use, or promise, or cause to be given, contributed, expended, used, or promised, in procuring his nomination and election, any sum, in the aggregate, in excess of the amount which he may lawfully give, contribute, expend, or promise under the laws of the State in which he resides: *Provided*, That no candidate for Senator of the United States shall give, contribute, expend, use, or promise any sum, in the aggregate, exceeding $10,000 in any campaign for his nomination and election: *Provided further*, That money expended by any such candidate to meet and discharge any assessment, fee, or charge made or levied upon candidates by the laws of his State, or for his necessary personal expenses, incurred for himself alone, for travel and subsistence or stationery and postage, writing or printing (other than in newspapers), and distributing letters, circulars, and posters, and for telegraph and telephone service, shall not be regarded as an expenditure within the meaning of this rule, and shall not be considered any part of the sum herein fixed as the limit of expense, and need not be shown in the statements herein required to be filed.

The statements herein required to be made and filed before the general election, at which such candidate seeks election, need not contain items of which publicity is given in a previous statement, but the statement required to be made and filed after said general election shall, in addition to an itemized statement of all expenses not theretofore given publicity, contain a summary of all preceding statements.

Every statement herein required shall be verified by the oath or affirmation of the candidate, taken before an officer authorized to administer oaths; and the depositing of any such statement in a regular post office directed to the Secretary of the Senate, duly stamped and registered, within the time required herein, shall be deemed a sufficient filing of any such statement under this rule.

This rule shall not be construed to annul or vitiate the laws of any State, not directly in conflict herewith, relating to the nomination or election of candidates for the offices herein named, or to exempt any such candidate from complying with such State laws.

That nothing contained in this rule shall limit or affect the right of any person to spend money for proper legal expenses in maintaining or contesting the results of any election.

That every person willfully violating any of the foregoing provisions shall be denied the right to become a Member of the Senate.

INTERNAL AFFAIRS OF CHINA.

Mr. KING. Mr. President, I offer the following resolution which I ask to have read and lie on the table.

The VICE PRESIDENT. The Secretary will read the resolution.

The Assistant Secretary read the resolution (S. Res. 209), as follows:

Whereas it has been the traditional policy of the United States to refrain from interfering with the domestic policy and internal affairs of other nations, and from attempting to direct or to control the exercise of their sovereign national rights; and

Whereas China has for centuries been an independent nation governing its territories and people, and promoting the peace of the State and the welfare of the people, according to Chinese customs and institutions; and

Whereas it is the sovereign right of every nation to determine its own domestic policy and to conduct its internal affairs, including the laying and collection of taxes, in its own way, and according to the national will; and

Whereas at the Conference for the Limitation of Armament, now in session, certain powers, including the United States, have under consideration the adoption of a program which would control the Chinese finances and taxes, and would otherwise abridge the political and fiscal autonomy of China: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that the traditional policy of the United States to refrain from interference with the internal affairs of other nations be adhered to, at this time, in all dealings and relations between the United States and China; and be it further

Resolved, That the Senate hereby expresses its disapproval of any policy or program which seeks to abridge the political independence, or to restrict the administrative or financial autonomy of China, or which seeks in any manner to limit Chinese national authority, with regard to the enactment of such laws or measures as China may deem necessary to the national welfare, provided, of course, that such laws or measures be consistent with international law; and be it further

Resolved, That any attempt to require China, by treaty or otherwise, to fix the tariff duties which she may be permitted to lay and collect upon imports, or to control the internal taxation of China, is in contravention of the settled policy of the United States, and an unwarranted interference with the independent powers and sovereign rights of the Chinese Government, and is in violation of international law and that international comity which should exist between free and independent States.

The VICE PRESIDENT. The resolution will lie on the table.

Mr. KING. I ask that it be printed.

The VICE PRESIDENT. It will be printed.

MEAT PACKERS IN UNRELATED LINES OF BUSINESS.

Mr. LA FOLLETTE. I submit a resolution which I ask may be printed and lie on the table subject to my call.

The resolution (S. Res. 211) was read, as follows:

Whereas the former Attorney General, in 1919, following a public announcement that indictments would be sought against the five principal meat-packing companies for alleged violation of the Sherman law, did enter into negotiations with certain representatives of the said meat-packing companies or others, as a result of which on February 27, 1920, a consent decree was entered in a case brought for that purpose in the Supreme Court of the District of Columbia, to wit, United States *v.* Swift & Co. et al.; and

Whereas there was much publicity as to the alleged benefits that were to result to the public from said consent decree, and particularly that it was to take the packer defendants out of unrelated lines, such as the grocery business, and make them "butchers and nothing more"; and

Whereas in the last three years there have been several reorganizations of packer companies, both before and since the decree, such as those by which the stockholders of Swift & Co. and of Wilson & Co. (Inc.) continue to control very large grocery businesses through Libby, McNeil & Libby and through Austin, Nichols & Co. (Inc.), respectively, and Armour interests likewise still control the Conway Hotel Supply Co., formerly Smith, Richardson & Conroy, a grocery and meat-distributing concern in Florida, and other reorganizations, such as the Armour Leather Co. and the Swift Internacional, some of these reorganizations being tantamount to evasions of the decree, and others tending to confuse the public as to the real extent of packer control in various industries; and

Whereas the existence of said consent decree was a factor affecting the consideration of legislation by the committees of Congress and by Congress itself, to wit, packer and stockyards act, 1921, in that while this legislation was pending the consent decree was agreed to, and based upon that fact provisions concerning unrelated items were stricken from the bill and the said act was passed on the assumption that the decree would stand unchanged; and

Whereas strong efforts have been and are now being made to have the Attorney General seek modification of the decree, so as to permit all the packer defendants to engage without hindrance in the unrelated lines, including groceries: Therefore be it

Resolved, That it is the sense of the Senate that the Attorney General should not, without specific authorization of Congress, advocate nor consent to any modification of the decree already entered in this cause, and that the Committee on Agriculture be authorized and directed to investigate this entire matter and recommend to the Senate what action it deems necessary in the premises.

The VICE PRESIDENT. The resolution will be printed and lie on the table.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. EDGE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. EDGE. Under our unanimous consent agreement we are to proceed to vote on to-morrow, January 17, 1922, at 1 o'clock, and after 1 o'clock no address longer than five minutes is to be made, on Senate bill 2263, to amend the Federal reserve act. I ask whether any additional amendment to that bill has been offered during the morning hour?

Mr. SMITH. No additional amendment has been offered. It is our purpose to bring the bill up as soon as the morning hour is closed so that we may utilize as much of to-day as possible in the discussion of it, and of such amendments as may be offered.

Mr. HARRIS. Two amendments have already been offered.

Mr. EDGE. I wanted to know whether any additional amendments had been offered during the morning hour, or, if not, whether any additional amendments were to be offered.

Mr. SMITH. I am not advised as to that. I have heard of none being offered this morning.

Mr. EDGE. Or an amendment in the nature of a substitute, or whatever it might be. This is a very important subject, and, as the Senator from South Carolina has suggested, I understand there are some additional amendments or substitutes, whatever term might be used, to be offered, and, if so, it would seem to me very important that they be introduced now so that they can be printed and the Members of the Senate have an opportunity to study any suggested changes, in view of the early date arranged for a vote. That was my only object in making the inquiry.

Mr. SMITH. I presume now is as good a time as any to state that after due consideration and conference amongst those who are responsible for this matter being brought up at this time, and in view of certain assurances given me, there will be offered a substitute for the bill introduced by me in behalf of myself and others, and at the time that substitute is offered I shall ask that the bill I have offered be withdrawn and that the substitute be supported. I shall do that because I believe the objects sought to be attained will be more readily attained and more satisfactorily attained, perhaps, by the passage of the substitute than if the original proposition were agreed to.

I am sure that all those with whom I have conferred have the same object in view that we have. It is simply a question of a difference of method of reaching it. I have been in conference with all the powers that would have control of this matter, and at the invitation of the President I had a conference with him, and I am satisfied that the measure which will be offered as a substitute for my bill will meet all the objects sought to be attained, and perhaps more expeditiously than would be true under mine. Therefore, at the time the substitute is offered, I propose to ask that my bill be withdrawn and the substitute supported.

Mr. EDGE. I am not in any way discussing the merits of the proposed substitute, because I have not seen it; I have only seen some references to it in the newspapers. I am particularly interested in that character of legislation, and would like to see the substitute as soon as possible, in view of the early hour for a vote, so that we can study it and be prepared to discuss it. It may be, as the Senator has suggested, that the substitute will entirely meet the objections which have heretofore been urged. I hope it will; but I would like to see the substitute.

Mr. SMITH. Mr. President, I took advantage of the question asked by the Senator from New Jersey to make the statement I have just made. To repeat, I think, after my conferences both with the President and with those with whom I have been collaborating in this matter, that the substitute will attain the objects sought, and I am satisfied with it, and propose to support it. I think this is an opportune time for the Senator from Minnesota [Mr. KELLOGG], who will offer the substitute, to present it, so that we may be informed fully as to its terms and the objects to be attained.

Mr. KELLOGG. Mr. President, is it in order now to introduce bills?

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). That is the order of business.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Georgia?

Mr. KELLOGG. I yield for a question; but I want to offer this amendment.

Mr. HARRIS. The Senator from Minnesota evidently was not here when the Senate convened. I consented to yield the floor until the morning business might be finished, on the request of the Senator from Kansas, and I will have to ask that I now have the floor, if the morning business is closed.

The PRESIDING OFFICER. The Chair understands we are still proceeding in the morning hour. The Senator from Minnesota desires to introduce a bill, which is in order.

Mr. MYERS. As I understand the situation, the bill comes up for vote to-morrow at 1 o'clock.

Mr. NORRIS. Is it not the unfinished business? Does it not come up to-day at 2 o'clock?

The PRESIDING OFFICER. We have not yet reached that order.

Mr. KELLOGG. Mr. President, I propose to offer a substitute for Senate bill 2263 to amend the Federal reserve act, which was reported by the Committee on Banking and Currency, and I ask unanimous consent that I may have five minutes to explain it, as Senators have asked some questions with regard to it.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Minnesota may proceed for five minutes.

Mr. KELLOGG. Several bills were introduced during the last session of Congress to enable the President to appoint a representative of agriculture upon the Federal Reserve Board, one to place the Secretary of Agriculture upon the board, another to increase the membership of the board to eight, and, I believe, some others which it is not necessary for me now to discuss.

I introduced the one which the committee reported, but in reporting it they struck out the extra member and most of the rest of the bill, but did report a bill. Now I offer as a substitute for the bill reported by the committee an amendment, which I will not stop to read, because I do not wish to delay the morning business, but I can in a moment state to Senators present the difference between the present Federal reserve act and the amendment which I now propose to offer.

The present Federal reserve act provides for a Federal Reserve Board of seven members, of which the Secretary of the Treasury and the comptroller shall be ex officio members, and that in the appointment of the five remaining members the President shall have due regard to a fair representation of the different commercial, industrial, and geographical divisions of the country. Senators will see that the President was not required to appoint certain representatives, but merely to have due regard to a fair representation of the different businesses of the country and of the geographical divisions of the country.

Section 10 of that act also provided:

> Of the five members then appointed by the President, at least two shall be persons experienced in banking and finance.

The original bill, as reported by the committee simply adds the word "agriculture" and does not increase the membership of the board so that a representative of agriculture could be appointed. Many Senators have conferred about the bill, and objections were made to some of the amendments which directed the President to appoint a farmer, or directed him to appoint a banker, or directed him to appoint a man of any other occupation, but they were willing that the membership of the board should be increased and that the language should be changed so as to include the various financial, agricultural, industrial, and commercial interests of the country.

Now, the only difference between the present Federal reserve act and the amendment which I have proposed is that the amendment contains the following clause:

> The President shall have due regard—

That is, in making the appointment of the six members—

> to a fair representation of the financial, agricultural, industrial, commercial interests and geographical divisions of the country.

Agriculture is placed upon the same basis as the other industries of the country, as it was not placed in the original bill, and the clause that two shall be bankers was left out and a general designation included here. Presumably the President, of course, would appoint men who have had experience in banking.

Mr. OVERMAN. Mr. President, does not the amendment strike out that provision for the appointment of bankers?

Mr. KELLOGG. Yes; and agriculture is placed in the general definition—that the President shall have regard to a fair representation of the financial, agricultural, industrial, commercial interests and geographical divisions of the country.

Mr. EDGE. Will the Senator read again the section from the present act referring to the banking qualifications? As I recall it, it is not mandatory, but provides only that they shall have a knowledge of banking and finance.

Mr. KELLOGG. No; it is mandatory that he shall appoint two, at least, who shall be persons experienced in banking or

finance; and, of course, it has always been considered that he must appoint a couple of bankers, and he always has.

Mr. McLEAN. The law does not require that.

Mr. KELLOGG. The President has always held that it did.

Mr. McLEAN. It is in the disjunctive, if the Senator will read the language carefully.

Mr. KELLOGG. The present amendment which I have introduced is the same thing.

Mr. McLEAN. But the Senator wants an increase of the board.

Mr. KELLOGG. I do.

Mr. McLEAN. And the express purpose is, I assume, for the putting on of a farmer.

Mr. KELLOGG. For the express purpose of putting on a representative of the biggest industry of this Nation.

Mr. McLEAN. The President can put on five farmers if he wants to.

Mr. OVERMAN. Mr. President, as I understand, this allows him to appoint a farmer.

Mr. KELLOGG. Yes.

Mr. McLEAN. He can do it to-day.

Mr. KELLOGG. He can not do it to-day, for there is no vacancy.

Mr. OVERMAN. This is rather an indication that he should appoint a farmer.

Mr. McLEAN. There are two farmers to-day, and he can put farmers in the other three places if he wants to.

Mr. OVERMAN. This is an indication from Congress that he must put on a farmer.

Mr. KELLOGG. The President could not appoint a representative of agriculture to-day if he wanted to, because there is no vacancy, and he has no power to remove any member of the board.

Mr. EDGE. There is nothing, then, in the suggested amendment, as I follow the Senator's explanation, to compel the President to put a farmer on if an additional member of the board is permitted, is there?

Mr. KELLOGG. No.

Mr. EDGE. The mandate goes simply to the point of stating that he shall consider those interests. Is not that it?

Mr. KELLOGG. That is it. I do not believe it good policy in this law to direct the President to put on one or two bankers, one manufacturer, one representative of labor, one farmer. I believe that he ought to be required to give due consideration to all these great industrial interests. Farming is the greatest of all of them, not only in its benefit to the Nation but in its credit, which they must have.

Mr. McLEAN. Conceding that, I am perfectly willing to agree there shall be no objection to the phraseology of the Senator's amendment; but why increase the number? Why at this time add another office at an expense of $12,000 a year when it is absolutely unnecessary in order to accomplish the purpose which the Senator seeks?

Mr. KELLOGG. Will the Senator tell me how the President can appoint a representative of agriculture on the board?

Mr. McLEAN. To fill the very first vacancy that comes.

Mr. KELLOGG. When does it come?

Mr. McLEAN. There are two farmers on the board now.

Mr. KELLOGG. When does the first vacancy come?

Mr. McLEAN. I do not know.

Mr. KELLOGG. It comes next autumn. About August or September will be the next vacancy. The next vacancy will be created by the retirement of the present chairman, and he is a banker, and I believe the President considers the present act to bind him in good faith to appoint a representative of the banking interests.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. NORRIS. Is the bill being discussed before the Senate for consideration?

The PRESIDING OFFICER. It is evidently being discussed. The Senator from Minnesota proposes an amendment which has not yet been formally presented.

Mr. KELLOGG. I offer the amendment now, and if the Senator objects I will not make any further statement.

Mr. MYERS. Mr. President, I ask that the proposed amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it will be printed in the RECORD.

Mr. KELLOGG's amendment is as follows:

Strike out, beginning with line 16, all of page 2 and all of page 3 and insert:

"That section 10 of the Federal reserve act, approved December 23, 1913, is amended to read as follows:

"'SEC. 10. A Federal Reserve Board is hereby created which shall consist of eight members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and six members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the six appointive members of the Federal Reserve Board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the financial, agricultural, industrial, commercial interests, and geographical divisions of the country. The six members of the Federal Reserve Board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal Reserve Board and shall each receive an annual salary of $12,000, payable monthly, together with actual necessary traveling expenses, and the Comptroller of the Currency, as ex officio member of the Federal Reserve Board, shall, in addition to the salary now paid him as Comptroller of the Currency, receive the sum of $7,000 annually for his services as a member of said board.

"'The Secretary of the Treasury and the Comptroller of the Currency shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank. The appointive members of the Federal Reserve Board shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank, except that this restriction shall not apply to a member who has served the full term for which he was appointed. Of the 6 members thus appointed by the President 1 shall be designated by the President to serve for 2, one for 4, one for 6, 1 for 8, and the balance of the members for 10 years, and thereafter each member so appointed shall serve for a term of 10 years, unless sooner removed for cause by the President. Of the six persons thus appointed, one shall be designated by the President as governor and one as vice governor of the Federal Reserve Board. The governor of the Federal Reserve Board, subject to its supervision, shall be the active executive officer. The Secretary of the Treasury may assign offices in the Department of the Treasury for the use of the Federal Reserve Board. Each member of the Federal Reserve Board shall within 15 days after notice of appointment make and subscribe to the oath of office.

"'The Federal Reserve Board shall have the power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and the salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half year.

"'The first meeting of the Federal Reserve Board shall be held in Washington, D. C., as soon as may be after the passage of this act, at a date to be fixed by the Reserve Bank Organization Committee. The Secretary of the Treasury shall be ex officio chairman of the Federal Reserve Board. No member of the Federal Reserve Board shall be an officer or director of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company; and before entering upon his duties as a member of the Federal Reserve Board he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement. Whenever a vacancy shall occur, other than by expiration of term, among the five members of the Federal Reserve Board appointed by the President, as above provided, a successor shall be appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed he shall hold office for the unexpired term of the member whose place he is selected to fill.

"'The President shall have power to fill all vacancies that may happen on the Federal Reserve Board during the recess of the Senate by granting commissions which shall expire 30 days after the next session of the Senate convenes.

"'Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and bureaus under such department, and wherever any power vested by this act in the Federal Reserve Board or the Federal reserve agent appears to conflict with the powers of the Secretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary.

"'The Federal Reserve Board shall annually make a full report of its operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of the Congress.

"'Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds, and, under the general supervision of the Federal Reserve Board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency and shall perform his duties under the general directions of the Secretary of the Treasury.'"

The PRESIDING OFFICER. Morning business is closed.

Mr. HARRIS. Mr. President, I have a very high regard for the Senator from Minnesota [Mr. KELLOGG] and the Senator from South Carolina [Mr. SMITH] in any matter pertaining to agriculture, but I differ with them about this matter. I strongly favor the passage of a measure which requires that one member of the Federal Reserve Board shall be an experienced farmer, one who is a practical farmer engaged in that occupation and not a theoretical agriculturist.

Mr. SIMMONS. Mr. President, may I interrupt the Senator?

Mr. HARRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I wish to say to the Senator from Georgia that I am in hearty sympathy with what he wishes, but I wish to say also to the Senator from Georgia that, having had very close touch with the framers of the substitute which has just been offered by the Senator from Minnesota, and having had a conference with the President, together with the Senator from Minnesota and the Senator from South Carolina, at the invitation of the President, I am entirely satisfied that if the substitute presented by the Senator from Minnesota is adopted a

farmer will be appointed upon this board, and appointed at once.

Mr. HARRIS. Mr. President, I have very high regard for the President of the United States, as I had for the one previous to the present one. The Senators have a perfect right to their own view after their conference with the President, but I did not have a conference with him and I am proceeding with the information before me. I shall support the bill requiring the appointment of a member of the agricultural business on this board.

Mr. President, I strongly favor the passage of this measure, which requires that one member of the Federal Reserve Board shall be an experienced farmer, one who is a practical farmer engaged in the occupation and not a theoretical agriculturist. The law already requires that two members of this board shall be experienced bankers. The wealth of this country is created principally by the farmers. About one-half the entire population of our country is engaged in this occupation, and recently it has been brought home to us in a way to make anyone understand that the prosperity of our country depends upon the prosperity of the farmers. When they can not sell their products at a profit business and bank failures immediately follow. When the western farmers can not raise cattle, wheat, and corn at a profit, and the southern farmers lose money in the production of cotton and other products, they have no money to buy from the manufacturers of the East. Every section of our country is dependent upon the other, and when we help another section we are helping our own.

I wish to state at the beginning of my remarks that I believe in the worth of the Federal reserve system. Had we not changed the old banking laws which the Republican Party enacted when in power we would have had a panic in this country even before we entered the war. I am complaining of the management of this great banking system, which policy has been a calamity to our country.

I can not understand why certain Senators from the East, representing manufacturing communities, should take the view of the able Senator from Connecticut [Mr. McLEAN], the chairman of the Banking and Currency Committee, who is opposing this measure and who intimates that those of us supporting this bill to give the farmers representation on the Federal Reserve Board and supporting other measures to help the farmers are doing it for political purposes.

I have no apologies to offer to the Senator from Connecticut or anyone else for the active support I have given all measures to aid agriculture, and by so doing I have been helping every business industry. They are all dependent upon agriculture. Except for the farmers of the West and the South the manufacturers of the East would be compelled to go out of business, as they could not sell their products. Since I have been a Member of the Senate, no matter how meritorious and necessary measures may be for the benefit of the farmers of the South and the West, there are certain Senators from the East who oppose such measures. Agriculture receives less from the Government in proportion to what it gives than any other industry.

The Federal reserve banks are not banks for bankers to make money out of; it was intended, when created by Congress, and should be, the financial institution that serves every interest, not simply bankers and manufacturers alone, but agriculture, live stock, and all other industries alike. If there had been on this board during the past two years a representative of the agricultural interests of this country I do not think we would have had the deflation policy of the Federal Reserve Board, which has done such great injury to the farmers and business men of the South and West, and from which it will take years to recover. It has destroyed hundreds of millions in values of farm products.

I believe I was among the first Members of this body to call attention, more than a year ago, to the ruinous deflation policy of the Federal Reserve Board. Soon after my criticisms an article appeared in one of the Washington papers, which seemed inspired by members of the board, intimating that certain of them would resign if Members of Congress criticized their policy. In my opinion, the country would have been better off had some of them resigned long ago. For my part, if certain members of that board are reappointed I shall oppose their confirmation in the Senate because of their ruinous policies. If Senators from agricultural States, which have suffered such injury by their policy, will join me we shall defeat their confirmation. It is high time these men understand this banking system is not conducted for Wall Street and the money powers of this country.

I have offered two amendments to this measure, which I hope may be adopted. One is to require the consent of Congress before the Federal Reserve Board or the banks can construct bank buildings, and the other is to make the rate of discount the same for all the regional banks.

Under the present law the Federal reserve banks, with the approval of the Federal Reserve Board, can construct buildings at any cost. No other Government board has such authority, as the Congress has control of such matters. It has been shown that the New York bank spent on their building to accommodate a few hundred employees more than the cost of the Capitol, the State, War, and Navy Building, the Treasury Building, or many other buildings in Washington, some of them with space accommodating several thousand employees. They have spent vast and unnecessary sums on buildings in other cities. They were wasting this money, while declining to reduce the discount rate, which was unnecessarily high.

Patriotic men and women all over this country denied themselves and their families money in order to buy Liberty bonds to conduct the war successfully. The banks over the country, both large and small, urged their customers to buy bonds and were glad to loan money with the bonds as collateral at a low rate of interest. The dividends on the bonds amounted to almost as much as the interest the banks charged on the note of the buyer of the bonds. There were numbers of people in every community who made great sacrifices in order to pay part on the bonds, and borrowed 90 per cent of their value from the banks with the bonds as collateral. When the Federal reserve banks raised the discount rates beyond all reason the banks had to raise their interest rates, which was so much in excess of the dividends on bonds that a large number of the holders of the bonds had to sell them, and bonds went to 85 cents on the dollar. Persons of small and moderate means were forced to sell. They lost $15 on each bond for which they had paid $100. These bonds were then purchased by the rich of the country at this low price, and within a few months the Federal Reserve Board reduced the discount rate; interest on money was reduced, and the value of bonds went up to about par. Many people of great patriotism denied themselves and borrowed money to buy bonds, and they have lost in the past two years their pro rata part, which is approximately two billion dollars, the difference in bonds at $85 and par, which went into the pockets of the millionaires of Wall Street.

Mr. President, more than a year ago I introduced in the Senate a bill reducing the discount rate of the Federal reserve banks to 5 per cent. It should never have been raised to 7 per cent. Also, I introduced a bill allowing 12 months' time on agricultural paper discounted by banks instead of five months, as under the present law. Gov. Harding, chairman of the Federal Reserve Board, opposed both of these measures before the Committees on Banking and Currency, to which they were referred. The Republican members of the committees opposed the bills and defeated them. Had these bills passed, millions of people would have been benefited, and they could have held their bonds or sold them at par. They would be prosperous to-day instead of financial wrecks, caused by the policy of the Federal Reserve Board.

Mr. President, one of the principal reasons for having 12 regional banks instead of one central bank was to prevent any section being discriminated against. I believe in having banks for each section; but under the policy of the Federal Reserve Board they have discriminated against the agricultural sections by charging higher discount rates to the banks of these sections, one of the discriminations which it was intended to avoid when the law was passed. A central bank charging the same rate of interest would be preferable to regional banks controlled absolutely by the Federal Reserve Board, with the officers in these banks doing their bidding and charging higher discount rates in agricultural sections than in manufacturing centers. There can be no excuse for the Government's banking system charging higher discount rates in one section of the country than in another.

Mr. President, reference has been made during this debate—and there has been a great deal in the newspapers—concerning the "agricultural bloc." There has been much unjust criticism because of ignorance of the work of the bloc. I am a member. I have attended all of its meetings, which are held at night at the Capitol, as the members are Senators who give their full time to their duties and work during the day. Very few Members of the Senate have a better record for attendance during the session of the Senate than I have during the three years I have been a Member, and when there is work before the Senate you will always find members of the agricultural bloc present.

At these meetings politics is not discussed. We consider principally measures that benefit those engaged in agriculture and live-stock raising. Most of the criticism comes from Senators of the East, the "manufacturers' bloc," which has dominated legislation of Congress most of the time in the past half

century—these men have thought and worked only for measures that benefited the manufacturers. They have demanded and received unnecessarily high protective tariff rates on their goods, but they have given no protection to those engaged in agriculture and many others equally dependent upon the financial success of the farmer.

It has not been many years since a few small New England States dominated Congress. Senator Aldrich, of Rhode Island, was chairman of the Finance Committee; Senator Hale, of Maine, chairman of the Naval Affairs Committee; Mr. Dingley, of Maine, chairman of the Ways and Means Committee in the House. Thomas B. Reed was Speaker, and many other able men from that section were in high positions. These men were not orators and did not make long speeches, but they were the most influential men in Congress. They honestly believed in a high tariff for manufacturers of their section, but they could not understand the great injustice this did to those engaged in agriculture, who had to pay high prices for everything they bought and received no protection on the products of the farm which they sold. The New England manufacturers were not satisfied with getting protection at the expense of the farmers and laboring people, but they declined to give protection to the farmer and laboring man from pauper labor of Europe. They brought over annually to this country hundreds of thousands of foreigners—some years more than a million pauper laborers—to compete with our working people.

A few months after the World War stopped I introduced a measure to stop all immigration for five years, and every Republican on the committee, except one, voted against it. The best we could do was to reduce the number of immigrants coming over in one year to 3 per cent of the number in the racial groups already here under the 1910 census. There are several million men in this country out of employment, many of them suffering, but Congress continues to allow the immigrants to come over here and take positions that should be held by our own citizens. Many of those out of employment are ex-soldiers whose courage and self-sacrifice saved this country and the world. I am glad to see that the American Legion has recently approved the principle of the measure I advocated, to stop the influx of the foreigners for five years, and I am hopeful of results along that line. It is a crime to allow foreigners to come here and work for so little, while our good citizens are deprived of employment necessary to support their families.

Mr. President, the agricultural bloc is composed of Republican and Democratic Senators from the agricultural sections of the South and West who are especially interested in helping the farmers, and knowing full well that when the farmers are prosperous manufacturers and all others engaged in business will benefit and share in the prosperity. I hope I may be pardoned for reminding eastern Senators who are criticizing the bloc that if western Republican Senators did not vote for legislation to help the farmers they would be left at home in the next election. This is also true and should be so in the agricultural sections of the South, and a Senator who does not do his utmost to aid agriculture should be left at home. There have been in the past a few Senators from the agricultural sections of the South and West who did nothing to help the farmers and were reelected, but I am glad that day has passed; the farmers can not longer be deceived, and business and laboring people depending upon the farmer's success are demanding that their representatives in Congress support legislation that will benefit the farmers.

The very Senators who criticize the agricultural bloc for trying to aid the farmers are always ready to support any legislation suggested to help the railroads. I have no prejudice against the railroads; the country's prosperity depends upon them. They should be encouraged, but they should not be helped at the expense of every other commodity, as was done when Congress, a majority Republicans, passed the Esch-Cummins law and authorized rates guaranteeing the railroads 6 per cent dividends when farmers and business men were losing money. I voted against that bill. Some of those who voted for it now admit their mistake and realize that it has worked a great injury to the business of the country. In order to guarantee this dividend to the railroads the Interstate Commerce Commission raised the railroad rates so high that farmers, cattle raisers, and lumbermen had to pay the railroads for freight almost as much as they received for their products, and this paralyzed all industry. Passenger fares were so high that travel was discouraged. I was the first Senator to urge a reduction in rates, and I am glad we now have a 10 per cent reduction on agricultural products. I regret it is not more.

While we hear adverse criticism of the agricultural bloc, let us consider the good work it has done. Everyone knows the terrible financial condition of the country last year. The farmers lost more on their 1920–21 crop than they can save in several years; they were unable to pay their merchant or banker, and the banks had loaned all they could under the law. The Federal Reserve Board did not come to their relief as they should have. Congress was in session, and, without doing anything to help the condition of the farmer or business man, the Senator from Massachusetts [Mr. LODGE], the leader of the Republicans in the Senate, made a motion to take a recess for several weeks. It had the support of other leaders on his side of the Chamber and would have passed had it not been for the Republican Members of the agricultural bloc voting with most of the Democrats. The motion to adjourn was defeated by the close vote of 27 to 24. I voted against adjournment. Had my colleague and I voted for the motion, the Senate would have recessed without giving any kind of relief to the farmers and business men.

By defeating the motion to adjourn, Congress remained in session and passed the Norris bill, which placed a billion dollars held by the War Finance Corporation at the disposal of the farmers, business men, and bankers who wished loans on agricultural products and live stock at a low rate of interest. Nearly every bank in the South and West was loaded down with such paper and they had no money to loan for the usual demands. But by discounting all such paper with the War Finance Corporation they had money to accommodate other demands of legitimate business. Except for the passage of this law, and the agricultural bloc is responsible for it, in some agricultural States a large number of banks, business men, and farmers would have failed in business.

By defeating the recess of Congress the agricultural bloc was able to pass the Kenyon-Kendrick bill regulating the five meat packers, the greatest food trust in the world, supplying foodstuffs to every household in America and fixing the price paid for hogs and cattle all over the United States. These five packers in Chicago can raise the cost of living of everyone of the hundred and ten million people of our country, and it was absolutely necessary that they be regulated and the public protected. If these five meat packers would be satisfied with a moderate profit, they could, by their organization and methods, be helpful to the public who buy food, as well as those who raise hogs and cattle.

Soon after my term began in the Senate I received complaint from hog raisers in my State that the meat packers were paying them in some instances 3 cents a pound less for hogs raised in Georgia than in some other States. I introduced a resolution in the Senate directing the Federal Trade Commission to investigate the matter, and now the situation has been made better in my section. The Federal Trade Commission investigated every part of the meat-packers' business and recommended to Congress the passage of laws to regulate them, so as to protect the hog and cattle raisers and the public. The agricultural bloc is responsible for this legislation.

Except for the bloc the Federal Trade Commission would be abolished and the consumers in this country would be at the mercy of the trusts. The very Senators who criticize the agricultural bloc have tried to destroy this commission, which is doing such great good for the people of this country. The public does not fully realize the great good this commission is doing for our people, and the trusts, who are kept under control by the Federal Trade Commission, have kept up a propaganda, spending millions in trying to destroy that body and attempting to create a prejudice against them. Last year, when all products were reduced, I had complaints from Georgia farmers that bagging and ties, which every farmer has to use in covering cotton bales, was selling at the old high prices, as they were controlled by the trusts. I asked the Federal Trade Commission to make an investigation, and soon a reduction in prices on bagging and ties came. I will not mention other splendid things done by the Federal Trade Commission.

I received letters from people in my State and others calling attention to the fact that the Standard Oil Co. was selling gasoline in Chicago at 5 cents a gallon less than in Georgia, when the difference in the cost of transportation was less than 1 cent a gallon. I asked the commission to make an investigation and we found the charges were true, but that they were different companies of the Standard Oil. There are a dozen Standard Oil companies, but most of the stock is owned by practically the same people. There was no competition, but it was contended they were not doing anything illegal.

The commission called the attention of Congress to the discrimination and recommended the enactment of certain laws to correct the evil, but nothing was done by Congress. Soon after I entered the Senate, with the aid of members of the agricul-

tural bloc, I introduced a measure which the Senate passed, preventing the Standard Oil Co. from selling gasoline lower in one State than in another. The Federal Trade Commission has done other splendid work which later I shall call to the attention of the Senate.

Mr. President, it was the Republican members of the agricultural bloc in the Senate, voting with the Democrats, who passed the bill last year to complete the development of Muscle Shoals, which project will mean cheaper fertilizers for all farmers of this country in peace times. It will furnish cheap nitrates for the manufacture of munitions in times of war if we should ever again engage in war, which time I hope and pray may never come.

Every other country has nitrate plants except the United States. We are dependent upon Chile for nitrates. Soon after we declared war on Germany the German Government protested against Chile furnishing this country with nitrates and tried to prevent her doing so.

As a member of the Committee on Territories and also on the fortifications subcommittee on appropriations, I knew I could more intelligently serve on these committees after a personal visit to Hawaii and the Philippine Islands, and I visited these places during the vacation of Congress. While in the Orient, as Japan and China are among our best customers in cotton raised in my section, I visited in those countries. The Chinese are the best friends we have in the world, and the Japanese are our friends. We are Japan's largest customer, and they buy much from us. They do not wish trouble with our country. I am not one of those who believe we are headed for war with Japan, but if such a thing should ever happen, the day which brought the declaration of war would find her gunboats on the coast of Chile to stop our shipments of nitrates to make munitions.

When the Muscle Shoals proposition was before the Senate I offered an amendment providing that nitrates made at the plant during peace times should be sold to the farmers at cost and that the farmers should be given the preference in purchasing it. In my State alone we have used in one year more than $50,000,000 of fertilizers. If this plant should be developed as proposed it would save the farmers of Georgia more than $10,000,000 a year on the cost of fertilizers, which is equal to the total annual expenses of my State government, including Confederate pensions and common schools.

After the Muscle Shoals measure passed the Senate it was defeated in the House by a small majority. Unfortunately for the country, the Republican leaders in the House made a partisan measure of it. A leading Republican during the House debate told his Republican colleagues that if Muscle Shoals was located in the North there would be hardly any votes against it. The site for this project was selected by a nonpartisan board of Army officers and only because there was more power to be had there than any place removed from the coast, so it could be protected in time of war. Unfortunately, at times, the merits of a question are not considered when partisanship rules. Some of those opposing the measure went so far as to say that it was just a scheme of President Wilson to build up the South by furnishing the southern farmers cheap fertilizers and factories to get cheap power. I feel sure that the Secretary of War will consider the matter from the standpoint of a business man and what is best for our Government and that Congress will pass legislation that will develop this wonderful project, on which the Government has already spent millions. It will be wasted unless something is done to save it. It will mean much to the farmers of this country in securing cheap fertilizers. I feel sure it will be supported by the agricultural bloc.

Mr. President, the agricultural bloc is not sectional nor narrow, and while we were organized principally to promote legislation that will help the farmers and indirectly help all business, at the same time, you will find the members working for every measure for the good of our country, and you will not find them supporting measures urged by paid lobbyists who infest the Capitol. They are always fighting for justice for all citizens and not special interests.

When legislation to raise revenue for the support of the Government was before the Senate it was Republican members of the bloc, joining with Democrats, who prevented the bill recommended by the Finance Committee from becoming a law until they eliminated many important items intended to relieve the taxes of the millionaires and place the burden on those who toil. Wall Street papers and other newspapers dominated by wealth denounced the revenue measure as it passed the Senate because it taxed wealth as well as those who work. These papers charge that the bill was a repudiation of the Republican platform. It is a fact no one will contradict that until President Wilson's administration all taxes to support the Government were paid by the consumers of the country through the tariff and other taxes, and the wealth of the country, most able to pay, escaped taxation while receiving the greatest benefits from our Government. During the World War the number of millionaires was more than doubled, and they hoped to escape taxation on their wealth when the Republicans came into power. This would have been done had the Republican members of the agricultural bloc not joined with the Democrats and defeated legislation planned by Republican leaders. The Republicans succeeded in repealing the tax imposed upon corporations making excess profits, though several Republicans of the bloc voted with the Democrats to defeat its repeal.

While this revenue bill was before the Senate I offered an amendment to the bill cutting in half the tax on the first few thousand dollars of income earned by those engaged in trades and professions. Every Democrat in the Senate supported my amendment and the only Republicans voting for it were members of the agricultural bloc. I took the position that earned income on the first few thousand should not be taxed, the same as income from bonds and stocks owned by persons who did not work to earn a livelihood. It was the Republican members of the agricultural bloc and the Democrats which made the surtax on incomes of over $100,000 50 per cent instead of 35 per cent, as it passed the House and was recommended by the Senate Finance Committee. Many other items in the revenue bill which relieved wealth of taxes were changed.

Mr. President, when the Senator from Idaho [Mr. BORAH] offered his resolution authorizing the President to call a conference of nations to consider the limitation of armaments, out of which grew the conference meeting in this city some weeks ago, it is well known that nearly every leading Republican in the Senate opposed it. Senators POINDEXTER and HALE, ranking members of the Naval Affairs Committee, in the absence of the chairman, Senator PAGE, called on President Harding, and while at the White House gave out interviews declaring opposition to the Borah resolution. Administration supporters in the Senate continued their opposition to the measure. But when the Democrats of the Senate and the Republican Senators of the agricultural bloc actively supported the resolution the Republican leaders saw that it would pass over their opposition, and the leaders ceased opposing the Borah resolution.

Mr. President, my State, like a majority of the States, is largely interested in agriculture, and the members of the agricultural bloc are in sympathy with the cause. They assisted me when I asked for special appropriations to get rid of the boll weevil, which causes loss to Georgia farmers alone of many millions annually; it almost totally destroyed the cotton crop in many counties. The peach pest has done untold injury to the crop, and special funds were secured for this fight. It is conceded that we raise the best variety of peaches, and the Government experts have helped save this crop, which is very important to our State. It brings in millions of dollars at a season when greatly needed. I have asked also for special appropriations and assistance in the cultivation of peanuts, tobacco, potatoes, sirup, and other important crops which are greatly aiding our farmers when they are losing so much on raising cotton. In all of these matters the western Senators from agricultural States, whether Democrats or Republicans, are in sympathy with us and give assistance. They have troubles peculiar to their agricultural section and we assist them in every way possible.

Mr. President, one of the Senators who criticized the agricultural bloc recently referred to President Wilson's act in not fixing the price of cotton when he fixed the price of wheat. Some have gone so far in their criticism of President Wilson in this matter as to charge that he favored the southern cotton farmers because the South was Democratic and because he was born in that section. There has been a great deal said on this question; but do not forget that the wheat farmers were guaranteed by Congress a large price for their crops, large or small, before they even planted, and the southern Members of Congress voted for this help to the western farmers. Most of the wheat raised is consumed in our country, but not so with cotton, as more than 60 per cent of this crop is sold to foreign countries and there had been no guaranty by Congress to the cotton planters. I have several times in the Senate referred to the great debt of our Government due the southern cotton farmers for the large amount of gold in our Treasury, largely through the export of cotton. The gold brought here to pay for our cotton has amounted to far more than both wheat and corn combined. Had we not exported the cotton raised in the South the United States Treasury would not have half the gold supply, which is now more than 40 per cent of all the gold in the world. I hope Senators will not forget this debt of grati-

tude the country owes the southern cotton producers when they criticize President Wilson for not fixing the price of cotton, though both Democrats and Republicans in the North and West urged him to do so.

In 1914, after war was declared in Europe, the West could ship wheat to Europe and the price more than doubled. Cotton was difficult to handle and almost impossible to ship to countries at war, which had always purchased the South's cotton. The price of cotton was just half what it formerly sold for. The South suffered financially in 1914 and 1915 more than some of the countries at war, all because there was no market for our cotton. Many southern farmers and merchants were ruined because of this condition, while the wheat farmers were comfortable in wealth. When the cotton crop was almost gathered in 1918 and cotton had advanced, there was a demand for President Wilson to fix the price, though Congress had not guaranteed the cotton farmers a certain price before planting as they had the wheat growers of the West.

Mr. Cox, a Democratic Congressman from Indiana, introduced a bill fixing the price of cotton at 15 cents a pound when it had cost the farmers at least 35 cents that year to raise it. Others urged that the price be fixed at about this price. Had Congress or President Wilson fixed the price of cotton at anything like the low price provided by Mr. Cox's bill, it would have broken the South, and wreck and ruin would have followed. The movement to fix the price in 1918 was just after the primary in which I was nominated for the Senate. When I read of this movement I came on the first train for Washington to confer with President Wilson, to call his attention to the high cost of producing cotton, and to other facts I have just enumerated, and told him it would wreck the South financially.

Mr. President, the agricultural bloc is not trying to discriminate against the East or any other section, but the western and southern Senators, members of this bloc, know that agriculture in our sections was not receiving the consideration by the Government which it deserved. We have banded together, not to get favors but simple justice. The western farmers were pioneers and their strength of character and courage developed that section, which has done so much for our country, and the sons of those brave men are not going to let partisan politics or anything else interfere with their fighting for justice with southern Democrats, also interested in agriculture.

I beg your indulgence while I relate two matters of vast importance to the South and Middle West, wherein we have been grossly discriminated against for the benefit of the East. For many years railroad rates from Ohio, Indiana, and the Middle West have been relatively cheaper to New York and the eastern ports than they have to the southeastern ports, Savannah, Brunswick, Charleston, Jacksonville, Mobile, and other cities where the expenses of loading, and so forth, are less than at New York. Two years ago I went with other southern Senators before the Interstate Commerce Commission and showed them this great injustice. We convinced the commissioners of the unjust discrimination against our section, and they granted a reduction in rates to the southeastern and Gulf ports. However, the eastern influence is now at work trying to get the commission to change these rates and go back to the old rates that gave New York a relatively lower rate and discriminated against the southeastern ports.

Not only the railroad rates through the Southeast were discriminatory, but the ocean freight rates were also. We went before the United States Shipping Board to urge them to change the ocean freight rates so as not to discriminate against the South. Ocean freight rates from New York to Cuba, Panama, South America, and the Orient through the canal, and so forth, are just the same as from Savannah, Brunswick, and other cities of the Southeast, which are 600 miles nearer to these countries than New York.

When cotton, the principal product of the South, is shipped to Liverpool and other European ports via New York freight is charged for every mile along the route to the port and overseas. I hope, Mr. President, that we may succeed in changing this discrimination in ocean freight rates from the South. It is just as important to the southern cotton producer to get cheap ocean freight rates as it is to the manufacturer of the East.

The South and West have stood such discriminations for a half century. The wonder is that an agricultural bloc was not formed sooner to get simple justice for these sections. Mr. President, you can draw a line from Baltimore to San Francisco. South of that line is half of this great country, and yet there is not a representative from that entire section on the Interstate Commerce Commission, which fixes rates on all rail transportation. Some time ago I called this to the attention of President Harding and urged that a representative of the Southeast be given one of the last two vacancies. While he did not grant my request, I shall keep the matter before him, and I am hopeful when another vacancy occurs that our section may receive its just recognition.

Some weeks ago when the President called the conference of laboring and business men to consider the unemployment situation there was no member selected from the southeast. I called this to the attention of the President and Secretary Hoover—to the injustice done our section—and they immediately appointed a representative from my State for our section of the country. I hope the President may grant recognition to our section on all governmental boards.

The agricultural bloc is responsible largely for the good-roads legislation as it recently passed Congress, which appropriated $75,000,000. Many influential Senators tried to limit this appropriation to the automobile highways, a few in a State, but the bloc fought for the improvement of all public roads, so as to give every farmer a good road to his home. If we had done nothing else for the farmers, this legislation would have benefited every farmer and business man in the agricultural States. I would have felt that our defeat in this cause would have been a calamity.

The agricultural bloc has not only been interested in legislation but have given their attention to departmental matters where the farmers were interested. The farm loan bank legislation, passed under the Wilson administration, loans money to farmers at cheaper interest rates and on longer terms than any loan company, and the farmers were borrowing money from these banks instead of paying a high rate of interest to the private loan companies. The loan companies attacked the legality of the act so as to stop these banks lending the farmers. For nearly a year these farm loan banks were stopped from making loans or selling their bonds to get money on which to make loans. I introduced a bill for the Secretary of the Treasury to buy $200,000,000 of these bonds last year, so as to provide this additional amount for the farmers. An amendment was introduced requiring the War Finance Corporation to buy the same amount provided in my bill. I supported it and the agricultural bloc secured the passage of this appropriation through the Senate.

Some months ago there was much complaint in my State from farmers who had applied for these loans on account of the delay in making loans. I had many times urged the Farm Loan Board to appoint more appraisers so as to avoid delay in making loans to farmers who had applied, and had all their plans made in the belief they would get the loans. I do not think the system has measured up to what it should be.

At one of the meetings of the agricultural bloc I took up the matter of delay and found that many other Senators had also received complaints. I urged these members of the bloc to notify the Farm Loan Board as to actual conditions and urge the Farm Loan Board to hurry up loans to the farmers. I was appointed chairman of the committee, representing the agricultural bloc, to see the board and present to them the distressed condition of farmers wishing loans. They had lost so much on 1920–21 crops as to make it necessary to place mortgages on their lands, and they wished to get money with the cheap interest rates from the Farm Loan Board. Our committee conferred with the board, and I am sure it helped expedite these loans, but I think there is still much room for improvement.

A tariff bill has passed the House and is now before the Senate Finance Committee. Strange to say, this measure begins taxing the farmer before his crop comes out of the ground, a tax on potash, his fertilizer, and unless the Republican members of the agricultural bloc vote with the Democrats, who are opposed to this tax on potash, it will become the law. Every financial statement, even those from Wall Street, given out at the beginning of the year told how much more agriculture had suffered than other lines; that the farmers' lack of purchasing power had hurt all business, yet, in the very face of all this, the Republicans begin taxing potash for fertilizer use. Such injustice and shortsightedness is almost unbelievable.

It is easy to understand why an agricultural bloc is absolutely necessary for the farmers' self-preservation on which the country's prosperity depends. The tax on potash would come out of the farmer. This tax would make his fertilizer cost him several dollars more for each ton, an awful and unnecessary burden.

Everyone concedes that the farmers have suffered more than those engaged in any other occupation. One-half our soldiers of the World War were young men from the farms. It was a terrible sacrifice for their parents and wives to give up these

splendid young men, the very flower of our land, but it was harder on them to return home and find their loved ones, who had worked hard and made such sacrifice, without labor and with crops they had raised selling for less than it cost to produce. These brave soldier boys risked their lives. Their pay was hardly anything, while those who remained at home were profiteering and making high salaries. Mr. President, these young men should be given the adjusted compensation they are asking. Practically all the Democrats voted to give it to them. We are still fighting for justice for these soldiers, and I hope the Republicans will not longer continue to delay this legislation. Mr. President, if Senators had visited the battle fields just after the armistice, as I did, and could have seen what they had endured, they would not longer deny these men the little they are asking.

When the armistice was signed hundreds of parents, sisters, and wives of soldiers in France begged me to get their loved ones home—some of them to go to school, others to the farms or factories. My heart was touched when I read those appeals. I decided it was as little as I could do to take those letters and go, at my own expense, to France to Gen. Pershing's headquarters and urge him to let these men go home. I am glad to say that I was shown every courtesy, and my request was granted in nearly every instance. I am, so far as I know, the only Senator who went to this expense and service for the soldiers.

Mr. President, as long as I am a Member of the Senate, regardless of criticism, I shall do everything I can to help these young men who served our country. Congress has not done its duty by them. A great injustice was about to be done the soldier boys of my State and section. A bill passed the House, over the opposition of all the members from my section, which provided for hospitals for the soldiers, and the wording of the bill deprived Georgia and the Southeast from having one of these hospitals. When the bill came to the Senate I called to the attention of Senators the injustice done my State and section, as well as others, and we amended the House bill so as to prevent this discrimination. When the committee was appointed to select sites they looked for the most desirable locations and selected Augusta, Ga., for one of them under the provisions of the bill. As it came from the House, Augusta and the Southeast could not have had one of these hospitals.

Sometimes Congress and the departments discriminate against a section without intending it, and at other times political pressure brings it about. An instance of this was when the headquarters of the Army for the Southeast were located at Charleston, S. C. One of the first things I did after becoming a Member of the Senate was to urge the War Department to move the headquarters to Atlanta, Ga., which every Army officer knew was the logical place because of its location and railroad facilities.

Mr. President, business conditions can not improve until the farmers can sell their products at a profit. Congress should pass this measure giving agriculture representation on the Federal Reserve Board, and adopt my amendment requiring the same discount rates of the regional banks. This will be most helpful to the entire country and will encourage the farmer whose burdens are almost unbearable.

Mr. President, after I introduced my amendment the governor of the Federal Reserve Board gave out a statement which the Associated Press carried. It was in the Washington Post and other papers. It is a short statement. I ask that it be placed in the RECORD with a letter I wrote the governor asking for a statement of the amount they had spent on these different bank buildings, how much they contemplated spending, and the rental of those bank buildings occupied before the new buildings were constructed. I should like to have the reply of the governor, with one or two other letters, published in the RECORD.

The PRESIDING OFFICER (Mr. BURSUM in the chair). Without objection, the matter will be printed in the RECORD.

The matter referred to is as follows:

HALT BUILDING WORK OF RESERVE BANKS.

WASHINGTON, *January 5, 1922.*

Suspension of all building construction by Federal reserve banks was ordered by Gov. W. P. G. Harding to-day, pending action by Congress.

A recent amendment offered by Senator HARRIS, of Georgia, provided that the Federal Reserve Board should be deprived of authority to authorize construction of buildings of any character without the consent of Congress.

In a letter to Senator GEORGE P. MCLEAN, chairman of the Senate Committee on Banking and Currency, Gov. Harding to-day states that the chairman of each Federal reserve bank has been ordered to cease all building work by the banks until Congress has authorized such construction.

A large amount of construction will be halted by the order. It will halt the building of new Federal reserve banks in Atlanta, Boston, Chicago, San Francisco, and Minneapolis. Gov. Harding states in his letter that contracts have been let for construction of buildings for the Federal reserve banks in New York and Cleveland which can not now be canceled and the work of construction must accordingly proceed.

Building operations on many branch banks of the Federal reserve systems also will be temporarily held up by the order, which will remain in effect until Congress specifically authorizes resumption of construction.

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[From the Washington Post of Jan. 6, 1922.]

CALLS HALT IN RESERVE BANK BUILDING PROGRAM—GOV. HARDING ORDERS CHAIRMEN TO AWAIT OUTCOME OF LEGISLATION.

Chairmen of all Federal reserve banks were advised yesterday by Gov. Harding, of the Federal Reserve Board, to stop all construction work for which contracts have not yet been let, pending the outcome of legislation before Congress to require congressional authorization for building operations by Federal reserve banks.

This action, Gov. Harding said, will stop building operations planned in St. Louis, Minneapolis, Cincinnati, Baltimore, Nashville, Jacksonville, Detroit, Louisville, Denver, Oklahoma City, and Salt Lake City.

Action of the board in stopping proposed building operations was conveyed to the 12 chairmen of the reserve banks by Gov. Harding in a letter made public yesterday which called attention to the amendment to the Federal reserve act proposed by Senator HARRIS (Democrat), of Georgia, which would forbid the Federal Reserve Board to erect any building without the express consent of Congress.

Gov. Harding explained, however, that the action of the board would not affect building contracts already let for construction by reserve banks in various districts.

Gov. Harding also made public a letter from Secretary Hoover to the board, calling attention to the recommendation of the national conference on unemployment that all Federal agencies and Federal reserve boards should expedite as far as possible public works in an effort to provide work.

In reply to Mr. Hoover, Gov. Harding stated that the reserve banks' building program would have to await the action of Congress upon the proposed regulatory legislation.

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JANUARY 6, 1922.

The FEDERAL RESERVE BOARD,
Washington, D. C.

GENTLEMEN: I note in press dispatches of this date that your board is reported to have stopped all plans for your program of building reserve bank houses in various cities, in view of an amendment offered by me to bill S. 2263, providing that Congress shall give authority hereafter before buildings are constructed.

I would thank you very much to let me have the following information:

(1) The amount of cost for each building already completed; how the contracts were given; whether competitive bids were asked, or whether any work was done on the cost-plus basis.

(2) The amount of rent paid for buildings in each place where the new buildings were constructed.

(3) The expected cost of each building now under construction, or for which plans have been made, or contracts let, or for buildings contemplated.

(4) The amount of cost of furniture and fixtures for each of the buildings already completed, and information as to how contracts for such furniture and fixtures were given; that is, if by competitive bids or otherwise.

(5) The cost of building occupied and the amount of rent being paid for each building now being rented or otherwise occupied by the system which buildings are not owned by the banks, and the number of employees at work in each of these rented buildings. In this connection I desire to know the amount of rent for buildings now occupied in the cities of St. Louis, Minneapolis, Cincinnati, Baltimore, Nashville, Jacksonville, Detroit, Louisville, Denver, Oklahoma City, and Salt Lake City, as these are mentioned in the press dispatches referred to as being places where you have held up plans.

(6) The number of employees in each bank.

As I wish this information in connection with pending legislation in the Senate, I shall appreciate the earliest attention possible.

With high esteem, I am,
Very sincerely, yours,

WM. J. HARRIS.

—

FEDERAL RESERVE BOARD,
Washington, January 11, 1922.

DEAR SIR: It has been impossible to make an earlier reply to your letter of January 6 owing to the difficulty of getting information regarding the cost of the buildings in which Federal reserve banks and branches are occupying rented quarters. While some of the Federal reserve banks have been able to submit figures showing the cost or present value of buildings in which they occupy space others have not been able to get this information, and it seems in any event that these figures would be of no practical value for the reason that the banks or branches occupy only a portion of the rented buildings.

You will remember that some years ago the Federal Reserve Bank of Atlanta occupied quarters in the Hurt Building, but as it leased only the ground floor and the mezzanine a statement of the cost of the building, even if the owners were willing to give it, would not be pertinent to the survey you have in mind. Therefore, unless you especially desire it, the information, which in some cases was given by the owners in confidence, will not be transmitted.

I transmit herewith a tabular statement showing the total cost on December 31, 1921, of bank premises at each Federal reserve bank and branch and, in all cases where it is possible to make an estimate, the estimated cost (including land and vaults, but excluding furniture, fixtures, and equipment) of buildings when completed.

I inclose also a memorandum describing the property purchased by each Federal reserve bank and branch, showing the amount of rent paid for quarters now occupied or occupied before the construction of the bank's own building, and giving the number of officers and employees at each bank and branch, together with the cost of additional furniture, fixtures, and equipment for new buildings.

The figures representing total cost of bank premises to December 31, 1921, exclusive of furniture and fixtures, include miscellaneous charges not directly connected with the construction of bank buildings, such as tearing down old buildings, cancellation of leases, and other

preliminary expenses. These charges have been included in order to show the total investments which have been made in connection with building operations.

The following table shows the basis on which contracts were awarded for the construction or remodeling of bank buildings which have been or are nearly completed:

	Competitive basis (per cent).	Cost-plus basis (per cent).
New York (Annex building)	88	[3] 12
Philadelphia	[1] 61	[1] 31
Pittsburgh	[2] 55	
Richmond	100	
Atlanta	100	
Helena	48	52
Kansas City	80	20
Omaha	100	
Dallas	100	
El Paso	100	

[1] Approximate. Balance of 8 per cent represents largely cost of vault purchased from clearing house association.

[2] Represents total cost of construction ($244,417), other than vault doors, lowering platform and chests which cost approximately $204,000. The contract for the latter work was let on a noncompetitive basis owing to congestion of work in vault construction factories and consequent impracticability of having work completed within a reasonable time.

[3] Cost plus fixed commission.

Practically all contracts in connection with buildings now under construction have been let on a competitive basis. All banks or branches, except the Federal Reserve Bank of Philadelphia and the Helena branch, report that furniture and fixtures have been purchased on a competitive basis. In the case of the Helena branch furniture was purchased on a competitive basis, while fixtures were not.

With regard to the estimated cost of completing buildings now under construction, it is proper to state that the continued decline in prices will very probably bring the actual cost of construction materially below the estimates submitted. For instance, contracts let so far by the Federal Reserve Bank of New York show a saving of 23 per cent on the original estimate and it is reasonable to assume that in a falling market there will be further savings. This matter was discussed in the board's reply to Senate resolution 153.

Not only have competitive bids been secured from producers of the same class of materials, but in at least one case a material which had not been contemplated has been used because of the lower price at which it was offered. I refer to the Georgia marble from the quarries at Nelson, Ga., which is being used on the exterior of the Federal Reserve Bank of Cleveland and which is being furnished at a lower cost than Bedford limestone from near-by quarries in Indiana was offered.

In connection with the rental costs shown it is proper to state that in some cases the buildings are not fireproof and are antiquated, and in others contracts were made some years ago when rentals were on a much more lower level than they are at present. In many cases if leases had to be renewed the banks or branches would be obliged to pay double the amount of their present rentals.

In order to give you information as to the status of building operations in each Federal reserve district I inclose a table showing the progress at each bank and branch as of December 31, 1921.

Trusting that this will give you the information desired, I am,

Very truly, yours,

W. P. G. HARDING, *Governor.*

Hon. WILLIAM J. HARRIS,
United States Senate.

Statement showing the progress at each bank and branch, Dec. 31, 1921.

New or remodeled building is owned and occupied.	Rented quarters are occupied. New building is under construction. Less than 50 per cent complete.	Rented quarters are occupied. New building is under construction. More than 50 per cent complete.	Building or building site purchased but remodeling or new construction not begun.	No property has been purchased.
New York (annex building only).	New York.	Boston.	Cincinnati.	Buffalo.
Philadelphia.[1]	Cleveland.	Chicago.	Jacksonville.	Birmingham
Pittsburgh.	Minneapolis.[2]	Houston.	Nashville.	Memphis.
Richmond.[3]	Atlanta.[5]		New Orleans.	Los Angeles.
Baltimore.[4]	San Francisco.[7]		Detroit.	Portland.
Atlanta.[5]			St. Louis.	Seattle.
Louisville.			Little Rock.	Spokane.
Helena.			Denver.	
Kansas City.[3]			Oklahoma City.	
Omaha.[6]			Salt Lake City.	
Dallas.				
El Paso.				
San Francisco.[7]				

[1] In addition, storage space is rented at $1,500 per year.

[2] Foundation work has been completed but final plans for building have not yet been approved and no contracts have been let for superstructure.

[3] New construction nearing completion.

[4] No remodeling done. A new site has been purchased, and it is proposed to sell the building now occupied.

[5] New building completed in 1918, but annex is now under construction.

[6] Further remodeling and vault construction contemplated.

[7] Part of the property purchased was remodeled and is now occupied, but additional quarters are rented pending completion of construction.

Cost of bank premises of Federal reserve banks and branches to Dec. 31, 1921.

Federal reserve bank or branch.	Original investment.	Cost of remodeling bank buildings.	Cost to Dec. 31, 1921, of buildings in course of construction or completed.	Total cost exclusive of furniture and fixtures to Dec. 31, 1921.	Estimated cost of building when completed (including land and vaults but excluding furniture and fixtures).
Boston	[1] $1,296,380		$3,643,117	$4,939,497	$5,200,000
New York:					
Banking house	4,797,882		1,703,074	6,500,956	19,976,368
Annex building	681,531		1,454,916	2,136,447	2,136,447
Buffalo					
Philadelphia	600,000	$1,409,441		2,009,441	2,009,441
Cleveland	910,491		2,104,000	3,014,491	7,538,000
Cincinnati	380,744			380,744	[2]
Pittsburgh	515,000	448,417		963,417	963,417
Richmond	208,729		2,408,905	2,617,634	2,645,783
Baltimore	451,193			451,193	[2]
Atlanta	283,000		627,866	910,866	1,748,974
Birmingham					
Jacksonville	45,827			45,827	[2]
Nashville	85,000		4,000	89,000	270,787
New Orleans	[1] 201,250		6,710	207,960	[2]
Chicago	2,936,149		4,072,888	7,009,037	10,186,000
Detroit	650,000			650,000	
St. Louis	1,051,140		30,253	1,081,393	[2]
Little Rock	85,008			85,008	[2]
Louisville	175,275	560		175,835	[2]
Memphis					
Minneapolis	600,000		169,070	769,070	[2]
Helena	15,000		162,399	177,399	177,399
Kansas City	500,000		3,635,378	4,135,378	4,875,000
Denver	100,948			100,948	[2]
Oklahoma City	65,235			65,235	[2]
Omaha	165,000	40,350		205,350	205,350
Dallas	294,902	39,246	1,485,253	1,819,401	1,819,401
El Paso	39,004		107,796	146,800	146,800
Houston	65,843		220,688	286,531	412,311
San Francisco	405,705	232,895	603,707	1,242,307	4,165,705
Los Angeles					
Portland					
Salt Lake City	[1] 114,075			114,075	[2]
Seattle					
Spokane					
Total	17,720,311	2,170,909	22,440,020	42,331,240	

[1] Net cost.

[2] Contracts have not been let nor have plans been approved.

BOSTON.

July, 1918: Purchased property at Pearl and Milk Streets, covering 14,333 square feet, for $1,000,000. Property sold in November, 1919, for $1,150,000.

August, 1919: Purchased property bounded by Pearl, Franklin, and Oliver Streets, covering 40,330 square feet (on which stood old buildings razed in 1920), for $1,411,500. The net cost of property to the bank, after paying preliminary expenses connected with purchase and deducting profits on property at Pearl and Milk Streets, was $1,296,379.78.

Total cost to December 31, 1921, of new building in course of construction, $3,643,117; estimated cost upon completion, including cost of land, $5,200,000; estimated cost of additional furniture and fixtures, $100,000.

The bank now occupies space in the following buildings:

Location.	Annual rent.	Number of officers and employees.
No. 53 State Street	$39,262.53	280
No. 31 State Street	20,494.22	106
No. 84 State Street	23,880.21	198
No. 20 Kilby Street	12,000.00	119
Subtreasury		22
Total	95,636.96	734

NEW YORK.

June, 1918: Purchased property for banking-house site at corner of Liberty, Nassau, and Maiden Lane.

February–June, 1919: Purchased adjoining properties running through from Liberty Street to Maiden Lane. Total cost of property purchased in 1918 and 1919, which covers 45,950 square feet, was $4,797,881.72.

Total cost to December 31, 1921, of new building in course of construction, $1,703,074; estimated cost upon completion, including cost of land, $19,976,368. Building will not be completed for about two years and there is no basis at present on which to estimate the cost of furniture and fixtures.

April–July, 1920: Purchased, for annex building site, properties at corner of Gold Street and Maiden Lane, and at 10 Gold Street, and at 89 Maiden Lane, at a total cost of $681,531.17; total cost, including land, $2,136,447; cost of furniture and fixtures, $66,730.78.

The bank occupies space on nine floors of the Equitable Building, for which an annual rental of $310,959.56 is paid, and rents various vaults at an annual cost of $28,039.25. Bank also occupies the new annex building referred to in the preceding paragraph, and the subtreasury,

for which no rent is paid. The annex building is commercial in type and was constructed with a view to its sale if not needed upon completion of the main building.

Of the 2,773 officers and employees of the bank on December 31, 1921, 2,115 were housed in the Equitable Building, 139 in the subtreasury, and 519 in the annex building. Prior to the completion of the annex building additional space was rented at a cost of $126,092.55, providing accommodation for 576 officers and employees.

BUFFALO BRANCH.

No purchase of bank premises for the use of the Buffalo branch has been made. An annual rental of $19,300 is paid for bank quarters. Number of officers and employees on December 31, 1921, was 134.

PHILADELPHIA.

December, 1917: Purchased Horner Building on Chestnut Street, covering 19,205 square feet, which is now occupied as banking house, for $600,000. Prior to occupancy of this building in March, 1918, banking quarters for the 192 officers and employees of the bank were rented at an annual cost of $17,240.

Cost of remodeling building and construction of vault, $1,409,441; cost of furniture and fixtures, $413,033.82. The number of officers and employees of the bank on December 31, 1921, was 893. At the present time storage space is rented at an annual cost of $1,500.

CLEVELAND.

February, 1919: Purchased Masonic Temple property at Superior and Rockwell Streets, consisting of one 5-story and two 4-story buildings and covering 29,763 square feet, for $910,491, including preliminary expenses connected with purchase. In July, 1920, bank contracted for purchase of adjoining property, covering 13,000 square feet, for $375,000.

Total cost to December 31, 1921, of new building in course of construction, $2,104,000; estimated cost upon completion, including cost of land, $7,538,000; estimated cost of additional furniture and fixtures, $150,000.

An annual rental of $145,200 is paid for banking quarters in the Williamson Building, the Halle Building, and the Union Commerce Building, and other vault space.

The 598 officers and employees of the bank are housed as follows: In the Williamson Building, 435; in the Halle Building, 128; in the Union Commerce Building, 35.

CINCINNATI BRANCH.

October, 1920: Purchased property at Fourth and Race Streets, covering 13,172 square feet, for $380,744, including preliminary expenses connected with purchase. Building operations not begun.

An annual rental of $22,000 is paid for space housing 123 officers and employees in the Union Savings Bank Building, and for vault space in St. Paul Building. Additional space for 53 officers and employees is occupied in the Subtreasury Building.

PITTSBURGH BRANCH.

February, 1920: Purchased property at Ninth and Liberty Avenue, covering 4,144 square feet, for $515,000, on which is a 10-story building now occupied by the branch as a banking house. Total cost of remodeling, $448,417.36. Cost of furniture and fixtures, $76,053.86.

Prior to occupancy of branch building, quarters were secured at an annual rental of $9,000 for the force of 48 officers and employees. On December 31, 1921, there were 203 officers and employees at this branch.

RICHMOND.

July, 1916: Purchased property at Ninth and Franklin Streets, covering 11,444 square feet, for $128,435, including preliminary expenses connected with purchase.

May, 1919: Purchased Virginia Hotel property at Eighth and Franklin Streets, covering 4,455 square feet, and separated from above property by a 20-foot alley, for $80,293.90.

Total cost of building in course of construction to December 31, 1921, $2,408,905. Estimated cost of building when completed, including cost of land, $2,645,783. Cost of additional furniture and fixtures, $153,776.

Prior to occupancy of new building in the latter part of 1921, the bank was renting and occupying three entire buildings, parts of three other buildings, and vault space in a local bank at an annual rental cost of $15,190, providing space for a force of 559 officers and employees. Number of officers and employees on December 31, 1921, was 573.

BALTIMORE BRANCH.

Fall of 1917: Purchased the National Mechanics Bank Building, covering 4,840 square feet, for $200,000, which has been occupied since the opening of the branch in 1918 as a banking house. Cost of furniture and equipment since establishment of branch, $94,606.31.

June, 1920: Purchased property covering 12,500 square feet, at corner of Calvert and Lexington Streets, for $251,192.90. This consists of three pieces of property rented to various tenants, possession to be had at end of 1921, except from one tenant whose lease runs to October, 1924.

Branch expects to sell the National Mechanics Bank Building after building proposed banking house on the Calvert Street property.

The number of officers and employees of the branch on December 31, 1921, was 172.

ATLANTA.

October, 1916: Purchased the First Presbyterian Church property, covering 18,180 square feet, on Marietta Street, for $102,500. The old church building on back of lot was utilized in new bank building, which was constructed at a cost of $417,400, including $14,630 for furniture and fixtures.

January, 1921: Purchased the adjoining ground, covering 18,000 square feet, for $180,500. Cost to December 31, 1921, of addition to building in course of construction was $225,094.92; estimated cost upon completion, including cost of land, $1,243,704; estimated cost of additional furniture and fixtures, $10,000.

In 1918, prior to the occupancy of the new building, an annual rental of $15,446.41 was paid for banking quarters, providing accommodation for a force of 253 officers and employees.

On December 31, 1921, the number of officers and employees was 305.

BIRMINGHAM BRANCH.

No purchase has been made of bank premises for the use of the Birmingham branch. An annual rental of $8,641.29 is paid for leased quarters. On December 31, 1921, the number of officers and employees was 24.

JACKSONVILLE BRANCH.

October, 1921: Purchased property, covering 4,770 square feet, at corner of Hogan and Church Streets for $45,826.96, including preliminary expenses connected with purchase. Building operations not begun.

The branch pays an annual rental of $6,404.30 for its present quarters.

There were 31 officers and employees of the branch on December 31, 1921.

NASHVILLE BRANCH.

July, 1921: Purchased 2-story building and lot on Third Avenue covering 5,267 square feet for $85,000, possession to be had in January, 1922. It is intended to remodel present building for branch banking house at an estimated cost, including cost of land, of $270,787. Estimated cost of furniture and fixtures, $4,000. An annual rental of $3,584.10 is paid for the present banking quarters.

There were 32 officers and employees of the branch on December 31, 1921.

NEW ORLEANS BRANCH.

July, 1919: Purchased the Commercial National Bank Building, on lot covering 8,475 square feet, for $238,750, including preliminary expenses connected with purchase. Actual net cost of site after sale of building to be dismantled and removed, $201,250. Preliminary expenses in connection with new building, $6,710. Plans for building have not been completed, no bids have been called for, and no contracts have been let, therefore no estimate of total cost can be given.

An annual rental of $5,882.91 is paid for the present banking quarters, furnishing accommodation for 74 officers and employees. Twenty additional officers and employees are housed in the Subtreasury building.

CHICAGO.

December, 1918: Purchased the Shedd property, covering 26,400 square feet, bounded by La Salle, Jackson, and Quincy Streets, for $2,936,149.26.

Total cost to December 31, 1921, of new building in course of construction, including cost of wrecking old buildings, $4,072,888. Estimated cost upon completion, including cost of land, $10,186,000; estimated cost of additional furniture and fixtures, $250,000.

The bank occupies parts of eight separate buildings, for which an annual rental of $208,000 is paid, and in addition occupies 10,000 square feet in the Federal building for which no rental is paid.

Total number of officers and employees on December 31, 1921, was 1,538.

DETROIT BRANCH.

In December, 1921: Purchased lot covering 13,000 square feet at corner of Fort and Shelby Streets for $850,000, and pursuant to previous agreement immediately sold to a bank owning the adjoining property one-fourth, or 3,250 square feet, for $200,000, retaining 9,750 square feet on the corner at a cost of $650,000. Plans for building have not been approved and no contracts have been let.

At the present time the branch pays an annual rental of $19,000 for quarters for its present force of 170 officers and employees.

ST. LOUIS.

January, 1919: Purchased property occupied by the St. Louis Union Trust Co., corner Locust and Fourth Streets, and three adjoining properties on Fourth Street, covering 20,367 square feet, for $540,461.50.

January, 1920: Purchased adjoining property, coverning 8,274 square feet, on Locust Street, running north from alley to Broadway, for $510,678.50; purpose being to build on this site an addition to the banking house on the above property or to sell this second property if found that a larger building is not required. Cost to December 31, 1921, of dismantling improvements on property, $29,600. Old elevator parts were sold for $225. Plans for building have not been approved and no contracts have been let.

An annual rental of $39,000 is paid for space for the present force of 517 officers and employees.

LITTLE ROCK BRANCH.

January, 1921: Purchased vacant lot, covering 8,000 square feet, at corner of Third and Louisiana Streets, for $85,007.50. Plans for building have not been approved and no contracts have been let.

At the present time an annual rental of $6,000 is paid for space to accommodate a force of 65 officers and employees.

LOUISVILLE BRANCH.

May, 1919: Purchased National Bank of Commerce Building, Fifth and Market Streets (5,550 square feet), for $150,275, which is now occupied by branch as banking house. Cost of furniture and fixtures, $45,315.

August, 1920: Purchased adjoining vacant lot, coverning 2,340 square feet, for $25,000, for purpose of building addition to above banking house. Building operations not begun.

November, 1921: Federal Reserve Board authorized bank to purchase adjoining lot, covering 3,135 square feet, at a cost of $27,500.

Annual rent, prior to occupancy of permanent quarters, $900, providing space for 39 officers and employees.

The number of officers and employees on December 31, 1921, was 89.

MEMPHIS BRANCH.

No purchase of bank premises for the use of the Mamphis branch has been made. At the present time the force of 90 officers and employees of this branch is housed in leased quarters, for which an annual rental of $18,500 is paid.

MINNEAPOLIS.

November, 1919: Purchased property, covering 25,575 square feet, at corner of Marquette Avenue and Fifth Streets, for $600,000. Total cost to December 31, 1921, of new building in course of construction, $169,070. Foundation work has been completed, but final plans for building have not yet been approved and no contracts have been let for superstructure.

At the present time the bank occupies space in two buildings at an annual cost of $42,000. Number of officers and employees on December 31, 1921, was 400.

HELENA BRANCH.

January, 1920: Purchased property of Independent Telephone Co., covering 2,475 square feet, including modern, fireproof one-story building, for $15,000. Cost of remodeling building and constructing vault, $162,399. Cost of furniture and fixtures, $36,000. This building has been occupied since the opening of the branch in February, 1921.

KANSAS CITY.

July, 1918: Purchased property, covering 16,675 square feet, at corner Tenth Street and Grand Avenue, for $500,000. Cost to December 31, 1921, of banking house in course of construction, $3,635,378; estimated cost of completed building, including cost of land, $4,875,000; estimated cost of fixtures and additional furniture, $235,000. Although not entirely completed, the above building is now occupied by the Federal reserve bank.

Prior to the occupancy of permanent quarters an annual rental of $52,000 was paid. On December 31, 1920, prior to occupancy of permanent building, the number of officers and employees was 347. On December 31, 1921, the number of officers and employees was 590.

DENVER BRANCH.

October, 1921: Purchased property, covering 25,785 square feet, at corner of Eighteenth and Curtiss Streets, for $100,948, including preliminary expenses. Plans for building have not been completed; no bids have been called for and no contracts let.

Annual rental paid for present quarters, $9,870. The number of officers and employees on December 31, 1921, was 106.

OKLAHOMA CITY BRANCH.

August, 1921: Purchased property, covering 10,500 square feet, at corner of Third and Harvey Streets, for $65,235, including preliminary expenses.

Building plans have not yet been approved; no bids have been called for and no contracts let.

Annual rental paid for present quarters, $7,200.

The number of officers and employees on December 31, 1921, was 98.

OMAHA BRANCH.

May, 1920: Purchased the Farnum Building, a five-story and basement stone and brick building, covering 8,712 square feet, then leased by branch as banking quarters, for $165,000. Cost of remodeling to December 31, 1921, $40,350. Cost of furniture and fixtures, $55,000.

Prior to occupancy of own building, space for use of the branch was leased at an annual rental of $8,310. Number of officers and employees on December 31, 1919, prior to purchase of building, was 95. On December 31, 1921, the number of officers and employees was 131.

DALLAS.

August, 1915: Purchased for $112,500 five-story and basement fireproof building at Commerce and Martin Streets, covering 2,500 square feet, which had been leased by the bank since April, 1915. Cost of remodeling building, $39,246.

November, 1918: Purchased property at corner of Wood and Akard Streets, covering 29,233 square feet, for $145,783.39. In the fall of 1920 the Thomas property, adjoining the above, on Wood Street and covering 4,500 square feet, was purchased for $36,619.40.

Cost of completed bank premises, including land and cost of remodeling original buildings, $1,819,401; estimated cost of additional furniture and fixtures, $107,389.

Bank proposes to sell old building at Commerce and Martin Streets.

Prior to occupancy of own building, space for 25 employees was rented at an annual cost of $17,280. The number of officers and employees on December 31, 1921, was 634.

EL PASO BRANCH.

July, 1919: Purchased lot covering 6,000 square feet on Myrtle Avenue for $39,003.50, on which a 2-story building costing $107,796.03 was erected as a permanent banking house and occupied by branch in August, 1920. Prior to occupancy of own building, branch rented space at an annual cost of $1,630, at which time it had 14 employees. Cost of fixtures and additional furniture, $9,224.41. Number of officers and employees of the branch on December 31, 1921, was 61.

HOUSTON BRANCH.

October, 1920: Purchased site covering 10,000 square feet at Fannin Street and Prairie Avenue for $65,842.74. Cost to December 31, 1921, of building in course of construction, $220,688; estimated cost of additional furniture and fixtures, $5,000.

At the present time an annual rental of $6,000 is paid for banking quarters.

Number of officers and employees of the branch on December 31, 1921, was 73.

SAN FRANCISCO.

Summer of 1917: Purchased end of block bounded by Commercial, Sansome, and Sacramento Streets, and in spring of 1918 purchased remainder of block to Battery Street. Total property purchased covers 32,863 square feet, and cost $405,705.37. Remodeled and occupied part of property as banking house at cost of $232,895. Cost to December 31, 1921, of new building in course of construction, $603,707. Estimated cost of building completed, including cost of land, $4,165,705.

Cost of additional furniture and fixtures has not yet been estimated. Prior to occupancy of the building, which was remodeled in 1918, the bank leased space at an annual rental of about $13,000.

Estimated cost, building and land	$4,165,705
Allow estimated cost furniture and fixtures	334,295
	4,500,000
Previous annual rental	13,000
One per cent on cost of building, etc	45,000

Annual rental less than one-third of 1 per cent.

The bank occupies a six-story building on the property purchased, part of the Subtreasury Building, for which no rental is paid, and three floors in a frame building at No. 440 Sansome Street, for which a rental of $8,100 is paid.

Of the 569 officers and employees of the bank, 502 are housed in the main building, 47 in the Subtreasury, and 20 in the building at No. 440 Sansome Street.

LOS ANGELES BRANCH.

No bank premises have been purchased for the use of the Los Angeles branch. Banking quarters are rented at an annual cost of $15,500.

Number of officers and employees of the branch on December 31, 1921, was 205.

PORTLAND BRANCH.

No bank premises have been purchased for the use of the Portland branch. Banking quarters are rented at an annual cost of $9,000.

Number of officers and employees of the branch on December 31, 1921, was 112.

SALT LAKE CITY BRANCH.

January, 1921: Purchased for $115,080.36 property covering 27,225 square feet at corner of South Temple and State Streets. Nothing has been done toward preparation of building plans, and no estimate of cost therefore can be given.

Banking quarters are rented at an annual cost of $18,307. Number of officers and employees of the branch on December 31, 1921, was 215.

SEATTLE BRANCH.

No bank premises have been purchased for the use of the Seattle branch. Banking quarters are rented at an annual cost of $15,144.

Number of officers and employees of the branch on December 31, 1921, was 84.

SPOKANE BRANCH.

No bank premises have been purchased for the use of the Spokane branch. Banking quarters are rented at an annual cost of $7,200.

Number of officers and employees on December 31, 1921, was 86.

THE INTERSTATE TRUST CO.,
Denver, Colo., January 11, 1922.

Mr. W. J. HARRIS,
United States Senator, Washington, D. C.

MY DEAR SIR: I am inclosing herewith copy of a letter I have just written to Gov. Harding, of the Federal Reserve Board, and also copy of a letter I have addressed to Senators PHIPPS and NICHOLSON, from Colorado. I believe these letters will explain the Denver situation without any further remarks from me. If you wish any further information, which I doubt, as you are not interested in any one particular locality in your desire to curtail the superauthority of the Federal reserve banks, I will be very glad to furnish such information as you may ask for.

As a general proposition, however, I wish to indorse what I understand to be the purpose of a bill you have introduced in the United States Senate. If I am correctly informed, this bill attempts to place at least a joint control over the money earned by the Federal reserve banks in which the Government has a direct interest under the law in Congress itself. As a matter of fact, the Federal reserve banks should not be allowed under any circumstances to spend the money of the Government without the Government's consent, and your logic is certainly sound. It has been well understood among banks throughout the country that the Federal reserve banks were spending money like drunken sailors in erecting new buildings on most extravagant scales in order to use up the extraordinary earnings of these banks and not be obliged to turn the same into the Government Treasury. The business of the Government in the matter of public buildings should not be delegated but be under the direct supervision of Congress. Of this there can be no doubt or argument. There may be cases where there is need for Federal reserve bank buildings, but, if so, Congress can just as well provide it as to have the bank boards provide it. Certainly there is no such need existing here in Denver at the present time.

Yours, very truly,

F. N. BRIGGS, *President.*

FINANCIAL AFFAIRS OF EUROPEAN STATES.

The PRESIDING OFFICER. The calendar under Rule VIII is in order.

Mr. McCORMICK. Mr. President, may I renew my request for unanimous consent for consideration and a vote upon the resolution submitted by me this morning? I think there is no objection whatever to it.

Mr. NORRIS. Mr. President, I want to make some inquiries with a view of reaching some understanding, if possible, about the bill that is to be taken up to-morrow at 1 o'clock under the five-minute rule—the amendment of the Federal reserve act. Is it the intention to go on with the calendar all day to-day? Can we not make an arrangement by which that bill will be taken up and laid before the Senate to-day?

The PRESIDING OFFICER. The bill will be taken up at 2 o'clock.

Mr. CURTIS. Mr. President, I understood that the calendar would be taken up, because under the rules this is Calendar Monday, unless set aside. Then, too, it was understood that the Senator from Iowa wanted an early executive session. It has been suggested that we go on to-day with the calendar and with the executive session, and that when we return to legislative session we take a recess until 11 o'clock to-morrow morning to give more time for discussion of the bill to which the Senator has referred.

Mr. NORRIS. I am satisfied that there are quite a number of Senators who desire to speak on that bill, and they will not be able to make their remarks under the five-minute rule. For that reason it seems to me we ought to take it up to-day.

Mr. CURTIS. Mr. President, I should like to suggest to the Senator that we have been through the calendar two or three times lately.

The PRESIDING OFFICER. The bill will be laid before the Senate at 2 o'clock. There will be unlimited time for discussion then unless the time of the Senate is otherwise taken up by consent.

Mr. CURTIS. I was going to suggest that because of the fact that we have gone through the calendar several times lately it might be possible to get unanimous consent to dispense with the call of the calendar and go on with that bill this afternoon. That will be entirely satisfactory as far as I am concerned.

Mr. McCORMICK. Mr. President, I submit that the discussion between the two Senators could continue in a moment if

they were willing to let the Senate vote upon the resolution which I have submitted, and to which I conceive there is no possible objection. It calls for information which the American people want.

Mr. NORRIS. I have not heard the Senator's resolution. I am not disposed to object.

Mr. CURTIS. I have no objection to the resolution.

Mr. OVERMAN. What is the resolution about?

Mr. McCORMICK. Let the resolution be read again, if any Senator wishes to hear it read a third time, for his information. It will take only a moment.

Mr. DIAL. I have no objection to the resolution, but I want to go on with the calendar when the resolution is disposed of.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

Mr. OVERMAN. Let us hear it read.

Mr. McCORMICK. Let it be read again.

The reading clerk again read the resolution.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the resolution was considered by the Senate and agreed to, as follows:

Resolved, That the Secretary of State be, and hereby is, requested, if not incompatible with the public interest, to lay before the Senate such information regarding the revenues, expenditures, and deficits of the European States as may be available to the Department of State, showing for the last and current fiscal years especially the annual cost of land armaments in the several States, as compared with the annual deficits of the several States (including both "ordinary" and "extraordinary" expenditures) and the sum of the interest annually due from the several States on account of the loans made to them by the United States.

The PRESIDING OFFICER. The calendar under Rule VIII is in order.

Mr. NORRIS. I ask unanimous consent that the unfinished business may be laid before the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator form Nebraska?

PREFERENCE RIGHTS OF ENTRY.

Mr. SMOOT. Mr. President, I desire at this time to ask for the consideration of House joint resolution 30, to amend a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920. The Department of the Interior are very anxious that the joint resolution should be passed. It has already passed the House, and it simply gives marines who served in the World War a 60-day preferential homestead right on the opening of public or Indian lands to entry or the restoration to entry of public lands theretofore withdrawn from entry. I have received a great many letters asking that the joint resolution be passed, and I was instructed by the Committee on Public Lands to make a favorable report on it. So the joint resolution is on the calendar, and I ask unanimous consent for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, and it was read, as follows:

Resolved, etc., That a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920, be, and the same is hereby, amended to read as follows:

"That hereafter, for the period of 10 years following the passage of this act, on the opening of public or Indian lands to entry, or the restoration to entry of public lands theretofore withdrawn from entry, such opening or restoration shall, in the order therefor, provide for a period of not less than 90 days before the general opening of such lands to disposal in which officers, soldiers, sailors, or marines who have served in the Army or Navy of the United States in the war with Germany and been honorably separated or discharged therefrom or placed in the Regular Army or Naval Reserve shall have a preferred right of entry under the homestead or desert land laws, if qualified thereunder, except as against prior existing valid settlement rights and as against preference rights conferred by existing laws or equitable claims subject to allowance and confirmation: *Provided*, That the rights and benefits conferred by this act shall not extend to any person who, having been drafted for service under the provisions of the selective service act, shall have refused to render such service or to wear the uniform of such service of the United States."

SEC. 2. That the Secretary of the Interior is hereby authorized to make any and all regulations necessary to carry into full force and effect the provisions hereof.

Mr. FLETCHER. Will the Senator from Utah State briefly what the object of the joint resolution is?

Mr. SMOOT. The object is to extend the time for World War veterans to enter public or Indian lands.

Mr. FLETCHER. It does not modify the resolution approved February 14, 1920, beyond extending the time?

Mr. SMOOT. That is all it would do.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. DIAL. Mr. President, I ask for the regular order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913.

Mr. SMOOT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	McKinley	Sheppard
Ball	Glass	McLean	Shields
Borah	Gooding	McNary	Shortridge
Brandegee	Hale	Moses	Smith
Broussard	Harreld	Myers	Smoot
Bursum	Harris	New	Spencer
Calder	Heflin	Nicholson	Stanfield
Cameron	Jones, N. Mex.	Norbeck	Sutherland
Capper	Jones, Wash.	Norris	Swanson
Caraway	Kellogg	Oddie	Trammell
Culberson	Keyes	Overman	Wadsworth
Cummins	King	Page	Walsh, Mass.
Curtis	Ladd	Phipps	Walsh, Mont.
Dial	La Follette	Pittman	Warren
Edge	Lenroot	Poindexter	Watson, Ga.
Ernst	McCormick	Pomerene	Watson, Ind.
Fletcher	McCumber	Ransdell	Williams
France	McKellar	Robinson	Willis

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum is present.

Mr. DIAL. Mr. President, we are all anxious to dispose of the unfinished business, and while I would like to get action on a case on the calendar, yet I will not interpose any objection to our taking up the unfinished business at this time. When that is disposed of I hope we can then consider the bills on the calendar.

Mr. KING. May I inquire whether amendments will be considered to-day?

The PRESIDING OFFICER. There is pending now an amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. KING. Was it understood that amendments were not to be voted on until to-morrow?

The PRESIDING OFFICER. The understanding of the Chair is that amendments will not be voted on until to-morrow.

Mr. KING. I desire to offer an amendment to the bill.

The PRESIDING OFFICER. The amendment will be received and lie on the table.

Mr. CURTIS. Mr. President, I call attention to the fact that the Senator from Nebraska [Mr. NORRIS] announced that he wanted this bill brought up for discussion, and also that the Senator from Virginia [Mr. GLASS] said he desired to discuss the measure.

Those Senators are not now in the Chamber.

Mr. KING. I offer an amendment to the pending bill, and ask that it be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

HAZZEL ISLAND SHIPPING STATION.

Mr. JONES of Washington. Mr. President, when we reached Order of Business 171 on the calendar at a previous time I asked that it go over in order that I might get some additional information. It is a bill (S. 1771) authorizing the Shipping Board to acquire a site on Hazzell Island, St. Thomas, Virgin Islands. I have the information I desire and I had hoped I would be able to have the bill passed this morning. It is rather important.

Let me state briefly the situation. In 1919 the Shipping Board entered into negotiations with the owners of some land there for a site upon which to place oil tanks. They did not reach any agreement, but went into possession of the land on a verbal understanding that terms would be adjusted thereafter. We have expended about $210,000 in putting up oil tanks on the land. We have not been able to make any lease. The owners want $500 an acre rental and that is considered by some of the authorities down there at least twice what it ought to be. The purpose of the bill is to authorize the Shipping Board to purchase or condemn the 14 acres that are necessary. We have never paid the people anything, either rental or otherwise.

Mr. KING. Will so many acres be required?

Mr. JONES of Washington. Yes; the 14 acres are required. It is simply a question whether or not we shall acquire this land upon which we have put up these tanks at expense of $210,000, or vacate the land. We have a right, or at least it is thought we have the right, to take down the tanks and move them, but that will probably cost more than the land is worth.

The purpose of the measure is to authorize the Shipping Board to acquire the land. With that statement I ask unanimous consent that the unfinished business be temporarily laid

aside for the purpose of considering the bill to which I have referred. Of course, if there is objection, I shall not insist on it.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent for the present consideration of Senate bill 1771.

Mr. WALSH of Montana. Mr. President, I desire to inquire whether it is the purpose to keep the unfinished business before the Senate during the entire afternoon?

The PRESIDING OFFICER. The Chair will inform the Senator from Montana that the unfinished business is now before the Senate.

Mr. WALSH of Montana. My inquiry is whether it is the purpose of those in charge of the bill to keep the matter before the Senate and to debate it this afternoon or not?

Mr. NORRIS. I do not know who has charge of the bill, but probably the Senator from Connecticut has.

Mr. McLEAN. I prefer that the Senator from Nebraska should take charge of it.

Mr. NORRIS. I certainly do not have charge of it, but it was my intention when I asked that it be laid before the Senate that it be kept before the Senate until disposed of, because I realize a great many Senators desire to talk on the question. It is quite an important piece of legislation, and to-morrow the 5-minute rule goes into effect. It seemed, therefore, almost essential that we should take it up now and that it be debated this afternoon.

Mr. WALSH of Montana. I have no disposition to attempt to displace it at all. I merely inquired so as to be advised what the situation is.

Mr. NORRIS. In regard to the request of the Senator from Washington, I am willing to consent that the unfinished business be temporarily laid aside provided that his bill does not consume any time and with the understanding that the right is reserved to object at any time.

Mr. JONES of Washington. That is satisfactory to me.

Mr. NORRIS. With that understanding, I make no objection to the request of the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the bill S. 1771. Is there objection?

Mr. KELLOGG. Mr. President, I should like to inquire of the Senator whether it will lead to any debate?

Mr. JONES of Washington. I hope not. If it does, I shall withdraw the request. I have made all the statement that I care to make with reference to it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That to provide a site for a fuel and fuel-oil station and fresh-water reservoir for Shipping Board and other merchant vessels, as well as United States naval vessels, and for other purposes, the United States, through the United States Shipping Board, is hereby empowered to acquire the land on Hazzell Island, St. Thomas, Virgin Islands, necessary in the opinion of the Shipping Board for the purposes aforesaid, and authority is hereby given the Shipping Board to pay for said land out of any of its funds a sum of money not exceeding $50,000.

Mr. KING. Mr. President, I shall not object to the consideration of the bill, although with the limited information which I have I do not feel like supporting it. Until we have further information concerning the Shipping Board and the possibilities of its successful operation, I am reluctant to support any measure which calls for further appropriations in its behalf. Its past history has been discreditable and its present activities have not brought any great assurance that a policy or program has been found which will bring satisfactory results. I am not in this statement making any criticism of the present organization, because I know of the difficulties which they have to encounter. I think there is a disposition to suspend judgment until a fair opportunity is offered the present administration to inaugurate reforms and bring about results which warrant the enormous appropriations which are being made. However, I can see no success for the Shipping Board or for governmental operation of any part of our merchant marine, and I believe that millions will be lost annually in this futile undertaking if it shall be persisted in.

I take this opportunity to call the attention of the Senate to the activity of Mr. Lasker in seeking to prepare the mind of the public for a ship subsidy. We are advised by the press that Mr. Lasker is making speeches in important eastern cities in favor of a policy calling for appropriations from the Treasury of the United States in the shape of subsidies for the merchant marine of the United States, or, at least, for the ships owned and operated by the Government. I saw in one paper that Mr. Lasker had announced that the President of the United States would soon recommend to Congress a subsidy for our merchant marine. My information is that other persons connected with the Shipping Board or the Emergency Fleet Corporation are engaged in similar propaganda.

Mr. President, the departments of our Government are separate. The legislative is separate from the executive, and the executive from the judiciary. Each branch of the Government has a restricted and limited field in which it may operate. It is not a part of the executive branch of the Government to enact laws or to formulate legislative plans and propagandize the country for the enactment into law of such plans.

The executive department executes the law. It is the duty of officials charged with the administration of our laws to perform those duties and not to transcend the legitimate boundaries by which they are circumscribed. Unfortunately a policy has grown up which is tolerated, if not justified, under which officials in the executive branch of the Government devote a portion of their time in advocacy of legislation which they deem to be important. It is needless to remark that legislation so advocated usually relates to the particular agencies of the Government with which they are identified and would increase either the power and authority of such advocates or augment their emoluments.

It is a common practice for persons connected with executive departments and agencies to visit various parts of the country at the expense of the Government and deliver addresses in behalf of measures which they desire to see enacted into law. This means that individuals who should be giving their attention to the work which they are paid to perform in executive departments are spending a part of their time in traveling throughout the country advocating schemes and plans and policies and legislation for their benefit and for the aggrandizement of the Federal instrumentalities with which they are identified. Thus executive agencies of the Government dissipate their energies which should be wholly devoted to their particular work in great political activities throughout the country. I say "political activities" because much of the propaganda carried on by these executive officials is of a political character. It relates to political questions and governmental policies, to party activities, and to economic, industrial, and political questions which provoke wide differences of opinion. Both political parties are guilty of these improprieties to which I am referring. Under the Wilson administration persons in executive branches of the Government sought to promote legislation. They visited various parts of the United States and endeavored to develop public sentiment in behalf of measures which they wished Congress to enact into law.

Upon a number of occasions I criticized their activities and condemned executive agencies and instrumentalities of the Government for what I conceived to be palpable transgressions. Under the present administration the same course is pursued, perhaps with greater vigor. I repeat, the executive and the legislative departments must be kept separate; it is not the duty of executive agencies of the Government to devote their attention for the purpose of securing legislation or creating public sentiment in behalf of measures and policies which officials in the executive departments of the Government desire to see enacted and adopted.

I protest against heads of bureaus and other Federal executive organizations spending their time in proselyting among the people and engaging in Nation-wide propaganda aimed at the creation of a public demand for the enactment of laws, particularly such as would enhance the prestige and extend the authority and power of these executive missionaries. If it becomes necessary that men are to be paid to deliver speeches and carry on campaigns to develop public sentiment in behalf of domestic or national policies and national legislation, then Congress can make the necessary appropriations to employ suitable and competent persons to perform this work. Until that is done, I submit that it will be in the interest of the public welfare if the officials in the executive branch of the Government will look after the enforcement of the law and the performance of the duties devolved upon them by law.

Congress has not employed individuals to advocate ship subsidies. There are millions of people in the United States who are opposed to subsidies and they will be unwilling that executive officials of the Government shall give their time in advocacy of policies which they believe to be inimical to the public welfare. If Congress desires the views of executive officials, there is a way by which these views may be obtained. If the President of the United States desires the views of bureau chiefs or heads of departments, or any persons employed

in the executive service of the Government, he will ask for the submission of their views.

I think that the time has arrived when there should be a check to this indiscriminate and persistent propaganda carried on by persons within executive branches of the Government. If those charged with the important duties of administering the law and executing the policies of the Government faithfully perform the obligations resting upon them, they will be rendering a great service to the country.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL RESERVE ACT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913.

Mr. NORRIS. Mr. President, there are several amendments pending, which will be taken up, I presume, when we reach the bill under the 5-minute rule, and there are several substitutes, as well as substitutes for substitutes.

To my mind, the bill has been given an importance vastly beyond what it deserves. I do not think anything will be accomplished by it, even if the bill and all of its amendments and all of its substitutes should become law, and yet I am in entire sympathy with what the bill or those who are behind the bill and the amendments are trying to accomplish. They want to get more consideration for agriculture. They feel that agriculture has not been treated fairly. I agree with both of those propositions. So it has been proposed to introduce a bill which will provide that a farmer shall be placed on the Federal Reserve Board, a man who is a really, truly, dirt farmer, as is said.

The farmers of the country have been given to understand that they are going to get great relief by the passage of the bill and get representation on the Federal Reserve Board. They are going to be fooled again. There will be no relief any more than there is now so far as the Federal Reserve Board is concerned. After all, we can not by a legislative act take away the discretion that is vested in the appointing power. Under the law as it stands now the President can appoint all farmers, practically, with the exception of two—yes; he could get all farmers as members of the Federal Reserve Board if he desired.

If we enact a law that will say in so many words that he must appoint one farmer, he can comply with the law and appoint a farmer who will be the worst enemy that the farmers ever had on the board. There is no doubt about that.

The President without any change in the law can appoint a man who is not a farmer who will be the best friend that the farmers have when he gets on the board. In other words, it will not be difficult to go out and pick a farmer or a lawyer or a preacher or a banker or a manufacturer and get a man who will be fundamentally, from the bottom of his heart, out of sympathy with the particular line of business with which he is identified and classified.

It is said we will have a farmer on the Federal Reserve Board, and after that everybody in agriculture will prosper. But, Mr. President, the appointing power could select a farmer who is more reactionary than any Wall Street banker that ever lived, if he wants to do that. There are plenty of them whom he could get. On the other hand, without having the law designate that a farmer must be appointed, the President could appoint somebody who is a farmer, who is a lawyer, who is a preacher, who is a manufacturer, and by that very act appoint somebody who is in entire sympathy with agriculture and would comply entirely with those conditions that those who are favorable to assistance to agriculture would desire.

So, after all, in my judgment it is nothing but camouflage; and, while I may probably vote for some of the proposed substitutes, so far as I am concerned I shall do so more as a protest against the action of the Federal Reserve Board in the last two or three years than for any other reason. I myself think the Federal Reserve Board deserves criticism, and I think the feeling that it deserves criticism has brought about the sentiment which is behind this bill. Yet the bill itself can not directly accomplish anything.

I received a telegram the other day from an organization of bankers—and I have wondered if other Senators were getting the same kind of telegrams—in regard to the great buildings which are being constructed by Federal reserve banks. I wish I had that telegram here, for I should like to read it to the Senate.

Mr. HARRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Georgia?

Mr. NORRIS. I yield.

Mr. HARRIS. I should like to say to the Senator from Nebraska that not only are Senators receiving telegrams of the character to which he has referred, but those telegrams are being inspired by men who are connected with the Federal Reserve Board.

Mr. NORRIS. Has the Senator from Georgia a copy of one of those telegrams? I wonder if the telegrams he has received are the same as that which I have received?

Mr. HARRIS. I have not at hand one of those telegrams, though I have some in my office. The governor of the Federal Reserve Board has stated that the construction of bank buildings has been stopped, but, as I understand, in no case has construction been stopped where the buildings had been contracted for or work already begun. However, the statement which the Associated Press carried led people to believe that the work on many new buildings was being stopped in the cities mentioned. I have placed in the RECORD the article from the Washington Post in which Gov. Harding gave out the statement, and from every one of the cities mentioned by him there are being sent telegrams to Senators, with the idea of defeating this legislation. There is a propaganda going on all over the country against the legislation.

Mr. NORRIS. The telegram to which I have reference does not apply to the pending bill itself, but it applies to the amendment which has been offered by the Senator from Georgia. The effect of the proposed amendment, as I understand—and if I do not state it correctly I desire to be corrected by the Senator—would be that the Federal reserve banks would not be allowed to erect buildings unless specifically authorized to do so by Congress.

Mr. HARRIS. The Senator has correctly stated the object of my amendment.

Mr. NORRIS. It is the amendment of the Senator from Georgia against which the telegrams protest. I have wondered whether the propaganda is general and whether other Senators are receiving telegrams from banks and associations which oppose that amendment; and if so, whether the propaganda originated with the Federal Reserve Board here in Washington or whether bankers understand each other so well that they know when they ought to telegraph their Senators without being told.

Mr. SIMMONS. Mr. President, may I interrupt the Senator from Nebraska?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from North Carolina?

Mr. NORRIS. I yield.

Mr. SIMMONS. Mr. President, I wish to say to the Senator from Nebraska that as a result of some matters which have been brought to my attention I believe that there is no institution is this country to-day which is carrying on so systematic a propaganda to secure or defeat legislation which it may want or may not want as is the Federal Reserve Board. The propaganda of that board is one that is easily made effective.

Mr. NORRIS. Of course.

Mr. SIMMONS. That board communicates, first, with the Federal reserve banks; the Federal reverse banks obey instructions and communicate with the member banks; and so the whole banking system of the United States is brought into cooperation to carry out the legislative purposes of the Federal Reserve Board.

Mr. HARRIS. May I interrupt the Senator from Nebraska for just a moment?

Mr. NORRIS. I yield to the Senator from Georgia.

Mr. HARRIS. The Federal Reserve Board are not only bringing the banks into this propaganda, but telegrams are being sent by contractors and those who are furnishing materials for the construction of these buildings.

Mr. NORRIS. Mr. President, there is not any question that the Federal Reserve Board is better equipped than is any other institution in the world to inaugurate a propaganda which will have behind it a wonderful power. I am not saying that they are doing so, but the telegram which I have received—and I have sent for it and if it reaches me before I get through I shall read it to the Senate—seems to me to indicate on its face that the men who sent it did not understand the situation, for they telegraph their Senators and say, "We are opposed to the amendment offered by the Senator from Georgia; we think that Federal reserve banks ought to be left unrestrained to build as they please, where they please, and when they please, and that that matter ought not be the subject of congressional legislation."

As I understand the situation, Mr. President, to begin with there is quite a sentiment that there are too many Federal reserve districts in the United States. I myself think there are. If the present or a future Congress should reduce the

number of those districts to one or to two or to three or to six, or whatever other number might be decided upon, the Federal reserve system would have many buildings on hand which would be almost useless, especially if they were constructed on the grand scale which is contemplated in some instances.

In the next place, the money which is being used by the Federal reserve banks to construct palaces is not their money. It has come out of the borrowing public. The men and women who have been compelled to borrow money have been obliged to pay a rate of interest sufficiently high to make the enormous profit which has come into the hands of the Federal reserve banks, a profit that was never contemplated by those who passed the act, a profit that is so great that it staggers the imagination. When we realize that one of the reserve banks is now contemplating the construction of a bank building that will cost $26,000,000 out of money which has been contributed by the poor people, by those who are engaged in business and agriculture, who have been compelled to borrow, then I think we shall come to somewhat of an understanding of what is proposed by this building program and somewhat of an understanding of the extravagance which pervades the whole system.

Mr. President, it is not only in the building program that extravagance is shown. I am not speaking as an enemy of the Federal reserve system; but great profits like those which have been made by the system tend toward extravagance in any line of business, and the Federal reserve banking system is no exception. In their effort to coerce State banks into cashing checks at par—and, so far as the object itself is concerned, I am entirely in sympathy with it and should like to see it realized, but I should like to see it done legally and without the method of the highwayman being practiced—they have certainly been as extravagant as it is possible to be, and have spent money like drunken sailors and without any regard to its value. The building program is another step in the direction of extravagance, involving, as it does, the erection of the most expensive structure that has ever been built in the history of the world, a structure which is to be used for the convenience and luxury of the officers and employees of the Federal reserve system out of the money of some one else, not one cent of which is theirs. If a man has money and wants to construct a building that will cost $26,000,000, it is his own business, but when, as trustee, he undertakes to make such an expenditure with the money of some one else, particularly of men who have not paid it voluntarily, but who have been compelled to pay it when they have borrowed money at the bank, he ought to be careful. If he is not careful, if he does not show any more regard for his trusteeship than some of the Federal reserve system officials are showing with this money that has come into their hands, then there ought to be some control placed over him. So in this case there ought to be legislation of Congress that will control the funds and profits of the Federal reserve system. I am not only in favor of stopping the Federal Reserve Board where they have not commenced, but I should be glad to stop them where they have commenced, if they have any such extravagant program as has been indicated.

I want Senators to remember that the men who have contributed the money that goes to make up this fund are poor people, who have been compelled to borrow money either to carry on their farms, to raise food to feed the soldiers and to feed the people, or else they are business men or those engaged in the manufacturing of food after the farmer has produced it. They are the great borrowers of the country. They have borrowed money at the banks, and they have been charged a rate of interest sufficiently high to make the enormous profits received by the Federal reserve banks, and those now in control of those profits propose to use them now in the erection of mammoth buildings.

When the people throughout the country who have contributed the money, who by their toil and their sacrifices have made this great fund possible, read such a description as I have read of at least one of these buildings, and begin to realize what has become of the fruits of their sweat and of their toil, I fear they will feel almost like inaugurating a revolution. It seems to me the Congress can not afford to remain silent and permit such things to go on even though buildings have been commenced.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. I yield.

Mr. JONES of New Mexico. I merely wish to call the attention of the Senator to the fact that in many places throughout the country the public service needs buildings, but for several years Congress has provided no appropriation for that purpose. Inasmuch as the profits of the Federal reserve system in excess of 6 per cent belong to the Government of the United States, would it not be far better to expend $26,000,000 in erecting throughout the country the necessary public buildings than to concentrate it all in one Federal reserve bank building?

Mr. OVERMAN. Mr. President, the Federal reserve banks have spent more money for buildings than has been appropriated and spent under authority of Congress for public buildings throughout the country under any omnibus public buildings bill. The Federal reserve banks have expended $71,000,000 for public buildings, whereas the largest public building bill making provision for the erection of post-office buildings, customhouses, and other buildings in all the States of the Union has not appropriated that much money.

Mr. NORRIS. Mr. President, the Capitol of the United States sinks into insignificance when compared to the bank building which the Federal Reserve Bank of New York proposes to erect; the Capitol of the United States, together with the Senate Office Building and the House Office Building thrown in, is only a drop in the bucket.

Mr. HEFLIN. Mr. President, will the Senator from Nebraska yield to me for a moment?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. NORRIS. Let me first refer to the suggestion of the Senator from New Mexico [Mr. JONES], and then I will yield to the Senator.

Mr. HEFLIN. Very well.

Mr. NORRIS. The Senator from New Mexico asked me whether or not I thought it would be better to use this money in the erection of public buildings scattered throughout the country. I have no hesitancy in answering in the affirmative, although I am not in favor of using the profits of the Federal reserve system in that way. Mr. President, at the present time, when everybody is suffering, when most of the farmers are bankrupt, when banks are failing, when business men are losing money and manufacturing has to a great extent ceased, and labor is unemployed, when such conditions are staring us in the face, I do not believe that we ought to engage in any building program where we can posibly avoid it. If this money is not used in the erection of the great buildings that are proposed by the Federal reserve authorities, I would not be in favor of using it to construct post offices; I would rather get along without any new buildings for post offices until the people and the country are in a more prosperous condition and can afford to pay the taxes which we must levy whenever we engage in any activity of this kind. This money belongs to the United States, as a matter of fact. It was contributed by one class of people, the borrowing public, and there is a provision in the law as to what shall become of these profits. They can go toward the reduction of the public debt, the payment of Liberty bonds, and so forth, and thus stop interest and thus stop taxation to the extent that they will go, instead of resorting to the extravagant methods that are proposed in the construction of these buildings.

I now yield to the Senator from Alabama.

Mr. HEFLIN. Mr. President, in a message from Hon. John Skelton Williams, former Comptroller of the Currency, he says:

> The fees to be given general contractor at New York and foundation contractor in cash largely exceed the total cost of Federal reserve bank building at St. Louis, with land upon which it stands.

Mr. NORRIS. There is an illustration of what I have been saying; and it is not the worst one, either.

Mr. HEFLIN. I want to say to my friend before I take my seat that this order to stop the construction of Federal reserve banks does not extend to New York. That bank is going on to completion.

Mr. NORRIS. How far has that building progressed?

Mr. HEFLIN. Not very far. I think the foundation is about laid. That is about all, I think.

Mr. NORRIS. Has the Senator any information as to how much the land cost upon which it is going to be built?

Mr. HEFLIN. I think in the neighborhood of $4,000,000.

Mr. HARRIS. Mr. President, I can give the Senator the information he desires.

Mr. NORRIS. All right. I yield to the Senator from Georgia.

Mr. HARRIS. The total cost in 1919 of the property for the banking-house site, at the corner of Liberty and Nassau Streets and Maiden Lane, was $4,797,881.72. The total cost to December 31, 1921, of the new building in course of construction was $1,703,074. The estimated cost upon completion, including the cost of the land, is $19,976,368.

That is, for the building itself without furniture and fixtures. Then comes the annex.

In April and July, 1920, the properties at the corner of Gold Street and Maiden Lane and at 10 Gold Street and 89 Maiden Lane were purchased for an annex building site at a total cost of $681,531.17. The total cost, including land, was $2,136,447. The cost of furniture and fixtures was $66,730.78. The total cost of everything—the land and the buildings and the furniture and fixtures for that building—will be $27,000,000, instead of $26,000,000, as the Senator says.

Mr. NORRIS. Twenty-seven million dollars?

Mr. HARRIS. Twenty-seven million dollars, instead of $26,000,000. I am reading from a letter from the governor of the Federal Reserve Board, Mr. Harding.

Mr. NORRIS. He puts it at $27,000,000, as I understand. We all know that when we start to construct a building we estimate its cost at one figure, and we pay twice that when we get through with the building; so there is not any doubt that this building will probably cost $50,000,000 by the time it is finished.

Mr. GLASS. Mr. President——

Mr. NORRIS. I yield to the Senator from Virginia.

Mr. GLASS. May I interrupt the Senator just to ask that the Senator from Georgia will put into the RECORD the statement from the governor of the Federal Reserve Board that the total cost of this building will be $27,000,000?

Mr. NORRIS. I will yield to the Senator from Georgia for that purpose if he desires to do it.

Mr. HARRIS. I had already asked permission earlier in the session to-day to place in the RECORD this letter from the governor of the Federal Reserve Board showing the cost of all buildings and the furniture and everything; and, as I added it, the total is $27,000,000.

Mr. GLASS. As the Senator added it, the total is $27,000,000. What I am trying to do just at this pertinent point is to get into the RECORD the statement from the governor of the Federal Reserve Board to the effect that the total cost of the building will be $27,000,000.

Mr. NORRIS. I should be glad to have that in the RECORD, and I will yield to any Senator who has the information and who will put it in.

Mr. GLASS. I will say to the Senator that if he will yield for that purpose he will not continue his speech to-day.

Mr. NORRIS. The Senator means it will take too long?

Mr. GLASS. I mean that the governor of the Federal Reserve Board has never made any such statement.

Mr. NORRIS. That may be. I have no information on that subject.

Mr. GLASS. Or, at least—I will not put it that bluntly—I should be very much amazed to find that he had made any such statement.

Mr. NORRIS. Now, will the Senator from Georgia read the statement?

Mr. HARRIS. I will read the statement in full, Mr. President. This refers to the New York bank. It is from Gov. Harding and is dated January 14:

NEW YORK.

June, 1918: Purchased property for banking-house site at corner of Liberty, Nassau, and Maiden Lane.

February, June, 1919: Purchased adjoining properties running through from Liberty Street to Maiden Lane. Total cost of property purchased in 1918 and 1919, which covers 45,950 square feet, was $4,797,881.72.

Total cost to December 31, 1921, of new building in course of construction, $1,703,074; estimated cost upon completion, including cost of land, $19,976,368. Building will not be completed for about two years, and there is no basis at present on which to estimate the cost of furniture and fixtures.

April, July, 1920: Purchased for annex building site properties at corner of Gold Street and Maiden Lane and at 10 Gold Street and at 89 Maiden Lane at a total cost of $681,531.17; total cost, including land, $2,136,447; cost of furniture and fixtures, $66,730.78.

The bank occupies space on nine floors of the Equitable Building, for which an annual rental of $310,959.56 is paid, and rents various vaults at an annual cost of $28,039.25. Bank also occupies the new annex building referred to in the preceding paragraph and the Subtreasury, for which no rent is paid. The annex building is commercial in type, and was constructed with a view to its sale if not needed upon completion of the main building.

Of the 2,773 officers and employees of the bank on December 31, 1921, 2,115 were housed in the Equitable Building, 139 in the Subtreasury, and 519 in the annex building. Prior to the completion of the annex building additional space was rented at a cost of $126,092.55, providing accommodation for 576 officers and employees.

I asked Gov. Harding to give me the cost of all the buildings, and then to give me the rental paid for buildings before the buildings were erected. For instance, in San Francisco, for the building they used before going into the new building—for which they paid about four million two hundred and some odd thousand dollars, besides the furniture—they were paying a rental of $13,000 on the building formerly occupied. One per cent interest on $4,500,000 would have been three times as much as the rent they formerly paid, so they would get about one-third of 1 per cent interest on the investment in the new building compared with what they were paying before.

Mr. GLASS. Mr. President——

Mr. HEFLIN. If the Senator from Nebraska will permit me to ask a question right in that connection——

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I will yield first to the Senator from Alabama, and then I will yield to the Senator from Virginia.

Mr. HEFLIN. I wanted to ask the Senator a question there. The Senator took the sums given him by Gov. Harding, of the Federal Reserve Board, and added them up, and they made a total of $27,000,000? Is that it? Instead of getting a statement from him saying that the total was $27,000,000, the Senator added the figures and they came to $27,000,000?

Mr. HARRIS. With the furniture and fixtures.

Mr. NORRIS. Now I yield to the Senator from Virginia.

Mr. GLASS. Mr. President, as the Senator from Georgia read, I computed in my mind the sum total of the figures that he presented; and they could not possibly have added up more than $21,000,000, which is $6,000,000 short of the statement imputed to the governor of the Federal Reserve Board.

Mr. HARRIS. Mr. President, I am sure the Senator does not want to make a statement without something on which to base it. This statement says:

Estimated cost upon completion—of main building—including cost of land, $19,976,368.

Mr. GLASS. Yes.

Mr. HARRIS. Now as to the annex:

Purchased, for annex building site, properties at corner of Gold Street and Maiden Lane * * * at a total cost of $681,531.17; total cost, including land, $2,136,447; cost of furniture and fixtures, $66,730.78.

Mr. GLASS. That is not quite $21,000,000 so far.

Mr. NORRIS. Oh, yes; that is a little over $21,000,000.

Mr. HARRIS. It is more than $21,000,000.

Mr. GLASS. I say, about $21,000,000.

Mr. HARRIS. That does not include the furniture in the main building, and does not include furniture and fixtures.

Mr. GLASS. The Senator read the item of furniture, $66,000.

Mr. HARRIS. That is in the annex.

Mr. GLASS. Mr. President, when the Senator from Alabama [Mr. HEFLIN] finishes telling the Senator from Nebraska what he wants to say, I will go on.

Mr. HEFLIN. The Senator from Alabama was simply making a suggestion to the Senator from Nebraska.

Mr. GLASS. The figures presented by the Senator from Georgia, as I hastily passed them in review, aggregated a little in excess of $21,000,000. I will say to the Senator that those figures were mere estimates; and the Senator from Georgia loses sight of the fact that the ground and buildings of the annex, now owned and occupied by the Federal Reserve Bank of New York, must be, in fairness, subtracted from the total of a little more than $21,000,000.

Mr. NORRIS. Why subtracted?

Mr. GLASS. Because the bank will abandon that annex building and sell the building and the land on which the building stands when they go into the new building. I assumed that what the Senator was trying to get at was the net cost of this building when completed.

Mr. NORRIS. I should like to get at that. That was not the only object I had, of course.

Mr. GLASS. Therefore, whatever price is obtained for the present annex building and the land upon which it stands should be subtracted from the price of the new building in order to get the cost.

Mr. NORRIS. Yes; if they intend to do that with the annex building, that would be the proper step to take. I admit that.

Mr. GLASS. That will be done.

I shall not take the Senator's time now. Later in the day I hope I shall have an opportunity to address the Senate on the subject of the Federal reserve bank system generally, and then I think I shall indicate with a fair degree of accuracy just what the situation is with respect to the New York bank.

Mr. NORRIS. I listened to the Senator from Virginia with a great deal of interest and profit. I do not claim to be posted as to all the details of this building program. I was shocked, however, when I have heard, and have read several times, about their program. It seemed to me that it was a program that was utterly wild, under present conditions, at least; that it was unbelievable that men who had the best interests of the country at heart would engage in a program of that kind under present conditions.

Mr. GLASS. I want to say, if I may, that I absolutely agree with the Senator from Nebraska that, if it is possible to avoid them, no building operations ought to be undertaken at this time by any branch of the Government, and if I could have my way, no building operations would be engaged in by anybody in this country until the profiteering in building material should cease.

Mr. NORRIS. I agree with the Senator entirely.

Mr. HEFLIN. If the Senator from Nebraska will permit me, does the Senator know that in this magnificent marble temple which they are building up in New York for a banking institution they are providing swimming pools, gymnasiums, cafés, and various other things of that sort for the entertainment of the officials?

Mr. NORRIS. Yes; and a hospital, I understand, in addition to the other things.

Mr. OVERMAN. And an assembly hall for a thousand people.

Mr. NORRIS. And, as the Senator from North Carolina says, an assembly hall. It will really and truly be a marble palace, such as any of the kings or monarchs of ancient times, or of the present day, would envy, unlike anything that has gone before.

I have no objection to men building houses and office buildings containing billiard rooms, swimming pools, hospitals, museums, and picture galleries, if they do it with their own money, but I do not want somebody else to build one for himself with my money, and I do not want some one who, in a partial degree, at least, is an official of the Government of the United States, to build them with money belonging to the United States, unless they get direct authority to do so from the proper legislative body. It seems that on ordinary occasions and under normal conditions that would be wrong, but now it is grossly sinful.

I am not making an attack, as I fear my friend from Virginia thinks I might be guilty of, upon the Federal reserve system. I think the best friend of the system is one who criticizes it when he finds out what he believes to be wrong about it. That is what I am trying to do.

I said a while ago that the officials were getting extravagant. Perhaps it is a natural thing that they should become extravagant. Men who have thrown into their laps untold millions, without really knowing how they came or from whence they came, might naturally become extravagant, and this system, organized for the purpose of regulating the banking and the currency of the country, without any idea of making any profit, finds itself in possession of more money and greater profits than had ever come to any similar institution in the history of the world. On that account, perhaps, they became extravagant. In my judgment, they are paying extravagant and morally sinful salaries to a great many of their employees. They propose to build an office building with money belonging to the people of the United States, contributed by those who are compelled to borrow money out of banks. They are now going to use that money to build a marble palace containing swimming pools, picture galleries, moving-picture shows, hospitals, restaurants, cafés, and all kinds of parlors and institutions too numerous to mention and too expensive to even give the figures in your imagination.

Mr. OVERMAN. Mr. President, there is a remarkable fact set forth in the report they make to the Senate which may account for this extravagance about which the Senator is talking. I will read it:

> At the instance of the Federal Reserve Board a bill was introduced during the third session of the Sixty-fifth Congress to amend section 7 of the Federal reserve act by permitting Federal reserve banks to create a maximum surplus out of earnings equal to 100 per cent of their paid-in capital, instead of 40 per cent, as originally provided.

The surplus was 40 per cent, and they came in and got a bill through allowing them to retain 100 per cent of their net earnings.

Mr. CURTIS. Mr. President, I will ask the Senator to give the date of that act. I did not hear it.

Mr. OVERMAN. It reads:

> At the instance of the Federal Reserve Board a bill was introduced during the third session of the Sixty-fifth Congress to amend section 7 of the Federal reserve act by permitting Federal reserve banks to create a maximum surplus out of earnings equal to 100 per cent of their paid-in capital, instead of 40 per cent, as originally provided.

Mr. NORRIS. That illustrates how Congress has been, as a rule, following the recommendations of the Federal Reserve Board upon any legislation they might recommend in reference to the amendment of the Federal reserve act. I have been one who has always felt inclined to follow their recommendations, if I could, and sometimes we have passed acts amending the Federal reserve act without very careful consideration, because we knew they had been recommended by this board.

But we shall lose confidence in that board, and the people of the country will lose confidence in that board, if they abuse the trust which has been placed in them, as I believe they are doing in the squandering of this money. It may be that we have already gone so far and that so much has been done that we can not stop some of these things, but I think we ought to stop them; that they should not be permitted to go on. I believe the Banking and Currency Committee should make a full investigation of the entire subject, not only of salaries, but of all the expenditures of money, with a view of ascertaining just how great has been the extravagance, with a view of passing the right kind of laws in order to limit it in the future.

That is only one amendment to this bill which is pending. I think that amendment is an important one. I want to see it put on the bill. The bill itself, as I said at the beginning, is not, in my judgment, of very much importance, and what I have said about the appointing power, after all, always having the discretion in naming members of this board has no reference to any particular President. It has no reference to any particular individual who has been appointed, or anyone who has recommended any appointment. It is inherent in any law which may be passed on this subject, regardless of who the President may be. It will come up to the appointing power in the end whether he has representatives of the agricultural interest on the board or not, and to my mind we do not add anything to it when we put in the law a provision compelling the President to appoint a farmer.

I have never had much use for provisions of law which try to define the kind of a man who shall be put on a board by the appointing power. Very often when we enact laws we provide for a division between parties of the membership of boards. To my mind that is fundamentally wrong. If we enact a law which provides that a board consisting of five shall not have more than three of any one party on it we are fundamentally wrong. In the first place, assuming that a President or other appointing power wanted to carry the bill out in good faith, it limits him to such an extent that he is very often compelled to cast aside the men best fitted for the positions. If in filling an appointment of that kind now, when the Republican Party has the appointing power, there were a man who was not a Republican, who was conceded by everybody to possess qualifications that were very superior for that particular position, where there was a vacancy, the President could not appoint him, if he obeyed the law, unless the man would say that he was a Republican, and it might be some one who everybody, regardless of politics, would concede was the best-qualified man for the position in the United States.

He might have no politics. On some of these scientific boards and some financial boards there could be appointed men who have no politics whatever who would be absolutely the best who could be selected, men who had made a life study of some particular subject which fitted them and qualified them for some particular line of work. With that kind of a law the President would not be permitted to appoint them unless they would certify that they belonged to a particular political party.

Mr. President, the party in power always gets around that. It does not make any difference whether it is a Democratic or a Republican administration. When we had a Republican President, right after the Palmer-Buckner campaign, Gen. Palmer was appointed to the Civil Service Commission as a Democrat. He ran for President, and was designated a Democrat, but he did it with no other object in view than to beat the real Democratic nominee, Mr. Bryan. No doubt the expenses of his campaign were paid by the Republican committee; yet he was a Democrat, and he was appointed to fill a place of that kind. There was nothing in the world against him. I am not saying that he was not fully qualified, but I am giving that simply as an illustration to show how these laws are carried out.

So, if in a law, you say to the President, "You must appoint a man on this board who is a farmer," he can pick a man who is a farmer who has no sympathy with farmers, who has no feeling whatever for agriculture, who would be the worse reactionary he could possibly get; yet he would technically comply with the law.

I remember that when the Farm Loan Board was provided for, the law provided that only three of the members of that board could be members of one party, if there were seven; I have forgotten the number——

Mr. GLASS. Two of them.

Mr. NORRIS. I happened to be on the committee to which the appointments were referred when the appointments came in, and I was dumbfounded when the appointments came up when the Democrats of the committee who were there objected to the fellows who were nominated as Democrats. They said they were mugmumps, that they were not good Democrats. The Republicans were objecting to the fellows who were nominated

as Republicans, because they said they did not vote the Republican ticket on every occasion.

Mr. OVERMAN. They claimed they were Wilsonites.

Mr. NORRIS. They were both probably right, but, as a matter of fact, this was true; everyone of them had supported President Wilson, and there you have it. He could get Republicans who had supported him and he did it. The Republicans, when they were in power and had occasion to fill places on that kind of a bipartisan board, appointed Democrats who voted the Republican ticket. As a matter of fact, nine times out of ten the law is not carried out in good faith. It is the same with the proposal to put a provision in this law that the President must appoint a farmer on this board. We have been saying to the farmers over the country that if we can get a farmer on this board, everything will be lovely. I suppose some people have even believed that wheat would go to $2 a bushel just as soon as a farmer is appointed on this board. But, Mr. President, there might now be farmers put on that board who would be the very best men available in the world. I would be glad if that were done. There might be a farmer put on who would stand for the interests of agriculture now without any change in the law, and with the change there might be a farmer appointed who would be the worst enemy to the agriculturists of the country who could possibly be gotten.

As I said, I am going to vote for some of these amendments and some of these substitutes, I do not know which, more as a protest against what is going on and the policies which have been adopted and carried on by the Federal Reserve Board than for any other reason.

IMPROVEMENT OF THE ST. LAWRENCE RIVER.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Chair lays before the Senate a message from the President of the United States, which will be read.

The Assistant Secretary read as follows:

To the Senate and House of Representatives:

By section 9 of an act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 2, 1919, the Congress expressed a desire that the International Joint Commission investigate what further improvement of the St. Lawrence River between Montreal and Lake Ontario is necessary to make the river navigable for ocean-going vessels, together with the estimated cost thereof.

Under date of January 21, 1920, the Governments of the United States and Canada by agreement referred the matter to the International Joint Commission pursuant to the provisions of article 9 of the treaty relating to the boundary waters between the United States and Canada, signed by the United States and Great Britain on January 11, 1909.

I transmit herewith, for the information of the Congress and for such action as it may deem appropriate, a report, bearing date of December 19, 1921, submitted to the Department of State by a letter of the joint secretaries of the commission, dated January 6, 1922, presenting the findings, conclusions, and recommendations of the commission regarding the matter.

WARREN G. HARDING.

THE WHITE HOUSE, *January 16, 1922.*

The PRESIDING OFFICER. The message, together with the accompanying papers, will be referred to the Committee on Commerce.

Mr. KELLOGG. I ask that the report be sent to the Committee on Foreign Relations, as the commission recommends the first step must be a treaty with Canada.

The PRESIDING OFFICER. There is nothing to indicate what the recommendation is. The report has not been opened yet.

Mr. KELLOGG. The report does contain that clause, that a treaty should be entered into. If the Presiding Officer thinks it should be examined first, I ask that the message and accompanying papers lie on the table for the present.

Mr. FLETCHER. Mr. President, I was wondering if the report ought not to be printed. It seems to me it ought to be printed at some stage of the proceedings. I do not know whether it will be printed by the committee or not. At any rate, it seems to me it ought to be printed at some time.

Mr. KELLOGG. Yes; I think it should be.

The PRESIDING OFFICER. There is no doubt it will be printed. The question in the mind of the Chair is how much of it should be printed. There are many papers accompanying the report. The Chair at first thought it should go to the Committee on Commerce, and then that committee would determine what should be printed. The Senator from Minnesota now suggests that it go to the Committee on Foreign Relations.

Mr. KELLOGG. If by convention or agreement we enter into a treaty to be approved by the Senate, then, of course, the actual construction of those questions would go to the Committee on Commerce, but the first place for this to go would be the Committee on Foreign Relations.

The PRESIDING OFFICER. I think we had better follow the suggestion that the report lie on the table until it can be examined.

Mr. KELLOGG. I ask that it may lie on the table.

Mr. POMERENE. Mr. President, my attention was diverted for the moment. Am I to understand this is a report from the International Joint Boundary Commission with respect to the improvement of the St. Lawrence River?

The PRESIDING OFFICER. It is a message from the President of the United States transmitting their report.

Mr. POMERENE. Unquestionably that report ought to be printed. It is a matter of very great importance to the entire country, even the city of New York, and I think that the Senate as a whole will be very much interested in it. I trust that it will be printed. I think as it relates to our international affairs and a treaty it perhaps should go to the Committee on Foreign Relations.

The PRESIDING OFFICER. It is the suggestion of the Senator from Minnesota that the report lie on the table until Senators have had an opportunity to examine it and determine where it should be referred, and then undoubtedly the committee to which it will be referred will look after the printing.

Mr. LENROOT. Mr. President, I merely suggest that I hope we may determine it a little later in the day, so that we may have it determined to-day, because it is of very great importance that action shall be taken upon the question of the printing as soon as possible.

Mr. POMERENE. For one I should like an opportunity to examine it just as soon as it can be printed. I think other Senators feel the same way about it.

Mr. KELLOGG subsequently said: The Presiding Officer has looked at the report and is willing that it should be referred at the present time.

The PRESIDING OFFICER. The first recommendation of the commission is that the Governments of the United States and Canada enter into an arrangement by way of treaty, and so forth. The Chair thinks it clear that the message of the President, together with the report, should go to the Committee on Foreign Relations. Does the Senator desire an order made at this time with reference to the printing or to leave that to the committee?

Mr. KELLOGG. I think that probably could be left to the committee, because the number that should be printed might be more than the ordinary number.

The PRESIDING OFFICER. The report, together with the maps and appendices and other documents, with the message of the President, will be referred to the Committee on Foreign Relations.

AMENDMENT OF FEDERAL RESERVE ACT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913.

Mr. GLASS obtained the floor.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Georgia?

Mr. GLASS. I yield.

Mr. HARRIS. I have looked up the statement of the governor of the Federal Reserve Board, which earlier in the day I had asked be placed in the RECORD, and I find that I was in error in adding up the figures in the cost of the New York building, furniture, and fixtures. I wish now to give them in the exact amount, and I am reading the figures from the governor's letter.

The large building and land alone cost $19,976,368. The building and land for the annex cost $2,136,447; furniture for the annex cost $66,730.78; making a total of $22,179,546.78. However, that does not include the furniture and fixtures for them, which will make it run up to about $23,000,000. The rental they are now paying in New York is $338,999.81. That would be 1½ per cent on the investment. The San Francisco building cost more than $4,000,000. They had paid rental of only $13,000 per annum for the building they formerly occupied, which amounts to less than one-half of 1 per cent on the cost of the new building.

[Mr. GLASS addressed the Senate. After having spoken, with interruptions, for over two hours, he yielded the floor for the day.]

Mr. ROBINSON. May I ask the Senator if he expects to conclude this afternoon? I anticipate he can not do so.

Mr. GLASS. I am very much exhausted.

Mr. CURTIS. I was about to ask unanimous consent that the Senate will take a recess until 11 o'clock to-morrow morning at the expiration of the executive session which it is desired the Senate will take. There are several Senators who want to speak on the pending bill. Therefore I submit a request that at the conclusion of the executive business the Senate, as in legislative session, take a recess until 11 o'clock to-morrow.

Mr. HEFLIN. Mr. President, I did want to say a few words this afternoon, but I do not desire to keep the Senate here to too late an hour. I suppose I can say what I wish to say to-morrow, when the Senator from Virginia has concluded. I wanted to reply to his speech as best I could, if I had the opportunity. I had hoped I could get a chance to say something this afternoon, but I will not insist on going on to-day.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Senator from Kansas asks unanimous consent that at the conclusion of the executive business the Senate, as in legislative session, take a recess until 11 o'clock to-morrow. Is there objection? The Chair hears none.

Mr. MCKELLAR. Mr. President, I desire to offer an amendment to the bill which will be voted on to-morrow, and I ask leave to have printed in the RECORD, together with letters from the Secretary of the Treasury, the governor of the Federal Reserve Board, and a member of the board. I ask unanimous consent that they may be printed in the RECORD for the information of the Senate.

There being no objection, the matter referred to was ordered to be printed in the RECORD. as follows:

Amendment intended to be proposed by Mr. MCKELLAR to the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913, viz: Add as a new section the following:

"SEC. —. That section 13 of the Federal reserve act, approved December 23, 1913, be amended by adding after the words 'being eligible for discount,' and before the words 'but such definition shall not include,' the words: 'And the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount.'"

—

THE SECRETARY OF THE TREASURY,
Washington, May 9, 1921.

Hon. KENNETH MCKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I received your letter of May 7, 1921, inclosing a copy of S. 1615, a bill to amend section 13 of the Federal reserve act in respect to the notes, drafts, and bills of exchange of factors dealing exclusively with producers of staple agricultural products in their raw state. The Treasury does not offer any objection to the bill in this form.

Very truly, yours, A. W. MELLON.

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FEDERAL RESERVE BOARD,
OFFICE OF THE GOVERNOR,
Washington, May 9, 1921.

Hon. KENNETH MCKELLAR,
United States Senate.

MY DEAR SENATOR MCKELLAR: I have your letter of the 7th instant, inclosing copy of Senate bill No. 1615, introduced by you. I have received a letter from Chairman MCLEAN, of the Senate Committee on Banking and Currency, asking for the views of the board on this bill, and I am inclosing for your information copy of a letter which I have been directed to send to Senator MCLEAN regarding it, such direction being by unanimous vote of the six members of the board present at the meeting to-day.

Very truly, yours,

W. P. G. HARDING, *Governor.*

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MAY 9, 1920.

Hon. GEORGE P. MCLEAN,
Chairman Committee on Banking and Currency,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: I have received your letter of May 6, in which you request the views of the Federal Reserve Board with regard to Senate bill 1615, the purpose of which is to amend section 13 of the Federal reserve act by inserting a provision to the effect that "the notes, drafts, and bills of exchange of factors dealing exclusively with producers of staple agricultural products in their raw state shall be eligible for discount."

The board desires to point out that in its judgment the phraseology of the proposed insertion would be improved if the words "making advances" were substituted for the word "dealing," in the seventh line of the bill, and the word "to" were substituted for the word "with" in the eighth line, so that the insertion would read "and the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

In my letter to you of December 19, 1920, expressing the board's views with regard to Senate bill 4537, which was intended to make eligible for rediscount the paper of cotton factors and commission merchants, it was pointed out that the paper was finance paper, rather than commercial or agricultural paper, since the borrower used the proceeds to make loans to his customers. The bill now under consideration—Senate bill 1615—is open to the same objection upon principle, but in view of the narrow scope of the bill under its restricted language, the Federal Reserve Board will offer no objection to it if amended as herein suggested.

Yours, very truly,

W. P. G. HARDING, *Governor.*

FEDERAL RESERVE BOARD,
Washington, May 10, 1921.

Hon. KENNETH MCKELLAR,
United States Senate.

MY DEAR SENATOR: I am writing to acknowledge your note of the 7th instant inclosing copy of your bill (S. 1615) to amend the Federal reserve act so as to make factors' paper eligible for discount by Federal reserve banks. In order to relieve the amendment of any ambiguity, I have suggested a slight change in the phrasing, which commended itself to Gov. Harding and other members of the board, to wit, the substitution of the phrase "making advances exclusively to" in place of "dealing exclusively with." In this form I believe the amendment is as unobjectionable as it could be made, consistent with the object aimed at. Believe me,

Very sincerely, yours,

A. C. MILLER.

PENSIONS TO FORMER MEMBERS OF LIFE-SAVING SERVICE.

Mr. FRELINGHUYSEN. Mr. President, I am compelled to return to a committee meeting, and I ask unanimous consent that the Senate proceed to the consideration of Senate bill 37, granting pensions to certain members of the former Life-Saving Service. I think it will lead to no debate.

Mr. CURTIS. If there is to be no debate, I shall have no objection.

The PRESIDING OFFICER. The Secretary will read the bill for the information of the Senate.

The bill was read, as follows:

Be it enacted, etc., That any person who served in the former Life-Saving Service of the United States as a keeper or surfman, and who, on account of disability due to a wound or injury received or disease contracted in said Life-Saving Service in line of duty, has been carried on the pay rolls for a period of one year or more under the provisions of section 7 of the act approved May 4, 1882, and who ceased to be a member of said service on account of such disability, and when said disabilities still continue, shall, upon making due proof of such facts according to such rules and regulations as the Secretary of the Interior may prescribe, be placed on the pension roll of the United States and be entitled to receive a pension: *Provided*, That the rate, commencement, and duration of such pension shall be governed by the provisions and limitations of the general pension laws, and for the purpose of this act the rank of surfman and keeper shall be held to be equivalent to that of a seaman and warrant officer of the United States Navy, respectively: *Provided further*, That no person shall receive a pension under any other law at the same time or for the same period that he is receiving a pension under the provisions of this act.

SEC. 2. That no agent, attorney, or other person engaged in preparing, presenting, or prosecuting any claim under the provisions of this act shall, directly or indirectly, contract for, demand, receive, or retain for such services in preparing, presenting, or prosecuting such claim a sum greater than $10, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall violate any of the provisions of this section, or shall wrongfully withhold from the pensioner or claimant the whole or any part of a pension or claim allowed or due such pensioner or claimant under this act, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every offense, be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

Mr. FRELINGHUYSEN. In the act creating the Coast Guard, combining the Life-Saving Service and the Revenue-Cutter Service, it was provided that the present incumbents who were disabled should be pensioned. This bill provides that those who were previously in the Life-Saving Service and were disabled, the old veterans, shall be pensioned. A similar bill passed the Senate in the Sixty-sixth Congress. It has been favorably reported by the Commerce Committee, and I think there will be no objection to it.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ADDRESS OF SENATOR ROBINSON ON THE MISSOURI & NORTH ARKANSAS RAILROAD.

Mr. CARAWAY. Mr. President, I ask unanimous consent to have printed in the RECORD a speech and a brief of my colleague [Mr. ROBINSON] on the Missouri & North Arkansas Railroad. The address was made before the Interstate Commerce Commission and the brief filed there.

There being no objection, the address and brief were ordered to be printed in the RECORD, as follows:

ARGUMENT OF SENATOR ROBINSON BEFORE THE INTERSTATE COMMERCE COMMISSION URGING LOAN AND INCREASED DIVISIONS OF EARNINGS TO MISSOURI & NORTH ARKANSAS RAILROAD, JANUARY 16, 1922.

The justification for my appearance in this hearing, if any is required, is the public interests which are involved.

The suspension of operations by the Missouri & North Arkansas Railroad Co. literally has paralyzed business interests of every kind in an area of Arkansas equivalent to almost 10,000 square miles and has very detrimentally affected an equal additional area.

It is the only railway which touches or passes through the territory of Carroll, Searcy, Van Buren, Stone, and Cleburne Counties. It merely passes through the northwest corner of Van Buren County and the southwest corner of Stone County. This railroad line is the only railroad facility available for use by the citizens of a considerable portion of the following other counties: White, Faulkner, Conway, Pope, Madison, Benton, Boone, Marion, Baxter, and Independence, consider-

able portions of the areas of these counties being too remote from other lines which are accessible to parts of their territories.

Steady and permanent development had begun in this vast territory prior to the suspension of operations by the Missouri & North Arkansas, but that condition has been reversed by a cessation of operations, and the present situation as affects thousands of farmers, hundreds of merchants and manufacturers is pitiable beyond description. To reach any railroad many are now compelled to go over roads that are impassable except during the late spring, the summer, and early fall for a distance of from 40 to 75 miles. Such towns as Heber Springs, a health resort of national renown; Leslie and Marshall, manufacturing centers of considerable importance, especially of timber in many forms, and Harrison are now without any railroad facilities whatever. There is no practical way in which the products of this territory may reach the markets, and in consequence conditions are reverting to the standard which prevailed 30 years ago, and they will remain fixed there until railroad facilities can become available. Nothing but a resumption of operations by the Missouri & North Arkansas can afford relief.

This is not an overstatement of the facts; it is in many respects inadequate to depict the helpless condition in which industry, including agriculture, finds itself for want of transportation in what would be a prosperous section if transportation facilities were provided.

It is true that a branch line of the Missouri Pacific in a sense parallels the Missouri & North Arkansas to the north and that another line of the same system extends in the same general direction from the main line on the south of the Missouri & North Arkansas, but even a casual inspection of the map which is exhibited will show that the first is from 15 to 60 miles distant while the latter is from 60 to 100 miles distant from the Missouri & North Arkansas.

BRIEF HISTORY OF THE MISSOURI & NORTH ARKANSAS.

The statement which has heretofore been made by an alleged expert to this body that the Missouri & North Arkansas was originally a logging road, begins and ends nowhere, and was never needed in view of the branch Missouri Pacific line, is, in my opinion, illustrative of the ignorance which sometimes beclouds minds which by their well-known training are presumed to act only in the sunlight of accurate information.

The Missouri & North Arkansas has for its northern terminus Joplin, Mo., a very important industrial center, and for its southern terminus Helena, Ark., on the Mississippi River, an agricultural and transportation center of no mean consequence.

It was in no sense a logging road, and the fact that the Missouri & North Arkansas was constructed before the Missouri Pacific branch line was even projected is a complete answer to the proposition that the road should not have been built because the Missouri Pacific branch line was available for the whole territory. It is not even true that the White River branch of the Missouri Pacific, which was constructed after the Missouri & North Arkansas, constitutes a duplication of service. The two lines are so remote from each other that considering the topography of the district and the lack of other transportation facilities, both the Missouri & North Arkansas and the White River branch of the Missouri Pacific are useful and necessary.

The true history of the Missouri & North Arkansas may be comprehended in a few words. The Eureka Springs Railway Co. originally constructed a line approximately 20 miles in length from Seligman, Mo.—on the main line of the Frisco—to Eureka Springs, a very popular health resort. This was then the only railroad in a territory which comprised approximately one-fifth the entire State of Arkansas, and, of course, was of comparatively slight importance considered in connection with the territory as a whole. About 1898 some capitalists acquired the Eureka Springs Railway and began the extension of the line to Leslie, a distance of about 130 miles. The road was then called the North Arkansas Railroad. Approximately two and one-half million dollars was expended and the venture seemed a failure. The project was revived and extended on the south to Helena, 158 miles farther, and from Seligman on the north to Joplin, about 75 miles additional distance, making a total length of about 350 miles. This constitutes the Missouri & North Arkansas, which represents an investment of about eight and one-half million dollars.

In 1912, I think, the road went into a receivership and nothing has been paid on the investment since.

In addition to the original capital investment represented by stocks, bonds, and notes of the company, receiver's certificates have been issued aggregating more than $2,000,000.

For a brief period from about the middle of 1916 until the end of 1917 the road was operated by Mr. Postus J. Wade as receiver, and during that period it not only paid operating expenses but interest on the receiver's certificates and a small sum in addition.

The Government assumed control January 1, 1918, and three months later raised the standard of wages to conform to that of the trunk lines generally.

After three months of Federal control the Missouri & North Arkansas was turned back to the receiver by a telegram. The receiver found the management disorganized, no money on hand, wages greatly increased, with unadjusted demands for back-pay increases. Operating expenses were then greatly in excess of operating revenues. Some weeks later the Director General of Railroads offered to lease the road from the receiver for $175,000 per annum. The owners claimed that their original investment of more than $8,500,000 and the receiver's certificates of more than $2,000,000 aggregated more than $10,500,000, not computing accumulated interest. Notwithstanding this, the lease was made.

On the 1st of March, 1920, the road was again turned back to the receiver under the six months' guaranty provision in the transportation act with the wage scale still in effect. The labor cost amounted to about two times what it was when the administration originally took over the road. Apparently regarding the situation as hopeless, Mr. Wade resigned the receivership, another was appointed, and a year thereafter, under the order of the Federal judge for the eastern district of Arkansas, the receiver undertook to cut the wage scale. A strike followed, resulting in cessation of operations. In the meantime the property of the railway company had been seriously menaced and damaged, its traffic, of course, had been reduced, and the court issued an order July 31, 1921, directing discontinuance of operations.

A foreclosure proceeding is in progress, and the road is to be sold in the early future. Under existing conditions, unless some action be taken here it will be scrapped.

This would be a calamity of such far-reaching consequence that I have assumed its prevention is so closely related to my official responsibilities, as a representative of Arkansas in the Senate, that it justifies me in appealing to the commission to apply every remedy possible under the law to assure the resumption of operations by this railroad.

THE REMEDY.

Assuming that it is clearly in the public interest that this road be operated, very great difficulty is presented in determining and applying a proper and adequate remedy.

Those who are most intimately associated with the problem, including Mr. Festus J. Wade, recognize that under existing rate divisions and wage scales the revenues of the road for the year 1922, if it be economically operated, will fall short of the operating expenses approximately $500,000. It is conceivable that within a few years, by thrift, economical management, and the development of all business legitimately tributary to the line, the expenses may be so reduced and the revenue so increased as not only to make certain that the income from operations will be sufficient to meet the expenses but that it can be made to pay a substantial income.

The possibilities of development in the territory adjacent to the road are easily established. The greater portion of the lands is fertile, but it will not be opened up to cultivation if no railroad facilities are provided. Mineral deposits, particularly zinc and coal, likely will provide constantly increasing tonnage, while products manufactured from lumber undoubtedly will increase very rapidly when transportation becomes available. The immediate difficulty, however, of overcoming the deficit in revenues so as to make the same equal or exceed operating expenses is not to be minimized and will require decisive, not to say drastic, action.

It is suggested that three steps, all of them deemed reasonable and practicable, may accomplish this end.

1. A liberal increase in the division of earnings as between the Missouri & North Arkansas and the six trunk lines operating within the transportation area, viz, Missouri, Kansas & Texas, Missouri Pacific, St. Louis & San Francisco, Cotton Belt, Santa Fe, Kansas City Southern, Yazoo & Mississippi Valley, and the Rock Island.

Paragraph 6 of section 418, transportation act, amending the first four paragraphs of section 15 of the interstate commerce act, and related provisions of the transportation act give the commission power to prescribe the just, reasonable, and equitable divisions of earnings to be received by carriers from joint rates, fares, and charges, and authorizes the commission performing that function to give consideration, among other things:

(1) To the efficiency with which the carriers concerned are operated,
(2) The amount of revenue required to pay their respective operating expenses,
(3) Taxes,
(4) A fair return on their railway property held for and used in the service of transportation,
(5) The importance to the public of the transportation services of such carriers,
(6) The commission may also consider whether any particular participating carrier is an originating, intermediate, or delivering line, and
(7) May take into consideration any other fact or circumstance which would ordinarily without regard to mileage haul entitle one carrier to greater or less portion than another carrier of the joint rate, fare, or charge.

It is believed that by a judicious and just arrangement approximately $265,000 additional revenues may be secured to the Missouri & North Arkansas by increasing present divisions 25 per cent.

This when fairly apportioned will represent no substantial diminution in the earnings of the trunk lines mentioned or any of them, and at the same time would go far toward establishing harmony between the operating revenues and expenses of the Missouri & North Arkansas. I know what was in the minds of the authors of the transportation act as to the purpose and effect of the provision giving the power to the commission to prescribe the division of joint rates, fares, and charges, for it was my privilege as a member of the Committee on Interstate Commerce to take an active part in framing the measure, and particularly that portion of it now referred to.

I have felt and still feel that the lines mentioned, in the exercise of a broad, reasonable, and liberal policy should facilitate any process by which an increased division of joint earnings can be assured to the Missouri & North Arkansas. If they have declined to do so, I believe that the commission should act upon the matter and do so just as quickly as may be consistent with justice, fairness, and intelligent action. There can be no doubt that this suggestion is in complete harmony with the purpose and intent of the transportation act. Of course, the limitations on the power of the commission suggest themselves. Nevertheless, I know of no facts or law, either constitutional or statute, which can be invoked to restrain the commission from the judicious exercise of the power conferred upon it by the transportation act to make a readjustment of the joint earnings of the carriers affected so as to give to the Missouri & North Arkansas the increase mentioned.

2. Efforts are also being made to secure a readjustment of wage scales so as to net a reduction in the expenses of operation, amounting to something like $300,000 per annum. It is stated that a proceeding is now pending before the Railroad Labor Board which will have this effect. The commission, I take it, can not determine this feature of the question and its mention in this connection is pertinent, principally to show that there is no impracticability in establishing harmony between revenue and expenses.

It is proposed to reduce the present wage scale 25 per cent and to apply to each labor craft the same percentage basis as was used in making the increases under Government control and since. The suggestion is that the proposed reduced wage scale run for one year, and at the end of that period any sum remaining from the earnings is to be divided among the employees of the railroad, this procedure to continue until the standard scale of wages has been reached.

No injustice appears on the face of this proposition when it is applied to every officer and employee of the railroad from receiver down, as the proposal contemplates. The pay roll of the Missouri & North Arkansas for the year 1917 is stated at $695,000 and on the standard scale for 1920 it was $1,400,000. The proposed reduction would still leave a material increase (approximately 34 per cent) over the pay roll of 1917.

Living expenses in the territory involved are, or should be, very much less than in industrial centers, and considering all the circumstances surrounding the case there appears nothing unreasonable in the suggestion that the standard wage scale should not be applied now to the Missouri & North Arkansas.

3. A loan of approximately $3,500,000, if granted by the commission, would enable the road to take up the receiver's certificates, expend a liberal sum on improving the road and its equipment, pay off its floating obligations, and leave a small but substantial balance in the treasury wherewith to do business. The receiver's certificates aggregate a little over $2,000,000. Seven hundred and fifty thousand dollars

would be adequate to put the roadbed and equipment in a condition to be operated, and $490,000 would pay what are termed floating obligations. This would leave approximately $200,000 in the treasury for immediate use in operations.

Under the transportation act, section 210, the commission is empowered to make loans to railroads:

(1) To enable carriers to serve the public during the transition period immediately following the termination of Federal control.

Such applications must be made within two years from the expiration of Federal control; that is, prior to March 1, 1922.

(2) The transportation act, paragraph 11, of section 15–A, of the interstate commerce act, as amended, authorizes a loan by the commission from the general railroad contingent fund to any railroad.

The commission, of course, is required to exercise discretion in the making of loans and to inquire into the present and prospective ability of the applicant to repay the same.

As security for the loan, all the authorized obligations, including eight and one-half million dollars of stock, nearly an equal amount of bonds, and the receiver's certificates are tendered so that the proposed loan of three and one-half million dollars would constitute a first lien upon the entire property, including both real estate and equipment.

It is claimed that this does not exceed the value of the road in any aspect as to its present or future condition. If the owners of the road are willing to consent to this arrangement, and I am assured that they are, the loan can be granted with safety to the Government and it will produce immeasurable benefits.

The duties of this commission are very arduous, almost overwhelming. They are of very great importance. I can not state with too great emphasis the urgent necessity for the operation of the Missouri & North Arkansas, for with this inseparably are associated the prosperity and comfort of thousands of my constituents.

AMENDMENT OF FEDERAL RESERVE ACT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913.

Mr. CURTIS. Mr. President, if there is no one who wants to talk to-night for a short time on the pending bill, I shall move that the Senate go into executive session.

The PRESIDING OFFICER. The Senator from Virginia has the floor.

Mr. CURTIS. I understand that the Senator from Virginia has yielded the floor, and that he will conclude his remarks in the morning.

Mr. SMITH. I wish to make a suggestion, Mr. President, with the permission of the Senator from Virginia.

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from South Carolina?

Mr. GLASS. I yield.

Mr. SMITH. The 5-minute rule will apply after 1 o'clock to-morrow. The Senator from Virginia desires to occupy about one hour more, which will bring us to 12 o'clock. That means that there will be only an hour for any extended remarks on the other side of this question any Senator may desire to make. I do not know that it will affect the bill—that is, the Kellogg substitute—one way or the other, but the speech of the Senator from Virginia doubtless will be answered, or, at least, some reply will be made to it. I had hoped that the Senator from Virginia might go on; but he tells me that he is tired.

Mr. CURTIS. Would there be any objection to postponing the vote to-morrow until 4 o'clock?

Mr. SMITH. I think the measure is of such importance that perhaps we had better go ahead and vote on it as the agreement now contemplates.

Mr. KENYON. Speeches can be made on it after the vote.

Mr. SMITH. Speeches on the question, for the enlightenment of the public, can be made quite as well after the vote is taken as before.

Mr. HEFLIN. Mr. President, reserving the right to object to this program, I differ with the Senator from Virginia in nearly all he has said. He has named me in his speech. I want an opportunity to reply to his speech, and I do not want the Senate to adjourn now and let him come in in the morning and speak an hour or more, and then have Senators compelled to speak under the 5-minute rule in reply to him.

Mr. GLASS. That difficulty can be cured if we will just move forward an hour or two the time to take the vote. I am not addressing myself particularly in antagonism to the pending proposition before the Senate, but I think the Senate should be in full possession of the facts as I view them before it votes.

Mr. CURTIS. I suggest that we may cure the situation by changing the unanimous-consent order and taking a recess until 10 o'clock to-morrow morning. That will give three hours to-morrow for unlimited discussion.

Mr. SMITH. That will be all right.

Mr. HEFLIN. I think that will do.

The PRESIDING OFFICER. Is there objection to changing the hour of meeting to-morrow from 11 o'clock to 10 o'clock?

Mr. HEFLIN. I would like to follow the Senator from Virginia in at least a 30-minute speech.

Mr. McLEAN. Mr. President, it seems to me that if the Senator from South Carolina [Mr. SMITH] desires to be consistent, and I think there is every reason to assume that Senators will want to talk to-morrow more than the allotted time, it can be accomplished in two ways. One is by coming together earlier in the day, and another by postponing the vote until, say, 4 o'clock. I think it will be very inconvenient for Senators to come here to-morrow morning at 10 o'clock. We all want to hear the Senator from Alabama.

Mr. HEFLIN. I am glad the Senator wants to be here. I want him to be here.

Mr. McLEAN. Many of us have duties to perform in the morning, and it seems to me if the Senator from South Carolina really means what he says and wants more time, we can get it more conveniently by postponing for an hour or two the time of voting.

Mr. SMITH. Mr. President, I generally mean what I say. My experience here has been that to open this kind of a proceeding after we have had an agreement, is rather difficult.

Mr. McLEAN. We would open it up for two hours only.

Mr. SMITH. I would like to have a moment in which to confer with other Senators who are interested in the bill.

The PRESIDING OFFICER. The Chair desires to suggest that under the rule it will require a day's notice to change the unanimous-consent agreement with reference to voting on the bill.

Mr. McLEAN. If notice is given to-day, we can change the unanimous-consent agreement to-morrow?

The PRESIDING OFFICER. If notice is given to-day, the unanimous-consent agreement can be changed to-morrow.

Mr. McLEAN. Then I will give notice now that I shall ask to-morrow for a modification of the unanimous-consent agreement to extend the time for voting from 2 o'clock until 4 o'clock.

The PRESIDING OFFICER. The Senator from Connecticut gives notice that on to-morrow he will ask unanimous consent to change the unanimous-consent agreement by changing the time of beginning the vote on the bill from 2 o'clock to 4 o'clock.

Mr. SMITH. Mr. President, a parliamentary inquiry. If consent is given to change the unanimous-consent agreement as to the time of voting from 1 o'clock until 3 o'clock, would that require a roll call?

Mr. EDGE. Mr. President, the Senator from Alabama has given notice that he wants to reply directly to the Senator from Virginia, which is only on the general subject. Under the unanimous-consent agreement we are to vote at 1 o'clock to-morrow upon a specific measure. Some of us would like to discuss that measure. If the time is to be taken until, approximately, 1 o'clock by the Senator from Virginia and answers directly to him, we are not going to have an opportunity to discuss the measure actually before the Senate. If we could have until 4 o'clock to-morrow afternoon, we probably could complete all the discussion. Certainly two hours is not going to make any great difference, even with this important measure, so far as its passage is concerned.

The PRESIDING OFFICER. The Chair is of the opinion that it would not require a roll call to-morrow to extend the time for voting from 2 o'clock until 4 o'clock.

Mr. SMITH. We are asked to meet to-morrow morning at 10 o'clock and to begin voting, as contemplated in the unanimous-consent agreement, at not later than 4 o'clock.

Mr. HEFLIN. I suggest that if we agree to change the time of voting, that would not change the fact that the 5-minute rule would begin to operate at 1 o'clock.

Mr. McLEAN. The 5-minute rule will then begin to operate at 3 o'clock.

Mr. SMITH. It will begin at 3 o'clock.

Mr. HEFLIN. Is that stated in the request?

Mr. McLEAN. That should be understood, of course.

Mr. NORRIS. Mr. President, I ask that the Chair submit the request of the Senator from Kansas [Mr. CURTIS] that we take a recess, at the conclusion of the executive session, until 10 o'clock to-morrow morning. This other matter will have to be settled to-morrow, and it need not be debated now.

The PRESIDING OFFICER. That request has been submitted. Is there objection to changing the hour of meeting to-morrow from 11 o'clock to 10 o'clock?

Mr. GLASS. Mr. President, this is the first speech I have undertaken to make in the United States Senate in the two years during which I have been a Member of it, and I do not think I ought to be harassed or obstructed in my purpose to discuss a great question which has an intimate relationship to every business interest in the country.

Senators will not come to hear the matter discussed at 10 o'clock in the morning. Very few have been here to hear it discussed so far this afternoon. I think an arrangement should be made that would give me an opportunity to present to the Senate the facts of this problem as I see them. I am not here

primarily to oppose the proposed legislation. I understand there is a probability that an agreement will be arrived at which will perhaps be satisfactory to the Senate, though I do not assert it. But I do want to proceed with my speech to-morrow.

Mr. SWANSON. I think my colleague ought to be permitted to resume his speech to-morrow at 11 o'clock, when Senators can be present to hear him.

Mr. CURTIS. I ask the Senator from Virginia if he consents to meeting at 11 o'clock in the morning?

Mr. GLASS. I have no objection to meeting at that hour.

Mr. CURTIS. Then under the order made a little while ago at the conclusion of the executive session the Senate as in legislative session will stand in recess until 11 o'clock to-morrow morning.

The PRESIDING OFFICER. That has already been agreed to. A proposition was presented to modify it, but that request was withdrawn.

EXECUTIVE SESSION.

Mr. CURTIS. Then, if the Senator from Virginia will yield, I move that the Senate proceed to the consideration of executive business.

Mr. GLASS. I yield for that purpose.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 22 minutes spent in the executive session the doors were reopened and (at 5 o'clock and 30 minutes p. m.) the Senate, pursuant to its previous order, took a recess until to-morrow, Tuesday, January 17, 1922, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate January 16, 1922.

ASSISTANT TREASURER OF THE UNITED STATES.

Frank J. F. Thiel, of Fort Wayne, Ind., to be Assistant Treasurer of the United States in place of Guy F. Allen, resigned.

DEPUTY ASSISTANT TREASURER OF THE UNITED STATES.

H. Theodore Tate, of Morristown, Tenn., to be Deputy Assistant Treasurer of the United States in place of Frank J. F. Thiel.

COLLECTOR OF INTERNAL REVENUE.

Charles Holden, of Grand Rapids, Mich., to be collector of internal revenue for the fourth district of Michigan in place of Emanuel J. Doyle.

APPRAISER OF MERCHANDISE.

Martin L. Durgin, of Milo, Me., to be appraiser of merchandise in customs collection district No. 1, with headquarters at Portland, Me.

ASSISTANT APPRAISER OF MERCHANDISE.

William F. Comly, of Lincoln Park, N. J., to be assistant appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y., in place of Christopher C. Keenan.

REGISTERS OF THE LAND OFFICE.

Eber Melvin Steninger, of Nevada, to be register of the land office at Elko, Nev., vice John E. Robbins, whose term will expire February 17, 1922.

John Widlon, of Viborg, S. Dak., to be register of the land office at Gregory, S. Dak., effective upon completion of the consolidation under act of October 28, 1921.

Theodore Moen, of North Dakota, to be register of the land office at Williston, N. Dak., effective upon completion of the consolidation under act of October 28, 1921.

Wallace Townsend, of Little Rock, Ark., to be register of the land office at Little Rock, Ark., vice Benjamin F. Spires, resigned.

RECEIVER OF PUBLIC MONEYS.

James W. Grubbs, of Newport, Ark., to be receiver of public moneys at Little Rock, Ark., vice Homer V. Sewell, resigned.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY.

QUARTERMASTER CORPS.

Capt. Edward Eccles, Infantry, with rank from July 1, 1920.

CORPS OF ENGINEERS.

Capt. Russel McKee Herrington, Cavalry, with rank from July 1, 1920.

ORDNANCE DEPARTMENT.

Capt. Duncan Gregor McGregor, Cavalry, with rank from September 15, 1920.

First Lieut. David Horn Whittier, Coast Artillery Corps, with rank from October 15, 1919.

First Lieut. Rene Raimond Studler, Air Service, with rank from July 1, 1920.

INFANTRY.

Capt. Alexander Hill Cummings, Quartermaster Corps, with rank from July 1, 1920.

Capt. James A. Summersett, jr., Air Service, with rank from November 5, 1917.

CHEMICAL WARFARE SERVICE.

Capt. James Fairbank Smith, Infantry, with rank from July 23, 1921.

Capt. Julius Conrad Tips, jr., Air Service, November 25, 1921, with rank from July 1, 1920.

First Lieut. James Myron McMillin, Coast Artillery Corps, with rank from July 2, 1920.

FIELD ARTILLERY.

Capt. Walter Moody Tenney, Infantry, with rank from July 1, 1920.

First Lieut. Versalious Lafayette Knadler, Infantry, with rank from July 1, 1920.

PROMOTIONS IN THE REGULAR ARMY.

To be first lieutenant with rank from October 31, 1921.

Second Lieut. John James Baker, Infantry.

To be first lieutenants with rank from November 1, 1921.

Second Lieut. James Goodwin Hall, Field Artillery.
Second Lieut. George Louis Boyle, Infantry.
Second Lieut. Robert Brice Johnston, Infantry.
Second Lieut. Victor Friedrichs, Air Service.
Second Lieut. Paul Ainsworth Berkey, Field Artillery.
Second Lieut. Robert Clyde Padley, Coast Artillery Corps.
Second Lieut. Donald Boyer Phillips, Air Service.
Second Lieut. William Wallace Robertson, Infantry.
Second Lieut. William Peyton Campbell, Field Artillery.
Second Lieut. Harry Starkey Aldrich, Coast Artillery Corps.
Second Lieut. Hugh Perry Adams, Field Artillery.
Second Lieut. Cecil Elmore Archer, Air Service.
Second Lieut. Thomas Edward Moore, Field Artillery.
Second Lieut. Robert Du Val Waring, Field Artillery.
Second Lieut. Joseph George Nathanson, Infantry.
Second Lieut. Stephen Yates McGiffert, Field Artillery.
Second Lieut. Louis Meline Merrick, Cavalry.
Second Lieut. Le Roy Ponton de Arce, Air Service.
Second Lieut. Lee Roy Woods, jr., Field Artillery.
Second Lieut. Rox Hunter Donaldson, Field Artillery.
Second Lieut. Dudley Warren Watkins, Air Service.
Second Lieut. Arthur Nathaniel Willis, Cavalry.
Second Lieut. Lyman Perley Whitten, Air Service.
Second Lieut. Lawrence William Kinney, Field Artillery.
Second Lieut. Ray Henry Clark, Air Service.
Second Lieut. Homer Wilbur Ferguson, Field Artillery.
Second Lieut. Earl Albert Hutchings, Infantry.
Second Lieut. Cecil Byron Jamieson, Infantry.
Second Lieut. Lindon John Murphy, Corps of Engineers.
Second Lieut. William Bradford Plummer, Chemical Warfare Service.
Second Lieut. Clifford Oscar Webster, Infantry.
Second Lieut. Howard Criswell, Infantry.
Second Lieut. James Richmond Simpson, Infantry.
Second Lieut. Philip Schwartz, Ordnance Department.
Second Lieut. Richard Brown Thornton, Infantry.
Second Lieut. Pacifico C. Sevilla, Philippine Scouts.
Second Lieut. Charles Nicholas Senn Ballou, Infantry.
Second Lieut. John Cyril Delaney, Coast Artillery.
Second Lieut. Samuel Rubin, Coast Artillery Corps.
Second Lieut. Donald Wallace Norwood, Air Service.
Second Lieut. Waldon Sharp Lewis, Infantry.
Second Lieut. Andrew Julius Evans, Infantry.
Second Lieut. Paul Corson Howe, Coast Artillery Corps.
Second Lieut. Albert Ruth, Infantry.
Second Lieut. Robert Edward Robillard, Air Service.
Second Lieut. Donald McKechnie Ashton, Infantry.
Second Lieut. Dana Gray McBride, Cavalry.
Second Lieut. Juan Rosales Labrador, Philippine Scouts.
Second Lieut. Edward Alfred Mueller, Infantry.
Second Lieut. Robert William Calvert Wimsatt, Air Service.
Second Lieut. Amado Martelino, Philippine Scouts.
Second Lieut. Victor Z. Gomez, Philippine Scouts.
Second Lieut. David Theodore Rosenthal, Corps of Engineers.
Second Lieut. Clayton Huddle Studebaker, Field Artillery.
Second Lieut. Albert James Wick, Coast Artillery Corps.

Second Lieut. Joseph Brenner, Infantry.
Second Lieut. Raymond Taylor Tompkins, Field Artillery.
Second Lieut. George Alfred Arnold Jones, Field Artillery.
Second Lieut. George Evans Burritt, Field Artillery.
Second Lieut. William Madison Mack, Signal Corps.
Second Lieut. Robert Crane Hendley, Air Service.
Second Lieut. Walter J. Klepinger, Field Artillery.
Second Lieut. Grady David Epps, Infantry.
Second Lieut. John Otis Hyatt, Infantry.
Second Lieut. Frank Charles McConnell, Coast Artillery Corps.
Second Lieut. Dale Phillip Mason, Signal Corps.
Second Lieut. Donald Fowler Fritch, Field Artillery.
Second Lieut. Nemesio Catalen, Philippine Scouts.
Second Lieut. James Madison Callicutt, Field Artillery.
Second Lieut. Albert Raymond Nolin, Infantry.
Second Lieut. Reginald Pond Lyman, Cavalry.
Second Lieut. James Stuart Wallingford, Infantry.
Second Lieut. Albert Sidney Howell, jr., Infantry.
Second Lieut. John Sharpe Griffith, Infantry.
Second Lieut. Pio Quevedo Caluya, Philippine Scouts.

To be first lieutenant with rank from November 2, 1921.

Second Lieut. George Work Marvin, Infantry.

DENTAL CORPS.

To be captain.

First Lieut. Arthur Benedict McCormick, Dental Corps, from January 1, 1922.

VETERINARY CORPS.

To be first lieutenant.

Second Lieut. James Lew Barringer, Veterinary Corps, from December 24, 1921.

PROMOTIONS IN THE NAVY.

The following-named captains to be rear admirals in the Navy from the 31st day of December, 1921:
Louis R. de Steiguer.
William Woodward Phelps.
William C. Cole.

The following-named commanders to be captains in the Navy from the 3d day of June, 1921:
David F. Boyd.
Clarence A. Abele.

Commander Frank L. Pinney to be a captain in the Navy from the 12th day of August, 1921.

Commander Frederick J. Horne to be a captain in the Navy from the 1st day of September, 1921.

Commander Alfred W. Johnson to be a captain in the Navy from the 1st day of October, 1921.

The following-named commanders to be captains in the Navy from the 28th day of December, 1921:
Chauncey Shackford.
Ralph E. Pope.

The following-named commanders to be captains in the Navy from the 31st day of December, 1921:

Charles P. Snyder.	Joseph R. Defrees.
Samuel W. Bryant.	Edward S. Jackson.
Henry L. Wyman.	Julius F. Hellweg.
Sinclair Gannon.	Robert Morris.
John D. Wainwright.	George W. Steele, jr.
Stafford H. R. Doyle.	John W. Timmons.
Charles S. Freeman.	

The following-named commanders to be captains in the Navy from the 1st day of January, 1922:
Henry C. Mustin.
William B. Wells.
Hillary H. Royall.

Commander Paul B. Dungan, an additional number in grade, to be a captain in the Navy from the 1st day of January, 1922.

The following-named lieutenant commanders to be commanders in the Navy from the 3d day of June, 1921:
David W. Bagley.
Robert L. Ghormley.
Douglas L. Howard.

Lieut. Commander Earl R. Shipp to be a commander in the Navy from the 1st day of September, 1921.

The following-named lieutenant commanders to be commanders in the Navy from the 31st day of December, 1921:

Fred M. Perkins.	John S. McCain.
John T. G. Stapler.	Alexander Sharp, jr.
Roland M. Brainard.	

Lieut. Commander Robert A. Theobald to be a commander in the Navy from the 1st day of January, 1922.

The following-named lieutenants to be lieutenant commanders in the Navy from the 3d day of June, 1921:

Edward C. Raguet.	George N. Reeves, jr.
Holbrook Gibson.	Charles H. Maddox.
Lemuel E. Lindsay.	Augustine W. Rieger.
Jesse B. Oldendorf.	Alston R. Simpson.
Augustine H. Gray.	Frank H. Luckel.
Edwin J. Gillam.	Charles A. Pownall.
Roland M. Comfort.	

Lieut. Jefferson D. Smith to be a lieutenant commander in the Navy from the 1st day of July, 1921.

Lieut. Robert M. Griffin to be a lieutenant commander in the Navy from the 20th day of December, 1921.

The following-named lieutenants to be lieutenant commanders in the Navy from the 31st day of December, 1921:

Harry L. Merring.	Lybrand P. Smith.
William D. Chandler, jr.	Harry W. Hill.
James C. Byrnes, jr.	Edward B. Lapham.
Cecil Y. Johnston.	Edgar R. McClung.
John H. Magruder, jr.	Everett D. Capehart.
Elliott B. Nixon.	James H. Taylor.

The following-named lieutenants to be lieutenant commanders in the Navy from the 1st day of January, 1922:
Ralph E. Dennett.
Harry D. McHenry.
Alfred S. Wolfe.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of July, 1920:

Clifford G. Richardson.	John S. Roberts.
Paul W. Rutledge.	Sydney J. Wynne.
Houston L. Maples.	George L. Harriss.
Robert W. McReynolds, jr.	Benjamin O. Wells.
Ward P. Davis.	Lloyd E. Clifford.
Ralph E. Davison.	

Ensign George L. Harriss to be a lieutenant (junior grade) in the Navy from the 30th day of March, 1920.

Ensign Lloyd E. Clifford to be a lieutenant (junior grade) in the Navy from the 29th day of June, 1920.

Ensign Carl K. Fink to be a lieutenant (junior grade) in the Navy from the 1st day of July, 1920.

Medical Inspector Edgar Thompson to be a medical director in the Navy, with the rank of captain, from the 24th day of May, 1921.

Passed Asst. Surg. Daniel Hunt to be a surgeon in the Navy, with the rank of lieutenant commander, from the 4th day of March, 1921.

Passed Asst. Surg. John F. Riordan to be a surgeon in the Navy, with the rank of lieutenant commander, from the 4th day of March, 1921.

Asst. Surg. Earl E. Sullivan to be a passed assistant surgeon in the Navy, with the rank of lieutenant, from the 1st day of July, 1920.

The following-named passed assistant dental surgeons to be dental surgeons in the Navy, with the rank of lieutenant commander, from the 4th day of March, 1921:
Harry D. Johnson.
Paul G. White.

Passed Asst. Dental Surg. George H. Reed to be a dental surgeon in the Navy, with the rank of lieutenant commander, from the 3d day of June, 1921.

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy, with the rank of lieutenant, from the 1st day of July, 1920:
Charles C. Tinsley.
Harry L. Kalen.
Philip H. MacInnis.

Pay Inspector George M. Stackhouse an additional number in grade, to be a pay director in the Navy, with the rank of captain, from the 1st day of November, 1921.

Paymaster James F. Kutz to be a pay inspector in the Navy, with the rank of commander, from the 7th day of July, 1921.

The following-named paymasters to be pay inspectors in the Navy, with the rank of commander, from the 1st day of November, 1921:
David G. McRitchie.
Philip J. Willett.

Paymaster Brainerd M. Dobson to be a pay inspector in the Navy, with the rank of commander from the 11th day of November, 1921.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander from the 4th day of March, 1921:
Harold C. Shaw.
Smith Hempstone.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 3d day of June, 1921:

William Gower.
Thomas Cochran.
Frederick C. Bowerfind.

Naval Constructor Ernest F. Eggert to be a naval constructor in the Navy, with the rank of captain, from the 16th day of November, 1921.

The following-named naval constructors to be naval constructors in the Navy, with the rank of captain, from the 31st day of December, 1921:

Henry Williams.
Henry T. Wright.
Julius A. Furer.

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, from the 1st day of October, 1921:

Clinton D. Thurber.
Norman M. Smith.
Glenn S. Burrell.

Assistant Civil Engineer Ralph D. Spalding to be a civil engineer in the Navy, with the rank of lieutenant commander, from the 12th day of June, 1921.

The following-named ensigns to be assistant naval constructors in the Navy, with the rank of lieutenant (junior grade), from the 9th day of January, 1922:

Wesley M. Hague.	Lloyd Harrison.
Evander W. Sylvester.	Lisle J. Maxson.
Bennett L. Falknor.	Neil B. Musser.
Horatio C. Sexton, jr.	Roy T. Cowdry.
Lawrence T. Haugen.	Paul B. Nibecker.
Walter F. Christmas.	DeWitt C. Redgrave, jr.
Wallace R. Dowd.	Philip Lemler.
Roswell B. Daggett.	Harold S. Van Buren.
George C. Calnan.	Floyd A. Tusler.
Calvin M. Bolster.	Mason D. Harris.

Naval Constructor Jerome C. Hunsaker to be a naval constructor in the Navy, with the rank of commander, from the 31st day of December, 1921.

MARINE CORPS.

Lieut. Col. Frederic M. Wise to be a colonel in the Marine Corps from the 1st day of January, 1922.

Maj. Raymond B. Sullivan to be a lieutenant colonel in the Marine Corps from the 1st day of January, 1922.

Maj. Edward M. Reno to be a major in the Marine Corps from the 4th day of June, 1920, to correct the date from which he takes rank as previously nominated and confirmed.

Capt. Robert E. Messersmith to be a major in the Marine Corps from the 22d day of September, 1920.

Capt. Arthur J. White to be a major in the Marine Corps from the 21st day of February, 1921.

Capt. James T. Reid to be a major in the Marine Corps from the 28th day of August, 1921.

Capt. Oliver Floyd to be a major in the Marine Corps from the 1st day of January, 1922, subject to the examinations required by law.

First Lieut. Walter S. Gaspar to be a captain in the Marine Corps from the 14th day of July, 1921.

First Lieut. William K. MacNulty to be a captain in the Marine Corps from the 28th day of August, 1921.

First Lieut. Alfred Dickerson to be a captain in the Marine Corps from the 24th day of September, 1921.

First Lieut. Jacob M. Pearce to be a captain in the Marine Corps from the 2d day of November, 1921.

First Lieut. Charles C. Gill to be a captain in the Marine Corps from the 30th day of November, 1921.

First Lieut. Donald R. Fox to be a captain in the Marine Corps from the 13th day of December, 1921.

Second Lieut. Vernon M. Guymon to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Kenneth B. Collings to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Thomas J. Kilcourse to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Frank H. Fleer to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Irving E. Odgers to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Thomas H. Raymond to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Harry E. Darr to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Elmer E. Leibensperger to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Francis Kane to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. James J. Brennan to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Lester E. Power to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Clinton W. McLeod to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Paul A. Lesser to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. John T. Thornton to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Edward Selby to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. William D. Bassett to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Cyril W. Martyr to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Frank S. Gilman to be a first lieutenant in the Marine Corps from the 1st day of July, 1921.

Second Lieut. Ogbourne A. Hill to be a first lieutenant in the Marine Corps from the 14th day of July, 1921.

Second Lieut. Melvin E. Fuller to be a first lieutenant in the Marine Corps from the 28th day of August, 1921.

Second Lieut. Harmon J. Norton to be a first lieutenant in the Marine Corps from the 2d day of November, 1921.

These nominations are substituted for those submitted to the Senate under date of December 20, 1921.

POSTMASTERS.

ALABAMA.

Wiley M. Bean to be postmaster at Clanton, Ala., in place of J. E. Robinson, deceased.

William K. Black to be postmaster at Millport, Ala., in place of Z. K. Glover. Incumbent's commission expired July 21, 1921.

Grover C. Warrick to be postmaster at Millry, Ala. Office became presidential July 1, 1921.

Henry H. Farrar to be postmaster at Blocton, Ala., in place of H. H. Farrar. Incumbent's commission expired August 7, 1921.

Hiram T. Graves to be postmaster at Crossville, Ala. Office became presidential July 1, 1921.

Henry H. Jones to be postmaster at Centerville, Ala., in place of C. L. Cleveland. Incumbent's commission expired January 30, 1919.

ARIZONA.

William F. Haas to be postmaster at Naco, Ariz., in place of John Towner, resigned.

ARKANSAS.

James H. Johnson to be postmaster at Atkins, Ark., in place of W. F. Turner. Incumbent's commission expired August 6, 1921.

William E. Edmiston to be postmaster at Portland, Ark., in place of A. W. Cammack. Incumbent's commission expired August 6, 1921.

Grace P. Stark to be postmaster at Marked Tree, Ark., in place of N. J. Hazel. Incumbent's commission expired August 6, 1921.

John E. Reid to be postmaster at Foreman, Ark., in place of L. C. Pullen, resigned.

Daniel C. Wines to be postmaster at Helena, Ark., in place of W. L. Jarman. Incumbent's commission expired January 20, 1920.

Edwin C. Widener to be postmaster at Delight, Ark. Office became presidential July 1, 1920.

CALIFORNIA.

Hugh W. Judd to be postmaster at Watsonville, Calif., in place of E. H. Haack, resigned.

Ethel G. Packard to be postmaster at Fall River Mills, Calif., in place of Ella Pratt, appointee, declined.

William R. Stephens to be postmaster at Roseville, Calif., in place of L. M. Anderson. Incumbent's commission expired July 21, 1921.

Albert E. Dixon to be postmaster at Point Loma, Calif., in place of A. E. Dixon. Incumbent's commission expired July 21, 1921.

Isaac D. Jaynes to be postmaster at Buena Park, Calif. Office became presidential April 1, 1921.

COLORADO.

Loran G. Denison to be postmaster at Telluride, Colo., in place of G. R. Painter. Incumbent's commission expired June 27, 1920.

Francis M. Wheeler to be postmaster at Campo, Colo. Office became presidential October 1, 1921.

Forrest B. Rose to be postmaster at Castle Rock, Colo., in place of A. C. Vaughan, resigned.

Mary J. Anderson to be postmaster at Rocky Ford, Colo., in place of T. H. Stratton, deceased.

A. G. Thomson to be postmaster at Leadville, Colo., in place of M. J. Brennan. Incumbent's commission expires January 24, 1922.

CONNECTICUT.

William E. Hazen to be postmaster at Georgetown, Conn., in place of G. F. Hammill. Incumbent's commission expired July 21, 1921.

Charles A. Jerome to be postmaster at Plainfield, Conn., in place of J. A. Leahy. Incumbent's commission expired July 21, 1921.

Harlan G. Hills to be postmaster at East Hampton, Conn., in place of W. H. Wall. Incumbent's commission expired August 31, 1920.

Frederick H. Smith to be postmaster at Darien, Conn., in place of F. H. Smith. Incumbent's commission expired July 21, 1921.

Edward Perkins to be postmaster at Suffield, Conn., in place of Edward Perkins. Incumbent's commission expired July 21, 1921.

Durward E. Grannise to be postmaster at New Preston, Conn. Office became presidential July 1, 1920.

DELAWARE.

Napoleon B. Register to be postmaster at Lewes, Del., in place of F. C. Lofland. Incumbent's commission expired August 4, 1920.

FLORIDA.

Eva R. Vaughn to be postmaster at Century, Fla., in place of E. R. Vaughn. Incumbent's commission expired August 1, 1921.

John L. Wall to be postmaster at Summerfield, Fla. Office became presidential October 1, 1920.

Joseph B. Bower to be postmaster at Rockledge, Fla., in place of J. B. Bower. Incumbent's commission expired August 1, 1921.

Zoel Peeples to be postmaster at Dowling Park, Fla. Office became presidential April 1, 1921.

Jerry M. Sullivan to be postmaster at Winter Garden, Fla., in place of Lula Newton. Incumbent's commission expired August 1, 1921.

Addison L. Smith to be postmaster at Groveland, Fla., in place of A. L. Smith. Incumbent's commission expired August 1, 1921.

Simeon C. Dell to be postmaster at Alachua, Fla., in place of J. A. Williams, resigned.

Samuel D. Holmes to be postmaster at Titusville, Fla., in place of J. R. Walker, resigned.

GEORGIA.

Henry J. Keller to be postmaster at Hogansville, Ga., in place of W. F. Jones, removed.

George W. Jordan to be postmaster at Whigham, Ga., in place of B. A. Parker. Incumbent's commission expired August 7, 1921.

Robert E. Hudson to be postmaster at Unadilla, Ga., in place of W. H. Beddingfield. Incumbent's commission expired August 7, 1921.

Lawson J. Pritchard to be postmaster at Tennille, Ga., in place of L. J. Pritchard. Incumbent's commission expired July 21, 1921.

Jackson C. Atkinson to be postmaster at Midville, Ga., in place of J. C. Atkinson. Incumbent's commission expired August 7, 1921.

Benjamin M. Shive to be postmaster at Decatur, Ga., in place of K. W. Kirkpatrick. Incumbent's commission expired February 25, 1919.

Richard E. Lee to be postmaster at Concord, Ga., in place of R. E. Lee. Incumbent's commission expired August 7, 1921.

IDAHO.

Wells McEntire to be postmaster at Preston, Idaho, in place of L. A. Mecham, removed.

Joseph O. McComb to be postmaster at Troy, Idaho, in place of M. W. Harland. Incumbent's commission expired August 6, 1921.

Homer E. Estes to be postmaster at Moscow, Idaho, in place of W. F. Morgareidge. Incumbent's commission expired April 16, 1921.

Lowell H. Merriam to be postmaster at Grace, Idaho, in place of L. H. Merriam. Incumbent's commission expired March 16, 1921.

ILLINOIS.

Carlysle Pemberton to be postmaster at Oakland, Ill., in place of W. A. Reeds. Incumbent's commission expired August 7, 1921.

John B. Dillon to be postmaster at Sadorus, Ill. Office became presidential July 1, 1920.

Ernest L. Roosa to be postmaster at Rockport, Ill. Office became presidential April 1, 1920.

Justin S. Darrah to be postmaster at Medora, Ill., in place of B. S. Burr. Incumbent's commission expired April 24, 1921.

Frank S. Cox to be postmaster at Hindsboro, Ill., in place of George Spicer. Incumbent's commission expired August 7, 1921.

Charles O. Anderson to be postmaster at Creal Springs, Ill., in place of L. A. Westbrook. Incumbent's commission expired August 7, 1921.

Henry P. Miller to be postmaster at Cobden, Ill., in place of R. L. Rich. Incumbent's commission expired August 7, 1921.

Elmer Beck to be postmaster at Herrick, Ill., in place of R. F. Corley. Incumbent's commission expires February 4, 1922.

David B. Troxel to be postmaster at De Land, Ill., in place of D. B. Troxel. Incumbent's commission expired September 11, 1921.

Galen W. Morton to be postmaster at Beardstown, Ill., in place of T. J. Schweer, resigned.

Elmer C. Nethery to be postmaster at Palestine, Ill., in place of O. C. Seeders. Incumbent's commission expired August 1, 1921.

James A. Duncan to be postmaster at Flat Rock, Ill., in place of H. L. Reinoehl. Incumbent's commission expired October 5, 1921.

Howard B. Mayhew to be postmaster at Bradford, Ill., in place of T. J. Mowbray. Incumbent's commission expired Aug. 17, 1921.

Rudolph Mueller to be postmaster at Sherrard, Ill. Office became presidential April 1, 1921.

Norredden Cowen to be postmaster at Sorento, Ill., in place of William Foran. Incumbent's commission expired August 7, 1921.

Harold H. Hitzeman to be postmaster at Palatine, Ill., in place of A. R. Godknecht. Incumbent's commission expired August 30, 1920.

Norman A. Jay to be postmaster at Steeleville, Ill. Office became presidential April 1, 1921.

Albert R. Cooper to be postmaster at Pesotum, Ill. Office became presidential July 1, 1920.

Harry E. Beekman to be postmaster at Petersburg, Ill., in place of H. M. Levering, deceased.

Albert L. Weible to be postmaster at New Athens, Ill., in place of D. M. Fullmer. Incumbent's commission expired August 7, 1921.

Nana Michaels to be postmaster at Argo, Ill., in place of E. E. Linn, resigned.

Claude W. McDaniel to be postmaster at Martinsville, Ill., in place of E. W. Childe, resigned.

Howard L. Scott to be postmaster at Fox Lake, Ill., in place of H. L. Scott. Incumbent's commission expired September 24, 1921.

Emile J. Berger to be postmaster at Clifton, Ill., in place of W. H. Chapman. Incumbent's commission expired September 11, 1921.

William M. Rentschler to be postmaster at Allendale, Ill. Office became presidential April 1, 1921.

INDIANA.

Robert H. Bryson to be postmaster at Indianapolis, Ind., in place of R. E. Springsteen. Incumbent's commission expired July 21, 1921.

Harry H. Spencer to be postmaster at East Chicago, Ind., in place of C. B. Donovan. Incumbent's commission expired July 21, 1921.

Clyde H. Fee to be postmaster at Waterloo, Ind., in place of Eugene Kelley, resigned.

Robert M. Campbell to be postmaster at La Fayette, Ind., in place of C. H. Ball. Incumbent's commission expires January 24, 1922.

Woodson E. Greenlee to be postmaster at Coatesville, Ind. Office became presidential July 1, 1920.

William W. Schmidt to be postmaster at Wanatah, Ind., in place of L. A. Eaton. Incumbent's commission expired July 21, 1921.

Gilbert M. Jordan to be postmaster at Flora, Ind., in place of H. R. Burns, appointee, declined.

Howard Chitty to be postmaster at Mitchell, Ind., in place of J. T. Dilley, resigned.

IOWA.

Harry L. Brenton to be postmaster at Minburn, Iowa. Office became presidential January 1, 1921.

Estella Griffin to be postmaster at McIntire, Iowa. Office became presidential July 1, 1921.

Martha Slatter to be postmaster at Manson, Iowa, in place of J. F. Dalton, jr., resigned.

Olger H. Raleigh to be postmaster at Graettinger, Iowa, in place of E. J. Mitchell, resigned.

Arthur W. Liston to be postmaster at Coin, Iowa, in place of C. W. Harris. Incumbent's commission expired August 7, 1921.

Raymond G. Laird to be postmaster at Tabor, Iowa, in place of C. E. Adamson, resigned.

Martin J. Severson to be postmaster at Jewell, Iowa, in place of Carl Bentson. Incumbent's commission expired August 7, 1921.

Clarence W. Rowe to be postmaster at Vinton, Iowa, in place of H. G. Kruse, resigned.

Francis D. Winter to be postmaster at Hinton, Iowa. Office became presidential January 1, 1921.

Frank Jaqua to be postmaster at Humboldt, Iowa, in place of D. A. Ray, resigned.

Joseph D. Schaben to be postmaster at Earling, Iowa. Office became presidential April 1, 1921.

Daniel Anderson to be postmaster at Lamoni, Iowa, in place of G. W. Blair. Incumbent's commission expired July 27, 1920.

Walter J. Overmyer to be postmaster at Lacona, Iowa, in place of Christian Konrad. Incumbent's commission expired August 17, 1921.

Benjamin H. Morrison to be postmaster at Mapleton, Iowa, in place of Lloyd Crow. Incumbent's commission expired August 7, 1921.

Jacob D. Kruse to be postmaster at Little Rock, Iowa, in place of W. B. Minard. Incumbent's commission expired August 7, 1921.

Roy H. Bedford to be postmaster at What Cheer, Iowa, in place of Thomas Geneva. Incumbent's commission expired August 7, 1921.

Emmet M. Henery to be postmaster at Grand Junction, Iowa, in place of S. C. Maynard. Incumbent's commission expired August 7, 1921.

M. W. Maxey to be postmaster at Riverton, Iowa. Office became presidential April 1, 1921.

Paul H. Harlan to be postmaster at Richland, Iowa, in place of E. E. Swank. Incumbent's commission expired August 17, 1921.

Orien J. Perdue to be postmaster at Altoona, Iowa, in place of O. J. Perdue. Incumbent's commission expired August 7, 1921.

Arthur E. Norton to be postmaster at Rowley, Iowa. Office became presidential July 1, 1921.

Otto J. Warneke to be postmaster at Readlyn, Iowa. Office became presidential October 1, 1921.

KANSAS.

Joseph H. Andrews to be postmaster at Overbrook, Kans., in place of S. J. Hampshire. Incumbent's commission expired July 23, 1921.

Charles M. Swan to be postmaster at Lansing, Kans., in place of M. E. Williams. Incumbent's commission expired March 16, 1921.

Floyd I. Shoaf to be postmaster at Clay Center, Kans., in place of John McKee. Incumbent's commission expired July 23, 1921.

Pearl M. Mickey to be postmaster at Zurich, Kans. Office became presidential October 1, 1921.

Asahel A. Castle to be postmaster at Clayton, Kans. Office became presidential October 1, 1921.

KENTUCKY.

Mary F. Gilmour to be postmaster at Owensboro, Ky., in place of F. J. Laswell, resigned.

Charles L. Loyd to be postmaster at Fredonia, Ky., in place of W. M. Lowery, removed.

William C. Barnwell to be postmaster at Smithland, Ky. Office became presidential October 1, 1920.

Arch Mooney to be postmaster at Dixon, Ky., in place of J. F. Porter. Incumbent's commission expired March 16, 1921.

Lillie M. Pulliam to be postmaster at Patesville, Ky. Office became presidential October 1, 1921.

LOUISIANA.

Samuel M. Plonsky to be postmaster at Washington, La., in place of H. M. Cooke. Incumbent's commission expired July 21, 1921.

Tina Collins to be postmaster at Bastrop, La., in place of Tina Collins. Incumbent's commission expired July 21, 1921.

Ruth W. McCleish to be postmaster at Athens, La. Office became presidential January 1, 1921.

Marguerite L. Tatum to be postmaster at Gibsland, La., in place of J. H. Houck. Incumbent's commission expired July 21, 1921.

Mary S. Hunter to be postmaster at Pineville, La., in place of Mary Hunter. Incumbent's commission expired July 21, 1921.

Noemie R. Mysing to be postmaster at Arabi, La., in place of Albert Nunez, deceased.

MAINE.

Ellsworth D. Curtis to be postmaster at West Paris, Me., in place of R. T. Flavin. Incumbent's commission expired July 23, 1921.

Royal W. Bradford to be postmaster at Turner, Me. Office became presidential January 1, 1921.

David L. Duncan to be postmaster at Washburn, Me., in place of D. M. Story. Incumbent's commission expired July 23, 1921.

Charles E. Davis to be postmaster at Eastport, Me., in place of W. S. Mildon. Incumbent's commission expires January 24, 1922.

MARYLAND.

Audrey M. Lyon to be postmaster at Kitzmiller, Md. Office became presidential January 1, 1921.

Minnie B. Hadley to be postmaster at Galena, Md. Office became presidential October 1, 1920.

John F. Wiley to be postmaster at White Hall, Md., in place of J. F. Wiley. Incumbent's commission expired January 3, 1921.

George E. Lane to be postmaster at Queenstown, Md. Office became presidential January 1, 1921.

Charles G. Tedrick to be postmaster at Clear Spring, Md. Office became presidential January 1, 1921.

Leon Clifton to be postmaster at Stockton, Md. Office became presidential April 1, 1921.

Clayton J. Scarborough to be postmaster at Girdletree, Md. Office became presidential April 1, 1921.

Clayton C. Wilson to be postmaster at Cordova, Md. Office became presidential April 1, 1921.

Anna Novy to be postmaster at Overlea, Md. Office became presidential October 1, 1920.

Lafayette Ruark to be postmaster at Westover, Md. Office became presidential April 1, 1921.

Fred R. Tucker to be postmaster at Forest Hill, Md., in place of C. H. Wilson. Incumbent's commission expired August 7, 1921.

MASSACHUSETTS.

Zella L. Woods to be postmaster at South Ashburnham, Mass., in place of J. E. Dempsey. Incumbent's commission expired May 14, 1921.

Charlotte L. Parker to be postmaster at Osterville, Mass., in place of C. L. Parker. Incumbent's commission expired July 21, 1921.

Elisha S. Pride to be postmaster at Prides Crossing, Mass., in place of E. S. Pride. Incumbent's commission expired July 21, 1921.

Wilmur B. Brown to be postmaster at Harvard, Mass., in place of J. H. Madigan. Incumbent's commission expired July 17, 1921.

Jennie Holbrook to be postmaster at East Douglass, Mass., in place of J. W. Wixtead. Incumbent's commission expired January 23, 1921.

Frederick A. Shepard to be postmaster at Amherst, Mass., in place of J. W. T. Davis. Incumbent's commission expired September 4, 1920.

MICHIGAN.

Ray G. Turner to be postmaster at Onsted, Mich. Office became presidential January 1, 1921.

May Rowley to be postmaster at St. Charles, Mich., in place of C. D. Downing. Incumbent's commission expired July 21, 1921.

Willis Wightman to be postmaster at Buckley, Mich. Office became presidential April 1, 1921.

George N. Jones to be postmaster at Marine City, Mich., in place of C. A. Bates, resigned.

Charles W. Munson to be postmaster at Republic, Mich., in place of F. D. Verran, resigned.

Harry N. Colby to be postmaster at New Lothrop, Mich. Office became presidential January 1, 1921.

Ernest Muscott to be postmaster at Breckenridge, Mich., in place of C. C. Hopkins, resigned.

Fred W. Fitzgerald to be postmaster at Bellevue, Mich., in place of C. W. Cargo. Incumbent's commission expired July 21, 1921.

John A. Meier to be postmaster at Manistee, Mich., in place of J. A. King, resigned.

Emma L. Lewandowsky to be postmaster at Honor, Mich. Office became presidential April 1, 1921.

John A. Sherman to be postmaster at Ludington, Mich., in place of W. J. Gleason. Incumbent's commission expired July 21, 1921.

David E. Hills to be postmaster at Fife Lake, Mich., in place of A. E. Gibbs. Incumbent's commission expired July 21, 1921.

Charles F. Grozinger to be postmaster at Woodland, Mich., in place of De Vere England, resigned.

Roy B. Gaskill to be postmaster at Delton, Mich., in place of R. B. Gaskill. Incumbent's commission expired March 16, 1921.

Martin C. Kilmark to be postmaster at Coloma, Mich., in place of William Grant. Incumbent's commission expired July 21, 1921.

Leslie A. Quale to be postmaster at Onekama, Mich. Office became presidential January 1, 1921.

Charles G. Chamberlain to be postmaster at Breedsville, Mich. Office became presidential April 1, 1921.

Fred C. McQuinn to be postmaster at Mecosta, Mich. Office became presidential July 1, 1921.

Sylva Blain to be postmaster at Alba, Mich. Office became presidential April 1, 1921.

MINNESOTA.

John P. Paulson to be postmaster at Two Harbors, Minn., in place of J. C. Dwan. Incumbent's commission expired January 6, 1920.

John C. Klein to be postmaster at St. Joseph, Minn., in place of J. C. Klein. Incumbent's commission expired August 7, 1921.

Albert D. Day to be postmaster at Long Prairie, Minn., in place of G. J. Reichert. Incumbent's commission expired September 5, 1920.

Michael Hollaren to be postmaster at Ellsworth, Minn., in place of Michael Hollaren. Incumbent's commission expired August 7, 1921.

Lewis A. Bradford to be postmaster at Verndale, Minn., in place of Fleur de Lis Bradford, resigned.

Arnold J. Derksen to be postmaster at Pequot, Minn., in place of J. P. Bakken, resigned.

Robert W. Stewart to be postmaster at Ceylon, Minn., in place of R. W. Stewart. Incumbent's commission expired August 7, 1921.

Anna L. Kettleson to be postmaster at Zimmerman, Minn. Office became presidential October 1, 1920.

Frank E. Zumwinkle to be postmaster at Morton, Minn., in place of J. A. Keefe, removed.

Lynn J. Dewey to be postmaster at Jeffers, Minn., in place of J. H. Tofflemire. Incumbent's commission expired March 16, 1921.

Ira E. King to be postmaster at Stillwater, Minn., in place of B. J. Mosier. Incumbent's commission expired July 21, 1920.

James N. Kain to be postmaster at Round Lake, Minn. Office became presidential January 1, 1921.

MISSISSIPPI.

Suggs S. Matthews to be postmaster at Hazlehurst, Miss., in place of R. C. Wood, resigned.

Matt Sheppard to be postmaster at Braxton, Miss., in place of J. H. Sheppard, resigned.

MISSOURI.

Paul P. Groh to be postmaster at Peculiar, Mo. Office became presidential January 1, 1921.

Lawrence R. Quick to be postmaster at Hallsville, Mo. Office became presidential April 1, 1921.

Claude E. Dusenbery to be postmaster at Van Buren, Mo. Office became presidential October 1, 1920.

Edward Becker to be postmaster at Morrisville, Mo. Office became presidential July 1, 1921.

Robert R. White to be postmaster at Greenville, Mo., in place of Wiliam Warmack. Incumbent's commission expired July 25, 1921.

James A. Pidcock to be postmaster at Lockwood, Mo., in place of S. D. McMillan. Incumbent's commission expired July 25, 1921.

Frank L. Neitzert to be postmaster at Knobnoster, Mo., in place of F. E. Thurston. Incumbent's commission expired July 25, 1921.

Joseph M. Cash to be postmaster at Kennett, Mo., in place of T. F. Donaldson. Incumbent's commission expired June 23, 1920.

Lee M. Robbins to be postmaster at Unionville, Mo., in place of E. J. Geisinger, resigned.

John Rohrer to be postmaster at Bourbon, Mo., in place of W. J. Jackson, resigned.

Joel W. Sever to be postmaster at Hurdland, Mo., in place of M. M. Brown. Incumbent's commission expired December 20, 1920.

Jackson C. Short to be postmaster at Galena, Mo., in place of E. D. Gracey. Incumbent's commission expired December 20, 1920.

Hazel L. Post to be postmaster at Irondale, Mo. Office became presidential October 1, 1921.

MONTANA.

Arie W. De Groot to be postmaster at Absarokee, Mont., in place of C. B. Arnold. Incumbent's commission expired December 20, 1920.

Philip Daniels to be postmaster at Anaconda, Mont., in place of Edward Burke. Incumbent's commission expired April 24, 1918.

NEBRASKA.

Alonzo A. Jackman to be postmaster at Louisville, Nebr., in place of F. H. Ossenkop. Incumbent's commission expired August 6, 1921.

Orley D. Clements to be postmaster at Elmwood, Nebr., in place of W. C. Bartlett. Incumbent's commission expired August 6, 1921.

Fred C. Easley to be postmaster at Dunbar, Nebr., in place of F. C. Easley. Incumbent's commission expired August 6, 1921.

Nellie L. Miller to be postmaster at Rulo, Nebr., in place of C. J. Huber, deceased.

Howard L. Sergeant to be postmaster at Juniata, Nebr. Office became presidential July 1, 1920.

Ralph R. Brosius to be postmaster at Valentine, Nebr., in place of T. M. Rice, resigned.

August Dormann to be postmaster at Scottsbluff, Nebr., in place of J. B. Lane, resigned.

Roy N. Overgard to be postmaster at Plymouth, Nebr. Office became presidential January 1, 1921.

Fay E. Davis to be postmaster at Hershey, Nebr., in place of F. A. Rasmussen, resigned.

Fred A. Scofield to be postmaster at Columbus, Nebr., in place of S. E. Marty, removed.

Harry N. Wallace to be postmaster at Coleridge, Nebr., in place of H. N. Wallace. Incumbent's commission expired August 6, 1921.

Charley B. Beers to be postmaster at Petersburg, Nebr., in place of E. H. Mack. Incumbent's commission expired March 16, 1921.

Freitheof O. Carlson to be postmaster at Craig, Nebr., in place of R. V. McPherson. Incumbent's commission expired August 6, 1921.

Chancey J. Sittler to be postmaster at Anselmo, Nebr., in place of P. F. Leonard. Incumbent's commission expired July 21, 1920.

NEVADA.

Bert M. Weaver to be postmaster at Goldfield, Nev., in place of H. E. Rosenthal, resigned.

NEW HAMPSHIRE.

Frederick R. Jennings to be postmaster at Gorham, N. H., in place of G. E. Noyes, resigned.

Herbert Perkins to be postmaster at Hampton, N. H., in place of F. E. Sanborn. Incumbent's commission expired January 5, 1920.

Fred T. Wilson to be postmaster at Alton Bay, N. H. Office became presidential April 1, 1920.

NEW JERSEY.

Helen Mylod to be postmaster at Glen Ridge, N. J., in place of Helen Mylod. Incumbent's commission expired March 16, 1921.

Frank Hill to be postmaster at Dumont, N. J., in place of Frank Hill. Incumbent's commission expired August 6, 1921.

George G. Titus to be postmaster at Belmar, N. J., in place of C. B. Honce, resigned.

Alvin C. Stover to be postmaster at Pennington, N. J., in place of S. H. Chatten. Incumbent's commission expired August 6, 1921.

Edward W. Vanaman to be postmaster at Newfield, N. J., in place of P. F. Edwards, resigned.

Edward Iredell to be postmaster at Mullica Hill, N. J., in place of Edward Iredell. Incumbent's commission expired August 6, 1921.

NEW MEXICO.

Charlie McDonald to be postmaster at Lovington, N. Mex., in place of Charlie McDonald. Incumbent's commission expired March 16, 1921.

NEW YORK.

Stanley D. Francis to be postmaster at Tannersville, N. Y., in place of J. F. Lackey. Incumbent's commission expired April 26, 1920.

Earl V. Jenks to be postmaster at Perry, N. Y., in place of G. D. Roche. Incumbent's commission expired April 17, 1920.

John C. Dickey to be postmaster at Mount Morris, N. Y., in place of L. C. Donovan. Incumbent's commission expired March 16, 1921.

Edward W. Elmore to be postmaster at Yorkville, N. Y., in place of J. H. Jones. Incumbent's commission expired July 21, 1921.

William B. Donahue to be postmaster at Catskill, N. Y., in place of G. B. Van Valkenbergh. Incumbent's commission expired February 11, 1920.

LeRoy M. Tripp to be postmaster at Clinton Corners, N. Y. Office became presidential July 1, 1920.

Fletcher B. Brooks to be postmaster at Monroe, N. Y., in place of E. H. Welling. Incumbent's commission expired January 28, 1920.

Harriet L. Reed to be postmaster at Savannah, N. Y., in place of D. B. Reamer. Incumbent's commission expired March 22, 1920.

John H. Roberts to be postmaster at Canastota, N. Y., in place of J. B. Duignan, resigned.

Harry R. Swift to be postmaster at Richford, N. Y. Office became presidential January 1, 1921.

Deane Mitchell to be postmaster at Odessa, N. Y. Office became presidential October 1, 1920.

Edwin F. Still to be postmaster at Warwick, N. Y., in place of G. F. Ketchum. Incumbent's commission expired January 18, 1920.

William B. Stewart to be postmaster at Walden, N. Y., in place of Fred Burns. Incumbent's commission expired March 22, 1920.

Fred D. Seaman to be postmaster at Unadilla, N. Y., in place of C. E. De Forest. Incumbent's commission expired March 15, 1920.

William M. Stuart to be postmaster at Canisteo, N. Y., in place of J. L. Seely, jr., deceased.

Arthur K. Lansing to be postmaster at Cambridge, N. Y., in place of D. J. Sheridan. Incumbent's commission expired January 5, 1920.

Isabel G. Duvall to be postmaster at Shelter Island Heights, N. Y., in place of I. G. Duvall. Incumbent's commission expired July 21, 1921.

Howard T. Meschutt to be postmaster at Hampton Bays (late Good Ground), N. Y., in place of H. T. Meschutt. Name of office changed.

Mabel E. Stanton to be postmaster at Wellsburg, N. Y. Office became presidential April 1, 1921.

Ethel Kelly to be postmaster at Pyrites, N. Y. Office became presidential January 1, 1921.

Lionel J. Desjardins to be postmaster at Piercefield, N. Y. Office became presidential January 1, 1921.

John Newton to be postmaster at Holcomb, N. Y. Office became presidential April 1, 1920.

John G. Cole to be postmaster at Waterford, N. Y., in place of T. A. Meeker. Incumbent's commission expired March 23, 1920.

Warren A. Bush to be postmaster at Wilson, N. Y., in place of E. C. Harrington; name changed by marriage.

John K. Stillwell to be postmaster at Roslyn Heights, N. Y., in place of C. A. Cashman, resigned.

Lewis O. Davis to be postmaster at Port Jefferson, N. Y., in place of L. O. Davis. Incumbent's commission expired May 17, 1920.

L. B. Crane to be postmaster at Mount Kisco, N. Y., in place of I. W. Turner. Incumbent's commission expired January 25, 1920.

Fred H. Bacon to be postmaster at Franklinville, N. Y., in place of F. P. Greene. Incumbent's commission expired January 5, 1920.

Dimont M. Rector to be postmaster at Delanson, N. Y., in place of D. M. Rector. Incumbent's commission expired March 22, 1920.

Chester M. Bartlett to be postmaster at Albion, N. Y., in place of D. W. Hanley. Incumbent's commission expired July 3, 1920.

Esther L. Smith to be postmaster at North Lawrence, N. Y. Office became presidential January 1, 1921.

Dora M. Smylie to be postmaster at Lake Kushaqua, N. Y. Office became presidential January 1, 1921.

NORTH CAROLINA.

Cecil M. Griffin to be postmaster at Rural Hall, N. C. Office became presidential April 1, 1921.

Pierce P. Richards to be postmaster at Lawndale, N. C. Office became presidential July 1, 1920.

Frielden B. Jones to be postmaster at West Jefferson, N. C. Office became presidential April 1, 1920.

John M. Meshaw to be postmaster at Council, N. C. Office became presidential April 1, 1921.

Barron P. Caldwell to be postmaster at Cliffside, N. C. Office became presidential October 1, 1920.

Cleveland L. Willis to be postmaster at Morehead City, N. C., in place of W. L. Arendell, deceased.

Mary W. Turner to be postmaster at Gatesville, N. C. Office became presidential January 1, 1921.

James E. Green to be postmaster at Mount Gilead, N. C., in place of R. A. Bruton. Incumbent's commission expired July 21, 1921.

John W. Shook to be postmaster at Clyde, N. C. Office became presidential October 1, 1920.

Bernard F. McLeod to be postmaster at Buies Creek, N. C. Office became presidential January 1, 1921.

Ira E. Tucker to be postmaster at Polkton, N. C. Office became presidential April 1, 1921.

A. H. Greene to be postmaster at Mooresboro, N. C. Office became presidential January 1, 1921.

John C. Smith to be postmaster at Lenoir, N. C., in place of V. D. Guire. Incumbent's commission expired July 21, 1921.

Willis R. Smith to be postmaster at Garland, N. C. Office became presidential January 1, 1921.

Otto S. Woody to be postmaster at Whitakers, N. C., in place of E. L. Vaughn, resigned.

George W. Lance to be postmaster at Fletcher, N. C., in place of G. L. Taylor. Incumbent's commission expired March 16, 1921.

NORTH DAKOTA.

Mamie Peterson to be postmaster at Montpelier, N. Dak. Office became presidential April, 1, 1921.

Leif O. Fjeld to be postmaster at Mayville, N. Dak., in place of D. C. Tolan. Incumbent's commission expired July 11, 1920.

Arthur B. McLaughlin to be postmaster at Hope, N. Dak., in place of L. J. Bowen, resigned.

William E. Burhans to be postmaster at Sentinel Butte, N. Dak., in place of J. J. Hess. Incumbent's commission expired December 20, 1920.

Allan A. Rowatt to be postmaster at Rolette, N. Dak., in place of E. W. Edwards. Incumbent's commission expired April 16, 1921.

John E. Carley to be postmaster at Amenia, N. Dak. Office became presidential October 1, 1921.

Milton T. Hefty to be postmaster at Walcott, N. Dak. Office became presidential October 1, 1920.

Ada E. Olson to be postmaster at Fingal, N. Dak. Office became presidential April 1, 1921.

John W. Vogel to be postmaster at Coal Harbor, N. Dak. Office became presidential July 1, 1921.

Ruth C. Whiteaker to be postmaster at Alamo, N. Dak. Office became presidential April 1, 1921.

Helen J. Beaty to be postmaster at Manning, N. Dak., in place of N. A. Isham, resigned.

William E. Wright to be postmaster at Dunseith, N. Dak., in place of W. E. Wright. Incumbent's commission expired January 23, 1921.

OHIO.

Ralph E. Saner to be postmaster at Powhatan Point, Ohio. Office became presidential July 1, 1921.

Stanley C. Compher to be postmaster at Piedmont, Ohio. Office became presidential April 1, 1921.

Wheeler R. White to be postmaster at Rising Sun, Ohio. Office became presidential April 1, 1921.

Jacob E. Davis to be postmaster at Kingsville, Ohio. Office became presidential January 1, 1921.

William H. Campbell to be postmaster at Galena, Ohio. Office became presidential January 1, 1921.

Benson M. Harrison to be postmaster at Alexandria, Ohio. Office became presidential January 1, 1921.

Harry B. Carver to be postmaster at Troy, Ohio, in place of C. H. Dale, resigned.

Gailord A. Case to be postmaster at Loudonville, Ohio, in place of H. E. Zimmerman. Incumbent's commission expired June 27, 1920.

Homer E. Graham to be postmaster at Holloway, Ohio. Office became presidential July 1, 1920.

Daisy F. Bader to be postmaster at Buckeye Lake, Ohio. Office became presidential January 1, 1921.

Christopher C. Graham to be postmaster at Buchtel, Ohio. Office became presidential January 1, 1921.

OKLAHOMA.

Denny Montgomery to be postmaster at Hobart, Okla., in place of J. L. Burke. Incumbent's commission expired January 24, 1920.

Charles E. Campbell to be postmaster at Texhoma, Okla., in place of J. L. Buckley, resigned.

Elta H. Jayne to be postmaster at Edmond, Okla., in place of J. D. Kivlehen. Incumbent's commission expired July 21, 1920.

Herbert Harris to be postmaster at Oilton, Okla., in place of H. C. DeMunbrun, removed.

Edwin C. Willison to be postmaster at Elk City, Okla., in place of J. G. Queenan, resigned.

Ray E. Sutton to be postmaster at Boynton, Okla., in place of N. C. Fluke, resigned.

George A. Smith to be postmaster at Devol, Okla. Office became presidential October 1, 1920.

William A. Vassar to be postmaster at Tryon, Okla. Office became presidential April 1, 1921.

William T. Malone to be postmaster at Harrah, Okla. Office became presidential July 1, 1920.

Ernest H. Rownsaville to be postmaster at Coleman, Okla. Office became presidential April 1, 1921.

Minnie A. Wood to be postmaster at Shamrock, Okla., in place of L. W. M. Burton, resigned.

James W. Evans to be postmaster at Mounds, Okla., in place of E. E. Payne, resigned.

Jesse W. Pinkston to be postmaster at Drumright, Okla., in place of Orville Knight, resigned.

Alexander E. Richey to be postmaster at Caddo, Okla., in place of R. H. Carraway. Incumbent's commission expired January 6, 1920.

Evan E. Lambdin to be postmaster at Braman, Okla., in place of F. E. King, resigned.

Harry F. Hall to be postmaster at Alva, Okla., in place of J. P. Renfrew. Incumbent's commission expired January 2, 1921.

Mahlon F. Manville to be postmaster at Ada, Okla., in place of J. W. Westbrook. Incumbent's commission expired January 2, 1921.

Logan G. Hysmith to be postmaster at Wilburton, Okla., in place of J. P. McLarty, deceased.

Joseph H. Cruthis to be postmaster at Talihina, Okla., in place of J. W. Anderson, resigned.

William M. Bennett to be postmaster at Sentinel, Okla., in place of J. H. Meler, resigned.

David King to be postmaster at Luther, Okla., in place of H. H. Brooks. Incumbent's commission expired July 27, 1920.

Marion D. Self to be postmaster at Erick, Okla., in place of L. E. Ellis, resigned.

Charles L. Logan to be postmaster at Butler, Okla., in place of S. D. Grandstaff. Incumbent's commission expired January 6, 1920.

Jack W. Rowland to be postmaster at Webbers Falls, Okla., Office became presidential January 1, 1921.

Edgar M. Cowles to be postmaster at Arapaho, Okla., in place of E. M. Cowles. Incumbent's commission expired August 26, 1920.

Oliver T. Robinson to be postmaster at Britton, Okla. Office became presidential July 1, 1920.

OREGON.

William C. De Pew to be postmaster at Lebanon, Oreg., in place of H. Y. Kirkpatrick. Incumbent's commission expired July 21, 1921.

Albert M. Porter to be postmaster at Gaston, Oreg., in place of R. E. Pritchett. Incumbent's commission expired March 16, 1921.

William G. Smith to be postmaster at Mill City, Oreg., in place of G. H. Lettellier. Incumbent's commission expired July 21, 1921.

Guy E. Tex to be postmaster at Central Point, Oreg., in place of G. E. Tex. Incumbent's commission expired July 21, 1921.

John S. Sticha to be postmaster at Scio, Oreg., in place of Daisy Buckner. Incumbent's commission expired March 16, 1921.

Ethel N. Everson to be postmaster at Creswell, Oreg., in place of Chester Noland, resigned.

William E. Tate to be postmaster at Wasco, Oreg., in place of W. E. Tate. Incumbent's commission expired July 21, 1921.

Carl A. Peterson to be postmaster at Orenco, Oreg. Office became presidential April 1, 1921.

PENNSYLVANIA.

H. O. Marquis to be postmaster at Nemacolin, Pa. Office became presidential July 1, 1921.

Harry H. Carey to be postmaster at Plymouth, Pa., in place of J. F. Bachinger. Incumbent's commission expired August 15, 1920.

Gilbert C. McIntyre to be postmaster at Six Mile Run, Pa., in place of J. C. Nicholson, resigned.

Samuel M. Lambie to be postmaster at Ambridge, Pa., in place of J. H. Aten, resigned.

Howard Weiss to be postmaster at Northampton, Pa., in place of E. J. Barnhardt, resigned.

Benjamin L. Ross to be postmaster at Monongahela, Pa., in place of J. B. Oehrl. Incumbent's commission expired August 3, 1920.

James R. Davis be postmaster at McAlisterville, Pa. Office became presidential January 1, 1921.

William F. Yost to be postmaster at Creighton, Pa. Office became presidential July 1, 1920.

Marshall C. Parshall to be postmaster at Warren, Pa., in place of W. A. Walker. Incumbent's commission expired March 16, 1921.

Merlin R. Hinsdale to be postmaster at Sugargrove, Pa., in place of G. A. Woodside. Incumbent's commission expired August 7, 1921.

Alfred L. Evans to be postmaster at Kane, Pa., in place of G. B. Montgomery. Incumbent's commission expired July 10, 1920.

Charles E. Pass to be postmaster at Harrisburg, Pa., in place of F. C. Sites. Incumbent's commission expired August 7, 1921.

Rufus H. Ingraham to be postmaster at Genesee, Pa., in place of C. M. McGinnis. Incumbent's commission expired January 31, 1921.

Effie M. Lang to be postmaster at Fort Washington, Pa., in place of E. R. Anschutz, resigned.

Frederick W. McClure to be postmaster at Downingtown, Pa., in place of W. A. Irwin, resigned.

Joseph A. Buchanan to be postmaster at Ambler, Pa., in place of G. W. Lutz, resigned.

William H. Yoder to be postmaster at New Kensington, Pa., in place of E. R. Criss, resigned.

John Wilson to be postmaster at Mayfield, Pa. Office became presidential January 1, 1921.

Frederick W. Kiefhaber to be postmaster at McVeytown, Pa. Office became presidential January 1, 1921.

Frank E. Tiffany to be postmaster at Kingsley, Pa. Office became presidential July 1, 1921.

George R. Jones to be postmaster at Jackson Center, Pa. Office became presidential January 1, 1921.

Frederick M. Dunlap to be postmaster at Chicora, Pa., in place of W. B. Ferguson. Incumbent's commission expired August 26, 1920.

Julia C. Gleason to be postmaster at Villanova, Pa., in place of J. C. Gleason. Incumbent's commission expired October 3, 1921.

RHODE ISLAND.

Annie J. Annis to be postmaster at Barrington, R. I., in place of J. F. Grant. Incumbent's commission expired January 3, 1921.

Frank W. Crandall to be postmaster at Hope Valley, R. I., in place of C. H. Brown. Incumbent's commission expired March 16, 1921.

John J. McGlynn to be postmaster at River Point, R. I., in place of James Brennan. Incumbent's commission expired August 6, 1921.

SOUTH CAROLINA.

Robert L. Farmer to be postmaster at Springfield, S. C., in place of G. L. Smith. Incumbent's commission expired January 2, 1921.

Pearle H. Padget to be postmaster at Saluda, S. C., in place of P. H. Padget. Incumbent's commission expires January 24, 1922.

Thomas J. Bolin to be postmaster at Neeses, S. C. Office became presidential January 1, 1921.

Rosa B. Horne to be postmaster at Lake View, S. C. Office became presidential January 1, 1921.

Katie L. McIntyre to be postmaster at Clio, S. C., in place of T. D. McLaurin, resigned.

Hoyt Watson to be postmaster at Latta, S. C., in place of E. C. Bethea. Incumbent's commission expired August 10, 1921.

Elbert L. Marlar to be postmaster at Fountain Inn, S. C., in place of J. A. Cannon. Incumbent's commission expired August 10, 1921.

SOUTH DAKOTA.

Paul F. W. Knappe to be postmaster at Tripp, S. Dak., in place of J. K. Mayer. Incumbent's commission expired August 21, 1920.

Glenn H. Auld to be postmaster at Plankington, S. Dak., in place of C. E. Archer, resigned.

Orrin W. Dingman to be postmaster at Centerville, S. Dak., in place of Anne Posthuma. Incumbent's commission expired August 8, 1920.

TENNESSEE.

Lorenzo A. Large to be postmaster at Niota, Tenn. Office became presidential January 1, 1921.

Bertha P. Compton to be postmaster at Alexandria, Tenn. Office became presidential January 1, 1921.

Alf C. Williams to be postmaster at Cumberland Gap, Tenn. Office became presidential July 1, 1921.

Willie F. Judd to be postmaster at Baxter, Tenn. Office became presidential January 1, 1921.

TEXAS.

George M. Sewell to be postmaster at Talpa, Tex. Office became presidential April 1, 1921.

William H. Newby to be postmaster at League City, Tex. Office became presidential July 1, 1920.

J. Philomel Stephens to be postmaster at Sierra Blanca, Tex., in place of J. P. Cox; name changed by marriage.

Willie E. Penick to be postmaster at Rule, Tex., in place of R. K. McCleskey, resigned.

George E. Comegys to be postmaster at Merkel, Tex., in place of H. C. Williams, deceased.

Bessie B. Hackett to be postmaster at Raymondville, Tex. Office became presidential January 1, 1921.

Henry J. Whitworth to be postmaster at Avinger, Tex. Office became presidential July 1, 1920.

Jennie W. Reynolds to be postmaster at Mason, Tex., in place of Jennie Reynolds. Incumbent's commission expired September 1, 1920.

William Reese to be postmaster at Floresville, Tex., in place of S. D. Seale. Incumbent's commission expires January 24, 1922.

Robert E. Slocum to be postmaster at Pharr, Tex., in place of R. L. Buell, resigned.

Monroe W. Krueger to be postmaster at New Ulm, Tex., in place of G. R. Voigt. Incumbent's commission expired January 13, 1921.

Thomas E. Franklin to be postmaster at Poteet, Tex. Office became presidential April 1, 1921.

Earl J. Smith to be postmaster at Eliasville, Tex. Office became presidential April 1, 1921.

Nora Platt to be postmaster at Browndel, Tex. Office became presidential January 1, 1921.

UTAH.

Ewell C. Bowen to be postmaster at Hiawatha, Utah, in place of E. C. Bowen. Incumbent's commission expired September 14, 1921.

Anna M. Long to be postmaster at Marysvale, Utah, in place of A. M. Long. Incumbent's commission expired January 3, 1921.

Earl H. Greenhalgh to be postmaster at Ferron, Utah. Office became presidential January 1, 1921.

VERMONT.

Lester C. Rhodes to be postmaster at Chester, Vt., in place of A. B. Pollard. Incumbent's commission expired January 5, 1920.

Roberts C. Olds to be postmaster at Norwich, Vt. Office became presidential July 1, 1921.

Ida H. Holton to be postmaster at Newbury, Vt. Office became presidential April 1, 1921.

VIRGINIA.

George N. Kirk to be postmaster at St. Charles, Va. Office became presidential July 1, 1920.

William T. Cross to be postmaster at Concord Depot, Va. Office became presidential April 1, 1921.

Lemuel B. Wolfe to be postmaster at Mount Jackson, Va., in place of L. M. Ray. Incumbent's commission expired July 21, 1921.

Ernest A. de Bordenave to be postmaster at Franklin, Va., in place of Paul Scarborough. Incumbent's commission expired December 20, 1920.

Charles A. McKinney to be postmaster at Cape Charles, Va., in place of M. A. Garrison, resigned.

Norman V. Fitzwater to be postmaster at Elkton, Va., in place of J. H. Leebrick. Incumbent's commission expired July 25, 1920.

James W. Milton to be postmaster at Eagle Rock, Va., in place of G. E. Honts. Incumbent's commission expired January 8, 1921.

Ernest H. Croshaw to be postmaster at Stony Creek, Va., in place of L. P. Duane, resigned.

Lee S. Wolfe to be postmaster at South Boston, Va., in place of W. W. Ward, resigned.

John W. Layman to be postmaster at Troutville, Va. Office became presidential January 1, 1921.

William A. Wine to be postmaster at Quicksburg, Va. Office became presidential April 1, 1921.

WASHINGTON.

Jerome E. Depew to be postmaster at Elk, Wash. Office became presidential October 1, 1921.

William I. Leech to be postmaster at Steilacoom, Wash. Office became presidential January 1, 1921.

Andrew J. Diedrich to be postmaster at Valley, Wash., in place of Alberta Hough, resigned.

Juanita Morris to be postmaster at St. John, Wash., in place of E. M. De Long, resigned.

Howard H. Lair to be postmaster at Marcus, Wash., in place of Richard Nagle. Incumbent's commission expired January 8, 1921.

Golda R. Moore to be postmaster at Roy, Wash., in place of Nelson Murray, removed.

Walter C. Sommers to be postmaster at Prosser, Wash., in place of H. S. Huntington; appointee failed to furnish bond.

Anna A. Chapman to be postmaster at Kirkland, Wash., in place of Christian Hansen, removed.

Mark D. Keeney to be postmaster at Bothell, Wash., in place of W. W. Askren. Incumbent's commission expired April 16, 1921.

Franz S. Drummond to be postmaster at Gig Harbor, Wash. Office became presidential July 1, 1920.

James M. Vernon to be postmaster at Everett, Wash., in place of C. A. Cole. Incumbent's commission expired March 16, 1921.

Helen L. Hadenfeldt to be postmaster at Mukilteo, Wash. Office became presidential July 1, 1920.

William F. Ulrich to be postmaster at Index, Wash. Office became presidential October 1, 1920.

WEST VIRGINIA.

Alonzo E. Linch to be postmaster at Moundsville, W. Va., in place of J. W. Wellman. Incumbent's commission expired January 11, 1920.

Gilbert W. Smith to be postmaster at Middlebourne, W. Va., in place of C. B. Riggle. Incumbent's commission expires January 24, 1922.

Kellous P. Nowlan to be postmaster at Logan, W. Va., in place of J. E. Peck, resigned.

Carl F. Stewart to be postmaster at Littleton, W. Va., in place of Arthur Jackson. Incumbent's commission expired April 24, 1921.

Luther P. Graham to be postmaster at Hinton, W. Va., in place of R. D. Rose, resigned.

George H. Mellen to be postmaster at Beckley, W. Va., in place of M. J. Meadows, resigned.

WISCONSIN.

Howard M. Buck to be postmaster at Prairie Farm, Wis., in place of H. C. Hepburn. Incumbent's commission expired March 16, 1921.

George Oakes to be postmaster at New Richmond, Wis., in place of A. D. Hagan, resigned.

Samuel M. Hogenson to be postmaster at Ephraim, Wis. Office became presidential January 1, 1921.

Fred X. Knobel to be postmaster at River Falls, Wis., in place of A. W. Stiles. Incumbent's commission expired April 13, 1920.

John E. Himley to be postmaster at Wabeno, Wis., in place of Frank Mischo. Incumbent's commission expired January 28, 1920.

Frank S. Brazeau to be postmaster at Port Edwards, Wis., in place of F. S. Brazeau. Incumbent's commission expired September 8, 1921.

Edwin E. Weinmann to be postmaster at Iola, Wis., in place of H. B. Taylor. Incumbent's commission expired May 25, 1920.

Raymond E. G. Schmidt to be postmaster at De Forest, Wis., in place of J. J. McEntee, resigned.

John A. Gudmundsen to be postmaster at Detroit Harbor, Wis. Office became presidential January 1, 1921.

Minnie R. Een to be postmaster at Amherst, Wis., in place of John Een, deceased.

Paul A. Brown to be postmaster at Mellen, Wis., in place of F. H. Denison, resigned.

WYOMING.

John E. Gilmore to be postmaster at Greybull, Wyo., in place of T. B. Scott, removed.

Elmer T. Beltz to be postmaster at Laramie, Wyo., in place of G. U. Shoemaker, removed.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 16, 1922.

MEMBERS OF THE INTERSTATE COMMERCE COMMISSION.

Clyde B. Aitchison.
Henry Clay Hall.

UNITED STATES ATTORNEY.

Edward J. Bowman to be United States attorney, western district of Michigan.

POSTMASTERS.

ALABAMA.

Flossie J. Weatherford, Vina.

KANSAS.

Debbie A. Strobel, Bunkerhill.
Bertram W. Wernette, Dresden.
Estelle M. Johnston, Edmond.
James M. Rhine, Gove.
Earl W. Davis, Grinnell.
Abram Troup, Logan.
George W. Connelly, Plainville.
Ellen Farrell, Prairie View.
Ruth N. Nickerson, Rexford.

NEBRASKA.

Lillian M. Casad, Bartley.
Loa Hubbard, Chambers.
Laura E. Smith, Doniphan.
William S. Brown, Fairmont.
Frank G. Frame, Fullerton.
Daniel W. Roderick, Hubbell.
Elizabeth Hempel, Kilgore.
Loren C. Sturges, North Platte.
John A. Schleef, Overton.
Walter S. Tyler, Palisade.
Mary M. Gleason, Platte Center.
George W. Harding, Ralston.

NORTH CAROLINA.

Jason W. Hyatt, Culberson.

WASHINGTON.

Thomas J. Smith, Spokane.

WITHDRAWAL.

Executive nomination withdrawn from the Senate January 16, 1922.

POSTMASTER.

NORTH CAROLINA.

John D. Matheson to be postmaster at Lenoir, in the State of North Carolina.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 16, 1922.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we thank Thee that we still live in Thy blessed remembrance. Let us resume our labors, and in doing so we invoke Thy presence and guidance that they may be borne with a renewed heart and a renewed hope. Increase in all of us a fervent desire for knowledge. O satisfy us early with its blessing, and may it be with us as a sacred sacrifice. The Lord help in all things to be true, honorable, and upright; the Lord set his seal upon us and keep us evermore. In the name of Jesus, our Savior. Amen.

The Journal of the proceedings of Friday, January 13, 1922, was read and approved.

CHANGE OF REFERENCE.

Mr. LANGLEY. Mr. Speaker, I have discovered that Senate bill No. 5, which was referred to the Committee on the District of Columbia of the Senate and reported by that committee and passed by the Senate, was by an apparent oversight referred to the House Committee on Public Buildings and Grounds. It has been agreed between our committee and the Committee on the District of Columbia that a change of reference should be made to the Committee on the District of Columbia. I ask unanimous consent that that transfer be made.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the reference of the bill referred to be changed from the Committee on Public Buildings and Grounds to the Committee on the District of Columbia. Is there objection?

Mr. WALSH. Reserving the right to object, Mr. Speaker——

Mr. MANN. What is the bill?

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (S. 5) to amend an act approved February 28, 1899, entitled "An act relative to the payment of claims for material and labor furnished for District of Columbia buildings."

Mr. WALSH. Reserving the right to object, Mr. Speaker, what committee is it referred to?

Mr. LANGLEY. It was referred to the Committee on Public Buildings and Grounds, as I think, erroneously.

Mr. MANN. Is it a claim against the Government?

Mr. LANGLEY. No; I do not think it is. The gentleman from Wyoming [Mr. MONDELL] suggests that my request be withheld until to-morrow. I have no objection to that.

WHAT MICHIGAN HAS DONE FOR ITS SOLDIERS.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. SMITH of Michigan. Mr. Speaker and gentlemen of the House, when our country entered the World War and we were confronted with the emergency of equipping our soldiers in the shortest possible time, Michigan voted $5,000,000 to its governor to spend for needed supplies. There was built at Battle Creek, in my district, a great training camp and rendezvous, called Camp Custer. Michigan also voted $30,000,000 adjusted compensation to its World War veterans.

While the war was in progress, at the expense of nearly half a million dollars, the people of Michigan constructed a great community house, where relatives and friends of the soldiers could stay while visiting the soldiers at the camp. After the war was over the State purchased this community house for $350,000 and converted it into a hospital for the care and treatment of its soldiers and dedicated it to them. It is called the Roosevelt American Legion Hospital.

A history of this transaction, written by Mr. Paul A. Martin, commander of the Department of Michigan, appears in the American Legion Weekly of January 20, 1922, just issued, and I am sure it will be of great interest to everyone and furnish an example and precedent for the solution of the problem of caring for our sick and disabled soldiers.

Mr. Speaker, I ask leave to extend my remarks by inserting in the RECORD this article, entitled "Camp Custer Takes Care of Its Own."

The SPEAKER. Is there objection?

There was no objection.

Following is the article referred to:

CAMP CUSTER TAKES CARE OF ITS OWN.

[By Paul A. Martin, commander Department of Michigan.]

(The Wolverines met the needs of their buddies afflicted with tuberculosis by equipping and running a hospital for them. Michigan is one of the first Legion departments to realize ambitious plans for meeting the problem of the disabled ex-service man.)

Four years ago a great military camp pulsed with the heartbeat of the Nation on the western outskirts of Battle Creek, Mich. Forty thousand of the best of the youth that Michigan and Wisconsin had to offer were training there. Out of it went thousands upon thousands to write their stories of heroism and of devotion to duty and to their country which go to make up the story of the World War.

Camp Custer as a molder of men of war is dead. But back to Custer are coming again those youth of 1917 and 1918 seeking there the healing touch for the wounds that war had caused. In the halls of the great Roosevelt Community House, the place which was once the social center of city and camp, they are again gathering. Yet the Roosevelt Community House, as such, is no more. Over it to-day floats not only the Stars and Stripes as in days of war but the flag of mercy, the red cross upon a field of snowy white. For the community house of the past is to-day the Roosevelt American Legion Hospital. It was dedicated November 7, 1921, by Marshal Ferdinand Foch, the gift of the State of Michigan to the American Legion of Michigan for the care of the tubercular ex-service men of that Commonwealth.

Nor is that all which the State of Michigan has done for the men who fought for it and gave their youth, their health, almost their all, for it. It turned over to the American Legion the balance in the State patriotic fund that the place might be properly equipped and maintained, and that the boys should want for nothing. This balance amounted to $684,000 in cash and nearly a million and a half in unsold bonds.

The hospital opened for its first patients on December 15.

A few days later one of the boys approached Dr. Albert M. Wehenkel, the superintendent.

"Say, Doc," he asked, "when are you going to start serving Army chow?"

The doctor smiled. "Not as long as I am here," he replied.

The face of the boy spread into a wonderful smile as he replied: "Gee, but that sounds good. You know I just sort of think I'm dreaming and that suddenly I'm going to wake up and find myself feeding on Army chow like other hospitals have."

The doctor's words reflected the spirit of the new institution, the first of its kind in the United States. For it isn't like other hospitals. There are no white walls, no "Keep quiet" signs, no "Don'ts." It is like a great home, where all the boys are members of one big family.

When you enter the main building you enter spacious halls with polished floors and soft green runners. Scattered all through this space, once the dance hall, is the rich upholstered furniture that was there when the building was a community center. Here is a great fireplace, there the billiard and pool tables. Everywhere are ferns and flowers, the gifts of the lodges and societies of the city of Battle Creek. In a little room to one side is the canteen, where soft drinks, smokes, and refreshments of all kinds can be secured. On the second floor, down corridors that branch out in all directions, are the long hallways that lead to the separate rooms where the boys live, for this hospital boasts no wards. Each occupant has his own room, furnished just as a hotel would furnish it, and each with running water for individual convenience.

Connected with the main section by porches inclosed in glass are two other buildings. These, like those in the main section, hold the rooms where the boys stay, rooms in which everything is homelike and comfortable, with windows that look out upon miles and miles of countryside, for the buildings stand on an eminence at the eastern edge of the old camp.

Nothing has been overlooked to make it a completely equipped hospital. From the great X-ray machines to the library everything is provided for the physical and mental care of those who come.

"It is to be a home where the boys will be made happy and contented," said Dr. Wehenkel. And the sentence sums up his policy.

The Department of Michigan of the American Legion has reached out to place at the head of the institution the best specialists that can be secured, bearing always in mind the fact that a successful specialist in such an institution must have the "human touch" that attracts. Only one rule is adhered to strictly, and that is that every employee in the institution, from the highest to the lowest, must be an ex-service person, for only one who has been in the service can fully comprehend the workings of the mind of the service man.

"Feed them well." Such is one maxim of Dr. Wehenkel. That is the reason the boys get three square meals every day, and in the evening find milk and lunches ready for them before they go to bed.

"Plenty of rest." Here is another idea. That is the reason that the boys can sleep late in the morning, and all of them go to bed for a couple of hours every afternoon.

"Plenty of amusement." Here is where the Legion posts of the State come in. They have organized sunshine departments. Each post or district is assigned a week or two weeks when it is responsible for entertainment at the hospital, with the idea that no post will be called on more than once during the year—with the exception, of course, of General George A. Custer Post, of Battle Creek, which is always on the job, along with its auxiliary. And the entertainment consists of everything from the best work of talented entertainers to automobile rides. Every post is kept in touch with boys in the hospital from its district. Personal visits are made from time to time.

The auxiliary is doing wonderful work in connection with the hospital, the storeroom already being filled with sweets, while a storeroom in Battle Creek is also filled, ready for the call. Comfort kits, blankets, and everything else that may be needed are provided by the auxiliary.

The institution was built by the State at a cost of $350,000. It was furnished just as a high-class summer hotel would be furnished, and these furnishings are still in it. In turning it over to the Legion the State administrative board entered into a lease with the hospital board of control, named by the department commander and consisting of the following men: Fred Z. Pantlind, Grand Rapids, chairman; John G. Emery, Grand Rapids, past national commander; Alton T. Roberts, Marquette, who had charge of the Foch tour; Fred M. Alger, Detroit; Wilbur M. Brucker, Saginaw; Dr. L. A. King, St. Joseph; Dr. Fred T. Murphy, Detroit; Mark T. McKee, Mount Clemens. This board, under the supervision of the department executive committee, has full control of the hospital.

Seventy-five lodges and other organizations of Battle Creek have reorganized the central committee that operated for entertainment and social service during the days of the camp, and now operate for the benefit of the hospital.

The hospital has its own heating plant and its own water system. It is rapidly coming to be a little city in itself and one that bids fair to be a model for other States and for the Government itself to copy after.

Its capacity at present is 300 patients. With the inclosing of the great porches and other improvements that are contemplated it will have a capacity of 500.

Two ambulances are on duty all the time, meeting every train arriving in the city and running a regular service to and from the city, which is 5 miles away.

The whole institution is Michigan's way of meeting, through the American Legion, a shortage of hospital needs that was fast becoming serious. Every case is cleared through the Legion's State welfare department, both in entering and leaving the hospital. This department, which handled 16,000 cases last year and secured over $5,000,000 in claims for ex-service men of Michigan, stands in a place by itself in the Nation. It is headed by Dr. Frank B. Broderick. For it the new Legion hospital comes as a crowning achievement in a program of service that has been notable among the States of the country.

CALENDAR FOR UNANIMOUS CONSENT.

The SPEAKER. To-day business on the Calendar for Unanimous Consent is in order. The Clerk will report the first bill on the calendar.

UNALLOTTED LANDS ON FORT PECK RESERVATION, MONT.

The first business on the Calendar for Unanimous Consent was the bill (H. R. 8010) to authorize the leasing for mining purposes of unallotted lands on the Fort Peck Reservation, Mont.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. Mr. Speaker, I ask that the bill be reported.

The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That lands reserved for school and agency purposes and all other unallotted lands on the Fort Peck Reservation, Mont., reserved from allotment or other disposition, may be leased for mining purposes by the Indians residing on said reservation, through their tribal council, with the approval of and under regulations prescribed by the Secretary of the Interior.

With a committee amendment, as follows:

In line 6, after the word "purposes," strike out the words "by the Indians residing on said reservation, through their tribal council."

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I was informed that some of this land was owned by the Government of the United States and was not tribal land owned by the Indians residing on the Fort Peck Indian Reservation. Because of that fact I wanted to have an amendment incorporated, that the general leasing law should apply to lands that are owned by the Government, and follow the rule usually followed as to leasing of land owned by the Indians by granting permission to the Secretary of the Interior to enter into such leases.

Mr. MONDELL. Mr. Speaker, will the gentleman allow me?

Mr. STAFFORD. I yield.

Mr. MONDELL. I do not understand the gentleman's suggestion of this matter having been before the House heretofore. But without going further into that line, it occurs to me that it would not be practicable to apply the terms of the general leasing act to lands on an Indian reservation under the jurisdiction of the Interior Department and used for Indian purposes. Such land on other reservations where they are recognized as the property of the Indians are leased in the discretion of the Secretary of the Interior, through the Indian Office, and controlled by the Indian Office. The rules governing the general leasing act could not, I think, all of them, be properly applied to lands of this character.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. STAFFORD. I do not intend to have a different rule applied to lands which are owned by the Indians to the lands on this reservation, but I was informed that some of the lands that will be covered by this bill are lands that are owned by the Government and to which the Indians have no rights whatsoever.

Mr. MANN. All the agency and school lands referred to are owned by the Government, as stated by the report.

Mr. MONDELL. They are owned by the Government.

Mr. STAFFORD. Mr. Speaker, I ask that this bill go over without prejudice.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask that the bill be passed over temporarily and taken up later. The gentleman who reported the bill is temporarily out of the Chamber.

Mr. STAFFORD. That has not been our practice.

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] asks unanimous consent that the bill go over temporarily. Is there objection?

There was no objection.

TRANSFER OF CERTAIN PUBLIC-LAND ENTRIES.

The next business on the Calendar for Unanimous Consent was the bill (S. 1099) to amend section 2372 of the Revised Statutes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Oregon [Mr. SINNOTT] if this measure was introduced to cover some particular cases that may be pending?

Mr. SINNOTT. They have some 40 or 50 cases in the Land Department that this act will enable them to clear up.

Mr. WALSH. I do not quite understand what the gentleman means by the expression "clear up."

Mr. SINNOTT. There are some 40 or 50 final entries that the department erroneously canceled, according to a decision of the Supreme Court. Other parties now have title to those lands,

and the passage of this act will enable the Secretary of the Interior to make an adjustment and to permit the original entrymen, who are entitled to the land, to secure other lands in lieu of those on which they filed and made final proof, and will enable the present owners and occupants, some of whom have received patents to the lands, to retain those lands.

Mr. WALSH. Of course, this will apply to the future also.

Mr. SINNOTT. As far as the future is concerned, of course, the same mistake will not occur again that occurred in the past, because the Supreme Court has decided the matter in the case of Lane *v.* Hogan (224 U. S.), and that decision of the Supreme Court really necessitates the passage of this legislation.

Mr. MANN. May I ask the gentleman a question?

Mr. SINNOTT. I yield to the gentleman from Illinois.

Mr. MANN. Let me see if I understand the case. Is this a case where a man had made an entry on land and the department refused his application for a particular reason, and the court thereafter decided that the man was entitled to make the entry? Meanwhile, the entry having been refused, somebody else had entered the land and obtained it, and this is designed to permit the original entryman to enter on his land?

Mr. SINNOTT. Only after final entry. The original entrymen must have made final entry, must have proved up on their land, and after having proved up on the land the department in these instances canceled the entry.

Mr. MANN. On the ground that the original entryman was not entitled to make the entry?

Mr. SINNOTT. No; because protests had been filed by special agents against the good faith of the original entryman, and they permitted a period of two years to elapse before taking action upon the protests. Then they canceled the entries, and the Supreme Court held that that was an erroneous cancellation, and that the original entrymen were entitled to the land. In the meantime the entries had been canceled and other parties, second entrymen, had entered the same land, and in a number of these cases the second entryman has received a patent for the land. Now, unless we pass this legislation the original entryman may oust the second entryman or patentee. This permits the Secretary of the Interior to allow the original entryman to take lieu land.

Mr. WALSH. Who permitted the two years to elapse?

Mr. SINNOTT. The department permitted the two years to elapse without taking action upon the protests.

Mr. WALSH. Can they do that under the law?

Mr. SINNOTT. Here is the law:

Provided, That after the lapse of two years from the date of the issuance of the receiver's receipt upon the final entry of any tract of land under the homestead, timber-culture, desert-land, or preemption laws, or under this act, and when there shall be no pending contest or protest against the validity of such entry, the entryman shall be entitled to a patent conveying the land by him entered, and the same shall be issued to him; but this proviso shall not be construed to require the delay of two years from the date of said entry before the issuing of a patent therefor.

The Interior Department held that these representations, or so-called protests made by special agents, prevented the statute from running. The Supreme Court held that those protests were not legal protests in the meaning of the law which prevented the statute from running, and that it was the duty of the department to have served notice upon the original entrymen notice of the protests filed, and that the department not having served notices, there was no protest pending, and that the original entrymen were entitled to their land.

Mr. WALSH. This provision is tacked onto that section.

Mr. SINNOTT. It is not tacked onto this section. It is tacked onto another section.

Mr. WALSH. It is tacked onto another section and is almost contradictory of the first part of the section, is it not?

Mr. SINNOTT. No; it is not contradictory at all. The first part of the section to which this is attached relates to a somewhat similar matter, but an entirely different one.

Mr. WALSH. It seems to me it is drawing the distinction down pretty fine.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. SINNOTT. I yield to the gentleman from Washington.

Mr. JOHNSON of Washington. Does this legislation affect in any way the rights of scrip holders?

Mr. SINNOTT. No.

Mr. JOHNSON of Washington. It has nothing to do with filings made in the name of scrip?

Mr. SINNOTT. No.

Mr. CHINDBLOM. Were these special agents to whom the gentleman refers agents of the Interior Department?

Mr. SINNOTT. They were Government agents, yes.

Mr. CHINDBLOM. Are these the cases in which such special agents made protests or are other parties involved?

Mr. SINNOTT. These are the cases where special agents made protests, and perhaps other parties may have made protests, but they were not legal protests within the view of the law.

Mr. CHINDBLOM. In the case where the special agents made protests it would appear that the Interior Department itself was trying to prevent the entryman from getting the land. Is that the fact?

Mr. SINNOTT. The Department of the Interior canceled the entries upon the showing made in these protests, which the Supreme Court held to be erroneous.

Mr. CHINDBLOM. Is not the effect of the attitude and conduct of the department that the department itself was endeavoring to prevent the entrymen from getting the land?

Mr. SINNOTT. Yes; and they misconstrued the law as giving them authority when they did not have the authority to do what they did.

Mr. CHINDBLOM. I always supposed that the Land Office was in favor of entrymen taking land instead of throwing obstacles in their way.

Mr. MONDELL. If the gentleman from Oregon will yield, the gentleman from Illinois is not very well acquainted with the situation, if he does not know that the people who have been taking land in the past have had the idea that the department was at times disposed to defeat them instead of protecting them.

Mr. CHINDBLOM. That is the point I am making. I do not see why they should not favor those who want to get the land.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. WILLIAMSON. I would like to ask the gentleman if there are still lands they can file on for those which they have been deprived of in the past?

Mr. SINNOTT. The lands are not all taken. Of course, the gentleman understands that the best lands have all been taken up, and these men will only get the culls.

Mr. MONDELL. May I call attention to the fact that no case of an entry with regard to which fraud was charged can be affected by this legislation. The Supreme Court, while it has held that the act referred to does protect an entry, has also held that where the question of fraud is raised the act referred to does not secure the entryman in his title, or at least does not protect him from prosecution. It is a very common thing to have the title attacked on the ground of fraud long after the patent—10 years or 30 years after the patent is issued. Many cases are pending where the patent was issued years ago, and has been attacked on the ground of fraud. So the cases that we seek to relieve are cases where the statute protected the entry, there being no fraud alleged in connection with the entry.

Mr. SINNOTT. We struck out certain language of the original Senate bill so as to leave the question open, and so that anyone guilty of fraud might be proceeded against.

Mr. WALSH. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. WALSH. What is going to be the effect of the rules prescribed by the Secretary of the Interior changing the entry and transferring the payment to another tract of surveyed public lands nonmineral in character? Do you just change that entry? If so, the entryman will find himself in the same position with reference to the other tract as to the regulations and requirements and payments.

Mr. SINNOTT. Probably he will have credit for the payments made on the first entry.

Mr. WALSH. How about the other conditions?

Mr. SINNOTT. If he conformed with the law in regard to the original entry, he will probably have credit for all the time, if he earned the original entry.

Mr. WALSH. Will he not have to conform to the requirements as to the filing and residence?

Mr. SINNOTT. He will have to conform to the requirements as to filing, but as to residence he will not, because he has already lived three or five years on the original entry.

Mr. STAFFORD. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. STAFFORD. Assuming that he entered originally on a 40-acre tract, would his occupation of that 40-acre tract be extended to a 640-acre tract under the arid-land law?

Mr. SINNOTT. Oh, no. The Secretary would draft rules and regulations in regard to that.

Mr. STAFFORD. I see nothing in the act to limit the amount of acreage that the entryman could obtain.

Mr. SINNOTT. He would be limited by the homestead laws.

Mr. WALSH. Mr. Speaker, I withdraw the reservation of an objection.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2372 of the Revised Statutes is amended by adding thereto the following:

"In all cases where a final entry of public lands has been or may be hereafter canceled, and such entry is held by the Land Department or by a court of competent jurisdiction to have been confirmed under the proviso to section 7 of the act of March 3, 1891 (Twenty-sixth Statutes, p. 1099), if the land has been disposed of to or appropriated by a claimant under the homestead or desert-land laws, or patented to a claimant under other public-land laws, the Secretary of the Interior is authorized, in his discretion, and under rules to be prescribed by him, to change the entry and transfer the payment to any other tract of surveyed public land, nonmineral in character, free from lawful claim, and otherwise subject to general disposition: *Provided*, That the entryman, his heirs, or assigns shall file a relinquishment of all right, title, and interest in and to the land originally entered: *Provided further*, That no right or claim under the provisions of this paragraph shall be assignable or transferable."

The following committee amendments were read:

Page 1, line 10, strike out the words "such entry shall unless" and insert the word "if."

Page 2, lines 1 and 2, strike out the words "be reinstated and passed to patent; and in case the land has been so disposed of or appropriated."

The committee amendments were agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time and passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote by which the bill was passed, was laid on the table.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

Sundry messages in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President of the United States had approved and signed bills and joint resolutions of the following titles:

On December 21, 1921:

H. R. 8744. An act granting the consent of Congress to the State of North Dakota, the county of Cass and the city of Fargo, N. Dak., and the State of Minnesota, the county of Clay and the city of Moorhead, Minn., or any of them, to construct a bridge across the Red River of the North between the cities of Fargo, N. Dak., and Moorhead, Minn., and for other purposes.

On December 22, 1921:

H. J. Res. 233. Joint resolution providing for the postponement of the World's Dairy Congress;

H. J. Res. 238. Joint resolution to amend an act entitled "An act to amend section 955 of the Revised Statutes by extending the jurisdiction of courts in cases of revivor"; and

H. R. 9548. An act for the relief of the distressed and starving people of Russia.

On December 28, 1921:

H. R. 9464. An act authorizing the construction of a bridge across the Snake River at or near Central Ferry, Wash.

On January 7, 1922:

H. R. 6998. An act to amend section 17 of an act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended by the acts of February 5, 1903, and March 2, 1917.

On January 10, 1922:

H. R. 6557. An act to authorize the Secretary of the Treasury to repair and rebuild customs buildings in Porto Rico, and to pay for same out of duties collected in Porto Rico.

On January 11, 1922:

H. R. 2914. An act to add certain lands to Minidoka National Forest;

H. R. 5700. An act authorizing the Secretary of the Treasury to sell the old Subtreasury property at San Francisco, Calif.;

H. R. 7204. An act to provide a Government-owned water service for the Fort Monroe Military Reservation;

H. R. 8401. An act to transfer the custody and control of the United States customhouse wharf at Charleston, S. C., from the Treasury Department to the War Department;

H. R. 8344. An act to authorize the Secretary of the Interior to grant extensions of time under oil and gas permits, and for other purposes; and

H. R. 9021. An act to permit the city of Chicago to acquire real estate of the United States of America.

PLUMAS NATIONAL FOREST.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 5003) to provide for the consolidation of forest lands in the Plumas National Forest, Calif., and for other purposes.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Reserving the right to object, I would like to ask the gentleman from California [Mr. RAKER] if he is in favor of this measure?

Mr. RAKER. Yes.

Mr. WALSH. Were there hearings held upon it?

Mr. RAKER. There were hearings held on the general proposition relative to the exchange. There was a special bill and other bills, and the parties who are familiar with the local conditions presented the matter as to the local conditions. Being personally familiar with this territory for 35 years, I presented the facts outside of the local question to the committee and letters and opinions that I had.

Mr. WALSH. The hearings that were held upon the general subject and which covered these various desired exchanges by general law was held during the last Congress.

Mr. RAKER. Yes.

Mr. WALSH. I have read those hearings, and I gathered from them that the gentleman from California [Mr. RAKER] was one of the few members of the committee who was very much opposed to making the exchanges.

Mr. RAKER. If the House will permit, in a very few words I could give my position upon that, and it has been confirmed since returning from California after investigation of the same subject. Each bill ought to be separate, just as a bridge bill, so that the community involved might have an opportunity to be heard upon the bill, to say whether or not they are in favor of the legislation, because it affects the local community as well as the public in so far as the question of taxation is concerned. Some communities are favorable to it and other communities oppose this character of legislation.

Mr. WALSH. Of course, this is not analogous to the bridge bills. Congress passed a general law covering the construction of bridges across navigable waters and providing what requirements must be made with reference to the filing of plans, and a number of other matters. This is providing a different method for a number of different forests. It seems to me if we are going to come in with individual bills to change the requirements in different instances, that we would better pause here now and let the committee give some further consideration to passing the general law on the subject.

Mr. RAKER. The gentleman has read the hearings and has noted the objections made by myself and others. If the gentleman will investigate, he will find that both departments adopted the suggestions I made before the committee relative to the question of exchange, and that all of the bills the Department of the Interior has reported on uniformly carried the suggestions made. I believe we have come to a conclusion whereby the public will be protected as well as the individuals.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. STAFFORD. Will the gentleman from California explain why the bill providing for exchange of forest lands is different from some of the other bills reported from the Committee on Public Lands?

Mr. RAKER. Oh, there is quite a difference.

Mr. STAFFORD. It differs in this, that the Secretary of Agriculture in his report upon this bill reports adversely as to certain provisions of the bill reported by the committee.

Mr. RAKER. Oh, no.

Mr. STAFFORD. The gentleman says no; but if the gentleman from Massachusetts will permit, I shall direct the attention of the House in support of my position to the letter of the Secretary of Agriculture which appears on page 5 of the report. Attention is drawn to the fact that the bill as drawn would not permit the acceptance of lands except they were absolutely free from any encumbrance. He goes on to point out that this would prevent the exchange of title to lands which were traversed by railroads, irrigation ditches, telephone lines, and county roads. The bill as reported forbids the exchange of any lands except they are free and clear from encumbrances. There is a bill on the Unanimous Consent Calendar relating to the Snoqualmie National Forest, where that condition is not contained at all, where the committee has followed the recommendation of the Secretary of Agriculture. Does the gentleman deny that the bill in which he is directly interested does not forbid the exchange of these lands unless they are free and clear of encumbrances?

Mr. RAKER. If I may answer the gentleman, this bill contains practically all of the conditions presented by the Secretary of the Interior, and as to the Secretary of Agriculture the bill provides that the Government may reserve those rights on the land that is transferred but not to private individuals.

Mr. STAFFORD. The gentleman is not answering my question.

Mr. RAKER. I shall answer it. It does not permit an exchange where the private individual has put a lien or an encumbrance upon his land. That is as it ought to be.

Mr. STAFFORD. And yet the Secretary of Agriculture recommends the elimination of that for certain good reasons.

Mr. RAKER. That is not what he means. He refers to minerals.

Mr. STAFFORD. Oh, no; the gentleman did not hear my reading of the letter. This does not refer to minerals. It refers to rights of way by railroads or roads; and with the indulgence of the House and for the special benefit of the gentleman I shall read it again.

Mr. RAKER. I understood it.

Mr. STAFFORD. Then I will not read it again.

Mr. SNELL. Mr. Speaker, if I may be permitted, the Agricultural Committee held four days' hearings last week upon a forestry bill that has some general comprehensive legislation applying to the whole country that deals with matters of this kind. It seems to me it would be better to take these matters up in a measure that relates to the whole situation and not take them up piecemeal.

Mr. RAKER. That bill does not cover the purpose of these exchanges. There are many who favor the gentleman's bill, but the question is not involved in that bill, and in answer to the gentleman from Wisconsin further——

Mr. SNELL. But that provides for a general exchange of lands according to the recommendation of the Department of the Interior or the Department of Agriculture.

Mr. RAKER. That has not been incorporated in the bill as yet.

Mr. SNELL. It is in the present bill before the Committee on Agriculture at the present time.

Mr. WINGO. Mr. Speaker, who has the floor?

Mr. WALSH. Mr. Speaker, I yield to the gentleman from Arkansas.

Mr. WINGO. Mr. Speaker, I take it that this is another one of these bills by which we propose to add to forest reserves private lands, providing for the exchange of timber. As Members know, I have been fighting this kind of thing in my district ever since I have been here. I know there is waste of public money in my district, and I have about come to the conclusion that there is a great deal of waste in other districts. Heretofore I have been content to let other Congressmen look after their own districts, but notwithstanding that the majority of Congress has seen fit to resist any efforts I made to get rid of this sort of foolishness in my district. That policy having failed, I am going to attempt another policy, and therefore I object to the consideration of this bill.

The SPEAKER. Objection is heard.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill may go to the foot of the calendar, and perhaps in the meantime the gentleman may be able to see the light.

Mr. WINGO. It is not a question of my seeing the light. I want the gentleman and others to see the light.

Mr. RAKER. Let it go to the foot of the calendar until next time.

Mr. WINGO. The end of the calendar is a very appropriate place for it, but I will object to that.

EX-SERVICE HOMESTEAD SETTLERS AND DESERT-LAND ENTRYMEN.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 8815) to authorize certain homestead settlers or entrymen on United States reclamation projects who entered the military or naval service of the United States during the war with Germany to make final proof of their entries.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, if the bill is not significant for special mention, certainly the report is, as it is prepared by the distinguished gentleman from California [Mr. RAKER], and is very illuminating. I do not recall another instance, not even in reports submitted by that distinguished gentleman, and those reports are always generally extended, where the act has been repeated three times. We have now before us for the first time a report where the amendment that is suggested by the committee has been printed three times. I would think that once would be sufficient. Of course, to the ordinary Member, one time would be enough. For the benefit of some gentlemen, maybe—perhaps for the benefit of the gentleman from California [Mr. RAKER]—he prints it three times. We first find it on page 1 of the report. It says:

Strike out all of the bill after line 2, page 1, and insert in lieu thereof the following:

And then comes the first mention of the amendment, 18 lines. In the next place is this very illuminating language:

The bill as thus amended by the committee reads as follows:

And then it repeats with this slight change, that has the enacting clause, the same identical language. Then, again, we find it incorporated in the letter addressed to the chairman of the committee. Now, the sponsor for this is the distinguished gentleman from California [Mr. RAKER]. I think it worth while to make passing comment of this, because in my brief service in the House, in examining these bills, I do not know of any occasion, even with bills reported by the gentleman from California, where he has illuminated the report by printing the same identical matter three times at the expense of the taxpayers.

Mr. MANN. Has the gentleman read the entire report?

Mr. STAFFORD. I have.

Mr. MANN. Read the bill three times in the report?

Mr. STAFFORD. I have read it twice. I did not read it the third time.

Mr. MANN. Did the gentleman understand it?

Mr. STAFFORD. I am going now to make some inquiries about the bill proper. Of course, the repetition of the bill reported did not add to my enlightenment each time that I read it. I first read the bill and amendment as carried in the bill; then I read the report, and then I read the amendment, as recommended, twice. Mr. Speaker, reserving the right to object, I wish to direct an inquiry to the chairman of the committee, the gentleman from Oregon [Mr. SINNOTT], or the gentleman reporting the bill as to whether, if the bill is adopted, these war veterans would have a right for an unlimited time to indefinitely make proof as provided in this bill? Here is a soldier, a war veteran, who has made an entry on irrigated land. He does not wish to take advantage of the privileges granted. Under the terms of this bill, as I read it, he would be granted permission for life before he would be obliged to perfect his entry under the liberal policy as suggested by this bill.

Mr. SINNOTT. He would have to conform to the law in regard to making final proof. There is a specific period mentioned in the statutes, but if he were maimed or wounded or physically disabled, he could not make his final proof and secure the land.

Mr. STAFFORD. What limit of time would he have, under the proposed amendment, to make the final proof?

Mr. SINNOTT. The law does not change the statutory period that we have now.

Mr. STAFFORD. When would he first have to exercise this privilege which is granted to him under this amendment?

Mr. SINNOTT. He could exercise that at any time, as soon as he makes the showing. If he was disabled or wounded or incapacitated——

Mr. STAFFORD. That is the point, the indefiniteness of it. Do you wish a war veteran who has been incapacitated to have that right for life, or should he exercise it within a certain limit of time? I am in sympathy with the general purposes of the law, but I do not think it proper in connection with the irrigation law to have the entries held up to await the pleasure of some disabled soldier during his lifetime.

Mr. SINNOTT. It is incumbent upon him to make a showing or the land would be subject to cancellation.

Mr. STAFFORD. He has to make a showing; but this law would give him the absolute right during his lifetime to make that showing.

Mr. SINNOTT. No.

Mr. STAFFORD. Where is the limitation?

Mr. SINNOTT. In the original act. He would have to make the showing within a certain time, and under the old law it is seven years and under the homestead law five years.

Mr. STAFFORD. Here is the question that I want answered. How soon must he exercise his right of making proof?

Mr. RAKER. As it is at the present time the only changes are that under the act of March 1, 1921, the House passed a bill relieving the soldier similarly situated for his homestead. On December 15, 1921, we passed an act relieving a soldier similarly situated as to his desert claims.

Mr. STAFFORD. I am well aware of that fact.

Mr. RAKER. This relieves a soldier who has a homestead under the reclamation project and puts him in the same position as the two acts we have already passed, and he has to make his final proof and take the same action as he would in other cases, under the same limitation of time, without any distinction whatever, and as soon as the land is thrown open he then proceeds to comply with the law, and instead of being required to perform the irrigation, if he is disabled he may go ahead.

Now, I just want to read this letter for the information of the House, if I may be permitted:

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., January 12, 1922.

The Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Through the press of business we have been unable to communicate with you until this time in which to give a full indorsement of this organization to H. R. 8815 and special report No. 500, and appreciate the interest that you, yourself, have taken in soldier land legislation.

Yours, very truly,

EDWIN S. BETTELHEIM, Jr.,
Chairman.

They have gone into this question and heartily recommend this legislation.

Mr. STAFFORD. Mr. Speaker, I recall the reservation of the right to object.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That any settler or entryman under the homestead laws of the United States upon a United States reclamation project who, after settlement, application, or entry, and prior to November 11, 1918, enlisted or was actually engaged in the United States Army, Navy, or Marine Corps during the war with Germany, who has been honorably discharged and because of physical incapacities due to service is unable to return to the land, may make proof without further residence, improvement, cultivation, or irrigation at such time and place as may be authorized by the Secretary of the Interior and receive patent to the land by him so entered or settled upon: *Provided*, That no such patent shall issue prior to the survey of the land and the payment of all fees, commissions, and water charges due the United States on account of such land at the time of the issuance of patent.

With a committee amendment, as follows:

Strike out all after the enacting clause and insert the following:

"That the act approved March 1, 1921 (41 Stat., p. 1202), be amended to read as follows: 'That any bona fide settler, applicant, or entryman under the homestead laws of the United States, or any desert land entryman whose entry is subject to the provisions of the act of June 17, 1902 (32 Stat., p. 388), who, after settlement, application, or entry, and prior to November 11, 1918, enlisted or was actually engaged in the United States Army, Navy, or Marine Corps during the war with Germany, who has been honorably discharged and because of physical incapacities due to the service is unable to return to the land, may make final proof, without further residence, improvement, cultivation, or reclamation, at such time and place as may be authorized by the Secretary of the Interior, and receive patent to the land by him so entered or settled upon, subject to the provisions of the act or acts under which such settlement or entry was made: *Provided*, That no such patent shall issue prior to the conformation of the entry to a single farm unit, as required by the act of August 13, 1914 (38 Stat., p. 686): *And provided further*, That this act shall not be construed to exempt or relieve such applicant or entryman from payment of any lawful fees, commissions, purchase moneys, water charges, or other sums due to the United States, or its successors in control of the reclamation project, in connection with such lands.'"

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the title will be amended to conform to the text.

There was no objection.

On motion of Mr. RAKER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. RAKER. Mr. Speaker, may I have unanimous consent to proceed for two minutes?

The SPEAKER. The gentleman from California asks unanimous consent to address the House for two minutes. Is there objection?

Mr. WALSH. I would like to know what the gentleman is going to talk about.

Mr. RAKER. I would like to say a word about the criticism that has been made by the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. I hope the gentleman from Massachusetts will not object.

Mr. WALSH. Mr. Speaker, I object.

The SPEAKER. The gentleman from Massachusetts objects. The Clerk will report the next bill.

JURISDICTION OF THE STATE OF TEXAS OVER CERTAIN LANDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 2133) ceding jurisdiction to the State of Texas over certain lands or bancos acquired by the United States of America from the United States of Mexico.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That all the lands or bancos acquired by the Government of the United States of America by virtue of its treaty with the United States of Mexico of March 20, 1905, and subsequent thereto, and which lie adjacent to the territory of the State of Texas as constituted by the compromise act of Congress of September 9, 1850, and accepted by the State of Texas on November 25, 1850, shall be and become a part of the State of Texas, and shall be under the civil and criminal jurisdiction of said State of Texas, and of the respective subdivisions of said State of Texas, wherein said land lies; and that all lands or bancos hereafter acquired by the United States of America from the United States of Mexico, by virtue of said treaty, which shall lie adjoining to the State of Texas, shall be and become part of said State of Texas and be subject to its civil and criminal jurisdiction without any further enactment from the Congress of the United States.

Amend the title so as to read: "An act ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico."

With committee amendments, as follows:

Page 1, line 11, after the word "Texas," strike out "and of the respective subdivisions of said State of Texas, wherein said lands lie."

On page 2, line 7, strike out the word "from" and insert in lieu thereof the word "by."

Mr. WALSH. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. Will the gentleman from Texas explain what a "banco" is?

Mr. CONNALLY of Texas. I shall try to do so. Under the boundary treaty of 1905 between the United States and Mexico certain accumulations of soil or islands cut off from the one country or the other by the shifting of the channel of the Rio Grande River were called bancos; they are denominated bancos in that treaty. That answers the question of the gentleman from Massachusetts.

Mr. WALSH. The lands are portions of the banks that have been separated by the action of the river?

Mr. CONNALLY of Texas. That is correct.

Mr. HUDSPETH. They are simply islands in the stream.

Mr. CONNALLY of Texas. Islands and portions of Mexican lands cut off by the shifting of the stream of the river and transferred to the Texas side.

Mr. WALSH. Is there no provision in the treaty to which the gentleman has referred as to the jurisdiction of these bancos?

Mr. CONNALLY of Texas. I will say to the gentleman that this is the situation exactly: By the treaty of Guadalupe Hidalgo, entered into in 1848, and also by the act of Congress of 1850, the boundary line of the United States was fixed at the center of the Rio Grande River as it existed at that time. By the compromise act of 1850 accepted by Texas the Texas boundary was the same. In 1905 the United States entered into a treaty with Mexico providing for a boundary commission. That commission was authorized in the case of bancos created by the shifting of the stream to establish the boundary line to conform to the changes in the stream, and if the river cuts off a banco from Mexico and places it on the American side it becomes American territory; and, vice versa, if the river cuts off a banco from the American side and places it on the Mexican side it becomes Mexican territory. But under that treaty, while bancos become United States territory, they do not become a part of the territory of the State of Texas, so that we have the anomalous condition of some bancos being United States territory but belonging to no State. The purpose of this bill is simply to convey to Texas civil and criminal jurisdiction over such bancos; in other words, to make them part of the State of Texas.

Mr. WALSH. Are these bancos sufficient in area to be inhabited; to have people on them?

Mr. CONNALLY of Texas. Some of them are. Some of them are a hundred acres or so in extent.

Mr. WALSH. Then, under the existing conditions they become part of the public lands of the United States, do they?

Mr. CONNALLY of Texas. No. I will say to the gentleman that the treaty provides that the title of the lands shall remain in the original owner. They do not become a part of the property of the United States. They simply come under the jurisdiction of the United States.

Mr. WALSH. To whom do they pay taxes now?

Mr. CONNALLY of Texas. They do not pay taxes to anybody now, as I understand, because there are no law courts that operate on these bancos at all. They are a no man's land.

Mr. WALSH. That is quite a convenient haven.

Mr. CONNALLY of Texas. It is.

Mr. WALSH. I am surprised that it has not been discovered before. Does the Volstead Act operate there? [Laughter.]

Mr. CONNALLY of Texas. I will say to the gentleman that these bancos offer harbors for bandits and other criminals who operate from one side of the river to the other.

Mr. GARRETT of Texas. Regardless of the Volstead Act.

Mr. CONNALLY of Texas. The courts of the State of Texas have no jurisdiction, because these bancos are not a part of the State of Texas. The Federal courts have no jurisdiction, because they are not within any Federal district as defined in the statute as comprising certain counties. They are not in any county.

Mr. WALSH. Of course, this is to operate in the future; but will it not be necessary for the State of Texas in the future to accept these bancos as they shall be formed?

Mr. CONNALLY of Texas. This act provides not only for the past but for the future; but the State of Texas would doubtless have to accept them by an act of the legislature. I hold in my hand a resolution of the Legislature of Texas passed July 15, 1919, requesting Congress to take this action, and accepting such bancos as a part of Texas whenever an act like this shall be enacted.

Mr. WALSH. Of course, Texas is a State the area of which we must be careful not to permit to be decreased. It is liable to become a mere dot on the map if it does not have a few of these bancos added to it from time to time.

Mr. CONNALLY of Texas. I will say to the gentleman that through the operation of the treaty of 1905 the United States has taken away a part of the territory of Texas, which has been given to Mexico. Therefore we think it but fair that Mexico reimburse us by giving in turn to the State of Texas these tracts that we get from Mexico.

Mr. HICKS. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield to the gentleman from New York.

Mr. HICKS. The operation of the Rio Grande River there is very interesting. Do I understand the gentleman to say that the boundary between the United States and Mexico is defined, not by the channel of the river but by some definite line established by latitude and longitude?

Mr. CONNALLY of Texas. Oh, no; the boundary line is the Rio Grande River, but that is not a fixed boundary, because the channel of the river shifts and changes from time to time. The treaty of 1905 with Mexico provides that the boundary commission, which consists of a representative of the United States Government and a representative of the Mexican Government, shall from time to time as the river changes its bed make actual surveys of the ground and make maps, running red lines to show where the boundary is and where the center of the channel really is, and file those maps, and that thereby that particular line becomes the true boundary line between the countries. The duty of the commission is to physically locate the true channel of the river.

Mr. HICKS. I should imagine that this contingency might arise pending the action of the commission, that the river having made a big bend somewhere, a certain parcel of land that was formerly in Mexico might become a part of the territory of the United States, and therefore there might be some question as to getting access to the river at that particular point, because a part of the territory of Mexico having been turned over to the United States, would there not be some question as to the title?

Mr. CONNALLY of Texas. Does the gentleman mean that there might be a question as to the ownership of the land?

Mr. HICKS. The ownership of the land.

Mr. CONNALLY of Texas. The treaty provides for that. The boundary treaty is in Senate document 357, volume 1, page 1201. Section 3 provides that whenever a banco is cut off from Mexico anyone who resides on that banco or owns property on the banco shall be protected in his title and his rights. If his home is cut off into Texas he has the right to retain his Mexican citizenship if he desires, or he may become an American citizen by reason of having been cut off from Mexico into Texas territory.

Mr. HICKS. That is the point I was getting at, because I could see that there might be some time when a man would not know under which sovereignty he was living.

Mr. CONNALLY of Texas. The treaty undertakes to cover all those cases and provides for the protection of all private property affected, so that these bancos do not become a part of the public land, but simply come under the governmental jurisdiction of the United States; and if they are to be under the jurisdiction of the United States, then they ought to be within the jurisdiction of some State.

Mr. MANN. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield to the gentleman from Illinois.

Mr. MANN. What is meant by the words "and accepted by the State of Texas on November 25, 1850," in lines 8 and 9, on page 1 of the bill?

Mr. CONNALLY of Texas. That refers to an act of Congress that was passed in 1850.

Mr. MANN. That refers to the compromise act?

Mr. CONNALLY of Texas. Yes; as I understand it.

Mr. MANN. It is proposed to amend the title of this bill so that it will read:

An act ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico.

What the bill does is to add territory to the State of Texas without her consent. Does the gentleman think we have the power to do that?

Mr. CONNALLY of Texas. I do not think the gentleman can go quite that far.

Mr. MANN. Does the gentleman think we can add territory to a State without the consent of that State?

Mr. CONNALLY of Texas. I do not.

Mr. MANN. This bill does.

Mr. CONNALLY of Texas. The gentleman must have overlooked the fact that I referred to a concurrent resolution of the Legislature of the State of Texas, requesting that Congress do this very thing, and of course the legislature could accept it hereafter.

Mr. MANN. I know; but that does not go to the point I am making. Here is an act of Congress—and I suppose it is probably the first one of its kind in the history of the Government—which says that certain lands not now in the State of Texas shall be and become a part of the State of Texas. What I want to do is to ask the gentleman whether it would not be wise to say that this shall happen upon the acceptance of this act by the State of Texas?

Mr. CONNALLY of Texas. I have no objection to that.

Mr. MANN. So we shall not undertake to say that we have the power to add territory to a State without the acceptance of the State.

Mr. CONNALLY of Texas. While I do not object to the gentleman's proposed amendment and would be glad to have him offer it, I will say to him that the legal effect of this act, even under the gentleman's construction of it, would simply be that the Government of the United States by this act, in so far as it can, confers this territory on the State of Texas; and even if that were not legal, it certainly would be cured by an act of the legislature accepting what the Government of the United States has undertaken to do.

Mr. MANN. Is it not better to have it legal when we pass it?

Mr. CONNALLY of Texas. I grant you that. I was only answering the gentleman's question.

Mr. MANN. Would it not be wise also, where we are ceding civil and criminal jurisdiction, to amend the title by saying "adding lands to the State of Texas and ceding jurisdiction"?

Mr. CONNALLY of Texas. I have no objection to that. It seems to me that if we put these lands into the State of Texas it necessarily implies jurisdiction.

Mr. MANN. Your bill does it twice. I think it would be sufficient to insert it in the bill, but the bill goes on and says "and shall be under the civil and criminal jurisdiction of said State of Texas," which probably is saying the same thing twice in different language. The important thing is adding lands to the State of Texas, and that ought to be stated in the title. I shall offer such an amendment if the gentleman has no objection.

Mr. CONNALLY of Texas. I have no objection.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. MANN. Mr. Speaker, I offer an amendment to insert on page 1, line 9, after the word "shall" the words "upon the acceptance of this act by the State of Texas."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MANN: Page 1, line 9, after the word "shall" insert the words "upon the acceptance of this act by the State of Texas."

Mr. WALSH. Will the gentleman yield?

Mr. MANN. Yes.

Mr. WALSH. Does the gentleman not think that the act should be accepted by the Legislature of the State of Texas?

Mr. MANN. That is the only way in which it can be accepted.

Mr. WALSH. They might in accepting it provide for a referendum.

Mr. MANN. I have no objection to a referendum.

Mr. CONNALLY of Texas. The only way that the State of Texas could act would be through its legislature, and we have no referendum except on the constitution.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MANN. Mr. Speaker, I move to amend the committtee amendment as to the title by inserting after the word "act" the words "adding lands to the State of Texas and."

The Clerk reported the amendment, as follows:

Amendment to the title by Mr. MANN: After the word "act" insert the words "adding lands to the State of Texas and."

The amendment was agreed to.

The committee amendment to the title was agreed to.

The bill as amended was passed.

PROTECTION OF GOVERNMENT-OWNED TIMBER FROM FIRE, DISEASE, AND INFESTATION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9495) providing for the protection of timber owned by the United States from fire, disease, or ravages of beetles or other insects.

The Clerk read the title to the bill.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I appreciate the importance of the Secretary of the Interior having the authority intended to be conveyed in the bill, but I would like to get some information from the chairman of the committee just why this Congress at this time should pass this bill in this shape.

Mr. SINNOTT. There is no authority at law at the present time authorizing the Appropriations Committee to make an appropriation for such purpose. The public lands containing timber outside of the national forests are within the jurisdiction of the Secretary of the Interior. There is authority at law for the Appropriations Committee to make a similar appropriation to that provided for herein for the protection of the national forests. In a great many places timber on the public lands—and I mean by public lands Government lands distinct from the national forests—in many cases the public lands contain timber that abut the forest reserves, and in other cases they intermingle. In the last deficiency bill we secured an appropriation for the purposes mentioned in this bill that would have been subject to a point of order if anyone had made it. It is necessary in fighting fire and eradicating the pests from the national forest to have the Secretary of the Interior and the Secretary of Agriculture work in conjunction with the State and private owners.

Mr. SNELL. Does the gentleman understand that there is ample law on the statute books to do the same thing that is provided for here by the Secretary of Agriculture on lands under his jurisdiction?

Mr. SINNOTT. Yes.

Mr. SNELL. But outside of that the appropriation would be subject to a point of order?

Mr. SINNOTT. Yes; the appropriation in the deficiency bill would have been subject to a point of order if anybody had made it.

Mr. SNELL. I think it is very important.

Mr. HICKS. Will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. HICKS. This provides for an appropriation against fire. Is it contemplated that the fire apparatus and fire control when purchased may be operated for the benefit of private owners?

Mr. SINNOTT. That would rest with the Appropriations Committee when the money is appropriated. It is necessary for all the parties to work together to protect the timber.

Mr. HICKS. That is the point I was coming at. I am wondering what would be the effect. Here is a fire in a Government reserve, and right next to it is a State reservation. Does not the Government go on the border line and help the State protect its property?

Mr. SINNOTT. They mutually help each other. We have provisions under the laws of the State of Oregon, the State of California, and, I think, the State of Idaho for such cooperative work.

Mr. SMITH of Idaho. It is also true that there is a Federal appropriation annually made for the protection of the timber. Last year's expenditures were made to put out the forest fires.

Mr. HICKS. This bill would provide that the Federal Government could send their apparatus right into private property and help them protect their forests without violating any Government law.

Mr. SINNOTT. The way the committee did it before was this: They made the appropriation before upon the condition that the States and the private owners would join in. They made it in the form of a limitation. They are spending that money now, but the appropriation was subject to the point of order, and the committee would have been helpless if the point had been made.

Mr. JONES of Texas. Mr. Speaker, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. JONES of Texas. Would it not be duplication of work to authorize the Secretary of the Interior and the Secretary of Agriculture also to do this kind of work?

Mr. SINNOTT. They both have jurisdiction over separate bodies of timber. Here is the national forest. The Secretary of Agriculture has jurisdiction over that, and the timber on the public lands is under the jurisdiction of the Secretary of the Interior.

Mr. JONES of Texas. So that they would maintain separate forces on the same piece of land?

Mr. SINNOTT. Oh, they would probably come together and get the same force, but it would enable them to work in harmony and cooperate.

Mr. JONES of Texas. Does not the Secretary of Agriculture undertake to protect all of the timber on the public lands in the national forests?

Mr. SINNOTT. Just in the national forests; and there is authority of law permitting him to protect them, which authorizes the Committee on Appropriations to make this appropriation, but without this legislation the Appropriations Committee could not make the necessary appropriation for the Secretary of the Interior.

Mr. JONES of Texas. This bill also provides for the national parks.

Mr. SINNOTT. The national parks are under the jurisdiction of the Secretary of the Interior.

Mr. JONES of Texas. All of them?

Mr. SINNOTT. All of them.

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. MONDELL. I understand the language of this act corresponds to the authority now resting with the Secretary of Agriculture relative to forest lands?

Mr. SINNOTT. Yes.

Mr. MONDELL. And it does not go beyond the authority of the Agricultural Department?

Mr. SINNOTT. No.

Mr. GRAHAM of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. GRAHAM of Illinois. It seems to me the language is broad enough to perhaps cause some trouble. The bill provides as follows:

timber owned by the United States upon the public lands, national parks, national monuments, Indian reservations, or other lands owned by the United States.

The language "other lands owned by the United States" may include military reservations.

Mr. JONES of Texas. And they may be national forests.

Mr. GRAHAM of Illinois. Is it intended to permit the Secretary of the Interior to go into military reservations, of which we have a large number, very large in scope, and exercise authority there where the Secretary of War has jurisdiction?

Mr. SINNOTT. The Appropriation Committee of course would not make any appropriation for that purpose, and there are probably no forests of any extent upon such military reservations.

Mr. GRAHAM of Illinois. Why use the phrase "or other lands" at all?

Mr. SINNOTT. There may be some other odds and ends of lands under the jurisdiction of the Secretary of the Interior.

Mr. MONDELL. Have that language inserted—"under the jurisdiction of the Secretary of the Interior."

Mr. GRAHAM of Illinois. Why not amend it to read "other lands under the jurisdiction of the Department of the Interior"?

Mr. SINNOTT. That would be satisfactory.

Mr. GRAHAM of Illinois. I shall offer that amendment at the proper time.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to protect and preserve, from fire, disease, or the ravages of beetles, or other insects, timber owned by the United States upon the

public lands, national parks, national monuments, Indian reservations, or other lands owned by the United States, either directly or in cooperation with other departments of the Federal Government, with States, or with owners of timber; and appropriations are hereby authorized to be made for such purposes.

Mr. GRAHAM of Illinois. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois. Page 1, line 7, after the word "lands," insert the words "under the jurisdiction of the Department of the Interior."

Mr. RAKER. Mr. Speaker, I do not think the amendment makes very much difference, because I think it will be found that any other land the United States owns, not under the jurisdiction of the Department of the Interior, would be found to be under the jurisdiction of some other department.

I want to say a word or two in regard to the bill. In addition to the work being done by the Agricultural Department, it is the fact that on the public land owned by the Government at the present time, scattered about among privately owned lands, the white-pine beetle and the beetle have destroyed in the State of California and in Oregon during the last five years more timber than has been destroyed by fire. Our people have been contributing to the Forest Service and the Government generally to protect their own lands, and to assist the Government in protecting its lands. It is high time that the Government was protecting its holdings on the public domain, and appropriating enough to protect its timber on the reserves that are within the counties upon which no taxation is paid. We are, of course, receiving a small amount allowed to us by virtue of revenue obtained by the department, but I think the Government owes something to these States where the timber is, particularly to stop the ravages of the various timber insects that are destroying millions of feet of timber in these timbered States. This bill would authorize it so that we can go before the Committee on Appropriations and obtain from the Government proper aid and assistance. I am strong for this bill which comes from our Committee on the Public Lands of the House.

Mr. JONES of Texas. Mr. Speaker, will the gentleman yield?

Mr. RAKER. Yes.

Mr. JONES of Texas. Does not the term "public lands," here used in line 6, include national forests?

Mr. RAKER. In my view it does not.

Mr. JONES of Texas. Why does it not?

Mr. RAKER. This includes all the lands that are not within the national forests. They have authority now to appropriate for the national forests.

The only thing is they do not appropriate enough money to do the work, and that is all.

Mr. JONES of Texas. I understand that proposition, and I understand the gentleman's construction, but I do not see the reason for such construction.

Mr. RAKER. It is the law.

Mr. JONES of Texas. In the term "public lands" the Agricultural Department has authority to do certain work in national forests, and this gives authority to the Secretary of the Interior to duplicate the work.

Mr. RAKER. Public lands that are open to entry, all other lands that there are any strings on, or in withdrawal, are not public lands.

Mr. JONES of Texas. Does the gentleman mean to say that lands owned by the United States Government in the national forests are not public lands?

Mr. RAKER. They do not class them as public lands.

Mr. JONES of Texas. I do not care how you class them. Does the gentleman mean to say they are not public lands?

Mr. RAKER. They are not what we call, in the parlance of legislation, public lands, because they are public lands with a reservation.

Mr. JONES of Texas. The gentleman says "not what we." Whom does the gentleman refer to when he says "we"?

Mr. RAKER. I mean the United States. We are a part of it.

Mr. JONES of Texas. Has it been judicially determined that the term "public lands" excludes national forests?

Mr. RAKER. Absolutely. It has been determined by the Department of the Interior and by the Supreme Court in a late case in Imperial Valley, Calif., that "public land" meant land that there were no strings upon, and when there is any reservation or withdrawal or claim against the land by the Government or the individual it is not public land.

Mr. JONES of Texas. Was that in a suit in which lands in the national forests were involved?

Mr. RAKER. In the Reclamation Service; and there was reclamation withdrawal, and therefore it was not public land.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. GRAHAM].

The question was taken, and the amendment was agreed to.

Mr. JONES of Texas. Mr. Speaker, I desire to offer an amendment. On page 1, line 6, after the word "lands," insert "other than national forests."

The SPEAKER. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 1, line 6, after the word "lands," insert the words "other than national forests."

Mr. MONDELL. I suggest to the gentleman from Texas that that is entirely unnecessary and very confusing. The act is limited to lands under the jurisdiction of the Department of the Interior.

Mr. JONES of Texas. I beg the gentleman's pardon. I am afraid that amendment only refers to other lands, in line 7. It says "other lands under the supervision of the Department of the Interior." I do not think that that expression refers——

Mr. MONDELL. The term "public land" never includes lands reserved in any way, for forest reserves or any other public land. And so to say "public lands other than forest reserves" is a contradiction of terms, because they are not a part of the public lands.

Mr. JONES of Texas. Has it been so universally considered?

Mr. MONDELL. Absolutely.

Mr. JONES of Texas. I wanted to make it certain that the Agricultural Department is authorized directly to give protection to lands. I ask unanimous consent to withdraw the amendment.

The SPEAKER. Without objection, it will be withdrawn.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SINNOTT, a motion to reconsider the vote by which the bill was passed was laid on the table.

MEDICAL AND HOSPITAL SUPPLIES FOR RUSSIAN GOVERNMENT.

Mr. MONDELL. Mr. Speaker, I move to suspend the rules and pass Senate bill 2708, as amended, in the hands of the Clerk.

The SPEAKER. The gentleman from Wyoming moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk read as follows:

A bill (S. 2708) to authorize the President to transfer certain medical supplies for the relief of the distressed and famine-stricken people of Russia.

Be it enacted, etc., That the President be, and he is hereby, authorized to transfer, without charge therefor, out of the surplus supplies of the War and other departments of the Government, to American relief organizations to be selected by him, medicines, medical, surgical, and hospital supplies, for the relief of the distressed and famine-stricken people of Russia, in an amount not to exceed $4,000,000 original cost to the United States, and as may be delivered to and accepted by such relief organizations, without cost for transportation to the United States, within four months of the date of the passage of this act.

The SPEAKER. Is a second demanded?

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Wyoming has 20 minutes and the gentlemen from Arkansas 20 minutes.

Mr. MONDELL. Mr. Speaker, Senate bill 2708 reached the House on December 7, was referred to the Committee on Military Affairs, and reported by that committee on December 12. The Committee on Military Affairs of the House saw fit to amend the bill somewhat, but the bill as amended, after further consideration, did not seem to be in an entirely satisfactory form. So after consulation with the chairman and other members of the Committee on Military Affairs, the Speaker, and various Members of the House I made a draft changing somewhat the phraseology of the act, but carrying out the general purpose of the Senate and of the House. The measure now presented differs from the Senate bill in that it fixes a limit of $4,000,000 of original cost to the volume of goods that may be transferred, and it fixes a definite time—four months from the time of its passage—within which the transfer must be made and the supplies accepted. It modifies the House bill in that, instead of placing the matter under the Secretary of the Department of Commerce, it makes the President responsible for the transfer, as we did in the case of the Russian grain relief, the work to be carried on under such agencies as he may pro-

vide. I think we are all in sympathy with the relief proposed, and the question has been one simply of form and phraseology.

Unless there is some gentleman who desires to ask a question in regard to the matter, I shall consume no further time.

Mr. QUIN. What is the exact change in the language in the House bill?

Mr. MONDELL. I do not know whether the gentleman heard what I just said or not——

Mr. QUIN. I just came in.

Mr. MONDELL. We modified the Senate bill in that we limit the sum total of the goods that can be transferred to supplies of an original cost of $4,000,000. We further amend the Senate bill by providing that the transfer shall be made and the supplies accepted within four months. Those are the essential changes in the Senate bill.

Mr. QUIN. That is for surgical instruments?

Mr. MONDELL. Yes; and medicine and medical supplies. That is all that is provided for. We change the House bill by placing the entire matter under the President, instead of under one of the members of the Cabinet.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GARNER. Where are these supplies located now?

Mr. MONDELL. These supplies are in the various supply depots of the War Department. There is, perhaps, a limited amount of them in the supply depots of the Navy Department. They are supplies that have been declared surplus.

Mr. GARNER. How do you expect these supplies to be gotten to the parties for whose benefit it is contemplated to send them?

Mr. MONDELL. Well, they are expected to take them and accept them at the supply depots.

Mr. GARNER. Who is going to pay the expense of transferring them to Russia, for instance?

Mr. MONDELL. The organizations.

Mr. GARNER. What organizations?

Mr. MONDELL. The organizations the President may select; there are several. There is the organization known as the American Relief Administration in Russia. There is an organization of the Friends, the Quakers, that are doing a great work in Russia. There is at least one other American organization working in the Volga Basin.

Mr. GARNER. They are to furnish the money to transport those supplies from their present location to Russia?

Mr. MONDELL. Yes. They have stated that they are perfectly willing to do that, and glad to do that.

Mr. GARNER. I was just wondering if they were to be sent over in the regular commercial trade, or whether they were to go over in vessels owned by the Shipping Board, and if so, whether or not they are to have a reduced rate. Can the gentleman tell us anything about that?

Mr. MONDELL. Well, that was a very important matter as regards the transport of several million bushels of grain. It is not so important a matter in the transportation of medical supplies, which would go in smaller quantities. I suppose these relief associations will make such arrangements as seem to them wise for the transportation of these goods.

The Senate bill specifically provided that there should be no cost to the United States Government in the matter of transportation. The bill now before us follows the Senate bill in that respect.

Mr. GARNER. It retains that provision?

Mr. MONDELL. Yes.

Mr. GARNER. Now, in reference to the $20,000,000 appropriated for the purpose of buying grain, is this grain being carried to Russia in American bottoms free?

Mr. MONDELL. Frankly, I am not fully informed in that matter, but I do not understand that the grain is being carried free. There may be some arrangement whereby a reasonable or low rate is made.

Mr. GARNER. That is what I am coming to. I think the gentleman who is responsible for that legislation ought—at least at some time—to inform the House as to what the ultimate cost has been to the people of the United States.

Mr. MONDELL. I would be very glad to.

Mr. GARNER. As I understand it, the $20,000,000 worth of grain will cost somewhere in the neighborhood of $6,000,000 to transport to Europe, and that the people of the United States will be charged up with that. But by reason of the fact that a rate has been given in foreign bottoms by the Shipping Board that will not pay the cost of transportation the result is that the American people will have to pay the transportation.

Mr. MONDELL. The Russian relief bill contemplated the delivery of the grain to Russia.

Mr. GARNER. But did it not contemplate that the total expense to the American people should be $20,000,000; that you should buy the grain and retain sufficient of the $20,000,000 to deliver it to the people of Russia?

Mr. MONDELL. My understanding is that the total expense will not exceed $20,000,000.

Mr. LAYTON. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LAYTON. What does the gentleman mean by "surplus supplies"?

Mr. MONDELL. Supplies that are declared surplus by the departments. Under the provisions of law the War Department and the Navy Department from time to time declare certain supplies surplus, and when we refer to "surplus supplies" we refer to supplies so declared surplus.

Mr. LAYTON. Are these so-called surplus supplies defective in some way, so that we can not use them in this country? And if we give away $4,000,000 of those surplus supplies, will not that require that the taxables of the country will have to make that up in future appropriation bills?

Mr. MONDELL. No; I do not understand these supplies are defective. The War Department, as to Medical supplies, has declared surplus, as I understand it, such portion of its supplies as can not, in their opinion or in their judgment, be utilized by the department within a period in which those supplies will remain in a wholly satisfactory condition. These supplies are all right now, but we have such quantities of them—as, for instance, in the case of disinfectants—such quantities of them that in addition to providing for all of our needs for a very considerable time and so far in the future as the department feels that these supplies would remain in good condition, we have more than is needed, and those extra supplies are the supplies declared surplus.

Mr. LAYTON. Will the gentleman answer another question?

Mr. MONDELL. Yes.

Mr. LAYTON. In the last Congress and in this Congress have we made any specific appropriation for these various supplies or supplies of a similar character?

Mr. MONDELL. Out of our general appropriation, of course, the War Department can purchase supplies; but we must assume—and I have no doubt but that it is true—that the War Department has not purchased articles similar or of the same character as those they have on hand, nor have they purchased where the articles on hand would serve the purposes of the department.

Mr. LAYTON. But the gentleman can not say of his own knowledge that that has not been done?

Mr. MONDELL. One can not know all the details of administration, but I hope that it has not been done.

With regard to these medical supplies, let me say further that the department has been endeavoring to sell them, and, judging from the offers it has received, the department seems to be of the opinion that we could sell these supplies, probably taking them all together, for perhaps 25 per cent of what they cost. This is not because they are not in good condition but because the trades could only use such supplies slowly.

Mr. LAYTON. And that it is not a good thing to do that because it would interfere with the general trade?

Mr. MONDELL. Yes.

Mr. SEARS. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. SEARS. I find that wherever there are charitable hospitals in this country there are weekly and monthly drives for the purpose of raising funds to secure medicine and supplies. Does not the gentleman believe it is about time that we give some of this relief at home and quit sending it to Russia? Our citizens have to contribute the money.

Mr. MONDELL. Of course, that is a matter that gentlemen could discuss at very great length as a question of policy or principle. What we are doing now or proposing to do is to endeavor to furnish some relief to Russia. Of course, these supplies can be purchased very cheaply so far as they are needed at home. They are constantly being purchased at a low figure by those organizations that need them in the United States.

Mr. SMITH of Idaho. Has the gentleman given any consideration to the proposition to include in legislation of this character the sending over of great quantities of foodstuffs which are canned, and which are still surplus in the War Department? I understand they have on hand 11,000,000 pounds of dehydrated potatoes for which they can not get a reasonable bid.

Mr. MONDELL. That has been considered, but what we are considering now is this legislation which deals with nothing but medical supplies. The people who are interested and anxious about it are doing splendid work for the people in Russia, and they buy these very supplies from the department at a low figure, and so far they have asked only this relief.

Mr. WALSH. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. WALSH. These supplies are designed to be sent over there to help to save the lives of people who are sick?

Mr. MONDELL. They are people who are in a very desperate condition.

Mr. WALSH. Is it expected that they will arrive there in time to be of any material benefit?

Mr. MONDELL. I think it would have been better if we could have passed this legislation a little earlier.

Mr. WALSH. We passed similar legislation at the outbreak of the war.

Mr. MONDELL. But talking within the last three days with the representatives of several organizations that are doing relief work in Russia, they told me that they could still use the supplies with very great advantage, and they were very hopeful that they would be able to get them.

Mr. WALSH. They are doing all this work with the money of somebody else, and the representatives of these organizations always have great hopes of what they can do if somebody else puts up the money.

Mr. MONDELL. I have a great deal of confidence myself in these good folks—I think they are in the main good folks—who have an inclination to use their energies and devote their time to these works of mercy. As the gentleman knows, there is a condition, particularly in the Volga Basin of Russia, that almost baffles description. If conditions are as bad as they have been described to me, we ought to do everything we can in reason for their relief. They are so horrible that one is loath to hear of them.

Mr. WALSH. Of course, the conditions may baffle description, but these people are always able to describe them in a sufficient manner so that they can get an appropriation out of the Federal Treasury. They are never so baffling but what they can come up to that requirement. We have some conditions at home that do not baffle description. We have sickness and unemployment and starvation, but I do not hear many of these good people representing these associations raising their voices concerning those conditions.

Mr. MONDELL. The gentleman knows that there is not under this flag an individual anywhere who can not and will not be reached with some reasonably sufficient aid and assistance if greatly suffering or in need. On the other hand, here is a condition overseas that is horrible almost beyond belief; and the gentleman from Massachusetts I know is such a kind-hearted individual that except for the fact that just now he is acting very properly in the capacity of a guardian of the Treasury he himself would be disposed to offer this resolution.

Mr. WALSH. The gentleman is mistaken about that.

Mr. KING. Will the gentleman yield?

Mr. MONDELL. I should be glad to yield to the gentleman, but my time has expired.

Mr. QUIN. Mr. Speaker, for one, I did not favor the Congress of the United States putting up $20,000,000 for Russia, but this measure to turn over to the American Relief Society certain medical supplies and surgical instruments for the afflicted who are dying by the thousands in the Volga Basin is a proposition that I do favor. As a member of the Military Affairs Committee I heard the evidence upon which this House bill is based. Every man knows that there is no one on this floor who believes more strongly than I do in conserving the property of the United States and in the economical administration of this Government.

Mr. STEVENSON. Will the gentleman yield?

Mr. QUIN. I have not the time right now. Wait until I get through.

The United States Government has in its warehouses a large amount of medical supplies and surgical instruments for which the Government claims to have no use. These supplies are depreciating daily in value and are costing this Government immense sums to protect by watchmen and insurance. According to the evidence there are at least 1,400,000 half starved, under the care of the American Relief Commission, and in some cases entirely starved children over in the Volga Basin in Russia, who are suffering from the worst diseases known to humanity.

Mr. STEVENSON. Will the gentleman yield?

Mr. QUIN. Not yet. The people of that country are not suffering from typhus and cholera by any voluntary act of themselves, but it is because nature failed to provide the rain and the snows to produce the crops in that region of country. As the result of the lack of food for the people typhus and cholera have become an epidemic. People from the United States who belong to this relief association, God-fearing women and men, are ministering to the wants and endeavoring to save the lives of these poor starving children. Up to September 22 there were 1,200,000 under the charge of the American Relief Association. It is estimated that they will have at least 200,000 more than that number. Cholera, and that dreaded disease typhus, can be carried by the chinch bug, which gets into the clothing of the poor people and is disseminated. Trains are run from that territory out into other countries of Europe. They can come that way into the United States.

I maintain that as a safeguard against that dreaded disease getting here on the boats through some port of the United States like the influenza did, it behooves the Congress of the United States to furnish these medicines and these supplies that we do not need to the poor and starving and helpless children in the Volga Basin.

Will it be wasted, as some have suggested? Mr. Hoover, under whose charge this will be directly distributed, is at the head of that business. His long experience justifies the statement that not one dollar's worth of these medical supplies will be wasted. Does any man believe that the women who go into this dreaded territory and risk their lives will waste any money while ministering to the dying children? Our good women and men engaged in that work, at the risk of their lives, are performing a work of love, charity, and mercy. God bless them. I know they will not waste any of this medicine. The evidence shows that poor little children would be huddled together in a house, 15 or 20 of them in one little bare room. The American Relief Association has taken charge of buildings and are making them as well as possible under the circumstances; and while they are not able to give them an entire meal they can give them enough black bread and condensed milk to keep life in them, so that when these medicines and surgical instruments are received they will be able to save the lives of the great majority of them in that particular portion of Russia.

The evidence showed that one child would die and another by its side would die, sometimes seven or eight would be dead lying side by side. Is there a man on this floor who is so heartless that he would vote against this great, rich Government allowing what has been declared by the War Department of this Government to be surplus turned over to these God-fearing men and women who are there working to save the lives of these disease-stricken people?

Is it possible that the American Congress, which ought to have its eyes turned toward the rehabilitation of that great country, even if only for a business and commercial reason, would vote against the saving of the lives of 1,400,000 children that are under the direct charge of these good men and women who compose the American Relief Association? Is there a man with a heart hard enough to vote against the turning over of these supplies that have been declared surplus for the needs of the War Department? What better use can be given than to turn these medicines and these surgical instruments over to the American Relief Commission and let them do that work of mercy in Russia? I maintain as a selfish proposition that it is good business for this Government to do it, and surely no man can oppose it on any constitutional ground, because you have expended money out of the Treasury of the United States for every known and some unknown purposes, and here is a purpose that goes to the actual saving of human lives, to a number of more than 1,400,000.

There was not an ally that sacrificed more men than did Russia for two or three years at the beginning of the Great War. It is true that the Government broke down at the last; but, my friends, with that great country undeveloped and that horrible disaster coming in the nature of a drought over that territory, it has brought the people to starvation, and the process of starvation has brought typhus and cholera. Can we as representatives of the great citizenship of the United States turn our backs on that suffering humanity and say we will not turn over to them or to this worthy commission the $4,000,000 worth of medicine and supplies that the Government of the United States or its agents have said are now worth only 25 cents on the dollar, for that is all they could get for it at any sale in the United States? Can we as representatives of a great constituency, as representatives of a Christian people, of a God-fearing people, representing the people whose hearts go out to the call of humanity at all times, can we turn down a proposition and say that we will let 1,400,000 children under the charge of the relief commission die with disease, die for the lack of medical attention, because even if they have the scanty food to sustain life they can not prevent the ravages of the disease unless they have the medical and the surgical instruments.

Mr. STEVENSON. Will the gentleman yield?

Mr. QUIN. I will yield to the gentleman now.

Mr. STEVENSON. The gentleman voted against the appropriation of $20,000,000 to buy grain for Russia?

Mr. QUIN. No; I was sick and was not able to vote.

Mr. STEVENSON. I understood the gentleman to say he was not in favor of it.

Mr. QUIN. I was not.

Mr. STEVENSON. The gentleman is in favor of physicking them instead of feeding them, and with physic that is not worth but 25 cents on the dollar.

Mr. QUIN. I want to say to the gentleman that this proposition is for medicine and supplies which we have on hand that is surplus, and the War Department does not need, that are to go to the sick and dying children. The gentleman understands the distinction between giving money that Congress did not have on hand, but would have to raise by taxation, and this proposition of putting surplus medicines already on hand, of no service to the Government, into worthy hands to save the lives of a million children of our neighbors.

Mr. STEVENSON. Is not food more important than that?

Mr. QUIN. Oh, but the gentleman understands that they have arrangements to get food. They have not the arrangements to get this medicine and these surgical supplies, and this Government can do it without any hurt or violation of any principle known to our Government. The American Government, standing as it does the one country in the world whose money is worth par on the exchanges to-day, the one Government that has more medicine than our people will need, the one Government of all the Governments that went through this Great War which is able to meet its tax burden, although the Congress has added on many burdens which I do not think belong there, ought I think now to respond to the cry of these children, living in a country that was our ally and that did valiant service in time of need to save civilization?

Yet some men here say that it is improper for this Government to turn over these old supplies that are worthless to us now and we could not use in peace times, knowing that when we turn down the bill it means death, disaster, and the further spread of the horrible disease that afflict these people, and also the danger that it may come to our own shores, if it becomes any worse than it is to-day.

Gentlemen of the House, in the name of a great people that compose the districts of all the men who sit as Members of this body, I ask that you mantain the honor of the United States and further prove to the people of the world that our Nation stands as the forerunner in charity and good works to all the people of the world.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield?

Mr. QUIN. Yes.

Mr. HUDSPETH. Does my friend from Mississippi know of anyone who is opposed to this resolution?

Mr. QUIN. Yes; many are opposed to it. I heard some say that they were, and I heard some say they were going to vote against it. Could not the gentleman tell from the interrogations put to the Republican leader when he was on the floor that some are opposed to it? I certainly hoped that it would be passed by a unanimous vote, and that the United States of America would continue to hold that position which she has always held in the Christian world and the constellation of God-fearing nations of this earth. [Applause.]

Mr. MONDELL. Mr. Speaker, I ask for a vote.

The SPEAKER pro tempore (Mr. FESS). The question is on the motion of the gentleman from Wyoming to suspend the rules and pass the bill as amended.

The question was taken; and on a division (demanded by Mr. WALSH) there were—ayes 65, noes 7.

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The SPEAKER pro tempore. The Clerk will call the next bill on the Calendar for Unanimous Consent.

SNOQUALMIE NATIONAL FOREST.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8999) to authorize exchanges of lands within the Snoqualmie National Forest, in the State of Washington.

The SPEAKER. Is there objection to the consideration of this bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, I will ask the gentleman from Oregon [Mr. SINNOTT] why it is that this measure does not contain the precautions which were suggested in the other bill which we considered earlier in the day?

Mr. SINNOTT. I do not recall the restrictions suggested in the other bill.

Mr. WALSH. They were read to the gentleman.

Mr. HADLEY. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Yes.

Mr. HADLEY. While the gentleman from Oregon is looking up the other bill, I would state that I introduced this bill and based it on the form of the bill which the House passed at the last session of the Congress, a bill that was applicable to the Rainier National Forest, except that in this bill as introduced there is a limitation of 1 mile on either side of the State highway, the purpose being to preserve the timber within such limit. The forest department in its report, which is set out in the report of the committee, recommended that the limitation be removed and that it be made applicable to the forest at large as was done in the case of other forests. To that I made no objection, calling it to the attention of the committee at the time and stating that it was agreeable to me, as the author of the bill, that the limitation be removed. If the gentleman desires to know anything of the circumstances, I would be glad to state them; but upon the point he mentioned, that is the history of the introduction and recommendation of the bill by the committee.

Mr. WALSH. How many tracts are there in this forest to which this would apply?

Mr. HADLEY. The Snoqualmie National Forest, as I understand it, embraces about a million acres. About two-thirds of it is in Government ownership and about one-third of it, speaking in round figures, is in private ownership. The Snoqualmie Forest lies on the western slope of the Cascade Range of Mountains, dropping down into the valleys that lead into the city of Seattle, in King County, State of Washington. There is a State highway approximately starting at the Snoqualmie Pass on the eastern side of the reservation, which crosses this forest area, established by the act of the legislature, and practically all of the finest timber in the forest bordering the highway happens to be in private ownership—that is, to the extent that it parallels this highway. It is the desire of the people who are interested in preserving the scenic features of the State forest areas and other areas to preserve this timber now in the vicinity of this highway. One of the great scenic features is the timber. There are, of course, the mountain peaks and the streams, but the crowning distinction of the highway is the splendid growth of timber near it. If fire came, or if in the ordinary course of logging operations the timber be removed, it will destroy one of the greatest features of interest along the highway. The hazard of fire is a very important element. The interlocking of the private area with the Government area and the logging operations which necessarily attend it at the hands of private owners maintain a continual fire menace. In this situation it is only a matter of time when fire will sweep over this area and destroy it. The gentleman must himself remember having crossed the Cascade Range, traveling on the Milwaukee Road. I was in company with him at the time. He may remember the broad area across that range that has been burned over, where fire has destroyed many trees and other trees are standing that are dead. It is a desolate area. That will be the fate of the entire area along this highway unless some such precaution as this bill contemplates be arranged for.

Mr. WALSH. Is it the gentleman's understanding that notwithstanding the elimination of this limitation by amendment, the exchanges will be confined to the adjacent territory along this highway?

Mr. HADLEY. Of course, with the removal of the limitation it will be quite possible to make the exchange of private lands anywhere in the area. The provisions of the bill are, in effect, just briefly stated, that the Secretary of the Interior would be authorized by patent to grant other lands in other national forests, of equal value, in exchange for those which may be vested in the United States through him, or the Secretary of Agriculture may exchange timber of equal value, upon having it granted here, for timber of equal value in other national forests, and the valuation to be determined in each instance by the Secretary of Agriculture. Then these lands so exchanged in the Snoqualmie Forest which are in private ownership become a part of the Government title and part of the national forests.

Mr. WALSH. It will not result in conserving any of the timber if it is done?

Mr. HADLEY. It will conserve the timber in the jurisdiction of the Government. The United States will become the owner of the timber in so far as it may be exchanged. This bill makes that permissive. If private owners are willing, after the passage of this bill, to vest the title in the Government in exchange for lands of equal value, they may do so, and it only gives the opportunity to people who are interested in retaining these scenic features to prevent the destruction and elimination of

these beautiful spots in nature, so that they may be preserved for the public.

Mr. WALSH. But it permits this timber in other areas to be cut and moved?

Mr. HADLEY. That would be in areas where there is timber of equal value, but where scenic features are not necessarily involved. The same organization which is looking out for this is interested in every area of analogous character in the State, namely, the National Parks Association of the State, having officers and representatives stationed in every part of the State. They are working with what I think is commendable State pride, having in view the preservation of all the scenic features of the State for the future, especially where they are being denuded.

Mr. WALSH. Well, if we are going to try to preserve timber and preserve the scenery, why should they move a private owner from one section of this forest to another? Why not buy him out, and then they will have the entire territory?

Mr. HADLEY. I think if the bill provided to buy him out the gentleman would object to that on account of the necessary appropriation. I think the exchange should be permitted for lands of equal value wherever the parties are willing.

Mr. WALSH. Has it ever been suggested that in doing this you are going to make the national forests a sort of checkerboard, by moving these private owners from, say, this tract over yonder, and they will stay there and absorb what benefit they can get out of that, and then want to go somewhere else, and by and by it will be that they will have occupied a large portion of the forests?

Mr. HADLEY. I am not personally disposed to be particular as to what the ultimate result will be under a policy of this kind. But I am willing to meet every case as it arises on the merits of each bill and pass upon it. And that is what is presented here.

Mr. WALSH. I withdraw my reservation of the point of order.

Mr. MANN. Will the gentleman from Washington yield?

Mr. HADLEY. I will.

Mr. MANN. As I understand, the bill is endeavoring to make exchanges so as to preserve the timber along this highway?

Mr. HADLEY. That is the real purpose, and the only purpose, of the bill.

Mr. MANN. The people who now own the timber in private ownership will eventually cut it anyhow. The desire is to put their holdings back from the road, if they will exchange?

Mr. HADLEY. That is it, and they may take exchanges in other forest areas if they desire.

Mr. MANN. I notice in the report made on this bill by the gentleman from Washington [Mr. SUMMERS] it says this hazard may be largely avoided by "consolidation of holidays."

Mr. HADLEY. I noticed that. It is a typographical error, of course. The word "holdings" is the word in common use in our State in speaking of such logged-off and timber lands. I know it was intended to be "holdings."

Mr. MANN. I wanted the gentleman to state that. I do not know but that it would be a good thing, however, to consolidate the holidays. [Laughter.]

Mr. RAKER. Will the gentleman yield?

Mr. HADLEY. I will.

Mr. RAKER. This bill stands practically the same as the other exchange bills reported from the Committee on Public Lands.

Mr. HADLEY. I have never examined personally, I believe, any other, except one.

Mr. RAKER. I want to call attention now to the fact that about an hour ago there was considerable criticism of a bill reported by the same committee. This bill carried practically the same proposition, except with the addition of other lands carried in the bill, so that the people might know the land that was to be exchanged. Here we allow privately owned land in the forests to be exchanged for other lands in any other forests, which is all right, and it makes no provision as to other conditions, but simply allows the exchange as in the other exchange bills.

All these other exchange bills have the same thing in them as this bill, which was just stricken out, namely, to provide a certain strip of virgin timber along these highways. My distinguished friend, who is so anxious that legislation should be included in a general bill now before the Committee on Agriculture, forgets that this is in the same class of bills. So while our friends are so particular and squeamish on a public road located in another latitude, when you go a little north it does not make any difference. It is all right. I am for the gentleman's bill. It is proper legislation, but it just shows how easily we can twist our minds and how wrong it is to preserve timber in one State and how all right it is in another for the same purpose and the same object. And our dear friend, who sometimes has objections, reads a report, and under the specific designation of the manual we find the report striking out certain language and entering the language that is to be inserted.

Mr. WALSH. Mr. Speaker, I ask for the regular order, and I withdraw my reservation.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. JONES of Texas. Mr. Speaker, I reserve the right to object. I desire to get some information.

The SPEAKER. The gentleman from Texas is recognized.

Mr. RAKER. But, Mr. Speaker, the gentleman——

The SPEAKER. The gentleman from Texas has been recognized. The gentleman from California is out of order.

Mr. JONES of Texas. Under this bill will authority be granted to exchange forest lands for cut-over lands, as some of these bills permit?

Mr. HADLEY. This bill is self-explanatory. It permits the exchange of lands of equal value or an exchange of lands for timber.

Mr. JONES of Texas. Under its provisions would the Secretary of the Interior be authorized to exchange well-timbered lands for cut-over lands?

Mr. HADLEY. I submit to the gentleman whether he would not be willing to trust the Secretary of Agriculture and the Secretary of the Interior to determine the question?

Mr. JONES of Texas. I would be perfectly willing to do that if they had the time to go out there and look at the land. As I understand it, in most of these exchanges the purpose has been to take good timber land belonging to the Government and exchange it for cut-over land belonging to private parties. We have had some hearings before the Committee on Agriculture with reference to these lands, and it has been developed at those hearings, according to the testimony of those interested in timber, that land when it is cut over is practically worthless except for grazing purposes.

Mr. HADLEY. That depends entirely upon its locality and the surface conditions.

Mr. JONES of Texas. The testimony of witnesses from the States of Washington and Oregon and California and other States out there was to the effect that when the timber is cut off the land it is worth only two or three dollars per acre, or whatever it will bring for grazing purposes, and in many instances the owners let the land go back to the State rather than keep on paying the taxes on it after the timber is removed.

The testimony also shows that the timbered land in many instances is worth anywhere from $40 to $100 per acre. Does the Government ever get in exchange 20 or 30 or 40 acres of the cut-over land for 1 acre of the timbered land in cases of that kind?

Mr. HADLEY. The gentleman evidently has not read the bill. On page 2 of the bill the gentleman will find that the Secretary of Agriculture may permit the grantor to cut and remove an equal amount of national-forest timber in any national forest in the State of Washington, the values in each instance to be determined by the Secretary of Agriculture, and to be acceptable to the owner as fair compensation. That is not therefore applicable to the logged-off lands in terms. It speaks of timber itself.

Mr. JONES of Texas. Oh, I have read it, and it also authorizes the Government to trade lands.

Mr. HADLEY. It authorizes the Secretary of the Interior to do that.

Mr. JONES of Texas. I mean it authorizes the Secretary of the Interior, when he can trade timberlands for cut-over lands, to acept title to any of the land that he sees fit.

Mr. HADLEY. The gentleman also knows that a patent could not issue to anything except the land. The timber is only a part of the land. It must be all-embracing and carrying the real estate. The other provision relates to the timber itself. The whole bill shows on its face that the exchange must be for equal value.

Mr. JONES of Texas. I also understand that the Secretary of the Interior can accept on behalf of the United States any land not owned by the Government within these national forests. There are 300,000 acres of privately owned land within the national forest. Much of it is cut-over land.

Under the stipulations of this bill the Secretary of Agriculture will be authorized to accept any of this cut-over land and exchange it in lieu of timberland. In doing that has it been the custom to require them to give 20 or 30 acres to 1?

Mr. HADLEY. The gentleman need have no fear of the Government parting with title to valuable timberland in exchange for logged-over land unless it has equivalent value.

Mr. SINNOTT. Mr. Speaker, I can answer "yes" to the question of the gentleman from Texas. That is exactly what the Forest Service does.

Mr. JONES of Texas. Has it been getting anything like the near value?

Mr. SINNOTT. Yes. It has done more than that. They have never gone above $2 an acre for the cut-over land. Sometimes it has been appraised as low as $1 per acre.

Mr. JONES of Texas. What do they value the timbered lands at on the average?

Mr. SINNOTT. That would depend on the stumpage. In some quarter sections of this land there is 3,000,000 feet of timber, and in some of the other quarter sections in those localities it will run as high as 20,000,000.

Mr. JONES of Texas. Has it been the custom in making these exchanges to get 20,000 or 30,000 acres of cut-over lands in exchange for 1,000 acres of timberland?

Mr. SINNOTT. Yes. They measure the actual value.

Mr. JONES of Texas. The reason why I ask these questions is that the testimony shows that really the cut-over land for timber purposes is of no value whatever. The timber companies feel that they can not go forward and reforest this land, and the only value to it is its grazing value, which is very small; and the testimony shows that in many instances the timber companies and other private owners, if they can not dispose of the land to the Government in some way by exchange, allow it to go back to the State rather than pay the taxes on it.

Mr. SINNOTT. This land has great value for reforestation purposes. No private individual, of course, can hold it for that purpose, but the Government may do so profitably. Most of this land will reforest itself.

Mr. JONES of Texas. I know; but if the Government can get it for a mere song by paying for it, I was wondering if they would get equal value for it when they attempted to trade it.

Mr. SINNOTT. Yes. I have some figures in my office covering some of the exchanges that have been made.

Mr. JONES of Texas. I wish the gentleman would bring them over some time and put them in the RECORD.

Mr. SINNOTT. Yes; I will.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to accept on behalf of the United States title to any lands not in Government ownership within the Snoqualmie National Forest and located within 1 mile of the Sunset Highway, as established by the Legislature of the State of Washington, session of 1915, if, in the opinion of the Secretary of Agriculture, such lands are chiefly valuable for national forest purposes, and in exchange therefor may issue patent for not to exceed an equal value of Government land within any national forest within the State of Washington; or the Secretary of Agriculture may permit the grantor to cut and remove an equal value of national forest timber in any national forest in the State of Washington, the values in each instance to be determined by the Secretary of Agriculture, and to be acceptable to the owner as fair compensation. Timber given in such exchanges shall be cut and removed under the direction of and in accordance with the requirements of the Secretary of Agriculture. Lands conveyed to the United States under this act shall, upon acceptance of title, become parts of the Snoqualmie National Forest.

With the following committee amendment:

Page 1, line 6, after the word "Forest," strike out the words "and located within 1 mile of the Sunset Highway, as established by the Legislature of the State of Washington, session of 1915."

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

On motion of Mr. HADLEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS MONONGAHELA RIVER, PITTSBURGH, PA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8818) granting the consent of Congress to the city of Pittsburgh, a municipal corporation of the Commonwealth of Pennsylvania, to construct, maintain, and operate a bridge across the Monongahela River at or near its junction with the Allegheny River in the city of Pittsburgh, in the county of Allegheny, in the Commonwealth of Pennsylvania.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Pittsburgh, a municipal corporation of the Commonwealth of Pennsylvania, and its successors and assigns, to construct, maintain, and operate a bridge, with approaches thereto, across the Monongahela River at a point suitable to the interests of navigation, at or near its junction with the Allegheny River, in the city of Pittsburgh, in the county of Allegheny, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. JONES of Pennsylvania, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE ACROSS PAMUNKEY RIVER, VA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9050) granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River, in Virginia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Pamunkey Ferry Co., duly incorporated under the laws of Virginia, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Pamunkey River at a point suitable to the interests of navigation, at or near Sweet Hall, in King William County, to a point opposite in New Kent County, in the Commonwealth of Virginia, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. MONTAGUE, a motion to reconsider the vote by which the bill was passed was laid on the table.

BRIDGE OVER COLUMBIA RIVER, OREG. AND WASH.

The next business on the Calendar for Unanimous Consent was the bill (S. 2776) to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore of the State of Washington.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I wish to make a few remarks. I notice that the title of this bill provides for the construction of a bridge over the Columbia River—

at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon.

In the phraseology of the bill itself there is no reference whatsoever to the construction of a bridge at a point approximating the designation in the title. There is no reference to Dalles City and no reference to Wasco County and no reference to 5 miles upstream from the designated city. This is a Senate bill, which perhaps explains the reason for this difficulty. In the enacting language of the bill we find the following:

At a point suitable to the interests of navigation approximately in either section 29 or 30.

Perhaps the distinguished Senator from the State of Oregon, who had been occupied recently in determining what position he might take on some important questions pending in the Senate, was not giving attention to these little matters, and therefore failed to insert the words—

approximately 5 miles upstream from Dalles City, Wasco County—

Which would make the bill intelligible or at least in consonance with the title. If the gentleman from Oregon [Mr. SINNOTT] is acquainted with the purpose of this bill I will yield to him to explain whether this was an oversight or whether the bill is intended to have this vague phraseology. Or I will yield to him to defend any person in another body for having permitted this slipshod legislation.

Mr. WALSH. Oh, they are not entitled to any defense here. [Laughter.]

Mr. SINNOTT. Mr. Speaker, I think the bill as originally introduced in the Senate contained the phraseology which the gentleman from Wisconsin [Mr. STAFFORD] thinks it should have contained, but on the recommendation of the Assistant Secre-

tary of War certain language was stricken from the bill, which, in the opinion of the gentleman from Wisconsin, leaves it somewhat ambiguous.

Mr. STAFFORD. Oh, I will not stand that arraignment, because the letter contained in the report shows that my position is well taken. The gentleman may try to cover up the shortcomings of some friend of his in another body, but he is not going to throw that obloquy upon me.

Mr. SINNOTT. I am merely endeavoring to accentuate the carefulness of the gentleman from Wisconsin.

Mr. STAFFORD. I had rather the gentleman would emphasize the shortcomings of his friend in the other body.

Mr. SINNOTT. But, as a matter of fact, Mr. Speaker, the description—

in either section 29 or 30—

necessarily makes it about 5 miles upstream from Dalles City. It gives the section, the range, and the meridian, and that can be only one place in the United States. So that makes the description as definite as anyone can desire. At present they are uncertain whether they desire the abutments on the Oregon side to be constructed in section 29 or in section 30. It will take a more careful survey to determine that.

Mr. CHINDBLOM. What does "approximately in either section 29 or 30" mean?

Mr. STAFFORD. The word "approximately" is what we are talking about.

Mr. SINNOTT. The original bill contained the language—

at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon.

Mr. STAFFORD. Why can not that language be retained? The report of the Secretary of War states that he has no objection to the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, to a point on the opposite shore.

Mr. SINNOTT. That would be in either section 29 or section 30. It does not make any difference whether those words are in there or not.

Mr. STAFFORD. The word "approximately" is the question before the House.

Mr. SINNOTT. The entire matter is under the supervision of the Secretary of War.

Mr. STAFFORD. I should like to inquire whether it is necessary to have the other language eliminated, which is found in line 10. It goes on and says:

At a point suitable to the interests of navigation, approximately in either section 29 or 30, township 2 north of range 14 east, Willamette meridian, and from the point of beginning on the Oregon shore of said river—

From the point of beginning. Of course, we expect to have it from some point, because this says: "construct a bridge at a point suitable for navigation." Why repeat and be guilty of tautology?

Mr. BANKHEAD. Mr. Speaker, I think this discussion has gone far enough. If the gentleman wants the amendments in he can offer them.

Mr. STAFFORD. I am asking information from some one to see if the amendments are not worthy of adoption before the time for objection to the bill is passed.

Mr. SINNOTT. I have no objection to the gentleman's amendments.

Mr. STAFFORD. Then I withdraw the reservation of the point of order.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That The Dalles Oregon-Washington Toll Bridge Co., a corporation of the State of Oregon, its successors and assigns, be, and they are hereby, authorized jointly or separately to construct, maintain, and operate a bridge and approaches thereto over the Columbia River at a point suitable to the interests of navigation approximately in either section 20 or 29, township 2 north of range 14 east, Willamette meridian, and from the point of beginning on the Oregon shore of said river, thence running in a northerly direction to a suitable landing in the State of Washington and on the Washington side of said Columbia River, and all in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The Clerk read the following committee amendments:

Page 1, line 9, after the word "section" eliminate the words "twenty or," and after the words "twenty-nine" insert the words "or thirty."

Mr. MANN. Mr. Speaker, I would like to ask the gentleman who made the report on this bill when it was discovered that this section 20 should be changed to 30? The bill was introduced, passed the Senate, passed the War Department, passed the Chief of Engineers, who recommended the bill to have a bridge in section 20 or 29. The Committee on Interstate and Foreign Commerce, without any information which it has given to the House, changed the location of the bridge entirely, from section 20 to section 29 or 30.

Mr. MAPES. The information came from very good authority, the gentleman from Oregon, a Member of the House. I assume it was not discovered until after the bill had passed the Senate.

Mr. MANN. Well, it passed the Senate and passed the War Department with section 20 in it. Evidently somebody was not very careful, and therefore I wondered whether the Committee on Interstate Commerce was careful because they gave no information to the House upon the subject.

Mr. MAPES. It was an error in the description, and the fact that it was an error we thought would be sufficient information. The only information we could give was the correction of the language of the bill.

Mr. MANN. Was there ever supposed to be a bridge at this point, either mythological or otherwise?

Mr. MAPES. I have no information on that subject.

Mr. SINNOTT. There was a "Bridge of the Gods," 40 miles west of this place.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I move to insert in line 8, after the word "approximately," the words "5 miles upstream from Dallas City, Wasco County, in the State of Oregon."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

Mr. STAFFORD. Mr. Speaker, I have a further amendment in the last line of page 1 and first line of page 2, to strike out the language "from the point of beginning."

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 10, after the word "meridian," strike out the words "and from the point of beginning."

Mr. MANN. What is the purpose in striking that out?

Mr. STAFFORD. Because it is not necessary. I purpose to strike out not only the language I have indicated but the words in line 2, "thence running in a northerly direction," so that it will read: "construct a bridge at a point suitable to the interests of navigation in either section 29 or 30, township 2 north, of range 14 east, Willamette meridian, to a suitable landing opposite in the State of Washington."

Mr. MAPES. Mr. Speaker, it does not seem to me that the section is going to read any better, even after the handiwork of the gentleman from Wisconsin.

Mr. STAFFORD. The bill says construct a bridge on the Oregon shore of said river, thence running northerly. My intention is to have the usual phraseology, to have it read: "construct a bridge at a point suitable to the interests of navigation in either section 29 or 30, township 2 north, of range 14 east, Willamette meridian, on the Oregon shore of said river, to a suitable landing opposite in the State of Washington, in accordance with the provisions of the act," and so forth.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CHINDBLOM. Apparently the author of the bill thought a bridge should be described like a plot of land, by metes and bounds.

Mr. STAFFORD. Probably. I think the gentleman from Michigan [Mr. MAPES] will agree that the language suggested is better.

Mr. MANN. But it does not make very good grammar.

Mr. STAFFORD. I think it does.

Mr. MANN. "At a point to a point" does not make good diction.

Mr. STAFFORD. "At a point to a suitable landing opposite."

Mr. MANN. One could say "from a point to a point," but not "at a point to a point."

Mr. MAPES. Mr. Speaker, may we have the amendment of the gentleman from Wisconsin again reported?

The SPEAKER. Without objection, the Clerk will again report the amendment offered by the gentleman from Wisconsin.

There was no objection, and the Clerk again reported Mr. STAFFORD'S amendment.

Mr. MAPES. Mr. Speaker, this bill has been considered by the Senate committee and the House committee and has been submitted to the War Department, and it strikes me that the language the gentleman from Wisconsin has suggested, with all due deference, does not improve the language of the bill, and that it is better to abide by the recommendations of the com-

mittee than to attempt to amend the bill is this way on the floor of the House.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. CHINDBLOM. Is it not fair to the War Department to call attention to the fact that their letter included in the report of the Committee of the House was written before the Senate bill was passed, and that in that letter reference is made to some indications in red ink on a document which is not before us? The War Department report is dated December 9, 1921, and the letter states that the department has no objection to the bill as amended, as indicated in red thereon. We have not got the red.

Mr. MAPES. The reference of the War Department, I think, is to the clause relating to the 5 miles upstream which has been reinserted. The usual practice of the Committee on Interstate and Foreign Commerce in reporting bridge bills is to use the language "at or near" a certain point. It is not practicable to instruct the War Department to put these bridges at any particular point. That is left to the judgment of the engineers of the War Department after they have made the surveys and approved of the plans. This language of the Senate differs somewhat from the House committee's practice, but the committee did not think it was of enough importance to justify changing the Senate bill, and therefore reported it in the same way in which it came over from the Senate.

Mr. STAFFORD. It has to go back to the Senate anyway, because there is a House amendment.

Mr. CHINDBLOM. The last two bills just passed by the House have exactly the same language as that suggested by the gentleman from Wisconsin. They authorize the construction of bridges "at a point to a point," if the gentleman will refer back.

The SPEAKER. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 2, noes 16.

So the amendment was rejected.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 1, line 5, after the word "authorized," strike out the words "jointly or separately."

Mr. STAFFORD. Mr. Speaker, perhaps the gentleman reporting this bill can make some explanation as to this unwarranted language.

Mr. MAPES. Mr. Speaker, so far as I am concerned, I am willing to accept the amendment.

Mr. STAFFORD. Mr. Speaker, a moment ago I offered an amendment—which was voted down because of the action of the gentleman reporting the bill—to conform to the established language of bills reported from his committee. I had no purpose to criticize the gentleman who reported the bill. My only purpose was to have the language conform to that used in bridge bills, and now we find language here that has hardly any meaning.

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Not at present. The bill is to authorize The Dalles Oregon-Washington Toll Bridge Co. to construct a bridge, and yet we find that they are jointly or separately authorized to do it.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CHINDBLOM. Of course, it is intended that this bridge company, its successors and assigns, shall jointly and severally perform the work.

Mr. STAFFORD. Perhaps the gentleman from Michigan can offer some explanation for that language.

Mr. MAPES. Mr. Speaker, of course we are all delighted to hear from the gentleman from Wisconsin at all times, and far be it from any of us to deprive him of the opportunity to make a speech. As soon as he offered the amendment I suggested that so far as I am concerned I was willing to accept it.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time and passed.

Mr. STAFFORD. Mr. Speaker, I offer to amend the title so as to harmonize with the phraseology, by striking out the word "of," in the last line of the title and inserting therein the word "in."

The SPEAKER. The gentleman from Wisconsin offers an amendment to the title, which the Clerk will report.

The Clerk read as follows:

Mr. STAFFORD offers the following amendment to the title: In the last line of the title strike out the word "of" and insert in lieu thereof the word "in."

Mr. MAPES. Mr. Speaker, the word "of" occurs twice in the last line of the title.

Mr. STAFFORD. The first "of" so as to remove obscurity in the minds of some gentlemen.

Mr. MAPES. The amendment would be obscure to all minds unless it specifies whether it applies to the first or the second "of."

The SPEAKER. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

On motion of Mr. MAPES, a motion to reconsider the vote by which the bill was passed was laid on the table.

THE JUDICIAL CODE—AMENDING PLEADINGS.

The next business on the Calendar for Unanimous Consent was the bill S. 1831, an act to amend section 237 of the Judicial Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BANKHEAD. Reserving the right to object, I am not able to understand from the report of the committee with respect to the bill exactly what is contemplated by the proposed amendment, and would like to have the explanation of the gentleman who is in charge of the measure.

Mr. BOIES. Mr. Speaker, I will try to enlighten the gentleman if I can. This bill has passed the Senate. It has been approved by the Chief Justice of the Supreme Court of this country and also by the Attorney General. You have, of course, read the amendment, have you not? The purpose of the amendment is to provide a litigant the opportunity to amend his pleading before final judgment in the case where the supreme court of a State in reversing its previous holdings thereby renders a contract, valid at the time of its execution, invalid by reason of the next holding, in such manner as to preserve the right to carry the case on writ of error to the Supreme Court of the United States in order to have the opinion of the Supreme Court upon the right of the party complaining to have his contract construed and upheld under and according to the law as proclaimed by the supreme court of the State at the time of the due execution of the contract.

Of course it will undoubtedly be conceded by everyone, lawyer or layman, that where a person enters into a contract under the law as it exists, according to the decisions of the highest court in the State, that he ought to have relief under that contract. But sometimes the supreme court reverses itself, and sometimes in the reversal of itself, while it ought to recognize that the contract under consideration was written in keeping with the law as it existed before it did reverse itself, and take care of that matter, it does not always do so. It is also well known that the pleading must contain the point or some showing made before it will be considered by the Supreme Court of the United States on writ of error. The State court must have opportunity to pass on the question. This amendment or showing when made simply affords the complaining party an opportunity, after he learns that the supreme court of a State has reversed itself, to raise the question of the violation of the Constitution of the United States by the supreme court of a State, and giving to the Supreme Court of the United States the privilege of reviewing that question, and either affirming reversing, or remand with instructions.

Mr. BANKHEAD. In other words, it raises the question of jurisdiction. The gentleman is endeavoring to change the rule of pleading so it will allow the Supreme Court to have jurisdiction to review a case, whereas if this amendment would not be put in the law they would not under the present practice.

Mr. BOIES. Under the present practice a party would not be provided a hearing on writ of error to the United States Supreme Court.

Mr. BANKHEAD. Then it does raise a jurisdictional question?

Mr. BOIES. What complaint does the gentleman have of the amendment?

Mr. BANKHEAD. I have no complaint. I am just seeking some light on it; that is all. It involves a rather strong——

Mr. BOIES. We took the precaution to submit this matter to the Supreme Court of the United States, knowing they were a little jealous of their jurisdiction, and I have copies of the letters here from the Chief Justice of the Supreme Court

of the United States and also the Attorney General showing approval of the amendment.

Mr. BANKHEAD. What would prevent the litigants under the present practice from amending their pleadings?

Mr. BOIES. They have no right to amend them in the supreme court of a State.

Mr. BANKHEAD. Under the practice in my State a litigant can amend the pleading at any time before the matter comes to a final determination.

Mr. VOLSTEAD. Let me call the gentleman's attention to this: Before you can raise in the Supreme Court of the United States a constitutional question it must be pleaded. You must set it up in your plea in the suit and show what is involved. If you read the section to which this is an amendment, as it is copied in the report on this bill, you will see why it is necessary.

For the Supreme Court of the United States to take cognizance of that question it must be pleaded. But when a person goes into a State court relying on a contract that was valid at the time it was made and which he still considers valid, he is not going to set up a claim that it is not invalid. So he goes on and litigates upon the assumption that the court will adhere to its former views. He reaches the supreme court of a State, and it reverses its former holding. Then he has nothing in his pleadings to show that the constitutional question has been raised. Consequently when it goes up to the Supreme Court of the United States he can not comply with this section as it now stands. The real change is simply a change in practice, so that the constitutional question can be raised where it has not been pleaded, but it is only in those cases where there has been a reversal of a holding of a State court which was relied on in trying the action.

Mr. BANKHEAD. How long has it been on the statute books?

Mr. VOLSTEAD. A good many years.

Mr. BANKHEAD. What necessity has arisen for this amendment in actual practice?

Mr. VOLSTEAD. I have been told that cases have occurred where you could not raise the question by reason of this situation.

Mr. BANKHEAD. If this change is necessary in order to prevent a denial of justice to a bona fide litigant, I have no objection. My inquiry was made with a view to exposing the necessity of the change in the practice.

Mr. VOLSTEAD. If a suit is brought after such former ruling has been reversed by the supreme court of the State, it can be pleaded. Of course, cases of that kind have gone to the Supreme Court of the United States, and then they have been given relief.

Mr. BOIES. Mr. Speaker, I can say to the gentleman that there is a case pending now in the State of Iowa of considerable importance, that has brought to the attention of judges and lawyers the necessity for this amendment.

Mr. BANKHEAD. Was that particular case the basis of this proposed legislation, or was there a general demand in general practice for it?

Mr. BOIES. That case brought this matter to my attention, and I suppose to the attention of the Senator who introduced a bill in the Senate. But it seems to me it is easy to apprehend that a man ought to have the right to have a decision of the last court in the country upon any question. He ought to be permitted in the practice to present it so that he may have the decision of the Supreme Court of the United States.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object——

Mr. BOIES. I yield to the gentleman.

Mr. MANN. The bill says, "If said claim is made in said court at any time before said final judgment is entered and if decision is against the claim so made." That is, the State court. How do we control the practice in the State courts? Is not that a matter for the State courts to determine, whether they are allowed to make a claim after the court has rendered a decision before it enters the final order?

Mr. BOIES. No. The practice in our State is that the testimony and pleading submitted to the Supreme Court can not be altered when you come to present your petition for a rehearing.

Mr. MANN. How are you going to make a claim then? Here a State court has given an opinion on which it shall enter an order. Now, the provision of the bill is that after the State court has given an opinion and before it has entered an order neither party can make the claim that it has violated the law of the United States. Is not that a matter for the State court to determine?

Mr. BOIES. No. The State court does not determine it for the Supreme Court of the United States. Now, the Supreme Court of the United States will not entertain the writ because it is not in the case, and the practice in the States does not permit an amendment. But if Congress adopts this amendment——

Mr. MANN. The claim must be made in the State court or this would not do any good.

Mr. VOLSTEAD. Is it not true that in any State after an order has been made for judgment by the Supreme Court there is always an intermission of some days for the taxing of costs?

Mr. MANN. After the opinion has been rendered, before a final order is entered, there is some time.

Mr. VOLSTEAD. This provides that it shall be made before the judgment is rendered. The parties would be notified that a decision had been rendered, and thereupon they could file their claim. In most of the States there is provision for the rearguing or rehearing of a case, so that there will be an opportunity to file the claim. That is all that is necessary.

Mr. MANN. There is such a provision in other courts.

Mr. BURTNESS. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. BURTNESS. Do you claim an amendment could be filed by an amendment of the pleading or otherwise?

Mr. VOLSTEAD. The Supreme Court has been strict in certain cases. Where there has been consideration of matters of this kind they have taken notice of claims that were not always quite in accordance with the rules.

Mr. BURTNESS. If a petition was made or a claim filed and hearings set, it would come under the provisions of this act?

Mr. VOLSTEAD. Yes. I think that is the only way it could be raised. What is done in raising it in a State court is to set it up in the pleading.

Mr. BURTNESS. That question would not be in the pleading before the State court in the first instance?

Mr. VOLSTEAD. Certainly, and consequently you would have to make the claim outside of the pleadings.

Mr. BOIES. Permit me to make this suggestion. It does not matter what the Supreme Court does in considering the petition for a rehearing. The attorney, being aware of this law as amended, will in the record make this claim before final judgment in order that the State court may be said to have had an opportunity to pass upon the question.

Mr. BURTNESS. And you do not intend by this law to establish any strict procedure in the State court? You simply use the general language that "when a claim is made." It can be made in a dozen ways.

Mr. BOIES. It does not touch the State court's practice in the first instance.

Mr. GREEN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BOIES. Yes.

Mr. GREEN of Iowa. The language of the bill is intentionally very broad in that respect. As my colleague has said, while the State law will not recognize the claim, the statute puts it simply in that broad form. It says "if a claim is made in a petition filed for a rehearing," but the claim is made to the court of the State?

Mr. BOIES. Yes. Before you can have a hearing in the Supreme Court of the United States you must have had a hearing in the State court, in some form, upon the constitutional question involved.

Mr. BANKHEAD. Mr. Speaker, this seems to be too important a piece of legislation to be considered by unanimous consent, and I therefore object.

The SPEAKER. The gentleman from Alabama objects.

Mr. BOIES. Mr. Speaker, I ask unanimous consent that the bill retain its place upon the calendar.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the bill retain its place on the calendar. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, I object.

ST. LAWRENCE RIVER SHIP CANAL.

The SPEAKER laid before the House the following message from the President:

To the Senate and House of Representatives:

By section 9 of an act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 2, 1919, the Congress expressed a desire that the International Joint Commission investigate what further improvement of the St. Lawrence River between Montreal and Lake

Ontario is necessary to make the river navigable for ocean-going vessels, together with the estimated cost thereof.

Under date of January 21, 1920, the Governments of the United States and Canada by agreement referred the matter to the International Joint Commission, pursuant to the provisions of article 9 of the treaty relating to the boundary waters between the United States and Canada, signed by the United States and Great Britain on January 11, 1909.

I transmit herewith, for the information of the Congress and for such action as it may deem appropriate, a report, bearing date of December 19, 1921, submitted to the Department of State by a letter of the joint secretaries of the commission, dated January 6, 1922, presenting the findings, conclusions, and recommendations of the commission regarding the matter.

WARREN G. HARDING.

THE WHITE HOUSE, *January 16, 1922.*

Mr. GARRETT of Tennessee. Mr. Speaker, to what committee is that message to be referred?

The SPEAKER. The Chair would like to withhold the reference until he has an opportunity to determine that question.

NATIONAL SCREW THREAD COMMISSION.

The next business on the Calendar for Unanimous Consent was H. J. Res. 227, extending the term of the National Screw Thread Commission for a period of five years from March 21, 1922.

The joint resolution was read, as follows:

Resolved, etc., That the term of the National Screw Thread Commission, created by an act approved July 18, 1918, as amended by an act approved March 3, 1919, is hereby extended for a period of five years from March 21, 1922.

The SPEAKER. Is there objection to the present consideration of this resolution?

Mr. WALSH. Mr. Speaker, reserving the right to object, I should like to have somebody beside the distinguished and eminent gentleman, part of whose testimony appears in the report, give some good reason why any such extension should be granted to a commission which was organized during the war and which we were told would be able to wind up and standardize most of the matters on which it was working in a very short time.

Mr. VESTAL. Mr. Speaker, I think the gentleman from Connecticut [Mr. TILSON] probably can answer these questions. This is his bill.

Mr. WALSH. Does not the committee know?

Mr. VESTAL. I know about it, but I want my friend, the gentleman from Connecticut [Mr. TILSON], to explain it to the gentleman from Massachusetts.

Mr. WALSH. I think the gentleman from Connecticut knows something about it. He is responsible for this legislation.

Mr. TILSON. Yes; and I will say to my friend from Massachusetts that I am very proud of it, for I think that the legislation has already accomplished a great deal of good.

Mr. WALSH. Then why not appoint the commission for life?

Mr. TILSON. I think it would be a very wise thing if the commission was continued indefinitely, although, so far as the work now in sight appears, five years will probably be a sufficient time to complete it.

Mr. WALSH. When the commission was created it was not even dreamed that it would take any considerable time. We extended the commission once, and at that time I recall that the gentleman from Connecticut stated that they were getting along so splendidly that they would wind up the matter very speedily.

Mr. TILSON. The gentleman's statement is absolutely correct, and calls for an explanation, which I think that I can give so as to make the matter clear to the gentleman. It was contemplated, in the first place, that this commission would simply assemble the results of the best screw-thread practice and from these formulate what in the judgment of the commission would be the most practicable and satisfactory standards. It was expected that these standards would be published and probably accepted as the best result of any effort thus far made in the direction of standardization. The work thus outlined was done within a comparatively short time. The term of the commission had to be extended once, even to complete its work so far. As time went on the far-reaching importance of the work was more clearly realized; therefore, in order to be sure that the very best possible results would be obtained from these standards it was essential that they be actually tried out in the manufacture of screws and screw machinery equipment. This practical trial has been going on. The standards have been adopted quite enthusiastically by manufacturers all over the country, but in putting them into actual practice there have been discovered in rare instances slight modifications that it was thought would produce better results if they were adopted. These changes are being made from time to time by the commission. It is probable that not all the different types of screws for which standards have been formulated by the commission have been even yet put to the final test of actual practice. Some of them may have to wait for some months and perhaps years before they are put into actual practice, which, after all, is the very best way to determine whether they are the very best possible standards. It was also expected at first that standardization would be attempted only for those screws which are in most common use—that is, those of which the greatest quantity are produced. After this work was begun and was progressing with unexpected satisfaction, it was realized that there were a great number of special screws, such, for instance, as apply to pipes and couplings, to electric fixtures, and things of that sort, which it would be a good thing to have standardized also.

Then, as the gentleman will see if he will note Mr. Hoover's testimony, it occurred to the commission that if instead of having all sorts of sizes and shapes for the head of the bolt, if the heads of bolts were standardized as to shape and dimensions, it would reduce the number that need be carried in stock by dealers as well as the number of different kinds that need be manufactured.

Mr. WALSH. That is the idea of Mr. Hoover and not the idea of the commission, I understand.

Mr. TILSON. Oh, they are going into this phase of the matter.

Mr. WALSH. He probably inocculated them with the idea.

Mr. TILSON. The commission proposes also to go into the question of standardizing the material of which screws are made; that is, the wire and rods from which by means of automatic machinery screws are made. If these were standardized as to sizes it would reduce the number of sizes that need be manufactured and carried in stock; therefore it is believed that it would be extremely desirable to have standardization of material as well as product.

These are the things, I would say to my friend from Massachusetts, that the commission has already done and is still doing, and it is believed that if permitted to do so it will continue to do work of considerable importance for probably five years yet to come.

Mr. MANN. I would like to ask the gentleman if this commission has ever met?

Mr. TILSON. Oh, yes; during the first years of its existence it met frequently and held long sessions, but since then it has met more seldom, only as occasion required.

Mr. MANN. When was the last meeting?

Mr. TILSON. I do not know the exact date of the last meeting, but I know when the next one is to be, and that is to-morrow morning. I have been invited, and I should very much like to have the gentleman from Illinois go with me to the meeting. He would thoroughly appreciate what the commission is doing.

Mr. MANN. Who constitutes the commission?

Mr. TILSON. The commission at present is made up of the chairman, Dr. Stratton of the Bureau of Standards, two members from the War Department, two from the Navy Department, and four civilian members appointed by the Secretary of Commerce—two of them nominated from the American Society of Mechanical Engineers and two nominated from the Society of Automotive Engineers. They all serve without pay, except that the official members, of course, draw their regular pay, but they receive nothing extra for service on this commission. There is no clerical personnel, not a single clerk or stenographer, so that there is no expense whatever attached to the commission.

Mr. MANN. And they do not make annual reports to Congress which have to be printed at the public expense?

Mr. TILSON. That is correct. I wish also to add that the members of this commission made a trip to England at their own expense, except that possibly some of the officials may have traveled on Government transports by simply paying the cost of subsistence, but there was no other expense attached to the trip. They went to England and to France and there conferred with the standards commissions of those two countries on this matter. There is hope that within the next five years international standards may be adopted in some of these things.

I can assure the gentleman that this commission is unique in this one respect, that it has never cost the Government of the United States a cent, and it is not contemplated that it will cost anything. And yet it is doing a work which the manufacturers of the country and the engineering profession generally agree

is one of the most important that is now being done by any commission appointed by Congress.

Mr. WALSH. Of course, that is the stock phrase which we apply to a lot of these matters.

Mr. TILSON. Will the gentleman produce another alongside of it doing more important work?

Mr. WALSH. Yes; when we sent the $20,000,000 worth of grain to Russia. But you extend the life of this commission five years, and you suddenly discover down here in the Bureau of Standards that they have a room or office, with a stenographic force of clerks, that heretofore have been established, and they will be up here asking for an appropriation. And if they get tied up with some international commission, if they get into an international aspect, if we are going to standardize the screw threads of the world, five years will not be long enough to prepare the recommendations.

Mr. TILSON. Again the gentleman is correct. If the international phase of it is entered upon, five years will not be long enough, but by that time the gentleman from Massachusetts, I hope, will see its importance, so that he will be here before the end of the five years asking for an extension of 10 years.

Mr. WALSH. Well, Mr. Speaker, in order to ward off the danger of any amendment extending the time, I will withdraw my reservation of the point of order.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the joint resolution, as follows:

Joint resolution extending the term of the National Screw Thread Commission for a period of five years from March 21, 1922.

Resolved, etc., That the term of the National Screw Thread Commission, created by an act approved July 18, 1918, as amended by an act approved March 3, 1919, is hereby extended for a period of five years from March 21, 1922.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE WACCAMAW RIVER, N. C.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9386) to grant the consent of Congress to the Whiteville Lumber Co., Goldsboro, N. C., to construct a bridge across the Waccamaw River at or near Pireway Ferry, county of Columbus, N. C.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

A bill (H. R. 9386) to grant the consent of Congress to the Whiteville Lumber Co., Goldsboro, N. C., to construct a bridge across the Waccamaw River at or near Pireway Ferry, county of Columbus, N. C.

Be it enacted, etc., That the consent of Congress is hereby granted to the Whiteville Lumber Co., Goldsboro, N. C., and their successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Waccamaw River at a point suitable to the interest of navigation, at or near Pireway Ferry, in the county of Columbus, or adjacent thereto, in the State of North Carolina in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The following committee amendments were read:

In the title, after the word "Company," ending in the second line, eliminate the words "Goldsboro, North Carolina."

Page 1, line 4, after the word "Company," eliminate the words "Goldsboro, North Carolina."

Page 1, line 5, change the word "their" to "its."

Page 1, line 7, change the word "interest" to "interests."

Page 1, line 8, eliminate the comma after the word "Ferry" and eliminate the last word, "or," in the line.

Page 1, line 9, eliminate the words "adjacent thereto, in the," appearing before the word "State."

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. LYON, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXPORTATION OF ARMS OR MUNITIONS OF WAR.

The next business on the Calendar for Unanimous Consent was the Senate joint resolution (S. J. Res. 124) to amend Senate joint resolution 89, approved March 14, 1912, amending the joint resolution to prohibit the export of coal and other material used in war from any seaport of the United States, approved April 22, 1898.

The SPEAKER. Is there objection?

Mr. MOORE of Virginia. Mr. Speaker, reserving the right to object, I want to ask the gentleman in charge of the bill whether he has recently been advised by the State Department that this is expedient legislation? The last information had from Secretary of State Hughes was on March 14 last, and I was wondering whether he has said anything since then as to the desirability of legislation?

Mr. MAPES. A representative from the State Department was before the committee very recently—about 10 days ago, I believe it was—recommending the legislation, and the committee substitute was submitted to the State Department as late as last week, and the department then stated that it desired to have the legislation passed.

Mr. MOORE of Virginia. Mr. Speaker, I know nothing about the matter except as indicated in the bill itself and the report. The purpose of the bill seems to be to prevent the importation of arms into China and that this is justified because the United States exercises a limited extraterritorial jurisdiction there.

Mr. MAPES. That is correct.

Mr. MOORE of Virginia. And it is actually in line with the action of other Governments.

Mr. MAPES. The gentleman's question is very pertinent, and I assure the gentleman that the matter was taken up with the State Department a very few days ago.

The SPEAKER. Is there objection to the present consideration of the joint resolution.

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the joint resolution approved March 14, 1912, amending the joint resolution to prohibit the export of coal and other material used in war from any seaport of the United States, approved April 22, 1898, be, and hereby is, amended to read as follows:

That whenever the President shall find that in any American country, or in any country in which the United States exercises extraterritorial jurisdiction, conditions of domestic violence exist, which are promoted by the use of arms and munitions of war procured from the United States, and shall make proclamation thereof, it shall be unalwful to export, except under such limitations and exceptions as the President shall prescribe, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

SEC. 2. That any shipment of material hereby declared unlawful after such proclamation shall be punishable by a fine not exceeding $10,000 or imprisonment not exceeding two years, or both.

With the following committee amendments:

Strike out all after the enacting clause and insert:

"That whenever the President finds that in any American country, or in any country in which the United States exercises extraterritorial jurisdiction, conditions of domestic violence exist, which are or may be promoted by the use of arms or munitions of war procured from the United States, and makes proclamation thereof, it shall be unlawful to export, except under such limitations and exceptions as the President prescribes, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

"SEC. 2. Whoever exports any arms or munitions of war in violation of section 1 shall, on conviction, be punished by fine not exceeding $10,000 or by imprisonment not exceeding two years, or both.

"SEC. 3. The joint resolution entitled 'Joint resolution to prohibit the export of coal or other material used in war from any seaport of the United States,' approved April 22, 1898, and the joint resolution entitled 'Joint resolution to amend the joint resolution to prohibit the export of coal or other material used in war from any seaport of the United States,' approved March 14, 1912, are repealed."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question now is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

The title was amended to read:

Joint resolution to prohibit the exportation of arms or munitions of war from the United States to certain countries, and for other purposes.

On motion of Mr. MAPES, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

LEASE OF CERTAIN LANDS TO CITY OF LEAVENWORTH.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9060) to authorize the Secretary of War to lease a certain tract of land to the city of Leavenworth, in the State of Kansas.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk reported the bill as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lease to the city of Leavenworth, a municipal corporation in the State of Kansas, the following-described tract of land in the military reservation at Fort Leavenworth, in the State of Kansas:

Beginning at the northwest corner of the 20-acre tract of land formerly in said military reservation granted to the Leavenworth Coal Co. by the act of Congress approved July 20, 1868; thence north in extension of the west line of said 20-acre tract 500 feet; thence east parallel to the north line of said 20-acre tract 820 feet, more or less, to the railroad right of way; thence southerly on the west line of said right of way 503 feet, more or less, to the north line of the said 20-acre tract; thence west on the said north line to the place of beginning, containing 9¼ acres, more or less, reserving to the United States, or assigns, the coal, or royalty for the coal, underlying said lands, for the purpose of constructing and maintaining thereon a reservoir and such other works as may be necessary to enable said company to supply the troops at Fort Leavenworth and its other patrons with pure water: *Provided*, That the said city shall have the free and uninterrupted use of said tract of land for the purposes above named,

under the direction and control of the Secretary of War, so long as it is so used, and that when it ceases to occupy and use it for such purposes the lease shall be null and void.

That this act shall take effect and be in force from and after its passage.

Mr. WALSH. Mr. Speaker, what is the necessity for this? Is it to take care of a situation arising out of the determination of a franchise of some private corporation taken over by the city?

Mr. ANTHONY. Mr. Speaker, the necessity arises from the fact that the private corporation, which at present has this lease, has been sold to the city. The city has acquired all the capital stock of the corporation and owns the existing water plant. It desires to have the lease made direct from the Government to the city instead of permitting it to run to the corporation as it now does.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

STATUE OF DANTE.

The next business on the Calendar for Unanimous Consent was Senate joint resolution 99, providing a site upon public grounds in the city of Washington, D. C., for the erection of a statue of Dante.

Mr. WALSH. Mr. Speaker, reserving the point of order, has this been on the calendar a sufficient length of time to warrant its consideration?

The SPEAKER. It has not. This ends the calendar for to-day.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that there is no quorum present.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 3 o'clock and 33 minutes, p. m.) the House adjourned until to-morrow, Tuesday, January 17, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

471. A letter from the Secretary of War, transmitting statement showing name and place of residence of each civilian engineer employed between July 1, 1920, and June 30, 1921, under appropriations made by acts of Congress for the improvement of rivers and harbors, the time so employed, the compensation paid, and the place where and works on which employed; to the Committee on Rivers and Harbors.

472. A letter from the secretary of the Georgetown Barge, Dock, Elevator & Railway Co., transmitting annual report of the company for the past year; to the Committee on the District of Columbia.

473. A communication from the President of the United States, transmitting a draft of a proposed joint resolution appropriating $155,922 for the relief of destitution among Indians in the United States (H. Doc. No. 155); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WRIGHT, from the Committee on Military Affairs, to which was referred the bill (S. 2138) providing that the Government property known as the St. Francis Barracks, at St. Augustine, Fla., be donated to the State of Florida for military purposes, reported the same without amendment, accompanied by a report (No. 569), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HULL, from the Committee on Military Affairs, to which was referred the bill (H. R. 8193) to amend the first proviso in the act entitled "An act to grant a certain parcel of land, part of the Fort Robinson Military Reservation, Nebr., to the village of Crawford, Nebr., for park purposes," approved June 25, 1906, reported the same without amendment, accompanied by a report (No. 568), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HUTCHINSON: A bill (H. R. 9931) to extend the time for completing the construction of a bridge across the Delaware River; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSSDALE: A bill (H. R. 9932) to provide a public record of basic permits and withdrawal permits issued by the Federal prohibition commissioner and the Federal prohibition directors; to the Committee on the Judiciary.

By Mr. ALMON: A bill (H. R. 9933) to repeal the tax on telegraph and telephone messages; to the Committee on Ways and Means.

By Mr. NOLAN: A bill (H. R. 9934) to make Porto Rico an incorporated Territory of the United States; to the Committee on Insular Affairs.

By Mr. JOHNSON of South Dakota: A bill (H. R. 9935) to amend the Articles of War, and for other purposes; to the Committee on Military Affairs.

By Mr. OGDEN: A bill (H. R. 9936) to permit the use in the post office at Louisville, Ky., of special canceling stamps bearing the words "Public Health Exposition, Louisville, Ky., February 1 to 9, 1922"; to the Committee on the Post Office and Post Roads.

By Mr. ROGERS: A bill (H. R. 9937) relative to foreign intercourse of the United States; to the Committee on Foreign Affairs.

By Mr. ROSSDALE: Joint resolution (H. J. Res. 257) to appoint a commission for the exchange of sites for a post-office and courthouse building at New York between the Federal Government and the officials of the city of New York; to the Committee on Public Buildings and Grounds.

By Mr. CABLE: Resolution (H. Res. 264) to amend the rules of the House of Representatives by adding Rule XLIV; to the Committee on Rules.

By Mr. McARTHUR: Memorial of the Legislature of the State of Oregon, urging the passage of the McNary-Smith irrigation bill; to the Committee on Irrigation of Arid Lands.

Also, memorial of the Legislature of the State of Oregon, urging Congress to authorize the Secretary of the Navy to assign the battleship *Oregon* to an Oregon harbor having proper mooring facilities, to be used as a training ship for Federal Naval Reserves; to the Committee on Naval Affairs.

Also, memorial of the Legislature of the State of Oregon, opposing the passage of House bill 7736, regarding mining claims; to the Committee on Mines and Mining.

Also, memorial of the Legislature of the State of Oregon, urging the passage of House bill 7213, increasing pensions for soldiers of the Civil War; to the Committee on Invalid Pensions.

Also, memorial of the Legislature of the State of Oregon, urging relief for Spanish-American War veterans; to the Committee on Pensions.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAND: A bill (H. R. 9938) providing for the appointment of Orel R. Riggens as a second lieutenant in the Regular Army, to take rank under the provisions of section 24a of the act of Congress approved June 4, 1920; to the Committee on Military Affairs.

By Mr. COLE of Ohio: A bill (H. R. 9939) granting an increase of pension to Cephas Davis; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 9940) granting an increase of pension to Lavina Kerr; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 9941) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the National Surety Co.; to the Committee on Claims.

Also, a bill (H. R. 9942) for the relief of the Maryland Casualty Co., the Fidelity & Deposit Co. of Maryland, and the United States Fidelity & Guaranty Co., of Baltimore, Md.; to the Committee on Claims.

By Mr. KLINE of Pennsylvania: A bill (H. R. 9943) granting an increase of pension to Carrie Keefer; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 9944) for the relief of Vincent L. Keating; to the Committee on War Claims.

By Mr. MORGAN: A bill (H. R. 9945) granting a pension to Melissa Jane Wells; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 9946) to extend the benefits of the employers' liability act of September 7, 1916, to Lillian P. Toft, widow of Philip A. Beaudin; to the Committee on Claims.

By Mr. ROBSION: A bill (H. R. 9947) granting an increase of pension to Sarah F. Henry; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 9948) granting a pension to Rosalia M. Burroughs; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 9949) granting a pension to Minnie C. Johnson; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3507. By the SPEAKER (by request): Petition of J. Henry Smythe, jr., of Washington, D. C., urging that some time be set apart by the House of Representatives for a memorial program in honor of Benjamin Franklin on his birthday, January 17; to the Committee on Rules.

3508. Also (by request), petition of John M. Steimle, city clerk of Sheboygan, Wis., transmitting a copy of a resolution passed by the common council of that city urging an amendment to the Volstead Act permitting the sale of wine and beer; to the Committee on the Judiciary.

3509. Also (by request), resolutions passed at a meeting held under the auspices of the Women's Economic Club and the Women's International League for Peace and Freedom, relative to sending unneeded Army medical supplies to aid Russia in its hour of need and distress; to the Committee on Military Affairs.

3510. By Mr. ANSORGE: Petition of the New York Public Library, regarding the tax clause on books in House bill 7456; to the Committee on Ways and Means.

3511. Also, petition of the International Association of Garment Manufacturers of New York, opposing high tariff aimed against imports from Cuba into this country; to the Committee on Ways and Means.

3512. By Mr. BIXLER: Resolutions adopted by Veterans of Foreign Wars concerning discriminations shown in pensions; to the Committee on Pensions.

3513. Also, resolutions of Ledden Young Post, No. 208, American Legion, of Ridgway, Pa., relative to needs of disabled soldiers; to the Committee on Interstate and Foreign Commerce.

3514. By Mr. CHALMERS: Petition of residents of Toledo, protesting against the proposed compulsory Sunday observance bills (H. R. 4388 and H. R. 9753); to the Committee on the District of Columbia.

3515. By Mr. CULLEN: Resolutions adopted by the employees of the New York Navy Yard relative to provisions for the navy yard employees who will be out of employment on account of the proposed reduction of armament; to the Committee on Naval Affairs.

3516. By Mr. DRIVER: Petition of A. W. Wright, of Little Rock, in support of the Towner-Sterling bill; to the Committee on Education.

3517. By Mr. FROTHINGHAM: Resolutions adopted by Boston Electrotypers' Union No. 11, favoring the American-valuation plan upon all imports; to the Committee on Ways and Means.

3518. By Mr. KELLEY of Michigan: Resolution of the Michigan State Farm Bureau, opposing transfer of Bureau of Markets and Forest Service from the Department of Agriculture; to the Committee on Agriculture.

3519. By Mr. KELLY of Pennsylvania: Resolutions of traffic committee of Casket Manufacturers of America, urging reductions of freight rates; to the Committee on Interstate and Foreign Commerce.

3520. By Mr. KINDRED: Petition of G. Howland Leavitt, director of the Manhattan Co., of New York, opposing the appointment of a farmer as a member of the Federal Reserve Board, as proposed in a bill offered by Senator SMITH, of South Carolina; to the Committee on Banking and Currency.

3521. Also, petition of Young & Metzner (Inc.), by James W. Manson, vice president, for the Northern Mills, relative to paragraphs 1008 and 1517 of the tariff bill (H. R. 7456); to the Committee on Ways and Means.

3522. Also, resolution adopted by the International Association of Garment Manufacturers at its twenty-fifth semiannual convention, held at the Waldorf-Astoria, New York, December 7-8, 1921, protesting against the enactment of any legislation toward high-protective tariffs aimed against imports from Cuba into this country; to the Committee on Ways and Means.

3523. By Mr. KISSEL: Petition of the Dried Fruit Association, of New York, relative to the Fordney tariff bill (H. R. 7456), paragraphs 754, 755, and 758; to the Committee on Ways and Means.

3524. Also, petition of the Senate and the Assembly of the State of New York, urging the passage of Senate bill 745; to the Committee on the Judiciary.

3525. By Mr. ROGERS: Petition of Milton V. Bridgham and nine other coworkers in a Boston office, indorsing the American Legion's fivefold adjusted-compensation plan and urging its passage; to the Committee on Ways and Means.

3526. By Mr. SMITH of Michigan: Petition of 732 citizens of Homer, Mich., protesting against discontinuance of village mail delivery service; to the Committee on Appropriations.

SENATE.

TUESDAY, *January 17, 1922.*

(Legislative day of Monday, January 16, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Calder	Harris	McNary	Simmons
Capper	Heflin	Moses	Smith
Caraway	Johnson	Nelson	Sterling
Cummins	Jones, N. Mex.	New	Townsend
Curtis	Jones, Wash.	Newberry	Trammell
Edge	Kellogg	Oddie	Wadsworth
Ernst	Kenyon	Page	Warren
Fernald	Keyes	Pepper	Willis
France	Lenroot	Robinson	
Glass	McKinley	Sheppard	
Gooding	McLean	Shortridge	

Mr. PAGE. I was requested to announce that the Senator from Maine [Mr. HALE], the Senator from Washington [Mr. POINDEXTER], the Senator from Delaware [Mr. BALL], the Senator from Montana [Mr. WALSH], the Senator from Nevada [Mr. PITTMAN], and the Senator from Colorado [Mr. NICHOLSON] are absent on official business. If their presence is required to make a quorum, they can be called for that purpose.

Mr. CURTIS. I was requested to announce that the Senator from Connecticut [Mr. BRANDEGEE], the Senator from North Carolina [Mr. OVERMAN], and the Senator from Tennessee [Mr. SHIELDS] are absent on official business.

I wish also to announce the absence of the Senator from West Virginia [Mr. SUTHERLAND], due to illness.

The PRESIDENT pro tempore. Forty-one Senators have answered to their names. There is not a quorum present. The Secretary will call the roll of absent Members.

The reading clerk called the names of the absent Senators, and Mr. HARRELD, Mr. NICHOLSON, Mr. PHIPPS, Mr. PITTMAN, Mr. POINDEXTER, and Mr. WALSH of Montana answered to their names when called.

Mr. HALE, Mr. COLE, and Mr. MCKELLAR entered the Chamber, and answered to their names.

Mr. MCKELLAR. I desire to announce the unavoidable absence of the senior Senator from Tennessee [Mr. SHIELDS] on public business.

Mr. SHEPPARD. I wish to announce that the Senator from Rhode Island [Mr. GERRY] is detained by illness.

Mr. BALL, Mr. RANSDELL, Mr. BURSUM, Mr. NORRIS, Mr. LA FOLLETTE, Mr. LADD, Mr. CULBERSON, Mr. POMERENE, Mr. DIAL, and Mr. CAMERON entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Sixty Senators have answered to their names. There is a quorum present.

PETITIONS AND MEMORIALS.

Mr. WILLIS presented the memorial of Mrs. Jennie Taylor, of Columbus, and sundry other citizens of Columbus, Delta, Toledo, and Wauseon, all in the State of Ohio, remonstrating against the passage of Senate bill 1948, providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. CAPPER presented a resolution adopted by the Kansas Engineering Society, of Topeka, Kans., favoring the passage of House bill 7077, the so-called Lampert bill, to increase the force and salaries in the Patent Office, etc., which was referred to the Committee on Patents.

Mr. LADD presented a resolution adopted at a regular session of the Boise (Idaho) Trades and Labor Council held December 7, 1921, favoring the enactment of Senate bill 2604, the so-called Ladd honest money bill, which was referred to the Committee on Finance.

Mr. COLT presented a resolution unanimously adopted at a mass meeting of American citizens of Lithuanian origin at Providence, R. I., January 1, 1922, protesting against alleged unlawful acts of aggression by Poland against the Republic of Lithuania and requesting the United States Government to restrain further continuance of such unlawful acts and to interpose, demanding guaranties from Poland against the commission of any further unlawful acts of taking Lithuanian territory and perpetrating excesses against the innocent civilian population of the invaded districts, which was referred to the Committee on Foreign Relations.

REPORTS OF THE COMMITTEE ON CLAIMS.

Mr. NEW, from the Committee on Claims, to which was referred the bill (H. R. 1362) for the relief of M. Fine & Sons, reported it without amendment and submitted a report (No. 407) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

A bill (S. 103) for the relief of Morgan Miller (Rept. No. 408);

A bill (S. 1297) for the relief of George Van Derburgh Brown (Rept. No. 409); and

A bill (S. 2765) for the relief of the Fidelity & Deposit Co. of Maryland, Baltimore, Md. (Rept. No. 410).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 67) for the relief of the heirs of Adam and Noah Brown (Rept. No. 411);

A bill (S. 159) for the relief of William E. Lewis (Rept. No. 412);

A bill (S. 160) for the relief of Kristina Furjak (Rept. No. 413);

A bill (S. 841) for the relief of Elizabeth Marsh Watkins (Rept. No. 414);

A bill (S. 1539) for the relief of Watson B. Dickerman, administrator of the estate of Charles Backman, deceased (Rept. No. 415);

A bill (S. 1540) for the relief of Emma H. Ridley (Rept. No. 416);

A bill (S. 1861) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions (Rept. No. 417);

A bill (S. 2258) for the relief of Jesse L. Clay (Rept. No. 418);

A bill (S. 2323) for the relief of Anna M. Tobin, independent executrix of the estate of Frank R. Tobin, deceased (Rept. No. 419); and

A bill (S. 2445) for the relief of Charles S. Fries (Rept. No. 420).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

A bill (S. 978) for the relief of the Alaska Steamship Co. (Rept. 421);

A bill (S. 1603) for the relief of Joseph W. Skill (Rept. No. 422);

A bill (S. 1767) for the relief of the owner of the derrick *Capitol* (Rept. No. 423); and

A bill (S. 2372) for the relief of Alfred Sjostrom (Rept. No. 424).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 927) for the relief of Capt. Fred S. Johnston (Rept. No. 425);

A bill (H. R. 1268) for the relief of the Six Minute Ferry Co., of Vallejo, Calif. (Rept. No. 426);

A bill (H. R. 1372) for the relief of the M. Feitel House Wrecking Co. (Rept. No. 427);

A bill (H. R. 1721) to authorize the refund of a part of the purchase price of Camp Mills to the Buffalo House Wrecking & Salvage Co. (Rept. No. 428);

A bill (H. R. 1733) for the relief of W. R. Grace & Co. (Rept. No. 429);

A bill (H. R. 2144) for the relief of the owners of the schooner *Charlotte W. Miller* (Rept. No. 430);

A bill (H. R. 3270) for the relief of Estella Barnett (Rept. No. 431);

A bill (H. R. 5965) for the relief of the owner of the vessel *Maria Artau* (Rept. No. 432);

A bill (H. R. 6437) for the relief of the Cleveland Trinidad Paving Co., of Cleveland, Ohio (Rept. No. 433);

A bill (H. R. 6622) for the relief of Gaetano Davide Olivari fu Fortunato (Rept. No. 434); and

A bill (H. R. 8217) to authorize the payment of $872.96 to the Government of Italy for the relief of the heirs and assigns of N. Ferro (Rept. No. 435).

Mr. ROBINSON, from the Committee on Claims, to which was referred the bill (S. 2746) for the relief of William Howard May, ex-marshal of the Canal Zone; William K. Jackson, ex-district attorney of the Canal Zone; and John H. McLean, ex-paymaster of the Panama Canal, now deceased, reported it with an amendment and submitted a report (No. 436) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 1370) for the relief of Col. Herbert Deakyne, Corps of Engineers, United States Army (Rept. No. 437); and

A bill (H. R. 3249) for the relief of certain employees of the Bureau of Lighthouses (Rept. No. 438).

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 3007) to amend section 28 of an act approved February 14, 1920, entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1921"; to the Committee on Indian Affairs.

By Mr. EDGE:

A bill (S. 3008) authorizing and directing examination and survey of the Hudson River channel along the Weehawken-Edgewater water front; to the Committee on Commerce.

By Mr. CALDER:

A bill (S. 3009) to provide a public record of basic permits and withdrawal permits issued by the Federal Prohibition Commissioner and the Federal prohibition directors; to the Committee on the Judiciary.

By Mr. McNARY:

A bill (S. 3010) granting a pension to Joseph Carter; to the Committee on Pensions.

By Mr. TOWNSEND (by request):

A bill (S. 3011) providing that proposed legislation dealing with Indian Affairs be submitted to Indian councils; to the Committee on Indian Affairs.

By Mr. NEW:

A bill (S. 3012) granting an increase of pension to Anna L. B. Walker (with accompanying papers); to the Committee on Pensions.

By Mr. PAGE:

A bill (S. 3013) granting a pension to Arthur F. Sweet (with accompanying papers); to the Committee on Pensions.

AMENDMENT OF FEDERAL RESERVE ACT.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2263) to amend the Federal reserve act approved December 23, 1913.

The PRESIDENT pro tempore. The Senator from Virginia [Mr. GLASS] is entitled to the floor.

Mr. HEFLIN. Mr. President, will the Senator permit me to inquire what arrangement has been made about a change in the time of voting?

The PRESIDENT pro tempore. The Chair understands that no arrangement has been made, and the unanimous-consent agreement will stand as originally entered into.

Mr. McLEAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Connecticut?

Mr. GLASS. I yield.

Mr. McLEAN. In view of the announcement of the Chair, I think I ought to state that I gave notice on yesterday that I would this morning ask for a modification of the unanimous-consent agreement postponing the vote until 4 o'clock and applying the 5-minute rule after 3 o'clock.

Mr. GLASS. May I suggest to the Senator from Connecticut that that be done at the conclusion of my speech?

Mr. McLEAN. The Senator from Alabama brought up the subject and I thought it was incumbent upon me to answer.

Mr. GLASS. If it is not to be discussed, I have no objection.

Mr. HEFLIN. I merely wanted to know what arrangement we could make, because I desire to follow the Senator from Virginia in a short speech.

Mr. McLEAN. I intend to bring up the question after the Senator from Virginia concludes his speech.

The PRESIDENT pro tempore. The Senator from Virginia will proceed.

Mr. GLASS resumed the speech begun by him on yesterday. After having spoken for some time,

Mr. SMITH. Mr. President, if the Senator from Virginia will allow me, it is now about three minutes to the time when the unanimous-consent order will take effect. I think perhaps it might be well, under the circumstances, to agree, if possible, to some extension of the time, and I ask unanimous consent that we extend the time for the beginning of the 5-minute rule to 4 o'clock.

Mr. McLEAN. On yesterday I gave notice that I should ask to-day for a modification of the unanimous-consent agreement. I assume it would be necessary to have a quorum called before the agreement can be changed, and for that reason I suggest the absence of a quorum, for the purpose of asking for a modification of the unanimous-consent agreement.

Mr. SMITH. Before the roll is called, may I state that my request for unanimous consent is that the wording shall stand exactly as it is, with the exception of changing the time from 1 o'clock to 4 o'clock for the operation of the 5-minute rule?

The VICE PRESIDENT. Will the Senator from Connecticut submit his proposed change in order that the roll may be called on it.

Mr. McLEAN. I suggest that in line 1 the numeral "2" be changed to "5," and that in line 5 the numeral "1" be changed to "4."

Mr. SMITH. That is correct. I should have suggested that change. I had forgotten the differentiation.

Mr. McLEAN. It is very apparent that this matter ought to be debated further.

Mr. GLASS. What is the proposition?

Mr. SMITH. The unanimous-consent agreement reads as follows:

It is agreed by unanimous consent that at not later than 2 o'clock p. m. on the calendar day of Tuesday, January 17, 1922, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 2263) to amend the Federal reserve act, approved December 23, 1913, through the regular parliamentary stages to its final disposition; and that after the hour of 1 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill or more than once or longer than five minutes upon any amendment offered thereto.

The proposition is to change the agreement so that the 5-minute limitation will be deferred until 4 o'clock, and then that we shall begin voting on the bill and all amendments at 5 o'clock.

Mr. GLASS. That is entirely agreeable to me.

The VICE PRESIDENT. The Chair understands that the Senator is presenting the proposal now in accordance with the notice given on yesterday.

Mr. McLEAN. I think that my notice of yesterday called for a vote at 4 o'clock and the application of the 5-minute rule after 3 o'clock. If we can not change that, then we shall have to govern ourselves accordingly, but I would prefer, if we can do it under the rule, to postpone the vote until 5 o'clock. However, if the Chair rules that that can not be done, then we shall have to change the hour of 2 o'clock to 4 o'clock and the hour of 1 o'clock to 3 o'clock, in accordance with my original notice.

The VICE PRESIDENT. The Chair is of the opinion that that is the requirement of the rule.

Mr. McLEAN. Very well. I suggest the absence of a quorum.

Mr. NORRIS. Mr. President, the Senator does not have to make the suggestion of the absence of a quorum. I presume the Chair will order the roll call on presentation of the notice. But before the Chair orders a quorum call I wish to submit a parliamentary inquiry to the Chair.

While I think the Chair is right in his construction of the rule, I wish to ask if, after the roll is called and a quorum is ascertained to be present and when the request is officially taken up, it will not then be in order to modify the request the same as we always do in such cases?

The VICE PRESIDENT. Such a request will be in order at that time.

Mr. NORRIS. So it will be in order for the Senator from Connecticut to request a change before we reach a final decision.

Mr. HEFLIN. Mr. President, I wish to state that I yielded yesterday afternoon, or rather did not insist on going on, with the understanding, I thought, we were to reach an agreement by which I could follow the Senator from Virginia this morning. I hope the unanimous consent will be granted.

Mr. GLASS. I hope so, too.

Mr. DIAL. Mr. President, I wish to ask the Senator from Virginia a question.

Mr. SMITH. The hour of 1 o'clock has arrived, and we are limited to five minutes under the unanimous-consent agreement, unless it is changed.

The VICE PRESIDENT. The hour of 1 o'clock having arrived, the Secretary will state the proposed modification of the unanimous-consent agreement.

The ASSISTANT SECRETARY. It is proposed to modify the unanimous-consent agreement, in accordance with the notice given on yesterday, in line 1 by striking out "2 o'clock" and inserting in lieu "4 o'clock," and in line 5 by striking out "1 o'clock" and inserting in lieu "3 o'clock."

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Borah	Hale	McKinley	Sheppard
Broussard	Harreld	McLean	Shortridge
Bursum	Harris	McNary	Smith
Calder	Heflin	Moses	Smoot
Capper	Johnson	Myers	Sterling
Caraway	Jones, N. Mex.	Nelson	Swanson
Colt	Jones, Wash.	New	Townsend
Culberson	Kellogg	Norris	Trammell
Cummins	Kenyon	Oddie	Wadsworth
Curtis	Keyes	Page	Walsh, Mass.
Dial	King	Pepper	Walsh, Mont.
Edge	Ladd	Phipps	Watson, Ind.
Fletcher	La Follette	Pittman	Williams
France	Lenroot	Poindexter	Willis
Frelinghuysen	Lodge	Pomerene	
Glass	McCumber	Ransdell	
Gooding	McKellar	Robinson	

The VICE PRESIDENT. Sixty-five Senators have answered to their names. There is a quorum present.

Mr. McLEAN. I now ask that in the unanimous-consent agreement the numeral "4," in line 1, be changed to "5," and in line 5 that the numeral "3" be changed to "4."

Mr. SMOOT. Mr. President, I make the point of order against the request of the Senator from Connecticut that under the rule no such request can be made. Under Rule XII, paragraph 3, it is provided that—

No request by a Senator for unanimous consent for the taking of a final vote on a specified date upon the passage of a bill or joint resolution shall be submitted to the Senate for agreement thereto until, upon a roll call ordered for the purpose by the Presiding Officer, it shall be disclosed that a quorum of the Senate is present.

Then:

And when a unanimous consent is thus given the same shall operate as the order of the Senate, but any unanimous consent may be revoked by another unanimous consent granted in the manner prescribed above upon one day's notice.

In other words, if the Senator wants to modify the unanimous-consent agreement he has to give a day's notice.

Mr. HEFLIN. It was given on yesterday.

Mr. SMOOT. But it is just being given now to modify it again, and it can not be acted upon until to-morrow.

Mr. SMITH. The Senator from Utah is in error.

Mr. SMOOT. I will let the Chair decide whether I am in error or not. There is no doubt but that the rule is just as I have read it, and I object to the request of the Senator from Connecticut.

Mr. LENROOT. Mr. President, I believe the ruling the Chair is about to make will be of very great importance, and I should like to call the attention of the Chair to the fact that if it be in order now to ask unanimous consent to make a different unanimous-consent agreement than the one proposed in the notice of yesterday hereafter when a unanimous-consent agreement is made and a modification is proposed upon notice, one that everyone would be willing to agree to, then it would be in order, if the Senator from Connecticut is right, the next day to change the consent to a different bill entirely. Thus, under a unanimous-consent agreement for the consideration of a bill Senators, relying upon the notice that it was the intention of the rule to have given, would not be present and could suppose, of course, that they would have notice of a unanimous-consent agreement proposing to take up another and a different bill.

It seems to me very clear that this unanimous-consent agreement can only be modified by one day's notice, treating the newly proposed modification exactly as is the case in a notice for a suspension of the rules. Notice is required under the rules there, but the next day the Senator may not modify his notice by a suspension of a different rule. Exactly the same principle, it seems to me, applies in this case.

Mr. SMOOT. The old rule was that after a unanimous-consent agreement was entered into it could not be changed by

unanimous consent, but in a number of cases that worked a hardship, and so the rule was modified as I have read it. As modified, suppose a Senator had been in the Chamber and had no objection to the unanimous-consent notice given on yesterday and felt positive that that was the only thing that could be acted upon or agreed to to-day, and was compelled to leave the city, but if present would object to any further modification, the very object of our rules would be set aside and of no avail. I can not see how the Chair can make any other ruling.

Mr. JONES of Washington. Mr. President, this is a very important matter, and it will likely take considerable time, so I am going to object to the unanimous-consent request as now presented.

Mr. SMOOT. I have made a point of order against it. I would like to have it settled; but if the Senator objects that ends it.

Mr. HEFLIN. Mr. President, let me say just a word. We are not postponing the matter to a different day. There is just two hours difference. I want to serve notice on Senators now that if they object to the extension of time so that I can speak there will not be any more unanimous-consent agreements soon——

Mr. SMOOT. That is all right.

Mr. HEFLIN. Or agreements for executive sessions or anything else.

Mr. SMOOT. The Senator can not frighten the Senator from Utah by any threat of that kind. All I ask the Senator from Alabama to do is to live up to the rules as the Senator from Utah is perfectly willing to live up to them.

Mr. HEFLIN. I am not trying to frighten the Senator from Utah. I am just serving notice.

Mr. LODGE. Mr. President, I do not think objection can be made to considering the notice of yesterday.

Mr. SMITH. No.

The VICE PRESIDENT. Is there objection to entering into the unanimous-consent agreement which is proposed?

Mr. LODGE. If I may say just a word, the relaxation of the rule in reference to unanimous-consent agreements by the adoption of the new rule of 1914 was, to my mind, a very dubious experiment, but if we do not adhere to it no unanimous-consent agreement will hereafter be of any value. I think we ought to adhere to the rule; but as to the notice which was given, of course we have a right to consider that.

Mr. SMITH. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator from South Carolina will state his parliamentary inquiry.

Mr. SMITH. Is the request of the Senator from Connecticut [Mr. McLEAN] in accord with the notice which he gave me on yesterday?

Mr. McLEAN. I am about to renew the request, and I understand that there will be no objection to it.

Mr. SMOOT. I have no objection to the original notice, but it is the modification of the notice which can not be had under the rule.

Mr. McLEAN. I now ask unanimous consent that the modification of the unanimous-consent agreement of which I gave notice on yesterday, and which has been stated by the Secretary, be agreed to.

The VICE PRESIDENT. The Chair will put the inquiry whether there is any objection to modifying the unanimous-consent agreement in accordance with the proposal of the Senator from Connecticut, in line 1 of the agreement, to change the time of voting from 2 o'clock to 4 o'clock, and in line 5 of the agreement, to change the time when the 5-minute rule shall become operative from 1 o'clock to 3 o'clock.

Mr. SMOOT. Is what the Chair has stated the original request which was made by the Senator from Connecticut?

Mr. LODGE. That is in accordance with the original notice.

Mr. SMITH. That is all right.

The VICE PRESIDENT. The Chair hears no objection, and the unanimous-consent agreement is modified accordingly.

Monday, January 16, 1922.

Mr. GLASS. Mr. President, the distinguished Senator from Nebraska [Mr. NORRIS] a while ago said some things with which I am heartily in accord, and I well could express the wish that the discussion of the Federal reserve banking system might generally be engaged in with the same apparent spirit of fairness as was manifested by the Senator from Nebraska.

But, Mr. President, I venture to think that the time has come when some one should assume the task of combating in the Senate the many persistent and constantly recurring misrepresentations which for more than a year have streamed from this Chamber with respect to the Federal reserve banking system and its administration. Aside from a painful disinclination to speak in any circumstances, I had hoped that this service to a great Federal institution, and, indeed, to the country, would be undertaken by some Senator whose long tenure would preclude any thought of a premature anxiety to project himself into the important controversies of this body, and whose established reputation here would arrest the attention of the Senate and command the confidence of the country.

I am not willing to believe that failure of any Senator of this type to speak out in defense of the Federal reserve system may be ascribed to indifference to the success of the system or to any lack of pride in its notable achievements. Many very grave problems have claimed the attention of the Senate and to these Senators have been devoting painstaking labor. Moreover, it may be that Senators generally have thought, as I confessedly have believed, that the hostile assaults on the Federal reserve system and its administration have manifestly been so devoid of the truth and so obviously saturated with ignorant prejudice and injustice as to require no answer.

RESERVE SYSTEM SAVED THE NATION.

But, Mr. President, the misconceptions and misrepresentations to which politicians at Washington have given vehement expression have been eagerly seized upon by restless professional agitators and disseminated from one end to the other of the country. Thus a large body of citizens has been induced to believe that the Federal reserve banking system is a financial juggernaut, crushing the life out of commerce and industry, creating widespread depression, and putting an end to enterprising business activities. Instead of clearly apprehending, that which the facts so amply attest, that this reserve banking system saved their country from inconceivable distress, from irremedial disaster, these people have been taught to believe that its continued existence would be a peril to the Nation. They, in their present mood, literally would smite the hand that feeds them and demolish the instrument of their salvation.

I would not have it imagined, Mr. President, that I purpose to decry fair criticism; on the contrary, it is with me a constant prayer to be kept on guard against the streak of iconoclasm which has too evident a place in my own nature. Neither am I disposed to assert the perfection of any economic instrumentality or the infallibility of any human agency. It would be amazing if the Federal reserve system had no imperfections, and foolish to assert that its administration has been devoid of error. What I do say with all the emphasis of which I am capable is that neither malignant nor ignorant misrepresentation will cure the system's defects or render more efficient its administration.

WHAT IS THE FEDERAL RESERVE SYSTEM?

That we may the more surely discover what are the deficiencies of the system, with a view to their abatement, and comprehend to better advantage the mistakes that have occurred in the execution of the law, it might be profitable to inquire what exactly is the Federal reserve banking system and how it has been administered. Having done this, we may determine how true or false are the charges made here, how fair or vicious the criticism. If the system is a curse or its execution a tragedy, I want to be convinced. If the system is a benediction to this Nation and an inspiration to the world, if its administration has been sane and salutary, then I shall feel and express concern for the integrity of this body if it shall appear that Senators have disparaged the character and derided the personal honor of public officials with no better sanction for such behavior than their own peculiar antipathies or their own pitiful ignorance of the financial transactions upon which they have assumed to comment. For one I am not willing that the astonishing statements made here shall any longer go to the country unchallenged and uncontradicted.

For half a century before the advent of the Wilson administration the United States was compelled to endure the handicap of the most unscientific banking and currency system of any that prevailed on the earth. For a part of the time we seem to have been ignorant of our plight; for another part indifferent to the situation, and for the remainder of the time afraid to apply the remedy lest we should wound the sensibilities or interfere with the profits of a privileged class. We were during no protracted stage without ample warning, for the malady manifested itself frequently and violently in disturbances which swept the country like a hurricane from end to end. Five times within 30 years, prior to 1913, a financial catastrophe had overtaken us right in the midst of apparent business prosperity and contentment. Each time the disaster was due largely, if not altogether, to a defective banking and currency system; and it is literally certain that our always tedious restoration was rendered vastly more difficult and painful by the sad lack of well-devised facilities.

SIAMESE TWINS OF DISORDER.

The old system had two fundamental defects. One was an inelastic currency; the other a fictitious bank reserve. They were Siamese twins of disorder; and I am inclined to ascribe the invariable failure of statesmen to reform the financial system of the country to their unwillingness to subdue both of these evils at the same time. While they repeatedly would tackle the problem of an inelastic currency, which everybody wanted solved, they seemed never in a mood to defy the powerful interests behind the national bank reserve system, through the peculiar operation of which nearly the whole sum total of idle bank funds in the United States was congested at a single center for use in the stimulation of speculative enterprises.

A RIGID CURRENCY.

The national currency was inelastic because based on the bonded indebtedness of the United States, rather than upon the sound, liquid business assets of the country. For 50 years we proceeded upon the assumption that the country always needed a volume of currency equal to its bonded indebtedness, and never at any time required less, whereas we frequently did not need near as much as was outstanding and just as often could have absorbed vastly more than was available. Hence, when it happened that the circulating medium was redundant, when its volume was too great to be used in local commercial transactions, instead of taking it through the expensive process of retirement it was bundled off to the great reserve centers at a nominal interest rate, to be thrown, at call, into the vortex of stock speculation.

In a different way and to an immeasurably greater extent the business of the country was made to suffer by this rigid currency system in times of stirring development and enterprising activity. It could not begin to meet the commercial and industrial requirements of the country. For example, the total capitalization of the national banks of a given community in time of stress, under the old system, measured the full capacity of those banks to respond to the currency requirements of the locality. If the combined capital stock of the national banks of a city was $5,000,000, that exactly circumscribed the ability of those banks to supply currency of their own issue to meet the demands of business, albeit these might necessitate the use of $10,000,000 or more. And in time of panic, such as that which convulsed the country in 1907, had these banks held $5,000,000 of gilt-edge short-time commercial paper in their vaults they could not, under the old system, have exchanged a dollar of it for currency wherewith to make up the deficiency and promptly respond to the requirements of business; for practically all the banks were in the same desperate plight, every one, with rare exceptions, looking out for itself, with no other source of supply.

A NOTABLE ACHIEVEMENT.

What was done by the Sixty-third Congress was to revolutionize this wretched currency system, the unhappy victims of which are without number and the losses beyond human approximation. We substituted for a rigid bond-secured circulating medium, unresponsive at any time to the commercial requirements of this great Nation, a perfectly elastic currency, based on the sound, liquid commercial assets of the country, responsive at all times and to the fullest extent to every reasonable demand of legitimate enterprise. It comes forth when required and is canceled when not needed. The amount is ample when business is active and only enough when business is lax. So that in a case similar to the one cited a while ago, where the banks of a given community, with $5,000,000 of liquid commercial assets, could not, under the old system, in time of stress get a dollar of currency on their holdings, because there was no source of supply, the same banks, under the Federal reserve system, could exchange their $5,000,000 of liquid assets at a Federal reserve bank for $5,000,000 of the best currency on earth, less a fair rate of discount. That one reform represents the difference between disaster and success.

A VICIOUS RESERVE SYSTEM.

Another fundamental defect of the old system was its fictitious bank reserve, created by that provision of the national-bank act which authorized a deposit or book credit of individual country banks with banks in reserve and central reserve cities to be counted as reserve, just as if held in the vaults of the interior banks. On these reserve balances, subjected to a process of multiplication, the big banks of the money centers would pay nominal interest, which operated as a magnet to attract the reserve funds of the entire country; so that on March 14, 1914, eight months before the Federal reserve system was put in actual operation, the New York banks alone held $836,000,000 of the funds of outside banks, while they were loaning outside banks only $192,000,000. Already the congressional monetary inquiry had disclosed the startling fact that on November 24, 1912, the legal custodians of these reserve funds had put $240,000,000 of them in the maelstrom of Wall Street stock operations. Do you realize quite what that means? It means that these millions and many millions more were withdrawn from the reach of agricultural, mercantile, and industrial uses throughout the United States at a fair rate of interest and loaned to stock gamblers at an abnormally low rate of interest in comparison.

We talk about the law of supply and demand and pass laws to punish combinations in restraint of trade; but before the enactment of the Federal reserve act the banking community, under the sanction of the atrocious system of an inelastic currency and a fictitious reserve, was enabled to defy the law of supply and demand both in the lax season and in the tense. For in the season of lax trade and abundant currency local bankers feared to relax the standard rate of interest. Instead of keeping the money at home and giving the local agricultural, commercial, and industrial interests the advantage to be derived from low rates of discount, the surplus funds were sent to the money centers for the accommodation of speculators.

A PANIC BREEDER.

The old system was a rank panic breeder. In periods of greatest business activity the country was made to suffer desperately for lack of adequate credit facilities. When the prospect was brightest; when men of ambition and energy would press forward in pursuit of prosperity and the hum of industry would literally be heard throughout the land, two links in the chain would suddenly snap, tearing to shreds the whole business fabric and carrying dismay to every community on the continent. In plain terms, when the country banks of the United States, trying to respond to the commercial and industrial demands upon them in their respective localities, being unable to issue additional currency, would seek to draw in their reserve balances from the congested centers, and when the big banks of these centers would, in turn, be compelled to call their loans on stock, thus contracting the credit facilities of "the street," interest rates would quickly jump, mounting higher and higher, until panic would ensue, banks throughout the country would stop payments across the counter and consternation would reign where confidence and contentment so soon before had prevailed. I have said the losses are beyond computation; and that is so. They affected not alone the financial institutions immediately involved, but the merchants whose credits were suspended; the industries whose shops were closed; the railroads whose cars were made idle; the farmers whose crops rotted in the fields; the laborer who was deprived of his wage. No business enterprise, if any individual, ever entirely escaped.

ANOTHER GREAT ACHIEVEMENT.

It was another great achievement of the Sixty-third Congress to remedy this monstrous condition. No other legislative effort, as I recall the history of events, was ever directed against this bank-reserve evil. It required courage. It constituted a challenge to the dominating financial interests of America, and they accepted the invitation to the conflict. It was a memorable fight, in which sound economic principles triumphed so completely that many of the great bankers who seemed once implacable now concede that a tremendous advance has been made in the direction of scientific banking, and there is a general concurrence of belief that the Federal-reserve system saved this country from financial convulsion when the World War raged and after it ended.

We corrected this vicious bank-reserve system by establishing regional reserve banks and making them, instead of private banks in the money centers, the custodians of the reserve funds of the United States; by making these regional banks, instead of private correspondent banks, the great rediscount agencies of the country; by requiring these regional banks to minister to commerce and industry rather than to the schemes of speculative adventure. Under the old system the country banks were subservient to the money centers, for only there could they resort for rediscount favors. Under the new system it is no longer a question of favor; it is purely a question of business.

AN INSPIRING CONTRAST.

In 1907 New York could not let a country bank have $50,000 of bank currency to meet the ordinary requirements of commerce or the pay rolls of industry. In the fateful year 1915 New York let two European nations at war have $500,000,000. The new system enabled the Government to lend $10,000,000,000 abroad and to float $24,000,000,000 at home for war purposes. Under the old system about $60,000,000 measured the volume of rediscounts; under this reserve system one of the smaller regional banks exceeds that amount in a single State.

RURAL CREDITS.

Not in 50 years had any party written a provision into the national bank act for as much as one dollar of rural credits. On the contrary, by the text of the law, by the rulings of the Treasury, and by decisions of the courts, every semblance of farm credits was sedulously excluded. The Federal reserve system furnishes millions of dollars of farm-credit facilities. Not a dollar of the funds of a national bank could be loaned under the old system on improved farm lands. Under the Federal reserve act, according to a computation by the late Charles A. Conant, $359,000,000 are made available for loans on farm mortgages alone having five years to run. In the matter of current rediscounts every rational advantage is given to farm credits over mercantile paper, and I shall show that billions of dollars have been loaned to the farmers of the United States. In the matter of acceptances on the exportation of the great staple products of the farm infinite aid is extended to the American farmers. In addition to this the Federal reserve system has had a powerful influence in lowering the rate of interest, and in this circumstance alone the farmers of the country have been saved millions of dollars. Yet it is at a system which has done this unprecedented service to American agriculture that professional "friends" of the farmer are hacking away. It is to a system which has put hope in rural life that caressing demagogues, for selfish purposes, falsely ascribe the inevitable reaction from the saturnalia of unparalleled expenditures.

What are these regional banks?

There is no mystery about them. It is not difficult to understand their organization or their processes. Each of them has a defined territory. They are operated by boards of directors, just as any individual bank is. They are conducted with the same banking instinct, with the same technique, with the same mechanical and human appliances. They are owned not by the Government of the United States, as one would suppose, but by their stockholding member banks. The Government of the United States never contributed a dollar to their capital; the taxpayers are not assessed a penny for their maintenance; they pay the Government annually an enormous sum in franchise fees—$60,000,000 per annum—against the meager sum of $3,000,000 per year paid by all the national banks in the United States put together. They are banks of banks. They do not loan, can not loan, a dollar to any individual in the United States nor to any concern or corporation in the United States, but only to stockholding banks.

A member bank in Utah, for example, has accommodated its customers to the full extent of its resources. It can loan no more without violation of the National or State banking acts. It needs additional funds with which to make other loans. How does it obtain them? By taking the note of a borrower, with its collateral security, giving it the indorsement of that individual bank. It sends the note thus indorsed to the reserve bank at Kansas City, the reserve bank rediscounts the note at an inappreciable charge over the rate of interest which the member bank charged its customers. That supplies the member bank with additional funds to loan to other borrowers. It is very simple. There should not be so much ignorance about it here.

THE SUPERVISORY POWER.

At the head of these 12 regional reserve banks we put a supervising board. It is not a central bank. It can not loan a penny to anybody, or to any concern, or to any corporation. It does not engage in the minutiæ of banking over the counter. It has not a dollar, and never had a dollar, to loan to anybody. It is a supervisory board. It has nothing to do with, and not necessarily any knowledge of, the detailed discount operations of the various regional reserve banks. It can not command the weakest or the strongest regional reserve bank in the district to discount to the extent of one dollar if that bank does not care to do so. It can not prohibit a single regional reserve bank from discounting millions of dollars if it has the eligible paper and wants to do it.

Mr. POMERENE. Will not the Senator go a little further and say it has not done it in the past?

Mr. GLASS. It has not done it.

Mr. KING. Mr. President, if I may be pardoned, will the Senator explain the origin of this heresy which some Senators and a good many of the people have, that the Federal reserve districts can draw upon New York whenever they please; that it is the duty of the New York bank to loan to the people of Utah, to the people of California, to the people of Alabama the money which belongs to the Federal reserve bank there, and that it is the duty of the Federal reserve banks in the various districts to loan whenever any person comes and desires money, even though the bank does not have sufficient capital to justify the continuation of the enormous loans which it in the past has made?

Mr. GLASS. The Senator has so stated his inquiry as that it carries its own answer. No banking system that would do those things could survive in any country on earth.

Mr. SMITH. Mr. President, if the Senator from Virginia will allow me, perhaps I misunderstood the inquiry which the Senator from Utah made when he said that the reserve bank of one district could not be drawn upon for the benefit of another reserve bank. Was that what the Senator said?

Mr. KING. I did not put it that way. Of course, I appreciate that in a certain contingency, as has been explained by the Senator from Virginia, there may be a crisis which may warrant interregional discounts; but the heresy has grown up that the people of Utah, or the people of Alabama, or the people of any other district can demand of New York, or of some other district, that it respond to the wishes and needs of any State or any district.

Mr. GLASS. I will ask that Senators desist for the present from this argument. I do not object to being interrupted, but I do want to finish this speech.

Mr. SMITH. I just want to read in that connection one little paragraph of about 5 lines from the law.

Mr. GLASS. I shall come to that, if the Senator will allow me. I shall explain it fully. I have said that in certain extreme contingencies the law does permit the Federal Reserve Board, by a vote of five of the seven members, to go to the financial assistance of some weak Federal reserve bank to avoid a crisis, not in ordinary course to loan it the funds of some other region with which to do business. The textual restriction of the statute on the Federal Reserve Board indicates what was contemplated. If, perchance, the inability of a weak Federal reserve bank to respond to the urgent requirements of its member banks would threaten financial disaster in a great section of the country, then, in the judgment of the Federal Reserve Board, five members of which were required to act affirmatively, one Federal reserve bank might go to the assistance of another Federal reserve bank. That is all there is to that. The distinguished Senator from Ohio [Mr. POMERENE], who was a conferee with me on the bill, knows I am stating the case exactly.

Mr. President, if my exposition of the Federal reserve act has been accurate, it will be observed that the Federal Reserve Board sitting at Washington is not a central bank; it is merely a supervisory body, with certain clearly defined, limited powers. It can not establish a credit for any individual member bank at a single one of the Federal reserve banks. It can not issue a dollar of currency to any one of these regional banks, except upon the specific application of the regional bank. It can not withdraw or cancel one dollar of Federal reserve bank notes, with a view to contracting the currency or for any other purpose, not a dollar.

I have sat here for a year and heard Senators denouncing the Federal Reserve Board for withdrawing circulating notes. It has no particle of authority under the law to withdraw one single dollar of currency from circulation.

It may decline to issue currency upon request of a regional reserve bank, but there is not one instance of record since the establishment of the system in which it has done that. It may levy a tax on Federal reserve notes, so as to make their issuance uninviting to the regional banks, but there is no instance of record in which it has levied a penny of tax on note issues.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator yield to the Senator from Georgia?

Mr. GLASS. I do.

Mr. WATSON of Georgia. Mr. President, I saw in the Washington papers yesterday a statement issued by the Federal Reserve Board which seemed to say that during the last 12 months they had retired of their note circulation a thousand million dollars.

Mr. GLASS. I will say to the Senator that the Federal Reserve Board has not retired a dollar. The various regional reserve banks have retired their Federal reserve notes, for which they made application when business was humming and industry was at its height. Now that there is widespread business depression, these regional reserve banks, not the Federal Reserve Board, have sent in certain notes for cancellation and destruction.

Mr. OVERMAN. Mr. President, I would like to ask the Senator, before he leaves that question, who fixes the discount rate?

Mr. GLASS. The Federal reserve banks fix the rate, subject to review and determination by the Federal Reserve Board. I am coming to that.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New Mexico?

Mr. GLASS. I do. I want to give all the information I can, but Senators by interrupting are going to prolong my speech.

Mr. JONES of New Mexico. I do not understand that the Federal Reserve Board, as such, has the power to restrict the issuance of notes or enlarge the amount of an issue; but inasmuch as one-third of the board of directors of each of the regional banks is appointed by the Federal Reserve Board in Washington, does not the Senator believe that any recommendation of policy directed to these regional banks would be quite effective, and is it not claimed that such policies have been announced by the Federal Reserve Board, and that that has resulted in the deflation of the currency in the country and in the restriction of the amount of the currency; and does not that in effect operate in the same way that it would if the board had the direct power to make the restriction?

Mr. GLASS. I say to the Senator from New Mexico that every director of a Federal reserve bank must be a resident of his Federal reserve district. The appointment of three of these directors by the Federal Reserve Board, as the Senator from Ohio will recall, was resisted by the banking community of the United States. They were put there to represent the interests of the Government, because the Government, under the operations of the banks, would be one of the largest depositors in the banks. I have no doubt the banking community to-day would gladly welcome an alteration to exclude these three appointed members from the regional boards.

Answering the other part of the Senator's inquiry, I will say that the Federal Reserve Board has never, since it was inaugurated, offered a suggestion to a Federal reserve bank that it should or should not make rediscounts or apply for currency.

Mr. FLETCHER. If I may interrupt the Senator just on that point, is it not true that the power to fix the rate of rediscount is the power to control circulation?

Mr. GLASS. I said to another Senator that I would reach that presently. If Senators will just let me get on, I hope I shall not leave any phase of the problem untouched.

Mr. FLETCHER. I did not know that the same question had been presented. It seems to me they do not need the power to control circulation as long as they have the power to control the rate of rediscount.

Mr. GLASS. Of course, the power to fix the rate of rediscount is a fundamental banking power of the system.

Mr. JONES of New Mexico. Mr. President, I am sorry to interrupt the Senator, but I saw the statement made by people who were supposed to know and be advised about it, that the Federal Reserve Board in Washington had made a direct request of the regional banks in certain sections of the country, as well as member banks, that no more loans of a certain character should be made; for instance, upon live stock. Personally, I was never able to find out from any authoritative source that such a thing had been done, and I should like to know whether or not the Senator has any information upon that subject.

Mr. GLASS. I know it is not true, I will say to the Senator from New Mexico. The Federal Reserve Board at one time did what Senator after Senator upon this floor did. In one of its public outgivings it suggested that there ought to be a cessation of extravagance in this country; that the credits of the country should be devoted to taking care of the necessities of the people rather than the luxuries of the people. Will anybody question the Solomonic wisdom of a declaration of that sort? The board has never at any time indicated to a bank that it should not engage in lawful and proper rediscount activities, and has never denied the application of a regional bank for one dollar of Federal currency.

Mr. POMERENE. Mr. President, the Senator has already referred to the fact that only one-third of the directors of the regional banks are appointed by the Federal Reserve Board. The other two-thirds are divided into two classes, one representing the smaller banks and the other representing the larger banks. The thought struck me that ordinarily two-thirds can control one-third.

Mr. GLASS. There has never been any suggestion that the one-third were in any degree out of sympathy with the agricultural, commercial, or industrial requirements of their particular region. It is not natural to suppose they ever are. They are business men of character and reputation, identified with the particular region. Why should they wish it harm?

These powers, with the right to review and determine rediscount rates, are conferred by the law on the Federal Reserve Board for the security of the banking system of the United States and to insure that any expansion of the currency shall be upon safe and sane lines.

RECKLESS CHARGE OF DEFLATION.

Yet, Mr. President, with these restricted powers unexercised to this day, the Federal Reserve Board, times without number, has recklessly been charged with instituting and executing "drastic and cruel policies of deflation." One perfervid Senator characterized it a "murderous" policy of discrimination against agricultural produce. What, precisely, is meant by this charge? It can signify but one thing, which is, in plain terms, that the Federal Reserve Board at Washington, without sanction of law, ordered Federal reserve banks, especially those located in the agricultural regions, to curtail or stop rediscounts or that the board refused to issue currency upon application of the banks or that the board did both these things. *The actual truth is, Mr. President, the Federal Reserve Board did neither of these things, and I challenge the production here or elsewhere of any particle of evidence of any such action by the Federal Reserve Board.* It issued no such order; it had no right to issue any such order. And, as I have pointed out, while the board is vested by law with explicit authority to refuse to issue currency or to tax that outstanding in order to influence its redemption, the board has not exercised its lawful power in either respect. Every dollar of bank credit denied was withheld by a local bank or regional bank. The Federal Reserve Board had nothing to do with it. Every dollar of currency retired was retired by a local bank or regional bank. The board had nothing to do with it.

By whom, then, Mr. President, was this wicked policy of deflation of the credits and currency of the system instituted and what were the agencies employed in its execution? Each regional bank of the system is master in its own domain, subject only to the Federal statutes; it is operated by men, all citizens of its territory. Two-thirds of its directors are selected by the member banks in its territory. These men are presumed to understand the conditions and to know the requirements of every interest in the territory—agricultural, commercial, or industrial. If there was deflation, "wicked" or righteous, monstrous or sane, the directors of these respective Federal reserve banks, in larger degree than any other agency under the law, should be held responsible for it.

But I pointedly deny that there was deflation of either regional reserve bank credits or any diminution of Federal reserve currency for the period of the appalling drop in prices of agricultural products.

INCONTROVERTIBLE FACTS AND FIGURES.

I hope Senators will take particular note of that declaration and convict me here, if they can, of any inaccuracy that appertains to it. Rhetoric, whether the motive of it be harmless or vile, is one thing. A cold, indisputable fact is something different. In all this fanfare of prejudice and vituperation there has not been given one authenticated fact or figure to justify the assertion that the Federal reserve banking system was appreciably delinquent or in any degree oppressive. I shall present proof to the Senate that, in the period of precipitated prices of farm products, there was a constant expansion of regional bank credits and an increase in the volume of Federal reserve notes issued. At this point I shall insert in the RECORD figures furnished me by the Bureau of Statistics, Department of Agriculture, giving the average seasonal price, by the month, of cotton, wheat, corn, and oats from July, 1919, to January, 1921, inclusive:

	Cotton.	Wheat.	Corn.	Oats.
1919.				
July	$0.311	$2.22	$1.76	$0.71
August	.325	2.17	1.91	.75
September	.303	2.06	1.85	.72
October	.313	2.10	1.54	.68
November	.365	2.13	1.33	69
December	.357	2.15	1.35	72
1920.				
January	.359	2.32	1.40	.78
July	.374	2.54	1.86	1.04
August	.368	2.32	1.64	.82
September	.311	2.19	1.56	.70
October	.255	2.14	1.21	.61
November	.194	1.88	.87	.54
December	.14	1.44	.68	47
1921.				
January	.115	1.49	.67	46

Mr. President, an examination of these figures discloses the fact that cotton, quoted at 31.1 cents in July, 1919, is quoted at 37.4 cents in July, 1920, when a sharp decline set in, until

for January, 1921, cotton was quoted at 11.5 cents, a decline of 69.3 per cent from July, 1920, to January, 1921.

It is seen that oats rose from 71 cents for July, 1919, to $1.04 for July, 1920, and dropped to 46 cents for January, 1921, a decline of 55.8 per cent from July, 1920, to January, 1921.

It will be noted that wheat rose gradually from $2.22 for July, 1919, to $2.54 for July, 1920, and fell to $1.49 for January, 1921, a decline of 41.4 per cent from July, 1920, to January, 1921.

It will be observed that corn fluctuated from $1.76 for July, 1919, to $1.86 for July, 1920, and fell to 67 cents for January, 1921, a decline of 63.9 per cent from July, 1920, to January, 1921.

This shocking decline in the produce of American farmers, as well as a less acute decline in the products of our mills, is a familiar story to every intelligent business man of the country. If it can be established that for this period from January 1, 1920, to January 1, 1921, the Federal reserve banks, severally or in the aggregate, contracted their credits and diminished the volume of their note issues, those who charge them with "a drastic and cruel policy of deflation" may justify the accusation with respect to these regional banks. But even in this event they can get no sanction for their assaults upon the Federal Reserve Board, which does not initiate bank credits nor issue currency except upon application of the regional banks. Now, let us see what the facts are. At this point I shall place in the RECORD an authenticated statement of paper held under discount for member banks of the Federal reserve system as of January 1, 1920, and January 1, 1921; likewise a statement of the volume of Federal reserve notes in circulation on January 1, 1920, and on January 1, 1921.

Paper held under rediscount for member banks in each Federal reserve district, also Federal reserve notes in circulation on Jan. 1, 1920 and 1921.

[000 omitted.]

Federal reserve bank.	Paper held under discount for member banks—		Federal reserve notes in circulation—	
	Jan. 1, 1920.	Jan. 1, 1921.	Jan. 1, 1920.	Jan 1, 1921.
Boston	$188,039	$155,293	$244,093	$288,780
New York	790,803	871,439	807,616	867,481
Philadelphia	237,300	155,484	237,051	278,322
Cleveland	164,517	122,182	264,738	348,951
Richmond	114,772	125,473	145,765	155,169
Atlanta	88,052	166,640	155,511	173,406
Chicago	267,639	475,563	500,139	545,395
St. Louis	77,679	114,933	145,298	135,785
Minneapolis	73,857	95,994	87,187	79,498
Kansas City	110,380	139,402	104,089	111,578
Dallas	28,371	97,392	74,930	79,453
San Francisco	73,896	167,598	242,462	272,463
Total	2,215,305	2,687,393	3,008,878	3,336,281

CREDITS INCREASE AS PRICES DROP.

An analysis of these statistics shows that the total amount of rediscounted paper held by the 12 regional reserve banks on January 1, 1920, was $2,215,305,000. Instead of deflating their credits, as has been charged, these banks as of January 1, 1921, had increased their accommodations to member banks in the aggregate to $2,687,393,000, an expansion of $472,088,000 in the 12-month period.

If any Senator can controvert this fact, I pause to have him do it.

On January 1, 1920, the 12 regional reserve banks had notes in circulation to the amount of $3,008,878,000. Instead of reducing circulation, these same banks on January 1, 1921, had outstanding circulation aggregating $3,336,281,000, a total expansion of currency of $328,403,000 for the 12-month period of falling prices.

Will any Senator say that that is not true?

Thus it will be noted that so far from the truth is the accusation that the Federal Reserve Board "tumbled" the prices of farm products by a cruel policy of deflation, it is shown that during the whole period of falling prices the Federal reserve banks were supplying largely increased credit facilities and issuing a constantly increasing volume of Federal reserve notes.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Alabama?

Mr. GLASS. I yield.

Mr. HEFLIN. I do not want the Senator to get the impression that I agree to a good many of those things.

Mr. GLASS. Oh, I do not get the impression that the Senator from Alabama agrees with a single one of those things.

Mr. HEFLIN. Because I expect to reply to the Senator, and I want him to know that I disagree with him on several of these propositions.

Mr. GLASS. I would have assumed that without any statement from the Senator.

Mr. HEFLIN. The Senator compliments my friendship for the people of the country.

Mr. GLASS. Oh, Mr. President, no friendship can intervene where a great and vital interest of the country is concerned. I believe it was the Duke of Guise who once was bitterly reprimanded by the Archbishop of Paris for exhibiting some degree of acerbity toward a friend. The prelate asked how he could reconcile his attitude with his professions as a churchman, and the Duke of Guise responded, "I confess, your grace, that Christ taught us to forgive our enemies; but I think you will search Scripture in vain to find that he anywhere admonished us to forgive our friends." That is my reply to the Senator from Alabama when he appeals to friendship to avert criticism of his misrepresentation of the Federal Reserve Board here in Washington.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Alabama?

Mr. GLASS. I yield.

Mr. HEFLIN. The Senator from Virginia misunderstood me. I said that he was complimenting my friendship for the people of the country and my desire to have a fair deal for them, and not my friendship for the Senator, which is great; we are personal friends; but I am not appealing to that. I will take care of the Senator's arguments along that line.

Mr. GLASS. Oh, I do not doubt that.

It is significant, Mr. President—and I call the attention of my distinguished friend from North Carolina [Mr. OVERMAN] to the fact—*that these increased facilities were applied for and granted at the increased rate of rediscount put into effect by the regional reserve banks and approved by the Federal Reserve Board.* This tremendous expansion of Federal reserve credits, aggregating nearly $1,000,000,000 within the 12-month period of falling prices, was not managed except by an alarming encroachment upon the gold reserves of the regional banks, one of them, as I recall, barely escaping the humiliating if not disastrous experience of having its gold reserve wiped out of existence; it had to resort to the expedient of largely rediscounting with another Federal reserve bank at the North.

LOANS TO FARMERS.

Let me anticipate here a thought which may have place in the minds of some Senators. Doubtless they will want to know in what sections of the country these extensions of credit prevailed, in order to determine whether one class of citizens was discriminated against or another class granted peculiar privileges by the Federal reserve banks. We shall see:

The regional bank at Richmond accommodates the grain, fruit, tobacco, and cotton portions of the fifth district. Were its credits deflated or its note issues reduced during the period of falling prices? Not at all; both credits and circulation were extended. On January 1, 1920, the Richmond Federal Reserve Bank held discounted paper to the amount of $114,772,000. On January 1, 1921, its rediscounts had been increased to $125,473,000, or more than $10,000,000. On January 1, 1920, the Richmond bank's note issue amounted to $145,765,000; on January 1, 1921, the bank's note issue had been increased to $155,169,000, an expansion of nearly $10,000,000, the total expansion in currency and credits being about $20,000,000 in the period of falling prices.

The Atlanta Federal Reserve Bank, which is in the cotton belt, as the junior Senator from Georgia [Mr. HARRIS] may note, held $88,052,000 of discount paper on January 1, 1920. Was there any deflation at the Atlanta bank? Not a bit; on January 1, 1921, its rediscounts had about doubled, amounting to $166,640,000. Its note issues increased from $155,511,000 on January 1, 1920, to $173,406,000 on January 1, 1921, a total increase in credits granted of $96,483,000 within the period of falling prices.

The Chicago Federal Reserve Bank, accommodating the grain and live-stock section of the country, on January 1, 1920, had a volume of $267,639,000 in rediscounts, and during the period of falling prices these credits had increased to $475,563,000 on January 1, 1921. Its note issues for the same period increased from $500,139,000 to $545,395,000; total expansion, $253,178.

The St. Louis Federal Reserve Bank, accommodating the grain and live-stock territory, on January 1, 1920, held rediscounts aggregating $77,679,000. These credits increased during the period of falling prices to $114,933,000. Its note issues were reduced by the sum of $10,000,000; aggregate expansion of the bank's credit about $37,000,000.

The Kansas City Federal Reserve Bank, in the grain and stock section, had $110,380,000 rediscounts on January 1, 1920. These credits had expanded to $139,402,000 on January 1, 1921, and

its Federal reserve note issue had increased in the same period $7,500,000; total expansion, $36,522,000.

The Federal reserve bank at Dallas held $28,371,000 in discounted paper on January 1, 1920, which amount had been more than trebled on January 1, 1921, totaling $97,392,000. For the same period its note issue increased about $5,000,000, aggregating $79,453,000; total expansion, $74,021,000.

The San Francisco Federal Reserve Bank, accommodating the fruit, dairy, and other farm industries of the Pacific States, held $73,896,000 of eligible paper on January 1, 1920. This amount had more than doubled on January 1, 1921, when it reached $167,598,000. This bank's note issue increased from $242,462,000 to $272,463,000, an increase of more than $93,000,000 in credits and $30,000,000 in the volume of its notes.

Mr. President, while this expansion of credits was taking place in the agricultural districts of the United States, the notable fact is disclosed by the official figures that there were scarcely any increases by the banks located in the great industrial centers of the country. Senators may easily examine the table and ascertain for themselves the accuracy of this statement.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Ohio?

Mr. GLASS. I yield.

Mr. POMERENE. Is it not true also that during this decline of prices there was an advance by the Federal reserve banks in the industrial districts to the banks in the other sections of about $267,000,000?

Mr. GLASS. The Federal reserve bank of Cleveland, in the Senator's own State, advanced, as I recall—and I will insert in the RECORD the exact figures—$150,000,000, and perhaps in excess of that, to the Federal reserve banks in the agricultural regions of the country. It did not have to be compelled to do so by the Federal Reserve Board, but took the action on its own initiative, or perhaps at the suggestion of the Federal Reserve Board.

AMAZING LIBERALITY OF RESERVE BANKS.

I shall anticipate another thought which doubtless arises in the minds of Senators who may desire to know whether strictly agricultural credits, as distinguished from mercantile and industrial credits, were diminished during the period of falling prices. The figures show that loans on agricultural and live-stock paper increased enormously within the period of price precipitation. At this point I will insert in the RECORD a table giving the loans on agricultural and live-stock paper, as segregated, each month for the entire year of 1920, showing that these loans by the banks in the agricultural sections increased more than fivefold, while prices for agricultural products were falling in a distressing degree:

Loans of Federal reserve banks on agricultural and live-stock paper for 1920.

January	$56,905,000
February	67,195,000
March	74,665,000
April	106,382,000
May	140,691,000
June	168,038,000
July	202,520,000
August	216,278,000
September	224,424,000
October	240,649,000
November	241,561,000
December	246,940,000

The figures in some detail show that at the Richmond Federal Reserve Bank loans on this kind of paper increased from $449,000 on January 1, 1920, to $9,251,000 on January 1, 1921.

The loans of the Atlanta Federal Reserve Bank on paper of this character increased from $841,000 on January 1, 1920, to $16,831,000 on January 1, 1921.

Why, Mr. President, I am amazed at the broad liberality of this regional reserve banking system in that distressing time. Had I any criticism to make of its administration it would be that it too far transgressed the requirements of safe banking.

The Federal reserve bank at Dallas on January 31, 1920, had only $4,450,000 on agricultural and live-stock paper, which was increased to $31,251,000 by January 1, 1921.

The Kansas City Federal Reserve Bank increased its loans on this kind of paper from $20,022,000 on January 31, 1920, to $46,840,000 on January 1, 1921, during the period of falling prices.

The Federal reserve bank at St. Louis on January 31, 1920, held but $294,000 of agricultural and live-stock paper, which amount by January 1, 1921, had been increased to $4,896,000 during the period of falling prices.

The Federal reserve bank at Minneapolis held on January 31, 1920, only $6,855,000 of agricultural and live-stock paper. On January 1, 1921, it held $53,896,000 of strictly agricultural paper.

The Chicago Federal Reserve Bank on January 1, 1920, was loaning but $12,783,000 on agricultural and live-stock paper, whereas on January 1, 1921, it had increased these loans to $52,695,000 during the period of falling prices.

I would call the attention of the Senate to this significant fact in this connection:

These figures constitute loans made to the agricultural interests of the country on paper having a maturity of six months, which paper may easily be segregated; but the figures are not an index to the full volume of agricultural loans, because hundreds of millions of dollars of commercial loans are made to the farmers of the country on paper of 90 days' maturity. Indeed, by reference to page 17 of the last annual report of the Federal Reserve Board it will be seen that 11 of the Federal reserve banks, excluding the New York bank altogether, made loans for farm and dairy purposes for the year 1920, comprising the period of falling prices for farm products, aggregating $1,980,063,000 as against $729,266,000 for a like period of 1919; and this great volume of credit does not include the large amounts advanced on cotton, wool, and similar lines by the greater banks of the system.

THE SYSTEM NOT SECTIONAL.

Mr. President, I am not speaking for any section of the country or against any section of the country. I am not speaking for the Democratic Party or for the Republican Party. I despise the conception of the man who thinks that we should harass and corrupt this great Federal banking institution by introducing politics into its administration or political henchmen into its personnel. Once that is done, the system is gone beyond reclamation. I am speaking for the integrity of this great Federal reserve banking system, which saved every section of the country in a time of unprecedented disturbance, when all the world beside was going into financial chaos and being wrecked almost beyond recovery. But it is a fact of some significance that the Federal reserve banks of the North, without compulsion of any kind, went largely to the assistance of the agricultural interests of the South and West. At one time, in October, 1920, in the crop-moving period of that year, when the prices of agricultural products were going down, the Federal Reserve Bank of Cleveland alone was loaning to the reserve banks in the West and South no less than $145,800,000.

Mark this: The loans of the Federal reserve bank at Cleveland in the South and West exceeded its total loans to member banks of its own district, including the banks of the great cities of Pittsburgh, Cleveland, and Cincinnati, the greatest industrial district of the United States.

These funds were derived from the stockholding banks of that district; they represented the vision, the enterprise, the activities of the men and industries of that territory. Yet, in an effort to save a distressing situation they were loaned to the banks in the agricultural regions of the United States. And so also did the Federal reserve banks at Boston and Philadelphia and New York, by permission of the Federal Reserve Board, loan from their funds to western and southern Federal reserve banks for the relief of the agricultural situation in those sections. Indeed, the Dallas Federal Reserve Bank borrowed continuously from the northern reserve banks from the spring of 1920 to December 15, 1921. Minneapolis just finished paying out of debt to these banks last November, and Richmond and Atlanta last December. Happily, all of the Federal reserve banks are now above their reserve requirements, each standing on its own resources, with the ability and the willingness to take care of all reasonable credit requirements. It was the palpable intent of the law that they should do this. It was never intended that interregional discounts should be a normal process of this system.

NOT A CENTRAL BANK.

Some Senators seem to imagine that we have a central banking system in this country. The amazing statement is made here that Congress in 1913 adopted a slightly modified form of the Aldrich bill, which did provide a central banking institution. No greater misconception was ever projected in this Senate Chamber, and no man on earth knew better than Mr. Aldrich himself that a statement of this kind involves a total misunderstanding either of the provisions of the Aldrich bill or the essential provisions of the Federal reserve statute. *We have no central bank, and the Federal Reserve Board sitting at Washington has no right, except in circumstances threatening the financial fabric of the Nation, to even order one Federal reserve bank to rediscount the discounted paper of another regional bank. Even in a financial crisis, such as the law contemplates, it requires the affirmative action of at least five of the seven members of the Federal Reserve Board to compel one of these regional reserve banks to rediscount for the other. Hence, when gentlemen talk about the great resources and earn-*

ing assets of this or that Federal reserve bank and imagine that these resources are available as a normal process for use in other regions, they simply display a lamentable ignorance of the Federal reserve banking system, both as to the text and intent of the law. When the junior Senator from Alabama assumes that the contemplated expenditure of a certain sum of money for a regional reserve bank building in New York operates to restrict the banking credits of cotton planters in the South, he is talking pitiful nonsense. What have agricultural credits in the South to do, directly or indirectly, with a bank building in New York or Chicago or Cleveland or San Francisco? It might as well be said that the school children of Birmingham or Richmond have their educational facilities wickedly impaired because the school board at New York or Boston has been or contemplates spending more money for educational purposes next year than all the Southern States combined. That sort of talk is not even specious; it is such arrant nonsense that I should not like to believe it can deceive the very simplest among those who are the accustomed victims of demagogy!

THE CASE CLEARLY PROVED.

Presently, Mr. President, I shall briefly discuss the question of bank building and bank salaries. For the moment I desire sharply to draw the attention of the Senate and the country to the incontestable fact that the authentic figures which I have presented *prove beyond controversy that the crashing decline in the prices of farm products was not caused by the Federal Reserve Board at Washington nor by any policy adopted or pursued by the Federal reserve banks throughout the country.*

These figures prove beyond all controversy that, instead of deflating credits and currency, the Federal reserve banks, during the period of falling prices, enormously expanded bank credits and increased the volume of circulating notes. This is especially true with respect to credits in the agricultural sections of the United States, for it appears from the official figures that while agricultural credits were expanding commercial credits were contracting. Federal reserve banks in the great money centers carrying an aggregate of $467,000,000 in bankers' acceptances this last summer were carrying less than $40,000,000 of these acceptances.

The figures show a decline in commercial credits secured by Government securities of nearly $1,000,000,000 in that period. What, then, becomes of this charge of "cruel and wicked and murderous" deflation of farm credits by the Federal reserve banks under orders from the Federal Reserve Board?

Mr. President, any self-respecting board of directors of any one of these Federal reserve banks would doubtless resent an order from the Federal Reserve Board to abandon its rediscounting operations. The board has no lawful authority to issue any such order. These rediscounts frequently take place without the immediate knowledge or consent of the Federal Reserve Board. It is only when currency is desired, when application is made for the issuance of Federal reserve notes, or when a regional bank depletes its gold reserve, that the intimate knowledge and supervisory power of the Federal Reserve Board is brought into effect.

What, then, becomes of the charge of "murderous deflation" when it is examined? It takes its place in the limbo of discarded fiction. For my part, I fervently thank God that I have no responsibility for its inception or its propagation or the dissemination of its vile odors. No one will ever be able to compute the amount of damage done by this misrepresentation and the harmful use made of it by erupting politicians. *The truth in one sentence is that falling prices caused the deflation of credits and currency, such as we have witnessed since January of last year, and not deflation of credits the fall in prices.*

WHY PRICES TUMBLED.

Mr. President, the crash in commodity prices in the summer and fall of 1920 is not a hidden mystery. It did not require a Joint Commission of Inquiry to be ascertained, although I am profoundly thankful that such a commission instituted a thorough investigation of the subject. The storm was inevitable; discerning men saw it brewing and were prepared when it burst. It was not peculiar to this country; its sweep was through the whole world. First, it tore asunder economic conditions in Japan. The disaster there almost instantly reflected itself by the break in the silk market in March of 1920. The next manifestation of distress was in May, when the wool industry utterly collapsed and we had presented the phenomena of wool cheaper than cotton. Then came the break in hides and leather; then in sugar, wheat, cotton, corn, oats—all conspiring to create alarm and to occasion distress throughout the country.

Did deflation of credits by the Federal reserve banks, on order of the Federal Reserve Board, cause the crisis in Japan? Did a restriction of credit cause the violent prostration of the wool industry? Did the drop in sugar, which threatened a moratorium in Cuba and which came not far from wrecking one of the great banking institutions of this country because of a satiety of credit, have its origin in any policy of the Federal reserve banking system? *If not, how may it rationally be contended that a restriction of credit, which never took place, by an order which was never issued, is responsible for the crash in prices of other commodities?*

Mr. President, we are accustomed to get periodically more or less definite estimates of crop production, and then think we have envisaged the entire problem of prices for a given time. As a matter of fact, we have only half of the picture. It may be told with a reasonable degree of certainty what will be the supply, but nobody can ever tell what will be the demand for the products of farm or factory. Senators know perfectly well that all continental Europe, as well as the Near and Far East, has been embroiled in war and plagued by economic disasters since the armistice was proclaimed; so that our foreign markets were dislocated.

Moreover, the peak of extortionate prices in this country had all but pierced the clouds in the early summer of 1920, exceeding actually the highest point of the war period.

I pause to remark that we are a peculiar people in America. For months and months Senators and newspapers throughout the country were denouncing profiteering in the prices of commodities and of all conceivable articles of commerce. They were eager to put the profiteers in jail. They wanted to impeach the Attorney General of the United States for not quickly putting them in jail. Then, when the drop came, these impatient souls denounced the Federal Reserve Board.

THE SENATE ORDERED DEFLATION.

Mr. McLEAN. I remind the Senator that in May, 1920, we passed a resolution for an investigation of the cause of high prices, and at that time condemned the Federal Reserve Board for not raising its rediscount rate.

Mr. GLASS. Yes; and I shall show that you practically undertook, without any authority of law, to compel the Federal Reserve Board to raise its rediscount rate. *The Senate voted for a resolution unanimously, offered by the distinguished Senator from Montana* [Mr. MYERS], *demanding to know what the Federal Reserve Board had done, or what it purposed to do, to deflate the credits and currency of the country.* Senators are making me anticipate my speech.

[At this point Mr. GLASS yielded the floor for the day.]

Tuesday, January 17, 1922.

Mr. GLASS. Mr. President, when the Senate recessed on yesterday I had covered those phases of the problem under discussion which related particularly to the question of alleged deflation of credits and currency in this country and was undertaking to describe the causes and course of the fall in prices.

CONSUMERS ON STRIKE.

The peak of extortionate prices in the United States, as I said before, had all but pierced the clouds in the early summer of 1920, exceeding actually the highest point of the war period, and the people of the United States had become tired of being profiteered and the people of Europe could no longer pay the prices. At home and abroad the people in their righteous indignation went on strike, as it were, against the profiteers. That vitally affected the situation, because when the people once began to do without luxuries, by the very processes of psychology they began to economize in the more necessary things of life. The demand for all products was thus enormously diminished. Then railroad rates were skyrocketed, not alone putting a tax on the things which the farmer must transport to market, but likewise on everything which the farmer was compelled to bring back to the farm. Building was reduced to the minimum, road construction was stopped, furnaces from one end of the country to the other were banked, unemployment to a frightful extent ensued; and all this, Mr. President, for no lack of credit facilities, but for lack of markets in which to sell the products of farm and mill and factory. There is the picture! Why not tell the farmer and everybody else the truth about the thing? Why invent the wretched fiction about deflation of bank credits, and by this false predicate seek to impair the usefulness and ultimately to destroy a banking system that preserved this country from chaos and that, if let alone, will restore the financial equilibrium of the world, if it be not already beyond restoration?

WHY FARMERS SUFFERED FIRST.

The consequences of this crash in commodity prices were more pitiful to the American farmer, because the pelting storm found him defenseless and without shelter. The factory men and mercantile interests, both jobbers and retailers, have better insurance against sudden collapse. They are more compactly

organized; they may longer resist falling prices than the farmer. I do not charge that they are more acquisitive; but at least they do not find themselves obliged to accept their losses as promptly as the farmer. This is why the farmer was hit first, and hit hardest and suffered most. Why not tell the farmer the truth and advise him, if he would escape the consequences of another such disaster, he should organize; organize, Mr. President, not to be the plaything or the instrument of designing politicians, but organize for an intelligent investigation and pursuit of economics; organize for a cooperative marketing of his product; organize, if it may seem desirable, for the cooperative purchase of his requirements; organize for an intelligent understanding of the source and volume of demand for farm products.

I commend to the consideration of every intelligent American farmer the report of the Joint Commission of Inquiry upon the Agricultural Crisis and Its Causes; and to indicate that I have not to-day in anywise misstated the situation, I will here quote a paragraph to be found on page 17 from the report in question on—

THE BREAK IN PRICES.

The crisis was not confined to this country. The avalanche of declining prices and its attending hardships, sacrifices, and losses involved the whole world. It began in distant Japan with the break in the silk market and the Chinese boycott of Japanese goods. It traveled the circle of the Far East, Australia, India, Java, England, France, Italy, the whole of Europe, South America, Canada, and the United States. It embraced all countries and all industries, though not to the same extent or in the same way.

Mr. President, the difficulties of the farmers of the United States can not be cured by listening to the sickening rhetoric of politicians or professional agitators. Recurrent distress can not be averted by indefensible assaults upon the integrity of the Federal reserve system or defamatory accusations against the clean, courageous, trained men who are engaged in its administration. The farmers of the country can be helped in two practical ways, one of which involves the strengthening rather than impairment of the Federal reserve system itself.

NONMEMBER BANKERS POWERLESS.

I draw the attention of Senators from the agricultural sections of the country to the fact that a large part of the banking power of their States is wholly independent of the Federal reserve banking system and refuses to avail itself of the tremendous advantages of the system. In the South 42 per cent of the banking power of that entire section is lodged with nonmember banks, institutions which had no access in the recent crisis to the currency vaults or credit facilities of the Federal reserve banks. They were powerless to help the situation because they could not avail themselves of the rediscount privileges of this great banking institution.

Very likely, Mr. President, most of the State banks did what they could in the circumstances; possibly they responded to the limit of their facilities to the demand of the agricultural interests for bank credit; but they were not members of the Federal reserve banking system and had no access to its advantages.

In the Middle Western States 39 per cent of the banking power of all that region is lodged with banks which do not belong to the Federal reserve system; they likewise were powerless to help in this crisis which so afflicted not only the agricultural interests but every interest in this country.

In the far Western States, the great grain-growing section, 50 per cent of the banking power of that region is lodged in banks that are not members of the Federal reserve system; they are powerless, beyond their own restricted resources, to aid in any national crisis. And in the Pacific States 36 per cent of the banking power is lodged in banks outside the Federal reserve system. These nonmember banks have total resources amounting to $19,144,393,000, which were availed of in that crisis to only a limited extent because these banks were not members of the Federal reserve system.

A STARTLING FACT.

If some Senators will go home and talk sense to bankers who remain outside the pale of protection, instead of talking nonsense to farmers and arousing prejudice against the Federal reserve banking system, which has afforded them protection, something worth while will be accomplished. Why, Mr. President, on August 22, 1907, when that great financial crash which started in New York traversed this country, the total rediscounts and bills payable of all national banks in the United States was but $59,177,000. I ask Senators particularly to note this fact: All the rediscounts and bills payable of all the national banks of the United States on the 22d day of August, 1907, under the old bank system, were but $59,177,000, *whereas in the month of October, 1920, in the midst of falling prices, the Federal Reserve Bank of Kansas City alone advanced the member banks of the single agricultural State of Nebraska over $38,000,000*, which was more than half the entire amount of rediscounts and bills payable of all the national banks of the United States when the great crash came in 1907.

The Federal reserve bank at Richmond during the recent crisis loaned the member banks of the single State of South Carolina $21,105,000, nearly as much as one-half of the total rediscounts and bills payable of all the national banks in the United States under the old banking system in the panic of 1907. And so I might go from State to State pointing out the vast advantages of the system, the incomparable aid rendered by it, and yet Senators, ignoring these great achievements, persist in misrepresenting the operations of this institution to the farmers of the country.

BANKS ALARMINGLY EXTENDED.

The distinguished senior Senator from South Carolina [Mr. SMITH], who is by no means a stranger to this system or the system to the Senator, who had something to do with its fabrication, and who, I am glad to be told, has renounced his suggestion to legislate out of office the Governor of the Federal Reserve Board——

Mr. SMITH. Mr. President, will the Senator allow me to make a statement right there?

Mr. GLASS. I yield.

Mr. SMITH. It was a coincidence that at that time section 2 of the proposed bill that I introduced under its terms would have had the effect of legislating the governor of the system out of office.

Mr. GLASS. I accept that statement. I was merely referring to the effect of the proposed legislation.

Mr. SMITH. I understand; but, inasmuch as the impression has gone abroad that that was the object of the legislation I want to state—and I know the Senator from Virginia is glad to correct that impression—that it was entirely erroneous.

Mr. GLASS. Absolutely so.

Mr. SMITH. When that bill was drafted none of us, including myself who drafted it, had any knowledge whatever as to whom it would affect. We merely provided that the first vacancy should be availed of because we wanted to expedite the presence on the board of a man identified with the agricultural interests.

Mr. GLASS. I accept that statement fully, Mr. President; but I fear my friend may entertain a misconception as to what was done or left undone in South Carolina by the Federal reserve bank of that district in the unprecedented crisis of 1920. I do not know and do not undertake to say anything about the credit facilities afforded by nonmember banks of South Carolina; but the figures show there was scarcely a member bank in that great cotton State which was not amazingly expanded beyond its basic line of credit with the Federal reserve bank at Richmond during the entire period of falling prices. I have the list on my desk here now. I have the figures from other States. There were not many borrowing banks in the State of the eminent Senator from Alabama, the basic credit of which was not tremendously exceeded. There were some banks in Alabama—national banks, member banks—entitled to a basic line of credit of $8,000,000 in that period which did not borrow one dollar from the Federal reserve bank in order to assist the farmers of that State and section? Why does not the Senator go home and assail these local banks, not one of which borrowed as much as one dollar from the Federal reserve banks, although they were entitled to a basic line of credit of $8,000,000; and had they followed the example of banks in Alabama and other States and transcended their basic line ten times they might have borrowed many times $8,000,000 from the Federal reserve bank in order to help their farmers, whereas they did not borrow a dime. Why did they not borrow? The rediscount rate at that time was but 6 per cent. They had a margin of 2 per cent. Why did they not borrow if it would help the farmer? Why come here and denounce the Federal reserve banking system when the trouble, if there was really a deficiency of credit, was inherent at home?

Mr. President, to give the laymen in the Senate—one of whom I am—a concrete illustration of how the Federal reserve banks went to the rescue of business in the cotton territory of the United States, let me present some facts and figures:

Here is a South Carolina national bank entitled under the rule of basic credit to borrow $29,000 from the Federal reserve bank at Richmond. On June 30, 1920, when cotton was about at its peak, it was borrowing $74,000, until by progressive stages is was borrowing on June 30, 1921, $212,000 from the Federal reserve bank. Think of it! It was entitled to borrow as its fair quota, $29,000, and it borrowed $212,000. Here is another bank which was entitled to borrow $37,000 from the Federal reserve bank at Richmond. On June 30, 1920, it was borrowing $91,000 when cotton was highest. On a falling market it managed to increase its loans at the Federal reserve bank to $200,000.

Here is another little bank with a basic line of credit at the Federal reserve bank of $23,000 in that period of stress; it borrowed from the reserve system $111,000; and another little bank, entitled to borrow $46,000, was loaned $235,000 by the Federal reserve bank at Richmond.

These furnish a fair example of the operations of the smaller banks of this State. Here is a larger bank, entitled to borrow $578,000 from its Federal reserve bank; it borrowed $1,467,000. Here is another entitled to borrow $468,000 as its quota of credits at the Federal reserve bank; to meet emergency it was loaned $2,622,000. All of the member banks combined of South Carolina were entitled to borrow $7,699,000; they borrowed $21,105,000 during the period of falling prices.

Mr. POMERENE. Mr. President, does the Senator mean by that statement that that amount of credits were out at one time?

Mr. GLASS. I do; on each given date.

Mr. POMERENE. And I assume that that statement applies to each of the other illustrations which the Senator has given?

Mr. GLASS. It does.

Mr. DIAL. Mr. President, do these figures apply to conditions generally over the country or simply to these particular States or regions?

Mr. GLASS. They apply to the country; but the charge here has been that there was discrimination in the agricultural sections, and I am undertaking to show that that is utterly groundless.

CURSE OF TOO MUCH CREDIT.

Mr. President, not infrequently too much credit is a worse curse than too little. It allures individuals and corporations into the morass of financial disaster. Attempts to make too much money frequently result in losing all one has. Of course, some of us can see now what we could not see 18 months ago; but the one thing that clearly stands out is the fact that, had the banks of the country curtailed loans just before the drop in prices, as is mistakenly charged, instead of lavishly extending loans, as authenticated figures attest, thousands of people who are now in distress would be happy and content. For the good of borrowers themselves, the member banks and the Federal reserve banks too long delayed liquidation. They loaned too much money rather than too little; at least, that would be my criticism of their administration.

NEW SYSTEM NEEDED.

I quite agree, Mr. President, in the next place, that there is need in this country for a strictly rural-credits system, adapted to the peculiar wants and processes of the agricultural communities. Such a system conjoined with the existing Federal land-bank system, extending long-time seasonal credits, embracing crop preparation and production as well as orderly and advantageous marketing, would be of inestimable value to the farmers of the United States. This matter was being meditated when the advent of war diverted the attention and absorbed the activities of statesmen at Washington. We can not too soon renew consideration of the subject with a purpose to devise a system that will do for the farming community of the United States what the Federal reserve system immeasurably has done for the commercial and industrial interests of the country. But, Mr. President, you can not build up a long-time credit system by picking to pieces or by impairing the liquidity and the general efficiency of the existing commercial banking system. The two systems may successfully operate side by side, sympathetically and helpful, but the moment you undertake to transform one halfway into the other you will produce a financial prodigy, part fish and part fowl, which will neither swim nor crow.

Mr. POMERENE. Mr. President, in view of the statement which the Senator from Virginia has made with regard to an extension of the system of personal rural credits, I might add that there is now a joint commission composed of Members of the Senate and of the House who are studying that question. They have been taking some testimony on this subject, and I think next week they are to take testimony in the city of Atlanta.

Mr. GLASS. That, of course, I am glad to know.

WARNINGS NOT HEEDED.

Adverting, Mr. President, to the "cruel and murderous" policy of deflation which, as I have shown, never actually had any existence outside the vivid imagination of perplexed politicians, it has been said here that the alleged policy would have been sound in fact had it been applied gradually. I contend that no policy of deflation was applied for the period indicated; but if it be meant that ample warning was not given against a continuation of the wild orgy of speculation and of the alarming inflation of credits and currency at an angle at one period of 45 degrees, it can clearly be demonstrated that warning after warning was given. The Treasury, time and again, literally implored people to desist from their inordinate extravagance, and the public press was filled with editorials of caution against the riot of expenditure.

The very first official function I performed as Secretary of the Treasury was urgently to insist on the continuance of the Money Committee, composed of patriotic, public-spirited New York bankers, to administer a large fund designed to restrict the rate of interest on commercial transactions to 6 per cent. Meanwhile call money was soaring as high as 30 per cent on speculative transactions. Many bankers insisted that money was worth what it would bring in a competitive market, and a distinguished ex-governor of New Jersey bitterly assailed the restrictive policy of the Treasury, which was, of course, merely in the nature of moral restraint and in no sense compulsory.

The members of this Money Committee served without compensation, submitting patiently to the violent condemnation of those who selfishly desired to tax commerce with a high rate of interest on borrowed money. I cite this incident to show that as early as in the fall of 1918 the public had warning that interest rates were being held in leash only by a resort to extraordinary expedients.

CONGRESS FAVORED DEFLATION.

In the late fall of 1919 the governors of the larger Federal reserve banks were invited to Washington, and were urged by the Secretary of the Treasury to warn member banks that speculative credits must be curtailed or legitimate commerce would soon be penalized and a condition presented which would shock the country. Even then we were discussing the advisability of increasing the rediscount rates of the Federal reserve banks, and House and Senate, impatient and peremptory, were sending up resolutions demanding to know what steps the Federal Reserve Board was taking or contemplating to check the frightful inflation of credits and currency. One of these resolutions barely missed being an explicit order. It was adopted unanimously by the Senate on May 17, 1920, and reads as follows:

Resolved, That the Federal Reserve Board be directed to advise the Senate what steps it purposes to take or to recommend to the member banks of the Federal reserve system to meet the existing inflation of currency and credits and consequent high prices, and what further steps it purposes to take or recommend to mobilize credits in order to move the 1920 crop.

The Treasury experts, advised by some of the most eminent bankers of the country, held the view that any appreciable increase in the rediscount rate of the Federal reserve banks would accentuate the difficulties of floating the Victory loans and greatly impede the certificate borrowings of the Government, amounting to billions of dollars. My personal view also was that speculative loans should first be curtailed before we began assessing higher interest charges against legitimate commerce.

All these things were conspicuously discussed in the public press, particularly in the financial journals of the country. But the various warnings went unheeded; speculation flourished; credits in greater degree expanded. The country was aghast at the range of prices and the high cost of living. England was in worse plight. The Bank of England advanced its discount rate to 6 per cent and in January, 1920, the larger Federal reserve banks, soon followed by other regional banks, advanced the rate here to 6 and later to 7 per cent. Did these advances in the rediscount rates serve as a warning that a day of reckoning soon must come? Did this action by the Federal reserve banks, approved by the Federal Reserve Board, and practically urged by resolutions of Senate and House months before, result in tightening the reins? One only has to examine the figures I have presented here to see that the inflation of credits still persisted; that the volume of the currency continued to increase; that even after commodity prices began to topple the Federal reserve banks made a desperate effort to impede the velocity of the fall. From January 1, 1920, to January 1, 1921, these reserve banks expanded loans to member banks in an amount approaching $1,000,000,000. Yet, Mr. President, in the very face of this indisputable evidence, Senators berate the Federal Reserve Board and the Federal reserve banks with the utterly false charge of ordering and executing a policy of "murderous deflation." Such talk is wicked mummery.

PASSING THE BUCK.

Mr. President, Senators may wonder how this misconception got abroad about "the deflation of credits and currency." One way in which it got abroad was the willingness, first, of politicians, and then of local banks, to "pass the buck"—I believe that is the phrase—to the Federal Reserve Board and banks. Agitators advised the cotton interests of the South to hold their cotton for 50 cents. They held it; and instead of getting 50 cents it fell to 11 cents. When the slump came and disaster ensued, these evil advisers got from under their mistaken

advice by "laying it on the Federal Reserve Board." I have in mind now one of these agitators who advised the cotton planters of the South to hold their cotton for 50 cents. He has been maligning the Federal Reserve Board, although his own bank was extended nearly 300 per cent above its proper quota. Of course, he tells his victims that "the Federal Reserve Board did it."

In the fall of 1920, campaigning in Virginia, I learned that a bank in one of the counties where I was making a speech had refused credits to its customers and had told these patrons that it refused them credit because it "could not get any rediscounts at the Federal reserve bank at Richmond." It was a nonmember bank. It had no right to rediscounts at the Federal reserve bank. It had loaned $96,000 for the purchase of automobiles, and had no more money to loan; and, not wanting to admit its plight, it told its borrowers it could not loan money because the Federal reserve bank—of which it was not a member—would not rediscount its paper!

I have here a form of notice sent out by a bank in an agricultural district to many of its borrowers, which reads as follows:

Your note for $_____ falls due _____.

Our *Federal Reserve Bank* owns this note, having rediscounted it for us. As it has been renewed several times, they are *insisting on a payment.* It is *absolutely necessary* to arrange this note on the day of its maturity.

Yours, truly,

_____ _____,
Cashier.

There was not a word of truth in that; and as soon as the Federal Reserve Board found that notices of this sort were being disseminated throughout that district by member banks it issued an order exposing the deception and expostulating against it.

I have here a letter from a business man of Tennessee, written to the governor of the Federal Reserve Board, saying:

On September 20 I offered to the Farmers' Bank of _____ $2,250 of third and fourth Liberty loan bonds, as collateral for a 30-day $1,000 loan; this they refused to grant, because they claimed they did not have the money and could not get it.

And he wants to know "why the Federal reserve bank is restricting credits in that way." Gov. Harding wrote him, in acknowledgment of the letter, saying:

While the Federal Reserve Board can not compel a Federal reserve bank to rediscount paper for a member bank which, in the opinion of its discount committee, is undesirable, I feel certain that the Federal reserve bank would cheerfully have rediscounted your note for the Farmers' National Bank with the bonds as security had it been offered.

Of course, it would have done it. That sort of deception by banks that do not desire to make loans has largely produced the impression throughout the country to which I have referred. Nonmember banks finding an excuse for not accommodating their patrons, and member banks not having the courage to refuse a loan, "pass the buck" to the Federal reserve banks of the country.

THE CHARGE OF "EXTORTION."

A great clatter has been raised about the alleged "extortionate" interest charges of the Federal reserve banks; but, as in other respects, a half truth only is told. The real facts are conveniently suppressed.

The "progressive" interest charge was not a feature of the original reserve act; it was put in about three years ago by Congress. It was intended by Congress as a penal provision. It was not designed to aid borrowing banks; it was intended to penalize any bank that should persist in borrowing more than its fair quota of the funds of a reserve bank, thereby depriving some other member bank of its fair basic line. If Congress did not want that done it should not have authorized it to be done.

But, Mr. President, this "progressive" interest charge was put into effect by but 4 of the 12 reserve banks. By these it was applied to comparatively few borrowing banks in their districts. These banks were incorrigible offenders against every requirement of cautious and safe banking. They were perpetually exceeding their allotted line of credits; they were incessantly appropriating more than their fair share of reserve bank funds. But the assailants of the reserve system suppress these facts. *They fail also to tell those whom they mislead that the average rediscount rate charged by the Federal reserve banks against the great body of borrowing banks in the four districts where "progressive" rates were very occasionally applied was much below the rate charged by these borrowing banks against their own customers.*

Take the case of the one little bank in the Atlanta district, the evil fate of which has so lustily been bewailed here and elsewhere. This bank was far below its lawful reserve for 11 months out of 12. *It exceeded its basic line of credit nearly ten times. Ninety per cent of its capital was loaned on notes indorsed by its president.* It seems to have outraged every rule of sound banking. It was penalized under the act of Congress in order to restrain its excesses and to compel it to get back in line. It could not have complained fairly had it been put in the hands of a receiver. When it had been forced to abate its excesses the amount of the "progressive" rate was returned to it. I doubt if this should have been done.

But why pick out a few rare and extreme cases of offending banks like this and make it appear that the Federal reserve system is "extortionate," when its general interest rate to the great multitude of borrowing banks was not only moderate but far below the average rate charged business men by these borrowing banks? Why judge the system by the discipline administered to a few banks which persisted in "running amuck" of sane banking practices, and ignore the generous and beneficent treatment accorded the many thousands of banks throughout the Nation? Does not this very thing exhibit the enemies of the system in their nakedness? What evil motive could a reserve bank have to charge excessive rates when in no event can it pay its stockholding banks above 6 per cent in dividends? What unworthy prompting could the Reserve Board have in sanctioning excessive charges, when the board itself derives no single penny of profit from any transactions of the banks? Is not the utter foolishness of such talk deplorable?

A DESIGNING PHRASE.

It has been asserted by Senators that if the Federal reserve banks had extended as great a percentage of credits to the "country" banks as were extended to the member banks in the great central reserve cities—New York, Chicago, and St. Louis—there would have been a billion dollars more to loan on agricultural products. Mr. President, already I have pointed out that credit was not the urgent need of any rationally operated business interest in this country. The crying need was markets, not greater banking facilities. But let me expose the specious nature of this play upon the phrase "country banks," the evident purpose being to produce the impression that "country" banks necessarily engage in financing agricultural products.

As a matter of fact, every national bank in New England, outside of the city of Boston, is classed as a "country" bank. Every bank in the great State of New York, outside New York City, Albany, and Buffalo is classed as a "country" bank; and until recently all the banks in the great industrial city of Buffalo were "country" banks. Every bank in the State of New Jersey is a "country" bank, and every bank in the great industrial State of Pennsylvania outside Philadelphia and Pittsburgh is a "country" bank. And so nearly all national banks in the industrial State of Ohio are "country" banks and all in Illinois outside Chicago and Peoria and in Missouri outside St. Louis and Kansas City. Most of these banks are engaged in financing industrial enterprises and not agricultural products especially. Had they borrowed greater sums from their Federal reserve banks there is no assurance, indeed it is incredible to believe, that such funds would have been devoted to the use of agriculture. Senators who use this insinuating argument fail to state that, because of their larger reserve requirements, member banks in these great central reserve cities are obliged to borrow about twice as much to keep up their 13 per cent reserve as a country bank has to borrow to keep up its less than 7 per cent reserve. These Senators, with design, simply invoke the tyranny of a phrase to make it appear that farmers are the victims of discrimination, when facts and figures show it is not true.

PRINTING PRESS ECONOMICS.

Mr. President, there is one other aspect of this subject to which I think allusion ought to be made. I shall do that very briefly, because I do not want to deprive other Senators of an opportunity to discuss this problem in detail and to reply to anything I have said. If, as it may be, I have said anything that is inaccurate, I want to be corrected. If I have drawn any deductions which are not warranted, I want them exposed.

It has been said in some quarters that the Federal Reserve Board might have disregarded the reserve requirements of the Federal reserve bank act, and by doing so have issued other billions of dollars of notes and credits; and that is true. That is what England did, Mr. President, and her foreign exchange became dislocated, her trade for a long time was gravely impaired, and in some directions destroyed; that is what France did, and the currency of the nation was debased; that is what Germany did and is doing to-day, and the mark is worth hardly a half cent. That is the doctrine of Lenin—the printing-press doctrine—and look at the plight of Russia, where it takes a million rubles to buy 10 pounds of butter! At that rate it would take a trainload of printing-press "money" to buy a bale of cotton.

Yes, the Federal Reserve Board might have pursued the policy which has been suggested; but had it done so, instead of our country being the financial Gibraltar of the world it would have been drawn into the frightful maelstrom of currency depreciation and credit debasement. I can not conform my judgment to that of men who advocate the "printing-press" doctrine practiced by Lenin and under which in Russia to-day the material upon which rubles are printed is worth more as waste paper than it is as authenticated currency.

AN HISTORICAL PARALLEL.

Coming from a center of culture and familiar with the epochal events of history, you will recall, Mr. President, that several decades before the French Revolution the currency of France was the product of the printing press; and the business of the kingdom was thereby depressed beyond the imagination of men. Those in power enacted a law making it a penal offense for the farmers of France to discriminate against paper "money" in favor of coin of the realm.

The penalty was a heavy fine and long imprisonment in jail. Later the rulers, still thinking they might compel credit by legislation, amended the law with a view to effective enforcement; they made it a capital crime to discriminate between paper and metallic currency. Eventually the heads of many of these economic jugglers dropped into the basket—a just recompense of their folly and profanation of power. That is the kind of currency with which some Senators would have us flood this country; but I venture to think, if we should follow their lead, that the farmers of the South and West would soon shrink from it as they would from the drippings of a pest house.

It is a wise man that considers the purchasing power of money. There are superficial people who would rather receive a wage of $5 a day, when it costs them $6 a day to live, than to receive a wage of $2.50 a day, when it costs them $1.50 to live. One signifies ruin and the other betokens thrift; yet there are many people who fail to discriminate; who fail to understand the purchasing power of the dollar.

Mr. President, should we deplete our gold reserves and set the printing press in motion we would literally ruin the country. I know the junior Senator from Alabama thinks the printing press was invented to print "money."

ALLEGED EXTRAVAGANCE EXAMINED.

Mr. President, it has been a staple criticism in this Chamber that the Federal reserve banks are being operated in an exorbitantly extravagant way in the payment of salaries and general expenditures, and this charge has been amplified into the amazing statement that because the Government of the United States is the residuary claimant of all earnings of the banks after the disbursement of 6 per cent of the capital, these excess salaries and expenditures in building operations amounted to a theft by the Federal Reserve Board from the United States Treasury. I am no advocate of extravagant expenditures in either Government or private institutions.

I think had I been a member of the Federal Reserve Board, except in the direst necessity, I would not have agreed to expend one dollar in building operations at this time, because of the enormous profiteering of the building trades both by people who supply material and those who furnish labor. Investigations of the Lockwood committee in New York show appalling graft. They indicate a state of affairs which ought to land in jail many persons who now are going at large.

I hold no brief for the Federal Reserve Board on this point. It may be that some excessive salaries have been paid in the system. It may be that some expenditures have been too large and others may have been deferred. But we can arrive at a correct conclusion in such matters only by comparing relative facts. Let us see, then, how the expenses of the Federal reserve banking system appear in contrast with the expenses of the great central bank of the most thrifty nation on earth.

A FAIR CONTRAST.

The last official report of the Bank of France shows a total amount paid to the State out of the last year's profits of approximately 104,000,000 francs, or, at the old basis of exchange parity, something like $21,000,000. At the same time, there was paid to stockholders by the Bank of France approximately 47,000,000 francs, or about the equivalent of $9,500,000. The capital of the bank was 182,500,000 francs, or about $36,500,000.

In the Federal reserve system for the year 1920, with a capital of approximately $94,000,000, the payments to the Government amounted to something like $60,000,000, while the balance was either paid to stockholders or carried to surplus account. In this way the stockholding banks received a total of about $5,000,000, as against the $9,500,000 paid by the Bank of France to its stockholders. It will easily be seen that the amount obtained by the Government of France from the operations of its great central bank, now nearly a century and a quarter old, was far less than obtained by the Government of the United States from the Federal reserve system, while the amount paid by the Bank of France to its stockholders was almost double what was paid by the Federal reserve system to its stockholders, who are the constituent member banks.

Mr. President, the Bank of France states the total of its expenses of administration during the year 1920, including depreciation, salaries, and pensions, at approximately 150,000,000 francs, or the equivalent, at old rates of exchange, of about $30,000,000. For the year 1920 the expenses of administration of the Federal reserve system were reported in the annual report of the Federal Reserve Board as having been approximately $30,000,000. When it is remembered, Mr. President, that the total loan and discount operations of the Federal reserve system, with 12 great banks and 23 branches, were in the neighborhood of $85,000,000,000 in 1920, while the total discounts and advances, other than to the Government, of the Bank of France amounted at old rates of exchange to roughly $12,000,000,000, a comparison between the cost of operating the two institutions may easily be drawn—by no means to the discredit of the Federal reserve system.

OFFICIAL SALARIES CONSIDERED.

Mr. President, I desire to supplement the foregoing general comparison of expenses between the Bank of France and the Federal reserve system with a brief reference in detail to the official salaries prevailing in the various Federal reserve banks with the official salaries in individual member banks of the various Federal reserve districts. Let us note the case first of the New York Federal Reserve Bank, against which criticism has been most violent. Its total annual salary account is $509,800 for its 40 officers, an average of $12,745, contrasted with an annual salary account of $768,200 for 67 officers of one large member bank, an average of $11,466.

Another large member bank in New York City with 82 officers has a total annual salary account of $1,574,500, or an average of $19,201 for each officer. The comparison with a kindred result might be extended to other individual banks in New York. The governor of the New York Federal Reserve Bank receives a salary of $50,000, and I may say to the Senate that before he went with the Federal reserve system he was receiving a salary of $60,000.

Mr. POMERENE. May I add, in this connection, without naming him, that I know of one of these presidents who is getting a salary of $25,000, and he has standing open now two offers of $50,000.

Mr. ROBINSON. Why does he not take one of them?

Mr. POMERENE. Because he wants to devote himself to the public service.

Mr. NORRIS. Mr. President, if the Senator from Virginia will permit an interruption, does the Senator think that a salary of $50,000 is too much, or is it fair? Is the Senator in favor of paying a salary of $50,000, or permitting it to be paid by the Federal reserve bank?

Mr. GLASS. I will say to the Senator that, in this particular time of stress, I would think it bad policy to pay the president of even so great an institution as the Federal Reserve Bank of New York as much as $50,000. Furthermore, when it was first suggested to me, while I was chairman of the Banking and Currency Committee of the other branch of Congress, to fix the salary at that figure, I protested that the time was inopportune to pay a salary that large. I thought it should be deferred; I believed the bank would incur the very sort of criticism it has incurred.

But Senators must remember that a bank can not be conducted by hod carriers; you can not even run it with a Congressman in charge, or a newspaper publisher, as I am. You have to get expert banking talent and technical skill of the highest description to run a great bank like the New York Federal Reserve Bank, and you have to get it in open competition with great individual banks. The Senate should remember this in considering the matter. Two member banks in New York City pay their president $100,000 per annum each; 3 member banks pay their president $75,000 per annum; 1 member bank pays its vice president $75,000; 1 pays the chairman of its board of directors $65,000; 4 member banks pay their vice presidents $50,000; and 22 other member banks pay their vice presidents all the way from $25,000 to $40,000. So that by contrast, Mr. President, the salary of the governor of the Federal Reserve Bank of New York, greater in volume of business transacted than the Bank of England or the Bank of France and of any five Federal reserve banks combined, is not so astounding as one might be led to suppose without any examination of the facts.

The Boston Federal Reserve Bank has a total annual salary expenditure of $135,500 for 14 officers, an average of $9,679, as contrasted with one member bank having 25 officers with a total salary expenditure of $411,200, an average of $16,448; another member bank with 21 officers has a salary account of $298,000, an average of $14,190. This comparison likewise might be extended to other member banks with a similar result. The governor of the Federal Reserve Bank of Boston receives $25,000. One member bank of the Boston district pays its president $75,000, another $50,000, and another $40,000. One member bank pays its vice presidents $42,000. Many of them pay their vice presidents salaries ranging from $25,000 to $42,000. So that in Boston, as in New York, officials of the Federal reserve bank, doing vastly more business than any member bank, indeed vastly more business than many member banks combined, receive very much smaller salaries than many individual banks pay to their officers.

The Federal Reserve Bank of Philadelphia pays its governor $25,000. One individual member bank in Philadelphia pays its president $80,000; one other pays $45,000; another, $36,000; another, $25,000; one pays its vice president $40,000. The official salary account of this regional bank has an average much lower than the individual member banks of the district.

The Federal reserve bank at Cleveland pays it governor $30,000. One individual member bank at Cleveland pays its president $50,000; another pays its president $36,000; another pays $35,000; the vice presidents of various other Cleveland banks get in excess of $30,000. The general salary account of this bank averages very much less than the salary account of the individual banks of Philadelphia.

The governor of the Federal reserve bank at Richmond gets $18,000. The president of one member bank at Richmond gets $25,000; and of another, $25,000. The general salary account of the reserve bank at Richmond just about matches that of the various member banks.

The governor of the Federal reserve bank at Atlanta gets $18,000. The president of one member bank at Atlanta gets $20,000; another, $17,500. The vice president of one bank there gets $18,000. The salary account of the Atlanta Federal Reserve Bank averages very much less than the salary account of the individual member banks.

The governor of the Federal reserve bank at Chicago gets $35,000. The chairman of the board of directors of one Chicago bank gets $75,000 and another $60,000, and the President of one Chicago bank gets $50,000 and another $36,000. Many vice presidents of individual member banks at Chicago get salaries running from $25,000 to $37,500. The average official salary paid by the Chicago reserve bank is about one-half the average official salary of the individual member banks.

The governor of the Federal reserve bank at St. Louis gets $25,000. The president of one member bank at St. Louis gets $50,000 and another $45,000; one executive manager gets $40,000 and another $35,000. Several vice presidents get $25,000. The average of official salaries for this reserve bank is much less than the average for member banks.

The salary of the governor of the Federal Reserve Bank of Minneapolis gets $16,000. One president of the Minneapolis National Bank gets $45,000; another, $40,000; and several executive chairmen and vice presidents get salaries of $25,000. The average official salary for this bank is a little more than half the average for member banks.

The governor of the Federal Reserve Bank of Kansas City gets a salary of $20,000. The president of one individual member bank there gets $26,000 and two $25,000 each. The average salary at the St. Louis bank is very much less than at the individual member banks.

The salary of the governor of the Dallas Federal Reserve Bank is $18,000. The salary of a president of one member bank is $20,000 and the two vice presidents each $25,000. The average official salary at the reserve bank is very much less than the average paid at member banks.

The Federal reserve bank at San Francisco pays it governor $24,000. The president of two individual member banks gets $50,000 and of another $36,000. The average official salary is less than half at the reserve bank than at the individual member banks.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from New Mexico?

Mr. GLASS. I hope Senators will let me hurry through, because I desire to conclude.

Mr. JONES of New Mexico. If the Senator does not care to be disturbed, I will not interrupt him.

Mr. GLASS. I yield to the Senator.

Mr. JONES of New Mexico. I merely wanted to inquire of the Senator if he thought there was any difference between the responsibility of a bank which is dealing only with securities coming through and indorsed by other banks and that of a bank which is dealing with individual paper.

Mr. GLASS. I think when we consider that the president of the New York Reserve Bank and the board of directors thereof are directly responsible for $5,000,000,000 in cash and securities, the greatest gold reserve that ever was mobilized since the world began to revolve on its axis, we must admit that the responsibility of those officers is infinitely greater than that of the officers of a dozen individual banks combined.

SALARIES FIXED BY DIRECTORS.

It must be understood, Mr. President, that these salaries are fixed by the board of directors of these respective Federal reserve banks, two-thirds of which directors are selected by the stockholding banks of each district and all of them citizens of the district. The Federal Reserve Board has the right of review with respect to these salaries, but it must be admitted that the regional board of directors, familiar with all the conditions, circumstances, and extent of labor involved, knows better than the Federal Reserve Board—knows vastly better than Congress—what are the actual requirements and what is a fair average compensation. At all events the Federal Reserve Board does not initiate these salaries, and to say that honorable men who constitute this board should be indicted by a Federal grand jury because they approve the considered judgment of the boards of directors of these regional banks is to make a declaration that should not enhance the reputation of a Senator for sanity or for temperate speech.

The salary of Gov. Strong, one-half that of several officials of individual banks in New York, was approved by the Federal Reserve Board on motion of the Secretary of the Treasury, Mr. McAdoo, concurred in by every other member of the board, the vote being unanimous. I realize that gentlemen may differ upon questions of expenditures, particularly with reference to official salaries, but it is monstrous to charge high-minded, patriotic men with theft from the Treasury when we disagree with their judgments.

ASTOUNDING MISCONCEPTIONS.

In this connection, Mr. President, let me show the Senate to what extent misconception and ignorance on these questions may go. Several weeks ago a Senator on this side in a burst of indignation exclaimed:

> If the governor of the Federal Reserve Board is worth $50,000, what is the value to the country of the President of the United States? What is the value of the Vice President?
>
> Gov. Harding enjoys the luxuriant and luxurious privilege of fixing his own salary. That is a privilege which the President does not enjoy. It is a privilege that the Vice President does not enjoy. It is a privilege that no Senator enjoys, no Congressman enjoys, no admiral in the Navy, no general in the Army, no member of the Supreme Court.
>
> W. P. G. Harding is the only man that I know of that has been given the power to fix his own salary and to fix the salaries of his subordinates.

Mr. President, I have not the remotest idea that the Senator who made this remarkable deliverance had the faintest purpose to misrepresent the Federal reserve banking system or to treat the governor of the Federal Reserve Board with derision. The Senator thought his premise was correct, hence the emphasis and feeling with which he denounced what seemed to him an extraordinary situation. As a matter of fact, a glance at the Federal reserve act would have shown him that Gov. Harding has no power to fix his own salary or the salaries of any of his subordinates. He can not, except in conjunction with other members of the board, fix the salary of a typist in his office! A glance at the law would have shown this indignant Senator that the salary of the governor of the Federal Reserve Board is definitely fixed by Congress and may not be altered by anything that Gov. Harding or the Federal Reserve Board may do. He would have seen that Gov. Harding's salary is not $50,000. It is but $12,000, so fixed by Congress, not a dollar greater than that of any other member of the board. Seeing these things, the Senator would not have tripped into the mistake of moralizing about evils that do not exist.

I have no intimate personal relations with the governor of the Federal Reserve Board; in no sense or degree am I his spokesman here. But out of my actual observation and knowledge I feel, in very decency, obliged to say to the Senate that I have seen this honorable public official during a fateful period work himself to the bone for his country. I have seen him do the Government's work night and day until his very life was in peril by reason of physical exhaustion and nervous prostration. I myself have driven him from the Treasury Building for a few hours of rest to avert utter collapse.

DEFAMATION OF PUBLIC OFFICIALS.

I now ask the Senate's attention to a statement even more astonishing than that which I have just confuted. Indeed,

Mr. President, it is a declaration made in this Chamber which should engage the very gravest attention; for, notwithstanding the ludicrous misrepresentations which it comprises, it carries an implication which, if true, affects the integrity of a great Government institution, and which, if false, affects the integrity of the Senate. I am one of those who can not conceive that the constitutional immunity granted Senators and Representatives in Congress was ever intended as a shelter for libel of public men or private citizens, leaving them no means of redress. Some time back the distinguished junior Senator from Alabama, according to the RECORD, said in this Chamber:

> Mr. President, I am not advised as to whether or not any of the friends of the Federal Reserve Board were speculating in cotton at that time. The Senator from Georgia [Mr. WATSON] reminded us the other day that they loaned to themselves in the system the sum of $18,000,000.

Think of it—a board that can not loan a dollar to an individual or concern or corporation charged with having loaned to its own members $18,000,000!

I continue reading from the statement of the junior Senator from Alabama:

> I want to say just here, Mr. President, that if they invested any of that $18,000,000 in speculating on the bear side of the cotton market in the month of August last year, they made a lot of money.
>
> Do you know, Mr. President, how much money the man made who sold on the exchange 1,000 bales of cotton for the month of August, 1920? He made on that 1,000 bales $45,000 in cash. The Federal Reserve Board knew what effect its deflation policy would have upon the cotton market. Those who knew that that policy was going to run wild in August last year made millions of dollars to the distress and great injury of the cotton farmers of the country. Between the months of June and December that policy cost the cotton farmers more than $200,000,000 a month. Think of that, Senators! The deliberate and premeditated deflation policy of the Federal Reserve Board cost the cotton farmers more than $200,000,000 a month between June and December of last year.

What was the value of the entire cotton crop of the country in 1920, may I ask the junior Senator from South Carolina [Mr. DIAL]? How much was it in the aggregate, approximately or roughly?

Mr. DIAL. I would say about $2,000,000,000.

Mr. GLASS. I wanted to know, because a multiplication of the sum given by the Senator from Alabama by the number of months will make it appear that the cotton growers lost pretty nearly the entire crop.

Mr. President, the plain implication here is that members of the Federal Reserve Board had prostituted their sacred trust by using their positions for the purpose of speculating in cotton with the funds of the Federal reserve banks. If the charge is true, these public officials should not only be put in jail but they should be kept there. The alleged act would constitute a crime little short of treason. If the charge is not true, then the Senate should contemplate the injurious effect of such accusations upon its own reputation.

In the period to which reference is made by the Senator from Alabama the members of the Federal Reserve Board were David F. Houston, Secretary of the Treasury in President Wilson's Cabinet; John Skelton Williams, of Virginia, Comptroller of the Currency by appointment of Mr. Wilson; Charles S. Hamlin, Assistant Secretary of the Treasury under President Cleveland; W. P. G. Harding, governor of the board by designation of Mr. Wilson; Adolph S. Miller, a university president of distinction in California; and Edmund Platt, former Representative in Congress and member of the Banking and Currency Committee of the House from New York—all appointees of Mr. Wilson. The implication of crime is leveled by the Senator from Alabama against every one of these men without exception. Is there a Senator here who believes the implication that would impute crime to these honorable public servants? If the Senator from Alabama believes that the accusation which he suggests is not a libel against their names and character, if he thinks he can justify his amazing insinuations, it is his duty to the country to ask for a grand jury investigation of these gentlemen, who have always borne and now sustain a reputation among men for probity and integrity.

But, Mr. President, we do not have to await the verdict of the courts or the findings of a committee to see clearly the utter absurdity of some of these statements. The Federal Reserve Board, it is charged, loaned its own members $18,000,000, which vast sum it is suggested they used to gamble in cotton after deliberately using their official powers to depress the price for their own profit. Perhaps there are cotton pickers on plantations of the South who may be deceived by such trumpery, but surely there is no Member of the Senate who does not understand how absolutely preposterous these accusations are.

The Federal Reserve Board, under the law, could not loan the President of the United States 25 cents; it could not loan the Chief Justice of the Supreme Court a dollar; it could not loan John D. Rockefeller a dime; it could not loan the United States Steel Corporation or the Standard Oil Co. a penny. The Federal Reserve Board has not a dollar to loan and never had a dollar to loan.

No Federal reserve bank in the system can loan any individual or corporation in the United States a penny. The Federal reserve banks neither receive deposits from nor make loans to individuals or concerns or corporations. These banks are banks of banks and do business only with banks; so that if John D. Rockefeller, with all his millions, should desire to borrow money, he would be compelled to borrow it from a local bank; and the only way that the local bank could get a dollar from the Federal reserve bank in Rockefeller's district would be to indorse Mr. Rockefeller's collateral note, as that of any other person, and put it up as security for a credit at the reserve bank. The Federal Reserve Board would not necessarily have any part in or knowledge of the transaction.

Aside from this, Mr. President, no member of the Federal Reserve Board is permitted by law to own one dollar of bank stock or to have any pecuniary interest whatsoever or connection with the operation or profits of any banking institution; and every member of the board has to take a solemn oath to this effect. Moreover, under the law, the Federal reserve banks are strictly prohibited from loaning one dollar to member banks for speculative purposes. Thus the whole charge is so literally without foundation in fact, and so saturated with misunderstanding of Federal reserve banking processes and of the Federal reserve act itself as to render it comic if it were not pitiful.

IGNORANCE RUN MAD!

I venture to invite the attention of Senators and the country to another interesting discovery by the distinguished junior Senator from Alabama. On Friday of last week, in speaking to the Newberry case, the Senator said:

> The Federal Reserve Board got an amendment to the Federal reserve act through a Republican Congress permitting them to set aside a certain percentage of earnings to be used in providing buildings and establishments for use in the service. They accumulated $100,000,000 in a year. What do you suppose they did? Without asking Congress the Federal Reserve Board appropriated $26,000,000 or thereabouts—to do what? To build a bank building in the city of New York in Wall Street.

Mr. President, that statement comprises a paragraph of eight printed lines in the RECORD. It contains six distinctive assertions; all of it is true except the six distinctive assertions. [Laughter.] All of it is true except (1) the amendment to the Federal reserve act was passed by a Democratic Congress, voted for by the Senator from Alabama, then a Member of the other House——

Mr. HEFLIN. I should like to see the RECORD.

Mr. GLASS. I have the RECORD. And was approved by Woodrow Wilson. So we can not make any Democratic politics out of that. The Senator's statement is true except (2) that the Federal Reserve Board did not accumulate $100,000,000 or any other amount; except (3) that the Federal Reserve Board did not appropriate $26,000,000 or any other amount; except (4) that the Federal Reserve Board can not under the law or the operation of the system appropriate one dime for any purpose; except (5) that no Federal reserve bank to cost $26,000,000 is to be built anywhere; except (6) that the proposed new Federal reserve bank building in New York is not to be erected in Wall Street.

Mr. WADSWORTH. Aside from that, the statement is all right.

Mr. GLASS. It is all right with those six exceptions.

Mr. HEFLIN. I should expect the Senator from the State where the big bank building is being erected to agree with the speech of the Senator from Virginia.

Mr. GLASS. With these six exceptions the Senator's statement is true; and this signifies how much reliance may be put in the accuracy of statements made by the Senator from Alabama with respect to the Federal reserve banking system. His assaults are made up of fiction and are almost entirely devoid of facts.

CONGRESS SANCTIONED BUILDINGS.

It is true—and I hope Senators will mark this—that the Federal Reserve Board respectfully asked Congress to permit the Federal reserve banks to increase the amount of their surplus out of their earnings to an amount equal to 100 per cent of their paid capital. Congress exceeded the expectations of the board by having the increase apply to subscribed capital plus 10 per cent permanently to surplus. The board openly and frankly stated that the purpose of the request was, among other things, to provide the various regional reserve banks with better building facilities. Representative Phelan, a Democrat of Massachusetts, chairman of the Banking and Currency Committee of the House, presented and explained the amendment in that body. It was voted for unanimously.

The amendment was presented to the Senate by Mr. HITCHCOCK, a Democrat of Nebraska, acting for the Banking and Currency Committee of the Senate, and was unanimously agreed to here. The bill as passed was approved by Woodrow Wilson, President of the United States. It is now a law and has been for nearly three years.

MORE MISINFORMATION.

After first charging the reputable gentlemen who constitute the board of directors of the New York Federal Reserve Bank with being criminals, the Senator from Alabama proceeds:

Mr. President, I can not get away from these figures without looking at them once more. A bank building in Wall Street, ordered to be constructed by the Federal Reserve Board of seven men, is to cost around $26,000,000 * * *. It seems to me to be surrounded and covered over with the atmosphere of graft.

At this point the Senator from Alabama was interrupted by the distinguished senior Senator from Georgia [Mr. HARRIS], who said:

I want to call the attention of the Senator to the fact that this $26,000,000 building in New York will accommodate only about 500 employees, while the State, War, and Navy Building, which cost one-third that amount, accommodates several thousand employees.

Mr. HARRIS. Mr. President——

Mr. GLASS. I will ask the Senator to wait for a moment.

This opportune interruption of the Senator from Alabama by the Senator from Georgia, and the fine piece of information conveyed by the latter to the former, was an inspiring contribution to the discussion; and the Senator from Alabama with renewed zest exclaimed:

That is a good point that my friend from Georgia made. The thing gets worse the more you look into it. Five hundred clerks and stenographers and coin carriers in Wall Street, whose god is gold! This building will accommodate 500 people, as against buildings of less cost that accommodate thousands.

Mr. President, it fills me with wonder that Senators seek to discredit the greatest banking institution on earth by giving currency to statements having no more semblance of fact in their justification. I now yield to the Senator from Georgia, in order that he may tell me where he gets sanction for his statement to the Senator from Alabama that the proposed new bank building in New York will accommodate but 500 employees.

Mr. HARRIS. Mr. President, I wish to state that in reading the report of the Federal Reserve Board I observed the statement that in this building there were 512 men, as I remember, but afterwards in reading the letter from the governor of the Federal Reserve Board, which on yesterday was printed in the RECORD, I ascertained that there are 512 in one building, but there are more than 2,000 in all the buildings. That is how I made the error.

Mr. GLASS. The Senator does not for a moment imagine that I am suggesting intentional misrepresentation on his part? I do not believe he is capable of it; and, for that matter, I do not believe the Senator from Alabama has intended to misrepresent these things; he does not just know anything about them. I do not say that in any spirit of acerbity. It is not remarkable that Senators know little about this complex matter. It is a problem repellent in its very nature, and few men have the patience or the foolhardiness to bother with it; but I say that either Senator might have found simply by reference to the letter of the Federal Reserve Board, written in response to a resolution of the Senate, that the woman's café alone in this building will seat 530 persons; that the men's café alone will seat 530 persons; that the café facilities alone of this new building, designed to give the men and women employees decent accommodations and meals at cost, will take care of 1,060 people, or twice as many as these two Senators gave as the measure of the facilities of the entire bank building. Either of these Senators might have easily ascertained that this bank building is designed and planned to accommodate 5,000 employees, ten times the number they told the Senate and the country it would accommodate.

Mr. SIMMONS. Mr. President, does the Senator from Virginia mean that that number of people are employed in the Federal Reserve Bank of New York?

Mr. GLASS. Will be.

Mr. WADSWORTH. They are.

NO "MARBLE PALACE."

Mr. GLASS. I would like to be told by either of the Senators what sanction he has for the statement that this bank building is to cost $26,000,000, and I would like to ask the Senator from Alabama what proof he has that the honorable men selected by the New York banks as their members of the board of directors of the reserve bank are in conspiracy with the honorable members of the Federal Reserve Board in Washington to commit the crime of graft?

Mr. HARRIS. Mr. President, the Senator has referred to the two Senators, and, as I am one of those whom he has in mind in making that statement, I desire to say that I read to the Senate yesterday the exact cost of the building as set forth in a letter from the governor of the Federal Reserve Board. The building will cost over $22,000,000, as I remember, and the furnishings will bring the total up to $23,000,000. I think that is accurate.

Mr. GLASS. Oh, no; the Senator, I am sure, is mistaken, and I think I can show that he has misread the letter of the governor of the Federal Reserve Board.

Mr. President, has the Senate of the United States become a body in which the character of private citizens may thus be assailed without proof of wrongdoing; in which astounding charges may wantonly be directed against public officials who all their lives have enjoyed a reputation as honest men?

Mr. President, I should like to put in the RECORD—I will not weary the Senate by a recital of the figures—statistics showing the unimaginable volume of business transacted by the Federal Reserve Bank of New York. That institution, as I indicated a while ago. houses $5,000,000,000 of gold and securities. It moves every working-day in the year an average of $180,000,000 in cash and $1,940,000,000 in securities. Its discounts and advances aggregate $50,000,000,000, and so on.

The PRESIDENT pro tempore. Without objection, the matter referred to by the Senator from Virginia will be printed in the RECORD.

The matter referred to is as follows:

The Federal Reserve Bank of New York is the largest bank in the country in resources, in size of its staff, and in daily turnover. It does about one-third of the entire transactions of the Federal reserve system. Its present staff is 36 officers and 2,715 clerks, *exclusive of the Buffalo branch*. The volume of its operations for 1920 was as follows:

"Discounts and advances, 180,462 items, aggregating $50,539,428,847.

"Acceptances purchased for New York and other Federal reserve banks, 106,237 items, aggregating $2,428,000,000.

"Federal reserve notes and other paper money handled and counted, 558,397,400 pieces, aggregating $2,291,785,688.

"Shipments of currency and coin, 67,405 shipments.

"Checks collected, 87,036,424 items, aggregating $55,325,112,827.

"Notes and drafts collected, 563,814 items, aggregating $1,994,713,245.

"Telegraphic transfers of funds, 147,302 transfers, aggregating $17,021,509,734.

"Balances settled through gold settlement fund, $48,840,900,000.

"United States Government checks and warrants paid, 10,712,243 items, aggregating $2,437,759,148.

"Government bond department transactions, 47,797,417 pieces, aggregating $6,955,101,000.

"Total certificates of indebtedness department transactions, including issues and redemptions, $4,897,841,000.

"Securities handled in custody for United States Treasury and member banks, $100,759,404,785."

The cost of operating departments handling United States Government transactions is about $800,000 per annum, a large part of which used to be paid by the Treasury, but since July 1, 1921, it is all absorbed by the bank.

The bank holds about $5,000,000,000 in cash and securities stored in 11 vaults located in five separate buildings. Some of these vaults do not afford sufficient protection, but no others are available. The average value of cash and securities withdrawn and replaced in the various scattered vaults daily is, cash $180,000,000, securities $1,940,000,000. A daily average of 368 transfers of cash and securities are made through the streets and the corridors of office buildings at great risk of loss.

RELYING ON OLD ESTIMATES.

Mr. GLASS. Now as to the cost of this building: I have here an official statement which shows that Senators have been misled by estimates prepared a year ago, in March, 1921. It was an outside estimate of cost. Some Senators absurdly think that the "estimated" cost of a bank building in New York curtails rural credits in the State of Alabama. The estimated cost in March, 1921, of the building at New York was $17,990,000, from which must be subtracted the price that the bank will receive for its annex building, now being temporarily occupied, and which will be abandoned and sold when the bank goes into the completed building. From this extreme estimate, over a million dollars has been saved on one item and hundreds of thousands of dollars on other items. Over a half-million dollars alone has been saved on the estimated cost of vaults; by the expenditure of $75,000 in expert engineering investigations, half a million dollars was saved by these "grafters" on the board of directors of the Federal Reserve Bank of New York.

I might detain the Senate by a description of this building which has been spoken of as a "marble palace."

Mr. CALDER. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from New York?

Mr. GLASS. I do.

Mr. CALDER. Just to permit me to say that if the same savings are obtained in the other departments of the building, it will mean that the building will cost less than $13,000,000 instead of $26,000,000.

Mr. GLASS. Precisely.

Now, let us look at this thing relatively. Let us determine the reasonableness of it by contrast.

The bank building of the Illinois Merchants' Trust Co. in Chicago, exclusive of real estate, under contract, is to cost $10,781,000; and if the contract had been let when these estimates of cost were made for the New York building, it is estimated that the cost of this Chicago building for an individual bank, doing not one tithe of the business of this great reserve bank in New York, would have been over $14,000,000.

The cost of the reserve bank at Richmond, measured by the resources of the bank, is less than that of the combined individual bank buildings of Charlotte, N. C., or of Lynchburg, Va., my town, of 40,000 inhabitants.

The New York Federal Reserve Bank, even at this outside estimate per cubic foot, would cost but $1.09, whereas the United States Assay Building just constructed in New York under authorization of the Congress of the United States will cost $2.04 per cubic foot.

The charge to the Government of the architect for the New York Federal Reserve Bank, covering his services for a five-year period with all of his multitude of assistants, was the same as his charge to the Government for the assay building in New York.

Senators know perfectly well that nearly all, if not all, the eminent professional architects of this country belong to the American Institute of Architects. They have a standard charge, and any man who goes below that charge will be turned out of the institute. The New York Reserve Bank paid the standard charge. It could not have gotten a competent architect for any less money. The plans were competitive. While the bank is not to be built in Wall Street, as Senators blatantly declaim, it can not be built in a sage field or a Long Island swamp. It must be located in a business center, and accessible sites in New York cost more than vacant lots in Virginia or Alabama.

The latest estimate of the cost of this building, if the percentage of savings in other items is as great as the savings already made, will be $12,836,000 and not $26,000,000; and the plans show that very little marble will be used in its construction. The description of it as "a marble palace" is mere distortion and in no degree approaches the truth. The construction is very plain, and to my personal knowledge the present New York bank building is frightfully inadequate; any Senator who will go through that enormous establishment and see its congested condition, in rented quarters, with the gold reserves and the securities of the member banks of that great district and of the Government located in five insecure buildings must admit the exigent need of a new building, for of the 3,700 employees 1,200 reacted to tuberculosis tests.

Mr. WADSWORTH. On account of overcrowding?

Mr. GLASS. On account of overcrowding. The business of the bank is being conducted to-day in open and flagrant violation of the health requirements of the State of New York.

WHOSE MONEY IS IT?

Some Senators say, with the best intent on earth, that if this had been the money of the New York bank it would have been a different thing, but it was "the money of the people." So was the money expended by this Illinois bank for a new building derived from the people; and the money to be expended on this New York bank by sanction of Congress itself is no more "the money of the people" than the money to be expended on the Chicago bank. The funds of neither bank belong to "the people" in the sense that they are common property.

Senators should want to be fair. I am sure the Senator from Nebraska [Mr. NORRIS] does. He spoke more of real sense on the pending proposition here yesterday in five minutes than some Senators have spoken on it in five months. Let us see to whom this money belongs.

As previously said, the board recommended to Congress that the reserve bank be permitted to increase their surplus for the express purpose of providing these building facilities. The Congress, as I have said, not only granted the request of the board, but it went much further than the board asked. It is this surplus fund which is being invested in this bank building. To whom does it belong? By act of Congress, by authority of law, it belongs to the Federal Reserve Bank of New York, which is owned by the stockholding banks of New York. It is the usufruct of the enterprise, the industry, the thrift, and labor of the business men of that Federal reserve district. If this money were not applied to this purpose it would be invested in some other way. Not a dollar of it could go to Alabama or to Virginia or to any other State. Not a dollar of it could be taken by the people of any other section of the country for any purpose, because the people of no other section contributed a dollar to this fund. It does not affect credits anywhere on earth. It does not withhold from agriculture or commerce or industry or any enterprise one dollar. On the contrary, it gives work to unemployed; it puts money in circulation for materials; it gives a decent, necessary building to house the greatest bank on earth.

Whose money is it?

I will say to the distinguished Senator from Nebraska [Mr. NORRIS] in no event could one dollar of this surplus go into the Treasury of the United States. Even if it were to go there it could not be loaned out; it could not be used to erect public buildings for the Government anywhere; it could not be used to prevent wild mismanagers of banks from committing suicide. It could only be used, under the division of profits provision of the act, to increase the gold reserve behind Treasury notes or to liquidate an inappreciable part of the public debt. What a fiction it is to imagine that rural credits have been restricted by mere estimates of what this great bank building will cost!

A FINAL MISREPRESENTATION.

Mr. President, there is one other item of the speech delivered by the eminent Senator from Alabama which is more or less personal and with which I did not care to have anything to do. It is a quarrel primarily between him and the governor of the Federal Reserve Board. It does not concern me; it does not concern this problem, except that the statement made by the Senator may influence the prejudices, if not the reason, of some Senators here.

On Friday of week before last the Senator said:

W. P. G. Harding voted the Republican ticket in 1920, as I have said here before. Before Senator Warren G. Harding was elected President, he—Gov. Harding—was bowing and smiling like a Democrat, and after Senator Harding was elected President he bowed and smiled like a Republican.

What difference does it make, in the discussion of this question, how Gov. Harding voted? I have a faint idea, recalling the election returns, that a few other Democrats voted the Republican ticket in the last presidential election—a few.

Mr. CARAWAY. And have been ashamed of it ever since.

Mr. GLASS. Mr. President, I would like to leave my friend from Alabama with one accurate statement to sustain his position, but I take leave to read into the RECORD a letter written me on January 7 by the governor of the Federal Reserve Board, in which he says:

MY DEAR SENATOR GLASS: I have just read in the CONGRESSIONAL RECORD of this morning the remarks made by Senator HEFLIN on the floor of the Senate yesterday concerning me. I feel that it is hardly necessary to assure you that the slurs upon me, stated mildly, are false. I do not claim to be infallible, as far as judgment is concerned, but I do assert that I never made any improper use of my official position. I did not go home to vote in November, 1920, for the reason that I could not spare the time. The election occurred just at the time when the strain on the Federal reserve banks was greatest and I was tied down to my desk arranging interbank rediscounts. * * * I knew that there was not the remotest possibility of my failure to vote having the slightest effect upon the election results in Alabama. * * *

Sincerely, yours,

W. P. G. HARDING.

Mr. HEFLIN. If the Senator will permit me, I will state that under the laws you do not have to go home to vote. You can vote by mail.

Mr. GLASS. Yes; that is true, and thus I am prompted to say that there was one paragraph in this letter from Gov. Harding I purposely omitted to read and did not care to read. I would not now state it but for the provocation offered by the Senator from Alabama. Gov. Harding states in his letter that he was not particularly eager to go home to vote or to send a ballot by mail, because he would have had to vote for the Senator, and he did not want to vote for the Senator.

Mr. HEFLIN. I am not surprised at that statement or the statement of the Senator who is defending his record.

Mr. GLASS. I am not defending Gov. Harding's vote or failure to vote. I am not defending anybody's record. I am correcting misconceptions and combating misrepresentations concerning the greatest banking system on earth.

A FARMER ON THE RESERVE BOARD.

With respect to the pending measure, I have no objection to a trained, resourceful farmer on the Federal Reserve Board, and never had any. I myself am a farmer. The original Federal reserve bill as presented by me to the House of Representatives provided that the Secretary of Agriculture should be ex officio a member of the Federal Reserve Board. Were we to eliminate from the galaxy of great statesmen the names of those who tilled the soil there would not be left enough outstanding figures to make us proud of the country. In my own State, for example, we would eliminate George Washington, Thomas Jefferson, Patrick Henry, John Marshall, Madison, Monroe, and other great men of the farm.

When we provided that the Secretary of Agriculture should, ex officio, be a member of the Federal Reserve Board we had two sound reasons for the requirement. We thought a political

element should be introduced into the organization of the system—I do not mean a partisan political element; I use the term in its broad sense. We did not want to erect a financial Frankenstein which might never be reached by the people for correction of evil policies or the arrest of financial tyranny.

We felt also that the Secretary of Agriculture would be a man of exceptional force, acquainted with the requirements of scientific agriculture, and might exercise a wholesome influence in the deliberations of the board.

That was the House bill; but the Senate in its wisdom excluded the Secretary of Agriculture. I think now it might be a good thing to substitute the Secretary of Agriculture on the board for the Comptroller of the Currency. That would preclude the expense of an additional member; but I shall not be intractable about the proposition to increase the membership with a view to getting a farmer on the board.

Frankly, however, I find myself in agreement with the Senator from Nebraska [Mr. NORRIS], who in his opening remarks said, in effect, that anyone who is simple enough to suppose that this proposed legislation is going to create a revolution in the policies of the Federal reserve banking system—that putting on a farmer is going to bring the millennium to the agricultural interests of the country—will find himself sadly deceived.

CONCLUSION.

Mr. President, I know perfectly well that, compared with the great men from my own State who have adorned high positions in the service of the country, I do not rank as much of a figure in public life; but I fervently thank Heaven that no man may truthfully say I ever misrepresented things to my constituents or practiced the arts of a deceiver. I have tried to render service in the 20 years I have been in Congress. If I have failed, it is my fault; and never shall I undertake to excuse my delinquency by telling the people of Virginia things that are not true about measures upon which I have been called to pass. I try to inform myself and to act with intelligence and composure. I am not afraid of consequences, because I would rather retain my self-respect than to occupy a seat in this or any other body for the balance of the limited time I have to live.

In this connection I may recall that in the comedy by Eupolis, called "The Demi," all the demagogues in hell, one by one, are made to come up and pass in review. At last, when Pericles is named, a character in the play exclaims:

> And here, by way of summary, now we've done,
> Behold, in brief, the heads of all in one!

God knows I would rather in the day of judgment take my place with outcasts than to have any honest person say of me in respect of a vital and pregnant problem of government what was here said of this Athenian palterer. Any Senator who discovers his own likeness in the picture is at liberty to appropriate the analogy.

Mr. HEFLIN. Mr. President, we have listened at some length to one of the reputed authors of the Federal reserve banking system. I want to state in the outset that I have never criticized that system. On the contrary, I have always said that the system was a splendid one. I helped to pass the measure that brought it into being. It is the product of the genius of former Secretary of the Treasury William Gibbs McAdoo, the Senator from Virginia [Mr. GLASS], the Senator from Oklahoma [Mr. OWEN], and other Senators on this side.

I am a firm friend of the system. I have criticized and condemned the perversion of it from the ends of its institution, and I shall continue to do so. The Federal Reserve Board has been maladministered since the spring of 1920. I repeat in the presence of the distinguished Senator from Virginia that the Federal Reserve Board's deflation policy was a murderous policy, and I hope in the brief time that I shall speak to-day to call attention to some things that will sustain that contention.

I could not quite understand the strange and premeditated attack made upon me by the Senator from Virginia. He read his statements from the pages of a prepared speech, and therefore made the attacks deliberately. I wonder what man or set of men prevailed upon the Senator to make such a speech.

Mr. President, many of the things that the Senator from Virginia said regarding me sounded as if they emanated from one W. P. Harding, governor of the Federal Reserve Board. The Senator from Virginia [Mr. GLASS] has the unique distinction of being the only Senator from the South who will defend the Federal Reserve Board's destructive deflation policy. There is not a single Senator here from an agricultural State in the West who will indorse and approve, as does the Senator from Virginia, the deadly deflation policy of the Federal Reserve Board. The men to whom I refer believe in a fair deal for the agricultural and live-stock industry. They are men who could not be induced to approve a deflation policy that has produced dire distress and financial disaster among the farmers and cattlemen of the South and West.

I want to read a line from the hearings before the Joint Committee on Agriculture of the House and Senate in December, 1920. The Federal reserve bank at Richmond issued an order saying that the thing to do was to deflate as rapidly as possible. Representative BYRNES, of South Carolina—than whom the farmers have never had a better friend—questioned Gov. Harding before that board, and said, in substance, "Governor, does not your board sanction these orders?" Gov. Harding undertook to evade and dodge. He said: "Why, they frequently issue the orders before we know about it." I whispered to Mr. BYRNES: "Ask him if the Federal Reserve Board does not approve them before they become official," and Gov. Harding answered in the affirmative. "Then the board is responsible for and must sanction these orders before they become effective and official?" "Yes, sir."

What more do you want in the way of proof that they instituted a deflation policy?

Mr. GLASS. Mr. President——

Mr. HEFLIN. The bank at Richmond said that the thing to do was to bring it about as quickly as possible, and the governor of the Federal Reserve Board admitted that the board had to approve all the orders fixing the policies of the system; and that is what I am complaining about—the deadly, murderous deflation policy that denied men money with which to carry on their business; that drove men mad; that made them commit suicide. There are many of them dead to-day, men who were driven to take their own lives because of the deflation policy that the Senator from Virginia has defended for more than three hours in this body.

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I yield to the Senator for a brief statement. I do not want to yield for a speech. He has spoken for three or four hours.

Mr. GLASS. I have made one speech to the Senate in two years. I should be perfectly willing to contrast that with the record of the Senator from Alabama, who has made 40 speeches in 2 weeks. If the Senator does not want to be interrupted, I shall not interrupt him. I yielded to him.

Mr. HEFLIN. All the speeches that I have made have been on the side of the people. The Senator yielded to me once or twice briefly, and I said I did not want to interrupt him, because I was going to reply to his speech. I am going to make another speech. I am not going to speak now more than 25 or 30 minutes. I want to yield the floor to some other Senators who desire to speak. I am going to reply to the Senator's speech at length very soon. If he had given me notice that he was going to make the character of speech that he has made, I would have been ready to reply to-day at length.

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I yield briefly to the Senator for an interruption.

Mr. GLASS. Mr. President, I merely wanted to suggest to the Senator from Alabama that if the Federal reserve bank at Richmond issued an order of deflation, the Senator can very easily establish the fact that that order was carried out if he will give to the Senate figures showing that deflation took place under that order. I have given to the Senate figures showing that so far from the Richmond Federal Reserve Bank having deflated its credits and currency, it increased them $20,000,000 during the period of falling prices.

Mr. HEFLIN. I dispute the figures of the Senator from Virginia; and I will quote against him, in time, figures from the former Comptroller of the Currency, another Virginian, who has dared to fight the Wall Street money power and expose the infamous deflation policy of the Federal Reserve Board. It is time for plain talk.

The Senator from Virginia has in his inspired attack upon me invited plain talk, and I always try to accommodate gentlemen under such circumstances.

Now, Mr. President, let me read a little further from a bulletin or order from the Richmond bank:

> It is a recognized function of the Federal reserve banking system to exercise control over the volume of credit and currency.

Here they claim to have control over the amount of money and credits in the United States. Listen to that again, Senators:

> It is a recognized function of the Federal reserve banking system to exercise control over the volume of credit and currency.

That is what we have been discussing, and I charge that in their efforts to bring about deflation they contracted the currency, deflated credits, and literally murdered the business of

the South and the West. The Federal Reserve Board is responsible for that policy. The Richmond bank was but doing what the Federal Reserve Board wanted done. This is from the same bank and doubtless another inspired order from the Federal Reserve Board:

It is recognized to be unsafe to go further with commodity prices at such a dangerous height.

What did they mean by that statement? Did they not intend to beat down the price of wheat, and beat down the price of corn, and beat down the price of cattle, and beat down the price of cotton? What else could they mean? Here they are talking about doing the very thing they did do later, contracting the currency and deflating or denying the credits needed.

If all the banks in this district will earnestly and conscientiously endeavor to limit credits—

And so forth.

This is a part of another order or bulletin indorsed by the Federal Reserve Board, which now denies that it tried to deflate credits.

Mr. President, I am not going to detain the Senate now to go through this document from which I read, but I wish to say in passing that the trail of the deflation serpent is over it all.

The Senator from Virginia [Mr. GLASS] has a very touchy disposition with regard to this Federal reserve system. He acts as though it were his individual offspring and private personal property. It angers him for anyone to dare to criticize even the foolish and dangerous administration of it. The Senator from Virginia is magnificent, he is wonderful, in certain lines. The Senator has never been very much in close touch and sympathy with the masses of the people. He is a scholarly man, a great student of books. He is good on theoretical things, but I fear he lacks the common touch that Kipling speaks of, and his speech has convinced me that the distress and suffering of the people of the South and West have failed utterly to arouse his sympathy. When I heard him say in his speech that the Federal Reserve Board's policy had saved agriculture in the South and West I said, "God grant us deliverance from such a plan of salvation." Mr. President, it was not salvation; it was ruination and damnation of the worst kind. Here is what they did—just what this bank says. They sent them this as a starter:

If all the banks in this district will earnestly and conscientiously endeavor to limit credits—

Mr. President, they started this thing, and it ran away with them, and business suffered on every hand as a result of it. The power that inspired and started it intended to profit by the distress and misfortune of millions of people.

The Senator says:

I undertake to show to the Senate that there was no discrimination against agriculture.

Well, let us see whether there was or not. Let me read you a telegram just received:

RICHMOND, VA., *January 17, 1922.*

Hon. J. THOMAS HEFLIN,
United States Senate, Washington, D. C.:

In proof of the charges of favoritism toward New York City banks and gross discrimination against the country districts by Federal reserve, I ask your attention to the following established facts:

(1) In January, 1920, records show that one big speculative institution in New York City received from reserve system twice as much money as the system was lending at that time on agricultural and live-stock paper to all the 9,000 member banks in all of our 48 States.

(2) That as late as February, 1921, the reserve system was lending to one bank in New York City three times as much money as eight Federal reserve banks were at that time lending on agricultural and live-stock paper at all their member banks in 28 States and parts of 5 other States, covering about two-thirds of the entire country.

(3) In the autumn of 1920 national banks in New York City were borrowing in proportion to their total loans and discounts three times as much from the Federal reserve system as all the 7,600 country national banks in the entire United States were borrowing at that time.

(4) The actual contraction or reduction in accommodations granted by all 12 Federal reserve banks from October, 1920, when Members of Congress, farmers, and business men were imploring the Reserve Board to relax their pressure, to November, 1921, amounted actually to about $1,800,000,000.

Other abundant evidence of discrimination and favoritism can be furnished if they are needed.

JOHN SKELTON WILLIAMS.

There is a complete answer in a few words to the speech of the Senator from Virginia by a big, brave, and able Virginian who deserves the praise and gratitude of all the American people for the great service he has rendered and is still rendering. Oh, Mr. President, the spectacle which we have witnessed here to-day is a strange and curious one. The Senator from Virginia [Mr. GLASS] seemed to take delight in attacking me personally while the enemy of agriculture, the boss of the Federal Reserve Board, Gov. Harding, smiled his approval down upon him from the gallery. I could not help feeling that he was trying to please the head of the Federal Reserve Board.

If I know my own heart, I am trying to do my duty so that the people whose Government this is will feel that I am faithful to the oath that I took when I came here as United States Senator.

The Senator said on yesterday, "We have no central banking system; it is a regional system." Certainly; but, Mr. President, they have converted it into a central system, and it is now operating exactly as Wall Street wants it to operate, and Wall Street favors it as it now operates.

The Senator from Connecticut [Mr. MCLEAN], a Republican, is chairman of the Banking and Currency Committee, and he and the Senator from Virginia are in exact accord; both of them indorse the deflation policy of the Federal Reserve Board. The Senator bitterly opposed and tried to kill the Federal reserve banking system when the bill creating it was up in this body, and yet on yesterday, when the Senator from Virginia assailed me and those from the South and West who had dared to fight the control of the money supply and credit of the country by the money lords of Wall Street, the Senator from Connecticut came over and whispered words of sweet commendation and entire approval into the eager, listening ears of the Senator from Virginia. Aye, and that is not all, Mr. President. The Senator from New Jersey [Mr. FRELINGHUYSEN], who lives not a great distance from Wall Street, came over and offered his felicitations. This will give you an idea of the interests that condemn my position and approve the position of the Senator from Virginia. When I am taking a position that certain greedy and selfish interests of the East oppose, I know I am right, and right is right, as God is God.

The Senator from Nebraska [Mr. NORRIS] who sits before me, a genuine friend of the farmer, remembers that when we had Gov. Harding before the Joint Committee on Agriculture, he dodged and evaded. The Senator himself tried to bring out answers to questions a number of times, and Gov. Harding slipped and slided in every way that he could to keep from giving a frank answer to the questions asked, and finally when Congressman BYRNES, of South Carolina, one of the ablest and best Representatives who have come from the South while I have been in Congress—a fearless and brilliant young statesman—questioned him, and the Senator from Nebraska was presiding, Gov. Harding seemed to get excited, and to the surprise of everybody present said, in substance, "What are you trying to do? Am I on trial?" And the Senator from Nebraska and the Senator from Iowa [Mr. KENYON], who are present here to-day, and others, told him that there was nothing improper in the question and to go ahead and answer it. He became angry. Senators, is that the way for a big, clean-handed and level-headed man to act; a man who was being called upon to tell the lawmakers of the Nation the truth and the whole truth about a matter that vitally affected the whole American people? What was he doing that for? Was he trying to get away from those inquiries? I think so. The Senator from Virginia is in close touch with the governor of the Federal Reserve Board. He wields such influence over him that he was able to make him quit his desk during the time he was carrying on his deadly deflation policy and go out of the office and get some fresh air. I submit to the Senate and to the country it would have been better for the farmers and all the people of the South and West if the Senator from Virginia had kept him out in the fresh air all the time. I hold that a man who carries out a policy that will make men kill themselves is himself guilty of the crime of murder.

The Senator from Virginia has taken it upon himself to assail me for resenting the injury done to the people of my State by Gov. Harding and the Federal Reserve Board. This man Harding is from my State and I would rather defend him than criticize and condemn him. If it were not for the awful and fatal record he has made I would delight to stand here and defend him; but I do not care from whence a man comes, and whether he is a Democrat or Republican; whenever a man betrays a public trust and uses the power placed in his hands to inflict injury upon the masses of the people, I am going to cry out against it.

The Senator from Virginia said I spoke frequently and that he speaks seldom. It is necessary for somebody to speak frequently under conditions that have been and are now upon us. One day some weeks ago I quoted a few lines that went like this:

Keeping quiet when we should talk
Makes cowards out of men.

Never in the days of President Jackson and Thomas H. Benton was the money power so completely lodged in the hands of greedy Wall Street financiers as it is to-day under the management of the present Federal Reserve Board.

They can not—they dare not—dispute the facts in John Skelton Williams's telegram. I take his statement against them

all. I know that no special interest, that no sinister influence, can reach him. He is a big, brave, and brainy man. He is a Virginian who has the ability and disposition to live up to the best traditions of his great Commonwealth. But for him we would never have known about all of this crookedness and subserviency of the Federal Reserve Board.

Yesterday I heard the Senator from Virginia reading about how the silk industry of Japan broke down. Gov. Harding has already said the same lame things in his interviews and speeches, and how a little sugar concern in Cuba had financial troubles, and that that caused our Federal reserve system to stand with fear and trembling—a system that had defied the combined powers of military autocracy; financed the World War; floated $20,000,000,000 of bonds; loaned $10,000,000,000 to the Allies; and then came home, stalwart, strong, still boasting of her strength; and when she saw the little silk industry of little Japan totter she commenced to cringe with fear, and when she saw the sugar industry of Cuba trembling she, too, trembled here. Such a charge against that system is unwarranted. It is untrue. This whole thing was caused by the Federal Reserve Board's dangerous and deadly deflation policy. The Federal Reserve Board wanted something or somebody to place the blame on, and it laid it on a little silk industry in Japan and a little sick sugar concern down in Cuba.

No Member of Congress was deceived by those false reports. They all knew that the banking system that had financed the World War could finance this country in time of peace. That deflation policy was a crime against the legitimate business of the country. Do you know why we revived the War Finance Board? We revived it purely and wholly because the Federal reserve banking system, under the deflation policy of the Federal Reserve Board, was not functioning properly. The Federal Reserve Board favored putting the War Finance Corporation out of business. If the Federal reserve system had functioned as it did before these men got to truckling to hold their jobs, and listening to the siren whispers of Wall Street, we would not have had the hard times that have so sorely afflicted our people. Let me read you a statement from a banker in New Jersey, an ex-governor of the Commonwealth of that State:

EDITOR MANUFACTURERS' RECORD:

In reply to your communication, in which you quote a remark of mine, to the effect that "much of the business depression is due to destructive liquidation forced by the controlling banking element," and asking me for a letter thereon, I beg leave to say:

When the Federal Reserve Board announced its policy of curtailed credit and of deflation, confidence was impaired and the natural inclination was to sell. Where everybody was selling, naturally nobody was buying, and as a consequence prices declined as rapidly in six months as they did in six years after the Civil War.

Think of that, Senators. Does not that look like we had deflation with a vengeance? The Federal Reserve Board deflated more in six months following the World War than was permitted in the six years following the war of 1860.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. HEFLIN. I yield to my friend, briefly.

Mr. DIAL. I rather think the Senator is wrong in stating that the Federal Reserve Board wanted the War Finance Corporation put out of existence. I know, as a matter of fact—I want to say in justice to everybody—that some members of that board did not want it put out of existence.

Mr. HEFLIN. The governor of the board appeared before our committee against it, as did the Secretary of the Treasury, Mr. Houston.

Mr. DIAL. I know that some members of the board did try very hard to keep that organization in existence. John Skelton Williams was one, and there were other members of the board, too. I will not take up the time to go into that.

Mr. HEFLIN. The governor of the board, Mr. Harding, was in favor of putting it out of commission, and it was put out of commission. No member of the Federal Reserve Board appeared before our committee to render us assistance in reviving the War Finance Board.

The Comptroller of the Currency, John Skelton Williams, in a letter under date of December 28, 1920, to the governor of the Federal Reserve Board, Gov. Harding, estimated the shrinkage in values somewhere between twelve and eighteen billions of dollars. Think of that, Senators!

Are you not astounded at those figures? But the Senator from Virginia talks about men who stand here and undertake to defend the rights of the southern people and the western people, the farmers and the cattlemen, and he refers to them as demagogues. How shall we refer to such critics—as the tools and handy instruments of Wall Street? Who is it that inspires this attack upon men who dare to stand here and speak for what they know is right? No man in this body or out of it can make such insinuations against me without having plain and pointed talk given to him.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I yield briefly to the Senator.

Mr. GLASS. Mr. President, in my speech I referred to an ex-governor of New Jersey who severely assailed the policy of the Secretary of the Treasury in continuing a money committee in New York to keep down the interest charges on commercial, agricultural, and industrial paper to 6 per cent, and who declared that money was worth what money would bring in competitive markets. I now state that that gentleman who wanted money to bring what it was worth was Gov. Stokes, from whom the Senator is reading.

Mr. HEFLIN. Mr. President, I am quoting Gov. Stokes on another proposition, going to the main evil of the deflation policy.

Or, as he puts it, I read from Gov. Stokes:

Property values in this country, which have apparently melted away in the last 12 months (prior to December 28, 1920), represent a sum far greater than the total gold supply of the world at this time.

Yet the Senator is astounded that men on this floor will challenge such an infamous policy as that which brought this condition about.

This caused a tremendous cancellation of orders—

Says Gov. Stokes. Listen to that, you Senators representing eastern manufacturers—

and the protesting of foreign bills of exchange against shipments while the latter were deteriorating in foreign harbors. The demoralization which grew out of this hasty, forced liquidation not only checked the wheels of industry but it piled up frozen credits in banks and caused a tremendous loss to these institutions. Thus the movement at its very inception defeated its object. It didn't liquidate at all; it simply froze. It did more. It stopped business employment and wages.

The Senator from Virginia referred to the woolen business of 1920 on yesterday. Listen to this—I read from Gov. Stokes:

The American Woolen Co., in a nation-wide full-page advertisement, stated that when the banking elements, through the Federal Reserve Board, gave notice of curtailment of credit and deflation, cancellation of orders poured in, their mills were necessarily stopped, and men thrown out of employment.

That is the deadly, destructive work that lies in the trail of the Federal Reserve Board's deflation policy. Further, the governor says:

An instance under my personal observation: The proprietor of a woolen mill that had operated continuously since its inception, mostly day and night shifts, as soon as he read the announcement, came to my desk and said: "This is extremely unfortunate and will result in business paralysis."

Business men realized that this action on the part of the Federal Reserve Board meant ruin to legitimate business.

But the Senator from Virginia says, "Where is the proof and where are they who cry out against this policy of the Federal Reserve Board?" Here is a banker and an ex-governor of his State telling what the deadly effect of this thing was upon the woolen business mentioned by the Senator from Virginia. I read further from the governor:

In a few days he had a million dollars' worth of orders canceled on him, and his mill stopped operating for the first time in its history.

Then the Senator from Virginia is surprised that a man will get up here and dare to criticize the Federal Reserve Board's policy and insinuates that those who do so are demagogues. If they are, God grant that their tribe may increase in this body. If they are demagogues, what are those who plead for the protection and perpetuity of such a policy but the tools and agents of Wall Street?

I read further:

These are only illustrations of the natural result that follows from banking interests interfering in functions outside of their proper jurisdiction. The banker has a right to say to the applicant, "You may have no more credit." He has no right to say to him out loud, so the whole country can hear and be frightened, "You have got to sell your goods."

And that is the policy that I am objecting to. They struck down the cotton producers; they clubbed the grain producers; and they robbed the cattlemen, and they did not deflate retail prices to the consumer. Why? One day during that time cotton was selling at 9 cents a pound, and I paid 25 cents that very day for a cotton collar. At that rate, a bale of cotton made into collars would bring more than $1,000, but the farmer received only $45 for it. Talk about deflating? Gov. Stokes is right. Again he said:

It did not deflate all along the line; this was the unfairness of the proposition and the cause of industrial depression. It was utterly unfair to the producer, the farmer, and the manufacturer or the merchant that they should deflate their product, unless they were guaranteed a deflation all along the line.

Were we not entitled to ask that the same deflation policy imposed upon us should be imposed against everybody? What happened? The farmer and the man and woman of moderate means were forced to sell their Liberty bonds under that drastic deflation policy. They sold them for $85 on the $100. Down and down and down they went. Where are they now? They are out of the hands of the small bondholders and climbing up in price on Wall Street. The money kings of the country bought them, as the Federal Reserve Board's policy forced them out of the hands of the small bondholders of the country.

What else did Gov. Stokes say?

> It may have a right to extend or refuse to extend credit. There their functions cease, but even if it is contended that the banks have this right, the method of enforcing it was most unhappy. It was founded upon the theory that the way to restrict credits is to raise interest or credit rates.

There is where they waylaid and struck business down. Oh, Mr. President, in the heyday of the system when the rediscount rate was 3 per cent, honest business could acquire all the money that it needed by going to a member bank or an outside bank going to a member bank and rediscounting its paper, going home with its money, and serving the financial needs of the locality, and everything moved smoothly. But when they raised the rediscount rate to 7 per cent, the legal rate in my State was 8 per cent, just 1 per cent higher than the rediscount rate, and that one act of the Federal Reserve Board prevented many, many loans in my State. It made the margin of profit so small in the interest allowed in my State that the board prevented people who needed money from getting it. Not only that, but the local banker could not get it from the Federal reserve banking system in the agricultural sections of the country.

A man sick and suffering needs a doctor to come to his rescue. His life is at stake. They say the doctors' fees have gone up by leaps and bounds. They are very high. He says, "I did not need the doctor when I was well. I need him now very badly, for I am sick, and the fees are so high that I can not pay him and he will not come because he knows I can not pay him." That is the attitude in which the Federal Reserve Board puts the farmer and banker in the agricultural sections of the South and West.

Gov. Stokes said, further:

> Could any principle be more absurd or more vicious? And yet that is practically the banking policy that prevails to-day in regard to the restriction of credit. There is not the slightest excuse for raising interest rates in order to restrict credit; not the slightest justification.

This last statement is in contradiction of the statement of the Senator from Virginia, that the governor of New Jersey wanted the interest rate to go as high as it pleased.

Mr. WATSON of Georgia. Mr. President——

Mr. HEFLIN. I yield to my friend the Senator from Georgia.

Mr. WATSON of Georgia. I should like to relate briefly a little incident that I think may be informing to the Senator from Virginia and also to the Senator from Alabama.

Mr. HEFLIN. I shall be glad to hear it.

Mr. WATSON of Georgia. For the last 40 years I have been doing business, either personally or through a little State bank of which I am the president, with the Georgia Railroad Bank, one of the finest institutions in the South, as many Senators here know. It has never been difficult for me to get money from that bank, either for myself or for the McDuffie Bank, a State institution of which I am president.

At the time the papers were carrying statements that the Federal Reserve Board had declared that farm paper must be called in and no further credit extended on farm paper the McDuffie Bank was carrying $70,000 of farm paper, and we wanted to get some money for the benefit of our customers and the benefit of the bank. We made the application as usual to the Georgia Railroad Bank, and we were told in reply that the bank would lend to the bank on the personal indorsement of the directors, but it would not lend to the McDuffie Bank on any farm paper whatever. Then the bank at my instance made application to a well-known bank in New York, which is not a member of the Federal reserve system, and we obtained the money at once.

Mr. GLASS. Mr. President——

Mr. HEFLIN. Yes; I yield briefly.

Mr. GLASS. If the Senator from Georgia [Mr. WATSON] will obtain and put in the RECORD any order issued by the Federal Reserve Board or any Federal reserve bank to decline to grant credits on farm paper, I should be infinitely obliged to him. If he will do that or if he can do that there will be some point to the episode which he has related.

Mr. WATSON of Georgia. I did not say that I could produce a bulletin from the Federal Reserve Board. I did state, however, and am prepared to prove, that announcement was made in the papers that this policy of deflation had been adopted, and that immediately thereafter the Georgia Railroad Bank, after having loaned to the McDuffie Bank for the last 14 years on farm paper, declined to lend in response to this application, but would lend on the personal indorsement of myself and the other directors.

Mr. GLASS. I will say to the Senator that no such order ever emanated from the Federal Reserve Board or from any Federal reserve bank, and any newspaper publication to that effect was totally inaccurate. The Senator was not present when I showed that bank after bank would say to a customer to whom it did not care to loan money that the Federal reserve bank would not rediscount the paper, when the Federal reserve bank would have rediscounted the paper.

Mr. DIAL. Mr. President——

Mr. HEFLIN. Mr. President, so far as I am concerned, I will accept what the local nonmember banks and the member banks said about being forced to refuse loans or to call loans. The Federal Reserve Board is still trying to cover up its tracks and hide its part in this great crime.

The case cited by the Senator from Georgia could be multiplied hundreds of times in the cotton belt alone. The Federal Reserve Board have browbeaten banks, and they have intimidated banks in a quiet way until they are afraid to speak out against the dangerous policy of this tyrannical board. I know of a Senator in this body now who has a long letter from a banker telling him how this thing has worked and begging him not to use his name. Senators, are the legitimate banking institutions of this country to be humiliated and hampered by this bold and brazen board?

I repeat, the sooner the President of the United States can remove this discredited Federal Reserve Board the sooner he will greatly gratify a hundred millions of people.

I yield to the Senator from South Carolina for a question.

Mr. DIAL. I merely wish to ask the Senator from Georgia whether the bank to which he referred a while ago, the McDuffie Bank, is a member of the system?

Mr. WATSON of Georgia. Not at all.

Mr. DIAL. Why do they not join it? They then could borrow money.

Mr. WATSON of Georgia. Because the McDuffie Bank likes to be independent.

Mr. HEFLIN. They do not have to join in order to get money. This system loans money to a bank outside. A member bank will loan to a local bank that is not in the system. A member bank, however, charged one bank in my State that I know about 8 per cent. That was charged by a member bank in Atlanta. The rediscount rate is now, I believe, 5 per cent, and the legal rate is 8 per cent in my State. And yet the Senator from Virginia talks about extending aid to the farmers. It is either willful deception or pitiful ignorance, I do not know which.

I wish to complete this quotation from Gov. Stokes. He said:

> The way to restrict credit is to refuse to extend it, instead of charging 8 or 10 or 20 per cent. The latter burdens the country with an unnecessarily high credit cost, always a handicap on business and enterprise.
>
> Credit can be restricted by the banks with the rediscount rate at 4 per cent just as readily as it can be with the rediscount rate at 8 per cent or higher, and if the present banking fraternity can not restrict credit by refusing to grant it, their Macedonian cry to high-interest rates to come to their rescue is a confession of incompetency.

Mr. GLASS. Mr. President——

Mr. HEFLIN. I yield to the Senator for a brief statement.

Mr. GLASS. Can not the Senator see from Gov. Stokes's own statement that Gov. Stokes favored the individual banks restricting credit by refusing to grant credit?

Mr. HEFLIN. Yes; but not by putting up the rediscount rate.

Mr. GLASS. What is the difference?

Mr. HEFLIN. He wanted to be honest and just tell the man, "I will not lend you any more money."

Mr. GLASS. Exactly; and that is what the Senator from Alabama complained about.

Mr. HEFLIN. I am complaining about the raising of the rediscount rate for the purpose of preventing loans. The Federal Reserve Board came up and said at the very time the people needed money most the interest or rediscount rate is raised from 3 to 7 per cent. That was a terrible and a murderous blow to the agricultural sections of the country.

In other words, the Federal Reserve Board used a system or an instrument created for the purpose of saving business in the time of need to strike down and destroy legitimate business.

Mr. GLASS. Will the Senator be kind enough to enlighten me, if not the balance of the Senate, by stating and putting in

the RECORD when the rediscount rate of any Federal reserve bank was 3 per cent?

Mr. HEFLIN. It was that before they raised it.

Mr. GLASS. It never was 3 per cent in any bank.

Mr. HEFLIN. What was it?

Mr. GLASS. From 4¼ to 4½ or 4¾ or 5 per cent. It never was 3 per cent.

Mr. HEFLIN. I beg to differ with the Senator.

Mr. GLASS. It never was, at least so far as I know. The Senator may know.

Mr. HEFLIN. It was 3 per cent at some of the Federal reserve banks. I want to call the attention of the Senator again to what he said, that no discrimination had been shown against agriculture. They charged 4½ per cent rediscount rate in New York, 5½ per cent in the cotton belt, and 5½ and 6 per cent in the grain belt, and as high as 20, 30, and 87½ per cent in the agricultural sections. I think now they have reduced the rate to 5 per cent at the Atlanta bank, and they charge us 5 per cent in our distress, while they let the gamblers in Wall Street have money at 4½ per cent.

Mr. GLASS. I will state to the Senator from Alabama, if he will permit me, that the rediscount rate at the New York bank was raised on June 1, 1920, while it was raised at the Atlanta bank, which ministers to the wants of Alabama, on the following November 17, 1920.

Mr. HEFLIN. They failed to let us have needed money down there long before that. Yes, Mr. President, they raised the rediscount rate in Wall Street in New York, and then what happened? With this club in the hands of the Federal Reserve Board, seeing the storm coming, money sought the center of Wall Street and went there where a high interest rate could be obtained. Call money ranged from 12 per cent to 20 per cent and 30 per cent and as high as 200 per cent. Of course, it would go out of the little places in the country to where the speculative interests would pay the highest rate of interest.

Again I say that that deflation policy was a destructive one and constituted a crime against the country. It drained the country of its idle cash. That is another fruit of this policy of the Federal Reserve Board, and "by their fruits ye shall know them."

Mr. GLASS. But the Senator was proceeding to say that the rediscount rate of the Federal reserve banks was first raised in his territory against the farmers and last in Wall Street.

Mr. HEFLIN. Not at all.

Mr. GLASS. Whereas just the reverse of that is the fact.

Mr. HEFLIN. The Senator from Virginia did not understand me at all. I never said what he has stated. I said they charged 4 per cent and 4½ per cent in New York and charged 5 per cent and 5½ per cent in my section of the country. If that is not discrimination, then I am no judge of what the English language means. I say that in due deference to my theoretical and scholarly friend, the Senator from Virginia, who takes occasion to defend the inexcusable and indefensible deflation record of Gov. Harding and his board.

Mr. FLETCHER. Mr. President, will the Senator yield to me for just a brief statement?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Florida?

Mr. HEFLIN. I do.

Mr. FLETCHER. Gov. McCall, in an article some time ago—and I can furnish the article if it is desired—stated the fact, which, I take it, can not be questioned, that—

> During the year prior to the close of September, 1921, there had been a contraction in the currency notes of about $800,000,000, and in the total bills, meaning Government bills and rediscounts of the banks, there had been a shrinkage of nearly $1,700,000,000, or more than half of the total amount.

Then he says:

> The result was chiefly effected by the autocratic enforcement of high interest rates against the banks upon their rediscounts, and this was reflected by still higher rates charged their customers by the banks.

Mr. HEFLIN. That sustains my contention, Mr. President.

Mr. GLASS. May I inquire who makes that statement?

Mr. FLETCHER. Ex-Gov. McCall, of Massachusetts.

Mr. GLASS. As a matter of fact, the figures of the banks themselves show that for that period the expansion was nearly a billion dollars and that there was no deflation.

Mr. FLETCHER. The question in my mind is, since the power exists in the Federal Reserve Board to limit circulation and to limit the note issue by raising the rate on rediscounts, whether it would not be proper and wise so to amend the act as to require some sort of notice to be given and some sort of hearing to be had before they autocratically and without any notice whatever raise such rates.

Mr. HEFLIN. I agree with my friend from Florida. That should be done. Ex-Gov. McCall is right. We know that needed credits were denied and that certain interests profited by the distress produced.

Mr. GLASS. That is a question of operation. What I am pointing out to the Senator from Florida is that the figures which he has read must necessarily be inaccurate unless the official, authenticated figures given by 12 Federal reserve banks and the Federal Reserve Board are inaccurate, for their official figures show that for the very period mentioned by the Senator from Florida the increase in credits and currency approximated a billion dollars.

Mr. HEFLIN. Mr. President, the Senator from Florida hits the nail squarely on the head. The shrinkage or contraction, the drawing in of the money which had been serving the needs of the people or the refusal to supply it in sufficient amounts caused distress and failure in business. There must be water to turn the wheels of a mill, and if the water is shut off the mill stops. That is what happened under the murderous deflation policy of the Federal Reserve Board.

Mr. SMITH. Mr. President——

Mr. HEFLIN. I yield to my friend from South Carolina. A better friend the farmers of the South have never had in this body.

Mr. SMITH. Mr. President, I went to headquarters before coming to the Senate this morning and asked the Comptroller of the Currency to ascertain directly and officially from the Federal Reserve Board and elsewhere just what are the actual facts in reference to this matter. One of the questions I propounded was as to the actual amounts discounted for member banks by each of the 12 reserve banks for the years 1920 and 1921, and the total for the fiscal year. I will merely read one or two of the answers. It is shown that in 1919 the New York Federal Reserve Bank rediscounted $788,194,000; in 1921 they rediscounted $213,000,000. In 1919 the Richmond Federal Reserve Bank rediscounted for member banks $108,661,000, and for the year ended December 28, 1921, rediscounted $94,426,000, a shrinkage of discounted paper of something like $20,000,000. The Atlanta Federal Reserve Bank seems to have increased its rediscounts, which were $90,000,000 in 1919 and $94,000,000 in 1921.

If the Senator from Alabama will allow me, I shall take Chicago, the center of the great stock industry. In 1919 the Chicago Federal Reserve Bank rediscounted $260,599,000, and during the year ended December 28, 1921, $196,000,000. The Kansas City Federal Reserve Bank, which is located at another stock center, rediscounted $100,433,000 in 1919 and $67,717,000 in 1921. The Federal reserve bank at Dallas seems to have increased its rediscounts. I call the attention of the Senate to these figures, including the total for all the 12 Federal reserve banks, which I will now give: In 1919 they held rediscounted paper for member banks to the amount of $2,194,878,000, whereas on December 20, 1921, they held $1,179,833,000, a shrinkage of a little over a billion dollars in that time.

Mr. HEFLIN. That is another piece of testimony sustaining my contention. Mr. President, we did not need any credits in 1919. Cotton was moving freely and selling for 40 cents a pound, and it is unfair to compare credits granted in 1919, when we did not need them, with 1920, when we did need them.

Mr. GLASS. Mr. President——

Mr. HEFLIN. I yield to the Senator.

Mr. GLASS. I merely wish to call the attention of the Senator from South Carolina to the fact that the figures presented by me in my remarks were furnished me by the Federal Reserve Board and are the official figures for the various Federal reserve districts.

Mr. SMITH. I will state, Mr. President, that the figures I have quoted were brought to me by a clerk from the comptroller's office this morning, and were furnished by the reserve board. The figures embraced in the table I have are official figures, and I should like in my own time, Mr. President, to place them in the RECORD.

Mr. HEFLIN. Mr. President, I thank my friend from South Carolina for the suggestion which he has made and for the figures he has given. They are in line with the suggestions and figures of the Senator from Florida [Mr. FLETCHER]. Those two Senators know how the people of the South have suffered and are suffering now. I want to state for the benefit of the Senator from Virginia just how this deflation policy affected the individual farmer in my State. The farmer with 10 bales of cotton at 40 cents a pound had $2,000 worth of cotton. Under the deflation policy of the Federal Reserve Board the price of that cotton was decreased by July, 1921, to an average price of $45 a bale, or $450 for the 10 bales, so that three-fourths of the value of the farmer's cotton crop was destroyed in 12 months, and the price was forced down and down, far below the cost of production—a loss of $1,550 to one farmer

on 10 bales of cotton. Does the Senator from Virginia, whose State produces practically no cotton, quarrel with me for fighting to relieve my people from the cruel bondage of such a board? Whether he does or not makes but little difference with me, for I propose to continue to fight for what I believe is right in this body. Whether men are influenced by suggestions from Wall Street or elsewhere, I do not know, but I am getting weary of the charge that Senators are demagogues because they dare to stand in this body and plead for justice to the masses of millions in distress at this very hour in the South and West because of the deflation policy inaugurated by Gov. Harding and his Federal Reserve Board—Gov. Harding, who smiled down from the gallery upon the head of the Virginia Senator [Mr. GLASS] as he undertook the impossible task of defending the indefensible deflation policy of the Federal Reserve Board.

The Senator from Virginia read from a letter of Gov. Harding the statement that one reason he did not go home to vote was that he did not want to vote for me. I was the Democratic nominee for the Senate, and if he had been a good Democrat he would have wanted to vote for me.

Gov. Harding, in the letter to the Senator from Virginia, does not deny the charge that he supported the Republican ticket in the national election of 1920. Here is the editorial of the Washington Times, April 12, 1921:

> Although Gov. Harding is a Wilson appointee, he did everything consistent with his office to further the Republican cause at the last election. This attitude has dispelled prejudice arising out of the fact that he was inducted into public life under Democratic auspices.

There it is, and the governor of the Federal Reserve Board has never denied it.

The service that he rendered the Republican Party through his deadly deflation policy cost the Democratic Party hundreds of thousands of votes. He did what the Republicans wanted done, and they are retaining him in office because he has been their obedient servant. The deflation policy that he carried out and his retention in office have cost the American people billions of dollars.

I condemn and repudiate the deflation policy of Gov. Harding and his board. I say to the Senate again that a Federal Reserve Board that, in times like these, will sanction the erection of a bank building in New York involving the expenditure and handling by certain people of $20,000,000 is covered all over with the suspicion of graft. That is my opinion stated again, and I am responsible for my statements here and elsewhere.

Mr. President, a board that will inaugurate a deflation policy, as the Federal Reserve Board did, and carry it out over the protests of the South and West, as the Federal Reserve Board did, is not worthy of the confidence of the people; and when at the same time it orders or permits a bank building constructed in New York at a cost of eighteen or twenty million dollars, which is more money than the Capitol, the Senate Office Building, the House Office Building, and the State, War, and Navy Building combined cost, am I to be told that there is no graft in it? It is time to talk plainly. If some little hickory-nut headed agent had started anything like that, it would have been said that he intended to steal something. Why not talk plainly about crooks higher up. The country is in no humor to fool with these men. I make bold to suggest that it smacks of graft.

The Senator from Virginia undertakes to whitewash this man who wanted to deny to southern Senators an audience in the fall of 1920. The Senator from North Carolina [Mr. OVERMAN] called on him with a delegation, but Gov. Harding, of the board, said that he did not have time to listen, and an effort was made to switch off the Senator; but the Senator said, "You will hear me," and he forced the governor to assemble the board. That is the man I am talking against, Gov. Harding.

Mr. OVERMAN. Mr. President, the governor of the board said that he had heard enough—that is, the truth about it—and I went before the full board and secured an audience.

Mr. HEFLIN. The Senator from North Carolina secured an audience anyhow, in spite of the statement of the governor of the board, who was hostile to him and to the southern interests. The same thing applies to the West.

Let me show what happened to the farmers in my State, from which Gov. Harding also comes. The farmers of Alabama made 660,000 bales of cotton in 1920; at 40 cents a pound, or $200 a bale, they would have received $132,000,000 for their crop. Under the deflation policy of the Federal Reserve Board, however, the price was reduced to 9 cents a pound, or to $45 a bale, so that the return from the whole crop was only $29,000,000, representing a loss to the farmers of my State alone in 12 months' time of $102,300,000. Then the Senator from Virginia wonders that I dare arraign and indict the Federal Reserve Board. I do indict it, and the Senator from Virginia can say that it is pitiful ignorance or what he pleases, but that does not deter me. I have been fighting for common honesty and plain justice in public affairs all my life. There are some Senators who do that; there are Senators who break their silence and dare plead for the people, who do not reserve themselves and preserve their strength to fight the battles of the money power in a pinch.

In November, 1920, right in the heart of the crop-moving season, the Federal reserve banks were lending to two banks in New York City, conspicuous for their speculative activities, $250,000,000. During the same month in 1920 the entire amount loaned by six Federal reserve banks on "agricultural" and "live-stock" paper in 18 States was only $15,642,000. So the two banks in New York were borrowing from the Federal reserve banks $234,358,000 more than all the agricultural interests and live-stock interests of 18 States in the Union were able to obtain. The amount being loaned to the agricultural and live-stock interests in those 18 States was $4,358,000 less than the farmers of one State, the State of Alabama, paid for their fertilizer bill, in 1920, $20,000,000.

Mr. President, Senators can get up and occupy the floor and have the smiling approval of the Federal Reserve Board governor from the Senate gallery. Our good friend from Connecticut [Mr. MCLEAN], who tried to kill this Federal reserve banking system, comes over and whispers honeyed words into the ear of the Senator from Virginia, and falls upon his neck with loving manifestations of approval. The Senator from New Jersey [Mr. FRELINGHUYSEN] comes over and expresses his commendation, and the Senator from Virginia throws out his chest and feels happy that he has won their approval. He is welcome to it as far as I am concerned.

Mr. President, I want to show you what the papers say. I want to show you what a banker in my State wrote me about Gov. Harding. Here is what this banker said:

> Last year when we were struggling with the destructive deflation propaganda, and about the time when you kindly came here to help in the fight against the powers that be, Gov. Harding took a circle through the South making speeches and excusing the reserve banks for their lack of interest in and care for the welfare of the people who are feeding them and the world, and stated in Atlanta that it was not the function of the reserve banks to aid farmers in holding their products. Within two hours after this speech was made cotton fell $10 a bale and would have gone lower had it not been for a rule of the exchange.

I know more about him and his policy than the Senator from Virginia knows, and I do not intend that he shall intrude himself into the affairs of the people of my State and assail me in defense of a man whose deflation record I repudiate and the honest business men of the country repudiate. He and the board have lost the confidence of the honest business men of America. That is plain talk, but it is the plain truth.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. HEFLIN. I will.

Mr. OVERMAN. I have been receiving numerous letters, some from bankers, great bankers in the country, asking me to keep their names out of the public prints, and not let it be known that they are afraid of the Federal Reserve Board. Can the Senator tell me why they are afraid of them?

Mr. HEFLIN. I made reference to something like that a while ago. I have had them myself. They are afraid of them because of the dictatorial and arbitrary powers exercised by that board.

"We understand that you are making complaint to HEFLIN and OVERMAN and ROBINSON and SMITH and FLETCHER and TRAMMELL and WATSON and HARRIS and others who dare to fight for their people in distress and demand a square deal. We understand you are writing to them." They do not want their names used because they are afraid something like that will come to them from the board or its friends. Why, this board is as egotistical and jealous of its ruinous policy as the Senator from Virginia is of his part in the authorship of this act. Anybody who criticizes it is a demagogue.

Mr. President, the Senator from Virginia looks down with pity upon one of us who dares to criticize the infamous deflation policy of the Federal Reserve Board. He seems to think that beside him upon this question there is none other. I am reminded of the story of Bill Burton and Tom Gowan. They were running for Congress, and Bill was in the House. He threw out his chest, and said: "Why, I presided over the constitutional convention of my State. My decisions were heralded the country over. I was regarded as a great parliamentarian. When the legislature assembled, following the ratification of the constitution, I was first speaker of the house of representatives. I presided over its deliberations. I was regarded everywhere as a great authority upon parliamentary procedure. When I went to Congress, and old Champ Clark got into a tangle, he called me to the chair, and I presided, and helped him out of the tangle, and the papers praised me the country

over, and after I had settled the thing and walked down out of the chair, the Members of the House all applauded me, and thanked me for getting them out of the tangle, and yet I, even I, have got to contend with a man here for reelection to the House. I resent it."

Tom Gowan got up and said: "Ladies and gentlemen, I dreamt last night that I died and went to heaven, and when I walked in Solomon was presiding over the courts of glory, and old Pericles and Solon and Cicero were taking part in the debate; and I saw an archangel appear by Solomon's side and whisper something into his ear, and a troubled look came over his face, and Solon arose and asked: 'What means this troubled look on the face of Solomon?' The archangel said: 'Bill Burton, the great parliamentarian from Virginia, has arrived, and Solomon has got to give up his place.'" [Laughter.]

Mr. President, I make no application of this story. It makes its own application. Now, Mr. President, we are going to fight on and on until we get a real farmer on the Federal Reserve Board. We are going to provide for this thing in the law.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. Yes; I yield.

Mr. GLASS. I call the attention of the Senator from Alabama to the fact that neither his facts nor his figures agree with my facts and my figures. My reading of history teaches me that Pericles went to hell, and his that he went to heaven. [Laughter.]

Mr. HEFLIN. Mr. President, I had rather take the chances of Pericles for eternal bliss than to have the chance of the members of the Federal Reserve Board or anybody here who defends their deadly deflation policy. [Laughter.] Why, Mr. President, Pluto's infernal region is full of fellows better than some of these. [Laughter.]

Now, let me read a line from an ex-governor of North Carolina, to let the Senator from Virginia know that he did not know what he was talking about and that while there are some of us who do not know as much about the technique of the banking business that he refers to, but who know a great deal more about the practical uses of money and credit amongst the masses of the people. Let me read from ex-Gov. Bickett. We had him before our committee, and here is what he swore:

> One thing we call attention to is the present policy to call loans.

Listen! This was in December, 1920.

> I happen to know that down in my State of North Carolina there is a disposition, and the bankers say it is because of instructions approved by the Federal Reserve Board, to call loans.

Ah, Mr. President, I am not reading from statistics fixed up by the Federal Reserve Board. I do not accept some of them. I accept John Skelton Williams's statement against the Federal Reserve Board and all their defenders.

Let me read a little further. This is from the ex-governor of North Carolina—a good man. I know him. He says that loans were called, and the bankers said that the Federal Reserve Board is working this policy.

He continued:

> Gentlemen of the committee, the situation with us in the South is more than distressing. It is tragic.

Yet the Senator from Virginia says that the policy of the Federal Reserve Board saved agriculture in the South—saved it! God deliver us from such saviors! If the Federal Reserve Board's policy has saved us, we denounce and repudiate such salvation.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. HEFLIN. I do.

Mr. GLASS. May I suggest that the Senator from Alabama apparently does not understand the significance of his own information and of the documents from which he is reading. Gov. Bickett was talking in December, 1920, when cotton was down to 11 cents. The damage had then been done. That was practically the end of the period of falling prices; but the Senator does not seem to understand that.

Mr. HEFLIN. Mr. President, again I differ with my good friend the genial financial genius from Virginia. Practically done then! Why, men killed themselves in the spring of 1921 and in the summer of 1921. Our people are yet in the throes of distress under this system of the Federal Reserve Board.

I admit that the fight that I and others have made here has forced them to reduce their rediscount rate, and we have saved the Government several million dollars on that bank building in New York, and before we get through with them we are going either to stop it, save more, or put somebody in the penitentiary.

The Senator from Virginia can not rise up here and whitewash men whose tracks are covered over with suspicious acts and crooked doings. Why, they raised their own salaries in the New York bank to thousands and thousands of dollars, and when we pinned the Senator down and asked him if he thought $50,000 was a proper salary to be paid to one man he had to change front. But they raised their own salaries and they raised their clerks' salaries from $1,200 and $1,600 to $12,000 and $16,000. It was unjustified, and I think there is something crooked about that. That is my thought. I am responsible for my thoughts, and I think the majority of the people will agree with me. You can not take the people's money and handle it like that.

Mr. President, they are building a gymnasium and a swimming pool. The Senator from Virginia is in favor of establishing swimming pools in New York City and gymnasiums for the elite up there. Let them swing and whirl and then plunge in the pool and swim, while the farmer says, "Mary, I have stood this strain as long as I can. I have been to the bank to-day. I can not get any more loans. I am tied up. I have lost all that I made in 1920 and all that I made in 1921. My debts are hanging heavy over my head. What am I to do?" I call that to the attention of the Senator from Virginia when they expend $20,000,000 or $26,000,000 or $27,000,000 to build a bank palace in Wall Street, in the great city of New York, and raise the salaries of clerks from $1,200 and $1,600 and $1,800 to $12,000, $16,000, and $18,000. Shame on them! And I repeat the bank deal is covered all over with the atmosphere of graft.

Mr. EDGE and Mr. GLASS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Alabama yield; and if so, to whom?

Mr. HEFLIN. I can not yield for any speech.

Mr. EDGE. Will the Senator yield for just a moment?

Mr. HEFLIN. I yield to the Senator from New Jersey just for a question.

Mr. EDGE. Mr. President, we have just 20 minutes before the 5-minute rule goes into effect, and I know that the chairman of the Banking and Currency Committee, the Senator from Connecticut [Mr. McLEAN], wishes to speak directly to the bill upon which the Senate will vote an hour later. I am just wondering if it is not possible for the Senator from Alabama, at least, to give the Senator from Connecticut an opportunity to discuss the measure. He can not discuss it after 3 o'clock.

Mr. HEFLIN. I thank the Senator for calling the matter to my attention. I had intended to quit sooner, and I will do it in three minutes.

Mr. GLASS. Mr. President, may I interrupt the Senator for just a moment?

Mr. HEFLIN. Just for a minute.

Mr. GLASS. It will not take a minute. I want to say to the Senator that the shoe factories in my town in Virginia provide a swimming pool for their employees. The cotton mills of the great Riverside Cotton Corporation in Danville, as my colleague knows, provide cafeterias and assembly halls and swimming pools for their employees.

Mr. HEFLIN. Yes; I know that, Mr. President.

Mr. GLASS. And the Senate of the United States provides a marble-bound swimming pool for the Members of this body. Is it possible that the Senator from Alabama does not believe in people washing?

Mr. HEFLIN. Oh, Mr. President, I am exceedingly fond of it. That is the reason why I am working on the Senator from Virginia. [Laughter.]

Mr. President, I want to tell the Senator from Virginia that when the cotton mills build swimming pools and cafeterias, they are doing it out of their profits, honestly earned. When the bank of New York builds this building, it is doing it out of the blood money wrung from the people of the South and West through high rediscount rates. I want to say to him again that the Government of the United States, in providing a swimming pool for Senators, spent less for that building, this Capitol Building, the House Office Building, and the State, War, and Navy Building than the cost of the building which the New York reserve bank is putting up in New York City out of the blood money they wrung from the South and West. That, too, is plain talk, but the time has come for plain talk. I am going to keep faith with my friend from New Jersey [Mr. EDGE], who reminded me that the time for voting is fast approaching. Let me read what the New York Commercial of September 16, 1920, among other things, said:

> Gov. Harding frowned upon the proposal that additional credits be provided as a means of holding cotton in warehouses beyond the usual marketing period in order to insure better prices.

The Federal Reserve Board's policy broke the price of cotton and then it refused to aid us in holding for a price that would cover the cost of production.

Their deflation policy broke the price of cotton in seven weeks $45 a bale, or $45,000 on a thousand bales.

The Senator from Virginia referred to what I said in a former speech about the friends of the Federal Reserve Board speculating in cotton on the bear side at that time. I said then, and I repeat now, that if their friends were speculating in cotton on the bear side, that they made in seven weeks on 1,000 bales of cotton $45,000. I repeat that Gov. Harding and the other members of the Federal Reserve Board knew exactly the effect that their deflation policy would have upon the cotton market.

Do you blame the cotton farmer for wanting to hold cotton for a price that would yield a profit? We tried to obtain loans on cotton so that we could hold it until the price would at least cover the cost of production, but the Federal Reserve Board refused to permit us to have such aid and our cotton farmers were robbed of millions and millions of dollars.

Mr. President, I do not intend to consume any more time. I will include these statements in my speech:

[From page 5936, CONGRESSIONAL RECORD, Aug. 22, 1921.]

Former Senator Gronna, at the December meeting, has this to say:

"Let me say this: I dislike very much to be a witness before this committee, but let me tell you what happened in St. Paul the other day. Since you have brought this up, I think I might just as well tell the truth.

"We had over a hundred head of large cattle which we shipped to St. Paul. We found the markets demoralized, and we wanted to ship them to Illinois and feed them. We could not get a loan of $1 on those cattle.

"Mr. THOMPSON. Whom did you go to, Senator?

"Senator GRONNA. We went to the people right there in St. Paul and Minneapolis, and they said they were not advancing a dollar on cattle. The ninth Federal reserve district does not furnish any money to the producers of the country.

"I just want that to go in the record, that the country is not being supplied with money. The feeders and purchasers of cattle are not being furnished with money."

[From the CONGRESSIONAL RECORD of Oct. 14. Speech by Senator HEFLIN, delivered Oct. 12.]

Mr. Alexander Smith, of Atlanta, attorney for the assaulted banks, said:

"In view of the statement yesterday by the governor of the Federal Reserve Board, that these things were not being done with his knowledge and consent, I wish to introduce an original letter from Mr. E. P. Tyner, assistant cashier of the Federal Reserve Bank of Kansas City, dated December 3, 1919, containing this paragraph:

"'Our action in adding the entire State of Missouri to the par list was taken at the request and with the approval of the Federal Reserve Board at Washington,'" etc.

Moreover, it was testified by Mr. Clairborne, of the Whitney Central National Bank of New Orleans:

"You (Congress) then refused to create a central bank in Washington, but what you have to-day is really a central bank in Washington. They are attempting to make out of these local boards boards which must submit absolutely to what Washington says. Those boards are not permitted to act for themselves; they get their instructions and advice from Washington."

* * * It is even worse than that, for this man has not only overruled the Congress of the United States by forcing on the country a central bank in defiance of orders not to; he has not only set himself up as an arbiter of prices and by deliberate intent broken the markets and pursued a policy which Abraham Lincoln denounced aforetime as dishonest and criminal.

Gov. Harding must get out! No man against whose actions the Supreme Court has rendered a decision couched in language probably never before used before that august tribunal can remain at the head of our national banking system.

The Supreme Court of the United States has rendered a decision against certain acts of the Federal Reserve Board in language so strong that we doubt whether any decision ever uttered by that august body has been couched in words so vigorous.

[From Manufacturers' Record.]

The business of the country has been robbed to enrich the coffers of financial institutions over the protests of many far-seeing and honorable bankers. The profits that Gov. Harding has sought to explain can not be explained. They stand as an immutable evidence of the poverty of his financial direction.

The Federal reserve system financed the war; it could not finance the peace. So is the record written; so is it written in shame. Out of our vast resources flowed in endless streams the means to drive back the Hun. Then almost overnight Gov. Harding and his associates decided that the onslaught of approaching economic disaster should not be financed; that the reservoirs should be closed; and decided on a course of action that facilitated disaster. The law itself provided for extraordinary use of credit in case of just such a situation as the country faced, permitting a lowering of the necessary reserves. Gov. Harding refused to take advantage of that provision. He turned his back on it and faced the other way. What is a reserve for? To be used, of course, when need arises. That is just when Gov. Harding refused to use it. He hoarded the Nation's lifeblood and would not let it circulate.

Last summer, aware of the approaching disaster, John Skelton Williams, then Comptroller of the Currency, pointed out that $2,000,000,000 in additional credit could be extended without imperiling the reserve position.

And yet the Senator from Virginia blames me for criticizing and condemning the Federal Reserve Board governor whose deadly deflation policy has wrought so much financial disaster and business ruin in the country. The Senator from Virginia told us that cotton was 37 cents per pound in July, 1920, and 11 cents a pound in July, 1921. Now I want to tell the Senator that that was a loss of 26 cents per pound, or $130 a bale. This constituted a loss on one crop of 12,500,000 bales in 12 months of $1,625,000,000, and still the Senator defends the deflation policy of the Federal Reserve Board.

Mr. McLEAN. Mr. President, I realize that it is utterly impossible to discuss the real subject before the Senate within the time limit. I have no doubt that Senators have made up their minds with regard to the measure, as very few Senators are present this afternoon; but I shall endeavor to the best of my ability, in the few minutes I have, to bring to the attention of the Senate some of the reasons why I do not believe the proposed legislation will be of any benefit to the farmer, and in the brief time I have I want to discuss the proposed legislation as a friend of the farmer.

The Senator from Alabama [Mr. HEFLIN], who has just concluded, when he refers to me puts me in the bankers' column. He insists that I am a banker. This is an illustration of the happy-go-lucky way in which the Senator from Alabama arrives at his conclusions of fact. I am not a banker. I have never been a banker. I have never had any official connection whatever with a bank. I do not know that I ever went into a bank unless it was to get a check cashed, or to deposit one.

I thank the Senator from Nebraska [Mr. NORRIS] for his analysis of this legislation, as he is a true friend of the dirt farmer, and because I deem it to be very accurate and very complete. If he is right in his statement, and most certainly he is, that this legislation would be of no benefit whatever to the agricultural interests, it seems to me folly to write it into the statute books. I regret that the Senator from Nebraska intimated that he might not vote as he shoots; that notwithstanding the fact that the legislation would be of no benefit to the farmer he might vote for it as a protest.

If he listened to the masterly presentation of the operations of the Federal Reserve Board which has been given to the Senate by the Senator from Virginia, I can not understand how he can vote for it as a protest, because, it seems to me, that, if the Senator from Virginia is right, Congress ought to adopt resolutions thanking the Federal Reserve Board, because, in spite of the obstacles of the World War and the malicious attacks of its enemies, they have established the Federal reserve system upon foundations so sound that nothing but interference on the part of Congress can shake them.

But, Mr. President, time is flying, and, as I have said, I want to call the attention of Senators who represent the great agricultural interests of the West to my view of the effect of this legislation upon them.

It seems to me that we ought to look at it in a sane and sober light, and not increase the membership of the Federal Reserve Board unless an increase would accomplish something, because it must be conceded by all that a board of 8 members invites deadlock, and deadlocks would be most unfortunate in that high court of finance, and if 7 competent men are not capable of transacting the business which comes before that board, 17 will not be competent.

Mr. President, let us admit that the food producer is of first consequence, that he is hard hit and that Congress should do all in its power to help him. The only condition I would impose upon our effort is that it shall be intelligent. We all know the cause of the farmers' troubles. When the war came, the public treasuries of the world bid against each other for food. In the United States every back yard was converted into a garden and every field cultivated to its utmost. The farmers in the East, who had long been driven out of stock and grain production by their western competitors, began to raise wheat, corn, hogs, cattle, and sheep. They were told that it was a patriotic duty and they were told the truth. In the West, grain acreages increased rapidly and prices kept pace with the increase. We loaned our allies ten billions of dollars, a very large portion of which was spent in this country for food and other war supplies. In the years 1915, 1916, 1917, 1918, and 1919, our exported surplus was enormous, yet prices remained sky-high because of the abnormal demand founded in the fear of world starvation. Congress as late as May, 1920, was deluged with petitions for relief from high prices. The Senate instructed the Banking and Currency Committee to inquire into and report their cause. Men who are now damning the Federal reserve system for its failure to sustain prices were in 1920 insisting that the Federal Reserve Board was responsible for the extortionate prices that the American people were compelled to pay for food and shelter and clothing. The truth is, the war gassed us stay-at-homes with easy money and then shell shocked us with high prices, and the worst offender of all was the Government. The war ended as most wars do, and the country went into the hospital for the inflated, as all countries must that have contracted this disease, and the only known cure for inflation is deflation. The food producer got his dose

first, because food being the prime necessity always will be overproduced and hoarded in times of war. For illustration, let us take one of the principal food fats—lard. The hog being prolific by nature and lard being easily kept, it was the first important food product to take the inflation cure. Lard was a drug in the market a full year before wheat or cattle or corn felt the decline.

My recollection is that within a month after the war closed lard went to 19 cents a pound or less. It was not until late in the summer of 1920 that prices of other foods began to indicate the approach of a buyers' market. The cost of their production was heavy, and it was perfectly natural for the farmer to want to sell his produce at a profit. The farmer must save his capital if possible. Six months' paper secured by agricultural products was eligible for rediscount by Federal reserve banks, consequently member banks could take this paper and they did take it in very large totals. In some of the Western States 75 per cent of the loans in 1920 were made to farmers for the purpose of carrying their crops until they could be sold at a profit. But prices kept falling. We may say now that both banker and farmer should have realized the futility of attempting to prevent the inevitable, but that was too much to expect of human nature then. The farmer and everybody else hoped against hope that some miracle would interpose to prevent the lowering of prices below cost of production. The farmer had his bills to pay and his family to support. He must have capital for the coming season. It is easy now to see that if he had been compelled to sell his products early in the autumn of 1920 he would have been much better off, and that the six-months' agricultural paper which he thought would be his savior turned out to be an expensive luxury. The farmer found himself paying interest upon a debt secured by stuff that was constantly decreasing in value, and he wanted something done that would save him from insolvency. Practically he wanted help if help could be had. The first safe and sure thing lay in giving him reasonable protection against foreign competition, consequently the emergency tariffs were enacted. Then it occurred to him that there was a shortage of food in Europe and Congress should authorize the use of Government credit through the machinery of the War Finance Corporation in securing an orderly foreign market for his goods. This was done. An unsafe thing to do in normal times, but in a crisis chances must be taken, and they were taken.

The War Finance Corporation supplemented the banks, and almost unlimited credit was thus provided to assist in the orderly marketing of agricultural products. Still prices continued to fall, and the Secretary of Agriculture now tells us that the condition of the farmer has gone from bad to worse, until 25 per cent of the farmers are insolvent. So serious is the situation that the President has called another consultation of the agricultural specialists to see what can be done. If we are to render further intelligent assistance, we must bear in mind a lot of things. We must remember that farming, with all its hardships and drawbacks, is the profession which secures the largest degree of individual independence with the smallest amount of capital. If the farmer wants an hour or a day off he can get it and he is answerable to no one but himself. There is no profession that has within its daily routine so great a variety of healthful exercise for brain and body. Historically it is the most respected of all callings. From Abraham down the husbandman has been the pillar of state, the defender of law and order and justice. Moreover, the farmer and his family go hungry last. For these and many other reasons the profession has been crowded wherever land has been available, and it is perfectly natural that with our limitless and fertile acres competition should be active and at times destructive of profits. Since the introduction of modern farming implements we have produced in normal years much more than we could consume. We may lament that the number of farmers is decreasing, but we must remember that to-day one man with the aid of machinery can cultivate as many acres as three men could cultivate when I was a boy. These considerations must be taken into account by farmers as well as lawmakers. On the other hand, it is true that scientific and economical cooperation in the distribution and sale of foods has not kept pace with the increase in production. The farmer has faced not only a sellers' market at times but a market that has been manipulated to his disadvantage. Cooperative selling requires confidence in the cooperators. This is not easily attained where competition is active and the quality of the product varies. The individual farm hazard is great, depending upon the weather, freedom from blights and destructive pests.

The farmer's profit and loss account is subject to all manner of risks over which he has no control, and the man who shares this risk by lending him money expects and should receive a higher rate of interest than would be exacted on a safer loan. The lender of money is as human as the borrower and entitled to a square deal. The last thing any man wants to hear about himself is the whole truth. But the whole truth is the only thing that will help banker or farmer. The Senator from Kansas [Mr. CAPPER] tells us that the agricultural interests of the country are able to produce $22,000,000,000 worth of products in a year. He did not tell us what effect such production would have on prices. But never mind about that. I want to say to him that half that total sold at a profit of 10 per cent would in one year furnish all the capital needed to supply the farmers with all the credit they would need for legitimate purposes. Let me mention another thing that I am afraid is true: In 1919 the Senator from Iowa introduced a blue-sky law. The same gentlemen who are now in Washington representing the agricultural interests appeared before the Banking and Currency Committee in support of that law. They urged its enactment upon the ground that the farmers were investing their large profits in get-rich-quick schemes, mines without minerals, and oil wells without oil. My recollection is that some billions of dollars had gone into these Iowa things from the farmers' pockets in the years 1916, 1917, 1918, and 1919. Others were speculating in real estate. I do not like to "twit on facts," but we all know that periods of depression are due to periods of extravagance and speculation. The specialist in industrial diseases does not like to tell his patients this, especially if he is a Member of Congress. I mention it in passing because I want the farmers of America to take and hold the position they are entitled to; but if they do it, they must remember that economy and self-reliance are at the foundation of all moral and material advancement, and it will not do any harm to have this fact mentioned while we are searching for more popular but useless substitutes.

Of course, some men lose their health without fault of their own, some men lose their savings without fault of their own, but as the world runs, speculation and extravagance are at the bottom of hard times just as thrift and willing service are at the bottom of good times. We must expect that good and bad times will follow each other with the regularity of the seasons, and they will continue to follow each other as long as seasons come and go. Bad times are quite as normal as good times, and more so with the farmer, and this ought not to be. When times have been especially good for a period they will be especially bad for a period. During and after every great war we have mad times as well as bad. One thing that human nature can not endure and will not have is monotony. The only normal thing in this world is constant change. Rising and falling prices write the romance and tragedy of trade. Rising prices please the seller, falling prices please the buyer. Inflation brings joy to the debtor, deflation to the creditor, and each will have his day in spite of kings or Congress. Congress has lent a willing ear to the farmer in the present crisis. We have raised the tariff for the farmer. I voted for it, insisting at the time that the benefits of protection if limited to a class would result in little or no benefit to that class. No doubt it has saved the sheep and cattle men from utter ruin, but that is not enough. The farmer must remember that the American eagle can not fly with one wing. The billions of dollars worth of produce raised by the 6,000,000 farmers of the country must be sold to those who produce other things, and unless the products of others can be sold at a profit the farmer will find himself without a market. If the farmers had been wisely led, they would have insisted upon reasonable protection for their best and major customer, the American consumer of food. We revived the War Finance Corporation for the purpose of enabling the farmers to market their surplus in an orderly manner. This bill passed the Senate without a roll call, yet the friends of the farmer did not agree as to its effect. The Senator from Alabama [Mr. HEFLIN], who claims to be a leading specialist in the cure of agrarian ailments, insisted that the bill was a delusion and a snare, and that it stabbed the farmer in the back. Other Senators, equally proficient in the art of restoring lost credit, agreed with him. I do not think this measure stabbed the farmer in the back. It is my opinion that it did not stab him much of anywhere. If used to peg prices it will defeat its own purposes and bring wide disaster. As a temporary measure, used in a crisis like the present to enable the farmer to sell his surplus abroad, it is defensible and will be a benefit. In other words, its justification will entirely depend upon its administration.

Mr. President, it is now 3 o'clock.

The VICE PRESIDENT. The Senator has until 5 minutes past 3.

Mr. McLEAN. I note in the publications issued by organized labor that the credit of the Government has been used by the

War Finance Corporation for the benefit of the Sugar Trust and other predatory interests and Samuel Gompers insists that it might better be used for the maintenance of a living wage for the mechanics of the country. This view of the operation of the bill simply indicates what is bound to happen when the Government plays favorites with the public purse. Other minor remedies have been crystallized into law in the interest of the suffering farmer, but put them all together and we find the patient no better according to the testimony of his friends. What the farmer ought to have is credit where it is wisely required at a rate of interest fairly commensurate with the risk. With this in view Congress created the Federal land bank system, whereby a farmer can borrow $10,000, pledging his land as security, the money to be used in stocking his farm and raising at least one crop. But this in the opinion of those who represent the farmers here in Washington is not doing enough. We must lend the farmer $25,000 to begin with, procured in the first instance by Government instrumentalities in the shape of 5 per cent nontaxable bonds, then we must lend him such additional sums as he may need for such periods as he may desire and take his live stock and other farm products as security. Why not? Similia similibus curantur. The way to secure riches and happiness for the farmer is to get him into debt to the extent of $10,000, then make it $25,000 on his real estate, then when this is gone lend him as much as he may need to raise and market his crop. This cure will work first-rate provided the farmer who takes it dies a bachelor and without dependents before his first note becomes due and the lender of the money enjoys losing it. It has all the merits of the methods of Messrs. Ponzi and Wallingford.

I supported the Federal farm loan act because I know that farmers may wisely borrow at times, and I believe that they should be accommodated at reasonable rates. The young man just starting out, if he is made of the right stuff and has no capital, is justified in borrowing enough for a modest start. The man who has met with misfortune and must have temporary assistance should have it without extortion. But for the Government of the United States to invite multiplicity of encumbrances of the magnitude and kind urged by some of the gentlemen who represent the agricultural interests can not be approved by any real friend of the farmer. The small farmer finds competition fierce enough under existing conditions. If we raise the loan privilege to $25,000 on land and as much more as may be required on personal property, and by this method invite a large increase in the annual production of food, it will not help the farmers now in the business who find themselves faced with an unmarketable surplus. I am a firm believer in cooperative rural credits, and it may be that Congress can wisely help along this line. I mean crop and cattle raising credits extending for a year or more. But these credits should not be given the rediscount privilege. The Federal reserve banks should be kept clear of long-time chattel mortgages. Moreover, these mortgages can best be handled by cooperative credit unions in the States. State legislatures are close to conditions and the necessities of each section. The centralization of all authority in Washington is devitalizing to the States and demoralizing to the citizen. It is bound to play favorites and incur unnecessary expense and delay. It is absurd to say that an industry that can add twenty-two billions a year to the capital of the country can not furnish the few millions necessary to sustain the required agricultural credits in the great States of the West. Again, one remedy that will help the farmer more than any other will be found in cooperative marketing. The Senator from Kansas [Mr. CAPPER] is entirely right in urging this cure, and Congress should remove all obstacles that stand in the way of the sale and distribution of food products without waste and in a manner that will prevent ruinous competition.

I am opposed to monopoly and I am just as vigorously opposed to ruinous competition in labor or in the sale of the products of labor. Any effort that will put a fair share of the money which the consumer pays for his food into the pockets of the producer should be encouraged by Congress. But the farmer, in the experience he will have along this line if his experiments meet with success, will learn that the least the Federal Government has to do with his business the better off he will be. When the farmers of the country learn the lesson of legitimate cooperative marketing, learn to rely upon themselves in an honest endeavor to prevent the glutting of markets and the extortion of the speculators, they will spew the nipple of paternalism out of their mouths and tell Congress to keep out of their sunshine. First of all they will learn that low rates of interest accompany low prices. They will learn that when you undertake to fix the price of credits by law you will fix the price of everything upon which credits are based. Ex-Senator BURTON, one of the ablest men in the country, now a Member of the House, recently published a book entitled "Crises and Depressions." I wish every Member of this body could read it, and especially the chapter which deals with prices of goods and their effect upon interest rates. Throughout history high interests and high prices for goods and low interest rates and low prices have come and gone together in lock step. Any intelligent student of the subject must see that nothing else is possible.

When the junior Senator from Alabama and the senior Senator from South Carolina secure low interest rates by act of Congress they will have low prices for their cotton whether they want them or not. When cotton went to 40 cents a pound the discount rate was at its highest, and if cotton ever reaches 40 cents a pound again the discount rate again will be high.

Mr. President, if Congress had the power to accomplish the ultimate object sought in this bill and the proposed amendments, the cotton grower in the South would be the first to suffer. No bank in the Federal reserve system would remain there any longer than would be necessary for it to get out. The credit merchants of the country are as completely the slaves to the law of supply and demand as any other class of merchants. The competition among the banks is fierce and constant. Any arbitrary regulation of the interest rate below its market value would destroy the credit structure of the Nation. The bank would have to quit just as cotton growers would have to quit if Congress should arbitrarily fix the price of cotton below its cost. Other cures for the diseases now affecting the agricultural interests have been suggested by Members of this body, indicating a mastery of the subject quite equal to that displayed by the junior Senator from Alabama. I have not the time to read these bills, but their object is to bring prosperity to the farmer by increasing the quantity and cheapness of money to meet the need of the farmers. Start the printing presses, and start the men for State prison who decline to swap double eagles for pieces of paper 7 inches long by 3 inches wide. Why not? What is the use of paying interest to the bankers? What is the use of paying interest to anybody? Money making is a governmental function, in the opinion of the authors of these bills. Why not make it, and make folks take it in exchange for goods and labor just as they have done in Russia, and when we find ourselves starving to death perhaps Russia will send us bread enough to save the children—the adults will not be worth saving. Mr. President, printing a promise to pay dollars on green paper does not add to the wealth of the world. The Senator from South Carolina wants lower rates of interest for the farmer on the long-time accommodations which he must have. These rates are to be secured by putting a farmer on the Federal Reserve Board. The Senator from South Carolina is always frank. He wants a farmer on the board to act as the representative of the agricultural interests. In other words, he wants a man on the supreme court of finance who is prejudiced in favor of a certain class, and he wants him because he will exercise his authority in obedience to that prejudice. In the first place, the Federal Reserve Board can not and should not have control over interest rates charged the farmer by member banks. But never mind such inconsequential objections. If a farmer is to be put on the supreme court of finance, which class of farmers will pick the man? This is an important consideration. There are as many classes of farmers as there are trades, and their interests clash and are wide apart.

The cotton grower wants high prices for cotton and low prices for wheat. The wheat grower wants high prices for wheat and low prices for cotton. The cattle raiser wants low prices for grain and cotton and high prices for meat. The sugar producer wants high prices for sugar and low prices for grain and meat and cotton. The dairy man wants high prices for milk, butter, and cheese and low prices for cotton and sugar and grain. The orchard man wants high prices for fruit and low prices for sugar and meat and grain and cotton. Which interest, which class will the President recognize? And what will the other classes do when they find themselves hoist by their own petard? Mr. President, I could spend hours arguing the utter folly of this proposal of the Senator from South Carolina, and I could spend hours depicting the danger of class legislation in general, but I can not believe that it is necessary. Because of the enormous increase in the industrial activities of the Nation, their ever growing complexity, and the attendant temptation of one class to take advantage of another, Congress has created 50 or more bureaus, commissions, and boards, and has vested them with power to secure, if possible, equality under the law. The sole excuse for these organizations has been the hope of America that they would aid in preserving and

perpetuating the general welfare of the American people. Members of these boards may enter any counting room and market place in this broad land for the purpose of securing information which will enable the Executive to punish monopoly, unfair competition, adulteration, and so forth. I repeat, these boards and commissions and bureaus have been created and multiplied to the end that equal rights may be enjoyed by all and special privileges by none. If our bureaumaniacs had any other purpose in piling up this mountain of officialdom, they have not disclosed it up to date. But we are told that the time has now arrived to tear down the temple of democracy and stick up a tent in its place, a tent as full of holes as a skimmer, and under which the farmer will be the first to get wet. You can not make me believe that the American farmer once he understands the purpose of this legislation will fail to grasp the serious mistake he is making. The junior Senator from Kansas does not agree with me apparently. He wants a farmer on the Federal Reserve Board in order that the demand of the National Farm Bureau for long-time loans may be realized.

Mr. President, I have already pointed out the reasons why this can not be done without destroying the Federal reserve system. As everyone knows, this system was created for the purpose of providing an elastic currency. A currency that will contract as well as expand must be based on short-time, self-liquidating, solvent paper. All the authorities will tell you, all experience has taught, that an asset currency to be safe must be based upon paper representing goods sold to be paid for on a day certain. A system so based will always furnish a full supply of currency to meet the legitimate needs of trade. The reserves of the national banks mobilized in the 12 banks of the Federal reserve system would be exhausted at the very time they were most needed if they were used as the basis for long-time loans based on growing crops, or cattle, or other goods in process of manufacture, unsold and with no assurance as to market or value. The slightest depression in prices or any uncertainty as to future markets would seriously disturb the whole credit fabric, and currency based on such security must expand until irredeemable and worthless, or forced liquidation must be resorted to at the very time when it will do the most damage. Russia is worth untold billions in potential wealth, yet Russia's promises to pay based upon the entire wealth of the nation, present and prospective, is worthless to-day. We can not avoid a similar fate if we follow a similar course, and why should the farmers' crops and stock be the first to be sacrificed in times of stringency? These long-time loans may be made by banks or by credit organizations created for that purpose. To use such loans as a basis for currency, as a basis for promises to pay gold dollars on demand, is absurd, and it will first destroy the man whose property must first respond. That is precisely what happened in 1921. I repeat, it was the six months farmers' paper based not upon products sold but upon products unsold and for which there was no market that stayed liquidation beyond the safety point. Surely the farmers do not want to repeat that experience. The farmer wants accommodations for a year or two years or three years perhaps. The man who wants to borrow money for a year must borrow that money from some one who has money to lend for a year. If the commercial banks have not sufficient funds for this purpose without sending the paper representing these loans to the Federal reserve banks to be used as a basis for currency, if additional machinery must be established by Congress, let us act intelligently and establish an independent system of rural credits that will help the farmer instead of making him the first victim whenever the market shifts from the seller to the buyer. And, finally, let me say that the fundamental fault of these schemes advocated by farmers is that they take into consideration the needs, deserts, and feelings of the borrower only.

If we can agree that lending money would be impossible until somebody has first saved it, if we can bear in mind that bankers can not create capital and can not lend it until somebody has created it and saved it and has left it with them for safe-keeping, we shall be in a state of mind to legislate wisely with regard to this all-important subject and not otherwise. The banker has troubles enough to keep his ledger ready for the qualified examiners under the most favorable conditions. He knows what it will mean to him and his depositors and his community should he let his sympathies run away with his judgment and his bank become insolvent. Surely the man who economizes and scrimps and saves money and puts it in a bank for safe-keeping against a rainy day is entitled to as much consideration by the banker as the man who comes into the bank to borrow that money. The hard-working farmer or merchant or mechanic or clerk or anybody else who by self-denial and good judgment saves money feels as bad when he loses it as does the man who loses it for him, and in my opinion he is entitled to be heard when Congress proposes to load the dice against him. It is for this reason that I have felt it to be my duty to tell both sides of the story.

The Federal reserve system may have its weak spots. In my opinion it would have been more efficient and less expensive with fewer banks. Five banks would have been much more efficient than 12. I think the members of the Federal Reserve Board should be entirely free from executive control or influence. We have the greatest respect for our Secretaries of the Treasury, past and present. We have every reason to expect that no Secretary of the Treasury in the future will unduly use his power as chairman of the Federal Reserve Board to further the interests of class or party, but, Mr. President, this high court of finance, the highest in the world, should be delivered from possible temptations of that sort. The Bank of England has endured for more than two centuries and grown in strength with the passing years largely because it has been absolutely independent of all governmental interference with its legitimate functions.

The members of the Federal Reserve Board should be chosen because of their commanding integrity and unquestioned fitness for the duties which they must perform. The President, under the law as it now reads, can constitute the board entirely of farmers if he chooses. There is no reason why he should not do this if his selections are qualified to interpret and administer the Federal reserve act, but whoever is chosen for this responsible position, be he farmer, banker, merchant, manufacturer, or economist, should be chosen because he is honest enough and knows enough to administer the law impartially, and for no other reason. Of the 30,000 banks in the country less than one-third have joined the Federal reserve system. I am informed banks that have joined are getting out. I am told that the primary reason why so many banks are unattracted by the Federal reserve system is the well-founded fear of congressional meddling. Every bank in the country ought to belong to the Federal reserve system. That was the hope of its founders, but Congress can not compel the outside banks to come in or keep the member banks from going out. Certainly no bank will join the system or remain in the system unless you leave with it absolute freedom of contract with its customers, and no bank will remain in the system or come in if it is to be subjected to constant pressure by officials who with the best of motives urge or advise unsafe and unsound banking practices. As I remarked the other day, there is no governmental function where grave errors can be more easily made or less easily remedied than in the attempt to provide money for everybody whenever he thinks he needs it. The members of the Federal Reserve Board have been subjected to constant and severe criticisms for a year or more, and it is my candid opinion that the members of the board deserve great praise for their forbearance. Being human, they have probably made mistakes, but their record as a whole is a remarkably good one. The wonder is that with all the obstacles that have been put in its path by the Great War and the persistent attacks of its critics, the Federal Reserve Board has not only saved the new banking and currency system from its misinformed but very active enemies but has established it upon foundations which only Congress can disturb. I hope Congress will now and in the future strengthen these foundations and not destroy them, and it is for this reason that I ask the Senate at this time to refrain from enacting laws which are condemned by the Federal Reserve Board and its advisory council and by every impartial student of the subject. In any event, as chairman of the Committee on Banking and Currency I feel it to be my duty to urge caution in the consideration of legislation affecting the banking and currency system of the country and place the responsibility for hasty and ill-advised and dangerous legislation where it can be identified, to say the least.

The VICE PRESIDENT. The Senator's time has expired. The question is on the amendment offered by the Senator from Georgia [Mr. HARRIS] to the committee amendment.

Mr. NORRIS. Let us have it reported.

The VICE PRESIDENT. The Secretary will read the amendment proposed by the Senator from Georgia to the amendment of the committee.

The READING CLERK. Add at the end of the committee amendment:

> The Federal Reserve Board shall have no authority hereafter to enter into any contract or contracts for the erection of any building of any kind or character, or to authorize the erection of any building, without the consent of Congress having previously been given therefor in express terms.

Mr. NORRIS. Mr. President, I wish to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Is the amendment offered to the committee amendment or to the substitute proposed by the Senator from South Carolina?

The VICE PRESIDENT. It is offered to the committee amendment.

Mr. NORRIS. My parliamentary inquiry is this: Could not the Senator from Georgia withdraw his amendment and wait until the Senate had determined as between the committee amendment and the substitute that is going to be offered, I understand, and then offer his amendment after the committee amendment has been perfected? In other words, if his amendment is offered now to the committee amendment and the committee amendment is stricken out by the substitute, his amendment, of course, would go with the committee amendment.

Mr. MYERS. Mr. President, I would like to suggest at this time that I believe the more usual and better method is first to perfect the committee amendment as a majority of the Senate may want to have it perfected and then vote as between it and the substitute.

Mr. NORRIS. I understand that is what we are probably doing, but my question is, would it not be in order to offer the same amendment after we have voted as between those two?

The VICE PRESIDENT. The Chair understands that it would be in order.

Mr. HARRIS. I have no objection to voting on the amendment of the Senator from Minnesota, provided I can have a vote on my amendment afterwards.

Mr. KELLOGG. I understand the Senator from Georgia is willing to accept this modification of his amendment:

Provided, That nothing herein shall apply to any building now under construction.

Mr. HARRIS. I am perfectly willing to accept that.

Mr. NORRIS. I would like to suggest to the Senator that he withdraw his amendment temporarily until we can determine as between the other amendments what is going to be adopted.

Mr. HARRIS. I am willing to withdraw it.

The VICE PRESIDENT. The amendment of the Senator from Georgia is modified in accordance with the suggestion of the Senator from Minnesota, and, as modified, it is withdrawn by the Senator from Georgia.

Mr. KELLOGG. I ask leave to correct the original amendment. There was a mistake in the printing. As originally introduced it was correct. On page 4, line 8, change the word "five" to "six." I ask that it be corrected.

The VICE PRESIDENT. The amendment will be so corrected.

Mr. MYERS. Mr. President, with a view to perfecting the committee amendment before we shall vote on a choice between it and the substitute offered by the Senator from Minnesota [Mr. KELLOGG], I move that the committee amendment, the bill as reported out of the committee and recommended by the committee, be amended by striking out of line 3, on page 3, the word "different," and further by inserting between the words "commercial" and "industrial," in line 3, on page page 3, the word "and"; and further by striking out of line 4, on page 3, the word "and," and inserting in lieu thereof the words "interests and of the," so that particular clause would read:

In selecting the five appointive members of the Federal Reserve Board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the agricultural, commercial, and industrial interests and of the geographical divisions of the country.

That would add the word "agricultural" to the words "commercial and industrial" already in the Federal reserve act, and would make it plain that the agricultural, commercial, and industrial interests are each and all to be represented in the composition of the Federal Reserve Board. The way the bill now reads, as amended and reported by the committee, is simply that the different agricultural, commercial, industrial, and geographical divisions of the country shall be recognized. It seems to relate merely to geographical location and not to those interests. The amendment I propose is intended to make it plain that not only are commercial, industrial, and agricultural interests to be recognized, but as well the geographical divisions of the country.

If the committee amendment should be amended in that way, it would certainly result in agricultural representation on the Federal Reserve Board, as well as commercial and industrial representation, and I believe would answer the purpose better and would be better and fairer than the substitute offered by the Senator from Minnesota [Mr. KELLOGG], because it would save adding another member to the board. I believe agriculture should be represented on the Federal Reserve Board, as well as commerce and industry, both of which are now provided for by the present law. Agriculture has just as much right to representation as commerce and industry. It is just as important. However, I can see no reason for increasing the membership of the board. It is unnecessary and inadvisable. Therefore, if this amendment to the committee bill now offered by me be adopted, as I hope it may be, I shall then vote for the committee bill in preference to the substitute offered by the Senator from Minnesota.

Mr. CALDER obtained the floor.

Mr. HARRIS. Mr. President, will the Senator yield to me?

Mr. CALDER. Certainly.

Mr. HARRIS. We are discussing some very important matters at this time. Will the Senator allow me to suggest the absence of a quorum?

Mr. CALDER. I trust the Senator will not insist upon the point of no quorum. It would take up 10 or 15 minutes time and we only have until 4 o'clock to discuss the pending bill.

Mr. President, I wish to congratulate the country and the Senate upon the splendid address of the Senator from Virginia [Mr. GLASS], who has given an exposition of the operations of the Federal Reserve Board and of the Federal reserve system that the country needed and which has been most informing, I am sure, to the Members of this body. I know that I can say nothing to add to what he has stated and what the chairman of the Committee on Banking and Currency [Mr. MCLEAN] has said. They made it clear that this institution has done a wonderful service to the country, particularly during the war, and that it was one of the things that did most to make it possible for us to go through the war without serious financial difficulty.

In the few moments which I have at my disposal I wish to ask permission to insert in the RECORD two articles from the Wall Street Journal, one dated December 29 and one January 10. In the one of December 29 reference is made to a statement made by the junior Senator from Alabama [Mr. HEFLIN] concerning the president of the American Cotton Association, Hon. J. S. Wannamaker. He stated that the Wall Street Journal had maligned Mr. Wannamaker, which the paper goes on to prove is not true. Then in the editorial of January 10 it quotes from a letter of Mr. Wannamaker, denying the fact that the Wall Street Journal had commented improperly upon him.

There being no objection, the articles referred to were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Dec. 29, 1921.]

REFERRED TO THE JOURNAL OF COMMERCE.

Once again the Wall Street Journal has been brought to trial. This time the prosecuting attorney was the honorable Mr. HEFLIN, Senator from Alabama, and the forum was the floor of the United States Senate.

Mr. HEFLIN was laboring to convince the Senate that the Federal Reserve Board should have a farmer in its membership, presumably to instruct the others in banking. To prove his contention he launched into an attack upon the Wall Street Journal. The substance of his charge was that—

"Not long ago the Wall Street Journal leveled a very bitter criticism against the president of the American Cotton Association, Hon. J. S. Wannamaker, an honored citizen of South Carolina, a great American patriot, and a man of unimpeachable integrity. The Wall Street Journal charges that he carried on a propaganda for the purpose of deceiving the public and deceiving the Agricultural Department as to the statistical position of cotton and as to the acreage to be planted in cotton for the year 1921. I denounce the attack as unwarranted and the article as untrue."

This last sentence sounds like the challenge of the king at arms, at an English coronation—and means as much. Then again:

"Let me call the attention of Senators to an article appearing in the Wall Street Journal. It reads: 'The Journal of Commerce received frequent press dispatches from him (referring to Mr. Wannamaker), usually filed as press matter and offered prepaid. So long as they seemed rational and trustworthy they were used, generally with some condensation, but long ago their tone became so abusive of reputable textile leaders who disagreed with him, and his assertions were so palpably biased and absurd that further dispatches were refused and he was forced to turn to other papers less discriminating in their columns.'"

Of course, such a criticism of Mr. Wannamaker by the Wall Street Journal is sufficient to convince anyone that the financial system of this country is not safe until a farmer—reversing the example of Cincinnatus—leaves his plow and assumes direction of the banking business of the richest country on earth. The prosecutor is so convinced of this that nine times he specifically names the Wall Street Journal as the criminal who would return Wall Street "to the time when it can control the money supply and credits of 100,000,000 people."

But the defendant pleads "not guilty." It objects to the admission of this evidence as incompetent and irrelevant. It invokes the rule of law that secondary evidence can not be given, and that when evidence from a document is to be given the paper itself must be produced. The Wall Street Journal is on file in the Congressional Library and is accessible to the prosecutor. Let him produce his evidence, if he can. The Wall Street Journal never published one line or one word of the stuff here charged and "quoted."

There is an old rule of evidence which says, "False in one, false in everything." The Senator made serious charges against the Federal reserve. Do they, too, stand on the same foundation?

Mr. CALDER. In view of the editorial of December 29, the following from the same publication of January 10 is very interesting:

[From the Wall Street Journal, Jan. 10, 1922.]

BUT SUPPOSE THE SENATOR APOLOGIZES?

Here are some paragraphs from a letter written by President J. S. Wannamaker, of the American Cotton Association:

"I have been advised that in a recent speech delivered by Senator HEFLIN, of Alabama, in the United States Senate, he took occasion to attack the Wall Street Journal for articles and editorial which appeared in the Journal of Commerce on December 6.

"I very deeply regret that Senator HEFLIN should have made this unfortunate error in his address. We look upon the Wall Street Journal as a strong and forceful friend of the cotton-growing interests and read the various issues of your paper with deep interest and commendation. * * *

"We beg to assure you of our full indorsement of the policy of the Wall Street Journal and again wish to express our deepest regret that Senator HEFLIN should have made the error of naming the Wall Street Journal in his speech when he should have specifically referred to the New York Journal of Commerce."

This is excellent so far as it goes, but the apology should come from Senator HEFLIN. He knows that the Journal of Commerce is published in New York, but there is another daily of the same name, reputation, and standing published in Chicago. The name of the paper, therefore, would not convey to his rural readers the offensive "Wall Street" connotation. How simple, therefore, to ascribe the quotations to which he objected to the Wall Street Journal, and so kill two birds with one stone. The device is not new.

When any decent newspaper does an injustice to a citizen, whether a Senator or a shoeblack, it gives him honorable amend, with a publicity equal to the original injury. But southern chivalry, as personified in Senator HEFLIN, does not apparently extend to correcting his false imputation upon the Wall Street Journal on the floor of the United States Senate, where the utterly unjustifiable attack was made.

Mr. Wannamaker must see that his apology does not cover the needs of the case. Senator HEFLIN'S speech was largely a defense of Mr. Wannamaker and the American Cotton Association. The influence of that institution and its president, therefore, should be directed to bringing to Senator HEFLIN a sense of manliness, as they are understood by gentlemen, not merely in the South but anywhere.

Mr. CALDER. Mr. President, I wish also to have printed in the RECORD a statement issued by the War Finance Corporation on January 6 indicating the loans they had advanced to cooperative associations, to banking and financial institutions, and to exporters.

These sums during the calendar year 1921 totaled $196,000,000. Of that sum, Mr. President, only $300,000, or less than one-half of 1 per cent, was loaned to individuals or banks in the State of New York. The great State which last year paid more taxes than 30 other States put together took advantage of this institution only to the extent of one-half of 1 per cent. The figures are very illuminating and indicate that through the War Finance Corporation vast sums of the people's money were loaned to the agricultural interests of the country. It is worthy of note, Mr. President, that the managing director of this corporation is Mr. Eugene Meyer, jr., a resident of New York and Wall Street banker. While the farmers of New York State have not taken advantage of the opportunities offered by the War Finance Corporation, I want to go on record as commending its work. I urged its revival and believe it has justified the confidence I had in it.

The VICE PRESIDENT. Without objection, the document referred to by the Senator from New York will be printed in the RECORD.

The document referred to is as follows:

[Statement for the press.]

WAR FINANCE CORPORATION,
January 6, 1922.

Eugene Meyer, jr., managing director of the War Finance Corporation, to-day made public the following statement regarding the advances approved by the corporation from January 4, 1921, when it resumed operations, to December 31, 1921, inclusive:

1. *Advances to assist in financing exports under sections 21, 22, and 24 (par. 2), approved from Jan. 4, 1921, to Dec. 31, 1921, inclusive.*[1]

Commodity:	Amount.
Grain	$6,172,166.35
Tobacco	3,591,369.77
Cotton	33,422,373.21
Canned fruits	400,000.00
Meat products	1,000,000.00
Condensed milk	1,000,000.00
Textile products	250,000.00
Sheet steel	180,000.00
Copper	145,600.00
Sugar-mill machinery	359,866.36
Agricultural machinery	500,000.00
Railroad equipment	2,925,000.00
Lumber	1,000,000.00
Total	[2]50,946,375.69

[1] Section 21 was added to the original War Finance Corporation act by the act of March 3, 1919, and sections 22 and 24 by the agricultural credits act of August 24, 1921.

[2] Does not include advances aggregating $26,425,460.44 originally applied for and approved under section 21 for export purposes, and subsequently withdrawn by the applicants and resubmitted and approved as advances for agricultural purposes under section 24. Of the total amount $38,269,905.92 represents advances approved subsequent to August 24, 1921.

2. *Advances to banking and financing institutions and cooperative associations for "agricultural and live-stock purposes" under section 24 (par. 1), approved from Aug. 24, 1921, to Dec. 31, 1921, inclusive.*[3]

(a)	By commodities:	
	Cotton	$23,154,200.52
	Grain	20,327,833.65
	Live stock	31,740,630.72
	Sugar beets	8,104,000.00
	Rice	2,250,000.00
	Canned fruits	300,000.00
	Dried fruits	1,250,000.00
	Peanuts	1,097,700.00
	General agricultural purposes	56,857,674.78
	Total	[4]145,082,039.67
(b)	By States:	
	Arizona	2,739,500.00
	Arkansas	1,050,000.00
	California	3,863,348.59
	Colorado	3,517,736.85
	Florida	163,000.00
	Georgia	3,190,500.00
	Idaho	721,975.00
	Illinois	2,477,000.00
	Indiana	290,000.00
	Iowa	15,029,341.95
	Kansas	2,621,146.02
	Kentucky	216,388.56
	Louisiana	1,399,399.77
	Minnesota	18,527,463.80
	Mississippi	417,838.19
	Missouri	5,408,586.64
	Montana	3,703,352.50
	Nebraska	5,048,724.38
	Nevada	248,000.00
	New Mexico	2,015,259.50
	New York	300,000.00
	North Carolina	2,725,000.00
	North Dakota	6,160,656.16
	Ohio	345,000.00
	Oklahoma	6,386,644.27
	Oregon	1,910,916.76
	South Carolina	4,523,073.00
	South Dakota	7,109,099.50
	Tennessee	5,060,069.29
	Texas	16,759,450.87
	Utah	7,919,975.00
	Virginia	2,637,700.00
	Washington	5,459,333.65
	Wisconsin	1,856,500.00
	Wyoming	3,280,068.42
	Total	[4]145,082,039.67

3. *Summary of advances for export and agricultural purposes under sections 21, 22, and 24, approved from Jan. 4, 1921, to Dec. 31, 1921, inclusive.*

To cooperative associations	$53,400,000.00
To banking and financing institutions	133,928,806.47
To exporters	8,699,608.89
Total	196,028,415.36

Mr. CALDER. I wish now to call attention of the junior Senator from North Carolina [Mr. OVERMAN] to a letter which that Senator read into the RECORD recently. It was a very interesting document, written by Mr. John Skelton Williams, and having to do with a criticism of the Federal reserve bank at New York. In that letter Mr. Williams quoted Scripture. The quotation was taken from an interview which apparently occurred between the Queen of Sheba and King Solomon. The quotation given by Mr. Williams is from First Book of Kings, tenth chapter, sixth and seventh verses, and reads, according to his revised version:

It was a true report that I heard in mine own land of thy acts. * * * Howbeit I believed not the words, until I came and mine eyes had seen it; and, behold, the half was not told me!

I am sure that the junior Senator from North Carolina, who is himself a great Bible student, would never have even brought the attention of the Senate to this matter if he had not had it called directly to his attention. As quoted by the Senator from North Carolina the sixth verse reads:

And she said to the king, It was a true report that I heard in mine own land of thy acts.

The two verses as they actually appear in Chapter X, First Book of Kings, are as follows:

6. And she said to the king, It was a true report that I heard in mine own land of thy acts and of thy wisdom.

7. Howbeit, I believed not the words; until I came, and mine eyes had seen it; and, behold, the half was not told me.

Then this was left out—

thy wisdom and prosperity exceedeth the fame which I heard.

Mr. Williams has a remarkable faculty for supporting his arguments by the use of half truths, or 10 per cent truths, and

[3] Section 24 was added to the original War Finance Corporation act by the agricultural credits act of August 24, 1921.

[4] Includes advances aggregating $26,425,460.44 originally applied for and approved under section 21 for export purposes and subsequently withdrawn by the applicants and resubmitted and approved as advances for agricultural purposes under section 24.

he does not hesitate to suppress all facts and figures which would tend to disprove his statements. He uses only those which suit his immediate purpose. It seems that even when he quotes from the Bible he does not hesitate to expunge words from the text in order to suit himself. In order to draw a parallel between the alleged extravagance and magnificence of the Federal Reserve Bank of New York with that of Solomon, he undertakes to change the meaning of the verses quoted by leaving out the portion which refers to the wisdom of Solomon. He is, of course, unwilling to concede that there has been any wisdom or judgment whatever in the administration of the Federal reserve system.

It may be interesting to quote a part of Chapter X which precedes the two verses above quoted:

1. And when the Queen of Sheba heard of the fame of Solomon concerning the name of the Lord, she came to prove him with hard questions.
3. And Solomon told her all her questions; there was not anything hid from the king, which he told her not.
4. And when the Queen of Sheba had seen all Solomon's wisdom, and the house that he had built—

Then she uttered the words which appear in verses 6 and 7.

Senators who have seen the building which the Federal Reserve Bank of New York is constructing for the adequate accommodation of nearly 3,000 employees who conduct its routine operations and for the custody of its enormous amounts of cash and securities are in a psition to determine whether the construction of such a building is an act of folly and extravagance or whether the directors are wise in providing not only for immediate needs but allowing a margin for future expansion.

It is rather extraordinary to attempt to support a statement by making a distorted quotation from the Bible. In some cases such a practice would lead to startling results. For instance, how would the Ten Commandments sound if they should be quoted with the word "not" omitted in every case?

The VICE PRESIDENT. The Senator's time has expired.

Mr. OVERMAN. Mr. President, the point in the Biblical quotation to which the Senator has referred is, "The half has not been told." That is the point, but the Senator from New York has not seen it. The half was not told until I obtained from the Federal Reserve Board itself and read here a report showing actually what the building referred to is to cost. Notwithstanding the fact that Congress has turned over to the Federal Reserve Board every subtreasury building, they propose to construct buildings involving vast expenditures, when the Government has been getting along with these subtreasury buildings for 50 years. However, the Senator from New York has not seen the point in the statement. Whether or not the quotation was entirely accurate, the half had not been told, and it was not told until a report in writing was made here by the board itself, a copy of which I have in my desk.

Mr. CALDER. Will the Senator permit me to reply in his time?

Mr. OVERMAN. Yes.

Mr. CALDER. The half was not told. The country nor the Senate did not know of the splendid workings of this fine system. The Senator's inquiry, the Senator's statement, and the reading of the letter of Mr. Williams brought forth the information. We have had it to-day from his friend and my friend, the Senator from Virginia [Mr. GLASS], and the Senator from Connecticut [Mr. MCLEAN].

Mr. OVERMAN. The report shows that this building was to cost over $19,000,000, though the Federal Reserve Board had under its control all of the subtreasury buildings which the Government could give them, and in which the business of the Government has been conducted for 50 years.

Mr. KELLOGG. I offer an amendment as a substitute for the committee amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Montana [Mr. MYERS]. The amendment proposed by the Senator from Minnesota may be received at a subsequent time.

Mr. EDGE. Mr. President, before the vote is taken I merely wish to say the brief word that is permitted within the space of five minutes. Of course, there is but one object intended by the proposed substitute, and that is to provide that the farming interests shall have a representative on the board. That is admitted, I believe, by the sponsors of the bill. In order to accomplish that, the membership of the board is to be increased by one additional member, at a cost of $12,000 per year, and I presume it is the understanding that a farmer will be named to fill the place so created.

While I concede very readily that the bill in its present form is a great improvement over the mandatory feature as presented in the former amendments, still my objection to the bill is that in effect—and, in my judgment, this can not be questioned—it constitutes a step in the direction of that type of class legislation which seeks to have classes represented on important Federal boards. In my judgment, such an innovation or policy in the final analysis can not be for the best interests of the country. I do not care how many farmers are on various boards, but their selection should be through merit and not compulsory.

I think the Senator from Nebraska [Mr. NORRIS] was entirely correct in his criticism, although it may have been reached from a different premise, as to what possibly would be the actual result if this bill should become a law and a farmer should be named as a member of the Federal Reserve Board. What the farmers want, in my judgment, is more credit along proper, established, accepted banking lines, rather than simply a minority member of the Federal Reserve Board. I am quite sure that the board, acting according to their judgment along the line of a proper financial policy, could not do more than they have endeavored to do during the past two or three years in the effort to extend credit to the farmer. The board should be of supreme standing, acting from a judicial standpoint, uninfluenced by wishes of party or class.

Far better to do away with the Federal Reserve Board in its entirety and permit the regional boards to control the situation than to divide it up into classes.

More farmer representatives among the directors of the reserve banks would be far more useful than on the central board.

I think it has been stated, even by those who purport especially to represent the farmer, that the trouble was at times they were given too much credit, and to-day they are suffering to a great extent because of the debt thus created. The Commission on Agricultural Inquiry, which has been in session for some little time, have issued a preliminary report in which they have, I think, very wisely proposed a real plan of common-sense business credit, whereby live-stock dealers and farmers in all the different lines of agriculture may secure credit from the land banks for from six months to three years, as it is absolutely necessary they should have. We all are convinced of that, and they can thus secure credit without upsetting the present well-established, correct, and proper practices and policy of the Federal Reserve Board, which has stood all tests.

When their credits come within the six months' period of the Federal Reserve Board, under this proposed scheme, as I understand it, the member banks can rediscount their paper, and, during the time intervening, the two years or two years and a half, the issue of debentures upon actual stock or actual products will be provided for. That is common-sense banking, involving as it does borrowing on actual existing products.

In my judgment I think there will be scant satisfaction in simply having a farmer on the Federal Reserve Board; with no other type of Federal boards have we adopted the idea of having represented any special interest, be it farming or manufacturing or commercial business of any character. I think it is a step in the wrong direction, and, in the final analysis, will rise to plague its sponsors. As I have said, I do not believe that it will give the farmer as a class one particle of direct benefit, but it will break down the system and give support to the idea that we must have special classes represented on boards appointed under the Federal Government.

This country, Mr. President, in my judgment can never prosper to a maximum degree if we resort to class legislation. The country only goes ahead when the farmer, the banker, the commercial man, and every class of citizens operate together, recognizing their mutual interest—and there must be mutual interests—understanding and endeavoring jointly to meet each other's problems and establishing and operating and administering their various responsibilities along those lines. We can trust the President of the United States, whoever may be President, to name men to constitute boards qualified to carry out the responsibilities of those boards; but the proposal here means a breaking down of the system which has heretofore prevailed, a departure from a set policy and the establishment of a precedent destructive and un-Americanlike in the extreme.

Mr. MCKELLAR. Mr. President, I wish to occupy the five minutes alloted to me in behalf of an amendment which I have offered and which, if adopted, would be numbered section 3. The proposed amendment reads as follows:

And the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount.

Mr. President, strange as it may seem, the paper of cotton factors in my State and in other States in the South is not eligible to rediscount in the Federal reserve banks. The amendment proposed by me merely makes such paper eligible. For instance, if a firm in the city where I reside, although it may be one of the strongest business firms in Memphis—and there

are many such firms in that city—happen to be cotton factors, their paper is ineligible for rediscount. I am quite sure that it was never intended that such should be the case, and the amendment intended to be proposed by me merely corrects that omission.

I desire to call the attention of the Members of the Senate to the fact that the amendment has been referred to the Treasury Department and also to the Federal Reserve Board. I wish to read the letter of the Secretary of the Treasury indorsing the amendment. It is addressed to me, and reads as follows:

MY DEAR SENATOR: I received your letter of May 7, 1921, inclosing a copy of S. 1615, a bill to amend section 13 of the Federal reserve act in respect to the notes, drafts, and bills of exchange of factors dealing exclusively with producers of staple agricultural products in their raw state. The Treasury does not offer any objection to the bill in this form.

Very truly, yours,

A. W. MELLON.

I also read a letter from Gov. Harding, of the Federal Reserve Board, addressed to the Senator from Connecticut [Mr. McLEAN], chairman of the Banking and Currency Committee:

MAY 9, 1920.

Hon. GEORGE P. MCLEAN,
Chairman Committee on Banking and Currency,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: I have received your letter of May 6, in which you request the views of the Federal Reserve Board with regard to Senate bill 1615, the purpose of which is to amend section 13 of the Federal reserve act by inserting a provision to the effect that "the notes, drafts, and bills of exchange of factors dealing exclusively with producers of staple agricultural products in their raw state shall be eligible for discount."

The board desires to point out that in its judgment the phraseology of the proposed insertion would be improved if the words "making advances" were substituted for the word "dealing," in the seventh line of the bill, and the word "to" were substituted for the word "with" in the eighth line, so that the insertion would read "and the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

In my letter to you of December 19, 1920, expressing the board's views with regard to Senate bill 4537, which was intended to make eligible for rediscount the paper of cotton factors and commission merchants, it was pointed out that the paper was finance paper, rather than commercial or agricultural paper, since the borrower used the proceeds to make loans to his customers. The bill now under consideration—Senate bill 1615—is open to the same objection upon principle, but in view of the narrow scope of the bill under its restricted language, the Federal Reserve Board will offer no objection to it if amended as herein suggested.

Yours, very truly,

W. P. G. HARDING, *Governor.*

Mr. President, the bill has been amended in strict accord with the views of the Federal Reserve Board and of the Secretary of the Treasury. It was written by Gov. Harding, of the Federal Reserve Board.

Mr. McLEAN. How has it been amended?

Mr. McKELLAR. It has been amended so as to read precisely as he points out that it should read. I read it:

And the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount.

Mr. McLEAN. Without security?

Mr. McKELLAR. It is precisely in the words of the governor of the Federal Reserve Board, and precisely as approved by the Secretary of the Treasury.

Mr. McLEAN. The Senator knows that some of this paper runs for years, and that the Federal Reserve Board is opposed to that paper unless it is secured, and I know of no way under heaven in which it can be secured.

Mr. McKELLAR. I shall be glad if the Senator will not take any more time than necessary during my five minutes.

I want to say that this is the only class of paper that is now discriminated against. An enormous amount of business is done in this way. Great productions are obtained, agricultural products are brought forth, through this kind of paper; and in my judgment there is no reason in the world why it should be discriminated against.

The VICE PRESIDENT. The Senator's time has expired.

Mr. McKELLAR. I ask that the amendment be adopted.

Mr. NORRIS. Mr. President, I think the proposed amendment of the Senator from Tennessee [Mr. MCKELLAR], and the objection made by the Senator from Connecticut [Mr. MCLEAN], illustrate the danger that the Senate is liable to get into and that the House gets into and that we have gotten into in the past through passing anything in regard to any change of the Federal reserve system that the board is willing to accept.

The Senator from Tennessee, in arguing for his proposition, argues that it has been changed so as to meet the objections of the board; and the Senator from Connecticut, in his opposition, argues that it has not been changed to meet all of the objections of the board. There seems to be only one idea: Anything that can be proposed in the way of an amendment that the board will approve goes through. The only thing that Congress finds out is whether the board wants it or whether the board does not want it.

Mr. McKELLAR and Mr. McLEAN addressed the Chair.

Mr. NORRIS. Both of the Senators can talk at once if they want to, but I am not going to stop.

If the board wants it, we make a law of it. If the board does not want it, we kick it aside; and that is illustrated by the opposition, technically correct, made by the Senator from Virginia in connection with what I said. I had stated, in substance, that the Federal reserve bank in New York—I did not use the words "New York," but any of these banks—in using enormous sums of money were using money that was not theirs; that it belonged to the people of the United States; that it had been contributed by those who had been compelled to borrow money from banks, and therefore that these officials were occupying the position of a trustee, and that it was much worse for them to use this money recklessly and extravagantly than though they owned it themselves. The Senator from Virginia called my attention and the attention of the Senate to the fact that technically I am wrong about that. Technically, it is the money of this bank. Congress passed a law that made it the money of this bank. In other words, it was money that had been contributed by the borrowers, that came as a matter of fact from the people, and that under the general law would have become the property of the United States Government and gone into the Treasury had it not been that Congress passed a law that made it technically the property of these reserve regional banks.

The Senator from Virginia was right as a matter of technical legal procedure; and the reason why he was right was because, at a certain time, there came into the Senate and into the House a little bill that was backed up by the Federal Reserve Board, and nobody said anything except what they are saying now: "Does the Federal Reserve Board want it?" The answer was, "Yes; the Federal Reserve Board wants it." Therefore Congress passed it, it became a law, and now we have it thrown into our teeth when we call attention to the fact that they are extravagant, and it is said: "It is none of your business; it is our money, anyway. You made it our money by the act which you yourselves passed."

While that is fresh, while the ink is hardly dry on the paper that takes down the denial of my proposition made by the Senator from Virginia, here comes the Senator from Tennessee and it is all illustrated over again. "Let us change this law." "Well, what do the Federal Reserve Board say?" If they say it ought to be changed, we change it. If they are opposed to it, it must not be changed. They are the ones that are doing it.

Mr. President, this technicality does not do away with the responsibility resting upon these officials in regard to this money. In reality, it is a trust fund yet, as sacred as any trust fund that was ever administered by the guardian of a widow or an orphan. For that reason we ought to guard it with jealous care; and we ought also to remember that we ought to be careful about letting the Federal Reserve Board legislate in regard to their own business, their own duty, and the law that controls them in the management of our banking and financial institutions, because we shall again find ourselves later up against the charge, "Why, here; you have passed a law yourselves giving us that power."

The VICE PRESIDENT. The time of the Senator from Nebraska has expired.

Mr. McLEAN and Mr. GLASS addressed the Chair.

The VICE PRESIDENT. The Senator from Connecticut.

Mr. McLEAN. I will yield to the Senator from Virginia if he desires to discuss this long-time paper.

Mr. GLASS. Mr. President, I want to say just a word with respect to what the distinguished Senator from Nebraska [Mr. NORRIS] has said.

I had supposed in the 20 years I have been here, during which period the Senator from Nebraska also has been here, that whenever a problem came up relating to any department of the Government it was the practice of the committee to which the bill was referred to refer that bill to the department for its comment and an expression of its judgment as to the judiciousness of the legislation proposed. If it affected the War Department, the bill would go to the Secretary of War; if it affected the Navy Department, it would go to the Secretary of the Navy, and so on, that Congress might be apprised of the opinion of those who were charged with the duty of familiarizing themselves more intimately with the facts, and that Congress might, therefore, act upon such information.

I agree that Congress should not be entirely controlled in its activities and in its determination of matters by the judgment

of any of the departments; but certainly it is no offense for the Federal Reserve Board, upon request—and it was upon request—of the Banking and Currency Committee of the Senate, to give its judgment respectfully upon these matters. That is what was done with respect to the bill of the Senator from Tennessee; and surely the Senator from Nebraska, in his reasoning and judgment, does not criticize the Federal Reserve Board for complying with the request of the Banking and Currency Committee for its opinion.

Mr. NORRIS. Oh, no; I have no intention of doing so.

Mr. GLASS. I frequently differ from the judgment of the Federal Reserve Board; I frequently do not do what it wants done, and do somethings that it does not want done; but we ought to have its judgment upon things with which it is familiar.

Mr. McLEAN. Mr. President, I shall occupy only a minute in regard to the amendment offered by the Senator from Tennessee.

That is an old controversy. It has been in Congress for three or four years. I understand that the Federal Reserve Board, upon certain conditions, recommend that this paper be made eligible for rediscount, but it must be secured. I know of no way in which it can be secured. These cotton factors may not own a pound of cotton. It does not represent a sale of anything. They may hold this cotton for years.

The amendment goes to the very basis of the Federal reserve system; and I do not think it is wise to use a simple amendment like that offered by the Senator from Minnesota [Mr. KELLOGG], to add a member to the Federal Reserve Board, as a vehicle upon which to graft an amendment of the character of that offered by the Senator from Tennessee, which goes to the very foundation of this system.

Although this is the silly hour, and anything is likely to happen here, I sincerely hope that that amendment will not be adopted.

Mr. DIAL. Mr. President, I am a great advocate of economy, and I believe in its practice both in public and in private life. I am satisfied that the building we have been talking about will cost entirely too much, and that the salaries paid are entirely too high; but my chief criticism is about the unwisdom of carrying on building operations while material and labor are so high. I think the board showed very poor judgment.

The Federal Reserve Board has been criticized here to-day on the ground of being opposed to the refunctioning of the War Finance Corporation. I feel that in justice to all parties I should state some facts that have come within my own observation.

In June, 1920, I appealed to the then Secretary of the Treasury to restore the War Finance Corporation. This he declined to do. Congress adjourned on the 5th of June, I think, that year. I came back to Washington, and was later appointed chairman of a committee by the American Cotton Association. I visited the Secretary of the Treasury and the members of the Federal Reserve Board on various occasions, and made every effort within my power to get the War Finance Corporation restored. I thought I could see that our product in the South would continue to decline. In justice to the members of that board, I must say that Mr. John Skelton Williams did everything in his power to get the then Secretary of the Treasury, Mr. Houston, to let the corporation refunction; and Gov. Harding also joined and aided me most materially in trying to get Mr. Houston so to act. Gov. Harding wanted it to function under governmental agencies, such as we later provided for here in the Senate. I feel that it is due him to make that statement. The trouble was that the President of the United States at that time was ill and could not be approached, and the Secretary of the Treasury was unalterably opposed to allowing that institution to operate any more.

In fact, he wanted to wind it up, but was persuaded by Senators not to do so, but to leave it, so that if necessary to have it operate again he could put it back into action. So he was constantly opposed to it all the time until Congress passed an act requiring it to function again. We have received great benefits in our part of the country from that organization.

I am glad this controversy is about over. I hope we will get together and support this Federal reserve banking system. I feel that the Federal reserve banking law was one of the greatest laws, perhaps the greatest law, passed in this country in 50 years. If it had not been for that system, I am satisfied that practically everybody and every institution in my part of the country would have been in bankruptcy a long time ago.

I do not favor some of the conduct of those charged with the administration of the law. Certainly the prices of our products declined too rapidly; but I have not time to go into that now. I say that as a system it is a great system, and I am glad that we are now about to get together. I hope we will all be happy and pleased and come to the rescue of this law; and not only that, but that the banks all over the country will join the system.

The junior Senator from Georgia [Mr. WATSON] complains about his bank not being able to get accommodation. If his bank and other banks in the country would join the system, or become eligible for loans under the system, there would be no trouble whatever in their getting a reasonable amount of money, on proper paper, at all times.

Mr. HEFLIN. Does not the Senator know that in a number of instances the farmers could not get loans?

The VICE PRESIDENT. The time of the Senator from South Carolina has expired.

Mr. SWANSON. Mr. President, I hope the Senate will adopt the amendment which has been offered by the Senator from Tennessee [Mr. MCKELLAR], and I am satisfied that if the Senate could understand the advantages which would flow from that amendment it would adopt it. For several years this class of paper was eligible for discount at the Federal reserve banks. About a year ago it was declared not eligible on account of an interpretation of the law; that is, the law said loans could be made on such paper for agricultural purposes but that the loan must be made directly to the person.

I am familiar with the handling of cotton in Norfolk, which will illustrate my point. I appeared before the board and tried to get that interpretation modified in connection with the cotton business in Norfolk. For several years the factors there had made advances to farmers for freight. They would get the cotton in Norfolk, would keep it until they got a shipload; they would make these advances, and after they got the shipload they would export the cotton. The paper they took was declared ineligible. The banks said that they could not discount that paper further, under their interpretation of the law. It had been discounted for several years.

This amendment is drawn in accordance with the suggestion of the Federal Reserve Board as to a measure that would make that class of paper eligible. It still must be good. The cotton factor of Norfolk goes to the member bank and puts his paper there, on which he has made advances to these agricultural people, the bank indorses it and sends it to the Federal reserve bank in Richmond and gets it discounted, and the refusal to accept that kind of paper has done a great deal to retard the distribution of crops by factors.

At the time this paper was declared ineligible, I appeared before the Federal Reserve Board with a committee from Norfolk composed of cotton commission merchants, who pointed out the difficulty that exists in the distribution of cotton unless the old custom were continued.

This is an amendment approved by the Federal Reserve Board. They have written a letter saying that it is all right, saying that they have no objection to it, and the Secretary of the Treasury approves it.

Mr. McLEAN. If it is properly secured.

Mr. SWANSON. The Senator is entirely mistaken about that. This does not waive the security. The cotton factor advances the freight. He takes the paper, indorses it to a member bank, the member bank approves it, indorses it, and sends it to Richmond, and this does not alter the security at all. With the note is filed a receipt for the cotton that is in a warehouse in Norfolk. To illustrate it, a man makes an advance on 10 bales of cotton. He advances the freight. He advances the money paid to cover it. He takes the note with that collateral, goes to the member bank in Norfolk, that member bank sends it to Richmond, and there is no waiver of security. The man must give his individual note, supplemented by this additional security, with the security of the member bank. That class of paper has been held eligible for several years, but after the interpretation given by the attorneys for the Federal Reserve Board, they said that under the terms of the act it was not eligible.

This amendment is to correct that evil. The Federal Reserve Board and the Secretary of the Treasury recommend it, and I see no reason why this right should be denied any longer.

Mr. KELLOGG. Mr. President, I want to speak but one or two moments. I hope all of these amendments will be rejected. There has not been time and there will not be time to properly discuss them. Nobody knows what effect they will have. This very amendment illustrates what I mean. The Senator from Connecticut says it would require them to accept the paper without security. The Senator from Virginia says not.

I will not stop to discuss it further, because I do not wish to take the time of other Senators; but here is another amendment, offered by the Senator from Georgia, covering two or three pages, which changes the law as to discount, regulates the rate of interest, and requires that they should be the same in all

Federal districts, a subject which has not been considered by the committee, has not been considered by the Federal Reserve Board, or anybody else, as far as I know.

Mr. McLEAN. It has been considered by the Federal Reserve Board, and they are unanimously opposed to it.

Mr. KELLOGG. I will ask that the letter handed me by the Senator from Connecticut be printed as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL RESERVE BOARD,
Washington, January 11, 1921.

DEAR MR. CHAIRMAN: I acknowledge receipt of your letter of the 6th instant, inclosing copy of proposed amendment by Senator HARRIS to the amendment proposed by Senator SMITH to Senate bill 2263 to amend the Federal reserve act.

The Federal Reserve Board is unanimous in the view that the proposed amendment is unwise. It proposes to amend various paragraphs of the Federal reserve act so as to require that all discount rates in effect at the Federal reserve banks should be the same and that the interbank discount rate should also be the same for each Federal reserve bank.

Paragraph (b) of section 11 of the Federal reserve act already provides that the Federal Reserve Board shall fix the rates of interest to be charged by Federal reserve banks in rediscounting the discounted paper of other Federal reserve banks. No Federal reserve banks are at the present time rediscounting with other Federal reserve banks, but hitherto in fixing discount rates for these interbank transactions the board has adhered to two principles: (1) A borrowing Federal reserve bank should not be permitted to rediscount with another Federal reserve bank at a profit; and (2) a Federal reserve bank should not be required to lend indirectly to member banks in another district, by means of rediscounts for the Federal reserve bank of that district, at a rate of interest lower than that charged its own member banks. As the discount rates of a borrowing Federal reserve bank have rarely been lower than those of a lending bank, the application of a rule to these principles has usually resulted in having the borrowing Federal reserve bank pay to the lending bank the same rate of discount as the borrowing bank had itself charged its member banks.

The Aldrich bill provided that discount rates should be uniform throughout the country and should be fixed by the central board in Washington. Some of the earlier drafts of the Federal reserve bill provided also that rates should be uniform and that they should be fixed by the Federal Reserve Board for each Federal reserve bank. The proposed amendment of Senator Harris adds to the text of paragraph 2 of section 13 of the Federal reserve act, after "the Federal Reserve Board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act," the words (lines 15 and 16, p. 2 of the bill) "and to fix rates of discount which shall be the same for every Federal reserve bank." At the same time the proposed Harris amendment, following the language of paragraph (d) of section 14 of the Federal reserve act authorizes the Federal reserve banks "(d) to establish from time to time, subject to the review and determination of the Federal Reserve Board, rates of discount to be charged by the Federal reserve bank for each class of paper, which shall be fixed with a view of accommodating commerce and business" (lines 16 to 20, p. 3 of bill). The Acting Attorney General of the United States in December, 1919, rendered an opinion to the effect that the Federal Reserve Board, under its power of review, has the right to fix the rate of discount to be charged by a Federal reserve bank, without awaiting the initiative of the board of directors of the Federal reserve bank. In view of this, it seems unnecessary to amend section 13 of the act to authorize the Federal Reserve Board to fix the rates of discount.

What the board objects to particularly is the provision that discount rates must be the same for every Federal reserve bank. Presumably the object of the proposed amendment is to prevent the establishment of higher rates by Federal reserve banks located in agricultural districts than prevail in those banks located in districts which are mainly industrial or commercial. In the board's opinion, based upon actual experience, the proposed amendment if adopted would operate in such a way as to be especially harmful to the very districts which it is designed to aid; that is, the districts in which the banks habitually borrow from other banks in financial centers.

In many of the States rates of interest ranging from 7 to 12 per cent are permitted by law, either as the legal rate or as the contract rate, and some States have no restriction upon the rate of interest that may be charged. In all States except those which have a maximum rate of 6 per cent the average rate charged by member banks to borrowers has always been greater than the average rate of discount charged by the Federal reserve bank.

During the last half of the year 1920 and in the early months of 1921, the Federal Reserve Banks of Boston, New York, and Chicago had a flat discount rate of 7 per cent, charged on all classes of paper. At the same time the Federal Reserve Banks of Philadelphia, Cleveland, Richmond, St. Louis, Kansas City, and San Francisco maintained a 6 per cent rate. For a part of the time the Federal Reserve Banks of Dallas and Atlanta had a normal 6 per cent rate, but had also the progressive rate, just as the Federal Reserve Banks of St. Louis and Kansas City did. Later on the Federal Reserve Banks of Dallas and Atlanta abolished the progressive rate and substituted a 7 per cent flat rate, but it is interesting to note that the average rate charged on all borrowings by all four banks or any of them which adopted the progressive rate amounted to considerably less than 7 per cent. For a time the strain upon the Federal Reserve Banks of Boston, New York, and Chicago was just as severe, if not even more so, than upon the other Federal reserve banks, and if the board had been obliged to establish a uniform rediscount rate in all districts the result would have been that the banks in agricultural districts would have been obliged to pay a higher rate than they actually did. As the money tension relaxed, discount rates were reduced beginning in April, 1921. The Federal Reserve Bank of Boston has had four and the Federal Reserve Bank of New York five successive reductions from 7 per cent down to the present rate of 4½ per cent. The Federal Reserve Bank of Chicago has made three successive reductions from 7 per cent down to the present rate of 5 per cent, and at the present time no Federal reserve bank has a discount rate higher than 5 per cent.

It should be borne in mind that in all Federal reserve districts there are minor financial centers which have banks which rediscount at times very heavily for the accommodation of their customers. Banks in these centers are not dependent entirely upon their local Federal reserve bank. They have maintained their connections with correspondents in the major financial centers, and while it may be more convenient for them to rediscount with the local Federal reserve bank, they naturally borrow in the cheapest market. It developed, therefore, after the rates had been reduced in Boston, New York, Philadelphia, Chicago, and St. Louis that many banks in other sections of the country found that they could rediscount a little more cheaply with correspondent banks in these cities than they could with their local Federal reserve bank. The result was that the pressure on Federal reserve banks, such as Richmond, Atlanta, Kansas City, and Dallas, was relaxed and they were able to reduce their rates, thus giving the smaller member banks a direct benefit which they might not otherwise have been able to receive.

As is well known, when the Federal reserve bill was being drafted much consideration was given to the question of whether there should be one central bank with branches or a regional system composed of several independent banks located in various parts of the country. The regional system was adopted, because it was thought that this country, with its wide expanse of territory and its varied and diversified interests, was not suited to a central banking system under the management of a single board of directors. It is generally recognized now, even by those who originally advocated a central bank, that the decision was a wise one. Should the amendment in question be adopted an initial step will be taken in destroying the regional character of the Federal reserve system and there would be imposed upon the Federal Reserve Board the difficult task of fixing rates of discount to be uniform and apply universally throughout the entire country without regard to temporary or seasonal conditions prevailing in the various sections. The board under its power of review already has the power to fix discount rates, which are first proposed by the directors of the various Federal reserve banks, and while at the present time the rates do not vary greatly in the different districts, it is easily conceivable that conditions may arise which would render greater differentials advisable. Under the present law the board shares the responsibility of establishing discount rates with the directors of the banks in the different districts and has the benefit of their independent judgment. To impose upon the board the sole power of fixing discount rates, as provided in the amendment under consideration, would be a step toward further centralization of authority and any requirement that the rates fixed be uniform throughout the country would be a grave complication which would often render it impossible for the board to do justice to all sections alike, and the board's unanimous opinion is that the establishment of discount rates under such an arbitrary plan would be unscientific and dangerous and would result in the establishment of a higher level of discount rates rather than a lower.

It seems proper to note that Senator HARRIS's amendment does not propose to repeal that part of paragraph (d) of section 14 of the Federal reserve act which authorizes the establishment of rates "graduated or progressed on the basis of the amount of the advances and discount accommodations extended by the Federal reserve bank to the borrowing bank." The progressive rates are not in effect at the present time in any district, and the only Federal reserve banks at which they have ever been applied are the Federal Reserve Banks of Atlanta, St. Louis, Kansas City, and Dallas. Under the terms of this paragraph, as it is proposed to be amended, progressive rates would still be permissible, but if applied at all they would have to be applied by all Federal reserve banks. As a practical matter, even if universally applied, the effect would not be felt nearly as much in the principal financial centers, where there are many banks having very large deposits, and which would consequently have a very large basic line of credit with the Federal reserve bank, as would be the case in the agricultural districts, in which they were formerly applied for a short time. The borrowings of member banks in the larger financial centers from their Federal reserve banks have not at any time been as heavy in proportion to their own capital and surplus and reserve deposits as have been the borrowings of member banks in the agricultural districts of the country from their Federal reserve banks.

For all of these reasons the Federal Reserve Board believes that the proposed amendment is unnecessary and unwise.

Very truly, yours,

W. P. G. HARDING, *Governor.*

HON. GEORGE P. MCLEAN,
Chairman Committee on Banking and Currency,
United States Senate.

Mr. KELLOGG. Another amendment was offered by the Senator from Georgia [Mr. HARRIS], which I hope will not be adopted, although he has suggested an amendment to it which may make it less dangerous. That has not been considered. The Banking and Currency Committee is going to make an investigation of that subject.

As to the question of extravagance in erecting these buildings, we are asked to prevent the letting of any contract of any size, of a thousand dollars or two thousand dollars, without a legislative act.

I will not take the time of the Senate further.

Mr. KENYON. Mr. President, I realize that there is such a scramble for time now that it is embarrassing to take any of it, and I will occupy only a couple of minutes.

There has been a great deal of objection to the original Smith substitute, because it practically directed the President of the United States to do certain things.

The amendment proposed by the Senator from Minnesota [Mr. KELLOGG] has been considered by a good many as a fair amendment, which will bring about the desire which many of us have more speedily than an amendment similar to that of the Senator from South Carolina, and the Senator from South Carolina has been most generous in withdrawing his amendment and asking for the passage of this one.

There is no question, as has been stated, as to the purpose of this amendment. It is to provide for a new member of the Federal Reserve Board, and it is thoroughly understood that that member is to be a farmer, or one representative of agriculture. There is no question about that, and there is no use

putting the cards under the table. That is the purpose of it, and we feel that it is right.

Mr. KING. Will the Senator answer a question in my time?

Mr. KENYON. Yes.

Mr. KING. Could not that be brought about without increasing the size of the board?

Mr. KENYON. Not for some time. It could after a while, but there is a psychology about the whole thing. The condition of the farmer has been spoken of here so much that there is no use going into it now; but, whether justified or not, there is a belief on the part of the farmer that he is not receiving a square deal at the hands of the Federal reserve system. He is not against the system, and no one else is against the system; but with all of these members on the board, two being required under the law to be bankers, how can it be held class legislation if we determine that there shall be a farmer on the board?

If I had time to read the Republican platform of last year, I could cite a declaration in that platform that would sustain this legislation. In his speeches the President has committed himself to the proposition, and has appointed a farmer, or a representative of agriculture, on the Interstate Commerce Commission, and will unquestionably appoint a representative of agriculture on the Federal Reserve Board. It is not going to accomplish a great deal, as the Senator from Nebraska and the Senator from Connecticut have said. It is not going to remedy all the ills that the farmer is suffering from. It will simply be helpful, and if this Federal reserve system is to be a great superlord of government and a great supergovernment in this country building up this industry, destroying that one, then it is proper that all of the various interests of the country be represented thereon.

Mr. HARRIS. Mr. President, I have offered several amendments to the bill which I hope may be adopted by the Senate. One is to make the same discount rate to all the regional banks in the United States. Now, they discriminate against the agricultural sections by charging banks in our sections a higher discount rate than banks in the East, and our banks charge higher interest rates to borrowers because of this discrimination.

Another amendment I have offered provides that the discount rate shall not be over 5 per cent, and all regional banks shall charge the same discount rate. I have offered another amendment requiring that before the banks shall spend millions of dollars for the erection of buildings they shall first get the consent of Congress. They have spent more in a few years for these expensive bank buildings than we have spent in 15 years for all the public buildings in the United States. I shall read from Gov. Harding's letter to me showing the returns they are getting on these buildings. That letter I had published in the RECORD on yesterday.

The land, furniture, fixtures, and buildings in New York, erected at an expense of about $22,000,000, nets them, compared with the rental they formerly paid, only about 1½ per cent on the investment. In Philadelphia the building nets them, compared with the rental they were paying before the erection of the new building, less than 1 per cent on the investment.

In Cleveland the building nets them about 2 per cent.

The Pittsburgh branch shows about 1 per cent.

In Richmond it is about one-half of 1 per cent.

In Atlanta it is between 1 and 1½ per cent.

In Nashville it is about 1¼ per cent.

In Chicago it is about 2 per cent.

Government bonds are bringing interest of 4 to 4¼ per cent, and they are just now at par, and yet this banking system is putting up these expensive buildings when the cost of building and materials are high. It would have been far better had they continued paying rent until construction was cheaper. They could have lowered their discount rate had they saved this expense.

Mr. President, I offered an amendment to the amendment of the Senator from Minnesota, to make the Secretary of Agriculture an ex officio member of the board instead of adding another member to the board with expense of salary. He is in touch with agricultural conditions in the country. We have a splendid man as Secretary of Agriculture who has the confidence of us all, and it would have a splendid effect all over the country if he were put on that board.

Mr. McLEAN. Mr. President, again, before we vote upon this measure, I want to call attention to the fact that less than a third of the banks of the United States belong to the Federal reserve system. It was the hope of the founders of the system that they would all come in. Some of the banks which are in now are going out. Other banks are not coming in as they ought to, and the reason is that they are afraid of congressional meddling. It is a great mistake to attack this system without any consideration, and vote to put an extra man on the Federal Reserve Board for the purpose of acting in the interest of a special class.

We have more than 50 governmental bureaus now. They were organized for the purpose of promoting the general welfare, extending equal rights to all and special privileges to none, and now the purpose is to tear down this temple and put up a series of tribal wigwams, the occupants of each wigwam provided with tomahawks and scalping knives to go out and get the best of some other tribe. That is what this kind of legislation leads to.

Mr. President, it is a great mistake, and I move that this bill be recommitted to the committee.

Mr. POMERENE. I assume the Senator means to include all amendments in his motion?

Mr. McLEAN. I mean that all amendments shall be recommitted also.

Mr. NORRIS. What assurance will the chairman of the Committee on Banking and Currency give to the Senate that the bill will be reported back in some form to the Senate at no distant day?

Mr. McLEAN. There is a bill pending in the House now which would disqualify the Comptroller of the Currency from acting as ex officio member of this board, and if that bill is passed, if the Congress wants to insist on putting a farmer on the board, let it be done without increasing the number. If the number is increased at all, it should be increased to nine; otherwise you will have the board deadlocked at the very time when it will be most unfortunate to the banking system of this country.

Mr. KELLOGG. I hope the motion of the Senator from Connecticut will be voted down.

The VICE PRESIDENT (at 4 o'clock p. m.). The Senator's time has expired. The time for general debate has expired, and the question is on the motion of the Senator from Connecticut [Mr. McLEAN] to recommit the bill to the committee.

Mr. HEFLIN. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the junior Senator from Maryland [Mr. WELLER], and vote "yea."

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM]. I think if present that Senator would vote "yea." If I were permitted to vote I would vote "nay." In the absence of the Senator from Vermont I withhold my vote.

Mr. RANSDELL (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. In his absence I withhold my vote. If permitted to vote I would vote "nay."

Mr. ROBINSON (when his name was called). I have a general pair with the Senator from West Virginia [Mr. SUTHERLAND]. That Senator is ill. I do not know how he would vote. Therefore I withhold my vote. If at liberty to vote I would vote "nay."

Mr. CURTIS (when Mr. SUTHERLAND'S name was called). The Senator from West Virginia [Mr. SUTHERLAND] is absent due to illness, and is paired as the Senator from Arkansas [Mr. ROBINSON] has just stated.

The roll call was concluded.

Mr. ERNST. I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Missouri [Mr. SPENCER] and vote "yea."

Mr. SMITH. I understand that my pair, the Senator from South Dakota [Mr. STERLING], if present would vote as I shall vote. Therefore I vote "nay."

Mr. FLETCHER. I have a general pair with the Senator from Delaware [Mr. BALL], who is absent. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. WALSH of Massachusetts. I wish to announce the absence of the Senator from Rhode Island [Mr. GERRY] on account of illness, and to state that if present he would vote "yea."

Mr. CURTIS. I was requested to announce that the Senator from Massachusetts [Mr. LODGE] is paired with the Senator from Alabama [Mr. UNDERWOOD]. Both Senators are absent on official business.

I also wish to announce the following pairs:

The Senator from Pennsylvania [Mr. CROW] with the Senator from Missouri [Mr. REED];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON]; and

The Senator from Illinois [Mr. McCORMICK] with the Senator from Wyoming [Mr. KENDRICK].

The result was announced—yeas 17, nays 52, as follows:

YEAS—17.

Brandegee	Fernald	Moses	Warren
Calder	Hale	Myers	Williams
Colt	Keyes	Newberry	
Edge	King	Pomerene	
Ernst	McLean	Wadsworth	

NAYS—52.

Ashurst	Harreld	McKinley	Shields
Borah	Harris	McNary	Shortridge
Broussard	Heflin	Nelson	Simmons
Bursum	Johnson	New	Smith
Cameron	Jones, N. Mex.	Nicholson	Stanfield
Capper	Jones, Wash.	Norris	Swanson
Caraway	Kellogg	Oddie	Townsend
Cummins	Kenyon	Overman	Trammell
Curtis	Ladd	Page	Walsh, Mass.
Dial	La Follette	Phipps	Walsh, Mont.
Fletcher	Lenroot	Pittman	Watson, Ga.
France	McCumber	Poindexter	Watson, Ind.
Frelinghuysen	McKellar	Sheppard	Willis

NOT VOTING—27.

Ball	Glass	Norbeck	Spencer
Crow	Gooding	Owen	Stanley
Culberson	Harrison	Pepper	Sterling
Dillingham	Hitchcock	Ransdell	Sutherland
du Pont	Kendrick	Reed	Underwood
Elkins	Lodge	Robinson	Weller
Gerry	McCormick	Smoot	

So the Senate refused to recommit the bill to the Committee on Banking and Currency.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Montana [Mr. MYERS] to the amendment of the committee.

Mr. KENYON. Let it be stated.

Mr. CURTIS. Let the amendment be reported.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 3, line 3, strike out the word "different"; after the word "commercial" strike out the comma and insert the word "and"; after the word "industrial" strike out the comma and insert "interests"; and in line 4, before the word "geographical," insert "of the."

Mr. KING. So it will read how?

The READING CLERK. So that the amendment of the committee will read:

That the first paragraph of section 10 of the Federal reserve act approved December 23, 1913, be, and the same is hereby, amended to read as follows:

"SEC. 10. A Federal Reserve Board is hereby created which shall consist of seven members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and five members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the five appointive members of the Federal Reserve Board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the agricultural, commercial, and industrial interests and of the geographical divisions of the country. The five members of the Federal Reserve Board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal Reserve Board and shall each receive an annual salary of $12,000, payable monthly, together with actual necessary traveling expenses, and the Comptroller of the Currency, as ex officio member of the Federal Reserve Board, shall, in addition to the salary now paid him as Comptroller of the Currency, receive the sum of $7,000 annually for his services as a member of said board."

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. HARRIS. I offer an amendment to the amendment of the Senator from Minnesota [Mr. KELLOGG]. In line 5, after "Secretary of the Treasury," I move to add "the Secretary of Agriculture."

Mr. KELLOGG. I hope that will be voted down.

The VICE PRESIDENT. The pending question is on the amendment of the Senator from South Carolina [Mr. SMITH].

Mr. SMITH. Mr. President, in view of the statement that I made the other day of the understanding I have that the object of the amendment would be more readily met by the one offered by the Senator from Minnesota, and having that thorough understanding, I withdraw my amendment.

The VICE PRESIDENT. The question then is on the amendment offered by the Senator from Minnesota [Mr. KELLOGG].

Mr. MYERS. I offer an amendment to that amendment. I move to strike out the word "eight," in line 4, page 1, and insert the word "seven"; to strike out "six," where it occurs in the amendment, and insert "five"; and to strike out the words "balance of the," at the bottom of page 2, line 25, and insert the word "other"; and to change the word "members," at the top of page 3, line 1, to "member."

The VICE PRESIDENT. The amendment will be reported.

The ASSISTANT SECRETARY. On page 1 of the proposed amendment, line 4, strike out "eight" and insert "seven" before the word "members"; in line 6, before the word "members," strike out "six" and insert "five"; on page 2, line 25, strike out the words "balance of the" and insert the word "other"; and at the top of page 3, line 1, strike out "members" and insert "member."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MYERS] to the amendment.

The amendment to the amendment was rejected.

Mr. EDGE. Mr. President, I offered two amendments to the pending bill for consideration, one providing that it be mandatory upon the appointing power to appoint a representative of the manufacturing industry, and the other one that he appoint a representative of organized labor. I introduced these amendments with the idea of giving the Senate an opportunity to vote upon them if the other mandatory provision providing for a representative of agriculture be agreed to. Now that that has been withdrawn, I desire to withdraw my suggested amendments.

Mr. NORRIS. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state the point of order.

Mr. NORRIS. Debate has ended according to the unanimous-consent agreement.

The VICE PRESIDENT. The point of order is well taken. Debate has ended. A motion to amend may be made, however.

Mr. KENYON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. KENYON. Did not the Chair announce that the amendment of the Senator from Minnesota is in order?

The VICE PRESIDENT. It is in order. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. KELLOGG].

Mr. KENYON and Mr. ASHURST. Let us have the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as on the previous vote, I vote "nay."

Mr. FLETCHER (when his name was called). Making the same announcement as to my general pair and transfer, I vote "yea."

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM]. I do not know how he would vote on this question if present. Therefore, I feel compelled to withhold my vote. If I were permitted to vote, I should vote "yea."

Mr. RANSDELL (when his name was called). I have a pair with the junior Senator from Delaware [Mr. DU PONT]. I am informed if that Senator were present he would vote as I expect to vote. Therefore, I feel at liberty to vote, and vote "yea."

Mr. ROBINSON (when his name was called). I have a general pair with the Senator from West Virginia [Mr. SUTHERLAND], who, I am informed, is ill. I do not know how that Senator would vote if he were present, and I therefore withhold my vote. If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. CURTIS. I am requested to announce that the senior Senator from Missouri [Mr. REED], who is absent on official business, is paired with the Senator from Pennsylvania [Mr. CROW], who is detained from the Senate on account of illness.

I am also requested to announce the following pairs:

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Illinois [Mr. McCORMICK] with the Senator from Wyoming [Mr. KENDRICK]; and

The Senator from Massachusetts [Mr. LODGE] with the Senator from Alabama [Mr. UNDERWOOD].

Mr. ROBINSON. Since announcing my pair with the Senator from West Virginia [Mr. SUTHERLAND] I have been informed, and I believe reliably, that if the Senator from West Virginia were present he would vote as I intend to vote. I will therefore vote. I vote "yea."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Missouri [Mr. SPENCER], and vote "yea."

Mr. WALSH of Massachusetts. I desire to make the same announcement concerning the absence of the Senator from Rhode Island [Mr. GERRY] as on the previous vote, and also to state that if present the Senator from Rhode Island would vote "yea."

Mr. JONES of New Mexico. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] is necessarily absent and, as has been stated by the Senator from Kansas [Mr. CUR-

TIS], is paired with the Senator from Illinois [Mr. McCORMICK]. If the Senator from Wyoming were present, and were permitted to vote, he would vote "yea."

Mr. KENYON. I desire to announce the unavoidable absence of the junior Senator from South Dakota [Mr. NORBECK], who, were he present and permitted to vote, would vote "yea."

The result was announced—yeas 64, nays 10, as follows:

YEAS—64.

Ashurst	Frelinghuysen	McKinley	Sheppard
Borah	Gooding	McNary	Shortridge
Brandegee	Hale	Nelson	Simmons
Broussard	Harreld	New	Smith
Bursum	Harris	Newberry	Stanfield
Cameron	Heflin	Nicholson	Sterling
Capper	Johnson	Norris	Swanson
Caraway	Jones, N. Mex.	Oddie	Townsend
Colt	Jones, Wash.	Overman	Trammell
Cummins	Kellogg	Page	Walsh, Mass.
Curtis	Kenyon	Pepper	Walsh, Mont.
Dial	Ladd	Phipps	Warren
Ernst	La Follette	Pittman	Watson, Ga.
Fernald	Lenroot	Poindexter	Watson, Ind.
Fletcher	McCumber	Ransdell	Williams
France	McKellar	Robinson	Willis

NAYS—10.

Calder	King	Myers	Wadsworth
Edge	McLean	Pomerene	
Keyes	Moses	Shields	

NOT VOTING—22.

Ball	Gerry	McCormick	Stanley
Crow	Glass	Norbeck	Sutherland
Culberson	Harrison	Owen	Underwood
Dillingham	Hitchcock	Reed	Weller
du Pont	Kendrick	Smoot	
Elkins	Lodge	Spencer	

So Mr. KELLOGG's amendment in the nature of a substitute for the amendment reported by the committee was agreed to.

Mr. HARRIS. I ask that my amendment to the amendment requiring the consent of Congress to the erection of buildings by the Federal reserve banks may be stated.

Mr. McKELLAR. I ask the Senator from Georgia if he will accept an amendment to his amendment, in line 4 of the amendment, by inserting the words "in excess of $250,000"?

Mr. HARRIS. I will accept that amendment.

The VICE PRESIDENT. The amendment as modified proposed by the Senator from Georgia to the amendment will be stated.

The ASSISTANT SECRETARY. At the end of the amendment it is proposed to insert the following:

The Federal Reserve Board shall have no authority hereafter to enter into any contract or contracts for the erection of any building of any kind or character, or to authorize the erection of any building in excess of $250,000, without the consent of Congress having previously been given therefor in express terms: *Provided*, That nothing herein shall apply to any building now under construction.

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia, as perfected, to the amendment. [Putting the question.] By the sound, the "noes" seem to have it.

Mr. NORRIS. I ask for the yeas and nays on the amendment to the amendment.

The yeas and nays were ordered.

Mr. HARRELD. A parliamentary inquiry. Are we now voting on the amendment offered by the Senator from Tennessee [Mr. MCKELLAR]?

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia [Mr. HARRIS] to the amendment.

Mr. HARRELD. As modified?

The VICE PRESIDENT. As perfected.

The reading clerk proceeded to call the roll, and Mr. BRANDEGEE voted in the affirmative when his name was called.

Mr. HARRIS. The amendment is short and I ask that it may again be read, as modified, in order that Senators may understand on what they are voting.

The VICE PRESIDENT. The roll call is proceeding and may not be interrupted.

The reading clerk resumed the calling of the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the Senator from Delaware [Mr. BALL], but I am unable to secure a transfer of that pair, and, therefore, withhold my vote.

Mr. RANSDELL (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. Not knowing how that Senator would vote on this question, I withhold my vote.

Mr. ROBINSON (when his name was called). I have a pair with the Senator from West Virginia [Mr. SUTHERLAND], and, therefore, withhold my vote.

The roll call was concluded.

Mr. FLETCHER. I find that I am able to transfer my pair with the Senator from Delaware [Mr. BALL] to the Senator from Nebraska [Mr. HITCHCOCK]. I make that transfer and vote "yea."

Mr. ERNST (after having voted in the affirmative). I transfer my pair with the Senator from Kentucky [Mr. STANLEY] to the Senator from Missouri [Mr. SPENCER] and allow my vote to stand.

Mr. CURTIS. I am requested to announce the following pairs:

The Senator from Pennsylvania [Mr. CROW] with the Senator from Missouri [Mr. REED];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Wyoming [Mr. KENDRICK]; and

The Senator from Massachusetts [Mr. LODGE] with the Senator from Alabama [Mr. UNDERWOOD].

The result was announced—yeas 40, nays 33, as follows:

YEAS—40.

Ashurst	France	La Follette	Sheppard
Borah	Gooding	McCumber	Simmons
Brandegee	Harreld	McKellar	Smith
Broussard	Harris	McNary	Sterling
Capper	Heflin	Myers	Swanson
Caraway	Johnson	Norris	Trammell
Curtis	Jones, N. Mex.	Oddie	Walsh, Mass.
Dial	Kenyon	Overman	Watson, Ga.
Ernst	King	Pittman	Williams
Fletcher	Ladd	Pomerene	Willis

NAYS—33.

Bursum	Hale	New	Stanfield
Calder	Jones, Wash.	Newberry	Townsend
Cameron	Kellogg	Nicholson	Wadsworth
Colt	Keyes	Page	Walsh, Mont.
Cummins	Lenroot	Pepper	Warren
Edge	McKinley	Phipps	Watson, Ind.
Fernald	McLean	Poindexter	
Frelinghuysen	Moses	Shields	
Glass	Nelson	Shortridge	

NOT VOTING—23.

Ball	Gerry	Norbeck	Spencer
Crow	Harrison	Owen	Stanley
Culberson	Hitchcock	Ransdell	Sutherland
Dillingham	Kendrick	Reed	Underwood
du Pont	Lodge	Robinson	Weller
Elkins	McCormick	Smoot	

So the amendment of Mr. HARRIS to the amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. KELLOGG] as amended.

Mr. McKELLAR. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to add as a new section the following, after the amendment just agreed to:

SEC. —. That section 13 of the Federal reserve act approved December 23, 1913, be amended by adding after the words "being eligible for discount," and before the words "but such definition shall not include," the words "and the notes, drafts, and bills of exchange of factors making advances exclusively to producers of staple agricultural products in their raw state shall be eligible for such discount."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Tennessee to the amendment of the Senator from Minnesota.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on the amendment of the Senator from Minnesota as amended.

The amendment as amended was agreed to.

The VICE PRESIDENT. The question is on the committee amendment as amended.

The amendment of the committee as amended was agreed to.

The bill was reported to the Senate as amended.

Mr. LENROOT. Mr. President, is an amendment in order to further amend the amendment just agreed to?

The VICE PRESIDENT. The first question is on concurring in the amendment made as in Committee of the Whole.

Mr. LENROOT. I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. In line 1 of the amendment offered by the Senator from Georgia [Mr. HARRIS] it is proposed to strike out the words "Federal Reserve Board" and insert the words "no Federal reserve bank," and after the word "have" to strike out the word "no," so that, if amended, it will read:

No Federal reserve bank shall have authority hereafter to enter into any contract—

And so forth.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin to the

amendment made as in Committee of the Whole. [Putting the question.] The Chair is in doubt.

Mr. LENROOT. I ask for the yeas and nays, Mr. President.

Mr. HEFLIN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his inquiry.

Mr. HEFLIN. The amendment as adopted, as I understood, said that the Federal Reserve Board should not order a bank building constructed. This is just to strike out those words and say that the Federal reserve banks shall not build a bank building?

The VICE PRESIDENT. The Senator is correct.

Mr. HEFLIN. It seems to me the amendment ought to say "Federal Reserve Board or Federal reserve bank."

The VICE PRESIDENT. Is the demand for the yeas and nays seconded?

Mr. NORRIS. I ask for a division. I think that will be sufficient.

The VICE PRESIDENT. Senators in favor of the amendment will rise. [A pause.] Senators opposed will rise. [A pause.] It is a tie vote. The amendment is rejected.

Mr. HEFLIN. Mr. President, let us have the yeas and nays upon the question.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). Making the same announcement with reference to my pair and its transfer as before, I vote "yea."

Mr. ROBINSON (when his name was called). I have a pair with the Senator from West Virginia [Mr. SUTHERLAND], and therefore withhold my vote.

The roll call was concluded.

Mr. EDGE. Making the same announcement as before, I vote "nay."

Mr. JONES of New Mexico. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] is necessarily absent. He is paired with the Senator from Illinois [Mr. MCCORMICK]. If the Senator from Wyoming were present and at liberty to vote, he would vote "yea" on this question.

The result was announced—yeas 43, nays 29, as follows:

YEAS—43.

Ashurst	Gooding	McCumber	Smith
Broussard	Harreld	McKellar	Stanfield
Bursum	Harris	McNary	Sterling
Capper	Heflin	Myers	Swanson
Caraway	Johnson	Norris	Trammell
Cummins	Jones, N. Mex.	Oddie	Walsh, Mass.
Curtis	Kenyon	Overman	Walsh, Mont.
Dial	King	Pittman	Watson, Ga.
Ernst	Ladd	Pomerene	Williams
Fletcher	La Follette	Sheppard	Willis
France	Lenroot	Simmons	

NAYS—29.

Brandegee	Hale	New	Shortridge
Calder	Jones, Wash.	Newberry	Townsend
Cameron	Kellogg	Nicholson	Wadsworth
Colt	Keyes	Page	Warren
Edge	McKinley	Pepper	Watson, Ind.
Fernald	McLean	Phipps	
Frelinghuysen	Moses	Poindexter	
Glass	Nelson	Shields	

NOT VOTING—24.

Ball	Elkins	McCormick	Smoot
Borah	Gerry	Norbeck	Spencer
Crow	Harrison	Owen	Stanley
Culberson	Hitchcock	Ransdell	Sutherland
Dillingham	Kendrick	Reed	Underwood
du Pont	Lodge	Robinson	Weller

So Mr. LENROOT's amendment to the amendment, made as in Committee of the Whole, was agreed to.

Mr. HARRELD. Mr. President, I ask that the first line of this amendment just voted on be read. I do not think it is exactly correct.

The VICE PRESIDENT. The Secretary will read.

The ASSISTANT SECRETARY. So that the amendment as modified will read:

No Federal reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any building—

And so forth.

Mr. HARRELD. That is all right.

Mr. HARRIS. Mr. President, I offer an amendment to the amendment and ask that it be read.

The VICE PRESIDENT. The Secretary will read the amendment.

The ASSISTANT SECRETARY. Add a new section as follows:

SEC. —. That on and after 30 days after the passage of this act a Federal reserve bank shall not charge or receive from a member bank in any transaction a greater rate than 5 per cent, and each rate so fixed shall be the same for every Federal reserve bank.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia to the amendment.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on concurring in the amendment made as in the Committee of the Whole as amended in the Senate.

The amendment as amended was concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. KENYON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I make the same announcement as to my pair and its transfer as before and vote "yea."

Mr. GLASS (when his name was called). Making the same announcement as before, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. RANSDELL (when his name was called). I have a pair with the junior Senator from Delaware [Mr. DU PONT]. I am informed that if he were present he would vote as I intend to vote, and therefore I vote "yea."

Mr. ROBINSON (when his name was called). I have a pair with the senior Senator from West Virginia [Mr. SUTHERLAND], but I understand that he would vote as I shall vote. Therefore I vote "yea."

The roll call was concluded.

Mr. CURTIS. I desire to announce the following pairs:

The Senator from Pennsylvania [Mr. CROW] with the Senator from Missouri [Mr. REED];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON];

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Wyoming [Mr. KENDRICK]; and

The Senator from Massachusetts [Mr. LODGE] with the Senator from Alabama [Mr. UNDERWOOD].

Mr. JONES of New Mexico. Making the same announcement as before as to the absence and pair of the Senator from Wyoming [Mr. KENDRICK], I desire to announce that if the Senator from Wyoming [Mr. KENDRICK] were present and permitted to vote he would vote "yea."

Mr. ERNST (after having voted in the affirmative). I am informed that my colleague [Mr. STANLEY] if present would vote the same way I have voted.

Mr. WALSH of Massachusetts. The junior Senator from Rhode Island [Mr. GERRY] is absent on account of sickness. If present, he would vote "nay."

Mr. KENYON. I desire to announce that the junior Senator from South Dakota [Mr. NORBECK] if present would vote "yea."

Mr. SHEPPARD. I wish to state that the junior Senator from Mississippi [Mr. HARRISON] is paired with the junior Senator from West Virginia [Mr. ELKINS], and that if the junior Senator from Mississippi were present and not paired, he would vote "yea" on the passage of the bill.

The result was announced—yeas 63, nays 9, as follows:

YEAS—63.

Ashurst	Gooding	McNary	Sheppard
Borah	Hale	Myers	Shortridge
Broussard	Harreld	Nelson	Simmons
Bursum	Harris	New	Smith
Cameron	Heflin	Newberry	Stanfield
Capper	Johnson	Nicholson	Sterling
Caraway	Jones, N. Mex.	Norris	Swanson
Colt	Jones, Wash.	Oddie	Townsend
Cummins	Kellogg	Overman	Trammell
Curtis	Kenyon	Page	Walsh, Mass.
Dial	Ladd	Pepper	Walsh, Mont.
Ernst	La Follette	Phipps	Warren
Fernald	Lenroot	Pittman	Watson, Ga.
Fletcher	McCumber	Poindexter	Watson, Ind.
France	McKellar	Ransdell	Willis
Frelinghuysen	McKinley	Robinson	

NAYS—9.

Brandegee	Keyes	Moses	Wadsworth
Calder	McLean	Pomerene	Williams
Edge			

NOT VOTING—24.

Ball	Gerry	Lodge	Smoot
Crow	Glass	McCormick	Spencer
Culberson	Harrison	Norbeck	Stanley
Dillingham	Hitchcock	Owen	Sutherland
du Pont	Kendrick	Reed	Underwood
Elkins	King	Shields	Weller

So the bill was passed, as follows:

Be it enacted, etc., That section 10 of the Federal reserve act, approved December 23, 1913, is amended to read as follows:

SEC. 10. A Federal Reserve Board is hereby created which shall consist of eight members, including the Secretary of the Treasury and the Comptroller of the Currency, who shall be members ex officio, and six members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the six appointive members of the Federal Reserve Board, not more than one of whom shall be selected from any one Federal reserve district, the President shall have due regard to a fair representation of the financial, agricultural, industrial, commercial interests and geographical di-

visions of the country. The six members of the Federal Reserve Board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal Reserve Board and shall each receive an annual salary of $12,000, payable monthly, together with actual necessary traveling expenses, and the Comptroller of the Currency, as ex officio member of the Federal Reserve Board, shall, in addition to the salary now paid him as Comptroller of the Currency, receive the sum of $7,000 annually for his services as a member of said board.

The Secretary of the Treasury and the Comptroller of the Currency shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank. The appointive members of the Federal Reserve Board shall be ineligible during the time they are in office and for two years thereafter to hold any office, position, or employment in any member bank, except that this restriction shall not apply to a member who has served the full term for which he was appointed. Of the six members thus appointed by the President one shall be designated by the President to serve for 2, one for 4, one for 6, one for 8, and the balance of the members for 10 years, and thereafter each member so appointed shall serve for a term of 10 years, unless sooner removed for cause by the President. Of the six persons thus appointed, one shall be designated by the President as governor and one as vice governor of the Federal Reserve Board. The governor of the Federal Reserve Board, subject to its supervision, shall be the active executive officer. The Secretary of the Treasury may assign offices in the Department of the Treasury for the use of the Federal Reserve Board. Each member of the Federal Reserve Board shall within 15 days after notice of appointment make and subscribe to the oath of office.

The Federal Reserve Board shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock and surplus, an assessment sufficient to pay its estimated expenses and the salaries of its members and employees for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half year.

The first meeting of the Federal Reserve Board shall be held in Washington, D. C., as soon as may be after the passage of this act, at a date to be fixed by the reserve bank organization committee. The Secretary of the Treasury shall be ex officio chairman of the Federal Reserve Board. No member of the Federal Reserve Board shall be an officer or director of any bank, banking institution, trust company, or Federal reserve bank nor hold stock in any bank, banking institution, or trust company; and before entering upon his duties as a member of the Federal Reserve Board he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement. Whenever a vacancy shall occur, other than by expiration of term, among the six members of the Federal Reserve Board appointed by the President, as above provided, a successor shall be appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed he shall hold office for the unexpired term of the member whose place he is selected to fill.

The President shall have power to fill all vacancies that may happen on the Federal Reserve Board during the recess of the Senate by granting commissions which shall expire 30 days after the next session of the Senate convenes.

Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and bureaus under such department, and wherever any power vested by this act in the Federal Reserve Board or the Federal reserve agent appears to conflict with the powers of the Secretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary.

The Federal Reserve Board shall annually make a full report of its operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of the Congress.

Section 324 of the Revised Statutes of the United States shall be amended so as to read as follows: There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds and, under the general supervision of the Federal Reserve Board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency and shall perform his duties under the general directions of the Secretary of the Treasury.

No Federal reserve bank shall have authority hereafter to enter into any contract or contracts for the erection of any building of any kind or character, or to authorize the erection of any building in excess of $250,000, without the consent of Congress having previously been given therefor in express terms: *Provided*, That nothing herein shall apply to any building now under construction.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed the following bills and joint resolution of the Senate with amendments, in which it requested the concurrence of the Senate:

S. 1099. An act to amend section 2372 of the Revised Statutes;

S. 2133. An act ceding jurisdiction to the State of Texas over certain lands or bancos acquired by the United States of America from the United States of Mexico;

S. 2708. An act to authorize the Secretary of War to transfer without charge certain surplus material of the War Department to the American Relief Administration in Russia;

S. 2776. An act to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington; and

S. J. Res. 124. Joint resolution to amend Senate joint resolution 89, approved March 14, 1912, amending the joint resolution to prohibit the export of coal and other material used in war from any seaport of the United States, approved April 22, 1898.

The message also announced that the House had passed bills and a joint resolution of the following titles, in which it requested the concurrence of the Senate:

H. R. 8815. An act to amend the act of March 1, 1921 (41 Stat., p. 1202), entitled "An act to authorize certain homestead settlers or entrymen who entered the military or naval service of the United States during the war with Germany to make final proof of their entries";

H. R. 8818. An act granting the consent of Congress to the city of Pittsburgh, a municipal corporation of the Commonwealth of Pennsylvania, to construct, maintain, and operate a bridge across the Monongahela River at or near its junction with the Allegheny River in the city of Pittsburgh, in the county of Allegheny, in the Commonwealth of Pennsylvania;

H. R. 8999. An act to authorize exchanges of lands within the Snoqualmie National Forest, in the State of Washington;

H. R. 9050. An act granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia;

H. R. 9060. An act to authorize the Secretary of War to lease a certain tract of land to the city of Leavenworth, in the State of Kansas;

H. R. 9386. An act to grant the consent of Congress to the Whiteville Lumber Co. to construct a bridge across the Waccamaw River at or near Pireway Ferry, County of Columbus, N. C.

H. R. 9495. An act for the protection of timber owned by the United States from fire, disease, or the ravages of beetles or other insects; and

H. J. Res. 227. Joint resolution extending the term of the National Screw Tread Commission for a period of five years from March 21, 1922.

REPORT OF JOINT COMMISSION OF AGRICULTURAL INQUIRY.

The VICE PRESIDENT. The Chair lays before the Senate the following concurrent resolution of the House (H. Con. Res. 37), which will be read.

The Assistant Secretary read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 50,000 additional copies of parts 1 and 2 of House Document No. 408, being the report of the Joint Commission of Agricultural Inquiry, in four parts, of which 10,000 shall be for the Senate, 30,000 for the House, 1,000 shall be for the Senate document room, 2,000 for the House document room, and 7,000 for the Joint Commission of Agricultural Inquiry.

Mr. MOSES. I ask that the Senate consider the concurrent resolution at this time.

The VICE PRESIDENT. Without objection, it is before the Senate.

Mr. MOSES. There was an error made in drafting the concurrent resolution as sent to the Senate by the House in the second line, where the word "Document" is used. I move to amend the concurrent resolution by striking out the word "Document" and inserting the word "Report."

The amendment was agreed to.

Mr. MOSES. I move that the Senate concur in the resolution

The motion was agreed to.

RELIEF OF DISTRESS IN RUSSIA.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2708) to authorize the Secretary of War to transfer without charge certain surplus material of the War Department to the American Relief Administration in Russia, which were to strike out all after the enacting clause and to insert:

That the President be, and he is hereby, authorized to transfer, without charge therefor, out of the surplus supplies of the War and other departments of the Government, to American relief organizations to be selected by him, medicines, medical, surgical and hospital supplies, for the relief of the distressed and famine stricken people of Russia, in an amount not to exceed $4,000,000 original cost to the United States and as may be delivered to and accepted by such relief organizations, without cost for transportation to the United States, within four months of the date of the passage of this act.

And to amend the title so as to read: "An act to authorize the President to transfer certain medical supplies for the relief of the distressed and famine stricken people of Russia."

Mr. WADSWORTH. Mr. President, Senators will recollect that at the beginning of this session of Congress the Senate passed a bill authorizing and directing the Secretary of War to turn over certain surplus medical stores to the American Relief Administration in Russia. This bill has been amended by the House in three respects. Instead of conferring the authority upon the Secretary of War, the authority is conferred upon the President of the United States. The Senate bill originally did not place any specific limitation upon the cost value of the supplies thus to be turned over. A House amendment puts a limitation of $4,000,000 upon the cost of the supplies. The

House also provides that the supplies thus to be turned over shall be turned over within four months.

My idea is that the House has somewhat improved the measure, and I move that the Senate concur in the House amendments.

The motion was agreed to.

COLUMBIA RIVER BRIDGE.

Mr. McNARY. I ask the Chair to lay before the Senate the action of the House of Representatives on Senate bill 2776.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2776) to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore of the State of Washington, which were on page 1, lines 5 and 6, strike out "jointly or separately"; on page 1, line 8, after "approximately" to insert: "5 miles upstream from Dalles City, Wasco County, in the State of Oregon,"; on page 1, line 9, strike out "twenty or"; on page 1, line 9, after "twenty-nine" insert: "or thirty"; and to amend the title so as to read: "An act to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington."

Mr. McNARY. I move that the Senate concur in the House amendments.

The motion was agreed to.

EUGENE V. DEBS.

Mr. MOSES. I present a letter of the Attorney General to the President of the United States, upon which the President based his commutation of the sentence imposed upon Eugene V. Debs. I move that it be printed as a Senate document.

The motion was agreed to.

EXECUTIVE BUSINESS.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 18, 1922, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 17 (legislative day of January 16), 1922.

VICE GOVERNOR OF THE PHILIPPINE ISLANDS.

Eugene A. Gilmore to be vice governor of the Philippine Islands.

CHIEF JUSTICE OF THE SUPREME COURT OF PORTO RICO.

Emilio del Toro to be chief justice of the Supreme Court of Porto Rico.

COMMISSIONER OF IMMIGRATION.

John P. Johnson to be commissioner of immigration, Boston, Mass.

RECEIVER OF PUBLIC MONEYS.

Edward P. Gorman to be receiver of public moneys, Wausau, Wis.

PROMOTIONS IN THE ARMY.

To be brigadier generals.

Walter Crosby Babcock.
Milton Fennimore Davis.
Harold Palmer Howard.
James Robert Lindsay.
Palmer Eddy Pierce.
Henry Joseph Reilly.
Carey Fletcher Spence.
Thornwell Mullally.
George Washington Ball.

MEDICAL CORPS.

William Henry Welch to be brigadier general.
Frank Billings to be brigadier general.
William James Mayo to be brigadier general.

SIGNAL CORPS.

John Joseph Carty to be brigadier general.

FIELD ARTILLERY.

James Brown Golden to be captain.

POSTMASTERS.

ARIZONA.

Joseph P. Downey, Miami.

CALIFORNIA.

Ethel R. Costello, Acampo.
Joseph N. Hollis, Gridley.
Claude R. Keagle, Lodi.
Carey W. Mathews, Reedley.
James J. Heckman, Selma.

COLORADO.

Henry N. Chapman, Branson.
Frank L. Barton, Haxtun (late Haxtum).
Alice M. Payne, Hudson.
Myrtle Loback, Naturita.
Cora E. Taggart, Wheat Ridge.

FLORIDA.

Milton E. Skipper, Bartow.
Thomas J. Bulford, Hilliard.

GEORGIA.

Cecil A. Reed, Acworth.
James T. Dampier, Adel.
Lila H. Rambo, Blakely.
Rem B. Edwards, Crawfordville.
Noel H. Bragg, Gray.
Kate Harris, Leesburg.
Hillyer Rudisill, Macon.
William H. Astin, Palmetto.
James M. Wright, Screven.
Claude M. Proctor, Summit.

IDAHO.

Elizabeth Helmer, Bovill.
Emma C. Weber, Burke.
Christian Schwendiman, Sugar.

ILLINOIS.

Charles H. Spilman, Edwardsville.
George M. Clark, Galesburg.
May B. Ellis, Melvin.
Joseph B. Frisbie, Mendon.
George H. Barkmeier, San Jose.
Lawrence E. Whitford, Waterman.

INDIANA.

Lee R. Roberts, Dillsboro.
Elmer L. McKnight, Fowler.
Joseph T. Nighbert, Hanover.

IOWA.

Edward F. Glau, Charter Oak.
Ralph H. Halloway, Churdan.
Alfred Wright, Denison.
Carrie H. Randall, Epworth.
Eva Keith, Goldfield.
Charles H. Howe, Janesville.
Carl G. Austin, Lineville.
Emily L. Gibson, Reinbeck.
Ross G. Hauser, Union.
Edna J. Sturdivant, Wesley.

KANSAS.

Mary C. Carroll, Conway Springs.
Clarence E. Sells, Effingham.
Daisy T. Tilzey, Lucas.
John A. Coffman, Sedgwick.
Eva M. Baird, Spearville.
Mamie B. Stanard, Sublette.

LOUISIANA.

Jay T. Boone, Boyce.
Edwin R. Ford, Jonesville.
Angus O. Ott, Kentwood.
Joseph H. Kurth, jr., Kurthwood.
Joseph A. Barthet, Labadieville.
Auburtin H. Barre, Mooringsport.
Kiney S. Foster, Pharr.
Lawrence J. Bonin, St. Martinville.
Mary S. Hunter, Pineville.

MARYLAND.

John M. Reed, jr., Chesapeake City.
Martin M. Wright, Easton.
William C. Shearer, Manchester.
Herbert C. Leighton, Mountain Lake Park.
Granville S. Cropper, Ocean City.
Raymond L. Westerfield, Port Deposit.
Walter H. Snyder, Sharpsburg.
William H. Condiff, Solomons.
Frank T. Buckingham, Woodbine.

MICHIGAN.

Frank T. Jackson, Marysville.
Augustus D. Thorp, Sand Lake.

J. Harry Wright, Sherwood.
Victor L. Hardes, Trout Creek.

MISSOURI.

Marion B. Gardner, Aurora.
Ruby W. Benecke, Brunswick.
William T. Ross, Guilford.
George P. Megaffin, Hunnewell.
Milton Wilhelm, Seligman.
John S. Dickey, Sugar Creek.
Ora E. Shelman, Weatherby.

MONTANA.

Elias O. Sorvick, Antelope.
George C. Russell, Bowdoin.
James F. Blankner, Broadus.
Marie R. Worth, Carter.
Joel T. Smith, Chester.
Francis B. Tanner, Darby.
Carroll E. Griffin, Glendive.
Pearl E. Winfield, Jordan.
John R. Stewart, Jugomar.
Charles A. Worthing, Lambert.
George W. Fenton, Laurel.
Ralph E. Rorabeck, Lavina.
Richard L. Alldrin, Malta.
John H. Dolin, Medicine Lake.
Alfred S. Opheim, Opheim.
Leanore K. C. Roderick, Outlook.
Jessie L. Heath, Ringling.
Peter Myre, Somers.
Charlotte M. Wells, Stockett.
Elbert L. Stackhouse, Thompson Falls.
Edgar P. Mizell, Troy.
Jesse D. Working, Wilsall.

NEBRASKA.

Gertrude M. Best, Dakota City.
William J. Stilgebouer, Danbury.
Joseph B. Hines, Wahoo.

NEVADA.

Jeanann M. Fay, East Ely.
Lucy A. Gates, Eureka.
Eva A. Smith, Minden.
Jane Davidson, Unionville.

NEW MEXICO.

Mary C. DuBois, Corona.

NEW YORK.

William M. Pinney, Arcade.
Fellah L. Quinlan, East Northport.
Fred M. Sealey, Hempstead.
Fred F. Hawley, Lake George.
Frank G. Heim, Lancaster.
Clarence Bryant, Le Roy.
Horace J. Howk, Mount McGregor.
John H. Stoddard, Stevensville.

OHIO.

Ethel H. Somerville, Adena.
Harold C. Rogers, Caledonia.
John P. Locke, Tiffin.

OKLAHOMA.

Walter Waller, Carter.
Minta J. Spraggins, Davidson.
Georgia H. Ethridge, Tipton.

OREGON.

Elisabeth E. Johnson, Gresham.

PORTO RICO.

Jose Carrera, Humacao.

SOUTH CAROLINA.

John R. Cochran, jr., Anderson.
John M. Pagan, Great Falls.
Milton A. Watson, Johnston.
Harry E. Dawson, Mount Pleasant.
David E. Sauls, Smoaks.
Paul E. Bryson, Woodruff.

SOUTH DAKOTA.

Reno T. Peterson, Chester.
Frank B. Sherwood, Cottonwood.
Leon W. Kreidler, Fulton.
Tillie M. Cowman, Gayville.
Otto C. Sharon, Kadoka.
Geneva M. Snall, Lane.
Ira S. Myron, Volin.

TENNESSEE.

Leslie Vernon, Alamo.
James M. Yokley, Baileyton.
Henry F. Marion, Blountville.
Blanche Godsey, Bluff City.
Robert C. Laws, Butler.
Augustus F. Shults, Caryville.
Joseph T. Hester, Huntingdon.
Granville W. Harp, Jellico.
Tim F. Stephens, Livingston.
Thomas W. Williams, Lucy.
George B. Beaver, McMinnville.
William N. Craft, Mosheim.
John L. Goin, New Tazewell.
Daniel C. Ripley, Rogersville.
William J. Julian, Silver Point.
Charles E. Pennington, Sweetwater.
Albert C. Samsel, Tate.
Joseph M. Patterson, Watertown.
Faulkner M. Orr, Wildersville.

TEXAS.

Anderson J. Hixson, Abbott.
Fred W. Nelson, Clifton.
Ova L. McCown, Grand View.

UTAH.

Henry C. Ward, Myton.
Walter Cannon, St. George.

VERMONT.

George F. Flint, Chelsea.

VIRGINIA.

James M. Denton, Big Island.
William E. Eraley, Cleveland.
Mary L. Addison, Emory.
Mary F. Cunningham, Fort Myer.
Jennie G. Phillips, Gloucester.
Harold H. Hoyt, Herndon.
Isaac A. Luke, Holland.
John R. Rowland, Hollins.
Palmer R. Cooper, Keokee.
Shebuel R. Henry, Nassawadox.
William T. Hopkins, Newport News.
Blanche De Busk, North Holston.
Charles E. Welch, Phoebus.
William C. McCormick, Raphine.
James R. Miller, Strasburg.
John P. Middleton, The Plains.
Otis J. Borden, Toms Brook.
Alonzo L. Jones, Virgilina.

WASHINGTON.

Hugh Eldridge, Bellingham.
Frank R. Jones, Lacrosse.
Adam L. Livingston, Mabton.
Theo Hall, Medical Lake.
Jesse Simmons, Tolt.

WEST VIRGINIA.

Lora K. Fowler, Gormania.
James W. White, Webster Springs.

HOUSE OF REPRESENTATIVES.

TUESDAY, *January 17, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, morning, noon, and night Thou art pouring forth those affections which bestow happiness upon our homes and enlarge the spheres of our usefulness; blessed be Thy excellent name. At Thy touch the nobilities of our natures are moved. O Holy Spirit, stir in every heart and awaken in every breast aspirations that lift toward God and evoke the very best that is in us. O bring all peoples everywhere to a high plane of understanding and self-control. Breathe upon them the spirit of peace and brotherhood. Come forth from the bosom of the Infinite God and hover over our land until all laws and all institutions shall feel Thy presence. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. PRINGEY, by unanimous consent, was granted leave of absence for to-day on account of illness.

Mr. FESS. Mr. Speaker, I ask unanimous consent for leave of absence for our colleague, Gen. SPEAKS, for two weeks, owing to illness. He has been taken to the Johns Hopkins Hospital.

The SPEAKER. Without objection, the leave will be granted. [After a pause.] The Chair hears none.

COMPLAINTS CONCERNING POCONO PINES FEDERAL VOCATIONAL SCHOOL.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask unanimous consent to proceed for one minute for the purpose of calling the attention of the House to a communication which I have received from the American Legion, Department of Pennsylvania.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. GRAHAM of Pennsylvania. I desire to call to the attention of the House a communication received from the American Legion, Department of Pennsylvania, concerning the treatment of disabled veterans of the late war at a particular vocational school, and ask leave further to extend my remarks by inserting this communication in the RECORD.

Mr. MICHENER. Mr. Speaker, reserving the right to object, what is the name of the school?

Mr. GRAHAM of Pennsylvania. Pocono Mountain School.

Mr. MICHENER. Where is it located?

Mr. GRAHAM of Pennsylvania. In Pennsylvania.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The following is the communication referred to:

THE AMERICAN LEGION,
DEPARTMENT OF PENNSYLVANIA.
Wilkes-Barre, Pa., January 6, 1922.

From: Commander William B. Healey.
To: Hon. GEORGE S. GRAHAM, Philadelphia, Pa.
Subject: Transmission of report of relief committee.

1. Inclosed please find recent report of the Pocono Pines training center, which is forwarded for your information.
2. Please interest yourself in the welfare of these patients and see what can be done to expedite the remedies.
3. These matters are strictly up to the Government bureaus that are neglecting these worthy men.

By request of the commander.

WM. B. HEALEY,
Post Commander,
Diamond City Post, No. 132, Wilkes-Barre, Pa.

WILKES-BARRE, PA., *January 6, 1922.*

Hon. GEORGE S. GRAHAM,
Philadelphia, Pa.

From: Relief committee.
To: Commander Diamond City Post, No. 132.
Subject: Investigation of Pocono Pines training center.

1. Following complaints from disabled veterans stationed at the Federal vocational school at Pocono Pines on the Pocono Mountains covering a score of alleged irregularities, and at the direction of the commander of Diamond City Post, members of the relief committee on Wednesday afternoon, December 21, 1921, made an inspection of the training center.

2. Greeted by Mr. M. Freedman, the new educational director, the committee was informed that the Government leases a 300-acre tract at Pocono Pines which contains three large buildings and a number of small cottages. Mr. Freedman said that the law prohibits the Veterans' Bureau or the Federal vocational school from owning property, and that it was necessary to lease the tract at a rental of $87,500 a year. On the day of the inspection Mr. Freedman said that there were 212 trainees at the school, showing that the Government pays an average of $412.73 a year to give the trainees shelter and a bed. Mr. Freedman said that the meals were furnished by the National Subsistence Co., of Chicago, but that the dishes and linen are furnished by the Government.

3. After a thorough investigation your committee found conditions in general to be far from the standard that should be maintained in a sanitarium where men who in sacrificing everything for the good of their country are now placed in an effort to recover from pulmonary diseases and stomach ailments received as a result of the war.

4. Your committee indignantly denounces the practice of extracting the large amount of $49 from the pay envelope of every trainee each month to pay for meals and the cleaning of rooms. This is done by the National Subsistence Co. As the meals are of a poor grade and did not appear to be worth one-half of the price charged, and as the rooms have been sadly neglected, we believe that the amount is beyond reason.

5. The men are charged 50 cents a meal, or a total of $45 a month, for board. If a man is sick or misses a meal, no reduction is made in the amount taken from his pay envelope. This money goes to the subsistence company, which corporation, it is said, was organized to feed strike breakers.

The men are also taxed $4 a month for the cleaning of their rooms, but in the majority of instances the rooms are not properly taken care of. This money also goes to National Subsistence Co.

6. The committee is of the opinion that the trainees should be organized and allowed to have their own mess sergeant and take care of the feeding themselves, as is done by the various troops of Pennsylvania State police. It is also of the opinion that instead of paying $4 a month per man for the cleaning of the rooms that each trainee should be held responsible for the condition of his room and that frequent inspections by the officers in charge should be made to see that this is done. In this way the men could save the $4 a month for the cleaning of the rooms and they would get better food, which would cost them less than $1 a day as compared to the $1.50 which they now pay to the subsistence company. If this could not be accomplished the Government should compel the company to serve better food and to reduce the amount of money taken from the men each month from $49 to at least $30, this amount to cover the cost of meals and the cleaning of rooms.

7. Sanitary conditions were found to be in a deplorable state. In the kitchen dishes were being washed in an iron basket which was submerged first in hot water and then in rinsing water. The committee does not believe that this method is thorough enough for a sanitarium, as the water was not twirled to reach every part of the dishes. It was also found that the water in which the dishes were submerged was not continuously flowing and that it was not changed as often as it should have been.

8. The sinks in the kitchen of Pocono Pines Inn were dirty and the stoves on which the victuals were cooked were not as clean as they should have been. In the sleeping quarters cobwebs were found in the corners of the rooms and on mosquito netting over the transom openings above the doors, and insanitary containers were found in the corners of the rooms. The linen used on the table in the dining rooms was of a poor grade and not in the best sanitary condition. It is the opinion of the committee that the linen should be abandoned for sanitary reasons and marble slabs used on the dining-room tables.

9. Exorbitant war prices are being charged at the commissary, which is also conducted by the National Subsistence Co., free of any rental, in a section of the first floor of the Casino. Exorbitant prices are being charged for cigarettes, chewing gum, soda water, razor blades, tooth paste, shaving soap, and other toilet articles.

10. Trainees are being charged 50 cents for a package of Ever Ready razor blades, although a notice on the box reads "Six for 40 cents," and the same blades can be bought in stores in any city in northeastern Pennsylvania at six for 35 cents. Although they preach "cleanliness is next to godliness," a 5-cent bar of soap sells for 8 cents in the commissary. A 5-cent package of chewing gum is sold for 7 cents and a 5-cent bottle of soda water is sold for 7 cents. It has been figured that according to the prices charged for the same articles in stores in northeastern Pennsylvania that the commissary is making from 35 to 40 per cent over and above the regular sales profits. Although it is said that the Subsistence Co. has a contract with the Government stipulating that no other agency or group of men may open a commissary where the association operates, it is the opinion of the committee that the trainees should run their own canteen and that the profits should divert to the mess fund, as was done in the Army during the late war.

11. It is the opinion of your committee that the National Subsistence Co. is reaping an excessive harvest through its contracts with the Government for supplying meals at the training center and in operating the commissary. From each trainee $45 a month is taken for meals, which could be supplied for one-half the price, and $4 a month is taken for the cleaning of the rooms. The profit on meals appears to be beyond comprehension, while the profit on the room-cleaning proposition is also enormous. In one building where 80 men are stationed, the company collects $320 in one month. Out of this the two women are paid about $60 a month, including their board, leaving a profit of approximately $200 a month.

12. No keys have been provided for the locks on the doors in the sleeping quarters of the men, and it was reported by several trainees that suits of clothes and other pieces of wearing apparel had been stolen from their rooms. It is the opinion of the committee that the Government or the owner of the buildings should provide the doors with locks.

13. There are a number of fireplaces in the various buildings, but they were without fires. Fires should be provided during the cold weather, when the temperature is anything but pleasing in the Poconos.

14. There are no reading rooms or games supplied for the men, with the exception of a bowling alley and two pool tables in the Casino. It is the opinion of the committee that the library at the school should be opened and filled with books, where the trainees may spend their time gaining knowledge when not otherwise engaged. The dance hall in the Casino is not fitted with storm shutters, and no matter what amount of heat is applied, the cold blasts from the lakes near by makes the dance hall mighty uncomfortable during the winter months.

15. There are a number of classrooms for the teaching of fundamentals, typewriting, and other classes, and a $60,000 machine shop which is used by several of the trainees. It was reported that courses suitable to a gassed man were not being featured as extensively as they might be. Students in the agricultural class reported that the educational appropriation was almost entirely used up for the erection of the machine shop and that there was not enough money to purchase textbooks or equipment for the course. These men say that recently they paid their own money, together with the instructors, to purchase live fowl and equipment to be used in learning the course. It is the opinion that the appropriation was misused in erecting a machine shop at a school for men suffering from lung and stomach troubles, and with a number of machine shops located in Scranton and Wilkes-Barre where men desiring to learn such a trade should have been sent.

16. In conclusion the committee begs to make the following recommendations which it deems absolutely necessary for the future success of the training center and the welfare of the disabled veterans:

(a) That the feeding of the trainees be taken from the National Subsistence Co.

(b) That the commissary privileges at the training center be taken from said company.

(c) That the men be organized to conduct their own mess and run their own commissary and exchange with the profits being placed into a mess fund.

(d) That the cleaning of the rooms be taken from the subsistence company and each man be held responsible for his own bed and room.

(e) That officers in charge of the school be compelled to make frequent inspections to see that sanitary conditions are enforced.

(f) That new and modern dish-washing machines suitable for a sanitarium be installed in Pocono Pines Inn.

(g) That heating ovens to keep food warm until it is served on the tables be installed in the kitchen.

(h) That marble slabs be used on the dining-room tables instead of table cloths.

17. Unless these or similar recommendations are carried out, the committee believes that the school should be abandoned, as it is a detriment instead of a benefit to the disabled veterans.

Respectfully submitted.

ROSCOE B. SMITH, *Chairman.*
DORA BEARD.
LAURA BOYCE.
LUTHER KNIFFEN.
WILLIAM B. HEALEY.
E. B. BEAUMONT.
CHARLES A. BERRY.

Copies to: File, Gov. Sproul, Senator W. E. CROW, Senator P. F. Joyce; Federal Vocational Bureau, Washington, D. C.; Federal Vocational Bureau, Scranton, Pa.; Veterans' Bureau, Philadelphia, Pa.; State Commander, American Legion; National Commander, American Legion; Wyoming Valley Chapter, American Red Cross; Wilkes-Barre newspapers; Hon. CLARENCE D. COUGHLIN, Luzerne County; Hon. WILLIAM J. BURKE, Pittsburgh, Pa.; Hon. THOMAS S. CRAGO, Waynesburg, Pa.; Hon. ANDERSON H. WALTERS, Altoona, Pa.; Hon. WILLIAM S. VARE, Philadelphia, Pa.; Hon. GEORGE GRAHAM, Philadelphia, Pa.; Hon. HARRY C. RANSLEY, Philadelphia, Pa.; Hon. GEORGE EDMONDS, Philadelphia, Pa.; Hon. M. CLYDE KELLY, Pittsburgh, Pa.; Hon. EDWARD S. BROOKS, York, Pa.; Hon. LOUIS T. MCFADDEN, Canton, Pa.; Hon. JAMES J. CONNOLLY, Philadelphia, Pa.; Hon. GEORGE P. DARROW, Philadelphia, Pa.; Hon. JOSEPH MCLAUGHLIN, Philadelphia, Pa.; Hon. FRED E. GERNERD, Allentown, Pa.; Hon. GUY E. CAMPBELL, Pittsburgh, Pa.; Hon. STEPHEN G. PORTER, Pittsburgh, Pa.; Hon. WILLIAM H. KIRKPATRICK, Easton, Pa.; Hon. HENRY W. WATSON, Langhorne, Pa.; Hon. W. W. GRIEST, Lancaster, Pa.; Hon. CHARLES R. CONNELL, Scranton, Pa.; Hon. JOHN REBER, Pottsville, Pa.; Hon. J. CLINTON KLINE, Sunbury, Pa.; Hon. JOHN M. MORIN, Pittsburgh, Pa.; Hon. MILTON W. SHREVE, Erie, Pa.; Hon. AARON S. KREIDER, Lebanon, Pa.; Hon. HENRY W. TEMPLE, Washington, Pa.; Hon. NATHAN L. STRONG, Indiana, Pa.; Hon. THOMAS BUTLER, West Chester, Pa.; Hon. BENJAMIN K. FOCHT, Lewisburg, Pa.; Hon. JOHN M. ROSE, Johnstown, Pa.; Hon. E. R. KIESS, Williamsport, Pa.; Hon. HARRIS J. BIXLER, Harrisburg, Pa.; Hon. EVAN J. JONES, Washington, D. C.; Hon. ADAM M. WYANT, Washington, D. C.; Hon. SAMUEL A. KENDALL, Greenville, Pa.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed with amendments the bill (H. R. 8842) to provide for agricultural entries of coal lands in Alaska, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed the bill (S. 37) granting pensions to certain members of the former Life-Saving Service, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 1771. An act authorizing the Shipping Board to acquire a site on Hazzell Island, St. Thomas, Virgin Islands.

The message also announced that the Senate had passed without amendment joint resolution (H. J. Res. 30) to amend a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920.

The message also announced that the Vice President had appointed Mr. SMOOT and Mr. MYERS members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Interior Department.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 1771. An act authorizing the Shipping Board to acquire a site on Hazzell Island, St. Thomas, Virgin Islands; to the Committee on the Merchant Marine and Fisheries.

S. 37. An act granting pensions to certain members of the former Life-Saving Service; to the Committee on Interstate and Foreign Commerce.

ELECTION TO COMMITTEES.

Mr. GARNER. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Texas asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 265.

Resolved, That CHESTER W. TAYLOR, Member of Congress from the sixth district of Arkansas be, and he is hereby, elected a member of the Committee on Insular Affairs, and that HALLETT SYDNEY WARD, Member of Congress from the first district of North Carolina, be, and he is hereby, elected a member of the Committee on Roads.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none. Without objection, the resolution is agreed to.

There was no objection.

ANTILYNCHING LEGISLATION.

Mr. VOLSTEAD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13, the so-called antilynching bill.

The SPEAKER. The gentleman from Minnesota moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the antilynching bill.

Mr. GARRETT of Tennessee. Mr. Speaker, pending that motion, may I ask how much time remains for general debate?

Mr. VOLSTEAD. Eight hours and about a couple of minutes.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent for a brief statement.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to make a brief statement. Is there objection. [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, if agreeable to the committee in charge of the antilynching bill, it is possible that we shall go on with the general debate on the bill and close it to-morrow. That has not been fully determined upon, but I think gentlemen ought to know that that is under consideration.

Mr. GARRETT of Tennessee. Mr. Speaker, may I ask the gentleman from Wyoming if in the plan that is contemplated it is expected to go further than the conclusion of the general debate in consideration of the bill?

Mr. MONDELL. No; I think not. We have an appropriation bill day after to-morrow. That will be disposed of.

Mr. SUMNERS of Texas. Will the gentleman yield for an inquiry?

Mr. MONDELL. Yes.

Mr. SUMNERS of Texas. Does the gentleman from Wyoming have any idea at this time as to how long the appropriation bill which he contemplates bringing up will require?

Mr. MONDELL. It may take the balance of the week. I think we shall not reach the antilynching bill again until next week, possible Tuesday.

The SPEAKER. The question is on the motion of the gentleman from Minnesota that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the antilynching bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 57, noes 29.

Mr. GARRETT of Tennessee. Mr. Speaker, I object to the vote because there is no quorum present, and I make the point of no quorum.

The SPEAKER. The gentleman from Tennessee makes the point of no quorum. Evidently no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees; those in favor of the House resolving itself into the Committee of the Whole House on the state of the Union for the further consideration of the antilynching bill will, as their names are called, answer "yea," those opposed will answer "nay," and the Clerk will call the roll.

The question was taken, and there were—yeas 236, nays 105, answered "present" 3, not voting 86, as follows:

YEAS—236.

Anderson	Codd	Frear	Husted
Andrew, Mass.	Cole, Iowa	Free	Ireland
Andrews, Nebr.	Cole, Ohio	Freeman	James
Ansorge	Colton	French	Jefferis, Nebr.
Anthony	Connell	Frothingham	Johnson, Ky.
Appleby	Cooper, Ohio	Fuller	Johnson, S. Dak.
Arentz	Cooper, Wis.	Funk	Johnson, Wash.
Atkeson	Copley	Gahn	Jones, Pa.
Bacharach	Cramton	Gallivan	Kearns
Barbour	Cullen	Gensman	Keller
Begg	Curry	Gernerd	Kelley, Mich.
Benham	Dallinger	Glynn	Kelly, Pa.
Bird	Darrow	Goodykoontz	Kendall
Bixler	Davis, Minn.	Gorman	Kennedy
Blakeney	Dempsey	Graham, Ill.	Ketcham
Boies	Denison	Graham, Pa.	Kiess
Bowers	Dickinson	Green, Iowa	King
Brennan	Dowell	Greene, Mass.	Kinkaid
Brooks, Pa.	Dunbar	Griest	Kissel
Browne, Wis.	Dyer	Hadley	Kleczka
Burdick	Elliott	Hardy, Colo.	Kline, N. Y.
Burroughs	Ellis	Hawley	Kline, Pa.
Burtness	Evans	Hersey	Knutson
Burton	Fairchild	Hickey	Kopp
Butler	Fairfield	Hicks	Kraus
Cable	Faust	Hill	Lampert
Campbell, Kans.	Fenn	Himes	Larson, Minn.
Campbell, Pa.	Fess	Hoch	Layton
Chalmers	Fish	Hogan	Lea, Calif.
Chindblom	Fitzgerald	Houghton	Leatherwood
Christopherson	Fordney	Hukriede	Little
Clarke, N. Y.	Foster	Hull	London

Longworth	Murphy	Rossdale	Tilson
Luce	Nelson, A. P.	Sanders, Ind.	Timberlake
Luhring	Nelson, J. M.	Sanders, N. Y.	Tinkham
McArthur	Newton, Mo.	Schall	Towner
McCormick	Norton	Scott, Mich.	Underhill
McFadden	Ogden	Scott, Tenn.	Vaile
McLaughlin, Mich.	Paige	Shelton	Vare
McLaughlin, Nebr.	Patterson, Mo.	Shreve	Vestal
McLaughlin, Pa.	Patterson, N. J.	Siegel	Voigt
MacGregor	Perkins	Sinclair	Volk
Madden	Perlman	Sinnott	Volstead
Magee	Petersen	Smith, Idaho	Walsh
Maloney	Purnell	Smith, Mich.	Wason
Mann	Rainey, Ill.	Snell	Watson
Mapes	Ramseyer	Sproul	Webster
Mead	Ransley	Stafford	Wheeler
Merritt	Reece	Steenerson	White, Kans.
Michaelson	Reed, N. Y.	Stephens	White, Me.
Michener	Reed, W. Va.	Strong, Kans.	Williams
Miller	Rhodes	Strong, Pa.	Williamson
Millspaugh	Ricketts	Summers, Wash.	Wood, Ind.
Mondell	Riddick	Sweet	Woodruff
Montoya	Roach	Swing	Wurzbach
Moore, Ohio	Robsion	Taylor, N. J.	Wyant
Moores, Ind.	Rodenberg	Taylor, Tenn.	Yates
Morgan	Rogers	Temple	Young
Mott	Rosenbloom	Thompson	Zihlman

NAYS—105.

Almon	Drane	Lankford	Sanders, Tex.
Aswell	Driver	Larsen, Ga.	Sandlin
Bankhead	Dupré	Lazaro	Sears
Barkley	Favrot	Lee, Ga.	Sisson
Bell	Fields	Linthicum	Smithwick
Black	Fisher	Logan	Steagall
Bland, Va.	Garner	Lowrey	Stedman
Bowling	Garrett, Tenn.	Lyon	Stevenson
Box	Garrett, Tex.	McClintic	Stoll
Brand	Gilbert	McDuffie	Sullivan
Briggs	Goldsborough	Martin	Sumners, Tex.
Brown, Tenn.	Griffin	Montague	Swank
Buchanan	Hardy, Tex.	O'Connor	Tague
Bulwinkle	Harrison	Oldfield	Thomas
Byrnes, S. C.	Hawes	Oliver	Tillman
Byrns, Tenn.	Hayden	Overstreet	Upshaw
Carew	Hooker	Padgett	Vinson
Carter	Huddleston	Park, Ga.	Ward, N. C.
Clouse	Hudspeth	Parks, Ark.	Weaver
Collier	Humphreys	Parrish	Wilson
Collins	Jacoway	Pou	Wingo
Connally, Tex.	Jeffers, Ala.	Quin	Wise
Crisp	Johnson, Miss.	Raker	Woods, Va.
Davis, Tenn.	Jones, Tex.	Rankin	Wright
Deal	Kincheloe	Rayburn	
Dominick	Kindred	Robertson	
Doughton	Lanham	Rouse	

ANSWERED "PRESENT"—3.

Chandler, Okla.	Cockran	Herrick

NOT VOTING—86.

Ackerman	Dunn	McKenzie	Riordan
Beck	Echols	McPherson	Rose
Beedy	Edmonds	McSwain	Rucker
Bland, Ind.	Focht	Mansfield	Ryan
Blanton	Fulmer	Mills	Sabath
Bond	Gould	Moore, Ill.	Shaw
Brinson	Greene, Vt.	Moore, Va.	Slemp
Britten	Hammer	Morin	Snyder
Brooks, Ill.	Haugen	Mudd	Speaks
Burke	Hays	Newton, Minn.	Stiness
Cannon	Hutchinson	Nolan	Taylor, Ark.
Cantrill	Kahn	O'Brien	Taylor, Colo.
Chandler, N. Y.	Kirkpatrick	Olpp	Ten Eyck
Clague	Kitchin	Osborne	Tincher
Clark, Fla.	Knight	Parker, N. J.	Treadway
Classon	Kreider	Parker, N. Y.	Tyson
Connolly, Pa.	Kunz	Porter	Walters
Coughlin	Langley	Pringey	Ward, N. Y.
Crago	Lawrence	Radcliffe	Winslow
Crowther	Lee, N. Y.	Rainey, Ala.	Woodyard
Dale	Lehlbach	Reavis	
Drewry	Lineberger	Reber	

So the motion was agreed to.

The Clerk announced the following pairs:

On the vote:

Mr. McPHERSON (for) with Mr. RUCKER (against).

Mr. LINEBERGER (for) with Mr. KITCHIN (against).

Mr. BLAND of Indiana (for) with Mr. MANSFIELD (against).

Mr. ECHOLS (for) with Mr. McSWAIN (against).

Mr. OSBORNE (for) with Mr. FULMER (against).

Mr. REBER (for) with Mr. TAYLOR of Arkansas (against).

Mr. HUTCHINSON (for) with Mr. DREWRY (against).

Mr. OLPP (for) with Mr. MOORE of Virginia (against).

Mr. MORIN (for) with Mr. TYSON (against).

Mr. KAHN (for) with Mr. BRINSON (against).

Mr. ACKERMAN (for) with Mr. BLANTON (against).

Mr. DUNN (for) with Mr. HAMMER (against).

Mr. LAWRENCE (for) with Mr. RAINEY of Alabama (against).

Mr. KNIGHT (for) with Mr. CANTRILL (against).

Mr. PRINGEY (for) with Mr. CLARK of Florida (against).

Until further notice:

Mr. CONNOLLY of Pennsylvania with Mr. KUNZ.

Mr. SNYDER with Mr. O'BRIEN.

Mr. LANGLEY with Mr. RIORDAN.

Mr. TREADWAY with Mr. SABATH.

Mr. WINSLOW with Mr. TEN EYCK.

Mr. BEEDY with Mr. TAYLOR of Colorado.

The result of the vote was announced as above recorded.

The SPEAKER. The Doorkeeper will open the doors. The House will resolve itself into Committee of the Whole House on the state of the Union, and the gentleman from Kansas [Mr. CAMPBELL] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13, known as the antilynching bill, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the antilynching bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching.

Mr. VOLSTEAD. Mr. Chairman, I yield one hour to the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Chairman, I ask unanimous consent to revise and extend such remarks as I may make in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BURTON. Mr. Chairman and gentlemen of the committee, in the discussion of this question three main propositions present themselves: First, the gravity and the extent of the evil which the bill seeks to remedy; second, is congressional action desirable as a matter of public policy? third, will action by Congress be constitutional?

Of the gravity of the evil there can be no question. Lynching is the darkest blot upon an otherwise splendid civilization. Notwithstanding our advancement and our proud position among the nations, this crime prevails only in the United States. In the olden times patriarchs and chiefs had the power of life and death, but it was exercised under crude forms of law or authority. There is only one crime to be compared with lynching, and that is cannibalism. This frightful form of savagery, however, was usually hedged about by ceremonial rites. It was sometimes practiced for the alleviation of hunger; sometimes in pursuance of a general policy to remove the aged or inefficient; frequently in response to a prevalent superstition, that the bodies of those who had been slain returned for retribution upon those who were guilty of taking their lives. It has practically disappeared from the earth, and its presence was always exaggerated. The familiar passage—

> The barbarous Scythian
> Or he that makes his generation messes
> To gorge his appetite—

Was no doubt an imaginative conception of the great dramatist, perhaps suggested by some statements in Herodotus.

This savage practice of lynching or "lynch law" takes its name from one Charles Lynch, who lived between the years 1736 and 1796 in one of the southwesterly counties of Virginia. The town of Lynchburg was named after his brother. He with others in a time of trouble from Tories and lawless persons, during the Revolutionary War, formed a kind of vigilance committee, meting out punishment to offenders. However, they never claimed the right to take life. Castigation, whipping, or something of a similar nature, was the limit of their activities. His actions were justified in resolutions passed by the Virginia Legislature, I believe, in the year 1782.

In the days of early settlement, before the establishment of courts and political organizations, on the frontier and in other places, there may have been an excuse for this method of punishment, as at San Francisco in the early '50's. But even under these circumstances the taking of human life was comparatively light, and at least in certain cases a hearing was had. The vigilantes in the Mountain States and on the Pacific coast went through the form of a trial. In the years from 1850 up to 1860 it is estimated there were 46 Negroes put to death in the United States.

The practice did not become so widely prevalent until after the Civil War. It is a singular fact that down to about 1890 white men and those of other races were thus put to death indiscriminately; since then many more colored persons have been lynched. In the savage form in which this brutal method of execution has been conducted in the last 30 years, neither race nor sex has been spared. Over 500 white men have been lynched, and 57 women have been the victims of the mob; even children have been included. Barbarities which are almost beyond belief have been perpetrated, such as pouring kerosene oil upon the victims and burning them at the stake. These exhibitions have been attended by the frenzy of an infuriated mob, by the

cutting of pieces from the bodies of the victims and carrying them away as souvenirs. In one case a lynching was announced and an excursion train was run to the place where the lynching was to occur. Mortifying as these details may be, they are instances of mob violence. They but illustrate the dictum of M. LeBon in his work on The Crowd—that the collective impulse of the mob is different from the impulses and consciousness of those individuals comprising it. When fury is aroused it knows no limit in the brutal actions of a savage assembly.

It is startling to note that in the 28 years from 1890 to 1917, inclusive, the number of deaths by lynching was approximately equal to the number of those electrocuted or hanged under sentences of the courts. Three thousand and thirteen is the number counted for the former and 3,193 of the latter. If full statistics were available it is most probable that the number of those whose lives were taken by lynching was greater than the number of those who were hanged or electrocuted in accordance with the sentences of the courts. In 17 States the number lynched surpassed the number of those put to death by judicial sentence, and in some of those States there were twice, three times, or even four or five times as many who were lynched as those who met death at the hands of the legal executioner.

On this subject of lynching, Abraham Lincoln, in one of his earlier speeches, expressed himself with his usual clearness and in no uncertain tones. In a speech at Springfield, Ill., he said:

I hope I am over wary; but if I am not, there is even now something of ill omen amongst us. I mean the increasing disregard for law which pervades the country—the growing disposition to substitute the wild and furious passions in lieu of the sober judgment of courts, and the worse than savage mobs for the executive ministers of justice. This disposition is awfully fearful in any community, and that it now exists in ours, though grating to our feelings to admit, it would be a violation of truth and an insult to our intelligence to deny.

Omitting a portion of what he said, he continues:

In the Mississippi case they first commenced by hanging the regular gamblers—a set of men certainly not following for a livelihood a very useful or very honest occupation, but one which, so far from being forbidden by the laws, was actually licensed by an act of the legislature passed but a single year before. * * * But you are perhaps ready to ask, What has this to do with the perpetuation of our political institutions? I answer, It has much to do with it. Its direct consequences are, comparatively speaking, but a small evil, and much of its danger consists in the proneness of our minds to regard its direct as its only consequences. Abstractly considered, the hanging of the gamblers at Vicksburg was of but little consequence. They constitute a portion of population that is worse than useless in any community; and their death, if no pernicious example be set by it, is never matter of reasonable regret with anyone.

He then dwelt upon the inevitable destruction of the innocent along with the guilty. He said:

The walls erected for the defense of the persons and property of individuals are trodden down and disregarded. * * * The lawless in spirit are encouraged to become lawless in practice, and thus become absolutely unrestrained. * * * While, on the other hand, good men, men who love tranquillity, who desire to abide by the laws and enjoy their benefits, who would gladly spill their blood in the defense of their country, seeing their property destroyed, their families insulted, and their lives endangered, their persons injured, and seeing nothing in prospect that forebodes a change for the better, become tired of and disgusted with a Government that offers them no protection.

He then adds:

Thus the strongest bulwark of any government may effectually be broken down and destroyed. I mean the attachment of the people.

Is it desirable that Congress should take action? The evil has assumed colossal proportions. Nationhood involves two things—first, the service of the citizen. His life and property must be subject to the call of his country. Our young men must respond to the call to arms, whether for the immediate defense of their firesides or, as they did in recent years, to shed their blood on the soil of France and Belgium. Does the country owe them no return? A nation is not for the benefit of a kaiser or a despot. It is an organized society for the benefit of those who make up its numbers, in which authority must be limited, at least in these modern times of progress, by the rights of the governed, and controlled in accordance with principles of equality and of the protection of the law.

The nation is hardly worthy of the name which does not protect its citizens. On this subject I will read, for those who hold perhaps somewhat different political views from myself, from two Democratic platforms; first, the platform of 1860. This platform contained less than a page, and had but seven sections. One of them is this:

Resolved, That it is the duty of the United States to afford ample and complete protection to all its citizens whether at home or abroad and whether native or foreign.

There was a plank in the Democratic platform so recently as 1916 in no uncertain language:

We again declare the policy that the sacred rights of American citizenship must be preserved at home and abroad. * * *
The American Government should protect American citizens in their rights not only at home but abroad.

On this subject Mr. Justice Matthews said in 118 United States at page 369:

The equal protection of the laws is a pledge of the protection of equal laws.

The principle is laid down that it is the duty of every country to afford protection to all those who have the distinction of its citizenship, whatever their place of birth, whether native or foreign, whatever their religion, whatever their race.

In the most enlightened communities of the ancient world special attention was given to the protection of the citizen. In one of his orations against Verres Cicero, in a passage which I will freely translate, said:

O liberty! O word once delightful to every Roman ear! O sacred privilege of Roman citizenship, once sacred, now trampled upon.

But the offender in that case was only a tyro in comparison with those who make up the modern lynching mob. He added the words:

Facinus est vincire civem Romanum; scelus verberare.
"It is a wicked action to bind a Roman citizen. It is a crime to scourge him."

The declaration of the Democratic platform and those principles of nationality which I have mentioned are of universal application among free peoples. They are as well the badge of stable government, of the supremacy of law and order. These principles have been the very essence of our policy from the beginning. The most striking feature of both the Declaration of Independence and the Constitution of the United States and its amendments is equality, the right to life, liberty, and property, the absence of all discrimination. These are great American ideas, and without their enforcement our Government does not fulfill the promise of its founders or the hopes of the present.

Whatever our views of State rights may be, we must recognize that under present-day conditions in the solution of national questions State boundaries are becoming vanishing traces on the map. I count myself as one who deplores that tendency. It seems to me every State should have initiative, that everything should be done to promote its dignity, its pride, and independent action; but in our effort to seek to restrain Federal jurisdiction we are fighting against the tide. The boundary line between the States and National Government is something that is beyond our control. The change is due to social development, to science and invention, and rests upon the closer relations of trade and amity that exist between communities.

I would not detract one iota from the fame of Webster as a statesman and a lawyer, but he was a powerful protagonist swimming with the tide when he made the reply to Hayne in January, 1830. Canals had been built, railroads were building. 14 years later the magnetic telegraph was brought into practical application, disseminating news all over the country, and as a result of these developments the States were brought as near one to the other as had been counties in the administration of Thomas Jefferson. But for this development, that magnificent expression of his, "Liberty and Union now and forever one and inseparable," might have been the dream of an idealist. We must face the conditions as they are. The growth of Federal jurisdiction is very much accentuated not merely by interstate relations but by the limitations and occasional inefficiency of State governments. You are all familiar with the great array of statutes placed on the Federal statute books within the last 30 years—the antitrust law, and before that the interstate commerce law, laws for the inspection of meat; pure food laws, laws giving remedy to employees of railroads engaged in interstate commerce, and recently a law has been passed under which theft from freight trains engaged in interstate commerce can be punished in the Federal courts. Then we have very recently an act named for our distinguished colleague, the Mann white slave act, and the Adamson law, which go to the very verge. All these indicate change of jurisdiction and change of conditions. Measures which would have been regarded as utterly unconstitutional 100 years ago have been approved by practically a unanimous decision.

I may say in this connection that it is hardly fair for a State to have the benefit or stimulus of congressional appropriations for rivers and harbors, for good roads, and all the forms of national activity which are so helpful to localities, and, on the other hand, to say if we have any water power we must confine it within our own borders; that, however much the landscape may show the beneficent effect of Federal activity, we still adhere to the right to control our own matters in the old way whether they be obsolete or not.

Popular opinion, if I can judge correctly, favors this bill. I am placing in the RECORD numerous quotations from newspapers. It causes me some regret that several clippings reflect on Members of this House, but I take it, my brethren, that you

have all been accustomed to newspaper criticism, and if you have not been the probability is if you attain any considerable prominence you will be subjected to it in the future, and so I trust that these expressions will not be offensive to you. I am including, for the most part, those that have been printed within the last two months:

[Editorial on Dyer antilynching bill from New York World, Jan. 8, 1922.]

THEY HAVE GIVEN AWAY THEIR CASE.

Opposition to the antilynching bill is having hard sledding in Congress. That is not because it has no case in constitutional law and precedent. It has a perfect case under a long line of Supreme Court judgments concerning the scope of section 1 of the fourteenth amendment, on which the bill depends for its validity.

But the bill in its new invasion of the police powers of the States happens to affect the South more than any other section of the country, and southern Representatives in Congress are in the worst position of all to crowd any argument now in defense of State police powers.

The most deadly blow ever struck at those residuary rights and powers of the States since the beginning of the Government is the eighteenth amendment, and for that fact the South and its Representatives at Washington are most of all responsible. They cared nothing then for State police power and all that. The more completely it was destroyed and merged in the General Government so far as prohibition was concerned, the better they were suited. They turned their backs on the most fundamental principles for which they and their political predecessors had stood since the time of Jefferson and went bag and baggage over to a position that even the traditional party of centralization would have repudiated as unthinkable hardly half a dozen years ago.

And now they are loudly talking State police power against a little antilynching bill whose whittling-down invasion of State jurisdiction is not comparable for a moment with that effected by the eighteenth amendment. It is to laugh, and this no doubt explains the great good nature with which the Republican side of the House listens to the southern protests and then votes them down.

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[From the Cleveland Plain Dealer, Jan. 6, 1922.]

THE ANTILYNCH BILL.

Sixty-three or sixty-four men and women were lynched in the United States last year. The count varies slightly. Well over 4,000 have been lynched since definite enumeration began in 1885. More than 60 of last year's victims were murdered by mobs in Southern States.

It was with such shocking figures as these in mind that the authors of the antilynching bill, now pending in the National House, went about their task of framing Federal legislation to guarantee to citizens the equal protection of law which has, in effect, been denied them by some of the States. The proposal is assailed on constitutional grounds. To the American sense of justice and fair play, however, it appeals more strongly than does a legalistic quibble over the right of the National Government to take the step recommended.

The bill is before the House with the indorsement of the Judiciary Committee. The minority of the committee dissents. This minority, it is interesting to note, is composed of Representative SUMNERS of Texas, whose State was guilty of 7 lynchings last year; MONTAGUE, of Virginia, in which State 1 lynching occurred; WISE, of Georgia—Georgia mobs murdered 11 in 1921; TILLMAN, of Arkansas—6 Arkansans were mob victims; and DOMINICK, of South Carolina, representing a State guilty of 5 mob murders last year.

Congressmen still pretending faith in the old State's right doctrine argue that the passage of such a measure as this would constitute an indefensible invasion by the Federal Government of the police power of the States. The decisions, however, seem to be against this contention. The question of constitutionality aside, it will appear to fair-minded people generally that when States fail signally to afford their citizens the protection of law guaranteed them by the Constitution there can be no great injustice done when the National Government steps in to supply the deficiency. The best way to prevent such an "invasion" would be for the States to stop evading their own duty in respect to this crime which every year blackens the fame of America.

Every newspaper reader is familiar with the fact that from time to time the National Government is obliged to make the humiliating confession that it is powerless to make good its express constitutional guaranty that no one shall be deprived of life, liberty, or property without due process of law. Files of the State Department show many such confessions in the form of official communications with Governments abroad. Compensation for the lynching of aliens by American mobs has run into hundreds of thousands of dollars. The United States can pay after the damage is done, but under existing law it can not prevent the damage.

Reduced to its simplest terms, the antilynching bill proposes to permit the Federal Government to give to individuals the protection of law which the States can not or refuse to give—a protection of law guaranteed alike by the Federal Constitution and by most of the State constitutions. If anyone can read into such a suggestion a threat to destroy or impair our form of government he is welcome to his interpretation, but the country is not impressed by it.

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[From the Philadelphia (Pa.) Inquirer, Dec. 21, 1921.]

TO MAKE AN END OF LYNCHING.

Federal interference with the police powers of the States has its dangers. But the antilynching bill now before Congress has abundant justification in spite of the protests of southern Members against it. This measure provides for the punishment of local officials who fail to do all in their power to prevent a lynching and of all participants in lynching mobs; and it makes any county in which a lynching takes place liable in the sum of $10,000 to the family of the victim. Such legislation should strike at the very root of the evil. Immunity from punishment is the most potent stimulant of mob violence.

The right of the Federal Government to act is founded upon the fourteenth amendment. "No State," the Constitution there declares, "shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws."

This assertion of the supremacy of the Federal law is fundamental to the very existence of the Constitution, since without such supremacy we should be a confederation of States and not a Nation. It is especially important that the protection of the citizen from unconstitutional acts should be insisted upon at this time, when disregard of constitutional principles has become alarmingly prevalent.

Clearly, the State that can not, or will not, protect its citizens against a mob has failed to secure them in their constitutional rights and has given the Federal Government complete justification for exerting its authority in the matter. That the mob spirit has too often run riot with little effort on the part of local officials to check it is undeniable. Acts injurious to the good name of the Nation have thus been committed with no punishment of the offenders. More than once these acts have led to embarrassing international episodes, as in the famous case of the Italians murdered in New Orleans. The Federal Government is necessarily the only authority other nations recognize. To confess that it has no authority when crimes against the citizens of other nations are committed puts it in a humiliating position.

Public sentiment will undoubtedly be behind any measure that ends an organized defiance of law, such as lynching is. The principle of holding the jurisdiction in which it occurs financially liable is a sound one; it has already been accepted in State statutes. That it is the duty of the State to punish lynchers goes without saying. This duty should be left to the State so long as there is any guaranty that it will be performed. But a State which can not protect its own citizens and enforce the constitutional guaranties must not complain if the Federal authorities step in. Mob violence has disgraced the Nation long enough.

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[Editorial on Dyer antilynching bill from the Sioux City (Iowa) Tribune, Nov. 4, 1921.]

ANTILYNCHING LAW.

Public sentiment should rally in support of the Dyer antilynching bill which has been introduced in the House. It is time that the Federal Government should take cognizance of these atrocities. In many of our Southern States the authorities are patently unable to cope with the situation. Aside from the fact that the frequent lynchings give foreigners an unfavorable opinion of our civilization, they constitute in themselves an evil which every right-minded man, both North and South, deplores. A man is entitled to trial before a jury whether his flesh be white, black, or yellow.

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[Editorial on the Dyer antilynching bill from Indianapolis (Ind.) Star, Dec. 20, 1921.]

A BILL TO CHECK LYNCHING.

The Dyer bill to prevent lynching now pending in the House of Representatives seems to be a measure that if made into a law would have excellent results. It seems useless to look to properly repressive action by the legislatures of Southern States. The governor of Georgia who went out of office last year was a far-seeing man and did his best to get a regulative State law through, and had he remained in office would probably have succeeded, but his successor has other ideas, and unless a Federal law is enacted lynching in Georgia will go unchecked.

The Dyer bill in the House provides that in the failure of State authorities to protect persons against mob violence, the county within whose borders the offense occurred shall be subject to a penalty of $10,000 for every lynching. The making of these crimes a Federal offense will put a different face on the matter. The lawless element—which is often found among the "best citizens"—may continue for a time to be lawless, but public sentiment among taxpayers will force local authorities to arrest the leaders, whose identity is usually no great secret, and to discourage in every way the perpetration of the "great American crime" and relic of barbarism. It will not be difficult after a few penalties have been exacted by Federal authorities to get State laws through to punish the criminals. Punishment may not change the brutal nature of the men who make up murderous mobs, but will have a tendency to prevent them from pursuing their favorite sport.

Lynching is a crime that does much to offset our proud claims to a high civilization. It goes on constantly, and, according to all appearances, with a tendency to hang or shoot or burn men for minor as well as serious offenses, as often unproved as not. Negroes, being helpless, are most often the victims, but white men are not immune from mob law. The Dyer bill or one even more stringent should become a law without delay.

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[From the Post, Boston, Mass., Dec. 18, 1921.]

LET US END THIS DISGRACE.

For more years than we would care to reckon these United States have been disgraced by an offense against law and order that seems to be peculiarly American. This offense is that of putting to death without trial men suspected or known to be guilty of certain crimes. The outrages almost always occur in the Southern States and with as much regularity are directed at men whose skins are black. Whites are rarely given the same kind of punishment, even for the same kind of crime. Illegal hangings, shootings, and burnings at the stake are, therefore, to be considered a matter of race revenge, one of the worst manifestations that we can have in such a land as ours.

Ever and anon this crime has arisen to plague us. When we protest, officially or unofficially, at some outrage in Europe, the reply is that we would better clean our own skirts before criticizing others. President Wilson made this plain enough on more than one occasion, and, previous to his time at the White House, Theodore Roosevelt fulminated against the vicious thing with all the energy at his command. But to no avail; the years went on with scarcely any let-up in the number of persons illegally put to death.

At last it seems as if we might wake up, however, for there is now up for consideration by the National House a bill to "assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching." It is the first definite attempt we have noted to stop the practice.

This measure asserts, first, that if a State or a governmental subdivision of it fails or refuses to protect the lives of persons "against a mob or riotous assemblage," it may be deemed to have denied the equal protection of the laws guaranteed by the Federal Constitution, and Congress may therefore provide penalties. These are, as proposed by the bill, to make it a felony for a local official to refuse to "make all reasonable efforts" to perform his duty in preventing a lynching; to make it a felony to participate in "any mob or riotous assemblage by which a person is put to death"; and to make each county in which anyone is lynched liable in the amount of $10,000, to be paid to that person's family, or, if he has none, "for the use of the United States."

Some theorists have always asserted that a Federal law against lynching would be unconstitutional. As this one is drawn it seems to avoid that objection. Certainly something should be found binding upon States that either do not punish lynching at all or punish it very gently. The custom has disgraced this country too long already. Let us end it.

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[From the Boston (Mass.) Post, Dec. 29, 1921.]

WHY NOT CONSTITUTIONAL?

It is expected at Washington that the antilynching bill, whose passage by the Republican majority in the House last week was delayed, will be brought up again soon after the holiday recess. According to the partisan alignment in that body, there can be no question as to its passage if the Republican ranks can be kept unimpaired. As the figures stand, there are now 300 Republicans, 1 Socialist, and 131 Democrats—more than a 2-to-1 majority.

Opposition to this bill is, however, developing in the majority party, based upon its alleged unconstitutionality. Its enemies criticize, for instance, the provision that a State which does not afford full protection to the victim of a lynching party shall pay $10,000 to his surviving relatives. This, they hold, is illegally infringing State rights.

But why is a bill to punish lynching unconstitutional? It seems to the Post that the Constitution not only fully warrants, but demands such a measure. The fourteenth amendment says, "Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws."

Now, lynching is certainly taking life "without due process of law," and a man who is lynched is as certainly denied "the equal protection of the laws." Furthermore, "Congress shall have power to enforce by appropriate legislation the provisions of this article."

An antilynching law is, therefore, legislation to see that a human-rights amendment to the Constitution is respected. It surely should be as valid as is legislation to enforce the amendment that tells men what they may not drink.

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[From the Bulletin, Philadelphia, Pa., Dec. 21, 1921.]

STATES' RIGHTS INCONSISTENCY.

The arguments advanced by southern Congressmen against the constitutionality of the antilynching bill at one time would have commended themselves to most Americans as sound. Lynching is a national disgrace and an especial reproach to the States that tolerate it, but the Dyer bill, which declares participation in a lynching and the failure of State officials to protect from mob violence persons under their jurisdiction to be crimes against Federal law, as well as imposing a $10,000 fine on the counties in which a lynching takes place, goes far afield from old-fashioned notions of the limits of Federal jurisdiction.

However, these protests against an extension of Federal jurisdiction to cover lynching will have a hollow sound, coming from a section in which every State has indorsed recently a far more extensive encroachment on the reserved police powers of the States. For men who accepted without protest the eighteenth amendment to cavil at a much less radical extension of Federal power may be explained by the peculiar sensitiveness the South displays on questions involving the race issue, but it is no credit to their sense of logic.

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[From the Philadelphia Evening Ledger, Dec. 21, 1921.]

WHY DEFEND LYNCHERS?

Debate on the proposed antilynching law will be resumed in Congress after the holidays, and there is no good reason why the measure should not be passed without delay.

Lynching in itself is a great evil that leads to greater ones. It encourages mob spirit in politics and it must result inevitably in the peculiar sort of mania that led to the shameful scandal of the new Ku Klux. There is no imaginable good that mob law can accomplish. And it is a matter of record that at least 50 per cent of the victims of lynching parties have been innocent of wrong.

There is wisdom behind the effort to enact a Federal law under which counties in which mob rule is permitted to progress to a point where life is sacrificed be compelled to pay heavy indemnity to the family of the victim. Such a provision ought to be a valuable stimulus to the public officials who are either too cowardly or too careless to protect prisoners committed to their care.

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[From the Literary Digest for Dec. 31, 1921.]

A FEDERAL BILL TO HALT LYNCHING.

Lynching will be less fashionable if the Federal antilynching bill sponsored by Representative DYER (Rep.), of Missouri, becomes a law. Also, notes a southern paper, the Columbia Record, "chicken-livered and rabbit-hearted officers of the law, with backbones no stiffer than empty flour sacks," will be dealt with rather severely if they continue to surrender prisoners and jail keys as in the past, for heavy penalties to both the officer and the county he represents will result if every precaution is not taken to prevent the lynching of a prisoner, white or black. "The Dyer bill is drastic, but a drastic remedy is needed for the loathsome lynching disease," declares the New York Tribune, which reminds us that "since January 1, 1921, there have been 60 known lynchings, a record of shame for a civilized nation." Moreover, another editor recalls, "the records of the past 30 years show that more than one-fifth of the 3,224 victims of lynchings in that time were white men." Southerners, therefore, should not feel that the Dyer bill is aimed wholly at them, points out the Manchester (N. H.) Union, for, as the New York Globe remarks, "both northerners and southerners have offended and both whites and blacks have been lynched."

In the opinion of Attorney General Daugherty the passage of legislation by Congress penalizing failure by a State to give equal protection of the laws to any person within its jurisdiction would be constitutional.

* * * * * * *

Some States, it is said, such as Minnesota and Illinois, already have enacted drastic laws against lynching, and have provided severe penalties for officers and communities that fail to protect the life of the accused. Should the Dyer bill pass, however, the Federal court, rather than a local tribunal, will institute proceedings should a sheriff or deputy be charged with neglect of duty. That it is practically impossible in most cases for State officers to deal with mobs bent upon lynching is the contention of the San Antonio Express:

"Since April 11 last 38 lynchings, including 2 burnings at the stake and 4 burnings of bodies after lynching, have been perpetrated in the United States, as follows: Georgia, 10; Mississippi, 7; South Carolina, 5; Louisiana, 4; Arkansas, 3; and Texas, 3. Meanwhile, the 1920 record stands as the basis of indictment and comparison—and Texas heads that record. Last year its mobs outlynched Georgia's.

"However sincere and courageous the southern governors' efforts to stamp out lynching, they come to naught. In the lynching States spoken and written appeals to the spirit of civilization and Americanism, to lawful government and order, have encountered but eyes closed against them, mind fast shut against them, ears deaf to them.

"Congress, however, has both the right and the power to legislate for the genuine, effective operation of every mandate of the Constitution; it should pass the Dyer antilynching bill."

"If under the Dyer bill communities are made to pay for tolerating lynchings, lynchings will stop," asserts the New York Tribune; "if officials can be imprisoned for not doing their best to discourage mob violence, local sentiment will turn against such outbreaks." Meanwhile, adds this paper:

"No State can well complain if Congress takes a hand in ending the lynching evil. Our foreign relations have been troubled many times by the lawless hanging of other nationals. The Federal Government is bound under treaties to give equal protection to citizens and aliens. Yet it has no hold on the States through whose negligence aliens are lynched, and punishment for such crime is not exacted. It is likewise an affront to the Constitution that citizens of the United States are not protected by the States in their personal rights."

"As long as mob law maintains its hold in America the life of no individual is safe, be he rich or poor, high or low," points out the Houston Informer. Therefore, contends the New York Globe:

"No argument should be necessary in defense of this bill, which is a clear and direct application of the constitutional provision that no State shall deprive any person of life, liberty, or property without due process of law. Lynching can not ordinarily take place without the connivance of the local authorities. If they will not act, the Federal Government should. To call this assertion of the constitutional rights of every citizen a violation of State sovereignty is to deny 60 years of history."

"To reenforce State statutes by such Federal provisions as are contained in the Dyer bill will impose no injustice upon anyone, but will maintain equal rights for all," believes the Boston Herald, and the Detroit News remarks that "by this time it ought to be realized that the lynching spirit leads to more trouble than it can possibly correct."

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[From the Telegram, Utica, N. Y., Dec. 21, 1921.]

LYNCHING.

At last a serious attempt is being made by the United States Congress to wipe out what is considered to be the blackest stain upon the escutcheon of this country. That a barbaric institution, which lynching really is, should have any standing whatsoever in this land of liberty, where every citizen is in possession of the right of equal protection by the law according to the Constitution, is indeed hardly credible. The foreigners who come to visit us are astounded to hear that such cruelties are perpetrated here which savor more of the savage practices of the primitive people in the jungles of Africa or the massacring mobs in certain sections of Europe. * * * Even the officials in the places where lynching has been recognized by tradition make little effort to apprehend those who are guilty of the heinous practice, and the new bill aims to punish any officer who makes no "reasonable effort" to discharge his duty and protect human beings from the violence of mob rule. The bill provides for a penalty which will be imposed upon the county in which any lynching occurs. The sum of $10,000 will be paid to the family of the one who has thus been violated or to the United States in case he has no relatives. It is expected that this measure will act as a preventive against the crime.

It is true that the country has been too lenient with lynching parties. The institution has become so well ingrained in the minds of the peoples in those sections of the country where the act is quite prevalent that it is considered well-nigh impossible to do anything to stop it. Even now some are rather inclined to believe that the enactment of the statute will in no way remedy the evil. There is too much determination, there is too much heat engendered when the mob is moved into action, that any resistance would probably cause greater opposition, they declare. But the Government should not be daunted by the threatened violation of the law, if it goes into effect. The force of public opinion generally throughout the country is bitterly incensed against lynching. It has no justification. The conscience of man revolts against it. The country has seen slavery go out of existence. Lynching must follow in due course. The Government, if it has any raison d'être, must above all put that force into operation which should protect its citizens and give them a fair trial.

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[From Union, Springfield, Mass, Dec. 24, 1921.]

THE ANTILYNCHING BILL.

Owing to a successful filibuster by Democrats in the House of Representatives the Dyer antilynching bill has been laid away until after Christmas. While this means only a short postponement of action, it shows a Democratic inclination to beat the bill at any cost. This sort of thing may be a polite compliment to the gentlemen from the South who see in its passage an insult to their constituencies, but if the bill is finally defeated one of the sore spots on the American body politic will remain unhealed.

Americans, who are naturally inclined toward national self-righteousness, not without cause, have been frequently irked by references on the part of Europeans to southern lynchings. Such references are particularly unpleasant because founded on undeniable facts, and it has been evident that the South could not be relied upon to put a stop to lynchings or to punish the offenders after they had taken place. In the interest of our national pride and honor it is necessary for America, against whose name such things are held, to prevent their occurrence, if possible.

Democratic Representatives from the South feel, perhaps, that if they do not do everything in their power to prevent the passage of the bill, they will be charged by their constituents with having allowed the Nation to rebuke the States in which lynchings are too lightly regarded. That would mean political ruin for them, and their good friends and fellow partisans from other States naturally sympathize with them in their hour of trial. Northern Democratic Congressmen should remember, however, that they can not vote against the honor of America with the same impunity allowed their southern colleagues.

There are other editorials of the same import in the New York Times, New York Evening Post, and Springfield Republican. The gentleman from Missouri [Mr. DYER] has included a large number which were published at an earlier date. I will read briefly an editorial from the New York World, which I think would be considered by my colleagues as the leading Democratic paper of the country:

Opposition to the antilynching bill is having hard sledding in Congress. This is not because it has no case in constitutional law and precedent. It has a perfect case under a long line of Supreme Court judgments concerning the scope of section 1 of the fourteenth amendment, on which the bill depends for its validity.

Then follows a bit of good-natured chaffing about the part that southern Members had in the passage of the eighteenth amendment and the Volstead Act. [Laughter and applause.]

There is almost an equal number of editorials in southern newspapers. My friend the gentleman from Maine [Mr. HERSEY] a few days ago made a most eloquent quotation from Henry W. Grady. I join in admiration for that exemplar of the new South, but has the gentleman from Maine recognized that when Grady was editor of the Atlanta Constitution, from 1880 to 1889, there was a stinging editorial against lynching and that the paper from that day to this, in season and out of season, has been condemning the lynching habit.

[Editorial from the Atlanta Constitution, Sunday, Oct. 2, 1881.]

LAWLESSNESS IN GEORGIA.

A few days ago two prisoners in the hands of authorities in Menominee, Mich., were forcibly taken charge of by a party of lawless persons, dragged nearly a mile with ropes fastened around their necks, and finally hanged upon a tree by the light of their burning dwellings. We had intended to enlarge upon this exhibition of lawlessness in a Republican stronghold, where civilization is supposed to be at its highest, and give the organs a dose of their own medicine, but circumstances over which we have no control will prevent.

These circumstances are that a few nights ago a band of lawless persons entered the town of Blakely, in this State, and proceeded to the jail, demanded the keys from the jailer, and shot to death the Negro who was serving a term for stealing a hog. This is worse than the Michigan crime and is utterly without excuse or defense. It is stated that the Negro had made threats against the lives of several persons, but if he had threatened the life of every individual in the State, the crime of those who shot him would be nothing less than cold-blooded, cowardly murder.

It is not stated that these assassins were disguised, and it is to be hoped that the jailer can identify them and that he will have grit enough to cause them to be arrested. If he had taken the precaution to fire his pistol in the air when those cowardly wretches made their appearance at the jail, the unfortunate Negro would not have been murdered. As it is, the citizens of Early County will have to be responsible for the state of affairs which permits a gang of cowardly desperadoes to outrage the law by murdering a Negro who was in jail and who was utterly powerless to harm anyone, no matter what threats he might have made. We hope to see a strenuous effort made to bring the assassins to justice. In the whole history of crime in this country we know of nothing more cowardly than the murdering of this Negro.

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[Editorial on the Dyer antilynching bill from Atlanta (Ga.) Constitution, Dec. 22, 1921.]

THE ANTILYNCHING BILL.

The Dyer bill, now in the House, will probably go over the holiday recess as unfinished business.

The chances are in favor of its enactment, although the bill may be defeated by the argument that it is drastic and unnecessary. If it is defeated that argument alone will be responsible for it.

No one can doubt the necessity of an awakening of public conscience against the barbarous and inhuman practice of lynching.

For years just such legislation as this has been in prospect; and during all of that time the Constitution, while urging the discontinuance of the lynching evil, has repeatedly prophesied that if the States did not themselves put an end to mob law it was only a question of time until the Federal Government would assume jurisdiction and do exactly what is contemplated by the Dyer bill.

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If the antilynching bill is not passed now, it certainly will be later on unless lynching is discontinued.

All of the arguments and pleading against it will be lost in the fact that the evil continues, and the only possible way to prevent such legislation is to remove the cause for it by substituting law and order for mob violence.

It is certain that this Government is not going to put itself in the position of condoning mob law nor of sanctioning the blot on its escutcheon occasioned by the practice of mobs putting human beings to death in defiance of the courts and the institutions of the law.

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[From Atlanta (Ga.) Constitution, Dec. 3, 1920.]

LUST FOR BLOOD.

"In the lynching States," remarks the New York Herald, commenting editorially upon the latest demonstration of mob violence in Mississippi, "lust for blood is the spirit of the lawless."

The circumstances attending that gruesome piece of outlawry tend to justify the Herald's conclusion.

"Ordinarily," as our contemporary argues, "a lynching mob in Mississippi or any of the other States which compete in lawlessness takes action at one of three times—when the accused is captured, when he is being taken to jail, or after he has been jailed and awaits trial."

But in this instance "the mob at Tylertown was of a more enterprising sort. It broke into the courtroom in which the accused was being tried, roped him, dragged him through the streets, and at the end of a spectacular parade hanged and shot him.

"Here was a case in which the prisoner was actually on trial.

"A special term of court had been called expressly to dispose of his case; there was no reasonable possibility of his escape, no danger of legal delay.

"The alleged culprit was being tried for a crime the penalty of which is death under the Mississippi law, so it would naturally follow that if his guilt could be proven society would quickly be rid of his presence; otherwise no right-thinking and humane citizen would want his life destroyed.

"But the mob smelled blood. Its passion would not be stayed.

"It battered down the doors of its own 'temple of justice' in its frenzied clamor for a human life.

"Not only the judge but even the husband of the complaining witness implored the would-be lynchers to let the trial proceed; not to interfere with the orderly operating processes of the constitutional law.

"But justice was brushed aside.

"Respect for the law was trampled under foot. Is it true that 'in the lynching States lust for blood is the spirit of the lawless?'"

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[From the Atlanta (Ga.) Constitution, Feb. 12, 1920.]

NO EXCUSE—EVER.

In the dark history of mob madness in America there have been few more deplorable events than the recent occurrence at Lexington, Ky.

Lynch law, foiled this time in its grapple with constituted authority, has nevertheless taken once more its inevitable toll of blood, hate, and disorder.

There can be no excuse for lynch law—ever.

* * * * * * *

Even were lynching the deterrent which only the misguided hold it to be, it would still be eternally inexcusable. It is the foulest and most certain means of destroying respect for the majesty of the law. It is the sort of treason which undermines governments and civilizations from within.

The spirit of the mob is always the spirit of pure lawlessness. Witness the turn it took in Lexington. Foiled in the attempt to take the prisoner, says the reports, the mob dispersed in small groups and looted pawnshops and hardware stores for firearms. If they could not be self-constituted executioners they would be thieves and pistol toters.

Lynching and pistol toting. They go hand in hand. And they must be stamped out in America, regardless of the price—even such a price as was paid in Lexington.

Let it be repeated:

There can be no excuse for lynch law—ever.

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[From the Atlanta Constitution, Jan. 1, 1919.]

GEORGIA STILL LEADS.

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For years the Constitution has been engaged in an effort to arouse a sentiment in this State that would stamp out lynching and mob violence.

The time was when lynching was resorted to as punishment for only one offense, and when it was most exceptional that a lynching occurred for any other than that one cause.

Whenever there was a lynching for that cause those who conducted it took the position that it would never be resorted to for any other.

The Constitution then expressed a warning that if mob law were tolerated in any instance and for any cause, it would surely spread and that it would eventually get beyond bounds; that it was only a step from lynching for that one type of crime to mob law for less heinous offenses.

Our prediction has come true, as is shown by the fact that of the 18 lynchings that occurred in this State last year only a small proportion of the number bore any relation whatever to the offenses for which lynching was ever accorded any measure of justification.

Now we find lynching resorted to as punishment for even robbery and petty crime.

Either the public sentiment of Georgia must put an end to lynching and restore universal power and authority of law or else mob law is going to pull down the civilization of this State.

Time and again the Constitution has sounded the warning that if the State does not meet its obligations in this respect the Federal Government will step in and do the work itself, because no State in the Union is going to be permitted thus to blacken the national escutcheon.

The worst feature of the lynching record of Georgia is that every year it grows worse and the State seems to be helpless.

Again we appeal to the better people of Georgia to waken.

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[From the Jacksonville (Fla.) Times-Union, Jan. 6, 1922.]

THE ANTILYNCHING BILL.

We regret very much to see southerners opposing the antilynching bill now before Congress. We are as great a stickler for State rights as any of them, but surely no one will claim that it is the right of a State to permit murder. We would not have the Federal Government take charge of the enforcement of criminal laws in the States, but this is a case where the States are unable to enforce the law as it should be enforced and the Federal Government would be better able to enforce it. We therefore believe this matter should be handed over to Federal jurisdiction.

The law would still be enforced by the people of the State in which a lynching occurred, but not by the people of the community in which it occurred. When a man is accused of a crime in Florida, for instance, he must be tried in the county in which the crime was perpetrated. Of course, a change of venue may be granted if good reason for it is shown, but this is rarely if ever done by the prosecution. It is not infrequently done by the defense. A man charged with crime may be tried in another county than the one in which the crime was perpetrated if he can show that, because of prejudice against him in the county, he could not get a fair trial there. But the State never claims that any county is so prejudiced in favor of lawlessness that a conviction is impossible or even improbable in it even if the accused is guilty.

It is true that there are counties in every State where public sympathy shields the criminals. But there is no State or Federal district in a State where the public sympathy is so depraved. In addition to this, the jurors living in a county in which a lynching occurs would be apt to be intimidated in the discharge of their duty. They would know that the members of the mob that did its work secretly were still unknown. They would feel that men who had taken the law into their hands to lynch a man would take it into their hands again to defend each other, and the result is that the jury, no matter how much its members might be opposed to lynching and in favor of an impartial execution of the laws, would be afraid to convict. We think an ar-

rangement that would take this fear out of the consideration of the case would be a good one.

The Federal courts are not held in every county nor are the jurors who try cases in them always citizens of the county in which they are tried. Jurors selected from all parts of the southern district of Florida would not be afraid to convict a man tried in Jacksonville. Few, if any, of them would be from the county in which the lynching occurred. The chances of justice and law enforcement would be greatly improved by trying the case beyond the influence of local environment.

The crime of lynching is not as frequent now as it was a few years ago, but it has not been diminished by the conviction of lynchers. They escape punishment as things are, and this justifies and, in fact, calls for a change.

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[Editorial on the Dyer antilynching bill from Albany (Ga.) Herald, Nov. 18, 1921.]

THE ANTILYNCHING BILL.

Representative DYER, a Republican Congressman from Missouri, has introduced a bill designed to put a stop to lynchings in this country. The bill provides heavy penalties for persons participating in mob violence and for officers of the law who, through dereliction of duty, fail to prevent lynchings. It also requires that any county in which a lynching occurs shall forfeit $10,000.

While this measure may not have the effect of stopping lynchings entirely and immediately, its enforcement would unquestionably go a long way in that direction and might eventually reduce the number of lynchings in the country to negligible proportions. The penalty imposed upon counties in which lynchings occur would certainly not only have a restraining effect but would naturally lead to the exercise of a positive moral influence against mob violence. Once a county had to pay a forfeit of $10,000 for permitting a lynching within its borders, county officials and citizens generally would become more alert, and lynchings would no longer be tolerated or passed over lightly.

There is some very decided opposition being urged to the Dyer bill on the ground that it would infringe on State rights and would be unconstitutional. This objection is sound in principle, but as eminent an authority as Attorney General Daugherty has expressed the opinion that the bill would be constitutional, and he is quoted as having recommended its passage. Representative DYER has stated that no action will be taken on his bill this session but that its passage will be urged early in the regular session of Congress.

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[San Antonio (Tex.) Express, Jan. 2, 1922.]

"TO WORK OUT THEIR OWN PROBLEMS"—WHEN?

In the Literary Digest's comprehensive presentation of the newspaper and congressional case for and against the Dyer lynching bill this line is conspicuous:

"Representative POU, of North Carolina, asks that southern people 'be left alone to work out their own problems.'"

May not the Express remind the Hon. EDWARD W. POU that, as a matter of grim record, this is the problem of 42 out of 48 States—of every State save Maine, Massachusetts, New Hampshire, Rhode Island, Utah, and Vermont? And but for the patriotic heroism of a little group of officers in Barnstable County jail on August 18, 1921, Massachusetts's name would be missing from that painfully short but distinguished list. Indeed, faithfully and courageously to guard against and to punish for mob violence is the problem of every American community in every State.

Representative POU should reflect that for many a long year the southern people have been left alone to work out this terrific problem. And so generally have they failed or refused to work it out that, since 1884, in the 15 so-called lynching States there have been 2,982 mob murders! Seventy-five of these were in North Carolina—the second best record of the lot. Four hundred and thirty-nine of them were in Georgia—the worst record.

What has Congressman POU to suggest constructively by way of "working out"?

Consider how his own State's government has failed—not refused—to work out the problem in all these years.

Consider how honestly and strikingly the last preceding governor, Thomas W. Bickett, sought to work it out with National Guard, sheriffs, and citizen posses as his forces.

Consider that during his four-year term there were nine lynchings in the State, and it kept out of the annual lynching record only one year of the four.

Consider how in December, 1920, Goldsboro citizens and officers successfully defended six Negroes in the Wayne County courthouse, and shot down the leader of the attacking mob.

Consider that since Mr. Bickett left office 12 months ago, North Carolina, under Gov. Cameron Morrison, has four more lynchings to show for its "working out" of the problem.

Consider that North Carolina in 37 years has had but 5 lynchless years.

And in all this time, including the Bickett administration, how many lynch murderers has North Carolina sent to prison or the gallows?

Surely Representative POU will not deny that this is the practical way to render the "problem" less.

Consider, too, that other "lynching States" of comparatively good antilynching records under their present governors—Kentucky under Edwin P. Morrow, and South Carolina under Robert A. Cooper—both appear in the 1921 lynching statistics, Kentucky with one mob murder and South Carolina with five.

The Express does not believe that the Dyer Act would be as impotent as similar State laws—lacking brave and honest enforcement—to prevent lynching or at least to punish lynchers and the communities that tolerate them. Certainly it does not believe that the Dyer Act would "increase the number of lynchings," as Representative ASWELL, of Louisiana, argues.

The problem, of course, is one of juries and prosecutors.

In writing "brave and honest enforcement" the Express has in mind, not governors of the type above named, but peace officers charged wth protecting prisoners and public prosecutors, grand juries, and trial juries.

This newspaper does not believe that from all the area of a southern Federal judicial district a grand jury that would indict and a trial jury that would convict such heinous violators of the National Constitution and statute as are lynchers can not be had. It does not believe that the Federal Department of Justice also is made of "chicken-livered and rabbit-hearted officers of the law with backbones no stiffer than empty flour sacks," to quote the Columbia (S. C.) Record.

While reluctantly admitting that the southern white people generally have not worked out this problem and—despite all hammering by their editors and preachers, their academic educators and some of their governors—show no dependable intention to work it out, the Express will not admit that the spirit of anarchy and cowardice are so rife among them that such a law as the Dyer Act would go unenforced at the hands of any Federal judicial establishment south of "the line." Pass the Dyer bill.

—

[From the Bristol (Va.) Courier, Jan. 2, 1919.]

A DISGRACEFUL RECORD.

Lynchings in the United States during the year 1918 show an increase of about 60 per cent over the number occurring in 1917. There were 38 lynchings in 1917 and 62 in 1918, the increase being 24. Fifty-eight of those put to death were Negroes and 4 were white persons, and among the victims were 5 women. These are the facts and figures compiled by Tuskegee Institute, at Tuskegee, Ala.

Lynchings formerly were provoked by assaults by Negroes on white women, and there was a disposition to excuse the mob. Judge Lynch was thus encouraged to extend his jurisdiction, and statistics for recent years have shown that he is gradually doing that. He presumes now to usurp the functions of the courts in the punishment of all kinds and degrees of crimes, and he no longer draws the color line.

The lynchings in 1918, according to the records made up at Tuskegee, were for murder; for alleged complicity in murder; for threats to kill; for assault; for attempted assault; for alleged participation in a fight over an alleged hog stealing; for killing an officer of the law; for assisting a man charged with murder to escape; for robbing a house and frightening women; for killing a man in a dispute about automobile repairs; for killing a landlord in a dispute over a farm contract; for assault with intent to murder; for wounding another; for robbery and resisting arrest. Only 16 of the lynchings were for assault or attempted assault on women. Many of the crimes charged against the victims of the mobs were not punishable with death under the law, while some of them were only punishable with jail sentences or fines.

It was a disgraceful record Judge Lynch was permitted to make in 1918, and there is no assurance that he will not be permitted to make a still more disgraceful record during the present year. Fifty-seven—4 of them white men and 5 women—62 people in all—were denied their day in court and put to death by mobs. Many of these people had not committed capital crimes, while some of them were innocent of any crime. If possible, every member of every one of these mobs should have been brought to judgment in the courts they defied, but so far as known no effort has been made to apprehend any of the lynchers. It may be that the Federal Government, realizing that State authorities will not uphold the law against the mob, will eventually take steps to enforce the clause of the Federal Constitution which provides that no person shall be deprived of life or liberty without due process of law.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. BURTON. I am compelled to refuse to yield. I hope that when I am through with my argument proper I may be able to yield to some questions, but at the present I must decline.

The women of Atlanta, Ga., in a recent gathering, of which there is an account in the New York Times of September 10, 1921, passed resolutions condemning lynching in the strongest language. Among other resolutions which I shall insert in the RECORD there is the following:

We are convinced that if there is any crime more dangerous than another, it is that crime which strikes at the root of and undermines constituted authority, breaks all laws and restraints of civilization, substitutes mob violence and masked irresponsibility for established justice, and deprives society of a sense of protection against barbarism.

[From the New York Times, Sept. 10, 1921.]

SOUTHERN WOMEN FIGHT LYNCHING—COMMITTEE IN ATLANTA FINDS NO EXTENUATION FOR CRIME OR MOB VIOLENCE—DENY IT PROTECTS THEM—THEY POINT OUT IT HITS CONSTITUTIONAL AUTHORITY AND ASK FOR ONE STANDARD OF MORALS.

(Special to the New York Times.)

ATLANTA, GA., *September 9.*

"We find in our hearts no extenuation for crime, be it violation of womanhood, mob violence, or the illegal taking of human life," declares a statement just issued by a special section of the Georgia State Committee on Interracial Cooperation, composed entirely of women, which has just been organized here to banish all groups which would take into their own hands the execution of justice and to set up a single standard of morals both in the white and the colored races.

This appeal condemns the protection of womanhood by criminal methods, asserting "if there is any crime more dangerous than another, it is that crime that strikes at the root of and undermines constituted authority, breaks all laws and restraints of civilization, substitutes mob violence and masked irresponsibility for established justice, and deprives society of a sense of protection against barbarism."

Resolutions adopted at the organization meeting outline the scope of the committee's activities and acknowledge the responsibility of sharing with all good citizens "the duty of emphasizing and perpetuating the ideals of our fathers in the founding of this Commonwealth in wisdom, justice, and moderation."

Then follows the appeal to the public at large to uphold public officials in the discharge of their duties, "to recognize the forces which are undermining our life, and speedily to banish self-constituted groups and agencies which presume to usurp authority, set aside the dignity of the law, and constitute themselves the prosecutors, jurors, judges, and executors of suspected criminals."

"We have a deep sense of appreciation for the chivalry of men who would give their lives for the purity and safety of women," they declare. "Yet we feel constrained to declare our convictions concerning the methods sometimes employed in this supposed protection. We find in our hearts no extenuation for crime, be it violation of womanhood, mob violence, or the illegal taking of human life.

"We are convinced that if there is any one crime more dangerous than another, it is that crime which strikes at the root of and undermines constituted authority, breaks all laws and restraints of civilization, substitutes mob violence and masked irresponsibility for established justice, and deprives society of a sense of protection against barbarism.

"Therefore we believe that no more false appeal can be made to southern manhood than that mob violence is necessary for the protection of womanhood, or that the brutal practice of lynching and burning of human beings is an expression of chivalry. We believe that these methods are no protection to anything or anybody, but that they jeopardize every right and every security that we possess.

"The double standard of morals which society passively permits is rapidly producing results that imperil the future integrity of our national life, and we are persuaded that this problem can never be solved as long as there is a double standard for men and women of any race. We appeal for the creation of a public sentiment which will no longer submit to this condition and declare ourselves for the protection of womanhood of whatever race.

"We are convinced that if there is ever to be a solution of the race problem there must be an intensive and sustained campaign to instruct whites and Negroes to respect both moral and civil law. Therefore we recommend that all people give themselves to a definite study of these vital matters relating to justice and righteousness, and that the press, pulpit, platform, and school endeavor to lead public thought in bringing about a state of public opinion that will compel the protection of the purity of both races."

Among the women in the newly organized body are: Mrs. A. W. Lawton, of Savannah, who is chairman of the special woman's section; Mrs. W. A. Turner, of Newnan, secretary; Mrs. Samuel M. Inman, Mrs. Emily McDougall, Mrs. J. H. McEachern, Mrs. Beaumont Davison, Miss Rosa Woodberry, Mrs. C. N. Downey, Mrs. W. A. Albright, Mrs. W. Frank Smith, Mrs. Archibald Davis, Mrs. M. Ashby Jones, Mrs. H. C. Phipps, of Atlanta; Mrs. W. J. Neel, of Cartersville; Mrs. Z. I. Fitzpatrick, of Thomasville; Mrs. C. C. Hinton, of Macon; Mrs. T. J. Woofter, of Athens; Mrs. Hazen Smith, of La Grange; and Mrs. Luke Johnson, of Griffin.

Similar resolutions have been passed by the white women of Alabama and in a meeting at Memphis, in Tennessee. They expressly declared that for the most terrible crime for which lynching is sometimes practiced that custom is not necessary, and I might say that it is a delusion that assault upon women has been the cause of the larger number of lynchings in recent years. Some estimates are even as low as 20 per cent for the proportion of the victims guilty of this crime.

There remains to be considered the question as to the validity or constitutionality of the bill. I can not do otherwise than admit that grave doubts have arisen upon this subject, that there have been numerous decisions in which not only expressions obiter but decisions of the court upon questions submitted have seemed to deny the application of the fourteenth amendment to conditions justifying the passage of this bill. Let me read from the fourteenth amendment the portions applicable to this subject:

All persons born or naturalized in the United States and subject to the jurisdiction thereof are citizens of the United States and of the State wherein they reside.

It will be noticed that prior to this declaration citizenship in the States was the primary consideration and citizenship in the Nation was secondary, derivative as it were from citizenship in the States. This amendment in that regard makes a sweeping change:

No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.

In the fifth section there is the provision that the Congress shall have the power to enforce by appropriate legislation the provisions of the article.

On this subject I wish to say, after the most mature consideration, after listening to persons who first thought that this bill lacked constitutionality but who have on further consideration changed their minds, that there is a basis for it in the Constitution, that the evil is so pressing that we ought to pass this measure modified somewhat—I would omit that section about the liability of counties through which a victim is carried—and present it to the tribunal of last resort.

Mr. HERSEY. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I regret that I can not yield. I have already declined. If this is not a remedy, let us find some other. It is an appalling record when in State after State lynchings exceed legal executions by two, three, and four, and five times. Can a man have the proud boast, "I am an American citizen," a distinction which should be as great as civis Romanus sum, when, if he is sent by the Government of the United States into a State or goes there or is born there, the Government says, "I may call upon you for your life, if necessary, but when it comes to protection it must come from the State in which you live"? If there is prejudice against Jew or Greek, against Italian or Negro, if there is a sentiment that they should be driven out or hanged on the slightest provocation, the United States Government says, "We will not protect you." Think of the incongruity—that is not a strong enough word—the absurdity of this position. We can protect with our whole Navy, with bristling guns, a citizen of the United States in China or in Asia Minor. The whole Nation is rocked if an outrage is perpetrated upon a citizen in those places, but almost within sight of this Capitol a man might be lynched, and those who oppose this bill would say that the Federal Government is utterly powerless, that it can do nothing to remedy the wrong or to punish the perpetrators.

Decisions are sometimes overruled. For years the Dred Scott decision denied to the colored man the position of a citizen, almost that of a human being, but it was overturned by the courts, and we came to a new era. Abraham Lincoln said that the right to abolish slavery or regulate it rested entirely in the States, but in an emergency—that of war—in September of 1862, he issued a proclamation—the same man who had said that slavery was a local question—which struck the shackles from millions of human beings. The Attorney General of the United States after careful and elaborate attention has said that this bill will pass the tests of the courts. His able assistant, Mr. Goff, the Assistant Attorney General, has filed an elaborate brief to the same effect.

I now desire to take up, and I think in all fairness I should do so, the cases, or the leading ones, which militate against the validity of this bill, and after I have done that I shall point out that in those very decisions there are qualifying expressions which greatly diminish the force of them.

The first is the so-called Slaughterhouse cases. In the mind of the average citizen these cases have something to do with slaughterhouses at Chicago—with Swift or Armour—but that is not the case at all. It arose under a statute passed by the State of Louisiana, giving to a corporation in three parishes the exclusive right to provide a landing place for cattle and establish slaughterhouses and places for slaughter. The independent butchers arose in arms and said the statute deprived them of their equal rights. The law provided that by the 1st of June following all other slaughterhouses should be closed. The case was taken to the Supreme Court, and, mind you, it was a decision of five against four—Chief Justice Chase, Justice Field, Justice Bradley, and Justice Swayne dissented—and yet it is upon that case that the main reliance is placed by many lawyers for limiting the scope of the fourteenth amendment; and in this connection I want to say that we should not depend entirely on the fourteenth amendment. There are great principles written, as with a pen of iron, in the Constitution and through the whole history of our policy, which are quite as potent as arguments for legislation for the protection of life and property as anything in the fourteenth amendment. In this case, in Sixteenth Wallace, the supremacy of the States within their sphere was still maintained, notwithstanding the fourteenth amendment.

The next was the Cruikshank case (92 U. S., p. 542), in a decision upon an indictment under the sections of the so-called enforcement act of May 31, 1870. It said:

The people of the United States, resident within a State, are subject to two Governments, one State and the other National.

The jurisdiction of the State was maintained. As I shall point out, the force of this decision was somewhat modified by what Chief Justice Waite said on the subject. There was also objection that the indictments were too vague and uncertain.

The principle was laid down in the Civil Rights cases (100 U. S., p. 3), that the object of the fourteenth amendment was corrective rather than direct; that its object was to correct action taken by the States in the passage or enforcement of laws. Such was its scope rather than a direct mandate to the States or their citizens.

The same view was expressed in Virginia v. Rives (100 U. S., 319).

The Harris case (106 U. S.) had to do with the taking away of a prisoner from a sheriff. In James v. Bowman (190 U. S., 127) it was decided, Justice Brown and Justice Harlan dissenting, that Congress has no general power to punish bribery at elections. Justice Brewer sought to place limits on the application of the fifteenth amendment and also the fourteenth. In the Hodges case (203 U. S., 1) it was decided that when a contract was made between certain colored men and a lumber company, and performance was prevented by acts of violence, such acts of violence were not punishable under the United States statutes.

Again (254 U. S.) it was held, Justice Clarke dissenting, that those who had taken part in deportation of certain miners were not punishable.

It must be constantly borne in mind in examining these decisions that some were based on defective indictments, some on the fact that the indictments were responsive to the wrong statute, and that in many cases that which was said was not at all necessary in the decision in the case under consideration. Of course, I should say in passing, that the scope of the amendment was regarded as much larger by some contemporary writers. Mr. Blaine said that the earlier decisions of the Supreme Court deprived the fourteenth amendment of much of the power which Congress intended to impart to it, and the

Members of Congress sincerely believed it possessed a far greater scope than the decisions given.

Then again, Prof. Burgess, a writer of very high standing, in his commentaries on political and constitutional law, said:

From whatever point of view I regard the opinion of the court in the Slaughterhouse cases—from the historical, political, or juristic—it appears to me to have thrown away the great gain in the domain of civil liberty won by the terrible exertions of the Nation in the appeal to arms. I have perfect confidence that the day will come when it will be seen to be intensely reactionary and will be overturned.

Mr. William D. Guthrie, a leading member of the New York bar, in a work on the fourteenth amendment, in speaking of the applicability of the first eight amendments to the States, says:

It is, however, important to bear in mind that this great question has yet to be squarely decided by the Supreme Court in some case properly raising the point and fully presenting it in connection with the intention of the framers of the fourteenth amendment. * * * When the proper case arises, the question ought to be treated as still open, and we may hope that the inestimable and priceless individual rights guaranteed by the first eight amendments will, in the main at least, be held to be beyond the power of any State to abridge or deny.

Let us consider expressions in the decisions cited favorable to the validity of the pending bill, first in the Slaughterhouse cases. The real basis of the decision is found in this clause in the syllabus:

The Parliament of Great Britain and the State legislatures of this country have always exercised the power of granting exclusive rights when they were necessary and proper to effectuate a purpose which had in view the public good, and the power here exercised is of that class and has until now never been denied. Such power is not forbidden by the thirteenth article of amendment and by the first section of the fourteenth article. * * *

This shows clearly the basis of the decision.

The following is what is said, not in the opinion but in the syllabus:

The privileges and immunities of citizens of the United States are those which arise out of the nature and essential character of the National Government, the provisions of its Constitution, or its laws and treaties made in pursuance thereof; and it is these which are placed under the protection of Congress by this clause of the fourteenth amendment.

It is not necessary to inquire here into the full force of the clause forbidding a State to enforce any law which deprives a person of life, liberty, or property without due process of law, for that phrase has been often the subject of judicial construction, and is, under no admissible view of it, applicable to the present case.

This expression clearly excludes the interpretation which has been placed upon this decision.

And again, on page 81, in even clearer language, Justice Miller says, in treating of the fourteenth amendment:

If, however, the States did not conform their laws to its requirements, then by the fifth section of the article of amendment Congress was authorized to enforce it by suitable legislation.

Mr. Justice Field, in his dissenting opinion, stated that if the amendment did not accomplish more than the majority opinion held it did, that it was a vain and idle enactment, which accomplished nothing, and most unnecessarily excited Congress and the people on its passage.

Mr. Justice Bradley called attention in these words clearly to the fact that there might be punishment for delinquency as well as for affirmative action:

The protection of the citizen in the enjoyment of his fundamental privileges and immunities—except where a citizen of one State went into another State—was largely left to State laws and State courts, where they will still continue to be left unless actually invaded by the unconstitutional acts or delinquency of the State governments themselves.

This clearly conveys the idea that failure to act alike with positive action gives Congress jurisdiction.

I wish to call attention to the vital fact that there is a wide difference between lynching and an ordinary crime of murder committed by an individual for motives of hate, revenge, or in the commission of the crime of robbery. Punishment in such cases is naturally and properly within the State courts. As I shall endeavor to show in the future, that which this law seeks to prevent is of an entirely different character.

In the Cruikshank case (92 U. S., pp. 552, 553), in the opinion delivered by Chief Justice Waite, involving the right of the people peaceably to assemble, he said:

The right of the people peaceably to assemble for the purpose of petitioning Congress for a redress of grievances, or for anything else connected with the powers or duties of the National Government, is an attribute of national citizenship, and, as such, under the protection of and guaranteed by the United States. The very idea of a government republican in form implies a right on the part of its citizens to meet peaceably for consultation in respect to public affairs and to petition for a redress of grievances. If it had been alleged in these counts that the object of the defendants was to prevent a meeting for such a purpose, the case would have been within the statute and within the scope of the sovereignty of the United States. Such, however, is not the case. The offense, as stated in the indictment, will be made out if it be shown that the object of the conspiracy was to prevent a meeting for any lawful purpose whatever.

The importance of this quotation is that it recognizes several ideas which have an important bearing on the right to pass this measure:

First, the recognition of certain so-called fundamental or natural rights as within the scope of Federal authority.

Second, that these rights are under the protection of and guaranteed by the United States.

Third, that if the indictment had set forth pertinent facts, the United States courts would have had jurisdiction.

On the following page Chief Justice Waite says:

The fourteenth amendment prohibits a State from depriving any person of life, liberty, or property without due process of law; but this adds nothing to the rights of one citizen as against another. It simply furnishes an additional guaranty against any encroachment by the States upon the fundamental rights which belong to every citizen as a member of society.

This is to the same effect as his statements on a preceding page.

Mr. Justice Bradley, in First Woods Circuit Court Reports, page 314, in passing upon the Cruikshank case in the court below, said:

It is undoubtedly a sound proposition that whenever a right is guaranteed by the Constitution of the United States Congress has the power to provide for its enforcement, either by implication arising from the correlative duty of Government to protect, wherever a right to the citizen is conferred, or under the general power (contained in Art. I, sec. 8, par. 18) "to make all laws necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States or any department or officer thereof."

And on page 315 he said:

It seems to be firmly established by the unanimous opinion of the judges in the above-quoted case that Congress has power to enforce by appropriate legislation every right and privilege given or guaranteed by the Constitution. The method of enforcement, or the legislation appropriate to that end, will depend upon the character of the right conferred. It may be by the establishment of regulations for attaining the object of the right, the imposition of penalties for its violation, or the institution of judicial procedure for its vindication when assailed or when ignored by the State courts, or it may be by all of these together. One method of enforcement may be applicable to one fundamental right and not applicable to another.

In the Civil Rights case, One hundred and ninth United States, which is one of the strongest cases against the bill, Mr. Justice Bradley, on page 23, says something which applies directly:

Many wrongs may be obnoxious to the prohibitions of the fourteenth amendment which are not, in any just sense, incidents or elements of slavery. Such, for example, would be the taking of private property without due process of law, or allowing persons who have committed crimes (horse stealing, for example) to be seized and hung by the posse comitatus without regular trial, or denying to any person, or class of persons, the right to pursue any peaceful avocations allowed to others.

If the seizing and hanging of a horse thief is obnoxious to the fourteenth amendment, is there not a basis for legislation such as is here proposed?

I now come to cases which are altogether favorable to this class of legislation.

In One hundred United States, pages 310 and 311, the case of Strauder against West Virginia, it is held that rights and immunities can be protected by Congress. I read:

A right or an immunity, whether created by the Constitution or only guaranteed by it, even without any express delegation of power, may be protected by Congress. Prigg *v.* The Commonwealth of Pennsylvania (16 Pet., 539). So in United States *v.* Reese (92 U. S., 214) it was said by the Chief Justice of this court: "Rights and immunities created by or dependent upon the Constitution of the United States can be protected by Congress. The form and manner of the protection may be such as Congress in the legitimate exercise of its legislative discretion shall provide. These may be varied to meet the necessities of the particular right to be protected."

It is a singular fact that the fourteenth amendment has been invoked not for life so much, not for liberty so much, but has constantly been made effective for the protection of property, the property rights of corporations, and general property rights. In Ex parte Virginia Justice Strong says in regard to the powers of Congress under the fifth section of the fourteenth amendment:

All of the amendments derive much of their force from this latter provision. It is not said the judicial power of the General Government shall extend to enforcing the prohibitions and to protecting the rights and immunities guaranteed. It is not said that branch of the Government shall be authorized to declare void any action of a State in violation of the prohibitions. It is the power of Congress which has been enlarged. Congress is authorized to enforce the prohibitions by appropriate legislation. Some legislation is contemplated to make the amendments fully effective. Whatever legislation is appropriate—that is, adapted to carry out the objects the amendments have in view—whatever tends to enforce submission to the prohibitions they contain, and to secure to all persons the enjoyment of perfect equality of civil rights and the equal protection of the laws against State denial or invasion, if not prohibited, is brought within the domain of congressional power.

Since I have it before me, I will read a part of the opinion in this same case pertaining to another portion of this bill. Many Members of the House have made a distinction between

that part which operates upon the mob made up of individuals and that part which operates upon the agents of the State, considering the latter as of more approved validity. I am not sure that the difference is so vital. This portion of the opinion is in regard to a State acting by its agents. It is found on pages 346 and 347:

I read:

We have said the prohibitions of the fourteenth amendment are addressed to the States. They are, "No State shall make or enforce a law which shall abridge the privileges or immunities of citizens of the United States, * * * nor deny to any person within its jurisdiction the equal protection of the laws." They have reference to actions of the political body denominated a State, by whatever instruments or in whatever modes that action may be taken. A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision, therefore, must mean that no agency of the State or of the officers or agents by whom its powers are exerted shall deny to any person within its jurisdiction the equal protection of the laws.

That applies to sheriffs and peace officers. I read further:

Whoever, by virtue of public position under a State government, deprives another of property, life, or liberty without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State and is clothed with the State's power, his act is that of the State. This must be so or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or to evade it.

The very able gentleman from Texas [Mr. SUMNERS] in some remarks not long ago referred to what he called the Burney case, in One hundred and ninety-third United States. More correctly it should be the Barney case, to the effect that the State is not responsible for the action of one of its officials. Familiarity with later decisions of the court shows that this case has been expressly overruled. In the case of the Home Telephone & Telegraph Co. against the city of Los Angeles it was held—

Under the fourteenth amendment the Federal judicial power can redress the wrong done by a State officer misusing the authority of the State with which he is clothed. Under such circumstances inquiry whether the State has authorized the wrong is irrelevant.

Then it goes on to say that if he has the semblance of authority——

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from South Carolina?

Mr. BURTON. I regret I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. BURTON. I see I shall hardly have time in which to read from other decisions which may be regarded as favorable. I had intended to read the very clear statement of Mr. Justice Matthews in Yick Wo *v.* Hopkins (118 U. S., 356, 373), and also from the so-called Logan case (144 U. S., 293), where it is said:

Yet that every right, created by, arising under, or dependent upon the Constitution of the United States, may be protected and enforced by Congress by such means and in such manner as Congress, in the exercise of the correlative duty of protection, or of the legislative powers conferred upon it by the Constitution, may in its discretion deem most eligible and best adapted to attain the object.

Some cases of important bearing upon the constitutionality of this act were presented by the gentleman from Kansas [Mr. LITTLE] in an able though somewhat hurried review of the cases in a recent argument.

I wish to take up now, however, some cases in which the power of the Federal Government has been asserted by the Supreme Court in the strongest language.

In the case under the Mann Act of Hoke against United States, in Two hundred and twenty-seventh United States, page 308, the court said:

We are one people, and the powers reserved to the States and those conferred on the Nation are adapted to be exercised, whether independently or concurrently, to promote the general welfare, material and moral.

That is the note of the more recent decision; but there are statements in the Debs case that are even stronger than that in their assertion of the Federal power. It is said in the syllabus of that case, in One hundred and fifty-eighth United States, page 564—this is the broad, comprehensive assertion:

The Government of the United States has jurisdiction over every foot of soil within its territory, and acts directly upon each citizen.

Again, the court, speaking by Mr. Justice Brewer, on page 578, says, quoting from Chief Justice Marshall:

The Government of the Union, then, is emphatically and truly, a Government of the people. In form and in substance it emanates from them. Its powers are to be granted by them, and are to be exercised directly on them and for their benefit.

No trace is to be found in the Constitution of an intention to create a dependence of the Government of the Union on those of the States for the execution of the great powers assigned to it. Its means are adapted to its ends, and on those means alone was it expected to rely for the accomplishment of its ends. To impose on it the necessity of resorting to means which it can not control, which another government may furnish or withhold—and that is this case; another government might refuse to punish these crimes—would render its course precarious, the results of its measures uncertain, and create a dependence upon other governments which might disappoint its most important designs and is incompatible with the language of the Constitution.

He then quotes from Chief Justice Chase (7 Wall., 71, 76):

Both the States and the United States existed before the Constitution. The people, through that instrument, established a more perfect union by substituting a National Government, acting with ample power directly upon the citizens, instead of the confederate government, which acted with powers greatly restricted, only upon the States.

Then from Mr. Justice Bradley:

We hold it to be an incontrovertible principle that the Government of the United States may by means of physical force, exercised through its official agents, execute on every foot of American soil the powers and functions that belong to it. This necessarily involves the power to command obedience to its laws, and hence the power to keep the peace to that extent.

Now, it might be said that this decision was based upon the interstate commerce powers of Congress; but Mr. Justice Brewer says, on page 584:

We do not care to place our decision upon this ground alone. Every Government, intrusted, by the very terms of its being, with powers and duties to be exercised and discharged for the general welfare—

How about lynching?—

has a right to apply to its own courts for any proper assistance in the exercise of the one and the discharge of the other, and it is no sufficient answer to its appeal to one of those courts that it has no pecuniary interest in the matter. The obligations which it is under to promote the interest of all and to prevent the wrongdoing of one resulting in injury to the general welfare, is often of itself sufficient to give it a standing in court.

In conclusion, I wish to refer to the one point to which the attention of this House should be directed. The strongest argument for this bill is one which has received only scant attention. Lynching is not the ordinary case of the exercise of the police power. It is not the ordinary case of murder or of robbery. It is anarchy.

Let me call attention to the language of the bill in its first section, which some may have overlooked:

That the phrase "mob or riotous assemblage," when used in this act, shall mean an assemblage composed of five or more persons acting in concert for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense.

It does not intend to take in all cases, but it does say that no State shall abdicate its functions and give over the punishment of an actual or supposed crime to the frenzy of a mob. The Constitution says the trial of all crimes except in cases of impeachment shall be by jury. That provision has even been applied to Alaska under the terms of the treaty joining Alaska to this country, and by a very strong minority of the court was held to be applicable to the Philippines—namely, that jury trial could not be refused there. It has certainly been applied throughout the States. If a man is deprived of a trial by jury, or if there is any informality, even if partiality is exercised in the selection of the panel, the conviction is overturned promptly, if not by the State court, then by the Federal court.

But what have you here? The usurpation in well toward half the States of the Union of the right to punish crime by the mob, going sometimes even into the temple of justice itself where the culprit is on trial, taking him away from the sheriff, seizing him in the presence of the judge and the jury, and taking him out to certain death. Now, do you mean to say to me that the National Government does not have the power to enforce that provision of trial by jury where it is disregarded on so large a scale? Is that provision of the Constitution for trial by jury a mere vanishing shadow without substance? Does the right of trial by jury and its assertion in the Constitution "keep the word of promise to the ear and break it to the hope"? Thus, you see, this is different from the ordinary cases that have been before the Supreme Court and is to be distinguished from many decisions which lay down the principles of interpretation of the Constitution and of the fourteenth amendment. But, my friends, this is a crying evil, and we can not afford to continue without action.

Mr. RANKIN. Will the gentleman yield?

Mr. BURTON. Yes; I will now yield to the gentleman.

Mr. RANKIN. The gentleman says that it is a crying evil. Nobody deprecates lynching more than the people of the South, and I want to ask the gentleman this question?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VOLSTEAD. I yield to the gentleman 10 minutes more.

Mr. RANKIN. Let me ask the gentleman this question: A Negro in a certain town in my State watched a white girl, clerk in a hotel, knowing that she had to go home in the dark hours of the night. He waylaid her, stuck a pistol in her face, dragged her into a secluded spot and raped her repeatedly

during the night. Her clothes were nearly torn off her, but before daylight she escaped and made her way back, and the white men, of course, rushed to her rescue.

Mr. BURTON. The gentleman is making rather a lengthy question.

Mr. RANKIN. Well, I want to ask the gentleman what punishment would he recommend for that Negro?

Mr. BURTON. Trial in a State or United States court, and probably hanging would be none too bad for him.

Mr. RANKIN. Yes; but I want to tell the gentleman that under the laws of Ohio the highest possible punishment he would get would be 20 years in the State penitentiary.

Mr. BURTON. Oh, well, we will take care of the cases and matters of that kind in Ohio.

Mr. COCKRAN. Will the gentleman yield?

Mr. BURTON. I will yield to the gentleman from New York.

Mr. COCKRAN. I want to ask the gentleman from Ohio, concurring in all that he has said about the horror of lynching, does he believe that the Federal court in a State could be more effective than the State court in Ohio in dealing with an offense of that character?

Mr. BURTON. Possibly not in Ohio, although we have had lynchings in Ohio, but as a general rule the Federal jury is gathered not like a State jury from the immediate locality but from a much wider area, and that is referred to as an advantage even in decisions of the Supreme Court, and a Federal jury would be more likely to convict than a jury in a State court. The gentleman from New York knows that many times a defendant who is guilty has been convicted in the United States court who never would have been convicted in the State courts at all.

Mr. COCKRAN. I can not say that that is within the range of my experience. But is it not equally true that in the State courts where an impartial verdict is doubtful there is the power of the State court to order a change of venue?

Mr. BURTON. Yes; but, as everyone knows, that is a very inadequate remedy in the administration of justice.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. BURTON. Certainly.

Mr. SANDERS of Indiana. Usually the change of venue is not granted on the application of the Government; it is to the defendant.

Mr. COCKRAN. That is because the defendant suffers from prejudice; but it is equally within the power of the court to grant change of venue to the Government.

Mr. BURTON. Let me say that the question of the gentleman from Mississippi involves something in which I do not concur at all, and that is the justification of lynching. I commend to the gentleman the resolution of these ladies in Atlanta. I can conceive of no condition of society where mob law is justified in trampling under foot men's rights; where it has justified the brutality and the disregard of all law that is involved in lynching. [Applause.]

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. SUMNERS of Texas. The gentleman recognizes, of course, that Henry W. Grady and these women in Atlanta join the attitude of the people of the South with reference to lynching, but that does not mean that they believe that it is wise to do the thing that is contemplated here.

Mr. BURTON. The ladies of Atlanta, as I understand, and the Atlanta Constitution certainly, while they regret the tendency toward United States jurisdiction, say that it is inevitable.

Mr. SUMNERS of Texas. Yes; if the people do not do it.

Mr. BURTON. They have not done it.

Mr. SUMNERS of Texas. Statistics which have been introduced here show 112 lynchings in a year, and notwithstanding the increase in population of this country they have been reduced to 63 in the last year. In view of this public opinion, does not the gentleman believe that it is going to extremes in having the Federal Government intervene?

Mr. BURTON. But the public opinion has not progressed far enough.

Mr. SUMNERS of Texas. But will you destroy the public opinion by having the Federal Government assume jurisdiction in these cases?

Mr. BURTON. The question is, Does it exist in a sufficient volume and strength to be destroyed? There have been laws, but they have disregarded them, and when the legislatures have passed laws the mob has gone out and done its work. I now yield to the gentleman from Maryland [Mr. HILL].

Mr. HILL. The gentleman has gone most fully into the constitutionality of the law and has referred to other portions of the Constitution. I would ask the gentleman if Article IV of the Constitution does not give authority, perhaps, for this bill.

Mr. BURTON. This is one of the amendments. The first eight amendments to the Constitution have been very generally regarded as a bill of rights. They were adopted in the year 1791, and are regarded as practically a part of the original Constitution. In repeated decisions, one from the gentleman's own State—Smith against the State, in Howard's Reports—it was held that these provisions of the Constitution apply to the Central Government rather than to the States. That is the question about which Mr. Guthrie said the decision should be made by the court of last resort. I would say they have a bearing, but I do not think that we can depend upon them.

Mr. HERSEY. Mr. Chairman, will the gentleman yield?

Mr. BURTON. Yes.

Mr. HERSEY. In the second section of the bill we find that it has been rested on a certain clause of the fourteenth amendment, and the bill provides that where there is a lynching in any State and it is proved that the State has been guilty of denying to its citizens the equal protection of the law, certain action shall be taken by the Federal Government. Therefore the bill contemplates nothing but being based upon one section of the fourteenth amendment.

Mr. BURTON. That I leave to the gentleman from Minnesota [Mr. VOLSTEAD] and the other gentlemen on the committee to discuss with the gentleman from Maine. I am not responsible for the phraseology. Very likely some modification might be made.

Mr. HERSEY. In the State of Ohio, with which the gentleman perhaps is more familiar than any other State, does the State of Ohio deny to its citizens the equal protection of the law?

Mr. BURTON. Once in a while a mob in the State does.

Mr. HERSEY. I am asking the gentleman whether the State of Ohio denies to its citizens to-day the equal protection of its laws?

Mr. BURTON. Whenever lynching becomes prevalent, whenever, as I have pointed out again and again, more persons go on the route to death by lynching than they do by legal execution, that State is denying the equal protection of the laws. [Applause.]

Mr. HERSEY. When have they had a lynching in Ohio?

Mr. BURTON. Oh, it is some time since we have had one. We have had but one and the State of Maine has had but one of late years.

Mr. HERSEY. During the past year has the State of Ohio denied to any of its citizens equal protection of the laws?

Mr. BURTON. I know cases have been brought to my attention where the claim has been made that it has, although there have been no lynchings. There are only six States in the Union that can claim exemption from lynching. There is Connecticut—although one suicide there was set down to lynching—Rhode Island, Massachusetts, Vermont, New Hampshire, and Utah. It is a general question, it is not a question of color, or of North or South.

Mr. HERSEY. Is not the State of Ohio to-day, a law-abiding State, doing all it can to protect itself?

Mr. BURTON. It is observing the law pro tanto, and pro tanto probably means this last year in everything, but when a lynching occurs there is no due process of law, there is no due enforcement of law.

Mr. HERSEY. When there is a lynching in Ohio the State has denied the equal protection of the laws.

Mr. BURTON. The victim has certainly been denied the equal protection of the law, and he is entitled by the Constitution of the United States to a trial by a jury. He ought not to be hurried away and put to death.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VOLSTEAD. Mr. Chairman, I yield the gentleman three minutes more.

Mr. BURTON. I repeat, Mr. Chairman, the passage of this bill should not be regarded as raising a sectional question. You gentlemen of the South as well as the rest of us condemn this terrible reproach upon our civilization. We are entering a new era now in these wonderful years succeeding the war. We should enter that era with new ideals as to equality, as to liberty, as to the sacredness of human life. It is not enough that we are great in material civilization. We have no fear from the pestilence that walketh in darkness or the destruction that wasteth at noonday, but we have for the more insidious attacks upon the very framework of our institutions from those outbursts of violence which disgrace the land, from the brutality, the murder, the disregard of law and order; and for one as I stand here I am not ready to assume the responsibility of fail-

ing to take every possible step to bring to an end this condition and substitute for it universal protection by the broad shield of the United States over every citizen in the Republic, however weak, however humble, whatever his race, whatever his color. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. REAVIS].

Mr. REAVIS. Mr. Chairman, it is with great diffidence and some degree of hesitation that in following the distinguished gentleman from Ohio [Mr. BURTON] I take issue with him regarding the constitutionality of the pending bill. His exceptional mental attainments, his intellectual integrity and high character make him a most potent influence in the House, and dispose the membership to a sympathetic reception of any position he maintains. He speaks convincingly of changed and changing conditions, and ventures to hope that the long line of Supreme Court decisions construing the fourteenth amendment to the Constitution, each of which, without exception, denounces the principle underlying the proposed legislation, will at some subsequent time be either modified or repudiated, and, indulging such hope, he advocates the passage of the bill.

I think all of us are aware of the change taking place in our national life, but I do not believe that the change is sufficiently compelling to induce the Supreme Court of its own motion to amend the Constitution of the United States, nor do I believe that changing conditions should be so persuasive as to induce the membership of the House, sworn as we are to uphold and defend the Constitution, to ruthlessly ravish it. [Applause.]

It should be unnecessary for me to give utterance to my abhorrence of the crime of lynching. I yield to no man in my desire to efface this institution from our national life. I will go as far as any man to enact legislation of a most drastic character to punish those guilty of this offense. I will not, however, consciously be a party to the passage of legislation so obnoxious to the Constitution as to be a mere gesture, so utterly and indefensively void as to bear only the appearance of service in accomplishing the end it assumes to seek.

I am not unmindful of how cruelly mobs have invaded personal rights; I am not so unsympathetic that I can stand indifferent in the presence of the hanging and burning of my fellow men. I realize fully the national disgrace and humiliation which follows upon such incidents. But the injury inflicted by mob violence is incomparably greater than that comprehended in personal suffering or national degradation. Out of the years have come rules of conduct which the wisdom and experience of the ages have disclosed as necessary to the governing of organized society. To permit mobs to abolish these laws and precepts of conduct and to substitute in their stead the will of the frenzied, the "many-headed," is to destroy the fabric of civilization itself and to submit the future to anarchy.

In my opposition to this bill I do not seek to defeat antilynching legislation. If I opposed such legislation, I would support this measure, for the reason that under the Constitution it will prove utterly innocuous. I seek to amend it so as to make it possible to enact a law in harmony with constitutional requirements and which the courts may enforce when offenders are brought to the bar of justice.

I do not care to discuss the constitutional question involved from the standpoint of precedent. The decisions of the United States Supreme Court bearing upon that question have been cited many times during the course of this debate, and it will serve no purpose to reiterate them. I prefer to debate it upon principle, and during what I may have to say I invite questions from the Members who are good enough to listen to me.

The Government of the United States is unique among the nations of the earth. It has no counterpart, and because in its entirety it does not seem adjusted to the needs of any other people, I doubt whether it will ever have a counterpart. It began with States, each a complete sovereign in itself and possessing every power requisite to its government as a separate entity. The need for solidarity for identical aims and practices early became apparent. The War of the Revolution disclosed that a common enemy cemented the political subdivisions, and such disclosure was a potent argument for a more "perfect union." Out of such necessity came the General or Federal Government.

We often speak of it—with great pride, of course—as a "government of the people, by the people, and for the people," and it was so characterized long before immortal Lincoln used the phrase. It, however, was never a government by the people, nor was it intended by the fathers to be such a government. Those who fashioned it, influenced, no doubt, by the predictions of disaster, realizing that it was largely an experiment, and being somewhat doubtful as to whether mankind had reached that far frontier on the road to a higher civilization which would justify surrendering to him complete governmental control, wrote into the Constitution many checks that safeguarded the Government from the people.

Prior to the somewhat recent ratification of the seventeenth amendment to the Constitution, which permits the election of Senators by the direct vote of the people, the electors of America could vote directly for but one official, and that one a Member of this body. The President was chosen by electors selected by the people; the judiciary, from the Chief Justice to the lowest commissioner, was appointed; the Diplomatic and Consular Service, which carries our activities to the far reaches of the earth, were in no wise dependent upon the people's choice; the members of the Cabinet and the hundreds of thousands who work under them were appointed by officers whom the people did not select. In fact, every official but one—and his term of office the shortest—was entirely removed from the direct control of the electorate. An amendment to the Constitution but recently introduced by Senator NORRIS, of my State—and which meets my entire approval—will, if passed and ratified, bring the Government still closer to the people, and is but one of many manifestations of the changes which the gentleman from Ohio [Mr. BURTON] probably had in mind.

The Constitution, so safeguarding the Government from direct control of the people, was inspired by the desire for the perpetuity of the Government, and to understand it and the necessity for it we would have to place ourselves as its framers were placed when it was written. The really remarkable thing, however, judged by the times and conditions, the thing which makes this instrument the greatest document given to man since the Sermon on the Mount, was the manner in which the rights of the people were safeguarded from their Government.

The Constitution is a grant of power, and every power granted came from the people. The government created was not an autocratic government which assumed the power to control the people, but a government which assumed no power which the people voluntarily did not grant. This is written in the instrument when it reserves to the people and the States every power not expressly granted. Consequently the construction always placed upon it by the highest court in the land has been to deny to Congress power to act unless by the Constitution that power has been granted by the people.

Mr. LAYTON. Will the gentleman yield to a question from me?

Mr. REAVIS. With pleasure.

Mr. LAYTON. I do not profess to know anything about constitutional law, but from what I have gathered during this debate there is no decision from the Supreme Court favorable to the constitutionality of this bill. Is that right?

Mr. REAVIS. I have found none and not one has been cited in this debate.

Mr. LAYTON. That is the point I am trying to get at. If that is the case, how can I stand before the Speaker of the House and take a solemn oath to support the Constitution, when the supreme authority, the Supreme Court, has always construed the fourteenth amendment against this bill?

Mr. REAVIS. That question, Doctor, you must determine under the dictates of your own conscience. I have always felt and feel now that the presence of this bill on the floor places most of us between the two horns of a dilemma. We must either do violence to our conscience and vote for it or lose many Negro votes at home by voting against it. [Applause.]

Mr. CLOUSE. Will the gentleman yield?

Mr. REAVIS. Gladly.

Mr. CLOUSE. Of course, on the question of lynching, no Member of the House, I presume, would offer any defense to it. As to the constitutional question, no man can justify the enactment of this bill as reported. I have listened to all the debate on the bill, and I want the gentleman's construction on the first section, which, when stripped of unnecessary verbiage, would read like this: "The phrase 'mob or riotous assemblage' means an assemblage acting in concert to take life as a punishment for or to prevent the commission of some public offense."

Will the gentleman indulge me while I assume a hypothetical case? Suppose, while we are deliberating here, a red-handed anarchist on the outside of the Nation's Capitol should appear and five members of the Metropolitan police force should see him in the act of throwing a bomb and demolishing this building, endangering the life of every man in the structure. They might not have time to seize him under the requirements of this bill before he perpetrated the act; would they be permitted to kill him to prevent the commission of his intended crime?

Mr. REAVIS. You mean under the provisions of this proposed legislation?

Mr. CLOUSE. Yes; under the provisions of this bill.

Mr. REAVIS. Yes; notwithstanding this bill. [Applause.]

Mr. CLOUSE. Would they under the first section have the authority to take life that they might preserve life?

Mr. REAVIS. My objection did not apply to the first section, but the gentleman has disclosed to me an objection that I did not entertain before.

Mr. KINKAID. Mr. Chairman, will my colleague from Nebraska yield to me that I may ask a question of the gentleman from Tennessee?

Mr. REAVIS. Certainly.

Mr. KINKAID. The gentleman from Nebraska expressed his opinion in answer to the question of the gentleman from Tennessee that his answer must be in the affirmative. Would not the common law authorize the taking of the life of the anarchist if he were in the act of committing the crime stated?

Mr. CLOUSE. Yes; under the common and statutory law, but not under this bill unless they were to subject themselves to its penalties.

Mr. REAVIS. The gentleman from Tennessee and the gentleman from Nebraska are both correct, but for the moment I would prefer not to yield further.

The CHAIRMAN. The gentleman from Nebraska [Mr. REAVIS] has the floor.

Mr. REAVIS. May I recur now to the thought I expressed regarding the powers of Congress under the Constitution and making application of these powers to the pending legislation. We are not left in doubt as to the constitutional authority claimed by the proponents of the bill. Not only has it been proclaimed in this debate but it is recited in the proposed legislation that the fourteenth amendment is the fountainhead, and appeal is made to that portion of the fourteenth amendment which prohibits a State from denying equal protection of the laws to its citizens. It may be advisable to read again the constitutional provision involved. It is as follows:

Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.

This provision, being the grant of power to Congress, limits the exercise of that power.

The people in ratifying the Constitution gave to Congress certain general powers, such as exclusive control of interstate commerce. On everything pertaining to that subject matter Congress has absolute and exclusive control. But the powers delegated by the fourteenth amendment are prohibitory in character. That is to say, if the State denies equal protection of the laws, Congress may act, but some action of the State, either of commission or omission, must precede any action on the part of the Federal Government.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. REAVIS. With pleasure.

Mr. GRAHAM of Illinois. I agree with the gentleman in principle, but let me ask the gentleman a question. Suppose the officers of the State fail to act. Do they come within the same argument?

Mr. REAVIS. The gentleman anticipates me. I will come to that presently.

Mr. LITTLE. Will the gentleman yield?

Mr. REAVIS. In just a minute.

The only legislation Congress can enact under the fourteenth amendment is not general legislation such as is authorized by the interstate-commerce section, but is corrective legislation. Now, what are we empowered to correct? Are we empowered to correct the act of some individual or collection or mob of individuals? No such power is granted by the Constitution. We can only legislate to correct some act of the State which denies equal protection of the law to its citizenship. But the act of the State must be a condition precedent to congressional legislation.

Mr. LITTLE. Does the gentleman think that the act of the sheriff is not the act of the State?

Mr. REAVIS. I am not speaking of the act of the sheriff nor any other governmental department of the State. I hope to reach that later.

May I now call to your attention the fourth section of this bill, which reads as follows:

SEC. 4. That any person who participates in any mob or riotous assemblage by which a person is put to death shall be guilty of a felony, and on conviction thereof shall be imprisoned for life or for not less than five years.

This section is complete in itself. The offense is defined, the offender is described, and the punishment provided; but nowhere, directly or indirectly, does it refer to any action of the State in denying equal protection of the law, without which there is no violation of the Constitution which would empower the Federal Government to act.

I now ask the distinguished chairman of the committee and the author of the bill upon what action of the State in violation of the Constitution do you predicate section 4?

Mr. VOLSTEAD. I expect to discuss the matter later on.

Mr. REAVIS. To show the practical operation of section 4, let me state a hypothetical case. I notice the gentleman from New York [Mr. COCKRAN] before me. Suppose that five men acting in concert should kill him, though I confess such an event would be a great national calamity. Any one or all of the five would be amenable to the provisions of section 4. The State had nothing to do with the commission of the crime. The State instead of denying equal protection of the law would immediately proclaim his right to equal protection by prosecuting his murderers.

I again would like to inquire what infraction of the Constitution is relied upon to justify the Federal Government in assuming jurisdiction of this crime?

It is not necessary, however, to depend upon assumed conditions to reveal the indefensible character of the provisions of this bill. Let me recite a real occurrence that seems much in point.

Not long since there was a lynching in Omaha. A Negro was incarcerated in the Douglas County jail, which is a part of the magnificent Douglas County courthouse. A mob formed in the evening, and the fact being called to the attention of the mayor, Mr. Ed Smith, he repaired to the courthouse, where were assembled practically the entire police force. I am acquainted with Mr. Smith. He is the type of man who is not afraid of much that goes on in this world of ours. As I recall it, they took the Negro from a cell on the lower floor to the upper story of the building and kept him there in the darkness to shield him from the mob, which was constantly augmented, and growing more desperate and unruly. Failing to find the culprit in the jail, and being satisfied that he was somewhere in the building, the crowd in its frenzy set fire to the courthouse. Up in the darkness the law officers of the city kept the accused as long as safety would permit. Finally, being driven out by the smoke and the flames, they groped their way through the corridors and down the stairways, constantly pleading with the crowd to permit the law to have its way and not to disgrace the city and the State by perpetrating the horrid crime of lynching. So far did they defend the Negro that the mob, apparently gone crazy, took the mayor to the nearest lamppost and hung him. Fortunately, that contemplated crime was too atrocious, and the mayor was cut down before he was permanently injured, though he was incapacitated for weeks from injury and shock.

Under section 4 of this measure every member of the mob would be liable to punishment in the Federal jurisdiction. Was the fourteenth amendment violated by the State of Nebraska, without which the Government of the United States would be powerless? The law officers charged with his custody and protection defended him to the gallows; step by step they accompanied him down into the very valley of the shadow itself to give him the equal protection of the law. Will some proponent of this bill suggest the constitutional ground upon which the Federal Government would assume to try and punish those who committed the crime?

The whole theory of the bill is wrong in that it is predicated on the acts of individuals while the constitutional prohibition runs against the State.

I desire to discuss other sections of the bill, which, as I view them, are as indefensible as section 4, and I hope to answer the question of the gentleman from Kansas [Mr. LITTLE], who made a brilliant constitutional argument for the bill and cited many decisions of the Supreme Court of the United States, every one of which, when understood, destroyed the very principle for which he contended. [Laughter.]

Mr. LITTLE. Will the gentleman yield?

Mr. REAVIS. With pleasure.

Mr. LITTLE. Will the gentleman be kind enough to read them? Evidently he has not.

Mr. REAVIS. I will be glad to read one of his citations now, the case of James against Bowman, reported in the one hundred and ninetieth United States reports.

Mr. LITTLE. There is not a single, solitary line in that case that is in contradiction of what I stated.

Mr. REAVIS. I do not yield for further interruption now. The gentleman asked for the reading of the opinion. Will he please listen? I select this case from among the many cited by the gentleman to prove the constitutionality of this bill, not alone because it is the leading case construing the fourteenth amendment but because it was written by a very distinguished judge from the gentleman's own State.

Will you listen to what Judge Brewer says with reference to the jurisdiction of the Federal Government under the fourteenth amendment:

The fourteenth amendment prohibits a State from denying to any person within its jurisdiction the equal protection of the laws; but this provision does not, any more than the one which precedes it and which we have just considered, add anything to the rights which one citizen has under the Constitution against another. The equality of rights of citizens is a principle of republicanism. Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle, if within its power. That duty was originally assumed by the States, and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, but no more. The power of the National Government is limited to the enforcement of this guaranty. (James *v.* Bowman, 192 U. S., 136.)

To the same effect is United States *v.* Cruikshank (92 U. S., 542). This is the opinion cited by the gentleman from Kansas [Mr. LITTLE] in support of section 4, which section is predicated exclusively on individual action and utterly ignores any action on the part of the State. [Applause.]

Mr. LITTLE. Will the gentleman yield?

Mr. REAVIS. Certainly.

Mr. LITTLE. Is it possible that the gentleman does not know that I exactly so stated the application of that decision, and that a moment ago I just asked the gentleman whether he meant to say that when the sheriff refused protection to a man, the State did not act. I ask the gentleman again: Does the gentleman mean to say that when the sheriff refuses a man protection, the State has not acted?

Mr. REAVIS. The gentleman cited this decision and many others equally opposed to the principle of this bill in support of its constitutionality. So far as the act of the sheriff is concerned, I would go further than the gentleman's question suggests.

Mr. LITTLE. Go as far as you like.

Mr. REAVIS. I would take a more advanced ground than you suggest, but not to be led away for the moment, I want the gentleman to say whether he believes the fourth, fifth, and sixth sections of this bill are predicated upon a violation of the Constitution by the State, without which Congress is not empowered to act?

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. SUMNERS of Texas. Would the gentleman like more time?

Mr. REAVIS. I would like 10 additional minutes.

Mr. SUMNERS of Texas. I yield to the gentleman 10 additional minutes.

Mr. REAVIS. I would like to have the gentleman from Kansas [Mr. LITTLE] give me a yes or no answer to the question as to whether the fourth, fifth, and sixth sections of this bill are based upon the actions of individuals or the action of the State.

Mr. LITTLE. That is not what I said.

Mr. REAVIS. I do not care what the gentleman said. I seek an answer which I hope will be different from what you said.

Mr. LITTLE. In the first place I will decide whether I will answer the question yes or no. That will be for me to say. The gentleman has asked me a question. In the speech which I delivered on this subject I said that in my judgment it would be better to hook the second section onto the fourth section in order to be sure that it would be constitutional, and that I would offer an amendment of that kind.

Mr. MANN. Will the gentleman yield?

Mr. REAVIS. I yield to the gentleman from Illinois.

Mr. LITTLE. The gentleman has asked me a question and I want to answer it.

Mr. REAVIS. Go on, but do not take all of my 10 minutes in answering it.

Mr. LITTLE. I further said that in my judgment the Supreme Court would probably interpret all the law together and hold that the fourth section did apply to the second, and I think there is no doubt about it. I challenge the gentleman to name any decision ever made to the contrary.

Mr. MANN. I want to ask the gentleman's opinion on this proposition: Suppose the sheriff of a county deliberately refuses to make any effort to protect a man from the mob. Is the State responsible for that so that we can punish that official of the State?

Mr. REAVIS. I do not question it, because the act of a State official is the act of the State. The State is merely a governing agency that acts through individuals, and in so acting they are the State. I hope to develop the idea more fully either on the floor or in an extension of remarks.

Mr. MANN. If that is the case, can not we enact a law under the fourteenth amendment punishing that official?

Mr. REAVIS. I think we can do more than that. If a State official fails or refuses to make every reasonable effort to protect a man to the end that he may be given equal protection of the laws, and a mob acting in conspiracy with the State through its official, deprives him of the equal protection of the laws, I think we can punish not only the State official but all of the mob who are his coconspirators. I would like, however, to develop that more logically as I proceed with this bill.

Mr. MANN. Is not the bill predicated on the same proposition, upon the act of the official of the State who does not give reasonable protection to the prisoner sought by the mob?

Mr. REAVIS. On the contrary, the bill is predicated on the acts of individuals. My complaint is that the action of the State is ignored, which act is the only condition that would authorize Congress to act.

Time will not permit me to discuss the several sections of the bill to which I object as fully as I would like, and I will therefore briefly invite your attention to sections 5 and 6. These two sections would be very effective in preventing lynchings if it were in our power to enact them, but as I view them they are utterly without any authority granted by the Constitution.

Section 5 provides:

That any county in which a person is put to death by a mob or riotous assemblage shall forfeit $10,000.

Provision is made for the recovery of the money by an action instituted in the name of the United States, and the disposition of the money, when recovered, to the family of the deceased, or to the United States in case he has no family.

The enforcement of this penalty against a subdivision of the State is not dependent upon any act of the State in violation of a constitutional duty. The only act necessary for the Federal Government to recover $10,000 from a county is the act of a few individuals who violate the laws of the State. If Congress can enact section 5 and subject a county to this penalty because a few individuals, not necessarily residents of the county or State, commit murder within its borders, then Congress can inflict a penalty upon a county if within its confines some individuals commit burglary or assault and battery. Congress can not act unless the power to act is granted by the Constitution, and after somewhat diligent investigation I have failed to find any power granted by that instrument which would authorize congressional action solely because murder is committed within a State.

There is another insuperable objection to section 5. Where is there constitutional warrant for the Federal Government to inflict such penalty upon a State or a subdivision of the State? Every authority cited in support of the section relates to a penalty inflicted by a State upon one of its own subdivisions. The authority to do this is so obvious that no one will question it, but it seems to me that the distinction between the State providing a penalty against one of its subdivisions and the United States attempting to inflict a penalty upon a separate sovereignty is equally obvious. I know of no constitutional warrant, nor do I know of any precedent for such an act. As I view it, the Federal Government is as powerless to assess forfeitures against a State as one State is powerless to assess forfeitures against another State. We can not tax a State or a county; we can not even control their method of taxation. If we could there would be far fewer tax-exempt securities floated by States, counties, school districts, and similar subdivisions than at present. The procedure proposed by section 5 is nothing less than judicial taxation, though it is a great deal more.

Section 6 of the bill is even worse than section 5. It is not only unconstitutional, it is unmoral. It is fanaticism gone mad. It provides:

That in the event that any person so put to death shall have been transported by such mob or riotous assemblage from one county to another county during the time intervening between his capture and putting to death every county in or through which he was so transported shall be jointly and severally liable to pay the forfeiture herein provided.

I think this section is sui generis. I am glad to believe that it is the only specimen of its kind in all time. I have listened patiently for some one to defend it, or at least inform us whence it came and why. The offense committed by the county is evidently the failure to build barb-wire defenses about its domain, because the only thing necessary to subject its citizens to a fine of $10,000 is that a mob should go "in or through" the county. It might be done in the nighttime, with no one in the county being aware of the fact. This, however, would be no defense, if the mob once got in the county. It is not necessary to the crime that the State or county deny one the equal protection of the law; it is not necessary to the offense that even a private citizen of the State should be a party to or know of the existence of a mob; it is only necessary for a mob to enter a county—not to commit any offense there—and the Federal Government is in some way, by some grant of power from some unknown

source, authorized to penalize a separate and distinct sovereignty in the sum of $10,000.

The south line of my home county is the border between the States of Nebraska and Kansas. Under the provisions of section 6 a mob might form in Kansas at night and, in search of a convenient tree, go through a corner of my county. It is of no concern that no crime was committed in my county; without regard to the fact that not a person within the State of Nebraska knew of the existence of the mob or its contemplated crime, nevertheless we would come within the purview of this section and our property be subjected to a $10,000 forfeiture. This section is so utterly indefensible upon both constitutional and moral grounds that I deem it useless to debate it further.

I shall be very glad to support this bill if it can be amended, as I think it can, so as not to exceed our constitutional powers. I regret, of course, that my opposition to certain of its provisions has been accepted by some as indicative that I oppose all Federal legislation on the subject and by others that I am in favor of mob violence and lynching. If I were to follow the advice of many letters and telegrams recently received by me, I would vote for the bill as it is, even though I know it can serve no good purpose, because it can not be enforced.

I prefer, however, to contribute to its correction in order that some legislation may be had to punish the most atrocious and menacing offense known to our national life.

I believe that sections 5 and 6 should be stricken from the bill and the principle of the remaining sections so changed that Federal intervention shall depend entirely upon some act of the State which denies equal protection of the law, rather than upon the act of a mob of individuals.

A State is a sort of artificial entity, whose sole purpose is that of a governing agency. It acts, of course, through individuals. There are but three ways that a State makes its power manifest; that is, through its legislative, its judicial, or its executive departments. It can act in no other way. If a State deny equal protection of the law through some act of its legislative department no action is necessary on the part of Congress, for the reason that the law passed by the State legislature is void and falls of its own weight. But if such denial results from acts committed by its judicial or executive departments, then, under the fourteenth amendment, Congress not only has the power to act but owes the duty to act.

Suggestion has been made during the debate that the Federal Government by laying violent hands on the governor or other State official would violate the sovereignty of the State. It is a sufficient answer to say that neither the governor nor any other State official has the sovereign right to violate the Constitution of the United States. A governor out in Illinois, I believe, considered himself above the laws of his State, and his experience should have a salutary effect on any State official who holds himself above the Constitution of his country. More than that, however, is the power delegated by the fourteenth amendment. The States, when they ratified the Constitution, did more than grant general powers to the Federal Government; they granted, in some instances, the further power to prevent the States from doing certain things. When the States ratified the fourteenth amendment, thereby granting the power to the General Government to prohibit a State from denying equal protection of the law to its citizens and coupled with it the authority to Congress to legislate to enforce such prohibition, the States surrendered all sovereignty in the premises, and having surrendered it there remained no sovereignty to violate.

I have no doubt that Congress has the power to fix penalties against any State officer, charged with the custody and protection of an accused when he denies him the equal protection of the laws.

Mr. STEVENSON. Will the gentleman yield?

Mr. REAVIS. I will.

Mr. STEVENSON. The gentleman stated that where an officer of the State fails to give proper protection it is the act of the State. Take my State of South Carolina; it has both constitutional and statutory prohibition which makes a man forfeit his office and renders him incapable of ever holding office again and subject to be sent to the penitentiary. Now, if he does that, is that not in absolute violation of the laws of the State?

Mr. REAVIS. Certainly it is. But I have not made myself clear. The State's action is made manifest by the action of individuals. The State is an intangible, artificial entity, created for the sole purpose of acting as a governing agency. When the sheriff is in custody of a prisoner he is not acting for the State, he is the State acting, and the State can not act in any other way. Now, to say that because the State acting through its sheriff, whether in violation of the State law or in some other way, can render the Government powerless to enforce the Constitution is to argue the utter destruction of constitutional government. To say that it lies in the power of the State, either directly or indirectly, to prevent enforcement of constitutional provisions, is to render the entire instrument abortive and to ultimately destroy the finest result of man's age-long struggle, the constitutional government of America.

Much information has been given us regarding the frequency with which the crime of lynching has been committed and the number of persons lynched, but nothing has been related regarding convictions of lynchers. If the States are enforcing the laws, then there is no need nor is there authority for Federal legislation. I believe the best way to prevent lynching is in an orderly and legal way to hang a few lynchers.

Mr. UPSHAW. Will the gentleman yield?

Mr. REAVIS. With pleasure.

Mr. UPSHAW. I would like to emphasize the fact that I have never known in my section of the State a lynching that was not followed by an offer of reward for the capture of the lynchers. I emphasize the fact that it shows that there is nothing culpable in the attitude of the State; that the State is loyal to the Constitution and good government.

Mr. OLDFIELD. Mr. Chairman, will the gentleman yield?

Mr. REAVIS. Yes.

Mr. OLDFIELD. I am interested in the statement made by the gentleman about the mayor of Omaha, and I am wondering if the record shows that the participants in the mob were punished.

Mr. REAVIS. I am glad to answer the gentleman, and I do so with some degree of justifiable pride. A grand jury was called in that county, of which Mr. John W. Towle, my cousin, was foreman; with courage that was admirable, setting an example that might well be emulated by other sections of the country, he went to the bottom of that matter and brought the offenders to the bar of justice.

Mr. ROSENBLOOM. Will the gentleman yield?

Mr. REAVIS. Yes.

Mr. ROSENBLOOM. In case the bill was enacted into law and the State not liable, where the person who had been lynched was not in the custody of State officials, would not that question be raised on demurrer in the proceedings, and would it not free the State of its liability? Whereas if the party lynched was in the custody of State officials, under these decisions, in that event the reward could be collected and the punishment inflicted.

Mr. REAVIS. As stated by the distinguished gentleman from Texas [Mr. SUMNERS], in one of the ablest constitutional arguments I have ever heard, in or out of Congress, under this proposed legislation no charge could be based except when the accused was in the custody of an officer, and the bill would not be serviceable in race riots such as occurred in East St. Louis.

Mr. ROSENBLOOM. I am of the same opinion.

Mr. REAVIS. To recur to what I had in mind before the interruptions, I would like to state that such information as I have clearly indicates a laxity of law enforcement against mobs. It is easy to understand why this should result. The accused Negro, in the first instance, is probably none too popular, the conventional crime which results in lynching is one so atrocious and revolting as to shock the entire community, and frequently the social and political prestige of some of the members of the mob is of such character that no earnest effort is made to apprehend them. There are many who believe that such summary punishment is essential to put fear in the hearts of others who might be tempted to commit a similar offense. I believe that federal legislation within the Constitution would have a salutary effect, and I am convinced that we should do all that we are empowered to do to destroy this disgraceful practice.

With such a view, I am of the opinion that whenever a State officer fails or refuses to give an accused every reasonable protection the State whose officer he is has violated the fourteenth amendment and that Congress is thereupon empowered to act against such officer.

I believe, further, that whenever a mob acts in conspiracy with such officer to deprive the accused of equal protection of the laws the individual members may be reached as conspirators.

Mr. SUMNERS of Texas. I suggest to the gentleman that if the individual has any protection under the fourteenth amendment, it is in section 5008, against conspiracy.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. REAVIS. Yes.

Mr. SANDERS of Indiana. I want to say that section 5008 only gives protection when the individual is intimidated in pursuance of some act exercising some right guaranteed him expressly by the Constitution of the United States or in the laws of the United States.

Mr. SUMNERS of Texas. You can not protect him in a right not guaranteed by the Constitution of the United States.

Mr. REAVIS. I do not know what amendments are contemplated by the chairman of the committee, but I do know that I shall offer certain amendments which I believe are essential to the constitutionality of the legislation. I would be very glad, indeed, if I could support the bill as reported, but for reasons somewhat hurriedly and imperfectly stated I find myself unable to do so. My congressional service will close with my present term, and while not in the best taste to suggest it, I am impelled to say that I have never consciously cast a vote in this body that was inspired either by political expediency or selfish interest. I think on this bill and on others that may present themselves for consideration during the remainder of my service I shall follow the same course. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Missouri [Mr. HAWES].

Mr. HAWES. Mr. Chairman, the press, the pulpit, and the public are united in opposition to mob violence and lynch law.

There is not a man in this House who does not condemn its practice and who will not cooperate in any intelligent effort to provide State punishment for those persons who engage in such acts of outlawry.

The bill under consideration will not accomplish the purpose sought, but may, upon the contrary, cause, through propaganda of the ignorant, the renewal of a brutal and unnatural crime which first occasioned this lawless method of mob punishment.

The mob is a survival of a primitive instinct which is brought into existence by the act or acts of some person whose conduct for the moment produces upon certain sections of a local community an excitement which deprives it of reason, producing a temporary insanity, followed by acts of brutality which in saner moments are deplored.

A scientist states:

The resulting characteristics of the crowd are (a) a descent of several rungs in the ladder of civilization; (b) a general intellectual inferiority, as compared with the isolated individual; (c) loss of moral responsibility; (d) impulsiveness; (e) credulity; (f) exaggeration; (g) intolerance; (h) blind obedience to the leader of the crowd.

Whenever a community reaches this hysterical stage it is injured just as an individual would suffer in nerves, physical exhaustion and depression following a nervous reaction.

The local community must apply the remedy. One recourse will naturally be the removal of the cause. The remedy is, however, local not national.

Mr. Holland Thompson, in a volume of the Yale University Press, gives a dispassionate statement upon this subject:

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Rape is by no means the only crime thus punished; sometimes the charge is so trivial that one recoils in horror at the thought of taking human life as punishment.

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Yet it must not be forgotten that over certain parts of the South a nameless dread is always hovering. In some sections an unaccompanied white woman dislikes to walk through an unlighted village street at night; she hesitates to drive along a lonely country road in broad daylight without a pistol near at hand; and she does not dare to walk through the woods alone. The rural districts are poorly policed, and the ears of the farmer working in the field are always alert for the sound of the bell or the horn calling for help, perhaps from his own home. Occasionally, in spite of all precautions, some human animal, inflamed by brooding upon the unattainable, leaves a victim outraged and dead, or worse than dead. Granted that such a crime occurs in a district only once in 10, or even 20 years; that is enough. Rural folks have long memories, and in the back of their minds persists an uncontrollable morbid dread. The news of another victim sometimes turns men into fiends who do not only take life but even inflict torture beforehand. The mere suspicion of intent is sometimes enough to deprive such a community of its reason, for there are communities which have brooded over the possibility of the commission of the inexpiable crime until the residents are not quite sane upon this matter. Naturally calmness and forbearance in dealing with other and less heinous forms of Negro crime are not always found in such a neighborhood. This fact helps to explain, though not to excuse, some of the riots that occur.

Continuing, he describes the futility of mob action in arresting crime and the changed attitude of that section of our country where this crime is most prevalent.

The better element in the South, however, opposes mob violence, and this opposition is growing stronger and more purposeful. Associations have been formed to oppose mob rule and to punish participants. Where reputable citizens are lukewarm it is largely because they have not realized that the old tradition that lynching is the proper remedy for rape can not stand. If sudden, sharp retribution were inflicted upon absolute proof, only for this one cause, it is doubtful whether such effective opposition could be enlisted. Yet wiser men have seen defiance of law fail to stop crime, have seen mobs act upon suspicions afterwards proved groundless, have seen mob action widely extended, and have seen the growth of a spirit of lawlessness. Where one mob has had its way, another is always more easily aroused, and soon the administration of the law becomes a farce.

The southern situation, where the white and black races are more nearly divided, presents a different and more difficult problem than in northern sections, but as the Negro continues his migration to the North we find in recent years constantly recurring incidents of this summary and lawless infliction of punishment.

The old practice of lynching in a frontier community, where established law did not prevail and where there was no orderly administration of justice, must be separated in our minds from mob violence perpetrated in organized communities, where the machinery of justice is available.

Mob law is not now sectional, and it has extended to other crimes than assaults upon white women.

Available statistics are not satisfactory nor conclusive, but from those procurable we find, in 1889, there was a total of 66 lynchings, of which 19 were for assaults upon white women.

And for 1904, the last date in this particular table, there was a total of 61, of which 18 were for assaults upon women.

In the State of Missouri, between 1885 and 1920, there was a total of 85 lynchings; in 1889 there were 6 lynchings; in 1920 there was 1; and during the 10 years preceding 1920 a total of 10.

While this total of 85 in 35 years is deplorable, it shows that the record of Missouri compares favorably with the extent of this crime in other States, and that there is a decrease rather than an increase of this offense.

During the year 1921, for some reason, crimes of all kinds increased, especially those of violence—let the psychologist ascribe the cause—and with this startling increase of criminal acts of violence we find that in the first half of 1921—the only figures available—there was a corresponding increase in lynchings which numbered 36, of which number 11 were for rape.

In 1919—according to statistics placed in the RECORD by the author of this bill—there was a total of 83 lynchings, of which 27 were for crimes against white women.

In 1920 there was a total of 65 lynchings, of which 21 were for crimes against white women.

When we turn back to the first available figures in 1889 and find a total of 66 lynchings, of which 19 were for assaults upon white women, and compare this with a total of 65 lynchings in 1920, of which 21 were for assaults upon white women, the comparison startles, because in 30 years we find a decrease of one lynching but an increase of two for assaults upon white women.

All the figures here used are taken from the Negro Yearbook.

In 1889 there was a total of 127 lynchings, of which 38 were for crimes against white women.

In 1920 there was a total of 61 lynchings, of which 18 were for crimes against white women.

In the 35-year period there was a total of 3,092 lynchings, and a total of 882 were lynched for crimes against white women.

These figures are horrible beyond description.

Three thousand and ninety-two human beings executed in a lawless manner.

Eight hundred and eighty-two white women assaulted by black brutes.

We find that over 35 per cent of the causes for lynchings were for assaults on white women.

How many innocent people, how many men have lost their lives, and how many brave officers have been killed in defending law and order against the mob is not known, but may double the number of those lynched.

White men defending the law and trying to save the Negro charged with assault upon their own women have shot and killed members of the mob, and the mob, in order to attain its object of protecting their white women from these assaults have not hesitated to kill white citizens and white officers who stood in their defense.

A comparison of each year from 1889 to 1920 does not disclose an increase in lynchings, nor does it show a decrease in the crimes of blacks against white women.

The record remains about stationary, which causes some suspicion of this measure which is now, for the first time, pushed upon the United States Government for solution.

It is unfortunate, especially for the self-respecting Negro man, that this issue has been pressed. The unnatural crime of rape, committed by a few members of his race, is the source of mortification and shame to him, and yet its discussion can not be avoided when his propaganda and white political necessity push it forward for national consideration.

The proponents of this bill must accept the responsibility for interjecting this discussion. They have forced the issue and must accept the blame for all damage that occurs.

I unite with them in sincere condemnation of lynch law and mob violence.

Mob law breeds contempt for all law and lowers the standard of citizenship not only of the community but the respect within which the State is held wherein it is permitted to take place.

The spirit of mob law knows no race nor color, no sex nor religion, and has little respect for general authority, either human or divine.

The mighty influence of the church everywhere is found on the side of law and order, and the minister of the gospel is doing more than any political bill introduced in Congress can do to stop these barbarous practices.

Cleveland, Roosevelt, Taft, Wilson, and President Harding have all given consideration to and an express disapproval of mob violence; but none has, either directly or indirectly, suggested that the solution was through national interference.

They have been ably supported by educators and learned men and women who spend time and money in the discussion of this subject, but none of these advocates the same solution as that proposed by the gentleman from Missouri.

This bill will not help in the solution. It will retard it. It will not lessen race rancor and discord but will increase it.

The lynching problem is local and State, not National. The community which is educated to punish mob violence and to condemn it will prevent its occurrence, but this can not be done by national law.

We have laws against murder and various other crimes too numerous to mention, and yet the law is constantly violated; but for that reason we do not rush to Washington and ask for national aid in the enforcement of these laws.

States have severe laws punishing murder by the mob; governors are given power to remove officials who are lax in the enforcement of the law; provision is made for the punishment of official laxness; and the attitude of not only the southern press but the press of the whole United States is united in condemnation of mob violence.

This bill is political in character, unconstitutional, pressed at an inopportune time, and, while ostensibly for the benefit of the Negro, will in its effect be most harmful to him.

Coming as it does only as a political expedient, it prevents the carrying out of the statesmanlike suggestions of both Mr. Wilson and President Harding.

The thoughtful minds of our leading men and women desire that this complex question should be settled without heat, partisanship, appeals to passion, or sectional prejudice.

OUR NEGRO CITIZENS.

The introduction of this bill is most unfortunate for our Negro citizens. It will precipitate an acrimonious discussion in every voting precinct in the Nation.

I consider myself to be a real friend of the Negro. I have been his friend in private life and in public performance.

I am opposed to the Ku Klux Klan and kindred organizations. But equally despicable with these organizations, which raise the race question against the Negro, are those organizations which prey upon the Negro not for his benefit, not for his advancement, not for his progress, but for the sole and exclusive purpose of securing his vote. As between the two my contempt is divided.

The Negro citizen must be given equal opportunity for education, advancement, and knowledge. In my State this is done in separate schools, and is working out advantageously, and wherever there is a demand for the quality or number of the Negro schools to be increased what influence I have will be in favor of the project.

The Negro citizen requires the white citizen's help and should receive it.

When we consider that some 50 years ago their ancestors were slaves and that, going back 150 years, some of them were living in the jungles of Africa, with practically no civilization, no laws, no history; in an environment conducive to indolence; with a primitive religion which believed in spirits and was controlled by the voodoo man; with hardly any laws of family; where polygamy was practiced and in some sections cannibalism indulged in; and then viewing them as they are to-day, law-abiding citizens of a great Republic, numbering many able lawyers, financiers, newspaper men, writers, poets, inventors, philanthropists, and churchmen of a high order, we stop in amazement and are astonished at the progress of their race.

And now, within 50 years, they have advanced to a position of civilization exceeding that of the peoples of many older nations. Their history is one of tragedy which demands our sympathy. But when we view with condemnation the acts of brutality which tore them away from their African homes and carried them across the seas to be the servants of the white man, it can not be denied that, looking upon their present progress and contrasting it with the life of their immediate ancestors, and showing what wonderful changes environment and association has done in overcoming heredity, the curses of slavery may, for them, after all, have been a blessing.

Nevertheless, the great problem has not been solved.

One portion has been ascertained in recent years, and that is that we will not have a mixed race to take the place of the white and black.

Once this matter is understood and accepted by our Negro citizens, much of the difficulty of the race problem will disappear.

For the black man to put his hand upon a white woman with evil intent means death, either by the ordinary processes of law or by creating an excitement resembling insanity, which produces a mob and a violent death.

If some of the Negro organizations, and some of the white lawyers employed by them, would devote their propaganda, some of their money, some of their time, inculcating into the few members of their race who attempt to reach over the color line either by marriage or by the bestial crime of rape, the knowledge that this can not be done without extreme penalty, then much of the lynch spirit would stop without the aid of the law or the protests of enlightened citizenship.

THE DYER BILL.

This bill proposes to extend Federal sovereignty over every constable, marshal, sheriff, police officer, prosecuting attorney, circuit attorney, attorney general, adjutant general, and governor of each State in the Union.

It provides for fines and imprisonment for individual citizens of each State.

It provides for a fine of $10,000, which may be charged to a county and is to be paid into the United States Treasury.

It provides for a Federal tax levy, under certain circumstances, upon the citizens of a county.

It provides for a Federal fine upon the citizens of a county through which certain described persons merely pass.

It proposes to try citizens of a State before a Federal judge and jury for offenses which are against State laws.

It proposes to supervise State, county, and municipal agents elected by the citizens of the city, county, and State.

It proposes to direct or punish the conduct of local, county, and State officials for whose maintenance and support the United States does not pay one dollar.

It proposes, in effect, to place under a bond each and every law-enforcement officer in 48 separate States.

In the State of Missouri there are approximately 456 constables and deputy constables;

Approximately 342 marshals and deputy marshals;

Approximately 684 sheriffs and deputy sheriffs;

Approximately 342 prosecuting attorneys, circuit attorneys, and assistants;

Approximately 3,000 municipal police officers; and

An attorney general, adjutant general of militia, and governor.

In round numbers a total of approximately 5,000 peace officers and prosecutors in the State of Missouri, who are not appointed or paid by the United States Government, are made subject to fine and imprisonment by agents of the United States.

This small army of elected and appointed officials of my State are, first, to be investigated by Federal agents; second, prosecuted by Federal agents; third, tried before Federal judges; and fourth, to face confinement in a Federal prison if certain provisions of this law are not complied with.

And these provisions are for three conditions: First, failure to act; second, neglecting to act; and third, refusal to act; giving the careful Federal agent three shots at a single object, so that if he misses with the first he may try a second and then the third.

There are approximately 5,000 municipal, county, and State officials who will be placed in jeopardy in Missouri, with a population of 3,500,000.

This gives Missouri 1 peace officer for each 700 inhabitants.

On the same basis, with 105,000,000 people in the United States, this means that 150,000 peace officers will pass under the control and direction of this law.

New York City has a police department of over 10,000 men; Chicago, over 5,000; Philadelphia, 4,500; Detroit, over 1,500; St. Louis and Cleveland, each, nearly 1,200; and Boston, over 1,500. The chiefs of police, captains, lieutenants, sergeants, and these 24,900 men in only six large cities will be subject to investigation, arrest, prosecution, imprisonment, and fine by Federal officials.

We can imagine the chiefs of police of all the cities having read at roll call to these men the new Federal law providing, in certain contingencies, for a fine of $5,000, or five years in the penitentiary, or both.

When the national convention of chiefs of police meet in annual convention one of the reports will be upon national direction of municipal police departments by the United States Government.

This law would be a harvest for indemnity companies, because no private citizen will go on the bond of a constable, sheriff, or police officer who would come under the provisions of this law.

When Congressmen return home for the fall canvass and pay their respects to the sheriffs, constables, and prosecuting attorneys in the various counties in their districts how will they answer simple questions: Do you think I am straight? Do you think I am a coward? Do you think I will not do my duty? Why did you vote for a law that put me under Federal jurisdiction which threatens a fine and imprisonment?

Honest, brave, and efficient officers of the law in nearly every one of the 3,000 counties in the United States will demand answers to questions similar to these, and no satisfactory answer can be given.

THE BILL BY SECTIONS.

SECTION 1.

Section 1 provides that—

The phrase "mob or riotous assemblage," when used in this act, shall mean an assemblage composed of five or more persons acting in concert for the purpose of depriving any person of his life, without authority of law, as a punishment for or to prevent the commission of some actual or supposed public offense.

Five persons is an ordinary automobile load of men, not a large or unusual assemblage or one that would attract extraordinary attention.

If five men, because they learned that some member of their family has been murdered, a female member of the family raped, a horse stolen, or some outrage perpetrated, for the purpose of revenge, kill the author of any one of these crimes, then the Federal law comes in, police officers may be fined and imprisoned, and a city or a county fined $10,000.

The law commences to operate when five men, as described in this section, come under its provisions.

If this designation of a mob does not place every peace officer—of whom there are approximately 150,000 in the United States—in jeopardy of fine and imprisonment, then the ordinary occurrences of recorded events in various portions of the United States which frequently occur are not truthfully chronicled.

SECTION 2.

Section 2 provides that—

if any State or governmental subdivision thereof fails (1), neglects (2), or refuses (3) to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage (of five or more persons), such State shall, by reason of such failure, neglect, or refusal, be deemed to have denied to such person the equal protection of the laws of the State, and, to the end that such protection as is guaranteed to the citizens of the United States by its Constitution may be secured, it is provided * * *.

This section is a strained attempt to bring this act under the fourteenth amendment, showing conclusively that the authors of the bill had read the amendment and were trying to circumvent it.

The absurdity of the attempt will be disclosed when the authorities construing the fourteenth amendment are discussed.

It will not be disputed that each State provides a penalty for murder for mob assemblage and mob violence, for failure to perform official duties, and for violation of the oath of office.

A mob of five persons does not herald its approach by posters or newspaper advertising or advance notice to peace officers.

A mob may assemble in such overwhelming numbers that it is impossible for one single officer, or even a number of officers, to protect a prisoner. Hundreds of brave officers and their assistants have lost their lives opposing the operations of mobs, and many citizens assisting them have sacrificed their lives and the lives of their associates that some criminal might be saved from death.

And yet, under this provision, if the officers of a State or any subdivision of a State, for the reason of failure, neglect, or refusal, does not stop the operation of this mob of five or more persons, then such State, county, or local subdivision shall be deemed to have denied to such person equal protection of the laws of the States.

Failure to protect such person placed in jeopardy may be due entirely to lack of knowledge; neglect may be due to a lack of notice, no opportunity for preparation, and an inadequate number of peace officials; and the question of refusal to act may depend upon one of a hundred circumstances. A refusal may save the lives of many people by sacrificing the life of one. Some judgment must be displayed, but no allowance is made under this section for any mitigating circumstance.

SECTION 3.

Section 3 provides that—

any State or municipal officer charged with the duty or who possesses the power or authority as such officer to protect the life of any person that may be put to death by any mob or riotous assemblage, or who has any such person in his charge as a prisoner, who fails, neglects, or refuses to make all reasonable efforts to prevent such person from being so put to death, or any State or municipal officer charged with the duty of apprehending or prosecuting any person participating in any such mob or riotous assemblage who fails, neglects, or refuses to make all reasonable efforts to perform his duty in apprehending or prosecuting to final judgment, under the laws of such State, all persons so participating, except such, if any, as are or have been held to answer for such participation in any district court of the United States, as herein provided, shall be guilty of a felony and upon conviction thereof shall be punished by imprisonment not exceeding five years or by a fine of not exceeding $5,000, or by both such fine and imprisonment.

We are again confronted by the three different acts: First, who fails; second, who neglects; third, who refuses. And, strangely enough, this section not only makes the officer who is charged with the duty liable to fine and imprisonment, but any other person who possesses the power or authority of such officer may be fined and imprisoned.

The second paragraph of this section reads:

Any person who participates in a mob or riotous assemblage that takes from the custody or possession of any State or municipal officer any person held by such officer to answer for some actual or supposed public offense and puts such person to death as a punishment for such offense, or any person who participates in any mob or riotous assemblage that obstructs or prevents any State or municipal officer in discharging his duty to apprehend, prosecute, protect, or punish any person suspected of or charged with any public offense, and puts such person to death as a punishment for such offense, shall be guilty of a felony, and, on conviction thereof, shall be imprisoned for life or not less than five years.

Under the first half of this section any five persons acting in the manner described may place in jeopardy the constable, the marshal, or the sheriff of a county or the police officer of a municipality, and, after their incarceration, if the prosecuting attorney or circuit attorney fails, neglects, or refuses, according to the determination of a Federal official, to properly prosecute under the laws of the State, then such prosecuting attorney or circuit attorney is subject to a fine of $5,000 or imprisonment in a Federal penitentiary for five years.

If the mob should exceed 5 persons in number and become a crowd consisting of 100, 500, 1,000, or 5,000 persons, then it presents a different aspect which may go beyond the control of any local peace officer, constable, sheriff, or police department and require the presence of the State militia. This immediately draws in the governor of the State and the adjutant general in command of the State militia, and if for any reason the governor of the State does not move expeditiously or according to the preconceived ideas of his duty which the Federal officer may have, he may be charged with failure, neglect, or refusal, followed by his arrest by a United States marshal, his incarceration in jail, his prosecution by a Federal official before a Federal judge.

We would have the spectacle of the supreme executive of a sovereign Commonwealth arrested and tried in a Federal tribunal by a Federal jury, facing the possibility of a fine of $5,000 or sentence of five years in a Federal penitentiary.

If, in the opinion of the Federal official who is to decide this matter, the governor having done his part, his adjutant general or some colonel, or some captain serving under the adjutant general where such mob performs the act of violence, then such adjutant general, colonel, major, or captain may be indicted, imprisoned, and subjected to a trial which might result in a fine or imprisonment for five years.

In no argument presented on the floor of this House or in the hearings before Mr. VOLSTEAD'S committee have the proponents of this bill, in any printed statement, pointed out a single governor of a State, a single mayor of a great city, or the single head of a great police department who has not to the best of his ability performed his official duty in such emergencies in a satisfactory and conscientious manner.

This entire section is a wholesale assault upon the governors of 48 States, upon the attorneys general of 48 States, upon the adjutants general of 48 States, on the sheriffs representing 3,000 counties, upon the prosecuting attorneys and circuit attorneys representing over 3,000 political subdivisions.

It is a blanket indictment and gratuitous insult to conscientious State officials everywhere. It, in effect, causes all of these officials, elected by the people of their various communities, to give bond, a bond forfeiture meaning five years in the penitentiary or a $5,000 fine.

In the city of St. Louis we have a chief of police, 12 captains, 12 lieutenants, some hundreds of sergeants, and nearly 1,200 patrolmen.

From the chief of police to the last member of the police force this law means that they must yield a supervisory control to the Federal Government, and, in effect, give a bond to the Federal Government for the faithful performance of their duties, and then the tribunal to decide whether their duties have been faithfully performed is not State but Federal.

The latter portion of this section, which relates to the act of the private citizen and places him in jeopardy of imprisonment for not less than five years or for life, is for no crime committed against the National Government.

All such offenses are covered in State statutes, and this takes from the State the power of prosecution and transfers it to a Federal officer, who may reside in Washington, and makes a Federal offense of a State act.

The act committed is not interfering with a Federal officer, but is directed against a State officer, and the humiliating spectacle is here proposed that the punishment of a citizen of a State who interferes with, assaults, or takes a prisoner from a State officer shall not be punished by the authorities of his sovereign State, but his punishment is to be reserved for the Federal Government, which, by the farthest stretch of the imagination, has nothing to do with the creation of the office, the payment of the officer, the direction of his conduct, or anything directly governing his conduct in office.

This provision, in effect, says to each of the 48 States and their duly constituted governments, "You are not capable or competent to protect your peace officers in the discharge of their duties. You have been so negligent, careless, and inefficient in the past that the time has now come when Congress, understanding these matters better than the State understands them, has decided to afford your officers the protection of the Federal Government."

Insulting to the last degree, unjustified, and unconstitutional.

Nothing in this section relates to violation of a Federal statute or Federal law or the interference with a Federal officer carrying out a Federal mandate, but is exclusively confined to State officers performing State functions and proceeding under State mandate, and the determination of the whole matter is to be left not with a State tribunal or a Sate jury, but to a Federal tribunal and a Federal jury.

SECTION 4.

Section 4 provides that—

any person who participates in any mob or riotous assemblage, by which a person is put to death, shall be guilty of a felony and, on conviction thereof, shall be imprisoned for life or not less than five years.

This section subjects the private citizen of a State, who may be a member of a mob of five or a mob of 5,000, to trial and imprisonment for life, through the instrumentality exclusively of Federal agents, Federal judges, Federal prosecutors, and Federal detectives, and the citizen in this case has violated no Federal statute or committed any crime against the Federal Government, and in most States there is made ample provision for his punishment by death for this crime committed against the order of the State.

SECTION 5.

Now comes the most remarkable provision of all.

Section 5 reads:

That any county in which a person is put to death by a mob or riotous assemblage shall forfeit $10,000, which sum may be recovered by an action therefor in the name of the United States against such county for the use of the family, if any, of the person so put to death; if he has no family, then to his dependent parents, if any; otherwise for the use of the United States. Such action should be brought and prosecuted by the district attorney of the United States of the district in which such county is situated in any court of the United States having jurisdiction therein. If such forfeiture is not paid upon recovery of a judgment therefor, such court shall have jurisdiction to enforce payment thereof by levy of execution upon any property of the county, or may compel the levy and collection of a tax therefor, or may otherwise compel payment thereof by mandamus or other appropriate process; and any officer of such county or other person who disobeys or fails to comply with any lawful order of the court in the premises shall be liable to punishment as for contempt and to any other penalty provided by law therefor.

Under this section, if five men commit murder under the circumstances described, then the Federal Government shall demand that the county in which this mob murder has taken place shall pay into the Treasury of the United States the sum of $10,000.

The United States attorney shall bring this action against such county or city, and upon the failure of a county or city to pay into the Treasury of the United States the sum of $10,000, then the United States court may levy a tax upon the property of the county and collect the money and put it into the United States Treasury, and if any officer of the county refuses to levy such tax, then he shall be put in jail for contempt.

It will be observed in this remarkable section that no palliating circumstance, no defense, no evidence, no mitigation, is provided by which a county can avoid the payment of such fine or the levy of taxes.

St. Louis, with nearly a million people, calmly sleeping in their beds, may wake up some morning and find that because five men have, without the knowledge of the officers of the law, killed another man in punishment of a crime, or because five men have overpowered a policeman or two policemen, and put a prisoner to death, then every man and woman in the city of St. Louis must be subjected to a fine, in their proportion of $10,000, in taxes.

And if these five men should kill five men in this manner, then for each of the five the city shall be fined an additional $10,000, or $50,000.

It does not matter how efficient the police force may be, how competent its officers, how numerous its personnel, all that is necessary is to establish the murder.

Three thousand counties in the United States, some of hundreds of miles in diameter, some sparsely settled, some with inadequate police protection, may find that in a distant portion of the county a mob composed of 5 men—or, for that matter, it may be 50 men—has murdered a suspected or actual criminal.

The city or county may have a competent, well organized, efficient, and capable police force, well paid, and of model capacity. The municipality or the county may have taken every possible precaution for the proper policing of the county or the city. This will be no defense. The mere fact that five men have committed such crime will subject the county or the city to a $10,000 fine without defense or recourse of any kind.

The Federal Government does not employ, pay, or manage the peace officers of either the city or the county, has nothing to do with their actions; and yet this bill provides for the fine of $10,000 without providing for any hearing from the county or municipality.

SECTION 6.

Section 6 reads as follows:

That in the event that any person so put to death shall have been transported by such mob or riotous assemblage from one county to another county during the time intervening between his capture and putting to death, each county in or through which he was so transported shall be jointly and severally liable to pay the forfeiture herein provided.

There are 3,000 counties in the United States, most all of which are composed of peaceful and law-abiding citizens.

A mob of five or more persons may assemble in one county, get into a machine with their prisoner, cross through other counties, and through every county they take their victim each of such counties shall be fined, and upon their refusal to pay a United States court shall levy taxes against the citizens of such counties.

What an absolute absurdity!

No defense is allowed the county, no palliating circumstance is to be considered. The mere passing through the county makes the county liable.

Of the 3,000 counties in the United States many are long and narrow, many have small sections abutting into other counties, and if any portion of any one of these sleeping counties of peaceful and law-abiding inhabitants is crossed over by a mob of five or more persons, then the men and women of such county shall pay to the United States Government $10,000 because they did not keep an armed force on the borders of the county night and day to prevent the passage of such mob of five or more persons.

UNCONSTITUTIONAL.

The proponents of this bill, supported by the chairman of the committee, Mr. VOLSTEAD, and a majority of the committee, although vigorously opposed in a minority report, and further opposed by able Republican members, base their entire contention for the constitutionality of this bill upon the fourteenth amendment, which provides:

No State shall make or enforce any law which shall abridge the privileges and immunities of citizens of the United States, nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.

It will be seen that this amendment relates to the laws of a State, does not relate, nor was it intended to relate, to the individual action of a citizen, nor was it directed toward the malfeasance or nonfeasance of a State officer.

It has been construed so clearly and in such explicit language by the Supreme Court on a number of occasions that the authorities I shall quote are given merely for convenient reference.

The unconstitutionality of the bill has been ably argued by Members, and no one has successfully contradicted their position upon the matter of Supreme Court interpretation.

There is ample law now upon the State statute books to punish a mob or a person or persons who interfere with a State official in the discharge of his duty or who shall take from him a prisoner who is in his custody.

All of the rights and privileges of the United States officials are carefully covered in Federal statutes, and punishment is

provided for any person who interferes with, hinders, or prevents the discharge of their duty.

The law under consideration does not relate to Federal officials or Federal prisoners, but applies exclusively and solely to State, county, and municipal officers, and relates to crimes committed against the statutes of the States, and not the statutes of the United States.

The fourteenth amendment means that no State, county, or municipality within a State should place upon its statute books an enactment which would—

deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.

No State in the Union has such law upon its statute books, and each State in the Union, on the contrary, provides in various statutes for the preservation of life, liberty, and property.

Nor is there a State in which there is an enactment which discriminates unjustly against any class of citizens.

Mob violence is a criminal offense in all States. Persons who form part of a mob which takes human life are guilty of murder. Penalties are provided for unlawful assemblage. Penalties are provided for interfering with an officer in the discharge of his duty or taking a prisoner from an officer. There is no State whose laws in this respect have been questioned by a single proponent of this bill.

The fourteenth amendment does not relate to the acts of individuals or the acts of official agents of a State where the acts of such agents were outside the pale of the law and not in conformity with the law of the Commonwealth. The fourteenth amendment deals directly with the State and the agencies of the State performing certain specific acts for the State.

Each State has laws prohibiting the commission of murder, theft, arson, rape, and a hundred other criminal offenses, and the peace officials of the State, the sheriff, the constable, and the police officers are instructed under their official oaths of office to arrest persons who violate these laws, and the prosecuting attorneys and circuit attorneys of the various counties take an official oath to uphold the law.

If the Federal Government assumes the right to punish an officer of a State for failure to prevent a crime, or a prosecuting attorney for failure to prosecute a crime, then the Federal Government can go into the business of prosecuting the chicken thief, the crap shooter, the card player, the drunkard, the wife beater, or the thief.

It was never intended that the fourteenth amendment should apply other than to the acts of States or the agents of States, in so far as they complied with the laws of the State. It is not the act of the official, or his omission to act, that is controlled by the fourteenth amendment, but it is the State law that controls the act and provides the things guaranteed in the fourteenth amendment.

United States *v.* Cruikshank (92 U. S. Rep.), Chief Justice Waite:

The equality of the right of citizens is a principle of republicanism; every republican government is in duty bound to protect its citizens in the enjoyment of this principle, if within its power. This duty was originally assumed by the States and still remains there. The only obligation resting on the United States is to see that the States do not deny the right. The amendment (fourteenth) guarantees this, but not more. The power of the National Government is limited to the enforcement of the guaranty.

United States *v.* Harris (106 West), Justice Wood:

If the fourteenth amendment is a guaranty against the acts of a State government itself, it is a guaranty against the exercise of arbitrary and unconstitutional power on the part of the government and legislation of the State, not a guaranty against the commission of individual offenses; and the power of Congress, whether expressed or implied, to legislate for the enforcement of such a guaranty, does not extend to the passage of laws for the suppression of crime within the States. The enforcement of the guaranty does not require or authorize Congress to perform the duty; that guaranty itself supposes it to be the duty of the State to perform.

The Civil Rights cases, Justice Bradley:

It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation, but to provide against State legislation and State action of the kind referred to. It does not authorize Congress to create a code of municipal law for the regulation of private rights, but to provide modes of redress against the operation of State laws.

Virginia *v.* Rives (100 U. S., 313):

These provisions of the fourteenth amendment have reference to State action exclusively, and not to any action of private individuals.

The Slaughterhouse case (16 U. S. (Wall.) 81), Chief Justice Miller:

The existence of laws in the States where the newly-emancipated Negroes resided, which discriminated in gross injustice and hardship against them as a class, was the evil to be remedied by this class, and by such laws are forbidden.

The Civil Rights cases, United States *v.* Stanley, Ryan, et al. (109 U. S., 11):

It is State action of a particular character that is prohibited. Invasion of individual rights is not the subject matter of this amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of any kind which impairs the privileges and immunities of citizens of the United States, or which injures them in life, liberty, or property without due process of law, or which denies to any of them the equal protection of the laws. * * *

This is the legislative power conferred upon Congress, and this is the whole of it. It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation, but to provide modes of relief against State legislation or State action of the kind referred to. It does not authorize Congress to create a code of municipal law for the regulation of private rights, but to provide modes of redress against the operation of State laws and the action of State officers, executive or judicial, when these are subversive of the fundamental rights specified in the amendment.

Positive rights and privileges are undoubtedly secured by the fourteenth amendment, but they are secured by way of prohibition against State laws and State proceedings affecting those rights and privileges, and by power given to Congress to legislate for the purpose of carrying such prohibition into effect, and such legislation must necessarily be predicated upon such supposed State laws or State proceedings and be directed to the correction of their operation and effect.

The One hundred and thirteenth United States, at page 27, Justice Field:

But neither the amendment, broad and comprehensive as it is, nor any other amendment, was designed to interfere with the power of the State, sometimes termed its police power, to prescribe regulations to promote the health, peace, morals, education, and good order of the people.

It seems unnecessary to add to these authorities. They are so plain and understandable that there can be no dispute that all of the interpretations of the fourteenth amendment delivered by the Supreme Court in every case presented to it are uniform, clear, and explicit in defining the meaning of this amendment.

Driven from the opinions delivered by the eminent justices of the Supreme Court to look elsewhere for some authority which would sustain their contention of validity, the proponents of this bill try to find an analogy between the Volstead law, where the Nation enforces the prohibition of the sale and manufacture of liquor, and this attempt to have the Federal Government punish the crime of murder committed by a mob.

Unfortunately for this contention, the authority of the Federal Government in prohibition is specifically set out in the eighteenth amendment, which shows clearly that without another amendment of the Constitution expressly authorizing the Federal Government to take cognizance of homicides committed by a State mob, there is no provision at the present time for such action.

THE REAL MOTIVE.

On January 10 a really great and brave speech was delivered in the House in opposition to this bill by IRA G. HERSEY, a Republican Member from Maine.

Mr. HERSEY served two terms in the legislature, two terms in the State senate, of which he was president.

He was a Member of the Sixty-fifth, Sixty-sixth, and Sixty-seventh Congresses.

He is a lawyer of distinguished ability, and is a member of the Judiciary Committee, which reported this bill.

It required courage of the highest order for a Republican Member to tell the truth about this measure and to disclose the real motive which forced its introduction.

His speech will be gratefully remembered and appreciated by the advocates of constitutional government and those citizens who place public welfare above partisan necessity. Mr. HERSEY said:

The gentleman from Missouri [Mr. DYER], who represents a large Negro voting population in the city of St. Louis, immediately at the opening of this Congress introduced, not a resolution authorizing the creation of a commission representing both races to study and report on the entire subject as recommended by the President, but he introduced the bill under consideration with this misleading title, "A bill to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching."

* * * * * * *

The Southwestern Christian Advocate, the organ of certain societies formed to stir up race hatred and race prejudice, under date of December 29 advocates the passage of the Dyer bill by the Republicans of this House as a bill to pay the debts of the Republican Party. It says:

"Let it be said that if the party's debt to the Negro can be cancelled by consummating this vast moral reform, which means so much for the future perpetuity of the Nation, the bargain would be legitimate and the Negro welcomes the deal."

Of course, the Negro welcomes the "deal." Under the false statements of certain agitators, who are working to bring about race riots, the Negro will welcome the "deal."

* * * * * * *

To assist the commission on the question of the constitutionality of the provisions of this bill we called before us the Attorney General of the United States. He sent his assistant, Mr. Goff, an able lawyer and one well qualified to advise the committee. In the course of his testimony, as set forth in the hearings, it seemed to me that the Attorney General's office considered itself in duty bound to support and recom-

mend this bill as a party measure and advise its passage, because it was claimed by its author that it was so pledged by the Republican platform and recommended to Congress by the President.

In other words, the Assistant Attorney General argued his case for the proponents of the bill with all the skill and ingenuity of a paid attorney representing a certain client's interests. Every decision and authority cited was so arranged, colored, and quoted as to make out a prima facie case for the bill and to advise the committee, in substance, that even if its constitutionality was in doubt, it ought to be put up to the Supreme Court. In other words, that Congress should pass its responsibility on to the United States Supreme Court. In the hearings there is a letter from the Hon. Moorfield Storey, of Massachusetts, who is attorney for an organization of agitators known as the National Association for Advancement of Colored People, which has its headquarters in New York City, an organization whose work is to stir up the race question in the South and to induce the ignorant Negroes to believe that they are the victims of imaginary wrongs at the hands of the whites and that Congress can stop all lynchings.

Mr. Storey seems to voice the sentiment of the proponents of this bill, first, that they are very doubtful of its constitutionality; second, it is therefore the duty of Congress to enact it and pass it on to the courts. I can understand the zeal of those who view this bill from the standpoint of political expediency. They say in so many words, "This Republican Congress can satisfy the colored people of the South by the enactment of this legislation. If the Supreme Court declares it unconstitutional, which it doubtless will, if enacted, then the colored voters will have nobody to blame but the Supreme Court, and as the judges of that court are appointed for life and do not, like Representatives, come up every two years to be elected, they can suffer no harm, and the party will discharge its responsibility and in another way have taken care of the recommendation of the President."

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* * * I have carefully, seriously, and thoroughly investigated this legislation, and without any doubts I have arrived at the conclusion that this bill, if enacted, would violate the Constitution of the United States, and if it should possibly be held legal and constitutional by the Supreme Court of the land, then its effect upon the Nation as a whole would be most unfortunate and disastrous to peace and good order in the Nation, and as a law it would be necessarily vicious legislation, unwise, unenforceable, and unworkable.

* * * * * * *

There was not a word of evidence before our committee that any State of the Union had denied to any person the equal protection of the laws. There was no evidence that any State in the Union had enacted laws or had now upon its statute books any laws discriminating against any person, or had denied by its provisions to any person or class of persons the equal protection of the laws.

* * * * * * *

On page 43 of the hearings Assistant Attorney General Goff states:

"If the Congress of the United States, in view of the fact that a State has a law punishing murder, says there should be a Federal law punishing murder in order that there may be conceded to the people of that State an equal, vigorous, and speedy enforcement of the law and the protection of their lives and their property, then Congress would have the right, in the exercise of the correlative duty of protection, to do so."

My colleague from Nebraska on the committee [Mr. REAVIS] asks Mr. Goff (p. 43):

"Would you carry that further, to burglary, larceny, and assault and battery?

"Mr. GOFF. Of course, the principle would carry us there."

Yes; of course "the principle would carry us there." Reason and logic carry us there. Our own common sense tells us that there is no escape from the absurd position in which the Congress would be placed if we should pass this bill. If we can enact a code of Federal law to punish the crime of lynching, we can pass a code of Federal criminal law for all the States to punish every offense now within the jurisdiction of State courts. We could send a host of new Federal judges into every State to replace the State courts. We could infest every State with a swarm of Federal officers to punish every crime known to the law, and the States of the Union would have left no rights that politicians in Congress would be bound to respect.

Thanks for the courage of HERSEY and men like him in the House. Thanks for the hope which comes that the Senate will honor the law, respect tradition, and not barter liberty for votes.

Will the time-honored sovereignty of 48 States be placed in jeopardy to pay political debts and established principles of law be abandoned to hold a racial vote? Will the governors of 48 States and 150,000 peace officers be insulted and their administration questioned by placing them under Federal control simply to please a political propaganda?

The unfortunate Negro this time has been promised not "40 acres and a mule" but a mutilated Constitution for his delectation and consolation.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. SANDERS.]

Mr. SANDERS of Indiana. Mr. Chairman, the crime of lynching is one of the most regrettable crimes committed in this country.

The Federal Government has its responsibility in seeing that no State deny to American citizens the equal protection of laws. When a mob in its rabid violence refuses one of our citizens the right to the usual trial guaranteed to all it can not be claimed that such person is given the equal protection of laws. What an alarming situation is presented when we find that in some States more lives are taken four or five times over by lynching than by the methods of execution known to the law.

Our Constitution recognizes the black man as an American citizen and when one is guilty of a crime he should be tried in the orderly way provided by law. But the mob may and sometimes does wreak its vengeance upon the innocent as well as the guilty. What picture violates our sense of justice more than an innocent Negro suspected of a crime in the hands of the mob which knows no justice or reason? And it is this innocent man who is to be the beneficiary of this wise legislation. The courts can deal with the guilty and spare the innocent. White or black, every person is entitled to a fair trial.

The Republican platform made this specific promise:

We urge Congress to consider the most effective means to end lynching in this country, which continues to be a terrible blot on our American civilization.

The Dyer bill will not only carry out this promise, made not to the colored men and women alone but to all the American electorate. The colored soldier who fought for his country is entitled to have a country which gives to his race the equal protection of the laws.

Mr. Chairman, I do not know since my short service in the House when we have had a measure before the House which has brought forth so much argument upon the ground that the measure is unconstitutional. It is quite remarkable that this should occur when the measure before us undertakes to enforce the Constitution. The gentlemen on the Democratic side of the House charge that the party in power is undertaking to carry out its party platform in the enactment of this law. It may be that this measure is carrying out the party platform. The Republican Party usually does that. One thing is sure, if that is an offense the party represented by gentlemen on the other side would never be charged with the offense.

This measure, of course, is one in which we naturally wonder whether we have the power to deal with it as Representatives in Congress, which has only the power that has been delegated to it. The gentleman from Texas [Mr. SUMNERS] stated very frankly that he thought a certain part of this bill was probably constitutional, and yet he dealt through the entire length of his argument with the phases of the bill which he thought were unconstitutional. I want to say to my colleagues that I have given very careful study to this bill, and I think even those who entertained the opinion that we have not the constitutional power to deal with individuals are entirely justified in finding within the four corners of the measure constitutional provisions that can not be questioned, and although it may be necessary to amend certain sections of the measure which undertake to reach individuals, irrespective of the action of the State, yet it is our duty, if we believe that we are acting within our constitutional powers with the great substance of the measure, to write it upon the statute books and at the same time to amend those sections so that they will be held constitutional and enforced even if some other section of the bill should not be constitutional.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. Mr. Chairman, I regret that I can not.

Mr. SUMNERS of Texas. But I yielded to the gentleman.

Mr. SANDERS of Indiana. I know the gentleman did, but the gentleman talked for 2 hours, and I am talking for only 10 minutes. I frankly say that with much of his argument with reference to section 4 I am in thorough accord, but I have no doubt that the gentleman is just as thoroughly in accord with the proposition that I am advancing, that so far as this law reaches out and deals with State officers, with agencies of the State, it is absolutely within our power, and the question of whether we should do it is entirely one of whether it is wise to do it.

Mr. SUMNERS of Texas. Will the gentleman yield now?

Mr. SANDERS of Indiana. I regret that I can not, and I hope the gentleman will not think that I am discourteous to him.

Mr. SUMNERS of Texas. I do not think that, but the gentleman is misstating my position.

Mr. SANDERS of Indiana. If I have misstated the gentleman's position, I withdraw any statement I have made, but an examination of the gentleman's speech which is in the RECORD will show that he did not claim that all of this statute was unconstitutional. That is my opinion about it. If I am mistaken I shall be glad to have anyone refer to the speech and put an accurate statement with respect to his position in the RECORD.

It is said that we must not interfere with the sovereign powers of the States. Why, gentlemen of the House, that is the claim that is made whenever the United States Government undertakes to exercise its powers. When we are given by the Constitution of the United States in the fourteenth amendment an obligation to enact necessary legislation to see that the State does not deny equal protection of the laws to the citizens of the United States, it seems to me that it is the height of absurdity for anyone to claim that the law we are enacting does affect the State in its activities and does not leave it with its sovereign power. The very subject with which we are dealing

is the failure of the State to give due protection of the law, and is it to be supposed that the law which has that for that purpose will leave the State in absolutely free sway and affect none of the officers of the State? Gentlemen are worried because the Federal Government reaches out and touches the State officers. That is done every day within Federal jurisdiction. I remember during my law practice when a certain city editor was served with notice that he was guilty of indirect contempt. Within an hour and a half from the time he was served with that notice he was sentenced to 10 days in jail. He employed me, but I had no chance within the hour and a half to file a verified answer, which is required under our State statutes.

The night he was placed in jail I sat up until 3 o'clock in the morning, and, with my cocounsel, prepared a petition for a writ of habeas corpus and went to the Federal court and advanced the argument to Judge Anderson, the judge of that court, that my client was deprived of his liberty without due process of law; that, although he was in jail by the judgment of the State court, yet under all of the facts he had not been given due process of law. The Federal arm of the Government reached out and the United States marshal went down with a writ of habeas corpus and brought that State officer before the Federal tribunal, and the court said that certainly it could not be claimed that a man who was given an hour and a half to make his defense where the State law requires a verified answer had been given due process of law, and turned him loose.

Nobody claimed, who knew anything about law, that it was not proper for the Federal Government in that case to act where one of the citizens of the United States was not given his right under the Constitution, that it was an improper thing, because it interfered with the sheriff, and not only interfered with him but released his prisoner.

The decisions are that whenever the State clothes its officer with power and commission of authority that that officer's general acts are the acts of the State, just as much the act of a State as the act of an employee is the act of an employer, although it might not be ratified by the employer at all. If a conductor of a street railway company ejects a passenger without any ground for ejecting him, he is not acting as his employer would have him act and not acting according to the rules, yet no one would claim that, acting thus, he would not be acting for the employer. We must speedily enact this law and protect our own citizens in their rights under our Constitution. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. FOSTER].

Mr. FOSTER. Mr. Chairman and gentlemen, I thank the chairman of the committee for yielding me 10 minutes. This antilynching bill was reported to the House from the Committee on the Judiciary, of which I have the honor of being a member. That committee considered this bill for several weeks. I shall have no hesitancy in supporting the bill. This legislation is sound in principle and, in my judgment, is constitutional. It is to be expected that several unimportant changes will be made in its provisions before the final vote is had, but in principle the bill should remain as it now is. The Judiciary Committee was favored with the views of Attorney General Daugherty and Assistant Attorney General Goff, both of whom contended for the constitutionality of the bill. I find ample warrant for its constitutionality in the opinions rendered by these gentlemen. I have listened during these many hours of debate to the contentions of our constitutional lawyers and have not yet found any justification for abandoning the reasoning of the Attorney General. Having known the present Attorney General personally for many years, and having a profound admiration for his legal attainments, I am pleased to follow his opinion regarding this legislation.

Ours is the only civilized country which bears this national disgrace of lynching. In no other country do we find its parallel. It is condemned by all. The last Republican platform said:

> We urge Congress to consider the most effective means to end lynching in this country, which continues to be a terrible blot on our American civilization.

President Harding, in his first message to Congress, said:

> Congress ought to wipe the stain of barbaric lynching from the banners of a free and orderly representative democracy.

Ex-President Wilson, in 1918 in an appeal to the American people to stop lynching, said:

> I therefore very earnestly and solemnly beg that the governors of all the States, the law officers of every community, and, above all, the men and women of every community in the United States, all who revere America and wish to keep her name without stain or reproach, will cooperate, not passively merely, but actively and watchfully, to make an end of this disgraceful evil. It can not live where the community does not countenance it.

A Democratic Attorney General in 1918 said:

> Lynch law is the most cowardly of crimes. Invariably the victim is unarmed, while the men who lynch are armed and large in numbers.

From the report we learn that during the 30 years ending with 1918, 3,224 persons were lynched, of whom 2,522 were Negroes, and of these 50 were women. Georgia led with 386; yet in Georgia Negroes paid taxes on 1,664,368 acres of land. Of the colored victims, only 19 per cent were accused of rape. In the year 1919, 77 Negroes, 4 whites, and 2 Mexicans were lynched. Ten of the Negroes were ex-soldiers; one was a woman. During 1920 there were 65 persons lynched; 6 were white and 59 were Negroes. The Tuskegee Institute submits figures showing that during the year 1921 there were 63 lynched—1 in a Northern State and 62 in Southern States. Less than one-third of them were charged with rape. It is significant that during a 30-year period less than one-third of those lynched were charged with the crime of rape. These figures are simply appalling and give some idea of the enormity of this blotch on our American civilization.

It is generally conceded that our lack of respect for law and order constitutes the greatest danger existing in our country to-day. Laws exist for the trial of these unfortunates, yet they are deprived of life itself, with no opportunity to prove their innocence. While this debate has been in progress Negroes have been lynched and two burned to death, and not one of them has been granted his constitutional right to a fair and impartial trial—granted no trial whatever. I submit that under the American spirit of fair play the colored man should not be charged with the equal burdens and equal responsibilities of citizenship in the time of war and at the same time denied his guaranty of an equal protection of the laws. The governors of several Southern States not only deplore this condition which so generally exists, but have called upon their legislatures for more stringent action. The good women of Atlanta have petitioned for reform. The question of social equality is not involved, but the question of equal rights under our laws is at stake. If these States are unable to guarantee such persons fair trials, then the Federal Government should intervene under the provisions of the fourteenth amendment, since the States have then denied to their citizens the equal protection of the law.

The constitutionality of some of the provisions of this bill has been seriously questioned and ably debated. The theory of holding the county which permits the lynching for damages has been fully discussed. This bill, in that feature, follows the provisions of the South Carolina statute, which accomplished much toward reducing the number of lynchings in that State. Ohio has had similar statutes for 25 years. I was privileged to serve as prosecuting attorney for eight years while these statutes were in force. During my term of office mob violence was threatened but not accomplished. I feel safe in saying that these statutes have contributed much toward impelling all officers of the law to check against possible mob violence. Sections 6281 to 6289, inclusive, of the General Code embrace the Ohio provisions. Under their terms the legal representatives of the one lynched may recover $5,000 for such unlawful killing, which is applied to the maintenance of the family and the education of minor children. The county in which the lynching occurs may, in turn, recover the amount from any of the persons composing such mob. A person present, with hostile intent, at such lynching is deemed a member of the mob. If the mob carries the prisoner into another county or comes from another county to commit violence on a person brought from such county for safe-keeping, the county in which the lynching is committed may recover from the county from which the mob came unless its own officers are guilty of contributory negligence.

These sections were declared constitutional by the Supreme Court in a case which is reported at page 343, of volume 62, of the Ohio State Reports. May I commend to the membership of the House the reasoning of the Ohio Supreme Court, as set forth in that opinion?

Mr. HUDSPETH. Will the gentleman yield?

Mr. FOSTER. I have but 10 minutes, or I would gladly yield to the gentleman from Texas.

Gentlemen from the South frequently remind us that we do not understand their problem. I often wonder whether they fully understand the conditions in the North under which the Negro lives. They state, and doubtless believe, that the Negro has far better advantages in the South, where he is better understood. Whether this be true or not, may I submit two instances in my home city? It would surprise many of you

Southern Democrats to know that A. J. Davidson, a Negro, has been a practicing attorney at Athens, Ohio, for more than 30 years past; that he has always been a Democrat; that he held an appointive position in Washington under the Cleveland administration; and that three times he was the regular nominee of the Democratic Party of Athens County, Ohio, for prosecuting attorney. He was at one time my opponent for prosecuting attorney.

Mr. STEVENSON. Was he elected?

Mr. FOSTER. He was not. He was also a candidate against Hon. E. D. Sayre, judge of the court of appeals of Ohio. Another instance: Edward C. Berry as a young Negro came to Athens some 40 years ago. He became a cook in a restaurant. He was honest and industrious. Soon he rented a building and opened a restaurant of his own. Later he purchased the building. During succeeding years he acquired several adjoining pieces of real estate, and by industry and honesty has acquired and owns to-day "Hotel Berry," reasonably worth $200,000, which is the pride of that section of Ohio, and which has been complimented by all as one of the best hotels in that section of the country. The late Elbert Hubbard paid it his highest compliments. Mr. Berry is a Republican, has served with credit upon the city council, was a trustee of Wilberforce University, has rendered invaluable service to several churches, and has been instrumental in furnishing employment for several dozen Negroes who have attended Ohio University, several of whom have graduated with honors. Recently I met in this city a former employee at his hotel, who took his bachelor's degree from Ohio University, his master's degree from Clarke University, and his doctor's degree from the University of the City of New York. At the present time Mr. Berry is assisting several students to meet their expenses at Ohio University. It is impossible to estimate the good done by such a man for those whose ancestors were for so many years in involuntary servitude. These instances tend to show how such persons respond under reasonable opportunity. No thought of lynching ever arises. No occasion exists for the thought. They are working out their fortunes through honesty, industry, and education, and command the respect and consideration of all.

Both my observation and my judgment lead me to believe that this legislation will go far toward removing this disgraceful and barbaric practice. No man, though guilty, should be killed until he has his day in court. And we know that many innocent persons have been hanged and burned. Let us do our part to end this awful, indefensible practice. Law and order should be encouraged. Mob law should be ended. The laws of our Republic should be enforced. If equal protection is not granted by all States, then let the Federal Government intervene. That is what this law is intended to do. I shall vote for it. [Applause.]

Mr. STEVENSON. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FOSTER. My time is exhausted. If the gentleman from South Carolina will extend my time, I shall be pleased to yield.

Mr. STEVENSON. I have no time to yield.

Mr. SUMNERS of Texas. Mr. Chairman, I yield two minutes to the gentleman from Alabama [Mr. BOWLING].

Mr. BOWLING. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The gentleman yields back half a minute.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. WARD] five minutes.

The CHAIRMAN. The gentleman from North Carolina is recognized for five minutes.

Mr. WARD of North Carolina. Mr. Chairman, the bill under consideration provides that where a person who has committed a crime and as a revenge or punishment for that crime comes to his death by the violence of five or more persons his heirs or personal representatives shall receive from the county in which the death occurs $10,000, without regard to the money value of the life taken, to be collected through the Federal courts by sale of the county property or mandamus to compel the commissioners to levy the tax, even though that tax levy may exceed the limitation of the State laws and constitution; and if the person so suffering violence shall be carried into other counties both or all counties into or across which he is so carried shall suffer their part of this penalty. It has no application to the case of one who comes to his death from the mere malignity of the murderers. He must have committed a crime and must be murdered for and on account of that crime. The bill is, of course, based on the assumption that the whole county and State, represented by their officers and laws, and all who contribute to the tax, consent to the lynching or are well wishers to it or have broken a legal duty to him, and that assumption is left to rest on nothing but the lynching itself. This is the essence of its falsity and infamy.

I recognize the desire to reduce and to put an everlasting end to lynching to be worthy of the highest praise and the support of every good citizen. In the interest of truth, however, and justice to the States and their officers charged with culpability in this debate, it is most agreeable to note that this order of lawlessness is all the time growing less—has been doing so for a century, and especially for the last 20 years. That fact is clearly evidenced to the most superficial observer. Statistics support it to a most comfortable extent. Let him who doubts or is not informed turn to the literature of the early period of our history. He will find a keynote on page 214, volume 1, of Beveridge's Life of John Marshall. He will see by this the everlasting sociological phenomenon that lawlessness of this order has existed to a much larger extent than now in a social order that produced the most colossal statures of moral and intellectual character that have places on the pages of history. In the social order that produced Washington and Jefferson and Madison and Monroe and Marshall and Henry and Randolph and their compeers there were immensely more frequent instances of mob violence than to-day. This statement is not intended as a justification or defense, but only a defense of the general social order against imputations for the crimes of its undisciplined members, is proof that the highest social orders are not free from this undisciplined class, and emphasizes the injustice of inferences of culpability against the higher and better class of society that represent the principles and policies of governments and communities, and therefore stand responsible for the same.

To my mind, it is most unfortunately probable that lynching and other forms of mob violence, being beyond the complete control of governments and laws, will sometimes, though very infrequently, I trust, be repeated, as in the past, in different parts of the world, and especially in those parts where the white race of the American type predominate; where human character is impulsive and excitable; where chivalry prevails in a large measure; and where resentment, therefore, follows quickly upon outrages against personal attachments, until the dawn of a day when human character shall be completely reconstructed and the human soul regenerated. Laws and governments will perhaps never entirely stop it, and in their efforts, so far as they are only directed by force of penalties, will do little more than partially restrain it.

In rising in this presence to record her solemn protest against this bill, I do not admit any right or reason peculiar to North Carolina and to her citizenship to resent the astounding provisions contained in it. I do not recognize any particular application it has to conditions existing in that State as differing from any or all other States in the Union, because it is certain that mob violence is very little more frequent there than in the general average of other States, and if any differences exist to her disadvantage they arise very largely and certainly originated by reason of racial intermixture in the body of her population, giving rise to the crime of rape, and not the failure of the State to enforce the fourteenth amendment.

But the sensitiveness and the spirit of resentment which the State has a right to entertain against the efforts to pass this legislation grows out of what is not written in the bill, but hidden behind the curtain, as the real moving cause of its inception. Of this moving cause and hidden spirit I have no doubt and the public generally will understand. Men of equal intellectual endowments do not succeed long nor get very far at the game of fooling each other, and for that reason and on that principle of practical truth in the law of life the originators and supporters of this bill may attribute to themselves no flattery of success in the effort to counterfeit the real motive, but may be sure "their sin has found them out."

But, Mr. Chairman, I doubt if I ought to risk myself to criticize that hidden cause and motive. I doubt if my constituency will think I ought to call forth resentments and to intensify antagonisms, facing, as we do, the dangers before us. If I spoke for myself and not for that constituency, I would do so without hesitation. The fact that the majority of the Judiciary Committee of the House has reported this bill favorably, and the fact that that majority is of the same political cast as that of the overwhelming majority of the House, is alarming to the last degree. I can not forget how easily, if not how probably, my views may be overthrown, my fears realized, my State and her people insulted and their political and social sensibilities outraged by the imputation of a moral and legal delinquency, no less than that of consenting to the highest order of crime. I

am in danger of being pummeled to death by the crude strength of numbers. I must, therefore, as one who "fighteth for his life," come to the House in the strength of simple truth and in the spirit of supplication, begging the opportunity and praying for the strength to appeal to a sense of justice and political propriety, and to reason the provisions of this bill to their defeat. In this spirit I beg every Member of this House to hear me a few moments.

I feel myself able, if the policy of the debate directed me to that line of argument, to show in a short time that every operative section of the bill is without Federal constitutional authority for its enforcement, especially sections 5 and 6, in whose cruel fangs the poison mainly lies. It seems as clear as a legal proposition can well be that the acts of commission and omission denounced in sections 3 and 4 could not in a trial court give rise to the presumption that the State had failed in its duty under the fourteenth amendment—no more so in and by the acts therein referred to than any other violations of property and personal rights—and that the fact of such failure could not be established as a foundation of Federal jurisdiction, and, therefore, the ordinary and reserved police powers of the State are obviously attempted to be usurped by the Federal Government.

In other words, the courts enforcing sections 3 and 4, as long as our present fabric of government stands and our Constitution survives, must find that the government of the State, as such, in whose territory the act of mob violence is committed and not the forbidden and disconnected acts of officers or individuals, has withheld from the person suffering the violence protection of its laws equally to and with certain races or classes of people as the foundation stone of its jurisdiction and authority.

There is no State in the Union from whose governmental attitude expressed in its public statutes and proclaimed administrative policies this fact would appear or could be inferred, and this is the only possible means by which it should be attempted to be found to exist consistently with a sound public policy, and the only one permissible under the Constitution. The finding is by this bill made by the false and fraudulent force of a judicial presumption. It could no more reasonably arise in this than in the pursuit of other crimes. As to sections 4 and 5 imposing penalties on communities and counties, the cases from the State courts holding State statutes of similar import valid, having reference to their own constitutions, do not even so remotely present the question suggested by these sections. The fact that a State legislature may impose a penalty upon a county, which is an integral part of the government of that State, for its failure to perform its cooperative and coordinate functions and may enforce them in its own courts, bears no legal resemblance to the proposition that the Federal Government may adjudge that same integral part of the State government to have failed in its functions as such and authorize and empower a citizen to sue for damages for the failure, sell its Government property in enforcement of its judgments, and thus possibly and by necessary logical deductions bring to an end this subdivision of the State government. It can not follow that a State can be forced by the Federal Government to do anything it may have the power to do voluntarily; if so, State autonomy is at an end and all functions of State sovereignty as well be at once surrendered.

It seems to me, I say, that I could make good this contention; but suppose I should turn to that line of argument and exhaust it, I should still be left without a full measure of duty performed and my fears still unremoved. I therefore prefer to beg the attention of Members to a more suppliant and personal line of reasoning, with the hope of dethroning animosities, touching sympathies and higher impulses, and encouraging higher conceptions of popular government. However gentlemen may protest the contrary, as sure as we live to-day, in so far as this bill has an honest foundation with the membership of this House, that foundation arose out of erroneous conclusions already arrived at from a want of a correct understanding of conditions in the Southern States; else it would surely direct its provisions to bomb throwing and similar forms of anarchy and mobocracy that have so shocked the public conscience recently in the great cities of the country and thus escape the fair and reasonable imputation of its purely sectional and racial application. No man denying this can possibly be honest with himself. And it is time that those conditions should be reexamined and seen from every angle and in the broad light of human facts and authorities that are universal and eternal.

The opinion prevails that Southern States have failed in their duty to a subordinate race under the obligations imposed by the fourteenth amendment. This opinion may, unfortunately in some instances, be an honest one. Propaganda and agitation may have been sufficient to get in their work and sow tares of error in honest minds. Organizations of northern Negro agitators have persisted in it. I come to you with the proposition that North Carolina has not failed as a State in the fulfillment of her pledges to the Federal Government, made when she assumed the burdens of the fourteenth amendment, nor have her officers done so in the execution of her laws. Although she assumed it after a resistance of rectitude of conscience and honest pride, she did so with a heart consecrated at the altar of suffering, and has every day grown and strengthened in her efforts toward its complete fulfillment, and has filled the measure of her duty to the Negro race to overflowing by her public education and charities and protection of its rights in her courts. In everything she has done her best, and a good best it is.

Touching the question immediately before us, I hope to be able to surprise you when I tell you with the solemnity of an oath that her pulpits, her papers, her bar, and her bench have poured forth a constant and unfailing appeal to the public mind against lynch law, to my personal knowledge, for 30 years, and not a discordant note from one in authority or from high places has broken the harmony of her strains. Thirty years ago her legislature passed laws on the subject, now to be found in her Consolidated Statutes, as follows:

SEC. 4570. Providing that the solicitor of the judicial district, whenever a lynching occurs within his district, shall go at the earliest possible moment to the scene and investigate before the coroner, justice of the peace, or judge, subpœna everybody and examine to the best of his knowledge, and bind over to court wherever possible clue is found.

SEC. 4571. No witness before any such investigating body can be excused from testifying, and legal ingenuity has here suggested that no discovery shall be used against such witness, this, of course, to avoid the inhibitions of the Federal Constitution.

SEC. 4572. All examinations of this character certified to the superior court within 20 days, and if the next court of the county convenes within a shorter time, such certification shall be made on the Saturday preceding the convening of the court. The written examination shall be laid before the grand jury—

And note especially that this written examination is made competent not only before the grand jury in passing on the bill but before the trial court, provided only that the accused was present at its taking. This last point has never been before the court, but I seriously suggest that the legislature in passing it has infringed upon the constitutional rights of the defendant in its zeal to bring him to justice.

SEC. 4573. The magistrate taking such examination is attachable for contempt for his failure to return it—

Another serious suggestion that the legislature has been a little too zealous and gone a little too far in its efforts to stop lynching. I do not believe the statute is constitutional.

SEC. 4600.—

Listen to this strong, sweeping legislative effort to break up lynching—

Courts of any adjoining county to that where the crime is committed have equal jurisdiction in investigating the crime, and the solicitor must send his reports of examinations to the grand juries of all of them.

Other statutes provide for the immediate calling of a term of the court by the governor and for the removal of the trial not only to adjoining but to distant counties, or for the drawing of venires from the boxes of such distant counties, thus getting a jury possibly further from the scene of the lynching than under the practice of the Federal courts. I do not hesitate to assert that the collective ingenuity of every friend of this bill on the floor of this House could not in the course of their natural lives improve upon the legislative and judicial devices, plans, propositions, and machineries to bring to justice the participants in lynchings in that State, unless and without resorting to such measures of coercion and compulsion as are breathed by the spirit of this bill, of the effectiveness of which I shall speak in a few moments.

Next let me speak of the efforts of the State and its officers to enforce these laws. For 25 years I have been what is called a court circuit rider in North Carolina. I make no apology for bad taste in the assertion that I know the legislative and judicial life of North Carolina. Four years a member of its general assembly, seven years one of its prosecuting attorneys in a district of 11 counties, 25 years an itinerant practitioner in its courts. During that period it has been a thing of rare occurrence that a judge has opened a superior court without throwing the force of his personality and official influence into that phase of his charge directed to the antilynch law. It has been thundered with the force of official authority from the bench to the grand juries and the assembled masses throughout the weeks, the months, and the years of the last three decades. When a lynching happens the rule is that the governor gets in touch with the neighboring judges, and in consequence one

goes to the scene. The district solicitor is with him. The community is scoured, and the hearing frequently runs through days and nights. No charge of official delinquency was ever laid at the feet of a solicitor or sheriff that I recall. No sheriff in North Carolina would any more dare arrest a Negro for a rape or any other sensational or exciting crime and take him leisurely and calmly along the country roads in a direct route to the jail and expose him to public inspection than a priest would think of offering the holy bread and wine for public sale from the tower of Notre Dame. Without exception he rushes him in hiding in some circuitous and unexpected route to some distant place of safety. Every precaution that official discretion can suggest is thrown around the humblest criminal in my State to keep him from the hands of the mob.

Not a newspaper in North Carolina has ever touched the subject of lynching editorially without educating the public mind against it. Not a single bold and honest advocate ever justified or defended it, and yet it sometimes happens and, further, I fear, it always will. In the crucible of divine economy righteousness and unrighteousness, truth and falsehood, virtue and vice have had their intermixture. In the kingdom of heaven the tares shall grow with the wheat, "even unto the harvest." In less figurative language that means that the exemplary citizen will have to live with the violent, but does not mean he shall pay the penalty for his violence. If the self-conceited righteousness of any community under the dome of the blue sky will look into its closets, it will find its skeletons of crime, hideous to the eyes of man to behold, and these skeletons, praise God, are as few and as far between in North Carolina and her sister Southern States as in any other within the jurisdiction of this House.

Why should we not be able as lawmakers, as leaders of thought, and as men commanding the respect and confidence of an intelligent constituency, sent here to lead the Nation, not into error but out of it; sent here to open the way to truths and to the realizations of a higher and stronger national life and the realizations of lofty and noble aspirations—why should we not be able to see and understand this thing in the full sweep of its application and the fullness of its real philosophy? Why do we not all admit the causes of it and meet each other as brothers rather than as foes? We will if we approach it with more sympathy and less politics and sectionalism and less egotism. First understand the cause of lynching and be certain we understand it, and approach it with consideration for the views of your equals better able than you to understand it and handle it. The burden of our differences will then roll away. The lyncher is, in most instances, far from the lower order of criminals many men think him to be.

Lynching does not grow out of infringements upon property rights with such frequency as to excite your emphatic protest here indicated. They grow out of exciting outrages to personal rights. A delicate, cultured, popular woman, commanding the affection of a large community, is outraged. Masculine impulses are excitable. They sweep up like the flame of Dido's love. They embrace womanhood as the vine embraces the trunk. Chivalry is the keynote to that structure which their social culture has engendered. Womanhood is weak, gentle, appealing, and full of love, and stretches out its arms to man for protection and vindication. Virtue is the spark that catches its light and inspiration from the immortal God and leaves at an immeasurable distance below all other qualities and sensibilities. Away back in the rural districts, where no policemen are and where loneliness and quiet reign, as the day draws near its close and active life is tired—the customary hour for the crime against womanhood—the horror breaks on this quiet with the stealth of the serpent as he crawled on his belly to carry sin into the Garden of Eden. The deed is accomplished; the crime is committed; a home is ruined. A farm bell rings. Is it a fire? Is it a sudden death? What is the matter? The phones, if any, are active. As upon the lightning wings of electricity the signal of horror fills the air, and from the four corners excited manhood rushes to the scene. In the adjacent woods the culprit is found. Are these men criminals or are they simply made in the mold and with the qualities of character that God created for noble purposes, subjected to a test that human character can not stand? They ought to take the culprit to jail and give him a judicial trial, but I have too much respect for you to make you answer would you do it, if the unfortunate victim was near and dear to you. If you say I put an extraordinary case, I answer I have a right to put one if reasonably calculated to arise and become subject to your bill.

Put a milder case in just such a community: A man whose life has endeared him to his neighbors, their leader and preceptor in thought and action, is murdered without cause. Is the test upon judicial character and human equilibrium much less severe? But turning away from the personal side to the official. What about the sheriff's duties? Is he ubiquitous? When these outraged men, without cooling time, besiege the jail, can he overcome their physical strength? What can the governor do? What can the judge do? What can the local magistrate do? These are the officers of the State; these are the men and the officials through whose conduct you measure and adjudge the attitude of the State toward this culprit.

You have reached an absurd conclusion and you can not remedy these conditions by coercive measures and by putting upon the statute books laws that aim to subdue and that insult and defy rather than persuade and appease passion with weapons of violence. Men can not be governed that way. Centuries of political education are behind this generation of American citizens. This education has taught them that governments were adopted to prevent wrongs in the first instance and not to create one wrong to cure another. Governments can not arm themselves with bludgeons and march out among the people and slay their institutions as Sampson slew his enemies in primitive and heathen times. You are attempting the impossible when you say, as you do by sections 4 and 5, that a county shall be practically destroyed, its property sold, its tax burdens piled up on the shoulders of its cultured, law-abiding citizenship as a penalty for the crimes of which it had no preventive power. You are not only doing an injustice so grievous that it cries to heaven, but you are doing all that is possible to develop a spirit of resentment in the better qualities of character, the tendency of which is nothing better than to make lawbreakers and government haters out of men who are naturally patriots. And, most unfortunately, it is as certain as ever a proposition can be made that the enactment of this law would be followed by a spirit of resentment in the bosom of white people, among whom Negroes live and have their being, that would create a hostility and race prejudice that would do inestimable harm and tend to check the spirit of peace and personal respect and consideration that is growing stronger instead of weaker between them. Besides, it is certain that the criminal class, feeling by this law that the Government was their defender and protector, would be rather encouraged than restrained and our race problem greatly complicated rather than helped.

I can not conceive of a greater outrage upon the fundamental principles of this Government than to say by a law of Congress in a State whose executive, legislative, and judicial branches of government have devoted their best energies to the prevention of lynching, whose pulpit and press and bar and all other educational institutions have exercised themselves day and night to the cultivation of a better and a higher state of public sentiment, that a county shall have its almshouse sold, or, so far as I am a lawyer and able to judge from the language of section 5 of this bill, its courthouse and jail sold, or, in lieu of that, a debt of $10,000 added by the mandate of a Federal court to the burden of taxation under which its people groan, for the remuneration of the wife or children of a heartless criminal and brute who has excited the sensibilities and impulses of its people to the point that they have gone too far and taken the law into their own hands and whose life, if it could be restored, would not be worth in dollars and cents enough to pay for the coffin in which his body is buried. I say I can not think of a suggestion more abhorrently unwise and unjust. The crudest intellect that ever roamed the primeval forests of this continent with scalping knife and tomahawk would seem to me to have sufficient conception of right and wrong to appreciate its injustice and sufficient ideas of government to see its unwisdom, and if this language is too strong it at least has the virtue of honesty.

Somebody is simply mad; some cause, abnormal and dangerous, is behind this suggestion. It is easy to see, and it has no semblance of moral or political rectitude. The cause lies in the pivotal States of Ohio, Indiana, Illinois, and Missouri. Consult the World Almanac and the cause becomes clear. Their electoral votes determine the election of a President, and the Negro vote holds the balance of power, and it must be truckled to, cajoled, and appeased. It is unnecessary to that end. The Negro must vote, and can not but vote the Republican ticket, and his threats and complainings are empty and void as expressions of rebellion from that party. For such unwholesome reasons, so unnecessary even to partisan politics, it is grievously unfortunate to contemplate the popular body of the National Congress thus insulting a group of States of 20,000,000 of people. Their righteous resentment and the finest conscience of a whole Nation will denounce it and consign it to the urn which history reserves for its records of infamy.

Mr. Chairman, with profound pride and with sentiments of personal affection for his memory, I close with a quotation from North Carolina's late beloved ex-Gov. Bickett, who passed

from scenes of this character to those of more profound wisdom and clearer, stronger conscience only a few weeks ago. From a newspaper of his State, paying tribute to his memory a few days after his death, I clip the following:

HAMPTON, VA., *April 15.*

Thomas W. Bickett, former governor of North Carolina, declared today at the fifty-third anniversary celebration of Hampton Institute that "the Negro is entitled to equal and exact justice before the law and the white man must accord him that justice or be false to all those traditions that have made the Anglo-Saxon race the glory of the world." The one safe path for the Negro to follow is the path that leads straight to the door of the white man's conscience.

Mr. Chairman, I ask unanimous consent that I may extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Texas [Mr. LANHAM] such time as he may require.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. LANHAM. Mr. Chairman, this is no ordinary bill. It is a most alarmingly extraordinary one. As an example of misgovernment, its enactment would out-Herod Herod by outlawing the States and outraging the Constitution of the United States. Such is the admonition that comes to this House, not only from the South but also from "way down East" in rock-ribbed Maine and from "way out West" in rugged Nebraska.

This measure is in utter disregard of the wisdom and the warning of the fathers who set for this Union the limitations that mark the boundaries of its governmental safety. It proposes an unwarranted incursion into State sovereignty. And for what purpose, pray? This is the answer: In order to coerce the States for the mere sake of supposed political expediency. And the situation is all the more lamentable when we contemplate at whose demand it is being done.

Those who are opposing this measure are really trying to bring about the result for which this bill is ostensibly drawn. It has been brought to the attention of the House repeatedly during this debate that we of the South deplore lynching and do not defend it; but, like the gentleman from Maine [Mr. HERSEY], we realize that the cure for the evils which exist is to come from the development of a more wholesome public sentiment, among both whites and blacks, rather than from the encouragement by the Federal Government of those who would commit crimes so suggestive and provocative of lynching. The constant growth of that salutary public opinion has been manifesting its efficacy in a great reduction in the number of lynchings from year to year.

The present need is for more of cooperation and less of agitation, more of progressive practice and less of political preaching.

The situation is aggravated rather than relieved by sending professional agitators to sow the wind in the southern sections of our land. The lesson that the colored people need to learn—to decry and suppress lawlessness within their own ranks and to take the necessary steps to stop it and to see that it is properly punished when it does occur—is one entirely different from that which such agents are teaching. In contemplation of what is likely to follow, gentlemen, if this bill be enacted into law, certainly it may be better for a time to bear the ills we have than fly to others that we know not of except as unfortunate race conflicts in some of the northern sections of our country have hinted at their horrors.

The lack of constitutional warrant for this measure has been so clearly and so convincingly presented that I wish in the very brief time at my disposal to suggest one or two of the practical effects of its enactment. I do not know just how the sum of $10,000 was arrived at as a proper figure to be inserted in section 5, but its incorporation there brings to my mind a possible analogy which I wish to call to your attention. Assuming this dangerous bill to be the law of the land, I think I can illustrate the idea best by reciting the probable experience of two women, typical of classes, who come and knock for aid at the door of the Federal Government.

The first is Mrs. White. Let us consider her case. Here she is at the district office of the Veterans' Bureau, and she calls for the district manager. Her visit concerns a recent death. Somewhat after this fashion she tells her simple story: "Sir, a few years ago, when our Nation entered the great World War, my husband answered the call of his country to arms. It was a real sacrifice for him to go, for he loved his wife and children very dearly, but he felt that it was his duty to us, to his country, and to his God. I wanted to do my part and I gave my consent. He fought bravely over there, as the records will show. A short time ago he died, and the little ones and I are left to struggle on without him." And then, through her sad recital, there beams a ray of hope as she continues: "But I find that he took out an insurance policy with the Federal Government for $10,000, and I have come to learn just how I can collect the money."

The district manager makes the necessary investigation of the case, and after a time this is the report he gives her: "Mrs. White, I am sorry to have to tell you just what the situation is; sorry for you and for your children. It is true your husband was a brave soldier and that he took out a policy with the Federal Government for $10,000, but, unfortunately, after meeting many of his premiums promptly, he failed in some way to pay the one last due before his death, and thereby his insurance lapsed." Then out of the depth of her sorrow she pleads: "Oh, sir, but he fought so manfully for his country, and the children and I sacrificed so much and economized so closely in order that he might go and do his duty, and we are in such need of the insurance." Then the district manager explains to her that insurance is a business; that its successful operation requires the application of business methods; that even the Federal Government can not abrogate and override the fundamental principles upon which it is established; and that even in such a worthy case as her own the Federal Government can not take $10,000 from the people and place that sum in her needy hands. And Mrs. White, though she goes on her way sorrowfully and without the $10,000 for which she had hoped, is nevertheless reconciled, for she says to herself, consolingly: "It is hard, but I understand it. My husband struggled and suffered for what is best for this country, and so must I. It's our country, and we love it and must sacrifice for it."

Now, let us consider the case of the second woman, Mrs. Black. Here she is at the office of the United States district attorney. Her visit concerns a recent death. Somewhat after this fashion she tells her simple story: "Mr. District Attorney, I'm Mrs. Black. The Federal Government owes me $10,000, and I have come to learn just how I can collect the money." Not understanding at first the exact nature of her mission, the district attorney inquires: "How does the Federal Government owe you $10,000?" And she replies: "Don't you remember? Why, my husband was the one that raped Mrs. White's little girl, and the folks over in that neighborhood caught him and killed him."

This statement refreshes the district attorney's memory and he corrects her erroneous impression of the matter. "The Federal Government doesn't owe you this money," he says. "It's this way: The Federal Government forces the people of this county to pay $10,000, and that sum is placed in your hands." At the same time the mind of the district attorney is probably thinking also that the Federal Government comes into the State and abrogates and overrides the fundamental principles upon which the Federal Constitution is established. She can not quite understand, so she asks further: "Don't I have to pay some kind of premium or something to get the $10,000?" The district attorney, in duty bound, explains to her that she does not, and that the Federal Government places upon him the burden of getting the money for her and her children without any premium of any character.

Finally she goes on her way joyfully with the $10,000 for which she had never hoped, and as she contemplates the way she used to support her departed spouse she says to herself, gleefully: "This is easy. I can't quite understand it. I just know that I have $10,000 of other people's money and that my suffering and struggles and sacrifices are over, thanks to Mr. DYER, of Missouri, and those who voted for his bill."

The effort to convince those who are familiar with the existing conditions in the South that the terms of this measure provide the proper method of solving this problem is very much on a par, gentlemen, with undertaking to prove to them that black is white.

Mr. VOLSTEAD. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. YATES]. [Applause.]

The CHAIRMAN. The gentleman from Illinois is recognized for 15 minutes.

Mr. YATES. Mr. Chairman and gentlemen of the Committee of the Whole House on the state of the Union, I believe that this committee ought to report this bill out to the House of Representatives, with the recommendation "that the bill do pass."

I believe it is a good bill and that it ought to pass.

By my own action, I have deprived myself of all opportunity to make a real argument. The gentleman from Minnesota, Judge VOLSTEAD, the distinguished chairman of the Committee on the Judiciary, from which committee this bill comes, and to which committee I belong, was willing, several days ago to yield to me—or at least he suggested that I make an hour's argument. But, feeling that the time needed by others for

argument would be more than the chairman could yield to them, I said I would be content with 15 minutes, which means at most about fifteen hundred words or 15 sentences. And now my chairman has no "hours" to give, and I find myself with 15 minutes, scarcely more than 15 sentences, to discuss the world, the flesh, and the devil, so wide a range does the discussion threaten to take, although the real subject is that most satanic thing, mob murder.

Under such limitation it would be idle and unwise to attempt a connected, sustained, and logical argument.

All I can do is to fix your attention to a few things which, because of their intensity, challenge notice—challenge the notice of you all.

I remark in the first place, that the question raised by the bill is simply whether we shall give up the American experiment of self-government and at intervals yield to government by the mob.

For myself, I see no reason whatever to alter or change a thing I said myself at Springfield, Ill., from the governor's office on the 6th day of September, 1903, namely:

> If a hundred or a thousand men, infuriated and inflamed by passion or prejudice or intoxication (or from any other cause), shall be allowed to use the power to say whether you or I or any other citizen shall live or die, then there is—and can be—no safety, no peace, and no liberty; and in that case all the efforts of all the men and women of all the past who have struggled and fought and died for liberty have been in vain.
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> GOV. YATES AND MOB LAW.
>
> [From the Philadelphia Press.]
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> Gov. Yates, of Illinois, has taken his stand with Gov. Durbin, whom President Roosevelt justly and vigorously praises, in denouncing mob law and in beginning proceedings against lynchers. Last Thursday he sent a letter to the sheriff of each of the counties in Illinois in which there has been a lynching or an attempt at lynching, pointing out the duties of a sheriff in maintaining law and order and calling for vigorous action in the prosecution of everyone who tries to execute mob law.
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> In his letter to Sheriff Whitlock, of Danville, whose brave and successful defense of a colored prisoner from a mob was recorded a few days ago, Gov. Yates says:
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> "If a hundred or a thousand men, infuriated and inflamed by passion or prejudice, or intoxicated, or through any other cause, shall be allowed to use the power to say whether you or I or any other citizen shall live or die, then there is and can be no safety, no peace, and no liberty, and in that case all the efforts of all the men of all the past who have struggled and fought and died for liberty have been in vain."
>
> That contains the pith of the whole question of mob rule. If the due process of the courts is to be superseded by any body of men who may choose to take the execution of the law into its own hands, then no man's life is safe, and order and civilization have come to an end. There is no other alternative.

Mr. HERSEY. Will the gentleman yield?

Mr. YATES. I am very sorry, indeed, that I can not yield. I would not be discourteous for the world, but it is impossible for me to yield in the limited time I have.

I can see nothing in the above statement to apologize for and I do not apologize. I see nothing whatever in the above statement but what every true southerner, every forward-looking, upstanding, law-loving son of the South, or the North, or East, or West can truly subscribe to.

The statement is, in substance, subscribed to by every man of my name that I know of; and there are hundreds of my name scattered all over the South, for I am of Southern descent—full of Southern blood.

Both of my parents were born in Kentucky; my mother at the "Hub" of the "Blue Grass," Lexington. All my grandparents were born in Virginia, the blessed Old Dominion, in "Old Caroline County," near Bowling Green, and to use the language of my grandfather, Henry Yates, "In the fo'ks of the Mattaponi, sah, in the forks of the Mattaponi."

And my grandfather's grandfather, old Dr. Michael Yates, a surgeon of the Revolution, lived near Guinea Bridge, near the little house where, 60 years afterwards (now 60 years ago), Stonewall Jackson breathed his last.

This ancestor of mine, surgeon of the Revolution, while so Irish that "nobody trod on the tail of his coat," was an Irish Virginian, a Virginia Irishman—some combination.

My Virginia grandfather, Henry Yates, put his young bride on the pillion behind him and rode through the Cumberland Gap, horseback, into Kentucky, when Kentucky was the "dark and bloody ground," head erect, eye alight, soul aloft, afraid of neither God, man, nor devil—well, just afraid of God, not of any thing that walks this old world of ours.

By way of parenthesis, permit me to inquire, Do you think that type of man, and there were a million like him, would temporize with a mob—would be afraid of a cowardly mob?

There are many things about him that I am proud of, but there is nothing that I am more proud of than the inscription he put on the tombstone at the head of the grave of his wife the day before he left Kentucky to go and live in Illinois.

In a little tiny graveyard, at the southern edge of a vast field, which field slopes southward, down to a little rivulet, beyond whose semicircular meandering rises hill on hill, a magnificent amphitheater of the beloved "Green hills of Kentucky," I found, a number of years ago, on a simple slab this inscription:

> Sacred to the memory of Milicent Yates, wife of Henry Yates, justice of the peace of Kentucky.

I hope you "get it" in all its fullness. Justice of the peace of Kentucky. Proud to be an officer of the law—proud to hold a commission from the law—proud to preside in beloved Kentucky over that court which in all States is the people's court. Proud, yes; proud to be connected with the enforcement of the peace. And proud, yes; proud to be for law and order.

Mr. Chairman and gentlemen, in beginning in this way I have given you my speech; in beginning this way have plunged in medias res, into the heart of this subject.

This bill is a good bill and ought to pass, because it is a bill for law and order—for order against disorder, for law against lawlessness.

It is not a bill for or against the South or any section; it is not a bill for or against the white man or any other color; it is a bill to enthrone order and to dethrone disorder. It is not a bill to encourage a certain crime—that is, rape—although so called by the Member from Tennessee [Mr. GARRETT]. For every rapist murdered by a mob four others are murdered by the mob. I have gotten through swallowing the major premise, when that major premise is presented by the other side. I used to admit, "O, yes, the moon is made of green cheese," but I do not any more. I decline to be side-tracked into a discussion of whether we are injuring some State by interfering with a fixed and established institution whose barbarity is justified by its fiendishness.

That is not the question. The question is, Shall we have mob law and violence—government by mob—in this country, for which the great Washington fought and for which the great Lincoln died, and the glory of which—yes; the honor and power and progress of which—was and is enshrined in the souls of a hundred million American women whose graves lie out to-night "under the stars and the dew waiting the judgment day"?

I remark in the second place that we ought fully to comprehend the nature of the mob. It is the mob we are after; the thing, the awful thing, facing us and flaunting us is this thing—the mob.

It is a thing of hate.

It is devilish, diabolical, satanic.

It is straight from hell.

It is halted by no injustice—

Says a lawyer from Georgia, before the American Bar Association, assembled in national convention at Cincinnati, September 2, 1921—

> It is halted by no injustice, no cruelty, no brutality; it is deaf to the voice of reason, mercy, and humanity; it is a besom of destruction. Such is the mob major.
>
> Maddened by lust, plunder, passion, hunger, hatred, personal revenge, whose madness is superinduced by its own real or imaginary wrongs, by its own real or imaginary interests or gratification.

Such in the phrases of this eminent lawyer is the "mob major." And then he comes to the lynching mob.

> Noteworthy among the mob species is the lynching mob. It might justly be called the objective mob.
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> * * * * * * *
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> Lynching is defined by Repalje and Lawrence as mob vengeance upon persons suspected of crime. Both Worcester and Webster define it as the infliction of punishment without legal trial or by unauthorized persons.
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> * * * * * * *

He continues and concludes:

> No matter what may be said in explanation, nothing can be said in extenuation of lynching. It is an inexcusable and pernicious part of the mob spirit that is so constantly and industriously laying the ax at the root of this Government.
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> * * * * * * *
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> All parties ought to seek its destruction by persuasion, by teaching, and last, but not least, by the terrors of the law. But the doing so ought not to be made the occasion or the excuse to extenuate or conceal the mighty, deadly germs of which lynching is only one of the species.

Luther Z. Rosser, of Atlanta, gives us these words.

Let us stop and think. Think of it well. This Government of ours, for which a million men have died in America, plus the 100,000 more who died in 1917, 1918, 1919, 1920, and 1921; this Government for which a hundred million women have agonized, this Government, heir of the ages, child of the centuries, beacon light of liberty, the last hope of humanity; this Government and country, for whom no king, no emperor, no sultan, no czar; and no mikado is praying to-day or to-night or at any time. We have got to take care of ourselves; this Nation which no armed nation on earth can whip or conquer (no wonder they all scream "disarm") may yet be menaced and possibly overthrown or crippled by mob spirit. God for-

bid. I do not believe it is possible; but I do believe that unless we put down and keep down mob spirit it will cut gashes at the very root.

I remark in the third place, that here, right here, is the chief reason for this bill, its reason for existence; a reason which actually clamors for its passage. Mob spirit strikes at all government, and legislation concerning it is not and can not be in this day and generation peculiar to any one section of the land. This bill is not an imputation on one section of our united country, namely, the South. It may be so construed by some men too sensitive. It may affect temporarily that section more than another. But mob law has entered other States, many States, almost all States. It has entered my State of Illinois; has appeared there in Chicago, in East St. Louis, and in Springfield since 1905, and in the time before that, when I was chief executive of Illinois, it appeared at Danville, Ill., and in six other localities. And on seven occasions when I was governor I was compelled to call out troops, four times to prevent lynching, three times to put an end to riots.

In Illinois we realize that mob violence is a menace every day; and we are on the watch for it now.

Our laws punish the participant in a mob, punish the man who during a riot or in a mob inflicts damages upon person or property—make him pay up to $5,000—and punish the city or county where a mob operates, compelling the community to pay up to $5,000 to the surviving spouse of any person lynched.

At least one county has lately paid heavily in damages, and I think three have.

Our good and decent people have not thus far resented this—do not call it an imputation.

And our law authorizes our governor to summarily remove a cowardly or shirking sheriff; it is no longer any fun, no longer a good joke, in our State at least, for a sheriff or officer having a prisoner in custody to look the other way.

The Revised Statutes, Illinois Criminal Code, chapter 38, paragraph 256x, section 6, of "An act to suppress mob violence," in force July 1, 1905, contain this:

> If any person shall be taken from the hands of a sheriff or his deputy having such person in custody and shall be lynched, it shall be prima facie evidence of failure on the part of such sheriff to do his duty, and upon the fact being made to appear to the governor, he shall publish proclamation declaring the office of such sheriff vacant and his office shall thereby and thereafter be immediately vacated.

Our people approve this law, too; it was thought that perhaps it would not be enforced, but it has been enforced.

Illinois will not tolerate mob violence if it can help it. It is highly resolved to put it down. Illinois will eventually stamp it out, root and branch.

And the great Government of the United States and the great Congress of the United States can do no more righteous work, and no more vital work for our children and our children's children than to stamp this monster, this brutality, this demon into the earth.

We have reached, once again in American history, the condition of 1837.

Abraham Lincoln, in an address at Springfield, January 27, 1837, moved thereto, by tragedies in Mississippi and Missouri, said of mobs and their atrocities:

> Accounts of outrages committed by mobs form the everyday news of the times. They have pervaded the country from New England to Louisiana; they are neither peculiar to the eternal snows of the former nor the burning sands of the latter; they are not the creature of climate, neither are they confined to the slaveholding or the nonslaveholding States. Alike, they spring up among the pleasure-hunting masters of southern slaves and the order-loving citizens of the land of steady habits. Whatever, then, the cause may be, it is common to the whole country.

Believing, as I do, that this question to-day is not, as I have already said, a southern question any more than it is a northern question or western question, and not any more a Negro question than it is a yellow or brown question or an olive-colored one, I regard this the present situation, when compared with and checked by Mr. Lincoln's statement, as history repeating itself. O you men of the South, why not take the same temperate and impartial view of the situation that Mr. Lincoln took, and that I hope I am taking—and just support this bill? Why are we to always meet, until the ultimate passage of this or a more stringent bill, with the accusation that we are aiming blows at the South and inflaming the South black and white? Are you still afraid of Negro domination, that old specter which makes you vote for a Democrat for President because you do not want a Negro constable?

I remark, in the fourth place, that it is alleged that the Constitution is again in terrible danger—that it is almost cracked again.

I am not as much alarmed as I might have been. When the prohibition bill was here on its passage it was alleged to be in conflict with the Constitution; opposed to that charter and palladium of our liberties; but the Supreme Court said it was not; said it was constitutional. When the income tax came along it appeared unconstitutional, but finally entirely constitutional was it held. In the old days, when John Sherman said, "The way to resume is to resume," some men cried "unconstitutional." And in still greater days, when our old friend, the paper dollar—the new national currency—was proposed under Chase, it was "unconstitutional."

And even when Abraham Lincoln, now revered by all Americans and by all men, used measure after measure to put down the rebellion, "unconstitutional" was the cry.

Oh, is it not time to get a new slogan, a new rallying cry, a new war cry? Will there never be a new one?

"Oh, captain, give us a new star to steer by, for I've got by that there north star," was the sailor's cry once upon a time. Just as even the north star may get tiresome, so the term "unconstitutional" may be too old some day, but it remains, up to date, the slogan of Democracy. A smoke screen; a sham battle; a rolling barrage; a gas attack.

It is noticeable that the "unconstitutional" slogan comes mainly from the gentleman from Texas; the leader from Tennessee spends only a few words on the crack in the Constitution.

I remark, in the fifth place, that the political minority in this House has decided to infuriate its units throughout the land by making this a question of "party."

It is not a question of "party." No question of majority or minority politics is involved, or even remotely related. Not a vote can be gained by the Republicans by the passage of this bill. On the contrary, we may lose at the election next November several seats in this House by this measure.

But, unwise as it may be for the Republican Party to denounce and punish lynching when "votes" are considered, it is infinitely more unwise for the Democraic Party to oppose legislation to end this cowardly, contemptible blot on our civilization. And I predict that for every seat in this House lost by Republicans for supporting this bill the Democrats will lose two for opposing it. In my own State every candidate seeking election to this House next November who dares to strengthen this hideous thing—mob violence—will be swept into oblivion as if by the thunderbolt of the Almighty. Let us not mince matters. Were I a leader of the minority I would hesitate long before I would parade and present to the country and to the world the great Democratic Party of Jefferson, of Jackson, of Cleveland, and of Wilson as the organized, filibustering opponent of a measure intended to outlaw and to punish every individual and every community supporting a mob, and to stamp down and out this mean, un-American evil.

Temporizing with violence is not Democratic doctrine. Grover Cleveland, great Democrat, filled Chicago in 1894 with men and guns, infantry, cavalry, and artillery, and brought the terrors of the law to the aid of that city, where the pestilence was walking in darkness and the destruction was wasting at noonday; and he, Grover Cleveland, put the "fear of God" into the mob that howled like wolves, and murdered like beasts, and looted like pirates, and tried to put great Chicago to the torch when they thought there was no help. That mob counted without Cleveland, but he was there, he and "Uncle Sam."

And Woodrow Wilson, great Democrat, would have done the same; you all know it; and President Wilson—unchallenged leader of latter-day Democrats—among his many good sayings incorporated one to the effect that mob violence is a disgrace and a shame. On July 16, 1918, he said, in a memorable appeal:

> MY FELLOW COUNTRYMEN: I take the liberty of addressing you upon a subject which so vitally affects the honor of the Nation and the very character and integrity of our institutions that I trust you will think me justified in speaking very plainly about it.
>
> I allude to the mob spirit which has recently here and there very frequently shown its head amongst us, not in any single region but in many and widely separated parts of the country. There have been many lynchings, and every one of them has been a blow at the heart of ordered law and humane justice. No man who loves America, no man who really cares for her fame and honor and character, or who is truly loyal to her institutions, can justify mob action while the courts of justice are open and the Governments of the States and the Nation are ready and able to do their duty. We are at this very moment fighting lawless passion. Germany has outlawed herself among the nations because she has disregarded the sacred obligations of law and has made lynchers of her armies. Lynchers emulate her disgraceful example. I for my part am anxious to see every community in America rise above that level with pride and a fixed resolution which no man or set of men can afford to despise.
>
> We proudly claim to be the champions of democracy. If we really are, in deed and truth, let us see to it that we do not discredit our own. I say plainly that every American who takes part in the action of a mob or gives it any sort of countenace is no true son of this great democracy but its betrayer, and does more to discredit her by that single disloyalty to her standards of law and of right than the words of her statesmen or the sacrifices of her heroic boys in the trenches can do to make suffering peoples believe her to be their savior. How

shall we commend democracy to the acceptance of other peoples if we disgrace our own by proving that it is, after all, no protection to the weak? Every mob contributes to German lies about the United States what her most gifted liars can not improve upon by the way of calumny. They can at least say that such things can not happen in Germany except in times of revolution when law is swept away.

I therefore very earnestly and solemnly beg that the governors of all the States, the law officers of every community, and, above all, the men and women of every community in the United States, all who revere America and wish to keep her name without stain or reproach, will cooperate—not passively merely but actively and watchfully—to make an end of this disgraceful evil. It can not live where the community does not countenance it.

I have called upon the Nation to put its great energy into this war and it has responded; responded with a spirit and a genius for action that has thrilled the world. I now call upon it, upon its men and women everywhere, to see to it that its laws are kept inviolate, its fame untarnished. Let us show our utter contempt for the things that have made this war hideous among the wars of history by showing how those who love liberty and right and justice and are willing to lay down their lives for them upon foreign fields stand ready also to illustrate to all mankind their loyalty to the things at home which they wish to see established everywhere as a blessing and protection to the peoples who have never known the privileges of liberty and self-government. I can never accept any man as a champion of liberty either for ourselves or for the world who does not reverence and obey the laws of our own beloved land, whose laws we ourselves have made. He has adopted the standards of the enemies of his country, whom he affects to despise.

WOODROW WILSON.

Mr. BANKHEAD. Mr. Chairman, it is rather strange for a Republican to be supporting Woodrow Wilson.

Mr. YATES. Oh, I told you some time ago that I was not sent here by the people of Illinois to abuse Woodrow Wilson, or anybody else. When he is right I am for him.

Democratic leaders here to-day are bringing their blood upon their own heads in filibustering here hour after hour, day after day, and in whipping into line almost every man, in opposing a law designed to end that horror—lynching.

Make no mistake; be not deceived; this Nation is not for the mob, will not tolerate the mob; witness Massachusetts, where, in supporting Calvin Coolidge, a hundred thousand Democrats served notice that America will stand no nonsense from the dark sinister legions of disorder. Calvin Coolidge, in 1919, when Governor of Massachusetts, said in a proclamation:

In the deliberate intention to intimidate and coerce the Government of this Commonwealth, a large number of policemen, urging all others to join them, deserted their posts of duty, *letting in the enemy*.

Notice the phrase "letting in the enemy." Mark it well! He who encourages mob law *does* let in our most awful enemy—Anarchy.

He continued:

There is an obligation, inescapable, to resist all those who do not support the Government. * * * There is no middle ground. * * * I call on every citizen to stand by me in executing the oath of my office.

And "the ancient faith" was justified; Massachusetts did stand by him; and the Vice Presidency was presented to him by a grateful Nation.

This Nation will stamp out mob violence, root and branch, when it gets started, and it is getting started.

Let us have no fears for the Republic because we curb disorder.

In spite of rock and tempest's roar,
In spite of false lights on the shore,
Sail on, nor fear to breast the sea;
Our hearts, our hopes are all with Thee.

But while the Republic is and will be safe, let us tremble for ourselves and our children when we remember "God is just."

O you men of the South, why, O why, can you not join us—just join us—in this law and all other things we try to do to help this situation? Why do you fan into flame every little smoldering fire of race hatred, as you do when you act as you are acting here to-day? [Applause.]

Mr. SUMNERS of Texas. I yield 20 minutes to the gentleman from Virginia [Mr. MONTAGUE].

Mr. MONTAGUE. Mr. Chairman, I concur with the gentleman who has just concluded his remarks in his reprobation of lynching, for I believe that it is the opprobium of our civilization, which casts its deepest shadow upon us of the South. However, it may not be improper to observe that my own constituency knows how steadfastly I have stood for law and order and against lynching, not only in my own district but for the State at large. [Applause.] I am happy in believing that that conviction is also thoroughly shared by the Negro people of Virginia.

But that is aside the question. We can not fairly consider this bill by classing those opposed to it as favoring or in sympathy with lawlessness, disorder, and lynching. We can not dispose of this measure by the somewhat irrelevant consideration of what the eminent gentleman from Ohio calls the gravity of the situation. If gravity exists, and it does, the remedy is not an invalid bill, not in legislative usurpation, but in amendment of the Constitution. [Applause.]

First, give the representatives of the people the constitutional right, the constitutional authorization to consider this bill. Do not ask that we ravish the supreme law to enact an unconstitutional statute.

Gentlemen of the committee, when Members are called to the bar of the House to be sworn in office they are not sworn to support the Government of the United States, they are sworn to support and defend the Constitution of the United States and all laws made in pursuance thereof. Not the Government of Nation or State, but the Constitution prescribing the maintenance of indestructible States of an indissoluble Union.

The gentleman from Ohio [Mr. BURTON] said that the constitutionality of some portions of this bill was doubtful, and the gentleman from Indiana rather concurred in this position. Therefore I venture to submit that to doubt the constitutionality of a bill imposes the moral obligation to vote against the bill. [Applause.] Representatives should not, morally they can not, vote for a bill the constitutionality of which they doubt. The benefit of the doubt must be given in favor of the Constitution.

Mr. DOWELL. Will the gentleman yield?

Mr. MONTAGUE. If only a question.

Mr. DOWELL. Does the gentleman hold that if there is any doubt of the constitutionality of a proposition that we should not at least investigate the matter to determine as to its constitutionality?

Mr. MONTAGUE. Oh, no; we may investigate its constitutionality, but if there is a doubt as to its validity upon investigation we have no right to support it under our obligation.

Mr. DOWELL. Does the gentleman mean that it must be made certain beyond a reasonable doubt?

Mr. MONTAGUE. I would not put it in the form of a criminal trial.

Mr. HERSEY. Will the gentleman yield?

Mr. MONTAGUE. I yield to the gentleman from Maine.

Mr. HERSEY. I gathered from the remarks of the gentleman from Nebraska [Mr. REAVIS] in his answer to the questions asked him that the proponents of this bill practically admit this morning that all its provisions are unconstitutional, except the one that applies to the obligation of the sheriff to protect the prisoner.

Mr. MONTAGUE. I thank the gentleman. I wish next to observe that the opinion most relied on in this debate is that of the Attorney General of the United States, and that this opinion is not his opinion but only his concurrence in or adoption of the opinion of the Assistant Attorney General, and the Assistant Attorney General substantialy admitted in the hearings that he entertained doubts as to the constitutionality of the bill, but he wished or hoped to secure its validity by first procuring congressional enactment, believing by argument that once having the measure passed into the form of law the Supreme Court would give to Congress the benefit of the doubt and thus indirectly relieve us of our obligations to secure valid law.

It might not be constitutional before passage, but it would be after passage. This line of reasoning or suggestion is not sound. These opinions obviously lack the personal detachment primarily essential to judicial arguments.

I do not propose to discuss all the phases of the bill. I take it that no lawyer in this body, removed from partisan prejudice, which is sometimes unknown to its possessor, will contend that the bill is constitutional as respects any of its provisions, save the one in relation to sheriffs or ministerial officers. Surely no one can contend successfully that this bill is valid in its application to the acts of individuals or of counties. If anyone has any doubt on that, I ask him to read carefully the argument of the distinguished member of the committee from Maine [Mr. HERSEY] made a few days ago.

Mr. Chairman, when the fourteenth amendment was considered an amendment was offered to do just what the proponents of this bill now desire to do. In the heat and passion of the aftermath of a great war an amendment was submitted to and rejected by Congress, an amendment which undertook to confer upon the Congress the power to pass a bill similar to the bill now under consideration. I read that proposed amendment:

Congress shall have power to make all laws which shall be necessary and proper to secure to the citizens of each State all the privileges and immunities of citizens of the several States, and to all persons in the several States equal protection of the right of life, liberty, and property.

This proposed amendment was intended and did give to Congress the affirmative power which this bill is intended to employ. That was defeated. Of course that action is not conclusive interpretation, but it is so nearly conclusive in the light of all the circumstances that it amounts to an irrefutable argument.

When we compare the fourteenth amendment with the rejected amendment, we see the latter to be affirmative and posi-

tive in character, while the former is negative and corrective in character. Mr. John Randolph Tucker, one of the ablest men ever upon the Judiciary Committee of this House and some time chairman of that committee, uses this language in respect to the comparison:

The above-named proposed amendment gave Congress the power by affirmative legislation to do these things, while the amendment as adopted gave to Congress only the power to negative the action of a State abridging or denying these privileges.

And the Supreme Court by a long line of decisions has held and expounded this interpretation and this construction. This court has held that the power of Congress under the fourteenth amendment is a negative power, a corrective power, and if such is the construction as to the entire amendment, how much stronger is it applicable to the particular words of the amendment upon which this bill is specifically predicated? For I direct the attention of the committee to the fact that this bill is not predicated upon the entire fourteenth amendment, but only upon that language forbidding a State to deny the equal protection of its laws.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. If only for a question.

Mr. LITTLE. If the gentleman concedes that if the sheriff refuses to try to rescue a man from a mob, the United States marshal may arrest him——

Mr. MONTAGUE. But I do not concede that. I have not reached that provision of the bill as yet.

Mr. LITTLE. But if the gentleman does concede that——

Mr. MONTAGUE. I shall not concede that. That may shorten the gentleman's inquiry.

Mr. LITTLE. The gentleman will permit me to ask a question?

Mr. MONTAGUE. Yes; if not too long.

Mr. LITTLE. If the United States marshal could arrest the sheriff for refusing to do his duty, do I understand that he could not rescue the prisoner from a mob and arrest them, but would have to permit them to go ahead and burn the prisoner?

Mr. MONTAGUE. I have not discussed that phase of the question. I mean to be thoroughly courteous to the gentleman, for I have very high respect for him. I believe he is a very sincere and upright gentleman. I have suggested to this committee that this bill is not bottomed on anything in the Constitution except one clause of the fourteenth amendment. I ask you to follow me in that. It is not based upon due process of law, it is not based upon any other provision or sentence in the fourteenth amendment, except one, and that is the one in relation to the equal protection of the laws. Let me read the section of the bill:

SEC. 2. That if any State or governmental subdivision thereof fails, neglects, or refuses to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage, such State shall by reason of such failure, neglect, or refusal be deemed to have denied to such person the equal protection of the laws of the State, and to the end that such protection as is guaranteed to the citizens of the United States by its Constitution may be secured it is provided—

In other words, this bill is predicated upon this specific provision of the amendment; the bill in terms so declares.

The gentleman from Maine [Mr. HERSEY] brought out what is obvious to any lawyer that this bill by legislative fiat undertakes to define and declare what is a denial of equal protection of the laws. It declares that certain acts constitute a denial of the equal protection of the laws. I submit that must be a judicial and not a legislative finding. Such a declaration must result from the exercise of judicial power and not congressional power. This bill is predicated upon that definition, and the entire hearing is confined to that definition, namely, a denial of equal protection of the laws.

I do not controvert the statement or argument that if a State denies equal protection of the laws it is amenable to the inhibition of the fourteenth amendment, but the question at once arises: What is State action?

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. If it is along the line that I have in mind.

Mr. FESS. My question is whether we have the constitutional authority to legislate on this matter. It is my high appreciation of the gentleman's judgment that leads me to ask him the question. Suppose that the nationals of some foreign government with which we have a treaty, like Italy, should be mobbed in Ohio, has the Federal Government, which makes the treaty, no authority whatever to require the State to respect the items of the treaty?

Mr. MONTAGUE. That question I candidly say to the gentleman I would not answer now, because I may not be sufficiently prepared to make an answer, and it is not relevant to the phase of the subject I am now discussing.

Mr. HERSEY. It is provided in all treaties that foreign citizens shall be protected by the courts.

Mr. MONTAGUE. That is true, but there has been some question as to liability of the National Government by reason of the failure of State action.

Mr. FESS. Of course the gentleman knows to what I refer. I refer to the situation in Louisiana with reference to the Italians.

Mr. MONTAGUE. We have had such cases from time to time, and President Taft urged on Congress appropriate legislation, if I remember. But I do not care to go into that now, because that is not the phase of the question I am now discussing.

Mr. GARRETT of Tennessee. And if the gentleman will permit, even if it were to be admitted that the Federal Government did have the power to deal with the murderers of nationals of other Government, it would not be on all fours with this proposition.

Mr. MONTAGUE. Not at all. That is a very different question. I am addressing myself now to the right of the National Government to administer the police laws of the States and to make crimes of certain acts or conduct of the citizens of the several States over and above and against their laws.

The unbroken decisions of the Supreme Court hold that police powers rest within the States; that such police powers are the reserved powers of the States, and this amendment has not taken such powers from the States. The gentleman from Ohio argued that the progress of economic and social forces, the development of science and inventions, are wiping away the lines of the States of our Union, and, therefore, that we, in obedience to this mechanical progress, in obedience to the inventive genius of man as applied to physical and economic forces, must yield, willingly or unwillingly, our spiritual and moral sense of obligation imposed by the Constitution so far as those obligations required us to determine what are the powers of the State and Nation, respectively. I repel this argument as offensive to reason, history, and morals. I believe with the great historian, Grote, that there is in the realm of ethics a mandate known as "constitutional morality." If this obligation in its application becomes unwise and inexpedient or unsafe, then we must meet the difficulty, not by judicial usurpation, not by legislative usurpation, but by constitutional amendment, as I have before suggested, thus unfettering our minds and consciences from our oaths to support the Constitution.

Mr. MOORE of Virginia. Does my colleague think, referring to the question put to him by the gentleman from Ohio [Mr. FESS], that it would be competent for Congress, because of treaties that exist between this country and China and Japan, to legislate so that the Federal Government can go into the State of California and deal with matters that have been supposed to be within the police power of the State of California, ousting the jurisdiction of the State?

Mr. MONTAGUE. My views are that it would be incompetent for the Federal Government to exert such a power. But I am not arguing that phase of the question. I think when the Californians reach that question they will present their argument better than I.

Mr. BRAND. I wish to call attention of the gentleman to the fact that the Supreme Court of the United States has decided, under the facts of the case presented therein, which involved the rights of the States and the power of Congress to legislate thereon, that Congress could enact legislation which would be constitutional, but the opinion was based upon a treaty held to be valid. This may be found in Two-hundred and fifty-second United States, State of Missouri against Holland.

Mr. MONTAGUE. I started to observe that the State acts, as we all know—it is hornbook law—through its departments, namely, legislative, executive, and judicial. And there seems to be in the minds of some gentlemen a question as to the constitutionality of the provisions holding a State liable for the failure, negligence, inefficiency, or crime of the sheriff, constable, or prosecuting attorneys composing in part one of these departments of government. If a prosecuting attorney fails to prosecute with ability or efficiency, he becomes liable under this bill. I submit to the committee that no student of the American system ever dreamed that the Federal Government possesses that authority under this amendment to supervise the efficiency or fix the standards of ability of their prosecuting attorneys. If so, where is your authority in reason or in precedent. If Congress can do that, Congress can prescribe, by the same logic, punishment for the failure of a jury to convict or acquit one charged with crime. There is no logical obstruction to the march of the mind to such a conclusion.

The argument advanced here is that we do not hold the sheriff under this bill liable unless he neglects, refuses, or fails to do his duty. Now, I contend that to deny the equal protection of the laws by one of the departments of the State governments requires substantive and affirmative action on the part of the State or its authorized officers. The State must affirmatively refuse or deny the equal protection of the laws. The State must not enact discriminatory laws or enforce nondiscriminatory laws in a discriminatory manner. This I understand to be the general principle supported by a torrent of reason and authorities underlying the law. I maintain that action of a ministerial officer of a State, when unauthorized and in defiance of the law of the State, can not bind the State, and its action is not in contravention——

Mr. LITTLE. Will the gentleman yield?

Mr. MONTAGUE. Please do not interrupt me right now.

Mr. LITTLE. They have decided the other way in different cases.

Mr. MONTAGUE. I do not think so.

Mr. LITTLE. They said they did.

Mr. MONTAGUE. I do not think they said so.

I am fairly familiar with the Virginia case. The judge who declined to put Negroes upon the eligible list of jurors in Virginia maintained that he was carrying into effect the laws of that Commonwealth, and he represented the attitude of Virginia in that respect. He never contended for an instant he was violating the law, but that he was effectuating the law. And more, Virginia intervened in the proceedings in the Supreme Court, and supported the judge in his contention. I submit to you it is as plain as your hands before your face, so far as respects that case, that the judge was representing the Commonwealth of Virginia, and Virginia, so far as the record discloses and so far as the history of the case is concerned, through its attorney general and governor, approved of the action of the judge.

Moreover, the action of the judge discriminated against a large class of people by denying them the right to be eligible as jurors, thus bringing his action into direct conflict with the purpose and object of the fourteenth amendment as adjudicated by the Slaughterhouse cases, the Civil Rights cases, and a long line of deliverances of the Supreme Court. That this is the true construction of this case (Ex parte Virginia, 100 U. S., 339) appears from the opinion and conclusion in Virginia *v.* Rives (100 U. S., 313) wherein the judge was assailed as violating the Federal law in that he placed no Negro upon the panel, thus showing that he did not discriminate against a class of Negroes, and his position was upheld by the court.

Mr. MANN. Will the gentleman yield for a brief question?

Mr. MONTAGUE. Yes; I will.

Mr. MANN. Suppose a sheriff with a man in his custody deliberately turns him over to a mob? I just wanted to know the opinion of the gentleman.

Mr. MONTAGUE. My view is this, that the State can not be bound by the criminal acts of its ministerial officers. [Applause.]

Mr. COCKRAN. Will the gentleman yield?

Mr. MONTAGUE. In a moment.

When a sheriff turns the prisoner over to a mob, he aids and abets in murder, and his action can not bind the State; he defies the laws; he opposes the laws of the State. He does not represent, but misrepresents, the laws of the State. [Applause.]

Mr. COCKRAN. I was just about to suggest to the gentleman from Virginia that I think he has covered the point where the sheriff becomes the lawbreaker. Instead of acting in obedience to the State, or for the State, he is acting against the State.

Mr. HUSTED. The gentleman says that the State would not be held responsible for the action of its ministerial officers. With that view I am inclined to agree. But does the gentleman hold that a ministerial officer can not himself be punished under legislation enacted by the Federal Government under the provisions of the fourteenth amendment?

Mr. MONTAGUE. Certainly not. Obviously, a gentleman of the ability of my friend from New York will appreciate that such an act of the officer is a private, personal, act, and not an official act, and therefore the person is punishable by the laws of the State and not of the United States.

Mr. MANN. If the State selects as a sheriff a man who refuses to act under the law of the State, is not that the act of a State?

Mr. MONTAGUE. I think not. I submit that his refusal to act is an act of disobedience to the State. It is a crime against the State. It is an unlawful and criminal refusal to do what the State commands him to do.

Mr. KELLEY of Michigan. And he is removable from his office.

Mr. MONTAGUE. Yes; as the gentleman from Michigan says, he is removable from his office for malfeasance, misfeasance, or crime.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. LITTLE. The State acts by its legislative, executive, and judicial authority. It can act in no other way. Then the State has clothed one of its agents with power to annul or evade. The Supreme Court of the United States has said that it had.

Mr. COCKRAN. Oh, the Supreme Court has said nothing of the kind.

Mr. LITTLE. It did. I am reading from it. I do not wish the gentleman to contradict me. This is from page 347 of Ex parte Virginia. I am quoting from the Supreme Court, and it contradicts the gentleman from New York.

Mr. COCKRAN. Mr. Chairman, will the gentleman from Virginia yield to me for a moment?

Mr. MONTAGUE. Yes.

Mr. COCKRAN. When a State officer is violating the law of a State, he is acting against the State, and can not be acting for it?

Mr. MONTAGUE. Certainly.

Mr. LITTLE. The Supreme Court has held otherwise. I can only read it to you. I can not make you understand it.

Mr. COCKRAN. The gentleman is mistaken.

The CHAIRMAN. The gentleman from Virginia [Mr. MONTAGUE] has the floor.

Mr. HERSEY. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Certainly; with pleasure.

Mr. HERSEY. Section 2 of the bill says that "any State or municipal officer having charge of the prisoner," and so forth. That would be a constable of a city or a town?

Mr. MONTAGUE. Yes; or a policeman.

Mr. HERSEY. Does he represent the State?

Mr. MONTAGUE. I do not think the Supreme Court will so hold, and I do not think it has heretofore so held.

Mr. MOORE of Virginia. Mr. Chairman, will my colleague yield?

Mr. MONTAGUE. Certainly.

Mr. MOORE of Virginia. It seems to be suggested on the other side, and it is apparently the spirit of the bill, that you can attribute to the State, and hold the State responsible for the malfeasance and misfeasance of any of its officials. If that is good doctrine, can we morally protect ourselves from holding the Government of the United States responsible for the misconduct of its officials? Congress has declined to do that up to this time, but if we are going to take this step we can not morally defend ourselves from taking the other step.

Mr. MONTAGUE. I am coming now to that. I submit that no sovereign is responsible for the torts of its officers. [Applause.]

No sovereign State, and such are the States of the American Union, is responsible for the torts of its officials. The State can not be sued in the courts for the negligence of its officials unless by constitutional or legislative authorization. All States are clothed with that protective power.

Now, gentlemen, if a State is not responsible for the torts of its officers, by what process of human reasoning can you make a State responsible for the criminal conduct of its officers?

Mr. CLOUSE. We hear no answer.

Mr. MONTAGUE. There is no logical or rational answer. If the premise is sound that a State is not liable for the torts of its officers, a fortiori is the State without liability for the crimes of its officials.

Mr. Chairman, I desired to deal with that phase of the subject, and I fear I have dealt with it inadequately. But may I submit one other reflection? I do not concede that the State which I have in part the honor to represent is embraced in what you call "the lynching States." I suppose that the record of Virginia in that respect compares favorably with that of most of the American States, with the State of our distinguished friend from Ohio [Mr. BURTON] or with the State of my distinguished friend from Illinois [Mr. MANN], for example.

I know of no lynchings in Virginia for many years, except two, and these were accomplished before the authorities of the State could arrest or obtain custody of the criminals. I would also observe that in Virginia we have the honorable distinction of having arrested, convicted, and sentenced lynchers. The honorable Representative on this floor from the fifth Virginia district [Mr. HOOKER] was the prosecuting attorney in Virginia

who, with a Virginia judge and jury, accomplished that achievement some years since. [Applause.]

Mr. Chairman, I have only the kindest feelings for the colored people of my State and of the South. I believe it the duty of government to go the length—aye, the full length—to protect the obscure and the ignorant and the weak; they deserve the protection of government more than the mighty and the wise or learned. But this great body should not run wild to enforce a law that, if possibly constitutional, may encounter a worse ending, namely, the destruction of our governmental system. It is a mistake to think that the States come from the Federal Government. The truth of history and the philosophy of our institutions is that the Federal Government comes from the States. [Applause.] It is true that we have whittled away, as the gentleman from Ohio [Mr. BURTON] suggested this morning, the rights of the States. This may be the result of inexorable influences or the march of inevitable events; I know not; but it is not a part of statesmanship to facilitate that influence or stimulate that march. When we continue to centralize government in Washington, to augment and multiply its powers, with innumerable officeholders, and appalling costs, we will then have a huge, mighty, complex machine, clumsy in operation, consuming the substance of the people in cost of maintenance, and in its last analysis destructive of human liberty and human rights. [Applause.] I am no fanatic on the subject of State rights. I believe in a liberal exercise of the powers of the Constitution. I would if I could place myself in the company of John Marshall. I would first know that the power exists under this instrument, either expressed or implied; and if the power so exists, I would next know, Is the measure proposed essential to carry out the express or implied power?

We can not invert the structure of our Government. We can not turn the pyramid bottom up. We must strengthen and not weaken its foundation. The life, growth, and perpetuity of American institutions is the development and growth of the American communities, the American States. The law and order of America will, in its last analysis, find its support and its nourishing influences in the community by increasing the responsibility and appreciation of the citizenship of the community for its good name and for its law and order. When we undertake here to transfer the power of the Federal Government to the several States we will accomplish a blighting if not a fatal result, for we will impair and weaken and finally destroy the sense of responsibility of the law-abiding people of every community. [Applause.]

May I suggest an analogy which I imagine nobody will controvert? Irrespective of the merits or demerits of the amendment dealing with the liquor question, it is obvious to anyone who has observed the administration of the laws that many of the States, although possessing concurrent jurisdiction, have become lax in their duties and have put the burden of the administration and enforcement of that law upon the National Government. That will be the case in too many instances when the States omit their duty and permit the more wealthy but less efficient Government to bear their burdens. We need not deceive ourselves by thinking that the Federal officials have more patriotism, more intelligence, and more efficiency than the people of the several States. In my judgment there is hardly a State in the Union that is not administered more wisely, more efficiently, and more economically than the Government at Washington.

My own State has come up through mighty travail, suffering by the great conflict of States as much, if not more, than France suffered by the World War, yet mindful of her history, of her contributions to the genesis, the maintenance, and the development of our free institutions, and still her government is more economical, more efficient, and expeditious in administration than the National Government. And that, Mr. Chairman, is no reflection upon the National Government. That is an inexorable incident of enormous power exercised by officials far away from the sources of that power. Have not gentlemen on this floor proudly and properly instanced the competency of their States to meet and enforce their laws and police regulations? Why, therefore, should we absolve ourselves from the responsibilities of citizenship and bring here local administration, far away from the sources of these crimes, far away from the laws governing and punishing those crimes? Washington can not hear the voice or stimulate the responsibility of the communities most deeply interested and most concretely affected.

Therefore, gentlemen of the committee, I beg to say in conclusion that my opposition to this bill is largely of a constitutional character. Oh, I know it is said that this is the old cry. But I would to God it were oftener heard in this House. [Applause.]

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. MONTAGUE. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. I understood the gentleman to say—perhaps I misunderstood him—that his objection is only to the constitutionality of this bill. I understand that the gentleman also objects to the policy?

Mr. MONTAGUE. I have just been arguing the policy, but the constitutionality of the bill means the preservation of the American system, chief of which is the responsibility of local self-government. The Constitution is but the concrete philosophy underlying and guaranteeing a dual system. Emasculate the States and you have devitalized the Union. Each in its orbit, when each grows in vigor and virtue.

Mr. SUMNERS of Texas. The gentleman has been for two terms governor of the State of Virginia. He is a southern man, familiar with conditions there and with the temperament of the southern people and the general situation. I ask him to answer me, upon his responsibility to the American Congress, what is his judgment as to the effect of this legislation, if it were constitutional, upon the general situation in the South with reference to the suppression of lynching?

Mr. MONTAGUE. Unfortunately my education has been limited in many respects and I have had no close contact with many of the Southern States. I can reply only as to my own State, and my reply is based upon the statement made a few moments ago, that if the national power comes to supervise the laws of the people of Virginia, or to administer national laws upon police subjects, then there is the inexorable result of neglect of local institutions and the decadence of local governments.

When passion ran rife in the country, in the days of Chandler and Stevens, no such radical measure was brought forward. This bill is a most sinister usurpation by the Federal Government of the police and criminal laws of the several States; and it is but the opening wedge. If the administration of the Federal Government is extended to homicides and misfeasance and malfeasance by State officials, then Federal jurisdiction may easily and logically usurp all State functions. Revolutions do not go backward. The jurisdictions do not contract, they inexorably expand.

Why this revolutionary measure? The magnitude of the individual crime has been the answer. But the protagonist of the bill must seriously doubt its practicability or efficacy. I fear the augmentation and usurpation of Federal power will undermine the very foundations of our institutions. I hope I am wrong. I trust that I am wrong.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. VOLSTEAD. I yield to the gentleman two minutes more.

Mr. MONTAGUE. I thank the gentleman. We should tone up the States of the Union by intelligent discussion and by awakening their sense of responsibility. The Federal Government should not interfere by the assumption of these responsibilities, by the suppression of the essential and sacred duties of communities. I beg the members of this House not to maim and emasculate the States. But rather to stimulate their vigor, not their impotency! This bill is neither expedient, nor wise, nor constitutional. It dislocates our system of government. It will break the morale of our communities; and will strike down the responsibility, the pride, and the hope of the individual citizen, upon whom alone in its final analysis must our civilization rest. I thank the committee for its attention. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Virginia [Mr. DREWRY].

Mr. DREWRY. Mr. Chairman, in a legislative experience of some years I thought I had seen bills presented for attention that held within them possibilities of evil so great that it was inconceivable how the human mind could imagine such measures being enacted into law; but in my whole experience I have never seen a bill that seemed to me to be fraught with so many and such possibilities of danger in it as this, known as the anti-lynching bill. This measure is *unnecessary* and would be *useless* if enacted. It is *unjust* and *unfair* to a certain section of our country, because it would create a dangerous condition among the people of that section. It is *unconstitutional* in that it nullifies the most fundamental principles of our Government, principles which have been established for nearly 150 years.

I am not opposed to a proper law to prevent lynching. No one denies that lynching is a crime. I admit, however, I can see no real necessity for another law to punish murder—for that is what lynching is, of course. We now have laws to prevent homicides, but you can hardly pick up a newspaper that you do not read of several. The trouble is not a lack of laws but a lack of enforcement. We have too many laws, and the

country would be better off if there could be a suspension of legislation for a few years while the authorities have a chance to catch up with those already on the books. The Republican Party is now being blamed by the country for its continuous sessions of law enactment. Business men everywhere are saying that if they had been allowed to struggle along and depend upon themselves they could have worked out their own salvation by this time; instead of that they waited on Congress to pass laws to make them prosperous, and in a Micawber-like attitude you can see them all over this country of ours still waiting; and they will continue to wait, for legislation of itself does not make men prosperous any more than it makes them good.

Human nature is the same to-day as it was yesterday and as it will continue to be 100 years hence. You may have a law that prescribes punishment for a murderer, but murders are still committed and will be committed until you impress in the heart of man the love for his fellow man that crowds out the blackness of hate and ignorance. You can then go further and pass a law penalizing every specific method by which a homicide is committed. In the pursuance of that you can specifically describe the punishment to be meted out to anyone who deprives or attempts to deprive another of life without authority of law. You will then have another law on your statute books, that is true. But when the good wife, bleeding and choking and gasping for breath from the cruel fingers at her throat so recently released, staggers out into the field where her husband is working and tells him that a fiend in human form attacked her while she, singing in her home, was preparing for his home-coming, and that her tender body had been outraged and the sacred purity of her womanhood had been violated; when that husband picks her up senseless from the shock and bears her back to the home which they were making together, and after the doctor has arrived and the woman is told that the death she craves to hide her shame will not come, what then becomes of your man-made laws? Back to the old Mosaic law the husband goes, back further than that, way back to the jungle days of his primitive ancestry, when the male protected his female from those who would do her harm. All the laws under heaven will fail to restrain his desire to punish the injury. His friends and neighbors join him with the same instinct aroused in them, and the further fear that the same horrible thing may happen to them if that brute or other brutes who hear him boast of his exploits were to escape the consequences of their crimes. Only too well they know the law's delay—their minds revolt at any chance of uncertainty of his punishment. It is the primal instinct of man and can not be trifled with. The criminal must be punished, and without delay. Those are the two elements that cause what is called "lynching"—a feeling of retributive justice to be meted out, and the desire that there should be no possibility of escape for the criminal.

This law, if passed, would, in my opinion, increase instead of decrease lynchings. We would have another law on our statute books not enforced. This law among the ignorant and vicious in some isolated neighborhoods would be looked to as a protection to them in their evil, and they would think they could commit crime with impunity. And if certain crimes were committed in certain sections the perpetrators would be shot down, as mad dogs are shot down, even though your penalty were made ten million instead of ten thousand. No; the remedy is not in bills like this—the remedy is in teaching the ignorant the way of decency—teaching the vicious there is a better way to live than by following the impulses of their vices—teaching the people of our country to respect the laws they now have.

This bill does not merely affect the crimes of the Negro in the South—it has a political phase also. We might as well look the facts in the face. We know it is an attempt on the part of the Republican Party to get the vote of the Negro. What a misguided policy! The Republican Party has his vote now and will continue to have it for many years to come. It is not necessary to pass such a law to get their votes. The Republican Party appointed my distinguished and able State colleague in charge of a committee "to break the solid South." He started off very well. There was a gubernatorial campaign in Virginia and the Republicans put up a good man as their candidate for governor, effected an organization, and got the campaign started in good shape. Their convention refused to allow the Negro to participate and declared for a white man's party. No Negro was allowed in their organization. It made splendid headway and the Democrats were a little uneasy. Just at the psychological moment, however, the head of the Republican Party in the Nation made an address in the South, which was construed as advocating for the Negro political equality, and the campaign fell flat. There seemed to be a difference of opinion on the subject between Virginia Republicans and the Chief Executive, and the people of Virginia decided they could take no chances with the promises of the State Republican platform. Pass this bill, and you will find there are other sections of this country that share the sentiments of Virginia.

Take this bill, if you pass it, and the four nation pact, your alliance with Japan, and the Democrats need no further ammunition for next year's fights. Many years ago the United States erected at the entrance of its Capitol the Peace Monument, that beautiful symbolic statue signifying to the world that forever before the eyes and in the minds of its legislators was the idea that the aftereffects of war were tears and sorrow. With that before the lawmakers there was the hope that there would be no more war, internal or abroad. The United States was looked upon by all the world as a peace-loving Nation. So it was, and after it had avenged the insults that provoked it into entering the last war, it turned all its energies toward securing the peace of the world. The great head of this great Nation was foremost in the scheme of inviting all the countries of the world into a pact that there would be no more wars. The whole war-wearied world was hopeful and looked to the United States for bread and the Republican Party gave them a stone; the world asked for peace and the Republican Party gave them politics. It is still playing politics. Having prevented "the horrible spectacle" of this country forming entangling alliances with *all* the nations of the world, the Republican Party now forms an entangling alliance with *three* foreign countries—not peace for the whole world, but war for the whole world if any nation dares attack one of our three allies. Oh, consistency, thou art Republican.

As for internal peace, here at this time when the blood of the North and South is coursing through the poppies of Flanders Field, when the Nation is united and cemented as it has never been before, the Republican Party sees fit to bring in a bill that every man in the South knows will destroy the peace in the hearts of our countrymen. This bill will make doubly difficult our problem, which I had hoped was nearer an understanding. It can mean nothing to the vicious element of our population but that they will be protected in their outrages and that they need not fear immediate expiation for their guilt when caught. They will not understand it. Some of them will even look on it as if it was enacted for their especial benefit. You gentlemen of the Republican Party, when the people of this country again ask you for peace, do not again give them politics.

But there is even a greater evil in this bill than that—an evil which if enacted into our laws destroys the greatest experiment in government ever tried by men; an evil which strikes a blow at the very foundation of our country and will cause the United States to totter to its fall. If this bill can be enacted into law, then the entire fabric of our Government is torn to shreds. Section 5 of this bill gives the Federal Government the right to sue any county of any sovereign State for $10,000 for the use of the family of the person put to death, and the only proof necessary for the recovery of this amount is that the person was "put to death by a mob or riotous assemblage" in said county. In other words, the people of any county subdivision of any State can be taxed to pay for the act of any "five or more persons" committing or attempting to commit the crime of lynching. These "five persons" may gather secretly in the dead of the night in some locality far removed from the office of the sheriff or constables or other officers of the county, who may be peacefully sleeping in their beds, unaware of the contemplated action of these five men, and commit or attempt to commit a crime, and the people of the county will be mulcted in their money or property. If the sum of $10,000 can be taken out of the pockets of the citizens of a county who were sleeping in their beds at the time of the commission of a crime and knew nothing about it and had no sympathy with it, then it follows that the Government at Washington, acting under the control of Congress, at its own sweet will can impoverish every taxpayer in every county in every State in the Union. It also follows that it can impoverish every State in the Union. It also follows that the result of the passage of this law will be that every sovereign State becomes a mere dependency of the Federal Government. All State lines might as well be abolished and the entire framework of our Constitution changed if such a thing as this can be done. And I wish to remind you gentlemen who are advocating this measure that the doctrine of State rights is not to-day a peculiarly southern view.

Not long ago from the State of Abraham Lincoln came a wail from the president of the State university over the invasion of

State rights by the Federal Government in the matter of education. I have some recollection also of reading in the newspapers within the last year a protest along the same line by the State of Wisconsin. It is a serious thing to have slight regard for the fundamental principles which have controlled our Government since its beginning.

If you will permit me to quote Thomas Jefferson:

These—

said Jefferson, in citing the essential principles of our Government—

should be the creed of our political faith, the text of civic instruction, the touchstone by which to try the services of those we trust; and should we wander from them in moments of error or of alarm let us hasten to retrace our steps and to regain the road which alone leads to peace, liberty, and safety.

Although uttered by Jefferson, the Republican Party would do well to heed the sentiments here expressed. It has been put in power by a large vote, but the people of the States will hold it responsible for such legislation as this. It will be held responsible for a deviation from fundamental principles to serve local and temporary party expediency. This bill does not merely strike at the unlawful acts of those attempting to punish crime peculiar to the South and its vicious Negro element, it touches every crime committed by five or more persons in every county in this country from the beautiful green mountains of Vermont to the golden shores of California.

This is not a question of partisanship nor politics; it is a question that strikes at the first principles of our constitutional government. The issue is clear cut; it is so clear that there can be no beclouding by confusing argument. You are either for making your county and State a dependency of the Federal Government, or you are for allowing it to retain the autonomy given it under the Constitution. Your vote on this measure, like Banquo's ghost, will never "down"; it will forever rise up against you. For your country's sake, gentlemen, and for the sake of your oath to uphold the Constitution of your country, kill this bill and let it lie. I will warrant you no intellectual buzzard flying over will ever light on its carcass.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. DALLINGER].

Mr. DALLINGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DALLINGER. Mr. Chairman, the Members of the House appear to be unanimous on the question of the existence and the undesirability of the crime of lynching. We are all agreed on that, and every man that has spoken either for or against this bill professes to be in favor of stopping this awful blot on American civilization. Neither is there any question about the demand for Federal legislation. I hold in my hand a memorial from men and women representing one-tenth of the entire citizenship of this country, who are asking for this legislation. There was a time, Mr. Chairman, when a great statesman of my State was censured by the House of Representatives for presenting a petition signed by black men; but, thank God, that time has gone, as they are now citizens of the United States under the provisions of the Constitution and are entitled to be heard. The memorial to which I refer is as follows:

Memorial and petitions to the Congress of the United States of America for a Federal law against mob murder and lynchings.

JOHN WESLEY A. M. E. ZION CHURCH,
FOURTEENTH AND CORCORAN STREETS,
Washington, D. C., December 14, 1921.

To the House of Representatives of the United States Congress and to the individual Members thereof:

The Second Colored World Democracy Congress, now in session under the auspices of the National Equal Rights League, with full confidence in the sincere and enlightened patriotism of your honorable Congressmen, do herein memorialize you in behalf of our constituency of 11,000,000 American citizens and do petition for the passage of a Federal law against mob violence, murder, and lynchings in the form of the Dyer antilynching bill, already approved by a majority of your Judiciary Committee. We believe that it is now time, with the advance of general intelligence and of religion, with the progress of world civilization, with the noble part taken by all elements of the American people in a bloody World War to save civilization and to establish world democracy, for the awful practice of mob murder and lynching of human beings and American citizens to be ended, or, at least, for the Federal Government to undertake this work for the fair name of our Republic.

For 40 years, even unto now, lynchings have gone on at the recorded rate of more than one for every single week, which demonstrates actually, if not theoretically, that the present system of remedy by local or State jurisdiction is impotent to remove this great blot. Let our great Republic, which repeatedly has interfered with the violations of humanity's cause in other countries and which even now assumes the moral leadership of the world, cease to be well-nigh the only country where the lynching of its own citizens is of almost daily occurrence.

The passage now of this Dyer bill will show the world, assembled here at our call for world peace, that we ourselves are sincere and will increase the potency of an influence for the accomplishment of the aim of this historic conference for world peace and armament limitation.

In the name of the Constitution, of our country's repute, of her position in world leadership, and in the name of her helpless children, done to death by cowardly mobs, we close this our earnest prayer.

Committee: Rev. T. J. Moppins, Missouri, chairman; Dr. Julia P. H. Coleman, District of Columbia; E. T. Morris, Massachusetts; Rev. B. S. Salisbury, Mississippi; Rev. W. J. Hollimus, South Carolina; Rev. I. C. Newby, Connecticut; Rev. R. C. Brodie, Rev. M. A. N. Shaw, Massachusetts, chairman of congress; Wm. Monroe Trotter, Massachusetts; Jas. L. Neill, District of Columbia; Morris W. Spencer, District of Columbia; W. O. Harris, Connecticut; L. C. Newby, Connecticut; D. C. Thomas, Connecticut; R. B. Brodie, New York; W. J. Hollimus, South Carolina; E. T. Morris, Massachusetts; B. Saulsbury, Mississippi; P. B. Walton, District of Columbia; Richard Austin, Pennsylvania; F. R. Killingsworth, District of Columbia; J. W. Hill, Massachusetts; M. S. Koonce, District of Columbia; T. J. Moppins, Missouri; C. C. Sommerville, Virginia; Julia P. H. Coleman, District of Columbia; C. H. Cooper, District of Columbia; Jas. L. Neill, District of Columbia; W. Monroe Trotter, Massachusetts; E. A. Abbott, New York; A. J. Luvalle, District of Columbia; M. A. N. Shaw, Massachusetts; J. Francis Lee, North Carolina; W. D. Battle, District of Columbia; Alice V. Jones Winston, Pennsylvania; M. W. Spencer, District of Columbia; H. H. Price, Virginia; E. Flowers, New Jersey; John B. Davis, Mamie White, Irene Peters, John H. Polk, H. A. Ronnsonville, L. W. Norton, H. I. Brown, J. Witherspoon, George Reynolds, C. M. Tanner, Mrs. C. L. Stuart, Robert A. Pelham, Richard Ware, District of Columbia; D. C. Thomas, Connecticut; Leonora Gillard, Mrs. J. Hutchinson, John Day, E. W. Williams, Mrs. E. V. C. Williams, W. H. Richards, Thos. A. Johnson, W. B. Wade, J. P. Blue, W. J. Overton, Logan Johnson, Joseph Curdie, Jos. G. Grant, D. D. Turpau, A. J. Mitchell, District of Columbia; H. N. Jeter, Rhode Island; J. B. Mealey, District of Columbia; Mrs. S. J. James, Maryland; Malinda Gordon, Annie Wheatley, J. C. Olden, J. Finley Wilson, Robert H. Terrell, William P. Moton, District of Columbia; Emma A. Fields, Virginia; Mary C. Terrell, District of Columbia; Walter D. McClane, Massachusetts; Thos. L. Jones, District of Columbia; W. J. Sapp, Georgia; Turner W. Bell, Kansas; J. W. Williams, District of Columbia.

Mr. Chairman, a similar petition might come from our fellow citizens of Hebrew extraction, members of whose race have been lynched by mobs incited by race prejudice. It might also come from our Italian-American citizens whose former fellow countrymen have met the same fate. In that there is no question about the demand for some Federal legislation that shall deal in a comprehensive way with the whole question of preventing, if possible, this barbaric practice and of protecting the lives of American citizens and of citizens of other countries in cases where the State authorities neglect or refuse to perform that imperative duty, I have been somewhat surprised and amused by this vociferous cry of unconstitutionality that has been raised against this particular measure. Now, the original Dyer bill (H. R. 13), introduced in this House at the beginning of the present session, is identical in its provisions with the bill reported to the House of Representatives by the Judiciary Committee in the last Congress, and was originally based on three bills, one introduced by the gentleman from Missouri [Mr. DYER] (H. R. 259), one by the gentleman from Indiana [Mr. MOORES] (H. R. 14097), and one by myself (H. R. 4123). The bill introduced by Mr. DYER and the one introduced by me differed in some particulars, but contained substantially the same provisions as a bill that was introduced in this House almost a quarter of a century ago by no less a person than the Hon. William H. Moody, of Massachusetts, afterwards Attorney General and Justice of the Supreme Court of the United States. Mr. Moody, a great constitutional lawyer, believed that the bill was constitutional.

The last section of the original Dyer bill, which deals with the question of lynching of nationals of other countries, was originally drawn by no less a constitutional lawyer than Hon. William H. Taft, now Chief Justice of the Supreme Court of the United States, for a committee of the American Bar Association, and was repeatedly introduced in the House as a separate bill by the gentleman from Pennsylvania [Mr. TEMPLE].

It may be that there are some sections in this bill—and I think that the original bill, which is crossed out in the text before us, is very much better than the committee amendment; and I shall oppose the committee amendment—there may be some doubt, I repeat, as to the constitutionality or advisability of some sections of the bill. But it can be amended; and if the bill in its amended form becomes a law, and the question of its constitutionality comes before the Supreme Court of the United States at some time in the future, that independent branch of the Government will decide the question. If the gentlemen opposing this bill are so absolutely confident that the Supreme Court of the United States will certainly declare it null and

void, why filibuster against its passage and try to prevent its enactment? What are you afraid of? I almost suspect that you are afraid the Supreme Court may sustain the law.

Mr. GARRETT of Tennessee. May I suggest to the gentleman that there are our oaths.

Mr. DALLINGER. I wish to remind the gentleman from Tennessee that the brilliant and learned arguments against the national child labor bill, the unconstitutionality of which was later declared by the Supreme Court, did not deter a Democratic Congress from passing that measure by an overwhelming vote. Moreover, you gentlemen have passed bills through this House for which there is no constitutional authority whatever. I will ask the Members of this House who voted for the bill to give $20,000,000 in grain to the Russian people, where is there any constitutional authority for such an appropriation of the money of the American people? Can you find any expressed or implied power authorizing it? You can not do it. You can not even sustain its constitutionality by an appeal to the doctrine of resulting power. It is only when a bill comes up that you are opposed to that you raise the constitutional question.

I would recommend that these gentlemen who are so certain that the Supreme Court is going to decide that this bill is unconstitutional attend the sessions of the Supreme Court of the United States when the decisions of that tribunal are announced and listen to dissenting opinion after dissenting opinion in which the minority judges, often four out of the nine, will call attention to the fact that the decision of the majority is contrary to every precedent established by the court from the foundation of this Government. Perhaps some of you were present the other morning when the decision of the court in the so-called Beechnut case was read, and you remember that the minority opinions called attention to the fact that there was no substantial difference between that case and the Colgate case, where the decision had been directly contrary.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. VOLSTEAD. I yield the gentleman one minute more.

Mr. DALLINGER. Now, Mr. Chairman, the gentleman from Virginia and the gentleman from New York brushed aside very unceremoniously the case of Ex parte Virginia when their attention was repeatedly called to it by the gentleman from Kansas [Mr. LITTLE].

I just want to read what the Supreme Court of the United States said in that case in regard to this question of the liability of State officials:

> A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision, therefore, must mean that no agency of the State, or of the officers or agents by whom its powers are exerted, shall deny to any person within its jurisdiction the equal protection of the laws. Whoever, by virtue of public position under a State government, deprives another of property, life, or liberty, without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State, and is clothed with the State's power, his act is that of the State. This must be so, or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or to evade it.

No language could be clearer. There is no question at all but that the provisions of this bill which punish the officers of a State for refusing or denying to the citizens of the United States the equal protection of the laws are constitutional under the provisions of the fourteenth amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. HUSTED].

Mr. HUSTED. Mr. Chairman and gentlemen of the committee, we all realize that lynchings constitute one of the worst blots on the national escutcheon, and I am sure that the good people of the South realize it just as much as do the good people of the North, and that they are just as anxious to stop it. I can not conceive that any right-minded man could take any other attitude toward the question. I have not the slightest patience with any attempt to palliate it or to excuse it. There have been about 3,500 lynchings within a period of 20 years, lynchings at the rate of 175 a year. It is shocking, it is awful that such things should occur in a country like ours, and I believe that we ought to stop it if there is any power within the Federal Government to do it, especially when some of the great States of the South say they can not do it, and when their executives appeal to the Federal Government for aid to stop it. We have heard from the governor of the State of Arkansas and from the governor of another State in the South, admitting that those States can not cope with the situation. So, if there is any power under the Constitution to deal effectively with this question, we certainly should exercise that power, and I believe there is; but I do not believe that in attempting to exercise that power we should tear the Constitution to tatters, and I do not believe, if we can avoid it, that we should create causes of friction between the States and the Federal Government.

This power, in my opinion, can be exercised under the fourteenth amendment and under no other provision of the Constitution. That is the very provision which by its terms confines us to its operation for the solution of this question. That provision, as has been said over and over again here—and it is just as clear as that black is black and white is white—runs to the States and not to individuals. Oh, they have cited the interstate commerce clause of the Constitution and the Mann Act under the interstate commerce clause, and they have cited the prohibition amendment, but the interstate commerce provision of the Constitution and the eighteenth amendment to the Constitution run to individuals, run to every individual in the land. If any individual violates any statute framed to carry out the provisions of the eighteenth amendment, of course he is guilty under the very language of the constitutional provision, and the same is true of the interstate commerce clause in so far as there is a violation of interstate commerce under a Federal statute. This is an entirely different proposition, however. When the fourteenth amendment was adopted, it was not intended to punish individuals as such. It was intended to punish the States through their legislative, their executive, or judicial officers. The only way that you can punish a State, if you can call it punishment when the act is the act of the legislature, is by declaring the act of the legislature unconstitutional. There is no other way in which you can punish a State.

You can not tax a State, you can not impose a fine upon a State. We can not tax our State bonds under the income tax law, we can not tax our municipal bonds under the income tax law, we can not tax the salaries even of State officers under the income tax laws. Then what is the use of talking about taxing a State, what is the use of talking about imposing penalties on States under the provisions of the fourteenth amendment to the Constitution? There are provisions here that impose a fine upon a State, upon a county of a State in which a lynching is committed, even though every reasonable effort was made by every officer clothed with authority to prevent the lynching. Yet from the very fact that a lynching occurs you seek to impose a fine upon a county, and as if that were not absurd enough to heighten the absurdity, you impose a fine upon every county through which the lynching party passes to the lynching, even though in every county every official, ministerial or judicial, clothed with authority to enforce the law did everything in his power to prevent the lynching. It must be admitted that lynchings may occur, even though all of the officers of the State do all they can in their power to prevent them. You must admit that possibility, and yet you have not provided against that possibility.

We have not had a lynching in the State of New York, thank God, since the Civil War, and I am immensely proud of our record. Yet we have had offenses committed there for which lynchings are had in other States, and the men of the State of New York are just as jealous of the honor of and just as eager to protect their women as the men of any State in the Union. We believe in letting the law take its course, however. We do not believe in mob violence. We do not permit mob violence, and all our citizens are as a unit on that proposition.

Something can be done under the fourteenth amendment, because I believe that when that amendment was framed it was designed to cover every officer of the State from the highest to the lowest, and I believe you can pass a law, and I believe that the Supreme Court of the United States would sustain it, punishing as heavily as you see fit to punish any officer of the State, no matter of what rank he may be, from the executive head of the government to the lowest official, who is clothed by law with the authority and the duty to protect the citizen. And that is the kind of law which we should pass. That is a law which would be effective; that is a law which would be constitutional; that would be a law which would not cause friction between the States and the Federal Government, as many of the provisions of this act I fear would do and that would be a result very, very greatly to be lamented. We must amend this bill, but we must pass it, in order to do our duty to the citizens of the country who are denied the equal protection of the laws in the most shameless, the most barbarous, the most inhuman form of lynching. [Applause.]

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Illinois, Mr. SPROUL.

Mr. SPROUL. Mr. Chairman, lynch law is mob law; in other words, the unreasoning fury of popular passion. It is action which casts aside the orderly processes of justice and gives free reign to the brutal instincts of the cave man. Its indulgence in this country has achieved the "bad eminence" which causes the Encyclopedia Britannica to state that "it is essentially and almost peculiarly an American institution." An awful indictment, indeed, against the greatest, most powerful Government of the world. Unfortunately, however, the indictment is true, Mr. Chairman, and because of this I shall, by my vote for the pending bill, express my abhorrence for the practices which it seeks to check and thus to remove the stigma upon our people.

There was a time in the history of this country when lynch law was what might be called a necessary evil. That was in the days when the great West was being opened up by the pioneers of present-day civilization. In those days, in those places, society was unorganized, and hence evildoers met with short shrift. It was lynch law, not civil law, that cleared the western forests, valleys, and mountain passes of horse and cattle thieves and other robbers, outlaws, gamblers, and murderers. There was then a reasonable excuse for the exercise of popular justice, so called, an excuse utterly unavailable in communities where the machinery of the law has been in operation for generations. Nothing but condemnation can be visited upon people anywhere who take the law into their own hands and take human life for some alleged crime without giving the accused an opportunity to prove his innocence, if he is able to do so, or make him pay the penalty for his deed after proper trial and conviction.

There is no sectionalism in this bill, Mr. Chairman. It applies to all sections of the country alike. I care not whether the outrage upon the law of the land is perpetrated in Illinois or Texas, in Massachusetts, or in Mississippi. The offense is as damnable in one State as in another. It is an offense against society, for it lessens the respect for the majesty of the law which every good citizen ought to bear within himself and demand of his fellows. The temple of justice is the handiwork of centuries; not a stone can be removed from it without danger to the whole edifice. In a Republic like ours every citizen ought to be a high priest of justice and tolerate no palliation of any act that tends to undermine the foundations of the venerable structure.

I am no lawyer, Mr. Chairman, and will not presume, therefore, to examine the legal whys and wherefores of the proposed legislation. That is an undertaking which may safely be left to the many able Members of this House who are versed in the law. To me this bill appeals and compels my vote because I view its purpose and provisions from a purely humanitarian standpoint. The protection to life and liberty which I claim for myself I want to be the boon of every man, woman, and child that lives under the Stars and Stripes. The justice I invoke when in stress of the law I would not withhold from the poorest and the humblest in the land, whether white or black, red or yellow, whether native born or foreigner, whether resident or "stranger within the gates."

If we examine dispassionately the features of this measure, we shall not find anything inconsistent with the principles of justice or the dictates of humanity. What does it say? Every State, every county, and every city within a State must guarantee to every human being within its confines the natural and constitutional right to "life, liberty, and the pursuit of happiness." If it fails in this, if it does not exert all its legal and physical power either to prevent crime or punish it, whether committed by an individual or a mob of persons; if it does not exercise the authority with which organized society has invested it, the proposed law declares it guilty and certain penalties follow. Again, if a sworn officer fails to protect a prisoner committed to his care against mob violence, this bill imposes upon him the penalties of fine or imprisonment, or both, after trial and conviction. Surely there is nothing obnoxious to our sense of just and fair dealing, nothing that may not be demanded as right and proper of lawfully constituted State, county, or municipal authorities. It is not enough for a sheriff or a jailor to lock the prison doors against a mob and bid it disperse. With all the physical force he can summon to his aid he must defend his prisoner, even though he know that that prisoner is guilty of an offense punishable by the extreme penalty of death.

But, Mr. Chairman, that which specially meets my approval of this bill is the provision which makes every county or city in which mob violence runs riot and brings about the death by lynching of any person directly responsible for the acts of the mob. More than this, every county through which a victim is taken by such a mob and carried to a place of execution is declared equally guilty with the county in which the riot originated and is made to bear equal punishment. Through the power and processes of the Federal courts the imposition and enforcement of the penalties is assured, and in this way the entire community is held responsible and is made to suffer for the excesses of any number of its residents. In addition to this vicarious physical punishment of the whole population of the county comes the even greater moral infliction of putting the county and the State in the pillory of shame before the judgment of the people of the United States—nay, of the world. Which one of you, my colleagues on this floor, would not suffer in his soul unspeakable agony to have a part of his constituency thus held up to the scorn of mankind. Every good man values his reputation, for—

> Good name in man and woman
> Is the immediate jewel of their souls;
> Who steals my purse, steals trash,
> 'Twas mine, 'tis his, and has been slave to thousands;
> But he who filches from me my good name
> Robs me of that which not enriches him
> And makes me poor, indeed.

The bill places the severest penalties upon persons taking part in a lynching, either as principals or accessories. It says that—

> any person who participates in any mob or riotous assemblage by which a person is put to death shall be guilty of a felony, and on conviction thereof shall be imprisoned for life or for not less than five years.

Yet, I think, Mr. Chairman, those who framed this bill might have tightened the strap just one more notch and have imposed the death penalty upon the person or persons who are proved guilty of the actual deed of the unlawful killing. For such unlawful killing is murder; no more, no less. Murder just as much as the killing done by the thug that shoots his victim from ambush. And just as cowardly or more so. For the professional thug goes upon his errand unaided, while the lyncher does his act supported by a mob. Lynching is not a case of man to man; it is the cowardly putting to death of a human being by a crowd, each one of whom is as bloodthirsty as the actual executioner.

Let us visualize a mob, Mr. Chairman:

> A compound mass of human beings in which each one has for the moment all the follies and evil passions of the rest in addition to his own.

Generally the mobbers have fired their spirits with ardent liquor; sometimes their passions have been aroused by frenzied harangues; and there have been occasions when mobs have gone to their murderous task just "like butchers, to make a Roman holiday." In the very nature of things, a mob bent upon lynching has divested itself of reason and judgment. It can not, nay, will not consider for a moment the question whether or not its intended victim is really guilty of an alleged crime, or possibly has been wrongfully accused. It does not, even for a moment, pause to consider the fact that each one of the crowd sets out deliberately to break the law, and, with malice aforethought, is ready to commit murder. For, Mr. Chairman, in more than one instance not only the prisoner has been done to death, but the sheriff or jailer also who, firm in his sense of duty, tried to keep that prisoner safe from unlawful violence.

There is another aspect. The first section of this bill defines a—

> mob or riotous assemblage—

As—

> an assemblage of five or more persons acting in concert for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense.

In order to bring about such an assemblage there must have been an initiative. A mob is not a spontaneous eruption. The assemblage of five or more persons has been brought about by incitement or suggestion from some one. It is therefore in its initial stage a conspiracy. Against what? Not merely against an individual, but against the peace and dignity of the State; worse yet, Mr. Chairman, against the fame and reputation of the community. So, then, we have a twofold infraction of the law; first, the conspiracy for the commission of an unlawful act; second, the actual commission of the lawless deed. Will any one dare to deny, Mr. Chairman, that the National Government has not only the right, but that it is its bounden duty, whenever a State fails to give protection to life and liberty, to take measures to ensure such protection? Because the National Government has failed to do this but has deferred to the authority of the several States, is that a reason why it should continue in this derelictness in view of the fact—as set out in the committee's report on this bill—that the Constitution gives the mandate for its action?

Lynch law, "this disgraceful evil," as former President Wilson designates it, "can not," to further quote him, "live when the community does not countenance it." Well, Mr. Chairman, I turn again to the committee report on this bill and find there that in the 30 years from 1889 to 1918, 3,224 persons were lynched, two-thirds of them Negroes and more than two-thirds in the South. I find further that, in 1919, 83 persons were lynched; in 1920, 65; and in 1921, statistics not complete, 52 were thus violently done to death by hanging, shooting, burning, and drowning. Is it conceivable, I ask, that these thousands of hangings, shootings, burnings, and drownings could have been perpetrated if the communities in the midst of whom they were carried out had not countenanced them? If there be any doubt in anyone's mind that they were so countenanced, let him search the records and see if any member of the mobs that did these atrocious deeds was ever brought to trial, or if tried convicted. He will search in vain.

The pending bill then presents three cardinal points—procedure against the participants in a lynching; procedure against the officer of the law who fails in his duty to give proper protection to the prisoner committed to his custody; procedure against the community in whose midst a lynching is permitted to be carried on. As to the form in which these points are framed in the bill, I refrain from comment, because, as I said at the outset of my remarks, I am not a lawyer and not versed in the forms of law; but I am in full accord with the spirit of the proposed legislation. It brings directly before the eyes of the people of every State of the Union the constitutional function of the National Government in cases where the State fails to give equal protection to all its citizens, and it serves notice that it will exercise all necessary power to function properly and effectively according to the mandate of the Constitution. After the enactment of this law, if every State will make proclamation thereof, the mob spirit will be curbed out of fear of threatened penalties. If it is not so restrained, but pursues its evil aims, the State will exert its powers to forestall the exercise of the Federal police powers within its borders. Counties and cities will not fail in the endeavor, at least, to prevent outbreaks of mob violence. Greater vigilance will be exercised to avert plots and conspiracies having for their object the lawless punishment of supposed criminals under the guardianship of the law's servants.

Mr. Chairman, I have the utmost faith in the ultimate, if not the immediate, beneficent effect of this legislation. If I did not so believe, I would not give it my vote. I believe it will go far to curb the outbreak of brutal force against helpless prisoners. I believe it will engender a higher respect for the law and the order of the community. I believe we shall, as the years go by, hear less of lynchings and attempted lynchings. I hope to see the United States cleared of the stigma cast upon it by the quotation, in the very beginning of my remarks, that lynching "is essentially and peculiarly an American institution." Advanced as I am in years, I hope to see the day when in every town and hamlet in our beautiful land it may be said in truth and conscience by all the dwellers therein:

Of law there can be no less acknowledged than that her seat is the bosom of God, her voice the harmony of the world; all things do her homage, the very least as feeling her care; and the greatest as not exempted from her power; both angels and men and creatures of what condition soever, though each in different sort and manner, yet all with uniform consent admiring her as the mother of their peace and joy.

Finally, I shall vote for this bill because I see in it the seed of humanizing influences. It will do its work in restraining the evil disposed, and give pause to those inclined to be influenced by wicked counsels and the promptings of passion. Its restraining power will be felt in every part of our country whenever passion threatens to upset reason. It will set up the standard of the law to be revered and worshiped by all who live under its folds.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. BIRD].

Mr. BIRD. Mr. Chairman and gentlemen of the committee, my learned and distinguished colleague, the gentleman from Ohio [Mr. BURTON], referred to that eminent work entitled "The Crowd," by Monsieur Gustav Le Bon, that deals with the proposition that men, when gathered together as a crowd, if they become inflamed, will act far differently than they would act as normal men. The history of this country is showing that there is coming into the Nation an indefensible institution called "the mob," and the effort of this bill is to establish mob action as being a crime that can be reached by the Federal authorities. The gentleman from Virginia came very close to the crux of the situation, though I differ from him entirely in his conclusions. The sheriff, in refusing to act and carry out the law, may not be acting in the real sense for the State, but when he is backed up by a public opinion that causes him to believe that he is justified in not carrying out his duties under the law, then is when the Federal Government can step in and say that there is a condition existing that it must reach. And this bill reaches that situation, first, by punishing State and municipal officers who fail to do their duty in protecting the lives of persons from mobs; second, by punishing the crime of lynching; and, third, by compelling the county in which the crime is committed to make compensation; or, in other words, it proposes to handle every phase of the evil. It provides for those officers, high and low, who are intrusted upon their oaths to preserve the peace and to protect the lives and the properties of the communities; it handles the actual participants of the crime; and it also provides for the chastening of public opinion in the community permitting such cowardly crime by declaring a forfeiture and, if necessary, levying a tax upon it. Any measure doing less would provide but half of a remedy for the evil, and it may be easily prophesied that with the provisions of this bill in force public sentiment in the various localities will quickly be spurred and awakened to its duty.

As to Congress having the right to deal with the individual officer or with the lyncher, there can be little doubt. The only question that arises in this bill is the right of the Federal Government to declare a penalty upon a subdivision of a State government. Viewed in the light of the decisions of the Supreme Court, which permit the going to the extent necessary to control and counteract State abridgment, we can properly reason that when a condition that deprives citizens of equal protection of our laws is based upon public opinion—a public opinion that tolerates and at times even fosters lawlessness—then the step necessary to stop the ravages of the crime is to awaken public opinion by forfeiture. We have been sitting supinely by with folded hands upon this subject for many years, afraid to embark because of it being largely a question of the South and the colored man. Yet, claiming to be the friend of the black race of people, we have stood by year after year and have seen him diabolically butchered—cowardly—without even the semblance of a trial to see whether or not even the slightest suspicion is well founded.

We are not seeking to protect the criminal but the citizen who, because of race prejudice or heated public sentiment, is not afforded the protection of the laws. It has gone so far that many people of the Southern States are rebelling from the atrocities and freely admitting them. No doubt you have all of you received the purported statement of Gov. Dorsey, of Georgia, to the conference of citizens at Atlanta on April 22 last to deal with the subject. The governor freely admits the atrocities of mob rule in his State, and the existence even of peonage, but clings to the pride of his State, that it shall deal with conditions that they have had 50 years to deal with, and have made no real advance during any or all of that time.

Over a long period of years these lynchings in 42 of the various States of the Union have taken place, and the time has now come when we should declare, as a legislative fact, that the States of the Union in a sufficient number have failed to extend to the various people and the various citizens of the Union equal protection, so that it becomes our duty now to place a law at hand that will reach the situation.

Mr. HUDSPETH. Does the gentleman know of a single instance where a sheriff has deliberately turned a prisoner over to a mob to be executed?

Mr. BIRD. I have known not only one but several.

Mr. HUDSPETH. Cite them.

Mr. BIRD. By common report I have known a number of instances of where sheriffs have had men in custody and they have allowed them, without great resistance, to be taken, and the sheriffs have been continued in office by the sufferance of public opinion.

Mr. HUDSPETH. I would thank the gentleman to cite one single instance.

Mr. BIRD. Sheriff Shipp, of Chattanooga, Tenn.

Mr. HUDSPETH. I never heard of it.

Mr. STEVENSON. Did not the Supreme Court have him up here and finally discharge him, and hold that he was not culpable?

Mr. BIRD. The Supreme Court sent him to jail.

Mr. STEVENSON. I do not think so.

Mr. BIRD. I refer to the Two hundred and fourteenth United States. Now, this law is a law to make the crime of lynching a Federal crime. So far as the constitutionality of

it is concerned, I am frank to say that I started out in investigating it believing that it probably was unconstitutional, but after seeing the method by which it proposes to handle the dereliction of the States, and that it reaches to the crowd mind and awakens it by lashing public opinion through public opinion's pocketbook—the only way it can really be successfully lashed—I am confident that it is a constitutonal measure.

Mr. SUMNERS of Texas. Under what provision of the Constitution do you think the Federal Congress can legislate in regard to the public opinion of a State?

Mr. BIRD. I will say this to the gentleman from Texas, that though this may be a new form of legislation, the same thing was said about the act that bears the name of the distinguished gentleman from Illinois. It was said that that was an excursion into a new field. I say that if this is an excursion it is high time that we were taking it. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield eight minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, the gentleman who has just spoken replied to my question that Sheriff Shipp was sent to jail. He was not sent to jail for participation in a lynching but for contempt of court. So I do not think his answer was very pertinent.

Now, Mr. Chairman, I have but a few minutes. This morning the distinguished gentleman from Ohio [Mr. BURTON] went into the historical discussion of this crime, in which he hooked it up with cannibalism, and he spoke of the cruelties that had originated, that had come about, that had grown out of the lynching proposition. I want to call the attention of this committee to the fact that the cruelty of burning persons was not originated by the lynchers but was originated by the law of the States of the Northeast, who built it up and who sold the Negroes to us. I will cite the record and not go any further:

Att a Court holden for the tryal of negro and Indian slaves at the Citty Hall of the Citty of New-York, on Tuesday the 15th day of April, Anno Dom. 1712.

Present: Caleb Heathscope, William Smith, Edward Blagge, Esquires, Justices.

Court opened—

Dom Regina v. Tom the Negro man, slave of Nicholas Rossvelt, J. D.

The defendt Tom being brought to the Barr & having nothing to say for himself why judgment of death should not pass agt him according to the verdict &c. It is considered by the Court that he be carreyed from hence to the place from whence he came and from thence to the place of execution and thence to be burned with a slow fire that he may continue in torment for eight or ten hours and continue burning in said fire until he be dead and consumed to ashes.

Now, that is not any hypothetical case. That is a record of the court of the State of New York, whence the gentleman from New York [Mr. ANSORGE] shed some tears for the colored man the other day.

Mr. FENN. Mr. Chairman, will the gentleman yield for a question?

Mr. STEVENSON. Yes.

Mr. FENN. This gentleman was given a trial, was he not?

Mr. STEVENSON. Yes; he was given a trial; but he was burned and tortured, and a great deal worse, and that is where it came from. When the colored people were brought down South we modified the practice, and when the Civil War occurred there was only one offense for which a slave could be burned—in most of the States he could not be burned at all—and that was for the murder of his master.

Mr. BIRD. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. BIRD. Do you wish to perpetuate it?

Mr. STEVENSON. No, sir. In my State of South Carolina they are doing more to reduce this crime than they are doing in the State of Kansas.

A great deal has been said about where lynching originated, where it started. I will tell you where it started in South Carolina. The distinguished gentleman from Missouri [Mr. DYER] stated the other day that a great many of the lynchings were for absolutely nothing. Let me read you the record from the State of South Carolina:

In January, 1871, Matt Stevens, an inoffensive white man who had lost an arm in the Confederate service, was going from Union Court House, driving his wagon, in which were some barrels of whisky which he was transporting in the pursuit of his business as wagoner. On the public highway he met a company of Scott's Negro militia, numbering about 40, some of whom demanded that he should give them whisky. He complied to the extent of giving them all that he had in a bottle, but refused to let them interfere with the barrels. Thereupon he was seized, abused, beaten, and finally shot to death.

Of course, according to Dr. VOLSTEAD, the culprit ought to have been hanged and quartered, but the law had not been passed that way. [Laughter.]

That is the first record of a lynching in South Carolina. But this bill would not touch it for an instant. Why? Because that man was not accused of a crime, and he was lynched by a riotous crowd, but not taken from the custody of an officer. But then and there they called forth the deepest curse, which we are struggling to overcome. What was the result? That a large body of white people of the Anglo-Saxon race rose against those people, and with such force as they could raise they disarmed that band and put most of them in jail. What was the result? The carpetbag government turned around and began steps to liberate them. Then the white folks went back and took them out. They looked into it, and they turned loose those that they deemed were not guilty and hung the rest. The white people have been fighting against it from that day to this, and we have enacted and enforced the law against it. What has been the outcome? Let me give you 25 years of history, so that you will see whether you will be any better under the Federal statute. Here is the record from 1894 down to date: From 1894 to 1898, five years, there were 36 men lynched in South Carolina. From 1899 to 1903 there were 19 lynchings. From 1904 to 1908 there were 15 lynchings. From 1909 to 1913 there were 14 lynchings. From the year 1914 to 1918, inclusive, there were 8 lynchings, and in the year 1919 there were only 2 lynchings.

Now, do you say we are not attempting to maintain the dignity of the law and protect the man who is accused of crime in South Carolina? Do you think you will help it any by bringing in a foreign jurisdiction that will be resented by our people?

In New York on the 27th day of May, 1917, there were 2,000 people engaged in a race riot, and four or five hundred of them, perhaps, were killed or injured. In Springfield, Ill., there was a race riot, and at East St. Louis on July 2, 1917, 37 colored people and 8 white people were killed, more than have been lynched in South Carolina in the last 15 years.

At Washington, D. C., July 27–31, 1919, there were 6 killed and 100 injured in a race riot.

At Chicago, Ill., July 28–31, 1919, there were 38 killed and 1,500 injured in a race riot. None of these riots came within the terms of this bill.

Under this statute the governor of the State can be imprisoned for failure to have a prisoner protected—see lines 23, 24, 25 on page 11 and line 1, page 12. The police officers of every city in the Union are liable to arrest, and, followed to its logical conclusion, Congress can not only provide to imprison them but can provide for others to take their places and centralize all authority in Washington. New York, Chicago, Cleveland, St. Louis, and San Francisco can be governed by Metropolitan police named in Washington if the principles of this bill stand the test. But what of the reason for it? The reason is that some people have appointed themselves guardian of the Negro. We of the South know him and have carried the burden. No race wars occur there. Many have occurred in the North and in the West in the last few years, a limited list of which I have given above.

It is many years since such things have occurred in the South. A large per cent of the colored people live side by side with the whites on the best of terms. Each knows the boundary which must not be passed. But we are a rural people. Frequently the distances between houses are long, and there is always the fear in going from home to neighbors or to school that the young girl may meet the black demon who occasionally develops—inflamed with passion, powerful in physique, reckless of consequences, brute in every fiber—and be assaulted, abused, and often contaminated with horrible venereal disease, and left dead, or worse; or he goes to the house of a young farmer, who is busily engaged in the field, beyond the cry of his terrorized wife, and, seizing her, he crushes, ravishes, and destroys her; and oftentimes, to prevent her living to identify him, he cuts her throat—pistol shots would raise an alarm, hence the knife—and leaves a bleeding, dying, mutilated body to meet the horrified eyes of her husband on his return.

Do you wonder that he and his neighbors and kinsmen wreak vengeance on the foul brute who is caught with her blood on him? Did our forefathers not so deal with the Indian who tomahawked the women and children? And can manhood be bred out of the race? I do not condone lynching under any circumstances; but I can not forget that they, as well as I, are human, and there are limitations to human endurance. But it is said that if detected he would pay the penalty according to law, and that is true; but let us look at that from another angle. Suppose the little ravished girl lives and can identify her assailant, and he is arrested and called to trial. This tender and terrorized child must go before a grand jury of 18 men and tell her story of humiliation and horror; and then, in the open court, she must face the vulgar gaze of the gaping, curious

crowd that always hangs around. She must go on the stand, subject to cross-examination, and relate all the disgusting and horrifying details of her humiliation, testifying to things that even the prostitute blushes to mention, and then come out, with every idle dealer in gossip pointing at her as the girl who was ravished by so-and-so. Do you wonder that men shrink from making a girl go through a hell like that? Do you wonder that human nature sometimes breaks all bounds and overturns all law under this strain? Do you suppose, if you pass this bill, you will better this awful thing? When reason is dethroned, law is forgotten. We have been dealing with this evil, and South Carolina has made great progress. You will only foment agitation and resentment by this bill. The juries will be the same no matter in what court you call the case. The State authorities will cease to enforce their laws, shifting the burden on the National Government, with the result that local cooperation will be paralyzed, and the latter end of the matter will be worse than the first.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BIRD. Mr. Chairman, I ask for the same privilege.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Alabama [Mr. McDUFFIE] such time as he may desire.

Mr. McDUFFIE. Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. VOLSTEAD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. ECHOLS by unanimous consent (at the request of Mr. GOODYKOONTZ) was granted leave of absence for one week, on account of the death of his brother.

ADJOURNMENT.

Mr. VOLSTEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 18, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

474. Under clause 2 of Rule XXIV, a letter from the Secretary of the Navy, transmitting a draft of a bill authorizing the Secretary of the Navy to proceed with the construction of certain public works, was taken from the Speaker's table and referred to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JONES of Pennsylvania: Committee on Interstate and Foreign Commerce. H. R. 9931. A bill to extend the time for completing the construction of a bridge across the Delaware River; without amendment (Rept. No. 571). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JEFFERIS: Committee on the Public Lands. H. R. 7862. A bill authorizing the Secretary of the Interior to sell and patent certain lands to William S. N. Calhoun and Zaidee Boatner Calhoun, residents of Catahoula Parish, La.; with an amendment (Rept. No. 570). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9901) granting a pension to Sanford L. Martin; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 9917) granting a pension to Susan A. Wilsey; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 9889) granting a pension to Imogene Burdick; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McFADDEN: A bill (H. R. 9950) to repeal paragraph 10 of subdivision (b) of section 213 of the revenue act of 1921; to the Committee on Ways and Means.

By Mr. SUMMERS of Washington: A bill (H. R. 9951) to amend section 28 of an act approved February 14, 1920, entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1921"; to the Committee on Indian Affairs.

Also, a bill (H. R. 9952) to authorize the Secretary of Agriculture to establish uniform standards of classification, an inspection service, a market news service, a system of adjustment of disputes, and a system of approved dealers and handlers for farm products, and for other purposes; to the Committee on Agriculture.

By Mr. BUTLER: A bill (H. R. 9953) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes"; to the Committee on Naval Affairs.

By Mr. MUDD: A bill (H. R. 9954) making an appropriation for the grading and lighting of Eastern Avenue between Sixty-first and St. Catherine Streets, in the District of Columbia; to the Committee on Appropriations.

By Mr. BURDICK: A bill (H. R. 9955) providing for the conveyance to the city of Newport, in the State of Rhode Island, of the tract of land known as Fort Green for public use; to the Committee on Military Affairs.

By Mr. STEENERSON: Resolution (H. Res. 266) requesting the President to furnish to the House information regarding freight rates on dairy supplies and agricultural implements; to the Committee on Interstate and Foreign Commerce.

By Mr. CULLEN: Memorial of the Legislature of the State of New York, urging the passage by the House of Senate bill 745, which will give admiralty employees the benefit of the workmen's compensation law; to the Committee on the Judiciary.

By Mr. ROSSDALE: Memorial of the Legislature of the State of New York, urging the passage by the House of Senate bill 745, which gives admiralty employees the benefit of the workmen's compensation law; to the Committee on the Judiciary.

By Mr. KINDRED: Memorial of the Legislature of the State of New York, urging the passage by the House of Senate bill 745, which gives admiralty employees the benefit of the workmen's compensation law; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 9956) granting a pension to Dewitt W. Stevens; to the Committee on Invalid Pensions.

By Mr. CLASSON: A bill (H. R. 9957) granting an increase of pension to Catherine Filius; to the Committee on Invalid Pensions.

By Mr. CULLEN: A bill (H. R. 9958) for the relief of the Merritt & Chapman Derrick & Wrecking Co.; to the Committee on Claims.

By Mr. DARROW: A bill (H. R. 9959) granting a pension to John C. Eckert; to the Committee on Pensions.

By Mr. FAUST: A bill (H. R. 9960) granting an increase of pension to Mary A. Cook; to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 9961) for the relief of Arthur A. Padmore; to the Committee on Military Affairs.

By Mr. LANHAM: A bill (H. R. 9962) granting a pension to Alford W. Waldamore, alias Fritz Schlidear; to the Committee on Pensions.

By Mr. NOLAN: A bill (H. R. 9963) for the relief of the Hartford Accident & Indemnity Co., of Hartford, Conn.; to the Committee on Claims.

By Mr. PURNELL: A bill (H. R. 9964) granting a pension to James Hooker; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 9965) granting a pension to Benjamin Hammonds; to the Committee on Pensions.

By Mr. ROACH: A bill (H. R. 9966) granting a pension to Joseph R. Lawson; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 9967) granting a pension to Millie A. Scoggin; to the Committee on Invalid Pensions.

By Mr. ROSENBLOOM: A bill (H. R. 9968) granting a pension to Mary C. Bartlebaugh; to the Committee on Invalid Pensions.

By Mr. SULLIVAN: A bill (H. R. 9969) granting a pension to John T. Kiernan; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 9970) granting an increase of pension to Thomas Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9971) granting a pension to Jack C. Wilson; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 9972) granting a pension to Thomas Finegan; to the Committee on Pensions.

By Mr. WILLIAMS: A bill (H. R. 9973) granting a pension to Harriet E. Burgess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9974) granting an increase of pension to Mary Barnhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9975) granting an increase of pension to Sabra W. Williams; to the Committee on Invalid Pensions.

By Mr. LANGLEY: Resolution (H. Res. 267) for the relief of Katie Rose; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3527. By the SPEAKER (by request): Petition of the Philadelphia Board of Trade, opposed to House bill 9381; to the Committee on Banking and Currency.

3528. By Mr. ANSORGE: Petition of the Harlem (N. Y.) Board of Commerce, opposing the canalizing of the St. Lawrence River, etc.; to the Committee on Rivers and Harbors.

3529. By Mr. BARBOUR: Petition of Atlanta Post, No. 92, Department of California and Nevada, Grand Army of the Republic, of Fresno, Calif., favoring the passage of the Morgan pension bill, also the payment of pensions to Civil War veterans and their widows monthly; to the Committee on Pensions.

3530. By Mr. CHRISTOPHERSON: Petition of Henry Hall Post, No. 193, American Legion, of Irene, S. Dak., urging adjusted compensation for soldiers, etc.; to the Committee on Interstate and Foreign Commerce.

3531. Also, petition of citizens of South Dakota, urging the revival of the Government Grain Corporation; to the Committee on Agriculture.

3532. By Mr. CULLEN: Petition of the staff of the New York Agricultural Experiment Station, urging publication of certain journals be continued; to the Committee on Agriculture.

3533. By Mr. FENN: Petition of W. A. Countryman, of Hartford, Conn., and others, for a constitutional amendment relating to representation in Congress; to the Committee on the Judiciary.

3534. By Mr. KINDRED: Petition of the trustees of the New York Public Library, urging certain clauses in House bill 7456 be accepted, etc.; to the Committee on Ways and Means.

3535. Also, petition of the National Game Conference of the American Game Protective Association, urging passage of Senate bill 1452 and House bill 5823; to the Committee on Agriculture.

3536. By Mr. KISSEL: Petition of the Metal Trades Council of Brooklyn, relative to certain legislation; to the Committee on Naval Affairs.

3537. By Mr. RAKER: Petition of the California Metal Trades Association, of San Francisco, Calif., urging opposition to bill authorizing Navy to lease its New Orleans dry dock to private persons; to the Committee on Naval Affairs.

3538. Also petition urging the establishment of a national deer park in the San Jacinto Mountains, Riverside County, Calif.; to the Committee on the Public Lands.

3539. Also, recommendations of the committee on finance and currency of the Chamber of Commerce of the State of New York, relative to Federal Reserve Board membership; to the Committee on Banking and Currency.

3540. By Mr. RIDDICK: Petition of farmers at Hinham, Mont., urging revival of United States Grain Corporation; to the Committee on Agriculture.

3541. By Mr. SINCLAIR: Petition of the commission on rural problems, appointed by the governor of North Dakota, in support of legislation for stabilizing the prices of farm products; to the Committee on Agriculture.

3542. Also, petition of the executive committee of the Hettinger County (N. Dak.) Farm Bureau, praying for an appropriation for loans to farms for the purchase of seed; to the Committee on Agriculture.

3543. Also, petition by residents of Ryder, Halliday, Golden Valley, Dodge, Plaza, Parshall, Rugby, Midway, Rainy Butte, South Heart, Amidon, New England, and Carson, N. Dak., urging the passage of legislation for the relief of agriculture through the revival of the United States Grain Corporation and the stabilization of prices of farm products; to the Committee on Agriculture.

3544. Also, petition of citizens of Amidon, Belfield, Benedict, Kenmare, Noonan, Colgan, Fortuna, Pretty Rock, and Deep, N. Dak., in support of House bill 9461 for the stabilization of prices of farm products and the revival of the United States Grain Corporation; to the Committee on Agriculture.

3545. By Mr. VARE: Petition of the Philadelphia Board of Trade, opposed to any action by Congress preventing the reappointment of Gov. Harding as Head of the Federal Reserve Board; to the Committee on Banking and Currency.

3546. By Mr. WINSLOW: Petition of the senior Baraca class of the Harlem Street Baptist Church, Worcester, Mass., praising the Disarmament Conference, etc.; to the Committee on Foreign Affairs.

SENATE.

WEDNESDAY, *January 18, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, the heavens declare Thy glory and the firmament showeth Thy handiwork, but we bless Thee for the closer relationship and relevation of Thyself as given to us in Thy Son. We ask in His name that there may be granted unto each to-day the sense of Thy presence and such help as shall fulfill every duty in Thy fear and for Thy glory. And Thou shalt have all the praise. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, January 16, 1922, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Frelinghuysen	McLean	Sheppard
Borah	Glass	McNary	Shortridge
Bursum	Gooding	Moses	Simmons
Calder	Hale	Myers	Smith
Cameron	Harreld	Nelson	Smoot
Capper	Harris	New	Spencer
Caraway	Harrison	Newberry	Stanfield
Colt	Heflin	Norris	Sterling
Culberson	Jones, Wash.	Oddie	Townsend
Cummins	Kellogg	Page	Trammell
Curtis	King	Pepper	Wadsworth
Dial	Ladd	Phipps	Walsh, Mass.
Edge	La Follette	Pittman	Walsh, Mont.
Ernst	Lodge	Poindexter	Warren
Fletcher	McKellar	Pomerene	Watson, Ind.
France	McKinley	Robinson	Willis

Mr. CURTIS. I was requested to announce the absence of the Senator from Connecticut [Mr. BRANDEGEE], the Senator from North Carolina [Mr. OVERMAN], the Senator from Tennessee [Mr. SHIELDS], and the Senator from Georgia [Mr. WATSON] on business of the Senate.

The VICE PRESIDENT. Sixty-four Senators having answered to their names, a quorum is present.

REINTERMENT OF SOLDIER DEAD.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Quartermaster General of the Army, transmitting a list of American soldier dead returned from overseas, to be reinterred in the Arlington, Va., National Cemetery, Thursday, January 19, 1922, at 2.30 p. m., which will lie on the table for the information of Senators.

THE TOBACCO SITUATION.

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, in response to Senate resolution 129, agreed to August 9, 1921, a report on prices, profits, and competitive conditions in the tobacco industry, which was referred to the Committee on Agriculture and Forestry.

EXPENDITURES FOR RURAL POST ROADS, ETC.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, annual reports submitted by the Bureau of Public Roads and the Forest Service showing expenditures for the fiscal year ended June 30, 1921, out of funds appropriated for the construction of rural post roads in cooperation with the States, and for the Federal administration of the work, as well as expenditures for the survey, construction, and maintenance of roads and trails within or partly within the national forests, which was referred to the Committee on Agriculture and Forestry.

COTTON GINNED OF THE CROP OF 1921.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of Commerce, giving statistics concerning the number of bales of cotton ginned between August 1, 1921, and December 1, 1921.

Mr. SMITH. The communication is in response to a resolution that I introduced, and I ask that it be referred to the Committee on Agriculture and Forestry. I should like also to have it printed in the RECORD. It is a matter of such importance that it ought to be made of record.

The VICE PRESIDENT. Without objection, it will be printed in the RECORD and so referred.

The communication is as follows:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, January 17, 1922.

Hon. CALVIN COOLIDGE,
President of the Senate, Washington, D. C.

DEAR MR. COOLIDGE: I respectfully transmit herewith the report of the Director of the Census, made in compliance with the resolution adopted by the Senate on December 14, 1921, requiring him to collect statistics concerning the number of bales of cotton ginned for the period from August 1, 1921, to December 1, 1921.

Yours, faithfully,

HERBERT HOOVER,
Secretary of Commerce.

REPORT OF THE DIRECTOR OF THE CENSUS.

JANUARY 17, 1922.

The SECRETARY OF COMMERCE,
Washington, D. C.

SIR: On December 14, 1921, the Senate of the United States passed the following resolution:

"*Resolved*, That the Director of the Census be, and he hereby is, directed to ascertain from the ginners, for the period from August 1, 1921, to December 1, 1921, the total number of bales of cotton ginned by each ginner, the total weight of the cotton ginned, and the average weight per bale; and to find the average weight per bale of the total number of bales thus reported, and to report the same to the Senate as early as possible, such findings and report not to include linters."

I have the honor to transmit herewith six tables giving the statistics collected in compliance with this resolution.

The records of the Bureau of the Census show that there were 21,080 cotton ginneries in the United States on December 1, 1921, and that prior to that date 15,960 had ginned some cotton from the crop of 1921. All of the ginneries, both active and idle, were sent copies of the Senate resolution with the request that they furnish statistics of the number of bales of cotton ginned, the total weight of cotton ginned in pounds, and the average weight per bale in pounds for all cotton ginned from August 1, 1921, to December 1, 1921, square and round bales being reported separately. They were also requested to make a separate report on the quantity of linters, so as to insure the exclusion of linters from the statistics of the quantity of cotton ginned. A copy of the card schedule is transmitted herewith.

Of the total number of ginneries (21,080), returns, in compliance with this request, were received from 6,251. Of this number 1,338, or 21 per cent, apparently secured the statistics from records, and reports from them may, I believe, be accepted as a true indication of the average weight of the bale. The statistics for these ginneries are given in Table 2. They show that the 1,338 ginneries ginned 689,222 bales of cotton during the period from August 1, 1921, to December 1, 1921, and that these bales weighed 342,061,182 pounds, an average of 496.3 pounds per bale.

Reports were received from 1,579 ginners which indicated that the statistics concerning the weight of the cotton ginned were obtained by multiplying the average weight of bale by the number of bales ginned. The statistics for these ginneries are given in Table 3. They, however, should not be accepted as a true indication of the actual average weight per bale.

Reports were received from 431 ginneries which did not give the weight of the lint cotton, but instead the seed cotton. The statistics for these ginneries are given in Table 5.

There were 1,364 which showed the number of bales ginned and the average weight, but not the pounds. These ginneries were classified according to the average weight of the bale. The data in Table 4 show the number of ginneries and the number of bales reported for each classification. It is noted that a considerable number of the ginneries showed an even 500 pounds as an average weight.

Table 6 shows the number of ginneries which reported only the number of bales ginned, reporting neither the total pounds nor the average weight. There were 500 reports of this character. One thousand one hundred and thirteen ginneries reported that no cotton had been ginned during the period.

You will note that returns were received for less than one-third of the ginneries. It is probable that additional returns will be received for a considerable time, but I doubt the advisability of holding up the data received for these scattering returns.

Respectfully submitted.

W. M. STEUART, *Director.*

[Copy of card schedule sent to ginneries.]

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, December 29, 1921.

DEAR SIR: Your attention is called to the following resolution (S. Res. 192) passed by the Senate of the United States December 14, 1921:

"*Resolved*, That the Director of the Census be, and he hereby is, directed to ascertain from the ginners, for the period from August 1, 1921, to December 1, 1921, the total number of bales of cotton ginned by each ginner, the total weight of the cotton ginned, and the average weight per bale; and to find the average weight per bale of the total number of bales thus reported, and to report the same to the Senate as early as possible, such findings and report not to include linters."

Kindly answer the inquiries on the reverse side of this card and return it in the accompanying official envelope, which requires no postage. To insure that linters will not be included with cotton, they will be shown separately. I trust that you will give the matter your immediate attention.

Very respectfully,

W. M. STEUART,
Director of the Census.

[Department of Commerce—Bureau of the Census.]

Cotton ginned August 1 to December 1, 1921.

(See Senate resolution 192, on reverse side of card.)

Kind.		Total number of bales ginned.	Total weight of cotton ginned (pounds).	Average weight per bale (pounds).
Cotton	Square bales			
	Round bales			
Linters				

This is to certify that the information contained in this report is complete and correct to the best of my knowledge and belief.

_____.

(Signature of person furnishing information.)

TABLE 1.—*Total number of cotton ginneries by States, and the number active to Dec. 1, 1921, with the number of bales ginned.*

State.	Ginneries.		
	Total number.	Active to Dec. 1.	
		Number.	Bales ginned.
United States	21,080	15,960	7,644,286
Alabama	1,958	1,404	574,096
Arizona	50	31	25,715
Arkansas	1,655	1,456	756,802
California	51	25	16,126
Florida	173	69	11,745
Georgia	3,156	2,190	803,898
Louisiana	1,108	772	275,814
Mississippi	1,929	1,525	789,048
Missouri	105	75	66,142
North Carolina	2,267	1,751	738,383
Oklahoma	960	734	470,662
South Carolina	3,048	2,197	734,751
Tennessee	536	444	281,439
Texas	3,934	3,168	2,077,151
Virginia	134	104	15,049
All other States	16	14	7,445

TABLE 2.—*Reports of concerns which show bales and apparently actual pounds.*

State.	Number of ginneries.	Bales.	Total pounds.	Average weight (pounds).
United States	1,338	689,222	342,010,182	496.3
Alabama	128	45,938	22,749,942	495.2
Arizona	14	18,133	9,238,798	509.5
Arkansas	124	72,069	36,588,358	507.4
California	5	3,682	1,907,832	518.2
Florida	11	944	419,688	444.6
Georgia	163	71,038	33,677,664	474.1
Louisiana	84	30,566	14,799,939	484.2
Mississippi	119	69,897	33,968,560	486.0
Missouri	15	14,016	7,203,750	514.0
New Mexico	3	3,392	1,693,763	499.3
North Carolina	136	75,173	36,392,271	484.1
Oklahoma	63	45,179	22,542,408	499.0
South Carolina	167	69,796	32,720,932	468.8
Tennessee	63	41,496	21,446,501	516.8
Texas	236	126,098	65,758,143	521.5
Virginia	7	1,805	921,653	510.6

TABLE 3.—*Reports of concerns where the number of pounds appears to have been obtained by multiplying the average weight by the number of bales.*

State.	Number of ginneries.	Bales.	Total pounds.	Average weight (pounds).
United States	1,579	898,894	442,490,530	492.3
Alabama	145	74,272	36,118,466	486.3
Arizona	4	3,690	1,912,640	518.3
Arkansas	107	65,060	34,211,179	525.8
California	1	834	442,020	530.0
Florida	10	3,031	1,478,060	487.6
Georgia	205	86,912	41,202,396	474.1
Louisiana	53	24,354	11,779,514	483.7

TABLE 3.—*Reports of concerns where the number of pounds appears to have been obtained by multiplying the average weight by the number of bales*—Continued.

State.	Number of ginneries.	Bales.	Total pounds.	Average weight (pounds).
Mississippi	130	81,318	39,621,825	487.2
Missouri	2	972	495,568	509.8
New Mexico	1	176	84,480	480.0
North Carolina	209	112,229	53,422,098	476.0
Oklahoma	87	58,563	29,219,856	498.9
South Carolina	234	100,632	46,984,604	466.9
Tennessee	41	28,201	13,830,097	490.4
Texas	344	257,673	131,193,334	509.2
Virginia	6	977	494,393	506.0

TABLE 4.—*Reports of concerns which show the number of bales and the average weight, but not the total pounds, classified according to the average weight reported.*

State.	Ginneries reporting and bales ginned.																	
	Less than 450 pounds.		450 pounds.		451 to 474 pounds.		475 pounds.		476 to 499 pounds.		500 pounds.		501 to 524 pounds.		525 pounds.		526 pounds and over.	
	No.	Bales.	No.	Bales.	No.	Bales.	No.	Bales.	No.	Bales.	No.	Bales.	No.	Bales.	No.	Bales.	No.	Bales.
United States	149	41,829	187	63,205	124	67,607	102	38,130	253	161,418	307	174,057	168	133,868	28	18,411	46	32,143
Alabama	18	4,448	16	4,791	9	5,269	10	1,922	25	11,253	51	18,874	9	6,270	1	141	3	1,442
Arkansas	6	1,430	16	4,407	3	1,608	7	2,304	33	18,349	40	20,632	19	11,578	3	5,437	5	5,653
California											2	614						
Florida	2	202									1	199						
Georgia	31	16,867	38	10,645	22	12,067	14	5,682	26	14,875	28	9,271	4	2,576	1	34		
Louisiana	13	2,415	11	3,119	8	4,910	6	1,460	15	7,564	16	8,064	3	2,195			2	631
Mississippi	10	2,297	12	3,838	19	8,489	8	2,542	31	21,318	34	16,936	15	12,633	2	4,959	4	1,849
Missouri											2	423						
North Carolina	15	4,314	30	13,372	18	11,265	17	8,630	22	13,173	21	14,772	6	4,562	3	1,039	1	21
Oklahoma	1	600	3	602	3	2,657	6	4,219	16	8,732	21	10,977	11	11,973				
South Carolina	45	7,114	43	16,032	30	15,727	27	9,233	39	25,699	33	10,917	4	2,730				
Tennessee	2	48			3	1,302	1	62	7	4,237	13	8,140	15	12,726	5	1,591		
Texas	5	2,060	16	5,487	9	4,313	5	1,976	37	35,973	44	54,230	82	66,625	13	5,210	31	22,547
Virginia	1	34	2	912			1	100	2	245	1	8						

TABLE 5.—*Reports of concerns which show the bales and pounds of seed cotton.*

State.	Number of ginneries.	Bales.	Total pounds seed cotton.	Average weight (pounds).
United States	431	198,173	287,175,863	1,449.1
Alabama	26	7,472	9,879,012	1,322.1
Arizona	2	1,780	3,109,070	1,746.7
Arkansas	44	19,318	28,490,074	1,474.8
Georgia	27	8,909	10,988,333	1,233.4
Louisiana	13	3,646	4,773,894	1,309.4
Mississippi	26	6,157	8,219,392	1,335.0
Missouri	4	3,004	4,659,672	1,551.2
North Carolina	61	14,667	19,253,439	1,312.7
Oklahoma	39	18,357	27,532,818	1,499.9
South Carolina	26	5,374	7,218,873	1,343.3
Texas	151	108,635	161,934,487	1,490.6
Virginia	12	854	1,116,799	1,307.7

TABLE 6.—*Reports of concerns which show number of bales ginned but not pounds or average weights, and also number of concerns reporting no cotton ginned.*

State.	Reporting bales but not pounds or average weight.		Number of ginneries reporting no cotton ginned.
	Number of ginneries.	Bales ginned.	
United States	500	375,600	1,039
Alabama	56	39,257	110
Arizona	2	2,409	9
Arkansas	38	26,974	49
California	1	3,678	8
Florida	4	467	13
Georgia	67	39,859	176
Kentucky			1
Louisiana	23	11,310	62
Mississippi	68	55,665	60
Missouri	1	1,408	7
New Mexico	1	150	2
North Carolina	38	22,226	117
Oklahoma	19	15,071	60
South Carolina	57	51,600	174
Tennessee	10	5,985	16
Texas	114	99,439	170
Virginia	1	102	5

HOUSE BILLS REFERRED.

The following bills and joint resolution were severally read twice by title and referred as indicated below:

H. R. 8815. An act to amend the act of March 1, 1921 (41 Stat., p. 1202), entitled "An act to authorize certain homestead settlers or entrymen who entered the military or naval service of the United States during the war with Germany to make final proof of their entries"; to the Committee on Public Lands and Surveys.

H. R. 8818. An act granting the consent of Congress to the city of Pittsburgh, a municipal corporation of the Commonwealth of Pennsylvania, to construct, maintain, and operate a bridge across the Monongahela River at or near its junction with the Allegheny River in the city of Pittsburgh, in the county of Allegheny, in the Commonwealth of Pennsylvania; to the Committee on Commerce.

H. R. 8999. An act to authorize exchanges of lands within the Snoqualmie National Forest, in the State of Washington; to the Committee on Public Lands and Surveys.

H. R. 9050. An act granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia; to the Committee on Commerce.

H. R. 9060. An act to authorize the Secretary of War to lease a certain tract of land in the city of Leavenworth, in the State of Kansas; to the Committee on Military Affairs.

H. R. 9386. An act to grant the consent of Congress to the Whiteville Lumber Co. to construct a bridge across the Waccamaw River at or near Pireway Ferry, county of Columbus, N. C.; to the Committee on Commerce.

H. R. 9495. An act for the protection of timber owned by the United States from fire, disease, or the ravages of beetles or other insects; to the Committee on Public Lands and Surveys.

H. J. Res. 227. Joint resolution extending the term of the National Screw Thread Commission for a period of five years from March 21, 1922; to the Committee on Manufactures.

UNITED STATES LANDS IN TEXAS ACQUIRED FROM MEXICO.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2133) ceding jurisdiction to the State of Texas over certain lands or bancos acquired by the United States of America from the United States of Mexico, which were on page 1, line 9, after "shall," to insert "upon the acceptance of this act by the State of Texas"; on page 1, lines 11 and 12, strike out "and

of the respective subdivisions of said State of Texas, wherein said land lies"; on page 2, line 5, strike out "from" and insert "by"; and amend the title so as to read: "An act adding lands to the State of Texas and ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico."

Mr. SHEPPARD. I move that the Senate concur in the House amendments.

The motion was agreed to.

EXPORT OF COAL AND OTHER WAR MATERIAL.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 124) to amend Senate joint resolution 89, approved March 14, 1912, amending the joint resolution to prohibit the export of coal and other material used in war from any seaport of the United States, approved April 22, 1898, which were to strike out all after the resolving clause and insert:

That whenever the President finds that in any American country, or in any country in which the United States exercises extraterritorial jurisdiction, conditions of domestic violence exist, which are or may be promoted by the use of arms or munitions of war procured from the United States, and makes proclamation thereof, it shall be unlawful to export, except under such limitations and exceptions as the President prescribes, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

SEC. 2. Whoever exports any arms or munitions of war in violation of section 1 shall, on conviction, be punished by fine not exceeding $10,000 or by imprisonment not exceeding two years, or both.

SEC. 3. The joint resolution entitled "Joint resolution to prohibit the export of coal or other material used in war from any seaport of the United States," approved April 22, 1898, and the joint resolution entitled "Joint resolution to amend the joint resolution to prohibit the export of coal or other material used in war from any seaport of the United States," approved March 14, 1912, are repealed.

And to amend the title so as to read:

Joint resolution to prohibit the exportation of arms or munitions of war from the United States to certain countries, and for other purposes.

Mr. LODGE. I move that the Senate concur in the amendments. The House substitute does not change the joint resolution substantially.

The motion was agreed to.

TRANSFER OF CERTAIN PUBLIC-LAND ENTRIES.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1099) to amend section 2372 of the Revised Statutes, which were on page 1, line 10, to strike out the words "such entry shall, unless" and insert the word "if"; and on page 1, lines 13 and 14, to strike out the words "be reinstated and passed to patent; and in case the land has been so disposed of or appropriated."

Mr. SMOOT. The amendments merely clarify the meaning of the bill and have no effect upon the intent of the bill itself. I move the Senate concur in the amendments of the House.

The motion was agreed to.

PETITIONS AND MEMORIALS.

Mr. SHEPPARD presented resolutions adopted by the Houston (Tex.) Cotton Exchange and Board of Trade, January 11, 1922, favoring the granting of sufficient appropriations to the Bureau of Markets and Crop Estimates of the Department of Agriculture to make more accurate cotton acreage reports, and, if sufficient funds be not granted to make proper canvass, that the source or sources of information be indicated by the department, which were referred to the Committee on Agriculture and Forestry.

Mr. CAPPER presented three petitions of sundry citizens of Stockton, Kans., praying that appropriation be made for continuance of the village postal delivery system, which were referred to the Committee on Post Offices and Post Roads.

Mr. SHORTRIDGE presented resolutions of the Chamber of Commerce of Hayward, the Chamber of Commerce of Pleasanton, and the Yolo County Board of Trade, all in the State of California, favoring enactment of legislation imposing a tariff duty on sugar imported into the United States adequate to protect and encourage the American sugar industry, which were referred to the Committee on Finance.

He also presented a resolution adopted by the California Teachers' Association, southern section, at Los Angeles, Calif., December 22, 1921, favoring the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented a petition of Golden Key Lodge, No. 26, Knights of Pythias, of Martinez, Calif., praying for the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens of Greenville, Taylorsville, Susanville, and Keddie, all in the State of California, remonstrating against the enactment of Senate bill 1948, providing for compulsory Sunday observance in the District of Columbia, which was referred to the Committee on the District of Columbia.

VISIT OF JAPANESE PARLIAMENTARY DELEGATION.

Mr. HARRIS. Mr. President, last year a delegation of the House of Representatives of Japan visited the United States. The Senate adjourned so as to be introduced to the party. I am now in receipt of a letter from the spokesman of the delegation extending thanks for courtesies received here. It is a very cordial letter. I presume the reason the communication has been sent to me is because I was a member of a congressional delegation which visited Japan two years ago. I ask that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE HOUSE OF REPRESENTATIVES, TOKYO,
December 15, 1921.

Hon. WILLIAM J. HARRIS,
2400 Sixteenth Street, Washington, D. C., U. S. A.

MY DEAR SIR: I have the pleasure of informing you that we, the delegates from the House of Representatives in Japan, who recently returned home after visiting the United States and Europe, desire to thank you heartily for the great courtesy you showed us during our stay in your country.

When we were in America, we found that most of the derogatory statements made in the past in regard to the relations between your country and Japan were based on misunderstandings, and we sincerely hope that those misunderstandings may be removed as soon as possible through your kind cooperation.

The statements we sent from America to Japanese newspapers concerning your kindness to us and what we saw while abroad created a good impression upon our countrymen. We are taking every chance to make the good impressions received by us while in your country known to our people, so that the bonds of friendship between the United States and Japan may be strengthened ever more and more.

In conclusion, I would say that we most earnestly desire the success of the Washington conference proposed by America.

Again thanking you most heartily for your kindness, we have the honor to remain,

Yours, faithfully,

R. NAKANISHI,
Spokesman for the Party of Members of the House of Representatives of Japan.

REPORTS OF THE COMMITTEE ON NAVAL AFFAIRS.

Mr. POINDEXTER, from the Committee on Naval Affairs, to which was referred the bill (H. R. 5659) for the relief of Ellen M. Willey, widow of Owen S. Willey, reported it without amendment and submitted a report (No. 439) thereon.

He also, from the same committee, to which was referred the joint resolution (H. J. Res. 7) to amend section 2 of the joint resolution entitled "Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes," approved June 5, 1920, reported it with an amendment and submitted a report (No. 440) thereon.

Mr. PITTMAN, from the Committee on Naval Affairs, to which was referred the bill (S. 2390) to redistribute the number of officers in the several grades of the Supply Corps of the Navy, reported it without amendment and submitted a report (No. 441) thereon.

HUDSON RIVER BRIDGE.

Mr. CALDER. From the Committee on Commerce I report back favorably, without amendment, the bill (S. 2799) to supplement and amend the act entitled "An act to incorporate the North River Bridge Co. and to authorize the construction of a bridge and approaches at New York City across the Hudson River, to regulate commerce in and over such bridge between the States of New York and New Jersey, and to establish such bridge a military and post road," approved July 11, 1890, and I submit a report (No. 442) thereon. The bill is recommended by the War Department, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

Mr. NORRIS. Mr. President, I have no intention, of course, of objecting to the consideration of the bill, but I am interested in the subject, and I desire to ask the Senator from New York whether the time for beginning the construction of this bridge has once before been extended?

Mr. CALDER. Yes.

Mr. NORRIS. Why is it that the construction of the bridge has not been commenced?

Mr. CALDER. Because the people who were given permission to construct the bridge were not able to finance the project, and, in addition, there were engineering problems which had not been overcome. It is now believed that all the engineering problems have been overcome, and if a permit to proceed with construction is now granted, the parties interested believe they will now be able to finance the project and to construct the bridge.

Mr. NORRIS. Is it a question now as to whether or not they will be able to finance the project?

Mr. CALDER. They now feel they will be able to finance the project. The Senator from New Jersey [Mr. FRELINGHUYSEN] introduced the bill, and, perhaps, can give the Senator any information he may desire.

Mr. NORRIS. What is the nature of the corporation or the character of the people who are behind the proposition and who propose to build the bridge?

Mr. FRELINGHUYSEN. Mr. President, this bill provides for an extension of the time for building a bridge across the Hudson River from New York to New Jersey, a project the completion of which is greatly needed at the present time, in view of the congestion now existing by reason of the limitation of the capacity of the ferryboats plying between those two States. A group of financiers have gotten together and arranged to build this bridge under the toll system. It is proposed to be a bridge for vehicular traffic, for passengers, and also for railroads; a bridge that will be so vast in extent that it will require more steel in its construction than the entire five bridges which now span the East River from Brooklyn to New York.

The obstacle which has heretofore prevented the completion of the bridge has been the objection of the transportation companies to the location of the piers in the river as obstructing traffic. The present plans and designs, which have been prepared by Mr. Lindenthal, one of the greatest bridge builders of the country, contemplate piers on both shores of the river and a span across the entire 3,200 feet, with a 150-foot clearance. The bridge will be 2 miles in length. Certain financiers of New York and New Jersey have joined in an effort to build this structure which is so much needed. I have in my office, and will file in connection with the report, a description of the architectural plans.

Mr. NORRIS. Have the States of New York and New Jersey consented to the construction of the bridge?

Mr. FRELINGHUYSEN. I understand that they have, for there is now a treaty between New York and New Jersey, and under what is known as the port authority those States are empowered to give permission for projects of this character.

I simply wish to say, Mr. President, that there is nothing so much needed at the present time to relieve the traffic and travel between New York and New Jersey as a bridge of the character contemplated in the bill.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from Florida?

Mr. FRELINGHUYSEN. I yield.

Mr. FLETCHER. May I ask the Senator whether this bill changes in any respect the original terms and conditions upon which the bridge was to be built?

Mr. FRELINGHUYSEN. It merely provides an extension of time within which the bridge may be constructed.

Mr. FLETCHER. The bridge would still be constructed under the supervision of the Chief of Engineers, I take it?

Mr. CALDER. It is specified in the bill, I will say to the Senator, that the plans must be submitted to and approved by the Chief of Engineers.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to incorporate the North River Bridge Co. and to authorize the construction of a bridge and approaches at New York City across the Hudson River, to regulate commerce in and over such bridge between the States of New York and New Jersey, and to establish such bridge a military and post road," approved July 11, 1890, be, and the same is hereby, so amended as to extend the time for the completion of the said bridge until 15 years from the date of the approval hereof; and said time is hereby extended for said period: *Provided*, That this act shall not be construed as authorizing the building of said bridge in accordance with the plans heretofore approved by the Secretary of War, under which construction of said bridge was heretofore commenced, but drawings showing the new location and plans of said structure shall again be submitted to the Secretary of War for his consideration and approval before construction shall be again commenced: *And provided further*, That actual work hereunder and in accordance with such plans so approved shall be commenced within five years after such approval by the Secretary of War.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRIS:

A bill (S. 3014) to promote the safety of passengers and employees upon railroads by compelling common carriers engaged in interstate commerce to use steel passenger cars under certain conditions; to the Committee on Interstate Commerce.

By Mr. MYERS:

A bill (S. 3015) to authorize the erection and equipment of a building or buildings for school purposes on the Blackfeet Indian Reservation, in Montana; to the Committee on Indian Affairs.

By Mr. POINDEXTER:

A bill (S. 3016) for the relief of Pay Inspector Charles R. O'Leary, United States Navy; to the Committee on Naval Affairs.

By Mr. JONES of Washington:

A bill (S. 3017) authorizing appropriations for the prosecution and maintenance of public works on canals, rivers, and harbors, and for other purposes; to the Committee on Commerce.

By Mr. SWANSON:

A joint resolution (S. J. Res. 156) authorizing the Secretary of War to grant a permit to erect and maintain a hotel upon the Fort Monroe Military Reservation in Virginia; to the Committee on Military Affairs.

INVESTIGATION OF COMMERCIAL WHEAT-FLOUR MILLING.

Mr. NORRIS. I submit a Senate resolution and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be read.

The reading clerk read the resolution (S. Res. 212), as follows:

Resolved, That the Federal Trade Commission be, and it is hereby, directed to extend its investigation of commercial wheat-flour milling from the date of the conclusion of its investigation of said industry included in its report to Congress on September 15, 1920, up to the close of the fiscal year ending June 30, 1921.

The VICE PRESIDENT. The Senator from Nebraska asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. KING. Mr. President, may I inquire whether or not the proposal will involve any very great expense and whether the commission is now investigating the matter antecedent to the period covered by the resolution?

Mr. NORRIS. It will require some expense, of course, but I presume the expense will not be great. In response to the other question the Senator has asked, and it is a very proper one, I will say that an investigation of this subject was made and a report submitted to Congress on the subject, I think, on September 15, 1920. The investigation, however, was closed before that date because it took some time to prepare the report. The resolution I have now introduced requests that the investigation be extended so as to include the fiscal year 1921.

Mr. KING. Can not the desired information be obtained from the Bureau of Markets or some other agency in the Department of Agriculture?

Mr. NORRIS. I think not at this time. The resolution simply proposes that the investigation which the Federal Trade Commission has already made shall be continued up to the time they made their first report.

Mr. KING. I have no objection to the resolution.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The resolution was considered by unanimous consent and agreed to.

PROPOSED BUREAU OF CROP INSURANCE.

Mr. SHEPPARD submitted the following resolution (S. Res. 214), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the Committee on Agriculture and Forestry of the Senate be, and it is hereby, authorized and directed to investigate the practicability and desirability of a bureau of crop insurance to be operated by the United States Government, or otherwise, as may be found advisable.

IMPROVEMENT OF THE ST. LAWRENCE RIVER.

Mr. KELLOGG submitted the following resolution (S. Res. 215), which was considered by unanimous consent and agreed to:

Resolved, That the message from the President of the United States, transmitting a letter from the Secretary of State, submitting the report of the international joint commission on its investigation concerning the improvement of the St. Lawrence River between Montreal and Lake Erie for navigation and power, laid before the Senate and referred to the Committee on Foreign Relations on January 16, 1922, be printed with all accompanying papers and illustrations as a Senate document.

INTERCHANGEABLE MILEAGE TICKETS.

The VICE PRESIDENT. The morning business is closed. In accordance with the order of the Senate, the Chair lays before the Senate the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. WARREN obtained the floor.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Alabama?

Mr. CUMMINS. Mr. President, is it the unfinished business that is now before the Senate?

The VICE PRESIDENT. It is.

Mr. CUMMINS. I think the Senator from Arkansas [Mr. ROBINSON] has something to say upon it.

Mr. HEFLIN. It will not take me more than four or five minutes to say what I wish to say.

Mr. CUMMINS. I had supposed that the Senator from Arkansas, who had the bill brought forward, intended to submit to the Senate some observations upon it.

PERSONAL EXPLANATION—CORRECTION OF THE RECORD.

Mr. HEFLIN. Mr. President, I want to make reference to an editorial from the Wall Street Journal concerning me that was printed in the RECORD yesterday at the request of the Senator from New York [Mr. CALDER]. It will not take me more than four or five minutes.

Mr. WARREN. Mr. President——

The VICE PRESIDENT. The Senator from Wyoming has the floor.

Mr. WARREN. I do not wish to hold the floor against the special order or the unanimous-consent agreement longer than to present some views which I entertain and which I have stated I would present. I do not think I have a right to yield for anything that is likely to lead to a discussion, however.

Mr. HEFLIN. This matter pertains to me personally. It is in regard to an editorial which was slipped into the RECORD yesterday by the Senator from New York [Mr. CALDER]. I knew nothing about it. It contains a criticism of me, and I want to make a statement regarding it.

Mr. WARREN. If it is a matter of a highly personal nature, I can do no less than to yield.

Mr. HEFLIN. Yes; it will take me only a few minutes.

Mr. President, just before Christmas, in a speech that I made to the Senate, I used the name of "the Wall Street Journal" when I should have said "the New York Journal of Commerce," and what I said applies not to the Wall Street Journal but to the New York Journal of Commerce. I had no intention of doing any injustice to the Wall Street Journal.

I have a letter from Mr. Wannamaker, president of the American Cotton Association, in which he says:

DEAR SENATOR HEFLIN: I have just read with a great deal of interest and pleasure your remarks concerning the attack made by the Journal of Commerce upon the South, and also the matter of the Federal reserve, in the CONGRESSIONAL RECORD. I wish to extend my personal appreciation and that of the entire South to you for your splendid stand in this matter.

He says:

P. S.: I note in the CONGRESSIONAL RECORD you stated the attack was made by the Wall Street Journal, whereas you should have said the Journal of Commerce. Do not get the papers confused. The proper one is the Journal of Commerce.

Mr. President, I had no intention of using the wrong name. I certainly wanted to direct my remarks at the paper that was guilty of the things that I criticized. I am glad to make the proper correction in the matter, and will see that the permanent RECORD has the correction I have made.

I wish to say, however, that the courteous, the proper and the decent thing to have been done by the Senator from New York [Mr. CALDER] before he printed an editorial reflecting on a colleague in this body would have been to have put the Senator upon notice that he was going to ask unanimous consent to have it printed. No Senator should attack another Senator through that sort of procedure. If he has anything to say he ought to say it on the floor, or let the Senator who is attacked know that he is undertaking to slip it into the RECORD.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. HEFLIN. I am glad to yield to the Senator from Nebraska.

Mr. NORRIS. I should like to inquire of the Senator if the editorial which he is complaining about in the RECORD was read from the desk, or whether it was printed without reading?

Mr. HEFLIN. I think it was printed without reading. I knew nothing about it, and no Senator on this side knew anything about it.

Mr. ROBINSON. Where is it?

Mr. HEFLIN. On page 1261 of the CONGRESSIONAL RECORD.

Mr. NORRIS. I judge from the RECORD to which the Senator calls my attention that it was not read from the desk, but was printed without reading.

Mr. HEFLIN. Yes. In the few remarks the Senator from New York made, he expresses his gratitude to the Senator from Virginia [Mr. GLASS] for his speech on the Federal Reserve Board and its policy, and then later on prints this editorial in the RECORD without its being read.

I simply wanted to make that statement to the Senator and the country, Mr. President.

Mr. ROBINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Arkansas?

Mr. WARREN. I yield.

Mr. ROBINSON. Under the unanimous-consent order heretofore entered, the Senate has proceeded to the consideration of the bill requiring the issuance of mileage tickets by railroads. The Senator from Wyoming [Mr. WARREN] announced some days ago, I am informed, that he expected to submit this morning some remarks touching a very important subject, which, however, is not intimately related to the bill under consideration. At the conclusion of the remarks of the Senator from Wyoming, which I am very much interested in hearing and anxious that the Senate shall hear, I shall take the floor, if the opportunity is occasioned, and discuss the mileage book bill.

AMENDMENT OF THE RULES—APPROPRIATION BILLS.

Mr. WARREN. Mr. President, a few days since I was interrupted in a brief statement respecting the report of an appropriation bill, which was the first of the great supply bills of the present session. These bills—one of which we have received, another has passed the House, and several others are under consideration there in subcommittees—are quite different in names and terms from those heretofore considered by Congress, and this is because of the Budget law, under which for the first time these bills are completely framed and presented.

THE BUDGET LAW.

It will be remembered that the necessity for a Budget law has been indorsed by both political parties in their conventions, and various bodies—chambers of commerce, boards of trade, and associations of various kinds—have seemed to make the entire Nation practically unanimous in its desire to have a Budget law, and to have the appropriations and expenditures of the Government conducted thereunder. At the time that the first bill was introduced and seemed likely to pass, the House changed its rules and placed all appropriation bills in charge of the general Appropriations Committee, and it handled the bills during the last session of Congress. It should be remembered, however, that they were not yet working under the Budget. In the meantime, after the Budget law had been passed at the last session, vetoed by the President, and reintroduced with the elimination of one or two objectionable clauses, it was passed in the first part of the present Congress; so that now we are up to a point where the House is thoroughly in line with that law.

The law provided that not only should the old style of estimates be made—the huge book of estimates which we have to ponder over in the committees every year—but there should be an alternative list of estimates, and in that alternative list should be set up a new line of treatment. That was adopted, and the House has used those estimates entirely. The result is that the bills came to us in economical terms, arranged differently, of course; but in the House the changes seem to have gained immediate approval, and there seems to have been more efficiency in considering and handling the bills.

Of course, under the Budget law the Bureau of the Budget spends the entire year in communications with the various departments, from the bureau chiefs up to the heads of the departments. It arranges what seem to be the wants of the Government in the way of appropriations. Then they are taken to the President, and by the President laid before the Cabinet, and either approved as a whole or changed by the Cabinet; and then the President becomes the one source from which we receive our estimates and our advices as to what should be done in regard to the expenses of the Government.

Without any intention, I wish to say, of infringing upon the rights or privileges of any Senator or any committee, and without undertaking alone to settle any problems existing under the adoption and the placing of Congress under the guidance of the Budget law and rules, I feel it necessary and, in fact, my bounden duty at this time, in carrying out the work that has been allotted to me by the Senate as chairman of the Appropriations Committee to present the advisability, if not indeed the necessity of certain changes of methods to coordinate our rules and practices and secure the best results expected from the operation of the Budget law.

HOUSE PRACTICE AMENDED.

As before stated, the House has assembled all of the appropriation bills in one committee. Whether or not the Senate will follow in the full acceptance and enforcement of the Budget thus made by the House rests with the wishes of this body. I bring the matter before you without any attempt at dictation on my part and shall accept the views of the Senate as my rule and the rule of the Appropriations Committee.

There is, however, a change in the titles and contents of appropriation bills as they will hereafter come to the Senate which will necessitate a change of our rules, and which I think should have attention without further delay.

SENATE RULE XVI.

For instance, under our present rules all general appropriations bills in the Senate shall be referred to the Senate Committee on Appropriations, as per the first paragraph of Rule XVI, except certain bills which are excepted by title, and which shall be considered by the respective committees for which the bills are named.

Some of those excepted have been, with others, done away with—absorbed in new bills under other names.

As I have said, the Budget law required the submission to Congress of the regular annual estimates in the usual old way, and it also required the submission of an alternative Budget estimate.

The alternative Budget estimate presented to Congress the estimates as required, but collected together and arranged in new and different forms.

NEW ARRANGEMENT OF APPROPRIATION MEASURES.

The Budget Bureau has proposed, the President has approved, and the House committee has adopted the new titles for the regular annual appropriation bills, as follows. I here quote the House record:

This arrangement necessarily will wipe out practically all of the old appropriation bills and establish in their stead new bills to contain the appropriations grouped according to the various units of organization of the Government. The following list shows the present bills and the proposed bills:

PRESENT (13).

1. Agriculture.
2. Army.
3. Diplomatic and Consular.
4. District of Columbia.
5. Fortifications.
6. Indian.
7. Legislative, executive, and judicial.
8. Navy.
9. Pension.
10. Post Office.
11. River and harbor.
12. Sundry civil.
13. Deficiency.

PROPOSED (12).

1. Treasury Department.
2. District of Columbia.
3. War Department.
4. Legislative establishment.

Permit me to say that that has no reference to the legislative, executive, and judicial appropriation bills, except as it takes out the Senate and the House employees, and a few others.

5. Post Office Department.
6. Agricultural Department.
7. Interior Department.
8. Independent offices.
9. Navy Department.
10. Departments of State and Justice.
11. Departments of Commerce and Labor.
12. Deficiency.

Mr. ROBINSON. Will the Senator yield for a question?

Mr. WARREN. Certainly.

Mr. ROBINSON. This scheme would abolish the sundry civil appropriation bill?

Mr. WARREN. Entirely. I will come to that in a moment.

This reduces the number of annual bills from 13 to 12, and it will be noticed that of all the bills heretofore cared for by the general Appropriations Committee, there is no longer a sundry civil bill, which, by the way, has been the most important of any of our appropriation bills; the omnium-gatherum of the sundry civil and other matters which relate, in a way, to all the different parts of our Government, much the same as does a deficiency measure.

Next to the abrogation of the sundry civil, the House will not send us the legislative, executive, and judicial bill. This is the bill that carried the employees of all departments, except Agriculture, from the President and the Congress on down through the line to the charwomen, and taking them all in except a few sundry services in the fields throughout the country and the more important employees of the Agricultural Department.

These become distributed among the various other bills, so that, as I said before, there will be no longer any legislative, executive, and judicial appropriation bill.

There is to be no fortifications bill as heretofore. This will leave to come from the House, directly under the old title, to the Committee on Appropriations only two measures—the District of Columbia and deficiency bills. Of those two, the deficiency bill is the only one that will come in the usual way, because the District of Columbia appropriation bill has been enlarged by adding the Supreme and Circuit Courts of the District of Columbia and sundry other matters which are considered to so relate to the government of the District as to be included therein.

Turning back a moment to the list which I have given, it will be found that not a single one of all the bills remains the same except the deficiency appropriation bill. Next to that is the Agricultural appropriation bill. There is very little added to that. The last three given in the list have been absorbed, the same as the three others mentioned, so that of six under their former names all have been absorbed entirely under these new names.

It would seem that under the present rules, if unamended, the Army appropriation bill would be sent to the Military Affairs Committee, the naval appropriation bill to the Naval Affairs Committee, the Post Office appropriation bill to the Committee on Post Offices and Post Roads, and the Agricultural appropriation bill to the Committee on Agriculture and Forestry, as heretofore, and all of the others would be hanging in the air, except the one or two which formerly have been sent to the Appropriations Committee.

The things provided for heretofore have all been covered somewhere in these different bills, and the idea of the budget has been to so arrange our appropriation bills that when they become laws the seeker after information could find the subject he is looking for more nearly aligned with other similar things than if he had to hunt through three or four bills to find what would be appropriate for some one purpose.

For instance, the new War Department measure is made up very largely of matters formerly carried in the sundry civil bill, legislative, executive, and judicial bill, rivers and harbors bill, and fortifications bill, and it will be noted that this also carries to the War Department the construction, repair, and preservation of all the public works, rivers, harbors, parks, fortifications, and all works of defense, and from the sundry civil the following:

Armories and arsenals.
Barracks and quarters.
Fort Monroe, Va., wharf, roads, and sewer.
Military posts.
National cemeteries.
Antietam Battle Field, repairs, superintendent, etc.
Disposition of remains of officers, soldiers, and certain employees.
Confederate cemeteries.
Burial of deceased indigent patients at Hot Springs, Ark.
Arlington Memorial Amphitheater and chapel.
National military parks.
Buildings and grounds in and around Washington (payable wholly from the Treasury of the United States.
River and harbor contract work, including flood control.
California Débris Commission.
Survey of northern and northwestern lakes.
Harbor of New York.
Medical and surgical history of war with Germany.
Transportation facilities for inland and coastwise waterways.
National Home for Disabled Volunteer Soldiers.
State and Territorial homes for soldiers and sailors.
Artificial limbs, trusses, and appliances for disabled soldiers.
Back pay and bounty.
Panama Canal.

Also all of the wages and salaries of War Department employees formerly carried in the sundry civil bill are transferred to the War Department bill. In the same way all of the department employees' salaries, contingent funds, and so forth, from the legislative, executive, and judicial bill. And thus the War Department appropriation bill becomes far the largest and most important of all appropriation bills—more important than several others combined—not only in amount of probable money appropriated, but in the vast number of distributions to be made of the money, and so forth. This bill, with all the others, comes from the one Appropriations Committee of the House.

The Post Office Department bill in the same way takes from the former legislative bill all of the department officers' and employees' salaries and contingent expenses. And, by the way, it might be well to record here that in contingent expenses for the different departments there should be experience and careful economy always, as well as in salaries of Government employees, in order to be sure that we do not pyramid one department upon the other in expenses, under the influence of the bureau heads and others, whose sole interest is with their par-

ticular branch of the Government service. We should somewhere, somehow, have all these expenses received and compared, one branch with another, and reconciled accordingly.

The Department of Agriculture will come to us more nearly in its old form than will any of the other supply bills.

It is true that we have, under the new title, what is called a legislative establishment, a bill which takes certain items from the old sundry civil, and also from the old legislative, executive, and judicial bills—things which apply more directly to Congress, like the expenses of the Senate, the House, the Library of Congress, Architect of the Capitol, police, drafting service, Committee on Printing, Senate and House Office Buildings, Capitol power plant, and so forth.

The District of Columbia bill takes from the legislative, executive, and judicial bill the courts—supreme and appeals of the District—and quite a number of items from the sundry civil bill.

The bill for the Departments of State and Justice takes all of the Diplomatic and Consular Service, and takes from the legislative, executive, and judicial bill all of the salaries of the two departments and their contingent expenses; salaries of all United States judges and all other court officers and employees, and contingent expenses of the Territories—Alaska and Hawaii. It carries the Supreme Court and circuit courts, retired judges, Court of Customs Appeals and Court of Claims, national park commissioners, books and papers for judicial officers, and so forth.

To give the Senate some of the changes brought about in this new arrangement of our supply bills, I beg to insert and have printed as submitted, in eight-point type, and tabulated and arranged as I present them, some statements which show in general terms the changes of which I have already spoken. I will not take the time to read them unless I am asked to do so, but a glance at the matter presented will show what is taken from other bills to make up the new bills.

The PRESIDING OFFICER (Mr. POMERENE in the chair). Without objection, they will be incorporated in the RECORD.

The matter referred to is as follows:

DEPARTMENTS OF STATE AND JUSTICE.

Will include appropriations for—	Heretofore appropriated for in—
The Diplomatic and Consular Service	Diplomatic and consular bill.
Department of State, salaries and contingent expenses.	Legislative, executive, and judicial bill.
Judges, attorneys, marshals, and clerks, courts of Territory of Alaska.	
Chief justice, associate justices, and judges of circuit courts, Territory of Hawaii.	
Department of Justice, salaries and contingent expenses.	
Supreme Court	
Circuit court of appeals	
District courts	
Retired judges	
National Park Commissioners	
Books for judicial officers	
Court of Customs Appeals	
Court of Claims	
Penitentiary buildings	Sundry civil bill.
Miscellaneous objects, Department of Justice.	
United States courts	
Penitentiaries	

TREASURY DEPARTMENT BILL.

Treasury Department, salaries and contingent expenses.	Legislative, executive, and judicial bill.
Internal revenue, expenses of collecting.	
Mints and assay offices	
Public buildings, including marine hospitals and quarantine stations.	Sundry civil bill.
Coast Guard	
Engraving and Printing	
Miscellaneous objects, Treasury Department.	
Customs Service	
Public Health Service	

WAR DEPARTMENT BILL.

Will include appropriations for—	Heretofore appropriated for in—
Military Establishment	Army bill.
Fortifications and other works of defense, for the armanent thereof and for the procurement of heavy ordnance for trial and service.	Fortification bill.
The construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.	River and harbor bill.
War Department, salaries and contingent expenses.	Legislative, executive, and judicial bill.
Office of public buildings and grounds	
State, War, and Navy Building	
Armories and arsenals	Sundry civil bill.
Barracks and quarters	
Fort Monroe, Va., wharf, roads, and sewer.	
Military posts	
National cemeteries	
Antietam battlefield, repairs, superintendent, etc.	
Disposition of remains of officers, soldiers, and certain employees.	
Confederate cemeteries	
Burial of deceased indigent patients at Hot Springs, Ark.	
Arlington Memorial Amphitheater and Chapel.	
National military parks	
Buildings and grounds in and around Washington (payable wholly from Treasury of the United States.)	
River and harbor contract work, including flood control.	
California Débris Commission	
Survey of northern and northwestern lakes.	
Harbor of New York	
Medical and surgical history of war with Germany.	
Transportation facilities for inland and coastwise waterways.	
National Home for Disabled Volunteer Soldiers.	
State and Territorial homes for soldiers and sailors.	
Artificial limbs, trusses, and appliances for disabled soldiers.	
Back pay and bounty	
Panama Canal	

POST OFFICE DEPARTMENT BILL.

The service of the Post Office Department	Post Office bill.
Post Office Department, salaries and contingent expenses.	Legislative, executive, and judicial bill.

NAVY DEPARTMENT BILL.

The Naval Service	Naval bill.
Navy Department, salaries and contingent expenses.	Legislative, executive, and judicial bill.

INTERIOR DEPARTMENT BILL.

The current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes.	Indian bill.
The payment of invalid and other pensions of the United States.	Pension bill.
Department of the Interior, salaries and contingent expenses.	Legislative, executive, and judicial bill.
Surveyors general	
Governor's Office and legislative expenses, Territory of Alaska.	
Governor's Office and legislative expenses, Territory of Hawaii.	

INTERIOR DEPARTMENT BILL—continued.

Will include appropriations for—	Heretofore appropriated for in—
Public Buildings	Sundry civil bill.
Public Lands Service	
Geological Survey	
Bureau of Mines	
Reclamation Service	
Testimony in disbarment proceedings	
Territory of Alaska	
National Parks	
St. Elizabeths Hospital	
Columbia Institution for the Deaf	
Howard University	
Freedmen's Hospital	

DEPARTMENTS OF COMMERCE AND LABOR BILL.

Will include appropriations for—	Heretofore appropriated for in—
Department of Commerce, salaries and contingent expenses.	Legislative, executive, and judicial bill.
Department of Labor, salaries and contingent expenses.	
Lighthouse Service	Sundry civil bill.
Coast and Geodetic Survey	
Bureau of Fisheries	
Bureau of Standards	
Immigration Service	
Naturalization Service	
United States Housing Corporation	
Employment Service	

DEPARTMENT OF AGRICULTURE BILL.

Will include appropriations for—	Heretofore appropriated for in—
The Department of Agriculture	Agricultural bill.

DISTRICT OF COLUMBIA BILL.

Will include appropriations for—	Heretofore appropriated for in—
Expenses of the government of the District of Columbia.	District of Columbia bill.
Court of Appeals	Legislative, executive, and judicial bill.
Supreme Court	
Columbia Hospital and Lying-in Asylum, construction.	Sundry civil bill.
Rock Creek and Potomac Parkway Commission.	
National Zoological Park	
Expenses of burying ex-Union soldiers, ex-sailors, and ex-marines of the United States service.	
Buildings and grounds in and around Washington (payable 60 per cent from the revenues of the District of Columbia).	
Repairs and improvements to courthouse, District of Columbia.	

LEGISLATIVE ESTABLISHMENT BILL.

Will include appropriations for—	Heretofore appropriated for in—
Senate	Legislative, executive, and judicial bill.
Capitol police	
Joint Committee on Printing	
Legislative drafting service	
House of Representatives	
Library of Congress	
Botanic Garden	
Architect of Capitol Office (from Interior)	
Statement of appropriations	Sundry civil bill.
Capitol police	
Protection of Capitol	
Capitol Building and Grounds, and Maltby Building.	
Senate contingent expenses	
Senate Office Building	
House Office Building	
Capitol power plant	
Government Printing Office	

INDEPENDENT OFFICES BILL.

Will include appropriations for—	Heretofore appropriated for in—
Executive Office	Legislative, executive, and judicial bill.
Bureau of Efficiency	
Civil Service Commission	
Veterans' Bureau	Sundry civil bill.
Alien Property Custodian	
American Printing House for the Blind	
Commission of Fine Arts	
Employees' Compensation Commission	
Federal Power Commission	
Federal Trade Commission	
Interstate Commerce Commission	
Lincoln Memorial Commission	
National Advisory Committee for Aeronautics.	
Railroad Labor Board	
Shipping Board	
Smithsonian Institution	
Tariff Commission	
Federal Board for Vocational Education	

DEFICIENCY BILL.

Same as heretofore.

Mr. WARREN. Under this new grouping, and under the desire of Congress for economy and the desire to avoid overlapping, pyramiding, and duplicating, it is necessary, in my judgment, to have some reviewing authority, some committee, which may, at least, supervise matters to ascertain whether there have been such duplications as we are perfectly familiar with and have known about for years. We have known that ever since the committees were divided in the Senate it has cost the country more, each committee doing the best it could, but on account of the lack of some one reviewing committee we have spent unnecessarily many millions of dollars. I shall quote some of the expressions of those who have been with us in times past, and who have had intimate knowledge of these affairs. Before beginning that, I may say that it will probably be remembered by the Senators that Senator Aldrich stated to the Senate that, in his opinion, it cost $300,000,000 a year too much to run the Government because of the distribution of the appropriation bills among various committees.

DIVIDED AUTHORITY ON APPROPRIATIONS.

In the earlier years appropriations were all considered by one committee in each body, the Committee on Appropriations of the House and the Committee on Appropriations in the Senate. In fact, it was that way when I first entered the Senate. A few years later an unsuccessful attempt was made for division in the Senate, and I remember that I voted against it, although not then a member of the Appropriations Committee. Finally the House of Representatives made some divisions, the Senate followed suit, and the rules were changed, a number of bills—not so many as now—going to committees other than the general Appropriations Committee.

It was predicted, in fact it was known to be a certainty, as near as any future expected event can be a certainty, that this division would lead to great increase in expenditures of the Government, and if not actual extravagance, then surely to an unpreventable duplication and pyramiding of our expenditures.

ONE-COMMITTEE PLAN APPROVED QUITE GENERALLY IN PAST.

Distinguished Members of both Houses who have served upon these committees, and very many others—in fact, I may say almost all of those who have had to do with appropriation bills and who have served a sufficient length of time to enable them to pass judgment upon the matter—have maintained and insisted upon this view.

It is needless for me to go back beyond the memory of our oldest Members to name men of Senate and House who have expressed themselves on the floors of Congress in support of the one-committee plan, but I shall mention a few of the well-known Members whose judgment is entitled to our respectful attention.

I note from the RECORD that Senator Edmunds, of Vermont, of long and faithful service—never a member of the Appropriations Committee—speaking of a move to distribute the bills, strongly opposed it.

Mr. NORRIS. Did the Senator say Senator Edmunds opposed the distribution?

Mr. WARREN. He opposed the distribution among the committees.

Mr. NORRIS. He wanted to retain them all in one committee?

Mr. WARREN. Yes. I will insert later exactly what these different Senators and others said. I do not wish to tire the Senate by reading them all, but will make them a matter of record.

Senator Sherman, not a member of the committee, said:

I believe it is necessary, as my friend from Vermont says, to bring all of the items of expenditure for the Nation under the eye and control of one committee, so that they may limit the amount of expenditure.

Senator Hale, a long-time member and former chairman of the Appropriations Committee, always strongly opposed separation.

Representative Randall, a member of the Ways and Means Committee, not of the Appropriations Committee, a noted economist and statesman, said:

If you undertake to divide all these appropriations and have many committees where there ought to be but one, you will enter upon a path of extravagance.

Mr. Tawney, a former chairman of the House Committee on Appropriations, said:

Mr. Speaker, to my mind no other reform in the rules and procedure of this House is so essential to the future welfare of the people and to the economical appropriation and expenditure of their money for the public service as the consolidation of the appropriating jurisdiction of the House under a single committee of sufficient size to be representative of all sections of the country and of every branch of the public service. * * *

Senator UNDERWOOD, our distinguished colleague, took similar ground in the House of Representatives on February 6, 1915.

Representative Good made many speeches advocating a single committee, and a change in the rules of the House followed. This was while he was chairman of the House Committee on Appropriations, and after they had had quite a long trial with their distribution as against the older plan of one committee.

Hon. James A. Garfield, when a Representative in Congress, said:

* * * I believe it would cost this Government $20,000,000 if the appropriations were scattered to the several committees. * * *

Hon. Thomas B. Reed, Speaker of the House, said, with regard to numerous appropriating committees:

The effect * * * will be to add to the expenses of the Government more than this rule (the Holman rule) ever saved.

And right here might be a good place to insert a quotation from the report of the Committee on Rules of the House, Forty-sixth Congress:

* * * It follows as a logical sequence that if any other committee is to take charge of one of the general appropriation bills the interest involved and considered will stand separate and apart from the interests involved and considered in the other bills, and as a further result any scheme of reduction of expenditures made necessary by a deficit of revenue for that fiscal year must be executed by the Committee on Appropriations without respect to the interests involved in the bill so taken from them, thereby leaving that particular interest to stand independent of and without any relation whatever to the other interests for which appropriations are annually made.

Representatives W. C. Whitthorne, of Tennessee; J. C. S. Blackburn, of Kentucky; J. Warren Keifer, of Ohio; Joseph G. Cannon, of Illinois; J. J. Fitzgerald,, of New York; Swagar Sherley, of Kentucky, and many others might be quoted, but I refrain from enumerating at this point, although I shall ask permission to insert very short extracts from the records containing remarks upon the subject.

The PRESIDING OFFICER. Without objection, the extracts from the records submitted by the Senator from Wyoming will be printed in the RECORD.

The extracts are as follows:

Senator Edmunds—1866–1891:

I think it would be injurious to the interests of the Treasury and to the interests of the people who supply the Treasury of the United States to send appropriation questions for reports of sums to be appropriated to the various committees that have charge of the classes of the public service about which appropriations must be made, and that the practical result would be, if we divide them up, that the sum total of appropriations would be enormously increased. If there be a standing order of the Senate which says that all appropriations respecting the judicial establishment of the United States should be sent to the Committee on the Judiciary, the relations between the Committee on the Judiciary and the Department of Justice and the judicial establishment are of such an intimate and friendly character that we should be quite likely to be acting under a bias and to be more liberal in the money that we would recommend to be expended for the judicial establishment than a body of men not under such a bias would be likely to be. And I confess that I do not see any distinction between the matter of the District of Columbia and any other of the various branches of the public service—the Army, the Navy, Indian Affairs, post offices and post roads, public lands, and every one of the scores of separate subjects of public expenditure. I think that we should find in the main that the aggregate of public expenditure would be largely increased, on account of the necessary fact in human nature that committees charged with particular subjects and in direct communication with the particular branches of the public service get to be impressed with the ideas of the special departments with which they have to do, and feel with the departments that the public service would be better promoted with still larger appropriations to carry it on.

Senator Sherman—1861–1877; 1881–1897:

* * * I believe it is necessary, as my friend from Vermont says, to bring all the items of expenditure for the Nation under the eye and control of one committee, so that they may limit the amount of expenditure.

Senator Hale—1881–1911:

I know from my own experience that the tendency of the mind of a member of either of the other committees calling for appropriations each year—the Military or the Naval Committees, I will speak of the latter because I have had service upon that committee—is to gain all the power in appropriating money possible, and connected with that is the unerring result of desiring to have the power to appropriate more money. There has never been any exception to that. I think few Senators will dispute the statement that if all the business of the Committee on Appropriations was taken from it and given to the several committees we should then be confronted with a general scramble upon the part of each committee for more money. The Senator from Vermont [Mr. Edmunds] urged that point much more forcibly and clearly than I can, and his experience, never a member of the Appropriations Committee but belonging to other committees here, taught him that.

Representative Randall—1863–1890:

If you undertake to divide all these appropriations and have many committees where there ought to be but one, you will enter upon a path of extravagance you can not foresee the length of or the depth of until we find the Treasury of the country bankrupt.

Representative Tawney—1893–1911:

Mr. Speaker, to my mind no other reform in the rules and procedure of this House is so essential to the future welfare of the people and to the economical appropriation and expenditure of their money for the public service as the consolidation of the appropriating jurisdiction of the House under a single committee of sufficient size to be representative of all sections of the country and of every branch of the public service. * * * This division of responsibility over the aggregate of the appropriations between eight committees of the House has year by year since its adoption * * * in 1885 resulted in an abnormal growth of public expenditures. As I have said before, ours is the only Government on earth which tolerates such a system of divided responsibility, the only Government which has established and maintains such a system of utter irresponsibility with reference to the initiation of authority for drawing draft upon the Public Treasury for public expenditures. This system, too, has begotten extravagance and a wide difference in the manner of authorized expenditures between the respective branches of the public service, a difference which is actually grotesque in its inequalities.

Senator UNDERWOOD (House, 1895–96; 1897–1915; Senate, 1915):

It is rarely the case that any body of men in a legislative capacity, except those who hold their commissions directly from the people, are willing to cut down public expenditures. On the other hand, the reckless expenditure of the public money has always been a cancer that in the end destroyed republics. Of course, we are far from that place to-day, but unless this House is willing to take action by which we can centralize the control of these appropriations and limit expenditures within reasonable amounts and cut out the reckless extravagances that sometimes are found in appropriation bills, I can see no place where the increased burdens of taxation on the American people are going to stop.

Representative Garfield (House, 1863–1880; President, 1881):

Let me state that the proposition to divide the Committee on Appropriations to scatter its bills as suggested, and as was once moved, indeed is, in my judgment, although I think it is not pending, an utterly ridiculous proposition. I believe it would cost this Government $20,000,000 if the appropriations were scattered to the several committees. * * * I do say, sir, without the slightest question in my own mind of the truth of the statement, that the scattering of these appropriations as suggested by the gentleman here will be absolutely breaking down all economy and good order and good management of our finances. It can not be otherwise.

Representative Reed (1877–1899):

* * * a large minority of the House are disposed to break down the work of that committee (Appropriations) and put a portion of it in the hands of several committees, the effect of which will be to add to the expenses of the Government more than this rule (the Holman rule) ever saved.

Representative Whitthorne (House, 1871–1883; Senate, 1886–1891):

When I first entered Congress, in the Forty-second Congress, Gen. Coburn, of Indiana, was a member of the Committee on Appropriations. He at that time proposed to divide the labors of that committee as is now proposed by the gentleman from Pennsylvania [Mr. Shallenberger] and by others. At that time I was heartily in favor of that proposition. But during all these years that I have been here my experience and observation have led me to believe that if we turn loose a half dozen committees upon the subject of appropriations it will be impossible to control the amount of these appropriations. I believe that it is for the interest of the people that the subject of appropriations should be committed mainly to one committee. I say this not out of any feeling with respect to my own committee, because if I considered that I should be jealous of its rights and should speak jealously of its intelligence and power of comprehending the duty before it. But, speaking in the interest of the people, in the interest of the Public Treasury, in the interest of the proper control of public expenditures, I may say, what has been forced upon me contrary to my original convictions, that it is the duty of this House to have the subject of appropriations controlled by one committee.

Representative J. C. S. Blackburn (House, 1875–1885; Senate, 1885–1907):

They (the committees) are appointed that they may guard the interests of the particular department committed to their care. That is the theory of the construction of the committees of the House; and it is

a proper theory. The Committee on Appropriations stands in a very different attitude. Because of no special relation to any department, selected as a fair and impartial arbiter, with no more concern for the Navy or the Army than for the Interior Department or the Post Office Department, it has been selected as the one grand reservoir into which all these proposed disbursements of money should pour, in order that fairly, judiciously, impartially, it may make its recommendations to the House.

Representative Keifer (1877–1911):

I believe, Mr. Chairman, that if you transfer to the various committees of this House the duties of preparing the several appropriation bills there will be a strife between those committees, * * * each striving to obtain the most appropriations for the department of the Government directly under its charge, and in that way we will necessarily augment the annual appropriations beyond the ordinary revenues of the Government.

Representative CANNON (1873–——):

Mr. Speaker, that change, in my judgment, based upon intimate knowledge and observation, has cost this country many, many millions of dollars in needless appropriations and expenditures. * * * No matter what the stress of circumstances may bring about in our national life now or hereafter, or how necessary it may become to apply the prunning knife, it can never be done without harsh and inequitable results through the medium of many committees as now provided under our House rules. I speak with deep and firm conviction in these premises, and after many years of somewhat arduous labor as a member of the Committee on Appropriations when it controlled all of the bills, both under Democratic and Republican Houses, and as its chairman when it controlled only a portion of the bills, and as a member of it under Democratic Houses under like conditions.

Representative Fitzgerald (1899–1917):

Years of investigation have convinced me that one change is essential in the methods of this House preliminary to any other reform. Unless this step be taken all other efforts at reform will be futile. It is necessary to return to the practice of the House during the first 93 years of the Union and to concentrate in one committee control of all of the general appropriation bills. The present method under which the appropriation bills are distributed among eight independent committees of the House is universally condemned by disinterested students of our Government.

* * * While such an illogical, unscientific, and universally condemned system prevails, attempts at reform will be futile and an effective remedy for the resulting evils is impossible. * * *

Representative Sherley (1903–1919):

When the estimates shall have come to Congress it is my belief that the House of Representatives should, through one committee, consider the estimates as a whole, and should recommend to the House the totals that should be appropriated for the various departments, and that that should be done without a consideration of all the detailed items that go to make up the total. Whether that shall be done through the creation of one committee that alone shall have the power to appropriate subsequently in detail the sums for the various bureaus or whether it shall be done through a committee that shall fix a limitation upon other appropriating committees is a question about which there has been a great deal of difference of opinion. My own belief had been that it was desirable under present conditions to create a committee composed of the various appropriating committees and, perhaps, if you desired it, of the authorizing committees, which should recommend to the House the sum total of moneys which should be appropriated, and when this recommendation was approved, either completely or by modification, it would then act as a limitation upon the power of each of the present appropriating committees.

In fact, many other distinguished Members of Congress have at sundry and divers times made speeches of considerable length and force, citing evidence and statistics to maintain their position that, in order to conform to a budget plan, to have economy of expenditures, avoidance of vicious or incessant duplications, and so forth, there should be but one committee in each body in charge of appropriations; and this became especially noticeable during the later years of Tawney, Hemenway, Fitzgerald, Sherley, and Good, as well as other chairmen who preceded them, in charge of appropriations in the House.

Thus far I have quoted only from the remarks of men who have served in Congress.

Now, I quote the opinions of three of our Presidents.

Former President Taft, in his testimony before the Select Committee on the Budget, commented as follows:

Now, you have spoken of the House committees, and, naturally, the Good bill does not deal with the House committees. I am bound to say that, under the old maxim that charity should begin at home, that is something that Congress ought to do for itself. In this matter of a budget, if there is any method by which any extravagance in Government expenditures can be expanded it is under the system you have in the House, because that same feeling that I have been describing in the bureaus and the departments that tends to magnify their relative importance inheres also in the making of appropriations of money by one committee for one department or for one branch of the service. A man does not have to be a Member of Congress to see that.

President Wilson, who, by the way, gave earnest support to the matter of a budget law, said in his address delivered at the joint session of Congress on December 4, 1917:

And I beg that the Members of the House of Representatives will permit me to express the opinion that it will be impossible to deal in any but a very wasteful and extravagant fashion with the enormous appropriations of the public moneys which must continue to be made, if the war is to be properly sustained, unless the House will consent to return to its former practice of initiating and preparing all appropriation bills through a single committee, in order that responsibilities may be centered, expenditures standardized and made uniform, and waste and duplication as much as possible avoided.

This, of course, was before the passage of the act.

President Wilson, in his message to Congress in 1919, said:

I hope that Congress will bring to a conclusion at this session legislation looking to the establishment of a budget system. That there should be one single authority responsible for the making of all appropriations and that appropriations should be made not independently of each other, but with reference to one single comprehensive plan of expenditure properly related to the Nation's income, there can be no doubt. I believe the burden of preparing the budget must, in the nature of the case, if the work is to be properly done and responsibility concentrated instead of divided, rest upon the Executive. The budget so prepared should be submitted to and approved or amended by a single committee of each House of Congress, and no single appropriation should be made by the Congress, except such as may have been included in the budget prepared by the Executive or added by the particular committee of Congress charged with the budget legislation.

President Harding, in his message to Congress on December 6, 1921, said:

In these urgent economies we shall be immensely assisted by the budget system for which you made provision in the extraordinary session. The first budget is before you. Its preparation is a signal achievement, and the perfection of the system, a thing impossible in the few months available for its initial trial, will mark its enactment as the beginning of the greatest reformation in governmental practices since the beginning of the Republic.

I ask to have printed at this point a résumé of the names and service records of the Government officials whom I have quoted.

The PRESIDING OFFICER. Without objection, the same will be printed in the RECORD.

The list is as follows:

Senator Edmunds, 1866–1891.
Senator Sherman, 1861–1877, 1881–1897.
Senator Hale, 1881–1911.
Representative Randall, 1863–1890.
Representative Tawney, 1893–1911.
Senator UNDERWOOD, House, 1895–1896, 1897–1915; Senate, 1915——.
Representative Garfield, House, 1863–1880; President, 1881.
Representative Reed, 1877–1899.
Representative Whitthorne, House, 1871–1883; Senate, 1886–1891.
Representative J. C. S. Blackburn, House, 1875–1885; Senate, 1885–1907.
Representative Keifer, 1877–1911.
Representative CANNON, 1873——.
Representative Fitzgerald, 1899–1917.
Representative Sherley, 1903–1919.
President Taft, 1909–1913.
President Wilson, 1913–1921.
President Harding, 1921——.

OLD GENERAL APPROPRIATIONS.

Mr. WARREN. Turning back to earlier years, it is recorded that the first general appropriation bill providing for the expenses of the Government of the United States was embraced in the one act, approved September 29, 1789, which appropriated the total sum of $639,000, and covered only 13 lines of the printed statutes, as follows:

An act making appropriations for the service of the present year.

SECTION 1. *Be it enacted, etc.*, That there be appropriated for the service of the present year, to be paid out of the moneys which arise either from the requisitions heretofore made upon the several States or from the duties on impost and tonnage, the following sums, viz: A sum not exceeding $216,000 for defraying the expenses of the civil list under the late and present Government; a sum not exceeding $137,000 for defraying the expenses of the Department of War; a sum not exceeding $190,000 for discharging the warrants issued by the late board of treasury, and the remaining unsatisfied; and a sum not exceeding $96,000 for paying the pensions to invalids.

Thus it will be seen, even with the total pension list which has become so great since, that they at that time felt that $639,000 was sufficient for the year's expenses, and I fail to find any record of a deficiency bill for that year.

The second general appropriation bill, approved March 26, 1790, was entitled:

An act making appropriations for the support of the Government for the year 1790—

and provided for the expenses of the civil list, including the contingencies of the several executive offices, the expenses of the Department of War, pensions to individuals, all expenses arising from and incident to the sessions of Congress, the contingent charge of Government, certain demands existing against the United States, and other authorized expenses and payments therein specified.

This style of bill, with the same or similar title, continued until 1833, when the title was changed to—

An act making appropriations for the civil and diplomatic expense of the Government for the year * * *—

and under this title continued up to 1856.

Commencing with the fiscal year 1857, a change was made to provide for the objects usually appropriated therein, and three general bills were adopted; and the many changes from that time to this, and up to the present line of procedure, are all well known, I think.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. WARREN. I yield.

Mr. NORRIS. I should like to ask the Senator if in those times of which he was just speaking the fiscal year was the same as it is now?

Mr. WARREN. I do not believe that I gave that point any attention, but I assume that it was. Of course, the period would be 12 months in any case.

Mr. NORRIS. I know it would be 12 months, but it would be interesting to know. I never have, that I now remember, read about it or heard it stated whether the fiscal year always ended on the 30th of June, or whether in the beginning it corresponded with the calendar year, and, if so, why the change.

Mr. WARREN. I did not give that any attention.

SHOULD THE RULES BE CHANGED?

Mr. President, I have considered it my duty thus to bring the business of the Appropriations Committee of the Senate before the full Senate at this time, so that there may be no ambiguity as to what the budget law intends to effect.

In the House of Representatives appropriations matters seem now to be conducted with great harmony, expedition, and exactness; never as much so as in the present Congress, since the adoption of the alternative estimates and since the consolidation of all into one, and Members have become accustomed to the change.

Whether the Senate will join the House in its endeavor to make the budget law a success as a whole, conforming to the plan of one appropriations committee only, thus taking that route to secure its greatest success, or whether a halfway route—one-half budget and one-half nonbudget—is for the Senate in its wisdom to determine.

Undoubtedly the correct way—in fact, the only correct way—of working out the greatest success under the budget plan would seem to be for all appropriation bills to be built up carefully by the various subcommittees and passed upon finally by the one main full committee; and it is also undoubtedly true, in the event this course should be followed, that there could be drawn and added to the main committee members from the other committees, experienced in appropriations, thus enlarging to some extent the general Appropriations Committee.

However, these are all mere suggestions, and it is my purpose when I conclude my remarks to introduce a resolution proposing to amend the rule by providing that all appropriation bills shall go to one committee. I shall ask that the resolution be referred to the Committee on Rules, expecting, of course, that that committee will act upon its own information and belief. The resolution is designed to unscramble the grouping which has so changed the status from the old system.

Now, I suggest that this could perhaps be accomplished by adding to the general Appropriations Committee the chairman, or the chairman and one or two other members, of the present subcommittee of other appropriating committees—Members who have had much valuable experience in appropriation matters. That is to say, the work of appropriating committees is largely performed by subcommittees consisting of the chairmen and some of the other members. They, of course, have had experience which should be valuable in the future in connection with the consideration of appropriations.

The general committee would need to have and should have added to it experienced, able men, if not as permanent members, then surely as ex officio members.

As one studies the question it becomes convincingly apparent at every turn that there should be cool judgment and what might be termed a liberal but exact economy in providing for all our national expenses. A failure finally to compare the appropriations of one department with those of another and in some degree to submit them to the whole court at some stage of the proceedings may cause us to duplicate certain expenditures or indulge in careless extravagance.

I feel confident that the members of the Senate Committee on Appropriations stand ready with the chairman to undertake and carry forward successfully the whole line of appropriations, as is now done by the Appropriations Committee of the House of Representatives, if that be the wish and judgment of the Senate.

Always ready to do my full duty in the responsibility and work imposed upon me, it is not my desire to seek any further responsibility or work than the Senate of the United States wishes to delegate to me. But in whatever way we may approach the preparation and consideration of these bills there ought to be strenuous effort to make all the bills jibe and dovetail, as a carpenter would say, thus avoiding duplications and unnecessary expenses, not to mention possible extravagance.

Under our unrevised rules, all general appropriation bills except four, under the new titles, would be considered by the Committee on Appropriations, these four being War Department, Navy Department, Agriculture Department, and Post Office Department. The Agricultural appropriation bill will be in terms much the same as heretofore, but the other three will be greatly enlarged, as I have shown, from the legislative, executive, and judicial and other bills, more especially the War Department bill, which will embrace very much of the old sundry civil, legislative, fortifications, and all of the rivers and harbors bills, and others.

And while we await the pleasure of the Senate the Committee on Appropriations offers assurances that it will undertake to perform, as ably and promptly as possible, any and all duties that may be intrusted to its care.

When the question arises as to what committees may lose in the matter of jurisdiction over appropriation bills and what committees may gain in that respect, I will say that there is no committee which will be shorn of power to the same extent as will the general Committee on Appropriations, if the rules of the Senate are to remain unchanged. Of the four bills which I have mentioned which go to other committees, the fact is that under the new grouping of bills the measure providing for the War Department will contain several bills, three by name, which have heretofore belonged entirely to the general Appropriations Committee. Still I believe, notwithstanding what bill the proposed rule may take from one committee or another, that the grouping of the appropriation bills, as it is proposed they shall be grouped, if the idea is carried out exactly, as is now being done in the other House, so that all appropriation bills will be passed upon by some one authority, will be more satisfactory, and we shall get along not only faster but more economically with the transaction of our business. That is my judgment in regard to the matter, which, however, I humbly submit to my colleagues.

Mr. President, in order to bring the whole matter before the distinguished members of the Committee on Rules for their consideration, I shall now introduce a Senate resolution and ask that it may be referred to the Committee on Rules.

I wish to say that while the resolution is of some length, containing quite a number of lines, it embodies precisely the language of the rule as it now exists, except that it provides for the sending of all the bills to one committee, and leaves out the exceptions naming certain bills and the committees to which such bills have heretofore been sent.

The PRESIDING OFFICER. Does the Senator from Wyoming desire that the resolution which he proposes may be incorporated in the RECORD as a part of his remarks?

Mr. WARREN. I do.

The PRESIDING OFFICER. The resolution will be received, incorporated in the RECORD, and referred to the Committee on Rules.

Mr. NORRIS. Mr. President, I should like to have the proposed new rule read.

The PRESIDING OFFICER. The Secretary will read the resolution proposed by the Senator from Wyoming.

The resolution, S. Res. 213, was read and referred to the Committee on Rules, as follows:

Resolved, That clause 1 of Rule 16 of the Standing Rules of the Senate be amended so as to read as follows, to wit:

"1. All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate of the head of some one of the departments."

Mr. NORRIS. I should like to ask the Senator a question.

Mr. WARREN. Let me say to the Senator that the language of the proposed new rule is the same as the language of the present rule, except as to the first lines and the old exceptions.

Mr. NORRIS. Except as to the very first line, which refers all appropriation bills to one committee. Is that the only proposition to amend the rules the Senator intends to offer?

Mr. WARREN. Mr. President, in my judgment, if it should be concluded wise to distribute the appropriation bills to the various committees, it would, because of the new grouping of the bills, probably require another rule; but, on the other hand, should it be determined to send all the appropriation bills to one committee, I think it will be expedient to provide for additional members on that committee from the other committees.

Mr. NORRIS. That is the point I was coming to, and I come to it without having any preconceived ideas. I am not sure but that it would be better to let the Appropriations Committee remain as it is now, because when a committee is made too large it becomes unwieldy. However, the Senator himself in his argu-

ment advocated, as I understood him, the enlargement of the Committee on Appropriations, but the proposed change in the rules which he has offered does not contemplate bringing that about.

Mr. WARREN. That would not be my province, and I merely offer that as a suggestion to the Committee on Rules.

Mr. NORRIS. It would be just as much the Senator's province as the province of anybody else. The resolution which the Senator has offered to change the rules proposes to send all the appropriation bills to the Committee on Appropriations, but does not enlarge that committee.

Mr. WARREN. No; it does not; and I wish to say to the Senator, and I undertake to say for the committee, that should all of the appropriation bills be sent to the committee without any additions to its membership, the bills will be taken care of and they will come to the Senate promptly and, in my judgment, in good form.

Mr. NORRIS. I am not disputing that.

Mr. WARREN. But, if the Senator will allow me further, I think it would be of service to the Senate to have the experience of the members of other committees which have been reporting bills appropriating money and who are familiar with the subjects matter of some of the bills, if any additional members are added to the general Appropriations Committee. When I say that I think all of the bills should go to the one committee I am simply stating what, I think, has been admitted almost universally. So far, however, as my position as chairman of the committee is concerned, I am not, I hope, such a glutton for work that I want to assume any additional tasks; but I should rather have the matter properly taken care of even if heavier labors were imposed upon the committee. On the other hand, I feel so interested in the subject, which has been under my eye for nearly 30 years, as to the manner in which the appropriation bills shall be handled that I believe the budget law will be incomplete and the action under it will fail in some degree unless, as I have remarked, we manage to have some one authority pass finally upon the appropriation measures. I feel so strongly about it that I would myself rather step aside and let the Senate provide an entirely new Committee on Appropriations, if they shall see fit so to do, and I should not ask any position at the hands of the Senate which they did not wish to place before me.

In this matter I realize that I may be considered as treading upon the toes of members of other committees. I know that the Senator from Nebraska, however, does not so consider it.

Mr. NORRIS. No, indeed.

Mr. WARREN. But I am giving my best judgment as to what the country ought to have. I shall be satisfied, of course, with whatever the Senate may do in the premises.

Mr. NORRIS. Mr. President, I hope the Senator does not get the idea, because I am taking an interest in this matter, that I am taking a position antagonistic to the one he takes.

Mr. WARREN. No; entirely the opposite. I thank the Senator for taking an interest in it. I appreciate it.

Mr. NORRIS. I think I have an open mind. I am unconscious of any prejudice that I have on the subject. I do not know whether I should favor the proposed change or not, because it is a very great question, I think. I know that much can be said in favor of the Senator's position. He is probably right in thinking that one committee ought to do it all.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. NORRIS. I thought the Senator had yielded to me.

Mr. WATSON of Georgia. I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WATSON of Georgia. Is this an executive session?

The PRESIDING OFFICER. The Chair thinks the suggestion is well taken, and that Senators should speak a little louder, so that Senators in other parts of the Chamber can hear what is said.

Mr. WARREN. If the Senator is alluding to me, I shall endeavor to make myself heard, although I am suffering somewhat from a bad throat. I will say to the Senator from Georgia, however, that I am sorry to say I am often obliged to ask somebody, when he is talking, what he says. This time I really did not hear him at all.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Washington?

Mr. NORRIS. I hope the Senator will let me conclude.

Mr. JONES of Washington. I did not want to interrupt. I thought the Senator was through.

Mr. NORRIS. I will yield to the Senator, however.

Mr. JONES of Washington. I am obliged to leave for a committee meeting.

Mr. NORRIS. Then I will yield.

Mr. JONES of Washington. I merely wanted to ask the chairman of the committee whether he is presenting this matter to-day as a notice, under the rule, of his intention to offer this amendment to the rules?

Mr. WARREN. No; I am not presenting it now in that way; but I am asking that it go immediately to the Committee on Rules.

Mr. JONES of Washington. I think the Senator should present it.

Mr. WARREN. I am not moving to change the rules, except to put it in that shape. I have no objection to the other course, except that it might result in delay.

Mr. JONES of Washington. I do not think it would result in delay at all, because I take it that the committee could not report an amendment to the rules without giving a day's notice, as the rules require. I think the Senator will be gaining time if he asks to have this treated as a notice of his intention to present an amendment to the rules, and then he can ask that it be referred to the committee to-morrow.

Mr. WARREN. Very well, Mr. President; then I give notice that I shall present such an amendment.

The PRESIDING OFFICER. The Chair is advised that the practice has been to refer such matters immediately to the Committee on Rules in any event, and that was done a few minutes ago.

Mr. NORRIS. I think it would be in order to take either course. The rules provide that a Senator can present his motion and give notice and have it read, and the next day he can offer it, and it does not have to go to the Committee on Rules at all; but the Senate would probably refer it to the Committee on Rules. Another way, I take it, would be that the Senator could have it referred to the Committee on Rules, as he has done. That seems to me to be perfectly proper.

Mr. WARREN. Whichever way may be deemed best by the Senate is entirely satisfactory to me.

Mr. NORRIS. I should like to ask the Senator whether he has made any inquiry from Members of the House of Representatives as to how this new rule has worked over there?

Mr. WARREN. I have.

Mr. NORRIS. What do they say?

Mr. WARREN. Not only have I done that but I have watched its operation very closely. They were not satisfied with it when first put into operation, because they were working under the old estimates, and those old estimates came up, as we all know, practically from the different employees—men drawing $2,000 or $2,500, heads of divisions. The department heads, the Cabinet officers, received those estimates, and they came on up through them. They sent them, for want of time, as I have explained, to the Secretary of the Treasury because the law required it. The Secretary of the Treasury confessedly gave them no attention except to send them forward. I quote the remarks of the distinguished Senator from Virginia [Mr. GLASS], who, responding to an inquiry of mine soon after he came to the Senate as to whether these matters that came up for consideration had had the consideration of the Secretary, stated very emphatically that for want of time he sent them to us as they came to him.

Mr. NORRIS. That will not be true now, however.

Mr. WARREN. I was going to say that now, for the first time, we have the first bill that is really under the Budget system. It was given a day for debate in the House. The day was not all used. Then the next day it passed quite early in the day, and I think there were but one or two very slight changes. One point of order was made by the Member from Texas [Mr. BLANTON], which struck out the provision for an undersecretary of the Treasury, and there were one or two places where a little change of language by way of explanation was made; but the new rule has seemed to be very satisfactory. I met different Members, including Members who had been very skeptical theretofore, and they said, "Things are going mighty well under the Budget."

Take the Post Office bill; that was brought in one day and submitted to the usual course of debate. The next day I went over—I went over only once or twice to see how things looked—and just as I got inside the door the House adjourned, I should say a little after 2 o'clock in the afternoon.

Mr. NORRIS. They found out that the Senator was coming, I suppose.

Mr. WARREN. Oh, no; they do not have that respect for the Senate—not for me, at least.

Mr. NORRIS. I am not sure that the fact that they could get one of these big bills through in a day is any recommendation for the change, because that probably would mean that it was not given very much consideration.

Mr. WARREN. On the contrary, the hearings were very complete. The hearings were distributed and noted. When I speak of the readiness with which the bill was passed, I agree with the Senator that that means nothing of itself; but in talking with those who were not members of the committee, the other Members who take an interest in these affairs, I have yet to find anybody—there may be some, but I have yet to find anybody—who criticizes the bills as they are conducted now under the present rules. As the Senator from Washington [Mr. JONES] remarked a few days ago, there was some delay in the last session in the way bills came over here from this one committee; but they were gotten up under the old estimates, which, as we all know, were very incomplete, so far as giving the information we wanted was concerned.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes, which was read, as follows:

Be it enacted, etc., That section 22 of the interstate commerce act is amended by inserting "(1)" after the section number at the beginning of such section and by striking out all after the first proviso of such section and inserting at the end of such section two new paragraphs to read as follows:

"(2) Each common carrier by railroad, or partly by railroad and partly by water, within the continental United States subject to this act, shall issue interchangeable nontransferrable 5,000-mile tickets (including the privilege of carrying baggage free to the amount of —— pounds), to be sold at the rate of 2½ cents a mile, for transportation of persons on any lines of such carrier or any other such carrier, without regard as to whether the points of origin and destination for any single journey are within the same State. The commission, by order, (a) may initiate and establish such classifications, regulations, and practices relating to such tickets, (b) may make such regulation as it deems necessary for the enforcement of the provisions of this paragraph, and (c) shall modify the rate established by this paragraph, whenever in its opinion there is, after this paragraph takes effect, a substantial alteration in the average rate level for the transportation of persons by such carriers throughout the country as a whole, so as to increase or decrease such rate directly in proportion, as nearly as the commission deems practicable, to such alteration in such average rate level. Any ticket unused in whole or in part at the time of any such modification may be redeemed at the same rate per mile as that for which it was purchased. No common carrier shall demand, collect, or receive greater or less compensation for the transportation of persons or baggage under any such 5,000-mile ticket than that required by the provisions of this paragraph or any order of the commission issued thereunder; or refuse to accept any such ticket for the transportation of persons as provided in this paragraph.

"(3) If any provision of paragraph (2) or the application thereof to any person or circumstances is held invalid, the validity of the remainder of such paragraph and the application of such provision to other persons and circumstance shall not be affected thereby."

Mr. ROBINSON obtained the floor.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Borah	Glass	McKinley	Smoot
Bursum	Hale	McNary	Spencer
Calder	Harreld	Nelson	Swanson
Cameron	Harris	Nicholson	Townsend
Capper	Harrison	Norris	Trammell
Caraway	Heflin	Oddie	Wadsworth
Culberson	Jones, N. Mex.	Overman	Walsh, Mass.
Cummins	Jones, Wash.	Page	Walsh, Mont.
Curtis	Kellogg	Phipps	Warren
Dial	King	Pittman	Watson, Ga.
Edge	Ladd	Poindexter	Watson, Ind.
Ernst	La Follette	Pomerene	Williams
Fernald	Lenroot	Robinson	Willis
Fletcher	Lodge	Sheppard	
France	McCumber	Simmons	
Frelinghuysen	McKellar	Smith	

Mr. WALSH of Massachusetts. I desire to announce the absence of the Senator from Rhode Island [Mr. GERRY], on account of illness.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present.

Mr. ROBINSON. Mr. President, the bill now under consideration is of very great importance and some controversies respecting the propriety or justification for its passage will arise during its consideration. I therefore hope that Senators who are interested in the subject will remain in the Chamber so as to avoid the necessity for the repetition of statements of fact and argument, to the end that, if possible, the consideration of the bill may be concluded within a reasonable, not to say a brief, time.

Mr. President, the demand for the issuance of mileage books for use in travel had become so great in the early part of 1921 that many Senators introduced bills upon the subject. Among those Senators may be mentioned the Senator from Indiana [Mr. WATSON], whose bill is now under consideration; the Senator from Tennessee [Mr. MCKELLAR], the Senator from Wisconsin [Mr. LENROOT], the Senator from Missouri [Mr. SPENCER], the Senator from Georgia [Mr. HARRIS], and the Senator from Arkansas [Mr. ROBINSON].

Mr. POINDEXTER (from his seat). I suppose every Senator will vote against the other Senator's bill.

Mr. ROBINSON. It is noted that the Senator from Washington remarks that every Senator will vote against the other Senator's bill. I hope that the matter will not take that course. I was about to say, before the humorous remark of the Senator from Washington just quoted, that these bills have a uniform purpose, but their provisions are in some respects quite different from the provisions of the bill now under consideration. It is my intention to explain briefly this measure and also to discuss what I believe will be its probable and reasonable consequences in relation to railway revenues.

The bill provides for the issuance of mileage books at the rate of 2½ cents per mile. The average rate for passenger fares, according to my information, is now 3.6 cents per mile. It is noticeable that the bill contemplates the issuance of these books at a rate substantially lower than the prevailing average passenger rates. I believe that it is 25 per cent less than the average rates now in force.

Mr. CUMMINS. The Senator from Arkansas ought to mention in that connection that the general level of passenger rates is 3.6 cents per mile.

Mr. ROBINSON. I have done so.

Mr. CUMMINS. But that does not include the surcharge made upon the tickets of persons who ride in Pullman cars.

Mr. ROBINSON. I intend to speak of that in the course of my remarks, and I intend to discuss briefly the times and purposes under which passenger rates have been greatly increased during the last few years. Now, however, I prefer to pursue the analysis of the pending bill.

This bill provides for the issuance of books in blocks of 5,000 miles. It has been suggested by many that there should be a substantial reduction in the mileage to be contained in the books. My investigations upon that subject have led me to the conclusion that the books should probably be issued in blocks of something like 2,000 miles; that this will not tend to a reduction of revenues, but will probably cause an increase in revenues.

Under this bill the unused portions of books, if any, are not redeemable, and the books can be used by the purchasers only. Later on in my remarks I expect to recur to these features of the bill. They are important and bear a substantial relation to the revenues.

Mr. WATSON of Indiana. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Indiana?

Mr. ROBINSON. I yield.

Mr. WATSON of Indiana. The Senator, I think, misstated one of the provisions of the bill; that is, that the unused portions are not redeemable. They are redeemable at the same price at which they were purchased. The bill reads:

Any ticket unused in whole or in part at the time of any such modification may be redeemed at the same rate per mile as that for which it was purchased.

Mr. ROBINSON. But the Senator will understand that the language he is now quoting relates to a very different provision from that which I am now discussing.

Mr. WATSON of Indiana. Oh, yes; I see that.

Mr. ROBINSON. The Senator from Indiana, I take it, understands his own bill.

Mr. WATSON of Indiana. Yes; I do.

Mr. ROBINSON. When his attention is called to it, he will readily see that the provision for redemption in this bill relates to a modification of the rate by the Interstate Commerce Commission in the event the commission finds a necessity for modifying the rate when it is considered in connection with rate levels and railway revenues.

I repeat my statement in order to make it clear, that under this bill, if the books are not used, or any portion of them is not used, or if they are lost, there can be no redemption, and that that provision bears a substantial relation to the subject of revenues. I think the Senator from Indiana agrees with me upon that construction.

The demand for this legislation in part grows out of the conditions which have arisen respecting travel under the prevailing high passenger rates. The bill does not make its benefits to any particular class of citizens. Any person who desires to do so is at liberty to purchase one of these books. The demand comes in large part from commercial travelers and their associations, manufacturing associations, jobbers' associations, farming organizations, theatrical and moving-picture companies, and,

in general, organizations whose representatives travel a great deal.

Undoubtedly the principle upon which such legislation rests, and should be justified, is a recognition of wholesaling in transportation. I am not unmindful of the fact that some of the courts have stated in decisions that the principle of wholesaling is not recognized in the laws in connection with transportation. I have found no case, however, in which such a statement is more than obiter. Undoubtedly the principle of wholesaling is now and has for a long period been applied in connection with freight rates, and no reason can be assigned why it should be applied to freight rates and denied as to passenger rates.

Let us look for a few minutes at the recent history of mileage books in transportation. During the war in order to diminish travel and thus enable the Government, in the Federal operation of railroads, more promptly and efficiently to handle freight business, indispensable in the successful conduct of the war, the Director General of Railroads issued general order No. 28, embracing section 8, effective June 10, 1918, as follows:

No mileage ticket shall be issued at a rate that will afford a lower fare than the regular one-way tariff fare.

Mr. McKELLAR. What was the date of that order?

Mr. ROBINSON. The order was issued to be effective June 10, 1918. I have not the date that order was issued, but it was a short time prior to the date it became effective, and I think that is the material date.

Mr. CUMMINS. I think it was issued on the 28th of May—at least some time during the latter part of the month of May.

Mr. ROBINSON. I think that is correct. On August 2, 1918, passenger fare authority No. 26 was issued, reading in part as follows:

Carriers under Federal control, and their authorized agents, are hereby authorized to supplement tariff now in effect canceling the sale of all forms of mileage and scrip books effective August 20, 1918, such supplements to provide that outstanding tickets will be honored within limit, under conditions shown in tariffs under which sold, or will be exchanged for new scrip books containing coupons of equivalent value.

By that authority mileage books were canceled and their issue forbidden. As I have already stated, one of the important purposes upon which those orders were justified was the desire to reduce travel at that time rather than to promote it. So far as my memory goes, it was not related closely to the purpose of increasing railway revenues.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. ROBINSON. I yield.

Mr. CUMMINS. The order of the director general does not state the desire to reduce travel as a reason for the abolition of mileage books. I assume the Senator from Arkansas infers that from the general condition which then prevailed. I hope he will remember also that the increased freight rates which were put into effect at or about the same time were obviously for the purpose of increasing revenue. This order, as the Senator will remember, or an order issued about the same time, increased freight rates 25 per cent.

Mr. ROBINSON. Yes, Mr. President, I think that is true. I know it is true that the order issued by the director general did not state any justification for the action in terminating the use of mileage books; but I am sure that neither the Senator from Iowa nor anyone else who is familiar with the transportation history of that period—and there is no one more familiar with it than the Senator from Iowa—will controvert the statement that the primary object of terminating the use of mileage books in transportation was to diminish travel, not to increase revenues. I shall have something to say a little later about the relation of the subject to the question of revenue.

Mr. CUMMINS. I do not wish to be misunderstood by appearing to assent to the proposition just made by the Senator from Arkansas. It might have been very desirable at that time to decrease travel, but the director general increased passenger rates to 3 cents per mile throughout the country, and that increase was intended by him to produce the revenue which he thought he ought to have in order successfully to operate the railroads. I suppose that the abolition of mileage books was for the same purpose—the increase of revenue.

Mr. ROBINSON. Mr. President, increases in passenger fares under General Order No. 28 became effective June 10, 1918. All regular fares on railroads under Federal control which were lower than 3 cents per mile were increased to that figure. Commutation fares were increased 10 per cent. There was, as stated by the Senator from Iowa, a substantial and an important increase in passenger fares at the same time the order stopping the use of mileage books went into effect.

But I repeat that, in my judgment, the principal justification for the order terminating the use of mileage books was not closely related to revenues. It was more closely related to the desire of the director general to stop the public from traveling unnecessarily, so that some of the facilities which were used in passenger traffic might be used in moving troops, munitions, and supplies necessary for the successful conduct of the war.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. ROBINSON. I yield.

Mr. McKELLAR. Has the Senator any figures showing the effect of the abolition of mileage books upon the revenues of the railroads?

Mr. ROBINSON. Yes; and I shall discuss that in some detail a little later.

Mr. PITTMAN. Mr. President——

Mr. ROBINSON. I yield to the Senator from Nevada.

Mr. PITTMAN. I understand the Senator from Arkansas to contend that while no reason was given for these particular acts, yet it is common knowledge to the Senate and probably to the country that the most important thing then required was to break up the congestion in railroad transportation in the country, so that we might reach the ports with the necessary war materials that had to go to Europe.

Mr. ROBINSON. Oh, yes; and it was also currently discussed that the people were traveling more than they needed to travel, and that something ought to be done to stop that, so that the things that had to be done might be more easily accomplished.

Mr. CUMMINS. Mr. President, will the Senator yield to me again?

Mr. ROBINSON. I yield with pleasure.

Mr. CUMMINS. I have no way of ascertaining what was the object or purpose in the mind of the director general in increasing passenger rates. I have always assumed it was for the purpose of getting enough revenue to run the railroads, but if it was his purpose to decrease travel he failed signally, because from that time on until 1921 the passenger travel upon the railroads of the country advanced by leaps and bounds, so that there was more passenger travel in 1920 than there has ever been before in the history of the United States.

Mr. WATSON of Indiana. Mr. President, will the Senator from Arkansas yield to me that I may ask a question of the Senator from Iowa?

Mr. ROBINSON. Certainly.

Mr. WATSON of Indiana. Does the Senator from Iowa insist that there was any relation between those two things—the discontinuance of the mileage books and the increase in passenger travel?

Mr. CUMMINS. I do not think there was any relation between them, because passenger travel depends upon a great many other things than the mere rates which the passenger must pay. I am only saying that if it was the object of Mr. McAdoo to reduce travel, the increase of rates failed to accomplish that purpose.

Mr. ROBINSON. Mr. President, it is true that in spite of the effort made to diminish travel, it continued. This was the result of the conditions which existed and the state of mind of the people. It was more or less the result of psychological conditions. The people were in a state of excitement and anxiety, and the natural result was that they wanted to move about. Then, of course, their movement was in many instances made necessary by the existence of war conditions.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. ROBINSON. Certainly.

Mr. WALSH of Massachusetts. At that time were there not millions of soldiers in camp, and people who never traveled before went miles to visit their sons and daughters who were in the camps of the country?

Mr. ROBINSON. Undoubtedly. Thousands of women—mothers, sisters, sweethearts—and thousands of men—fathers, brothers, and friends—visited military camps, traveled long distances from the interior of the country to the embarkation points for the sole purpose of bidding good-by to soldiers who were going abroad to fight in foreign lands and perhaps never to return. But no one can dispute that at the time this order went into effect there was a well-understood policy on the part of the Federal administration of railroads to discourage travel where it was not necessary. The reasons for it I have already stated.

Let me turn briefly to a consideration of what I believe will be the reasonable effect of this legislation. First, it will tend to stimulate travel. The railroad executives of the country do not seem to realize that by the maintenance of both excessive passenger and freight rates business which ordinarily should be conducted on the railroads is being diverted to other instrumentalities.

Throughout the United States better roads are being constructed and thousands of commercial travelers and others in the course of their regular business are employing automobiles for traveling, and thousands of persons are receiving deliveries of freight through automobile trucks and similar means. The reason, in part, for it is that both passenger and freight rates are too high on the railroads. If freight rates were reduced to-morrow, judiciously reduced, intelligently reduced, it probably would promote more business and yield more revenue than the railroads are now receiving, and the same is equally true of passenger rates.

This diversion of traffic from railroads to automobiles and automobile trucks is a policy that is growing, and the railroads can only counteract it by doing something to invite and encourage the public to use their instrumentalities.

I wish to be frank. I am not a transportation expert and I do not think I am qualified to tell the Senate or anyone else just what will be the effect of a general increase or reduction in rates. For six months, under the order of the Senate, as a member of a joint commission of Congress I have been trying to look into that question. I know that thousands of cases exist where business is being discouraged, retarded, hampered, and hundreds of cases exist where it has been prevented by reason of the very excessive rates that are being charged by the railroads.

I know that thousands of traveling men in the United States, men who earn their living as drummers or commercial travelers, have left the road. Some drummers are traveling in automobiles and others are staying at home, for the reason that the passenger rates which they are now compelled to pay have discouraged their employers, and have induced them to adopt a restrictive policy in their business.

Mr. WALSH of Massachusetts. In many instances the rates have prohibited business.

Mr. ROBINSON. As the Senator from Massachusetts [Mr. WALSH] suggests, in many instances the rates have prohibited business. This condition is growing worse and will continue to grow worse unless something is done to relieve it.

Mr. McKELLAR. Mr. President——

Mr. ROBINSON. I yield to the Senator from Tennessee.

Mr. McKELLAR. As an illustration of the point the Senator from Arkansas is stating and stating so well, I wish to suggest to him that some time ago the Senator from Wyoming [Mr. WARREN], who is, as we all know, a large sheep raiser in Wyoming, said to me it was a strange thing that we were complaining of hard times down South when he could not for a reasonable price buy any cottonseed meal for his sheep in Wyoming. I said to him, "Senator, cottonseed meal is cheaper in Memphis, Tenn., at this time"—referring to the time when he was speaking—"than it has been since the year 1914, and there is no reason in the world why you can not buy cottonseed meal cheaply in Memphis, Tenn. I have just returned from there, and I happen to know the price of cottonseed meal." He said, "That may be true, but the freight rate from Memphis to Wyoming is considerably more than the price of the cottonseed meal in Memphis." In other words, the Wyoming market for cottonseed meal for sheep feeding purposes was absolutely closed because of the excessive freight rates.

Mr. ROBINSON. Mr. President, the illustration just given by the Senator from Tennessee is forceful. Hundreds of similar cases were brought to the attention of the Joint Commission on Agricultural Inquiry, disclosing that the movement of commodities which has heretofore been reasonably profitable, and which was profitable prior to the installation of these excessive rates, has now become unprofitable, and that in many instances the freight charge equals the entire selling price of the commodity. That condition means, of course, if it is to become permanent, that the particular business referred to has terminated, for unless there is a reasonable hope that some profit will be derived from a business it will not be carried on.

Mr. CARAWAY. Will the Senator from Arkansas yield to me?

Mr. ROBINSON. I yield to my colleague.

Mr. CARAWAY. Possibly the Senator has already alluded to the matter which I am going to suggest, but I do not remember his having done so. The people in the neighborhood of Hope, Ark., ship cantaloupes and other commodities. I remember on one occasion they shipped a carload of cantaloupes from Hope to Pittsburgh. The carload sold for $586.70, but after the freight and other charges were paid the growers received only $38.20. Oh over $10,000 worth of produce of one kind or another, including cantaloupes, beans, and other similar commodities, the average freight rate ran from 60 to 94 per cent of the total selling price of the produce.

Mr. ROBINSON. Mr. President, take the case of potatoes shipped from North Carolina to the Chicago market. In some instances from carload lots there was realized barely enough to pay the freight, and in other instances an entire carload lot of potatoes, when potatoes were selling on the market in Chicago at $2 a bushel, yielded but $30 or $60.

I do not believe that any Senator will controvert the proposition that there is a point at which an ascending scale of rates will diminish revenue. If passenger fares were 10 cents per mile instead of 3.6 per mile as now, the revenues from passenger fares would probably be much less than the amount which is now received. I have before me a statement of the revenues received from passenger fares on all class 1 railroads in the United States during every month, beginning January, 1915, and I am going to put that statement in the RECORD. I take the position that the increases in passenger rates to which I am about to refer have not materially increased revenues but in all probability have diminished them.

I have already referred to the increases that were made under the director general. After the Federal administration of railroads had substantially expired there was issued "Increases under ex parte 74," which took effect August 26, 1920, according to which all passenger fares were increased 20 per cent and a surcharge upon passengers riding in sleeping cars and parlor cars amounting to 50 per cent of the rate charged for space in such cars was authorized, and those increases are still in effect. The average rate that a person traveling now pays is 3.6 cents per mile.

I wish to make a comparison now between the revenues under the rate when the average was 2.6 per mile and the revenues under the rate when it became 3.6 per mile. As the Senator from Iowa has suggested, these figures are not conclusive of the point I am seeking to make; a great many circumstances properly enter into the consideration of the question, and I do not think it is possible for anyone to say that the analogy which I am drawing is a conclusive one; but during the first half of 1920 the total revenues from an average fare of 2.6 cents per mile were $564,586,242, while during the first half of the following year, after the order to which I have referred, granting a 20 per cent increase and providing for a surcharge on the fares of those who ride in Pullman or parlor cars had gone into effect, the revenues were $573,254,211, or an increase of only a little over $8,666,000, notwithstanding the rate had been increased on the average from 2.6 cents per mile to 3.6 cents per mile.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Massachusetts?

Mr. ROBINSON. I yield, with pleasure.

Mr. WALSH of Massachusetts. Will the Senator state how many increases in passenger rates per mile there have been since 1915?

Mr. ROBINSON. I have referred to the increase made by the director general.

Mr. WALSH of Massachusetts. Yes; amounting, as I understand, to about 20 per cent?

Mr. ROBINSON. And to the surcharge, and the increase of 20 per cent made by the Interstate Commerce Commission. I think that is all. The increase made by the director general, which was in effect for a time, was an increase to 3 cents per mile during the period it was in effect.

Mr. WALSH of Massachusetts. I was going to suggest to the Senator, in connection with the table which he has introduced showing the revenues from passenger service received by class A railroads, that he also show what increases have been made in passenger rates per mile from 1915 up to the present time by such railroads.

Mr. ROBINSON. I have stated all the general increases with which I am familiar. The figures with which I am dealing in connection with the point which I am attempting to make relate to the changes that have occurred under the present high rates. I take the figures beginning with the year 1920 when the rate was 2.6 per cent and compare the earnings for the first half of that year, when that rate prevailed, with the

earnings for the first half of the next year when the higher rate of 3.6 cents prevailed, and I show that the difference in revenue was only about $8,666,000.

Mr. WALSH of Massachusetts. I think the Senator has made that clear.

Mr. CUMMINS. Mr. President——

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. Mr. President, I think there is a little confusion—at least there is in my own mind—in regard to the figures just given by the Senator from Arkansas. I will ask him whether this is not the exact situation: During Federal control the rates were 3 cents per mile; that is, those were the maximum rates?

Mr. ROBINSON. That order went into effect June 10, 1918.

Mr. CUMMINS. It went into effect in June, 1918; but when the Senator speaks of a rate of 2.6 cents per mile he speaks of the actual revenue—that is, the average of the rates actually charged and the money actually received by the railroad companies.

Mr. ROBINSON. When I speak of 3.6 cents per mile the same rule applies.

Mr. CUMMINS. There is the confusion. When the Senator speaks of a rate of 3.6 cents per mile there is the same disparity between that general level of passenger rates as there is between 2.6 cents per mile and 3 cents per mile. The railroads have not actually received upon the average 3.6 cents per mile.

Mr. ROBINSON. Yes; they have; that is the point I am making.

Mr. CUMMINS. I venture to say that the Senator is mistaken about that.

Mr. ROBINSON. Well, of course, I can not testify as to what the books of the railroads show, or anything of that sort, but in the first half of 1920——

Mr. CUMMINS. I have a communication from the Interstate Commerce Commission on that very point, and at the proper time I think I can convince the Senator from Arkansas that the railroads have not actually received 3.6 cents per mile.

Mr. ROBINSON. That is the average rate charged.

Mr. CUMMINS. So was 3 cents a mile the average rate charged during the other period.

Mr. ROBINSON. All ordinary passenger rates below 3 cents were raised to that figure.

Mr. CUMMINS. But it resulted in the railroads only receiving 2.6 cents per mile.

Mr. ROBINSON. I now understand the suggestion of the Senator; unquestionably there would be a discrepancy between the average rate and the actual rates as to revenues; but the discrepancy does not apply with great force to the point I am making, because the average rate for the first half of 1920 is compared with the average rate for the first half of 1921, and the difference probably would apply to the one as well as to the other.

Mr. CUMMINS. Precisely. I was not disputing the conclusion which the Senator from Arkansas was drawing from the facts, but I wanted the exact relation between the rates in these two periods to be borne in mind; and I should like to say a word, if the Senator will permit me, with regard to a statement he made a moment ago.

Mr. ROBINSON. Certainly.

Mr. CUMMINS. So far as I am concerned—and I think what I say would be the judgment of every man who knows anything about this subject—there is a point which measures the maximum producing qualities of a railroad rate, whether freight or passenger; and if the rate is advanced beyond that point, the result will be a lessened revenue instead of an increased revenue.

The position I take with regard to this particular bill is that the Interstate Commerce Commission is the best judge with regard to that point, and where the line should be drawn. It is charged with that duty, and it exercises its jurisdiction after hearings and notice and after full information; and it has said that the rates which now prevail are at the point at which they will produce the maximum revenue. I, for one, do not feel like reviewing the action of the Interstate Commerce Commission and insisting that it is less qualified to enter a judgment upon this question than the Congress of the United States, which must necessarily act with very inadequate and imperfect information.

I wanted that to be made perfectly clear before the Senator proceeds further. I agree with everything that the Senator from Arkansas has said.

Mr. ROBINSON. I am very happy in that information, Mr. President, because that simplifies what appears to be my task, and I thank the Senator for his interruption.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. ROBINSON. I yield; but I do not want to be diverted from the statement of the Senator from Iowa.

Mr. NORRIS. I wanted to refer to a part of his statement.

Mr. ROBINSON. All right.

Mr. NORRIS. I wondered if the Interstate Commerce Commission takes the position that it is its duty to retain rates on the railroads at a point which shall be absolutely the maximum revenue-producing point; and does the Senator from Iowa take such a position?

Mr. ROBINSON. Let me answer the Senator.

Mr. CUMMINS. Mr. President——

Mr. ROBINSON. It has not done anything of the kind, and I was just about to say to the Senator from Iowa that his declaration to that effect was an inference that is not justified by the facts.

Now, what are the facts?

Mr. CUMMINS and Mr. McKELLAR addressed the Chair.

Mr. ROBINSON. Just let me have a little of my own time, and then I will yield. The Interstate Commerce Commission has not determined the question; it now is considering the reduction of rates. Does the Senator from Iowa mean to imply that it has decided to maintain the maximum revenue-producing rates and not to lower existing rates? I do not think the Senator meant that inference.

Mr. CUMMINS. Mr. President, I said nothing even to suggest that inference. The Senator from Arkansas was arguing that a reduction in passenger rates would increase the revenue of the railroads—I assume he means the net revenue of the railroads—and he said that there was a point beyond which increased rates would result in a lessened revenue, and I agree to that; but I said that the Interstate Commerce Commission is a better judge of that point than the Congress of the United States.

Mr. ROBINSON. And the Senator also said, if I may interpolate, that the Interstate Commerce Commission had decided that the present rates were the rates which would produce the maximum revenue.

Mr. NORRIS. And that is what brought about my inquiry.

Mr. ROBINSON. Yes; and the commission has not decided any such question.

Mr. CUMMINS. I beg the pardon of the Senator from Arkansas if I said any such thing.

Mr. ROBINSON. The Senator certainly said it.

Mr. CUMMINS. I did not intend to say it. This is a paraphrase of what I intended to say:

In August, 1920, the Interstate Commerce Commission, having considered after a long and arduous hearing the whole railroad situation, advanced the rates to the point which has been named by the Senator from Arkansas because in the judgment of the commission the railroad companies were entitled to and must have the revenue which these rates would produce. If the Interstate Commerce Commission had been of the opinion that lower rates would have produced the revenue to which the railroads were entitled, the rates would have been fixed at a lower point. Therefore, if any mistake has been made, it is the mistake of the Interstate Commerce Commission in believing that lower rates than now prevail would not have produced the revenues to which the railroad companies are entitled.

Mr. ROBINSON. Mr. President, it is entirely conceivable, from facts within the knowledge of all of us, that under the circumstances the commission might have made a mistake; and, indeed, I believe a mistake has been made.

What are the facts? At the expiration of Federal control and prior to this order the railroads filed their new schedules for new rates to go into effect. It was known that they required additional revenues. The commission adopted the tariffs proposed and permitted them to go into effect. The matter has been under experiment. I am maintaining that if the rates had been fixed upon a somewhat lower basis, both as to freights and as to passengers, the revenues likely would have been greater, and I think I am prepared to show that by figures. I have already referred to the fact, and other Senators have mentioned it, that much business has been prevented by reason of the alleged excessive rates charged. Would it not have been better to permit that business to continue and to develop under slightly lower rates, rather than to destroy the business?

Mr. McKELLAR. Mr. President——

Mr. ROBINSON. Just one moment. In the case of passenger rates, if thousands of men have been driven from the railroads to find new means of travel, and thousands of others have been kept at home, by reason of the high rates, would it not have

been more profitable to the railroads, instead of running empty trains, as they are now doing throughout this country, to have filled their trains with passengers at somewhat lower fares?

I now yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator has just stated what I was about to suggest—that whether or not a railroad is prosperous depends upon the volume of its business quite as much as upon the rates fixed.

Mr. ROBINSON. And if it operates under rates that constantly diminish the volume, no matter how high the rates are, it may reduce its revenues.

Mr. McKELLAR. Why, of course.

Mr. ROBINSON. Of course that is axiomatic.

Before I revert to the statement of the Senator from Iowa let me state that in going home from Washington to Little Rock, Ark., I have found the Pullman cars, which were crowded beyond their capacity prior to the installation of the present rates, since have been half filled to the point of St. Louis. Going from St. Louis south and southwest I frequently have enjoyed the privileges of a private car, few others riding in them, and principally for the reason that the rates have been made so high that the people will not pay them.

There is not a Senator here who travels who does not know that the great trains that come thundering into the station in this city are coming with their parlor cars and their Pullmans half filled now. The passengers on a train that entered this station over one of the big lines a few days ago were counted, and there were scarcely a hundred. Would it not be more profitable to that railroad and to every other railroad, instead of operating these cars partly empty at the same cost that it would require to operate them when filled, to put into effect rates that would invite travel, and thus secure additional fares?

Mr. SMITH. Mr. President——

Mr. ROBINSON. I yield to the Senator from South Carolina.

Mr. SMITH. If the Senator will allow me, I should like to give an illustration of the operation of these excessive rates, as one illustration is generally worth an hour's argument.

After our recess a relative of mine, my brother, who had unfortunately very suddenly lost his sight, had to come to Washington for treatment. I therefore engaged the drawing-room from our home to this place. Prior to any increase in the rates the price of the drawing-room from Lynchburg, S. C., to Washington was something like $9.50. We paid from that point to this city—about 460 miles—$19 and the major fraction of a dollar. The surcharge of 50 per cent on the regular charge amounted to something like $6.50, in addition to the thirteen or fourteen dollars that was charged as the regular rate, and that was after the war tax had been deducted.

Mr. ROBINSON. Mr. President, supplementing the illustration of the Senator from South Carolina with one of my own, I recently traveled with my family from Little Rock, Ark., to Washington in a drawing-room, and I paid $44 and 90-odd cents for the drawing-room space.

Of course, Senators may answer that I had a remedy—to go out and ride in a day coach, or on top of the cars, or on the rods, or I could have come by other means of transportation—but the point to the proposition is that the railroads would make more money if they charged a reasonable fare for such services, and that the fare now charged is unreasonable.

Mr. NORRIS. Mr. President, would the Senator have gotten a reduced rate on top of the car if he had ridden that way?

Mr. ROBINSON. I might have been in a better financial if a worse physical condition if I had resorted to that elemental method of travel.

Mr. PITTMAN. Mr. President——

Mr. ROBINSON. I yield to the Senator from Nevada.

Mr. PITTMAN. I want to get back to the evidence that the increase in rates in the latter half of 1920 did not show a proportionate increase in revenues. I am not saying that that is proof; I say the evidence, whatever weight it has. I should like to have the figures again.

Mr. ROBINSON. I am glad the Senator from Nevada suggests that. I had prepared to make a consecutive statement regarding those figures. I was diverted from it. I will make the statement again.

In the first half of 1920, when the average passenger rate was 2.6 cents per mile—although that was not the actual fare paid, as suggested by the Senator from Iowa—the revenues were only $8,666,000, less than they were in the first half of 1921, when the average fare paid was 3.6 cents per mile, or a cent per mile more than in the first period with which it is compared; although in the latter case, as in the former case, the average fare, of course, can not represent the actual fare, and these figures are used only for purposes of comparison. I want to show, further, the effect of those rates on travel.

Mr. PITTMAN. Permit me to ask a question before the Senator goes to that. In other words, the increase of approximately 25 per cent in rates made an approximate increase of only 1 per cent plus in revenue. I think it figures out approximately that.

Mr. ROBINSON. The Senator from Nevada can make the calculation. I will be glad to have him do so.

Mr. PITTMAN. I think that is approximately true.

Mr. ROBINSON. That enforces the proposition I am making. Carry this comparison further. I said these rates were now so high that they discourage travel. The comparison I am making proves that. While the revenues for the first half of 1921, under the high rates I have already described, exceeded the revenues for the first half of 1920 by $8,666,000 plus, the number of fares paid was approximately $73,000,000 less in the first half of 1921 than in the first half of 1920. The number of fares paid in the first half of 1920 was 595,771,000. The number of fares paid in the same period of 1921 was only 522,195,000, or more than 73,000,000 less, tending to show that these rates did discourage travel very greatly.

In addition to that, not only were the number of fares sold under the high rate greatly diminished, as I have just shown, but the average journey traveled under the new and high rates for the first half of 1921 was only 35.4 miles, while the average journey under the lower rate in force in the first half of 1920 was 36.41 miles.

I have referred to the receipts from passenger fares by first-class railroads in the United States throughout the period beginning January 19, 1915, and extending to the end of the month of November, 1921. The December figures have not yet become available.

I have a statement showing these revenues by months. This statement not only reflects the passenger fares collected and their relation as between the higher and the lower rates, but there are also figures relating to freight, mail, and express, and while I have not examined the latter three thoroughly, I am going to put them into the RECORD. In general, the conclusion seems warranted that the same or greater revenues might be obtained if the rates were judiciously reduced. Of course, I do not mean that you could reduce them arbitrarily or on a percentage basis and produce that wholesome result. In that connection I admit that such work is for the Interstate Commerce Commission. Congress can not do it; but I propose to show in a few minutes why the Senate can intelligently act upon this proposition and why it need not refer it to the commission.

Mr. SMITH. Before the Senator makes his legal argument in reference to that I want to ask him if, in the tables which he has, there are any figures showing the increased revenues from all sources resulting from the change in rates, as compared with the prewar rates?

Mr. ROBINSON. Yes; I go back to January, 1915.

Mr. SMITH. If the Senator will allow me, I was led to ask that question because while chairman of the Interstate Commerce Committee of the Senate, just before the railways were turned back, or near the conclusion of Government control, I asked what increase there was in the revenues or the tariffs paid by the people by virtue of the flat raise, both in freight and in passenger rates, as compared with the tariffs on the same tonnage under the old rates, and the reply was that it was something in excess of a billion dollars. That meant an additional tax on the traveling and shipping public of something in excess of a billion dollars.

Subsequent to that there has been an increase of about 40 per cent, I believe, if I am correct, in the freight charges, and a like increase, or greater, in the passenger charges. It was from about 3 cents to about 3.6 cents, about 25 per cent increase.

Mr. CUMMINS. The increase of the passenger rates after the roads were turned back was an increase of 20 per cent, with a surcharge for those who traveled in Pullman cars.

Mr. SMITH. The point I want to make is that if the additional expense to the traveling and shipping public was in excess of a billion dollars under the first rate, this addition must be something like two billion dollars, because I remember that the fractional part of the billion was perhaps the major fraction of a succeeding billion. Adding that to this surcharge, and the 20 per cent raise in the passenger rates and in the freight rates, we find it has decreased passenger and freight rates, as the Senator from Arkansas has said, but still imposes something in excess of the prewar revenue of approximately $2,000,000,000.

Mr. CUMMINS. May I ask the Senator from Arkansas a question?

Mr. ROBINSON. Yes; I yield, if it is related to the subject I am discussing.

Mr. CUMMINS. Does not the Senator recognize that there are other conditions which affect passenger travel than the rate charge?

Mr. ROBINSON. I so stated, and I stated that the figures I am using are not conclusive on the subject. They are merely persuasive. I made that statement in the beginning.

Mr. CUMMINS. I wanted to have that statement made to satisfy my own mind about it.

Mr. ROBINSON. Reverting for a moment to one feature of the topic, as discussed by the Senator from South Carolina, let me give a few figures on freight for the same comparative periods; that is, the first half of 1920 and the first half of 1921. The total freight revenues for the first six months of 1921 were $1,863,836,308, as against $1,860,948,323 for the first half of 1920. The difference in freight earnings under the higher rates prevailing in the first half of 1921 and those of the first half of 1920 was less than $3,000,000.

How does the tonnage compare? Senators will see the force of the point I am attempting to make when I cite the figures. Tonnage, like passenger travel, dropped. The tonnage in the first half of 1920, the same comparative period, was 1,020,118 tons. In the first half of 1921, under the exorbitant rates which were then and are now being charged, the tonnage dropped to 779,360 tons.

As in the case of passenger fares, all of the facts and circumstances existing at the time concurred in producing this disparity, but in six months under low rates for freight the railroads received almost as much as they received in a similar period under the enormously increased rates, and at the same time their business dropped from more than 1,000,000 tons to 779,000 tons, plus.

Mr. WALSH of Massachusetts. They dropped about 25 per cent.

Mr. ROBINSON. Approximately 25 per cent. I maintain that if freight rates were reduced judiciously and promptly the tonnage would be so greatly and so rapidly increased that the revenues would exceed the revenues that are now being received, and the great and wholesome benefit that would come to this Nation in the stimulation and revival of business and prosperity can not be estimated.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER (Mr. BURSUM in the chair). Does the Senator from Arkansas yield to the Senator from Ohio?

Mr. ROBINSON. I yield.

Mr. POMERENE. The objection I have to this legislation is not that I feel that the rates ought not to be reduced, because I think they should be, just as the Senator has been contending. The objection I have is to establishing the precedent of having the Congress of the United States fix rates. What I rose to say was bearing out the Senator's theory that a reduction will increase traffic. I can give the Senator a concrete illustration from my own State.

About 15 or 16 years ago the legislature of Ohio passed what was known as the Feiner law, which reduced passenger rates from 3 cents to 2 cents per mile. It was contended that that legislation would reduce the revenues of the roads. The report of the State railway commissioner for the year following showed that the revenues at a 2 cents per mile rate in that State exceeded what they were the preceding year when the rate was 3 cents.

Mr. ROBINSON. That is a wonderfully apt illustration.

Mr. WALSH of Massachusetts. I understand the position of the Senator from Ohio to be substantially the same as that of the Senator from Iowa.

Mr. POMERENE. I did not hear the statement of the Senator from Iowa in full. I think it would be unfortunate if we should establish a principle of this character, because if we do, somebody will come in wanting rates established for iron and steel and every other commodity that is shipped. That is the difficulty about it.

Mr. WALSH of Massachusetts. Will the Senator from Arkansas deal with that aspect of the situation later?

Mr. ROBINSON. I am coming to that almost immediately. I believe that there is a general consensus of opinion in the Senate, among those who have attended this discussion, that if the railroads desire to increase their operating revenues they may better and more easily accomplish that end by a substantial and judicious reduction of both passenger and freight rates than by the maintenance of the present rates unmodified.

I am going to print in the RECORD, with permission of the Senate, the statement to which I have referred, showing by months the revenue from passenger fares tending to sustain, in the main, the contention that the present rates are so high as to discourage in many instances and to prevent in others the conduct of business that is necessary and that ought to be carried on. I would like to print that statement without further comment.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

Mr. ROBINSON. Mr. President, I come now to a consideration of the position taken by the Senator from Iowa [Mr. CUMMINS], and, as I understand it, by the Senator from Ohio [Mr. POMERENE], that this is a matter which the Interstate Commerce Commission is peculiarly qualified to determine and that the commission ought to be permitted to decide it.

With the general proposition that legislatures can not successfully fix transportation rates, I am in hearty accord. We do not possess the information nor the agencies necessary successfully and intelligently to perform such services. I wish to be entirely frank with the Senate. If I thought the commission would act and act promptly upon the matter I would have no objection to referring it to the Interstate Commerce Commission. But I am advised that the commission have had this matter under consideration for several months, and they stand approximately evenly divided on the question of policy. They now, in my opinion, have the power to authorize the issuance of mileage books in the exercise of their general power to fix just and reasonable rates.

Mr. KELLOGG. Mr. President——

Mr. ROBINSON. I yield to the Senator from Minnesota.

Mr. KELLOGG. Does the Senator think they have the power to compel their issuance?

Mr. ROBINSON. I do not know. I think they have the power to fix the rate at which the books shall be sold.

Mr. KELLOGG. Yes; if the railroads made application; but suppose the commission initiated the matter?

Mr. ROBINSON. The commission can initiate rates. The commission has the full power in the matter now if it finds a necessity for it. In the exercise of its general power to initiate and fix just and reasonable rates it can fix any rate that it regards as just and reasonable.

Mr. CUMMINS. Mr. President——

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. May I suggest that the difficulty on that point—and I submit it to the Senator from Arkansas—is that while the commission has the power to initiate rates it has no power to compel one railroad to recognize or accept tickets issued by another railroad unless a joint route is established and unless a joint rate has been promulgated. That is the way I understand its power.

Mr. ROBINSON. They have the power to promulgate the general rate, which is the same thing in the end, if they choose to exercise it. The difficulty about the matter is this: The commission are overburdened with duties. They are performing very important and very difficult functions. They have been unable to reach an agreement respecting this subject. Merely to authorize the commission to do something which many think they have the power already to do if they chose to exercise that power, would not be accomplishing very much. But conceding that the commission may not without legislation require the issuance of mileage books, an objection grows out of the fact that great delay will ensue if the matter is relegated to the commission. I do not believe any step Congress can take will more quickly and more vitally restore courage, enthusiasm, and interest among the people of the country in their business affairs than the passage of legislation of this character. It is not a question of general rate making, although, of course, the effect of our action here must be considered in relation to the broader and even more important question of revenues to railroads generally.

It is a comparatively simple matter. If the rate fixed in the bill, in the judgment of the Senate, is too low, if the Senate thinks that the Senator from Indiana [Mr. WATSON] in preparing the bill and fixing the rate at which the mileage should be issued at 2½ cents per mile acted unwisely and that the rate ought to be increased, we can do it. We have sufficient intelligence and information respecting the subject to wisely determine it. I think the rate is about right. The enactment of this legislation will have a wholesome effect. I do not see the slightest necessity for throwing it into the Interstate Commerce Commission, where we know there is such a division of opinion respecting the policy involved in the legislation and

probably its relation to revenue that no action is likely to result if the amendment of the Senator from Iowa is agreed to.

I wish to see something done that will revive the business of the country. Nothing has contributed more to the present depressed state of business, to the dimunition of the number of sales, to the loss of profits, and the maintenance in many localities of excessive prices than have exorbitant railroad rates. We have to meet this question. The courts in every decision have said that rate making is a legislative function. If we want mileage books issued, we have the power to require their issuance, if any power can require it. There is no reason why the Senate can not intelligently determine the very simple questions involved in the bill. The commission is authorized to modify the rate if that is found necessary.

Mr. President, I have profound regard for the judgment of the Senator from Iowa. In my opinion he is perhaps the best-informed man on transportation questions in the Congress of the United States. I have not only confidence in his judgment but unlimited confidence in his integrity. I am looking at this question from the standpoint of the business interests of the country generally as well as from the standpoint of the interest of the railroads. I think my record in the Senate has demonstrated beyond necessity for vindication on my part willingness to support and advocate legislation that would put the railroads of the United States on a secure basis and enable them to operate profitably.

I have no hesitancy in saying that I have been disappointed with the manner in which the transportation act has been applied through the instrumentality of the railway executives. Their policies in some particulars have depopularized the very liberal rule of rate making prescribed in that act. They ought to have gone forward in the carrying out of the act in a way that would draw to the railroads the confidence of the people whom they serve. Necessarily many rates in the new tariffs quickly proved the necessity for corrections. Railroad authorities have been slow to make them, slow to make any concessions. For fear of establishing precedents that might later rise to plague them they have stood still when they ought to have advanced.

I indulge the hope that the Senate, having full knowledge of the subject, will enact this legislation, and do it by an overwhelming vote.

There is nothing further that I can say now that will clarify the issue presented by the amendment of the Senator from Iowa. The power exercised in this bill is a legislative power. It is our right to exercise it if we can do so intelligently. The proposition involved is simple. Any Senator can understand it. Why, then, delay action by sending it to the Interstate Commerce Commission, whom we know to be so divided upon the subject that results are not likely to be prompt.

APPENDIX.

CLASS I.—*Steam roads in the United States.*

Months.	Freight.	Passenger.	Mail.	Express.
January, 1915	$147,182,367	$45,530,479	$4,753,442	$5,666,770
February, 1915	143,323,279	41,428,728	4,751,333	4,907,838
March, 1915	163,422,093	46,445,173	4,738,881	5,265,417
April, 1915	161,867,689	47,087,401	4,737,963	5,756,318
May, 1915	165,336,359	49,683,811	4,727,596	5,877,965
June, 1915	168,849,117	56,049,246	4,707,262	6,392,334
Total, 6 months	949,980,904	286,224,838	28,416,477	33,866,642
July, 1915	170,303,824	64,133,913	4,873,886	6,140,360
August, 1915	181,017,319	66,911,861	4,939,819	6,012,403
September, 1915	198,718,493	62,353,622	5,104,536	6,493,453
October, 1915	220,640,409	56,449,825	5,027,108	6,521,413
November, 1915	219,327,033	53,876,383	4,993,230	6,451,660
December, 1915	206,380,030	55,570,292	5,044,260	7,313,098
Total, 6 months	1,196,387,138	359,295,896	29,982,859	38,932,357
January, 1916	185,915,218	49,882,858	4,989,820	6,355,630
February, 1916	191,076,384	46,685,985	5,007,120	6,385,733
March, 1916	212,254,494	50,765,440	5,146,457	7,009,386
April, 1916	202,710,224	52,408,601	4,996,112	7,112,765
May, 1916	217,905,694	54,337,812	4,998,335	7,450,232
June, 1916	208,079,249	61,640,455	5,006,404	7,820,068
Total, 6 months	1,217,941,263	315,721,151	30,144,248	42,193,814
July, 1916	204,178,123	70,187,529	5,052,461	7,473,814
August, 1916	227,305,954	70,103,793	5,122,052	7,601,199
September, 1916	228,836,893	66,570,022	5,075,656	7,914,339
October, 1916	245,629,725	62,679,601	5,073,764	8,170,282
November, 1916	236,386,684	57,087,958	5,090,663	7,915,850
December, 1916	214,647,746	65,398,511	5,667,918	9,113,481
Total, 6 months	1,356,985,128	392,027,414	31,082,514	48,188,965

CLASS I.—*Steam roads in the United States*—Continued.

Months.	Freight.	Passenger.	Mail.	Express.
January, 1917	$211,651,105	$59,418,166	$5,441,955	$7,847,754
February, 1917	185,138,707	52,400,863	4,192,730	8,666,245
March, 1917	227,271,167	59,031,845	5,123,324	8,501,812
April, 1917	227,943,184	60,363,082	4,973,262	8,564,590
May, 1917	251,929,055	61,288,774	4,994,881	8,878,007
June, 1917	247,318,427	68,113,521	4,927,465	9,345,141
Total, 6 months	1,351,251,646	360,616,251	29,653,617	51,803,549
July, 1917	241,556,482	73,739,148	4,846,049	9,059,920
August, 1917	250,281,115	81,923,003	4,830,148	9,107,049
September, 1917	242,174,017	82,527,870	4,771,814	9,402,030
October, 1917	271,395,058	77,280,262	4,636,813	9,212,441
November, 1917	254,560,948	70,133,132	4,510,568	9,033,837
December, 1917	221,657,204	80,985,621	4,515,450	10,268,250
Total, 6 months	1,481,624,824	466,589,036	28,110,842	56,083,527
January, 1918	188,753,476	66,493,870	4,574,891	8,797,331
February, 1918	198,583,302	62,294,450	4,382,556	9,040,642
March, 1918	259,850,752	73,118,329	4,526,594	9,574,221
April, 1918	264,477,396	72,466,908	4,602,459	9,525,143
May, 1918	263,258,643	79,172,892	4,568,208	10,221,406
June, 1918	263,796,118	94,810,606	4,495,709	9,650,621
Total, 6 months	1,438,719,687	448,357,055	27,150,417	56,809,364
July, 1918	328,414,138	104,676,569	4,440,811	8,580,828
August, 1918	350,936,907	113,761,117	4,481,361	10,659,296
September, 1918	342,101,018	105,925,071	4,352,989	13,753,762
October, 1918	365,427,509	84,803,839	4,276,597	12,693,162
November, 1918	322,551,705	81,766,019	4,244,888	10,695,145
December, 1918	309,727,496	92,965,315	4,608,339	12,860,944
Total, 6 months	2,019,158,773	583,897,930	26,404,985	69,243,137
January, 1919	278,375,866	87,055,662	4,353,090	6,349,831
February, 1919	242,295,875	79,318,347	4,171,441	7,823,221
March, 1919	256,041,645	89,440,170	4,295,021	8,168,652
April, 1919	265,675,547	89,565,251	4,306,948	11,239,431
May, 1919	286,709,568	92,742,679	4,379,044	9,213,958
June, 1919	284,326,350	105,634,362	4,303,349	10,068,796
Total, 6 months	1,613,424,851	543,756,471	25,808,893	52,863,889
July, 1919	303,514,025	113,725,352	4,166,808	7,618,528
August, 1919	313,839,603	120,689,954	4,676,053	9,978,809
September, 1919	346,668,124	110,219,099	4,276,447	13,136,634
October, 1919	368,546,313	99,033,423	4,530,175	13,315,129
November, 1919	303,489,474	92,475,222	4,283,363	14,758,277
December, 1919	308,704,454	100,080,515	9,716,268	16,048,057
Total, 6 months	1,942,761,993	636,223,565	31,649,114	74,855,434
January, 1920	311,565,615	91,874,146	[1]60,528,728	13,899,174
February, 1920	299,212,509	82,571,053	9,058,642	11,671,553
March, 1920	324,598,960	92,631,705	8,390,790	11,729,993
April, 1920	268,812,703	92,963,857	7,566,673	11,823,542
May, 1920	314,147,944	98,901,390	7,765,173	13,129,574
June, 1920	340,335,900	107,383,211	8,099,084	12,341,165
Total, 6 months	1,858,673,631	566,325,372	101,409,090	74,595,001
July, 1920	356,091,063	123,218,449	7,741,624	14,389,175
August, 1920	369,580,250	132,903,613	7,823,168	15,165,514
September, 1920	438,882,228	129,857,101	7,888,630	11,744,382
October, 1920	480,375,264	113,902,023	8,220,583	7,605,951
November, 1920	436,891,209	106,652,325	8,341,313	10,889,577
December, 1920	386,057,436	115,060,511	8,876,400	9,664,053
Total, 6 months	2,467,877,450	721,594,022	48,891,718	69,458,652
January, 1921	324,825,450	105,295,673	8,225,256	7,443,572
February, 1921	283,908,205	88,492,583	7,915,776	4,459,069
March, 1921	320,694,043	97,312,305	9,673,927	6,980,555
April, 1921	304,730,452	90,698,125	7,782,447	8,221,054
May, 1921	313,057,371	93,516,961	7,829,078	6,960,929
June, 1921	322,073,544	99,783,567	7,689,826	7,586,530
Total, 6 months	1,869,349,065	575,099,214	49,116,310	41,651,719
July, 1921	314,611,353	108,865,325	7,307,354	8,140,074
August, 1921	353,307,011	109,174,998	7,449,068	10,313,774
September, 1921	354,052,825	100,679,514	7,370,281	10,417,319
October, 1921	400,709,558	88,844,414	7,358,399	12,182,364
November, 1921	342,024,698	82,655,520	7,241,535	9,783,342

[1] Includes approximately $50,000,000 back mail pay.

Mr. CUMMINS. Mr. President, I offer the following amendment by way of a substitute for the pending bill.

The PRESIDING OFFICER. The amendment in the nature of a substitute will be reported.

The reading clerk read as follows:

Strike out all after the enacting clause and substitute therefor the following:

"That section 22 of the act entitled 'An act to regulate commerce,' approved February 4, 1887, as amended, is hereby amended by inserting '(1)' after the section number at the beginning of such section and by adding to the section two new paragraphs, as follows, to wit:

"'(2) The commission is empowered to require, after notice and hearing, each carrier by rail, subject to this act, to issue at such offices as may be prescribed by the commission joint interchangeable mileage tickets at a just and reasonable rate per mile, good for interstate pas-

senger carriage upon the passenger trains of any and all other carriers by rail subject to this act. Such tickets may be required to be issued for any distance not exceeding 5,000 miles nor less than 1,000 miles. Before making any order requiring the issuance of any such tickets the commission shall make and publish such reasonable rules and regulations for their issuance and use as in its judgment the public interest demands; and especially it shall prescribe whether such tickets are transferable or nontransferable, and if the latter, what identification may be required; and especially, also, to what baggage privileges the lawful holders of such tickets are entitled.

"'(3) Any carrier which through the act of any agent or employee willfully refuses to issue or accept any such ticket demanded or presented under the lawful requirements of this act, or willfully refuses to conform to the rules and regulations lawfully made and published by the commission hereunder, or any person who shall willfully offer for carriage any such ticket contrary to the said rules and regulations shall be deemed guilty of a misdemeanor and upon conviction shall be fined not to exceed $1,000.'"

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Iowa permit me to ask a question of the Senator from Arkansas before he proceeds with his remarks?

Mr. CUMMINS. Certainly.

Mr. WALSH of Massachusetts. I would like to ask the Senator from Arkansas why the size of the mileage book was fixed at 5,000 miles rather than 1,000, 2,000, or 3,000?

Mr. ROBINSON. I think that ought to be reduced, as I said during the course of my remarks, probably to 2,000 miles.

Mr. WATSON of Indiana. Mr. President, will the Senator from Iowa permit me?

Mr. CUMMINS. Certainly.

Mr. WATSON of Indiana. Mr. President, if the Senator from Iowa will permit me, I desire to say it was stated that if the railroads were compelled to issue mileage books for 1,000 miles, a very great number of people might buy a 1,000-mile ticket who could not buy a 5,000-mile ticket and thereby greatly reduce the revenue of the railroads from passenger traffic. As the Senator well knows, the pending measure is very largely sponsored by the commercial travelers and other allied associations. Their theory has been that if the books were fixed at 5,000 miles the commercial travelers would very largely purchase them, but that the general traveling public would not purchase them; that the commercial travelers would thereby enjoy the book thus issued, and that the revenue to the railroads would not be so greatly reduced as by a thousand-mile ticket which the general public would buy. That was partially the theory.

Mr. ROBINSON. The bill is based upon the principle of wholesaling transportation.

Mr. WATSON of Indiana. That is the point I was going to make.

Mr. ROBINSON. And it was thought probable by the framers of the bill that a 5,000-mile book would more clearly recognize that principle than would a 1,000-mile book.

Mr. WATSON of Indiana. That is what I was about to say.

Mr. ROBINSON. I have said and I repeat that I think the limitation as to 5,000 miles ought to be reduced to 2,000 miles, and, so far as I am concerned, I would not oppose an amendment to that end, although I am not offering such an amendment.

Mr. WATSON of Indiana. If this measure shall pass, I am very seriously in favor of a 5,000-mile book. I take it that all of the organizations referred to stand for the 5,000-mile book, and that so far as they are concerned they desire the measure passed in that form.

Mr. CUMMINS addressed the Senate. After having spoken, with interruptions, for over an hour, he said: I will yield the floor now, knowing that there is some business to be done that should be done before the Senate adjourns, with the hope that when the consideration of the bill is resumed to-morrow I may be permitted to conclude what I have to say about it.

DUTIES OF FEDERAL JUDGES.

Mr. DIAL. Mr. President, if I am in order, I desire to move that Senate bill 384, to require judges appointed under authority of the United States to devote their entire time to the duties of a judge, be made the unfinished business.

Mr. CURTIS. Mr. President, I hope——

Mr. ROBINSON. I make the point of order that such a motion is not in order.

The VICE PRESIDENT. It is not in order.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Thursday, January 19, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 18, 1922.

REGISTERS OF THE LAND OFFICE.

Job Alexander McLeod, of Arkansas, to be register of the land office at Camden, Ark., effective upon completion of consolidation under act of October 28, 1921.

Oran Layton, of Kansas, to be register of the land office at Topeka, Kans., effective upon completion of consolidation under act of October 28, 1921.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY.

CORPS OF ENGINEERS.

Capt. John Mead Silkman, Coast Artillery Corps, with rank from July 1, 1920.

ORDNANCE DEPARTMENT.

Capt. John Kay Christmas, Coast Artillery Corps, with rank from July 1, 1920.

First Lieut. Harrison Shaler, Field Artillery, with rank from August 27, 1919.

First Lieut. John William Slattery, Air Service, with rank from July 1, 1920.

FIELD ARTILLERY.

Maj. William Rudicil Henry, Cavalry, with rank from July 1, 1920.

PROMOTIONS IN THE REGULAR ARMY.

DENTAL CORPS.

First Lieut. Clarence Constantin Olson to be captain, Dental Corps, from January 10, 1922.

CHAPLAIN.

Chaplain Charles Oliver Purdy to be chaplain, with the rank of captain, from January 5, 1922.

POSTMASTERS.

CALIFORNIA.

George W. Bull to be postmaster at Weed, Calif., in place of G. W. Wentner, resigned.

CONNECTICUT.

Robert O. Judson to be postmaster at Woodbury, Conn., in place of J. J. Cassidy. Incumbent's commission expired July 21, 1921.

ILLINOIS.

William E. Erfert, jr., to be postmaster at Lansing, Ill. Office became presidential April 1, 1921.

Bessie McTamaney to be postmaster at Fort Sheridan, Ill., in place of F. C. Sweeney, resigned.

INDIANA.

Earl L. Rhodes to be postmaster at Milltown, Ind. Office became presidential April 1, 1921.

Charles J. Sparks to be postmaster at Kewanna, Ind., in place of C. M. Snepp. Incumbent's commission expired July 21, 1921.

IOWA.

Walter H. Lake to be postmaster at Bedford, Iowa, in place of C. N. Nelson. Incumbent's commission expired August 7, 1921.

Glen D. Curtis to be postmaster at Buffalo Center, Iowa, in place of H. E. Eiel, resigned.

Eugene E. Heldridge to be postmaster at Milford, Iowa, in place of J. J. Herbster, deceased.

KANSAS.

Willard E. Johnston to be postmaster at Attica, Kans., in place of J. H. Stanbery. Incumbent's commission expired July 23, 1921.

LOUISIANA.

Victor L. Brumfield to be postmaster at Winnfield, La., in place of G. A. Payne, resigned.

MASSACHUSETTS.

William F. Runnells to be postmaster at Newburyport, Mass., in place of J. F. Carens. Incumbent's commission expired January 25, 1920.

MICHIGAN.

Carl J. Willis to be postmaster at Bannister, Mich. Office became presidential July 1, 1921.

Eugene J. Richardson to be postmaster at Temperance, Mich. Office became presidential April 1, 1921.

Clarence J. Williams to be postmaster at Carleton, Mich., in place of E. C. Maxwell. Incumbent's commission expired July 21, 1921.

Curtis G. Reynolds to be postmaster at Dundee, Mich., in place of F. B. Carr. Incumbent's commission expired July 21, 1921.

James D. Housman to be postmaster at Petersburg, Mich., in place of F. L. Logan. Incumbent's commission expired July 21, 1921.

MINNESOTA.

Amos P. Wells to be postmaster at Holloway, Minn. Office became presidential April 1, 1921.

Racine Olson to be postmaster at Holt, Minn. Office became presidential April 1, 1921.

Emily M. Drexler to be postmaster at Brandon, Minn., in place of E. M. Drexler. Incumbent's commission expired March 16, 1921.

Fred C. Brower to be postmaster at Kimball, Minn., in place of F. E. Smith. Incumbent's commission expired August 7, 1921.

Harry Coleman to be postmaster at Lancaster, Minn., in place of Olof Risted. Incumbent's commission expired August 7, 1921.

Walter W. Parrish to be postmaster at Rushford, Minn., in place of W. W. Parrish. Incumbent's commission expired August 7, 1921.

MISSISSIPPI.

Charles P. Chappell to be postmaster at Tupelo, Miss., in place of F. H. Mitts, deceased.

MISSOURI.

William P. Murphy to be postmaster at Wheatland, Mo. Office became presidential January 1, 1921.

Herman E. Christrup to be postmaster at Laddonia, Mo., in place of C. E. Mayhall, resigned.

David L. Blanchfield to be postmaster at Martinsburg, Mo., in place of W. G. Pike. Incumbent's commission expired July 25, 1921.

Henry W. Werges to be postmaster at New Haven, Mo., in place of T. P. Diggs. Incumbent's commission expired January 27, 1920.

William F. Norris to be postmaster at Perry, Mo., in place of A. H. Martin. Incumbent's commission expired July 25, 1921.

John H. Fisher to be postmaster at Sullivan, Mo., in place of M. B. Lane. Incumbent's commission expired July 25, 1921.

Ben J. Drymon to be postmaster of Willow Springs, Mo., in place of J. W. Hogan. Incumbent's commission expired July 25, 1921.

MONTANA.

Letta Conser to be postmaster at Plevna, Mont., in place of Letta Conser. Incumbent's commission expires February 5, 1922.

NEBRASKA.

Edward H. Hering to be postmaster at Orchard, Nebr., in place of F. D. Strope. Incumbent's commission expired August 6, 1921.

NEW JERSEY.

Adrian P. King to be postmaster at Beachhaven, N. J., in place of A. P. King. Incumbent's commission expired August 6, 1921.

Chester A. Burt to be postmaster at Helmetta, N. J., in place of C. A. Burt. Incumbent's commission expired August 6, 1921.

John J. Schilcox to be postmaster at Keasbey, N. J., in place of J. J. Schilcox. Incumbent's commission expired August 6, 1921.

Arthur S. Warner to be postmaster at Spring Lake Beach, N. J., in place of C. W. Simonson, deceased.

NEW YORK.

Erastus C. Davis to be postmaster at Fonda, N. Y., in place of J. B. Martin, resigned.

Frank Foggin to be postmaster at Staten Island, N. Y., in place of F. O. Driscoll. Incumbent's commission expired January 8, 1921.

NORTH CAROLINA.

Christopher H. Mattocks to be postmaster at Maysville, N. C. Office became presidential April 1, 1920.

Cecil E. Spruill to be postmaster at Creswell, N. C., in place of E. S. Woodley, appointee declined.

Heber R. Munford to be postmaster at Greenville, N. C., in place of D. J. Whichard. Incumbent's commission expired July 21, 1921.

Henry Reynolds to be postmaster at North Wilkesboro, N. C., in place of J. G. Hackett. Incumbent's commission expired July 21, 1921.

Wiley F. Talley to be postmaster at Randleman, N. C., in place of A. N. Bulla. Incumbent's commission expired July 21, 1921.

Samuel L. Parker to be postmaster at St. Pauls, N. C., in place of P. J. Caudell. Incumbent's commission expired July 21, 1921.

OKLAHOMA.

John Wilson to be postmaster at Keystone, Okla. Office became presidential April 1, 1921.

PENNSYLVANIA.

Lena M. Trettel to be postmaster at Coal Center, Pa. Office became presidential April 1, 1921.

Robert S. Gumaer to be postmaster at Dalton, Pa., in place of E. H. Fisk. Incumbent's commission expired August 17, 1921.

William L. Swarm to be postmaster at Millheim, Pa. Office became presidential January 1, 1920.

TENNESSEE.

James G. McKenzie to be postmaster at Big Sandy, Tenn., in place of Leon Caraway. Incumbent's commission expired January 2, 1921.

WASHINGTON.

Winslow M. McCurdy to be postmaster at Port Townsend, Wash., in place of H. L. Tibbals. Incumbent's commission expired January 5, 1920.

WISCONSIN.

Charles H. Lake to be postmaster at Marshall, Wis., in place of A. M. Sanders, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 18, 1922.

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

Henry P. Fletcher to be ambassador extraordinary and plenipotentiary to Belgium.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

William J. O'Toole to be envoy extraordinary and minister plenipotentiary to Paraguay.

SECRETARIES OF EMBASSIES OR LEGATIONS.

CLASS 1.

William Walker Smith to be secretary of embassy or legation of class 1.

CLASS 3.

Barton Hall to be secretary of embassy or legation of class 3.

Walter H. Schoellkopf to be secretary of embassy or legation of class 3.

APPRAISER OF MERCHANDISE.

Martin L. Durgin to be appraiser of merchandise in customs collection district No. 1, with headquarters at Portland, Me.

COLLECTOR OF INTERNAL REVENUE.

William E. Snead to be collector of internal revenue, district of Alabama.

PROMOTIONS IN THE NAVY.

To be rear admirals.

Louis R. de Steiguer.
William Woodward Phelps.
William C. Cole.

To be captains.

David F. Boyd.	Stafford H. R. Doyle.
Clarence A. Abele.	Charles S. Freeman.
Frank L. Pinney.	Joseph R. Defrees.
Frederick J. Horne.	Edward S. Jackson.
Alfred W. Johnson.	Julius F. Hellweg.
Chauncey Shackford.	Robert Morris.
Ralph E. Pope.	George W. Steele, jr.
Charles P. Snyder.	John W. Timmons.
Samuel W. Bryant.	Henry C. Mustin.
Henry L. Wyman.	William B. Wells.
Sinclair Gannon.	Hilary H. Royall.
John D. Wainwright.	Paul B. Dungan.

To be commanders.

David W. Bagley.	John T. G. Stapler.
Robert L. Ghormley.	Roland M. Brainard.
Douglas L. Howard.	John S. McCain.
Earl R. Shipp.	Alexander Sharp, jr.
Fred M. Perkins.	Robert A. Theobald.

To be lieutenant commanders.

Edward C. Raguet.	Harry L. Merring.
Holbrook Gibson.	William D. Chandler, jr.
Lemuel E. Lindsay.	James C. Byrnes, jr.
Jesse B. Oldendorf.	Cecil Y. Johnston.
Augustine H. Gray.	John H. Magruder, jr.
Edwin J. Gillam.	Elliott B. Nixon.
Roland M. Comfort.	Lybrand P. Smith.
George N. Reeves, jr.	Harry W. Hill.
Charles H. Maddox.	Edward B. Lapham.

Augustine W. Rieger.
Alston R. Simpson.
Frank H. Luckel.
Charles A. Pownall.
Jefferson D. Smith.
Robert M. Griffin.
Edgar R. McClung.
Everett D. Capehart.
James H. Taylor.
Ralph E. Dennett.
Harry D. McHenry.
Alfred S. Wolfe.

To be lieutenants.

Clifford G. Richardson.
Paul W. Rutledge.
Houston L. Maples.
Robert W. McReynolds, jr.
Ward P. Davis.
Ralph E. Davison.
John S. Roberts.
Sydney J. Wynne.
George L. Harriss.
Benjamin O. Wells.
Lloyd E. Clifford.

To be lieutenants (junior grade).

George L. Harriss.
Lloyd E. Clifford.
Carl K. Fink.

To be medical director.

Medical Inspector Edgar Thompson.

To be surgeons.

Daniel Hunt.
John F. Riordan.

To be passed assistant surgeon.

Earl E. Sullivan.

To be dental surgeons.

Harry D. Johnson.
Paul G. White.
George H. Reed.

To be passed assistant dental surgeons.

Charles C. Tinsley.
Harry L. Kalen.
Philip H. MacInnis.

To be pay director.

George M. Stackhouse.

To be pay inspectors.

James F. Kutz.
David G. McRitchie.
Philip J. Willett.
Brainerd M. Dobson.

To be paymasters.

Harold C. Shaw.
Smith Hempstone.
William Gower.
Thomas Cochran.
Frederick C. Bowerfind.

To be naval constructors.

Ernest F. Eggert.
Henry Williams.
Henry T. Wright.
Julius A. Furer.
Jerome C. Hunsaker.

To be civil engineers.

Clinton D. Thurber.
Norman M. Smith.
Glenn S. Burrell
Ralph D. Spalding.

To be assistant naval constructors.

Wesley M. Hague.
Evander W. Sylvester.
Bennett L. Falknor.
Horatio C. Sexton, jr.
Lawrence T. Haugen.
Lloyd Harrison.
Lisle J. Maxson.
Neil B. Musser.
Roy T. Cowdry.
Paul B. Nibecker.
Walter F. Christmas.
Wallace R. Dowd.
Roswell B. Daggett.
George C. Calnan.
Calvin M. Bolster.
DeWitt C. Redgrave, jr.
Philip Lemler.
Harold S. Van Buren.
Floyd A. Tusler.
Mason D. Harris.

MARINE CORPS.

To be brigadier general.

John H. Russell.

POSTMASTERS.

COLORADO.

Forrest B. Rose, Castle Rock.
A. G. Thomson, Leadville.
Mary J. Anderson, Rocky Ford.
Loran G. Denison, Telluride.

DELAWARE.

Annie C. Fleetwood, Cannon.

FLORIDA.

Simeon C. Dell, Alachua.
Lynn Kilbourn, Carrabelle.
Eva R. Vaughn, Century.
Joseph B. Bower, Rockledge.
John C. Beekman, Tarpon Springs.
Samuel D. Holmes, Titusville.

INDIANA.

Woodson E. Greenlee, Coatesville.
Harry H. Spencer, East Chicago.
Gilbert M. Jordan, Flora.
Robert H. Bryson, Indianapolis.
Robert M. Campbell, La Fayette.
Howard Chitty, Mitchell.
William W. Schmidt, Wanatah.
Clyde H. Fee, Waterloo.

IOWA.

Orien J. Perdue, Altoona.
James H. Post, Carroll.
Arthur W. Liston, Coin.
Joseph D. Schaben, Earling.
Fred A. Robinson, Estherville.
Olger H. Raleigh, Graettinger.
Emmet M. Henery, Grand Junction.
Francis D. Winter, Hinton.
Frank Jaqua, Humboldt.
James W. Fowler, Jefferson.
Martin J. Severson, Jewell.
Walter J. Overmyer, Lacona.
Daniel Anderson, Lamoni.
Jacob D. Kruse, Little Rock.
Estella Griffin, McIntire.
Martha Slatter, Manson.
Benjamin H. Morrison, Mapleton.
Harry L. Brenton, Minburn.
Otto J. Warneke, Readlyn.
Paul H. Harlan, Richland.
M. W. Maxey, Riverton.
Arthur E. Norton, Rowley.
Raymond G. Laird, Tabor.
Clarence W. Rowe, Vinton.
Marion L. Voshell, Volga.
Roy H. Bedford, What Cheer.

KANSAS.

Floyd I. Shoaf, Clay Center.
Asahel A. Castle, Clayton.
Charles M. Swan, Lansing.
Joseph H. Andrews, Overbrook.
Pearl M. Mickey, Zurich.

MAINE.

Clifford J. Sharp, Monticello.
Fremont A. Hunton, Readfield.
Lemuel Rich, Sebago Lake.

MASSACHUSETTS.

Benjamin S. Whittier, East Walpole.
Horace D. Prentiss, Holyoke.
James H. Walsh, Leominster.
John H. Pratt, Natick.
William H. Pierce, Winchendon.

MICHIGAN.

Sylva Blain, Alba.
Fred W. Fitzgerald, Bellevue.
Ernest Muscott, Breckenridge.
Charles G. Chamberlain, Breedsville.
Willis Wightman, Buckley.
Martin C. Kilmark, Coloma.
Roy B. Gaskill, Delton.
David E. Hills, Fife Lake.
Emma L. Lewandowsky, Honor.
John A. Sherman, Ludington.
George N. Jones, Marine City.
John A. Meier, Manistee.
Fred C. McQuinn, Mecosta.
Harry M. Colby, New Lothrop.
Leslie A. Quale, Onekama.
Ray G. Turner, Onsted.
Charles W. Munson, Republic.
May Rowley, St. Charles.
Charles F. Grozinger, Woodland.

MINNESOTA.

Margaret M. Briggs, Princeton.
Ira E. King, Stillwater.

NEW HAMPSHIRE.

Fred T. Wilson, Alton Bay.
Frederick R. Jennings, Gorham.
Herbert Perkins, Hampton.

NORTH CAROLINA.

Barron P. Caldwell, Cliffside.
John W. Shook, Clyde.
John M. Meshaw, Council.
George W. Lance, Fletcher.
Willis R. Smith, Garland.
Pierce P. Richards, Lawndale.
A. H. Greene, Mooresboro.
James E. Green, Mount Gilead.
Ira E. Tucker, Polkton.
Cecil M. Griffin, Rural Hall.
Frielden B. Jones, West Jefferson.

OHIO.

Benson M. Harrison, Alexandria.
William H. Campbell, Galena.
Jacob E. Davis, Kingsville.
Stanley C. Compher, Piedmont.
Ralph E. Saner, Powhatan Point.
Wheeler R. White, Rising Sun.

OKLAHOMA.

Mahlon F. Manville, Ada.
Harry F. Hall, Alva.
Edgar M. Cowles, Arapaho.
Oliver T. Robinson, Britton.
Charles L. Logan, Butler.
Alexander E. Richey, Caddo.
Elta H. Jayne, Edmond.
Edwin C. Willison, Elk City.
Marion D. Self, Erick.
William T. Malone, Harrah.
Denny Montgomery, Hobart.
David King, Luther.
William M. Bennett, Sentinel.
Joseph H. Cruthis, Talihina.
Logan G. Hysmith, Wilburton.

TEXAS.

Henry J. Whitworth, Avinger.
Nora Platt, Browndel.
Earl J. Smith, Eliasville.
William Reese, Floresville.
William H. Newby, League City.
Jennie W. Reynolds, Mason.
George E. Comegys, Merkel.
Monroe W. Krueger, New Ulm.
Robert E. Slocum, Pharr.
Thomas E. Franklin, Poteet.
Bessie B. Hackett, Raymondville.
Willie E. Penick, Rule.
J. Philomel Stephens, Sierra Blanca.
George M. Sewell, Talpa.

WISCONSIN.

Lewis T. Larsen, Danbury.
Michael C. Keasling, Exeland.
Alexander C. Magnus, Glen Flora.
Felix A. Roeseler, Hustisford.
Susan D. Olson, Siren.
Laura K. Reingruber, South Germantown.
Hartvig J. Elstad, Whitehall.
Charles A. Smart, Wild Rose.

WYOMING.

Elizabeth W. Kieffer, Fort Russell.
John E. Gilmore, Greybull.
Elmer T. Beltz, Laramie.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *January 18, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, while the days of our pilgrimage are hurrying by we are so thankful that Thy mercy is attending us. The prints of Thy fingers are upon us, and our souls are the crowning gifts of Thy handiwork. O assure us of Thy presence, Lord, and make our errors the beginnings of wisdom. More and more establish us in love and in obedience, and lift us above the corroding influences of weakness and fear. Give us hearts that lovingly accept Thy providences and find peace and rest even in their mysteries. Always enable us to bear the yoke of service without complaint and to do our duty in the spirit of a high privilege; and when we falter or fail hold us with Thy gentle hand. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

ORDER OF BUSINESS.

The SPEAKER. To-day is Calendar Wednesday.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with business under the Calendar Wednesday rule.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to dispense with business under Calendar Wednesday. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, I object.

Mr. MONDELL. Mr. Speaker, I move to dispense with business under Calendar Wednesday.

The SPEAKER. The gentleman from Wyoming moves to dispense with business under Calendar Wednesday.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 36, noes 17.

Mr. GARRETT of Tennessee. Mr. Speaker, I object to the vote on account of the absence of a quorum.

The SPEAKER. The gentleman from Tennessee makes the point of order that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors and the Sergeant at Arms will notify absent Members. As many as are in favor of dispensing with business under Calendar Wednesday will, as their names are called, vote "yea," those opposed "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 244, nays 107, answered "present" 2, not voting 77, as follows:

YEAS—244.

Ackerman	Edmonds	Kissel	Ricketts
Anderson	Elliott	Kline, N. Y.	Riddick
Andrew, Mass.	Ellis	Kline, Pa.	Roach
Andrews, Nebr.	Evans	Kraus	Robsion
Ansorge	Fairchild	Lampert	Rodenberg
Anthony	Fairfield	Larson, Minn.	Rogers
Appleby	Faust	Layton	Rose
Arentz	Fenn	Lea, Calif.	Rossdale
Atkeson	Fess	Leatherwood	Sanders, N. Y.
Bacharach	Fish	Lehlbach	Schall
Barbour	Fitzgerald	Little	Scott, Mich.
Beck	Focht	London	Scott, Tenn.
Begg	Fordney	Longworth	Shelton
Benham	Foster	Luce	Shreve
Bird	Frear	Luhring	Siegel
Bixler	Free	McArthur	Sinclair
Bland, Ind.	Freeman	McCormick	Sinnott
Boies	French	McFadden	Smith, Idaho
Bowers	Frothingham	McKenzie	Smith, Mich.
Brennan	Fuller	McLaughlin, Mich.	Snell
Brooks, Ill.	Gahn	McLaughlin, Nebr.	Snyder
Brooks, Pa.	Gallivan	McLaughlin, Pa.	Speaks
Brown, Tenn.	Gensman	MacGregor	Sproul
Browne, Wis.	Gernerd	Madden	Stafford
Burroughs	Glynn	Magee	Steenerson
Burtness	Goodykoontz	Maloney	Stephens
Burton	Gorman	Mann	Strong, Kans.
Butler	Green, Iowa	Mapes	Strong, Pa.
Cable	Greene, Mass.	Merritt	Summers, Wash.
Campbell, Kans.	Greene, Vt.	Michaelson	Sweet
Campbell, Pa.	Griest	Michener	Swing
Cannon	Griffin	Miller	Taylor, N. J.
Chalmers	Hadley	Millspaugh	Temple
Chandler, Okla.	Hardy, Colo.	Mondell	Thompson
Chindblom	Haugen	Montoya	Tilson
Christopherson	Hawley	Moore, Ohio	Timberlake
Clague	Hersey	Moores, Ind.	Tincher
Clarke, N. Y.	Hickey	Morgan	Towner
Clouse	Hicks	Murphy	Treadway
Codd	Hill	Nelson, A. P.	Underhill
Cole, Iowa	Himes	Nelson, J. M.	Vaile
Colton	Hoch	Newton, Mo.	Vestal
Connell	Hukriede	Norton	Volk
Connolly, Pa.	Hull	Ogden	Volstead
Cooper, Ohio	Husted	Paige	Walsh
Cooper, Wis.	Ireland	Parker, N. Y.	Walters
Copley	James	Patterson, Mo.	Wason
Coughlin	Jefferis, Nebr.	Patterson, N. J.	Watson
Crago	Johnson, Ky.	Perkins	Wheeler
Cramton	Johnson, S. Dak.	Perlman	White, Kans.
Crowther	Jones, Pa.	Petersen	White, Me.
Curry	Kearns	Purnell	Williams
Dale	Kelley, Mich.	Radcliffe	Williamson
Dallinger	Kelly, Pa.	Ramseyer	Winslow
Darrow	Kendall	Ransley	Wood, Ind.
Davis, Minn.	Kennedy	Reavis	Woodyard
Dempsey	Ketcham	Reber	Wurzbach
Denison	Kiess	Reece	Wyant
Dickinson	King	Reed, N. Y.	Yates
Dowell	Kinkaid	Reed, W. Va.	Young
Dyer	Kirkpatrick	Rhodes	Zihlman

NAYS—107.

Almon	Byrnes, S. C.	Drewry	Herrick
Aswell	Byrns, Tenn.	Driver	Hooker
Bankhead	Cantrill	Favrot	Huddleston
Barkley	Carew	Fields	Hudspeth
Bell	Carter	Fisher	Humphreys
Black	Collier	Garner	Jacoway
Bland, Va.	Collins	Garrett, Tenn.	Jeffers, Ala.
Blanton	Connally, Tex.	Garrett, Tex.	Johnson, Miss.
Bowling	Crisp	Gilbert	Jones, Tex.
Box	Cullen	Goldsborough	Kincheloe
Brand	Davis, Tenn.	Hardy, Tex.	Lanham
Briggs	Dominick	Harrison	Lankford
Buchanan	Doughton	Hawes	Larsen, Ga.
Bulwinkle	Drane	Hayden	Lazaro

Lee, Ga.	Oldfield	Rouse	Ten Eyck
Linthicum	Oliver	Sanders, Tex.	Thomas
Logan	Overstreet	Sandlin	Tillman
Lowrey	Padgett	Sears	Upshaw
Lyon	Park, Ga.	Sisson	Vinson
McClintic	Parks, Ark.	Smithwick	Ward, N. C.
McDuffie	Parrish	Steagall	Weaver
McSwain	Pou	Stedman	Wilson
Martin	Quin	Stoll	Wingo
Mead	Rainey, Ill.	Sumners, Tex.	Wise
Montague	Raker	Swank	Woods, Va.
Moore, Va.	Rankin	Tague	Wright
O'Connor	Rayburn	Taylor, Ark.	

ANSWERED "PRESENT"—2.

Cockran	Robertson

NOT VOTING—77.

Beedy	Graham, Pa.	Lineberger	Ryan
Blakeney	Hammer	McPherson	Sabath
Bond	Hays	Mansfield	Sanders, Ind.
Brinson	Hogan	Mills	Shaw
Britten	Houghton	Moore, Ill.	Slemp
Burdick	Hutchinson	Morin	Stevenson
Burke	Johnson, Wash.	Mott	Stiness
Chandler, N. Y.	Kahn	Mudd	Sullivan
Clark, Fla.	Keller	Newton, Minn.	Taylor, Colo.
Classon	Kindred	Nolan	Taylor, Tenn.
Cole, Ohio	Kitchin	O'Brien	Tinkham
Deal	Kleczka	Olpp	Tyson
Dunbar	Knight	Osborne	Vare
Dunn	Knutson	Parker, N. J.	Volgt
Dupré	Kopp	Porter	Ward, N. Y.
Echols	Kreider	Pringey	Webster
Fulmer	Kunz	Rainey, Ala.	Woodruff
Funk	Langley	Riordan	
Gould	Lawrence	Rosenbloom	
Graham, Ill.	Lee, N. Y.	Rucker	

So the motion to dispense with business under Calendar Wednesday was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. KNUTSON with Mr. SULLIVAN.

Mr. SANDERS of Indiana with Mr. RIORDAN.

Mr. PORTER with Mr. SABATH.

Mr. KELLER with Mr. KUNZ.

Mr. COLE of Ohio with Mr. KINDRED.

Mr. STINESS with Mr. TAYLOR of Colorado.

Mr. WOODRUFF with Mr. O'BRIEN.

On this vote:

Mr. MCPHERSON and Mr. OLPP (for) with Mr. DUPRÉ (against).

Mr. ECHOLS and Mr. MORIN (for) with Mr. STEVENSON (against).

Mr. PRINGEY and Mr. OSBORNE (for) with Mr. RAINEY of Alabama (against).

Mr. LINEBERGER and Mr. BURKE (for) with Mr. KITCHIN (against).

Mr. MOORE of Illinois and Mr. HUTCHINSON (for) with Mr. HAMMER (against).

Mr. KAHN and Mr. VARE (for) with Mr. FULMER (against).

Mr. BEEDY and Mr. LAWRENCE (for) with Mr. BRINSON (against).

Mr. HAYS and Mr. KNIGHT (for) with Mr. TYSON (against).

Mr. GRAHAM of Pennsylvania and Mr. BLAKENEY (for) with Mr. MANSFIELD (against).

Mr. HAYS and Mr. KNIGHT (for) with Mr. TYSON (against).

Mr. HOGAN and Mr. MILLS (for) with Mr. RUCKER (against).

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

ANTILYNCHING LEGISLATION.

Mr. VOLSTEAD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13, the antilynching bill.

The SPEAKER. The gentleman from Minnesota moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13.

The question being taken, on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 157, noes 107.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 245, nays 104, answered "present" 2, not voting 79, as follows:

YEAS—245.

Ackerman	Atkeson	Bixler	Brooks, Pa.
Anderson	Bacharach	Blakeney	Browne, Wis.
Andrew, Mass.	Barbour	Bland, Ind.	Burroughs
Andrews, Nebr.	Beck	Boies	Burtness
Ansorge	Begg	Bowers	Burton
Appleby	Benham	Brennan	Butler
Arentz	Bird	Brooks, Ill.	Cable
Campbell, Kans.	Glynn	McKenzie	Shreve
Campbell, Pa.	Goodykoontz	McLaughlin, Mich.	Siegel
Cannon	Gorman	McLaughlin, Nebr.	Sinclair
Chalmers	Graham, Ill.	McLaughlin, Pa.	Sinnott
Chindblom	Green, Iowa	MacGregor	Smith, Idaho
Christopherson	Greene, Mass.	Madden	Smith, Mich.
Clague	Greene, Vt.	Magee	Snell
Clarke, N. Y.	Griest	Maloney	Snyder
Codd	Hadley	Mann	Speaks
Cole, Iowa	Hardy, Colo.	Mapes	Sproul
Cole, Ohio	Hawley	Merritt	Stafford
Colton	Hersey	Michaelson	Stephens
Connell	Hickey	Michener	Strong, Kans.
Cooper, Ohio	Hicks	Miller	Strong, Pa.
Cooper, Wis.	Hill	Mills	Summers, Wash.
Copley	Himes	Millspaugh	Sweet
Coughlin	Hoch	Mondell	Swing
Crago	Hukriede	Montoya	Taylor, N. J.
Cramton	Hull	Moore, Ohio	Taylor, Tenn.
Cullen	Husted	Moores, Ind.	Temple
Curry	Ireland	Morgan	Thompson
Dale	James	Murphy	Tilson
Dallinger	Jefferis, Nebr.	Nelson, A. P.	Timberlake
Darrow	Johnson, Ky.	Newton, Mo.	Tincher
Davis, Minn.	Johnson, S. Dak.	Nolan	Tinkham
Dempsey	Jones, Pa.	Norton	Towner
Denison	Kearns	Ogden	Treadway
Dickinson	Kelley, Mich.	Paige	Underhill
Dowell	Kendall	Parker, N. Y.	Vaile
Dunbar	Kennedy	Patterson, Mo.	Vare
Dyer	Ketcham	Perkins	Vestal
Edmonds	Kiess	Perlman	Voigt
Elliott	King	Purnell	Volk
Ellis	Kinkaid	Radcliffe	Volstead
Evans	Kirkpatrick	Rainey, Ill.	Walsh
Fairchild	Kissel	Ramseyer	Walters
Faust	Kline, N. Y.	Ransley	Wason
Fenn	Kline, Pa.	Reber	Watson
Fess	Knutson	Reece	Wheeler
Fish	Kraus	Reed, N. Y.	White, Kans.
Fitzgerald	Kunz	Reed, W. Va.	White, Me.
Focht	Lampert	Rhodes	Williams
Fordney	Larson, Minn.	Ricketts	Williamson
Foster	Layton	Riddick	Winslow
Frear	Lea, Calif.	Roach	Wood, Ind.
Free	Leatherwood	Robsion	Woodruff
Freeman	Lehlbach	Rodenberg	Woodyard
French	Little	Rogers	Wurzbach
Frothingham	London	Rose	Wyant
Fuller	Longworth	Rossdale	Yates
Funk	Luce	Sanders, N. Y.	Young
Gahn	Luhring	Schall	Zihlman
Gallivan	McArthur	Scott, Mich.	
Gensman	McCormick	Scott, Tenn.	
Gernerd	McFadden	Shelton	

NAYS—104.

Almon	Doughton	Lankford	Robertson
Aswell	Drane	Larsen, Ga.	Rouse
Bankhead	Drewry	Lazaro	Rucker
Barkley	Driver	Lee, Ga.	Sanders, Tex.
Bell	Favrot	Linthicum	Sandlin
Black	Fields	Logan	Sears
Bland, Va.	Fisher	Lowrey	Sisson
Blanton	Garner	Lyon	Smithwick
Bowling	Garrett, Tenn.	McDuffie	Steagall
Box	Garrett, Tex.	Martin	Stoll
Brand	Gilbert	Mead	Sumners, Tex.
Briggs	Goldsborough	Montague	Swank
Brown, Tenn.	Hardy, Tex	Moore, Va.	Tague
Buchanan	Harrison	O'Connor	Taylor, Ark.
Bulwinkle	Hawes	Oldfield	Ten Eyck
Byrnes, S. C.	Hayden	Oliver	Thomas
Byrns, Tenn.	Herrick	Overstreet	Tillman
Carew	Hooker	Padgett	Upshaw
Clouse	Huddleston	Park, Ga.	Vinson
Collier	Hudspeth	Parks, Ark.	Ward, N. C.
Collins	Humphreys	Parrish	Weaver
Connally, Tex.	Jacoway	Pou	Wilson
Crisp	Jeffers, Ala.	Quin	Wingo
Davis, Tenn.	Johnson, Miss.	Raker	Wise
Deal	Kincheloe	Rankin	Woods, Va.
Dominick	Lanham	Rayburn	Wright

ANSWERED "PRESENT"—2.

Chandler, Okla.	Cockran

NOT VOTING—79.

Anthony	Graham, Pa.	Lawrence	Pringey
Beedy	Griffin	Lee, N. Y.	Rainey, Ala.
Bond	Hammer	Lineberger	Reavis
Brinson	Haugen	McClintic	Riordan
Britten	Hays	McPherson	Rosenbloom
Burdick	Hogan	McSwain	Ryan
Burke	Houghton	Mansfield	Sabath
Cantrill	Hutchinson	Moore, Ill.	Sanders, Ind.
Carter	Johnson, Wash.	Morin	Shaw
Chandler, N. Y.	Jones, Tex.	Mott	Slemp
Clark, Fla.	Kahn	Mudd	Stedman
Classon	Keller	Nelson, J. M.	Steenerson
Connolly, Pa.	Kelly, Pa.	Newton, Minn.	Stevenson
Crowther	Kindred	O'Brien	Stiness
Dunn	Kitchin	Olpp	Sullivan
Dupré	Kleczka	Osborne	Taylor, Colo.
Echols	Knight	Parker, N. J.	Tyson
Fairfield	Kopp	Patterson, N. J.	Ward, N. Y.
Fulmer	Kreider	Petersen	Webster
Gould	Langley	Porter	

So the motion to go into Committee of the Whole was agreed to.

The following additional pairs were announced:

Mr. ANTHONY (for) with Mr. MANSFIELD (against).

Mr. JOHNSON of Washington (for) with Mr. BRINSON (against).

Mr. ECHOLS (for) with Mr. FULMER (against).
Mr. PATTERSON of New Jersey (for) with Mr. CANTRILL (against).
Mr. DUNN (for) with Mr. JONES of Texas (against).
Mr. GRAHAM of Pennsylvania (for) with Mr. STEDMAN (against).
Mr. OSBORNE (for) with Mr. HAMMER (against).
Mr. PRINGEY (for) with Mr. MCCLINTIC (against).
Mr. OLPP (for) with Mr. RAINEY of Alabama (against).
Mr. BURKE (for) with Mr. MCSWAIN (against).
Mr. LINEBERGER (for) with Mr. KITCHIN (against).
Mr. BEEDY (for) with Mr. DUPRÉ (against).
Mr. HUTCHINSON (for) with Mr. CARTER (against).
Mr. CONNOLLY of Pennsylvania (for) with Mr. TYSON (against).
Mr. MCPHERSON (for) with Mr. STEVENSON (against).
General pairs:
Mr. LANGLEY with Mr. CLARK of Florida.
Mr. KAHN with Mr. SULLIVAN.
Mr. LAWRENCE with Mr. KINDRED.
Mr. MOORE of Illinois with Mr. TAYLOR of Colorado.
Mr. HAYS with Mr. O'BRIEN.
Mr. KNIGHT with Mr. SABATH.
Mr. KREIDER with Mr. GRIFFIN.
Mr. SANDERS of Indiana with Mr. RIORDAN.
The vote was announced as above recorded.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The time for general debate as between the gentleman from Minnesota and the gentleman from Texas stands as follows: The gentleman from Minnesota has 153 minutes remaining and the gentleman from Texas 117 minutes remaining.

Mr. VOLSTEAD. Mr. Chairman, I yield 40 minutes to myself. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. VOLSTEAD. Mr. Chairman, in what I have to say I shall not dwell on the evil sought to be remedied by the pending bill. It is an evil recognized and deplored by all law-abiding citizens. When the colored people were emancipated from slavery and their freedom had been assured by the adoption of the thirteenth amendment to our Constitution, it became evident that unless certain States were restrained from unfairly discriminating against or otherwise oppressing them the liberty which the thirteenth amendment sought to confer might be illusory, if not a positive injury. To guard against that the fourteenth amendment to the Constitution was proposed and adopted. This amendment made all the citizens of a State citizens of the United States as well, and forbade the State making or enforcing any law which should abridge the privileges or immunities of the citizens of the United States, and further directed that no State should deprive any person of life, liberty, or property without due process of law, or deny to any person within its jurisdiction the equal protection of the laws. We seek to rest this legislation upon that amendment. That a person who is lynched by a mob has been deprived of life without due process of law, and that he has been denied the equal protection of the laws needs no argument.

We are confronted with a situation that must bring a blush of shame to every law-abiding citizen. The record shows that since this amendment was adopted thousands of persons have been put to death by mob violence. Almost every week one or more persons suffer death in that way, many in a manner that would disgrace a savage and uncivilized country. One of the saddest comments upon these outrages is that a very large proportion of the victims are innocent of the crime for which they are put to death. Instead of these outrages lessening in number, they appear rather to be on the increase and to have become a recognized mode of dealing with certain classes of persons or crimes. It is practiced with utter disregard of law and without the slightest danger of punishment in many sections of this country. In view of this situation it is asked, and earnestly asked, is there not some power in the Federal Government to correct this evil?

From the history of the times and the legislation that Congress sought to enact immediately after the adoption of the fourteenth amendment, I believe it is clear that it was understood and intended to confer on Congress such power. The Supreme Court has repeatedly and uniformly held that Congress has power to enforce this amendment by legislation. The fifth section of the amendment provides in so many words that Congress may enforce it. In view of that fact, the constitutional question involved in the pending bill is whether it provides appropriate legislation. All the vehement appeals that have been made against it as an attempt to violate the Constitution are nothing but mere rhetoric. If this legislation is without constitutional warrant, the Supreme Court will promptly set it aside. But if we believe it to be valid, its enactment is in line with the duty we owe as Members of the House.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. VOLSTEAD. No; I can not yield.

In considering the constitutionality of this bill I desire that you bear in mind that the measure as reported by the committee involves only three substantive propositions. Two of these, sections 5 and 6 and the first paragraph of section 3, are, as I view it, clearly within the logic and language of an unbroken line of Supreme Court decisions. The feature of the bill that is drawn in question, especially by the early decisions of that court, arise upon section 4 and the last paragraph of section 3, in that they seek to punish individuals that are not officers of a State. It is contended that Congress has no such power. Even if section 4 and the last paragraph of section 3 should be held void, that part of the bill still remaining would go a long way toward compelling the States to protect their citizens. We do not desire to take from the States any power that they possess so long as that power is exercised in obedience to the Constitution of the United States.

Only a few words will be devoted to the question of whether sections 5 and 6 and the first paragraph of section 3 are constitutional. The first part of the latter section makes it a crime for an officer of a State who is charged with the duty, or who has the power or authority to protect the life of any person, or who has any person in his charge as a prisoner, that fails, neglects, or refuses to make all reasonable efforts to protect such person from being put to death. The Supreme Court in Ex parte Virginia, found in One hundredth United States, 339, in dealing with a case in which a State judge was prosecuted under an act passed for the enforcement of the fourteenth amendment, held that in selecting a jury this judge by excluding and failing to select upon the panel colored jurors made himself liable to indictment and punishment for a crime. In speaking of the power of Congress under this amendment the court, on page 346, said:

> Nor does it make any difference that such legislation is restrictive of what the State might have done before the constitutional amendment was adopted. The prohibitions of the fourteenth amendment are directed to the States, and they are to a degree restrictions of State power. It is these which Congress is empowered to enforce, and to enforce against State action, however put forth, whether that action be executive, legislative, or judicial. Such enforcement is no invasion of State sovereignty.

And again, on page 347:

> But the constitutional amendment was ordained for a purpose. It was to secure equal rights to all persons, and to insure to all persons the enjoyment of such rights, power was given to Congress to enforce its provisions by appropriate legislation. Such legislation must act upon persons, not upon the abstract thing denominated a State, but upon the persons who are the agents of the State in the denial of the rights which were intended to be secured.

The case of United States *v.* Reese (92 U. S., 215) is also in point, because it was there held that a State officer who deprived a citizen of a right to vote because of his color might be punished for violating the fifteenth amendment, which, in form, is directed to the State the same as the fourteenth amendment. It would not seem necessary to cite any further cases on this point, as the doctrine announced in these cases is in line with the general theory upon which the court has proceeded ever since the amendment was adopted.

Sections 5 and 6 impose a penalty upon a county where a person is killed by a mob. This is a remedy that is in force in a number of States. It is borrowed from England and is so ancient that the memory of man runneth not to the contrary. Such laws have been uniformly held to be constitutional. It would seem quite clear that this is an appropriate method of enforcing this amendment. The county is a political subdivision of a State created for the purpose and charged with the duty of enforcing law in its locality. It is that part of the State that is guilty of failing to enforce this amendment when a person is killed by a mob. Such a punishment appears to be fully warranted from the doctrine that under this amendment Congress does not proceed against the State itself, but against the instrumentalities of the State that violate its provisions. The Supreme Court in Chicago *v.* Sturges (222 U. S., 323), in affirming a judgment against that city for a like penalty, used this language:

> The policy of imposing liability upon a civil subdivision of government exercising delegated police power is familiar to every student of the common law. We find it recognized in the beginning of the police system of Anglo-Saxon people. Thus, "The hundred," a very early form

of civil subdivision, was held answerable for robberies committed within the division. By a series of statutes, beginning possibly in 1285, in the statutes of Winchester (13 Edw. I, ch. 1), coming on down to the 27 Elizabeth, chapter 13, the riot act of George I (1 Geo. I, Stat. 2) and act of 8 George II, chapter 16, we may find a continuous recognition of the principle that a civil subdivision intrusted with the duty of protecting property in its midst and with police power to discharge the function may be made answerable not only for negligence affirmatively shown but absolutely as not having afforded a protection adequate to the obligation. Statutes of a similar character have been enacted by several of the States and held valid exertions of the police power. (Darlington *v.* Mayor, etc., of New York, 31 N. Y., 164; Fauvia *v.* New Orleans, 20 La. Ann., 410; County of Allegheny *v.* Gibson, etc., 90 Pa. St., 397.) The imposition of absolute liability upon the community when property is destroyed through the violence of a mob is not, therefore, an unusual police regulation, neither is it arbitrary as not resting upon reasonable grounds of policy. Such a regulation has a tendency to deter the lawless, since the sufferer must be compensated by a tax burden which will fall upon all property, including that of the evildoers as members of the community. It is likewise calculated to stimulate the exertions of the indifferent and the law-abiding to avoid the falling of a burden which they must share with the lawless. In that it directly operates on and affects public opinion; it tends strongly to the upholding of the empire of the law.

The suggestion that the imposition of a fine or forfeiture for a failure to perform a duty is the imposition of a tax is novel. This is not a tax any more than the imposition of a fine upon an individual is a tax. The claim that this punishment could be made so large as to destroy the counties is met by the seventh amendment to the Constitution which prevents excessive fines. Nor is there any merit in the contention that the Federal Government has no police power. That it has such power in carrying out its expressed power—and this is an expressed power—no one questions at this late date. The following are some of the recent cases on the subject: Hoke *v.* United States (227 U. S., 308), Buchanan *v.* Warey (245 U. S., 60), Hamilton *v.* Kentucky Distillery Co. (251 U. S., 146).

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. VOLSTEAD. I do not have the time.

Mr. SUMNERS of Texas. I will yield to the gentleman an additional minute if he will yield.

Mr. VOLSTEAD. What is it?

Mr. SUMNERS of Texas. In the distillery case, did not the judge hold that the Federal Government had no police power?

Mr. VOLSTEAD. The judge repeated the old formula that the Federal Government has no police power, but said that the Federal Government had a power the same as a police power. In some cases the court has said that the Federal Government has a police power but in the early days the court started out with the statement that the Government had no police power, but all through our history it has exercised such power, and it is about time that fiction disappeared. The Federal Government has no general police powers but it exercises all sorts of police powers under its express powers.

Mr. SUMNERS of Texas. I understood the gentleman to say that in the distillery case it was decided that they had police power.

Mr. VOLSTEAD. They held that the Federal Government had the power but did not call it police power.

Mr. SUMNERS of Texas. I want to ask the gentleman if Judge Brandeis did not hold that the Federal Government has no police power?

Mr. VOLSTEAD. In about three lines. But it is all nonsense to talk about the Federal Government not having police power because anybody who has read any law at all knows that the Government exercises a power the same as the police power and which in fact is a police power.

In considering the constitutional question involved in section 4 and the second paragraph of section 3 I believe it can be said that the precise point that will be raised by this legislation as I expect to have it amended has never before been presented to the Supreme Court. A number of statutes were passed shortly after the adoption of the fourteenth amendment and held void, but the operation of those statutes did not depend upon any failure of the State to protect the individual. In setting aside those statutes the court repeatedly called attention to that fact. I shall not attempt to analyze the numerous cases in which this amendment has been discussed. There are hundreds of them. Many of the criminal cases depend upon the particular language of the statute under which the charge was made or the form of the indictment drawn to meet the particular facts of the case. But they all proceeded on the theory that Congress had power to act whether the State was in default or not.

To avoid the construction that this is direct instead of corrective legislation it is my intention to offer an amendment to the bill so as to make the provisions of sections 3 and 4 inapplicable to any private person until the State has had a reasonable opportunity to perform its duty. My view is that when the State fails to punish it denies the protection guaranteed by the amendment, acquiesces in the action of the mob, and consents to a continuance of that mode of punishing offenses.

In construing this amendment it is well to bear in mind what was said in regard to it in Guthrie's Fourteenth Amendment. I read from page 33:

> The construction or interpretation of a constitution is not governed by the rules that apply to ordinary statutes or private writings. A constitution is designed to be a frame or organic law of government and to settle and determine the fundamental rights of the individual. A national constitution is intended to endure for all time. Its provisions should not in any sense be limited to the conditions happening to exist when it is adopted, although those conditions and the history of the times may well throw light upon the provisions and reveal their true scope. Such a constitution is an enumeration of general principles and powers or of limitations upon the exercise of governmental functions, and it is not a mere code of rules to regulate particular cases. All progress and improvement would be barred and a constitution would soon become useless if it were not construed as a declaration of general principles to be applied and adapted as new conditions presented themselves.

The first section of the fourteenth amendment was at first construed very narrowly. It was thought by the Supreme Court at one time that its provisions were only applicable to the Negroes, but that view soon disappeared; it was contended that it gave no rights to one person as against another, and still case after case can be cited in which such rights have been asserted and secured. Due process of law at first meant very little, but it has been gradually developed and expanded way beyond what anyone imagined it would mean when it was first written. This narrow construction of this amendment is contrary to the practice that has prevailed in construing the Constitution, but this gradual evolution is in line with that practice. It is evident that the committee that drew and the Congress which proposed this amendment gave to it a construction that would afford ample protection to life as well as liberty and property. I read from the same authority, pages 59 to 61:

> There can be no reasonable doubt that the reconstruction committee understood and contemplated that among the privileges and immunities they were seeking to protect against invasion or abridgment by the States were included those set forth in the first eight amendments. The committee's report declared that it was necessary to have such "changes of the organic law as shall determine the civil rights and privileges of all citizens in all parts of the Republic." In submitting the amendment to the Senate on behalf of the committee, Senator Howard presented what he said were "the views and the motives which influenced that committee * * * and the ends it aims to accomplish." Speaking of the privileges and immunities of citizens of the United States, he said, "We may gather some intimation of what probably will be the opinion of the judiciary by referring to a case adjudged many years ago." He then quoted at length from Corfield *v.* Coryell, 4 Wash. C. C. Rep. 371, 380, and proceeded to say: "Such is the character of the privileges and immunities spoken of in the second section of the fourth article of the Constitution. To these privileges and immunities, whatever they may be—for they are not and can not be fully defined in their entire extent and precise nature—to these should be added the personal rights guaranteed and secured by the first eight amendments of the Constitution, such as the freedom of speech and the press; the right of the people peaceably to assemble and petition the Government for a redress of grievances, a right appertaining to each and all the people; the right to keep and bear arms; the right to be exempted from the quartering of soldiers in a house without the consent of the owner; the right to be exempt from unreasonable searches and seizures, and from any search or seizure except by virtue of a warrant issued upon a formal oath or affidavit; the right of an accused person to be informed of the nature of the accusation against him, and his right to be tried by an impartial jury of the vicinage; and also the right to be secure against excessive bail and against cruel and unusual punishments." After further discussion, Senator Howard continued: "The great object of the first section of this amendment is therefore to restrain the power of the States and compel them at all times to respect these great fundamental guaranties."
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> From these statements as to the declared purpose of the framers, officially and authoritatively made to the Senate on behalf of the reconstruction committee, it would seem to be entirely clear that the intention was that the essential rights of life, liberty, and property, distinctly recognized in the Constitution and in the first eight amendments, should, by the fourteenth amendment, be made the indisputable and secure possession of every citizen of the United States beyond the power of any State to abridge. * * *

If the contention of those who insist that Congress has no power to deal with the individual is correct, the main purpose of this amendment has, as I view it, been defeated. It is true that under that construction property may under certain circumstances be fairly well protected, and so may a person's liberty; but the protection of life, which was no doubt one of the main considerations for its adoption, is left to the mercy of a mob. Instead of this amendment being a shield over the poor man's hut, it becomes by this construction a protection to wealth and a bulwark for what the socialists delight to call privilege. The Supreme Court may give protection under existing laws against any affirmative action of a State when a person can be made a party to an action. Its writs or judgments can then be directed against the State courts or officers engaged in violating the amendment. But the person whose life has been taken by a mob can not become a party to an action and is beyond the reach of the court. His dependents weep in vain, while thousands of others threatened with a like fate tremble with fear

lest they be the next victims. I do not believe that Congress is without power. I can not persuade myself that the Supreme Court will so hold. When Congress was given power to enforce the amendment it would seem that any fair construction would authorize it to see that the purpose of the amendment was fulfilled. The real question is, Can Congress act when the State fails to act and fails to protect? The Supreme Court has repeatedly said that the Federal Government occupies toward the State the position of a guarantor. The duty of a guarantor is not to compel his principal to pay, but to pay when his principal makes default.

That a State may deny due process or protection of law by inaction as well as by action would seem to be clear. In the Civil Rights cases (109 U. S., 23) the court, in enumerating wrongs obnoxious to the amendment, said "that allowing persons who have committed certain crimes—horse stealing, for example—to be seized and hung by the posse comitatus without regular trial" would be one such wrong. In Strauder *v.* West Virginia (100 U. S., 306) the court said Congress had power to enforce this amendment in case a State withholds from a person equal protection of the law; and in that same case (p. 307) it is said that "the words of the amendment, it is true, are prohibitory, but they contain a necessary implication of a positive immunity or right most valuable to the colored race." The colored race is not given any greater right or immunity under this amendment than other races or persons.

In United States *v.* Hall (26 Fed. Cases, p. 81), Circuit Judge Wood, sitting with Busteed, district judge, in speaking for the court in explaining the power of Congress under the provision of this amendment prohibiting a State from denying to any person under its jurisdiction the equal protection of the law, said:

"Congress may enforce this provision by appropriate legislation." From these provisions it follows clearly, as it seems to us, that Congress has the power by appropriate legislation to protect the fundamental rights of citizens of the United States against unfriendly or insufficient State legislation, for the fourteenth amendment not only prohibits the making or enforcing of laws which shall abridge the privileges of the citizen, but prohibits the States from denying to all persons within its jurisdiction the equal protection of the laws. Denying includes inaction as well as action, and denying the equal protection of the law includes the omission to protect as well as the omission to pass laws for protection. The citizen of the United States is entitled to the enforcement of the laws for the protection of his fundamental rights as well as the enactment of such laws. Therefore, to guard against the invasion of the citizen's fundamental rights and to insure their adequate protection, as well against State legislation as State inaction or incompetency, the amendment gives Congress the power to enforce its provisions by appropriate legislation.

In United States *v.* Blackburn (24 Fed. Cases, p. 1158) Judge Krekel expressed this view:

Hence if the outrages and crimes shown to have been committed in the case before you were well known to the community at large, and that community and the officers of the law willfully failed to employ the means provided by law to ferret out and bring to trial the offenders because of the victims being colored, it is depriving them of the equal protection of the law.

In Louisiana & Northwest Railroad Co. *v.* Bosworth (233 Fed., 191) the court said:

And what is it to deny equal protection? It is to refuse to grant or to withhold equal treatment.

In Truax against Corrigan, decided last December, the Supreme Court held that because the State of Arizona by a statute sought to withhold protection from a certain class of persons it therefore denied due process and equal protection.

I am not aware of any case in which the Supreme Court has held that an omission or failure to afford protection is not within the prohibition of this amendment. I do not believe that the Supreme Court will ever hold that Congress does not have all the power that is necessary to fully enforce it. It is a rule of universal application that every statute must be construed so as to carry out the object intended to be accomplished by it.

Cyclopedia of Law and Procedure, volume 36, page 1110, cites a vast number of cases in support of that doctrine.

In Ex parte Virginia, Mr. Justice Strong stated the rule to be:

Congress is authorized to enforce the prohibitions by appropriate legislation. Some legislation is contemplated to make the amendments fully effective. Whatever legislation is appropriate—that is, adapted to carry out the objects the amendments have in view—whatever tends to enforce submission to the prohibitions they contain, and to secure to all persons the enjoyment of perfect equality of civil rights and equal protection of the laws against State denial or invasion, if not prohibited, is brought within the domain of congressional power.

I do not believe anyone has any doubt as to the purpose sought to be accomplished by this amendment. It must have been the power to carry out that purpose which was to protect life, liberty, and property under just laws that was conferred on Congress. And that is, in effect, what the Supreme Court said in this case. There is in the language of the amendment no limit upon the means that Congress may employ for that purpose.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield there?

Mr. VOLSTEAD. I can not yield. If I yield to every one who wants to ask me a question, I would never get through.

Mr. JOHNSON of Mississippi. That is not debating; that is shooting in the back.

Mr. VOLSTEAD. You realize that one could break up the whole discussion very readily by asking questions every minute.

Mr. BANKHEAD. But the gentleman occupies a peculiar position. He is the chairman of this great committee and as such——

Mr. VOLSTEAD. Oh, I occupy the same position as every one else does in a discussion such as this.

Mr. BANKHEAD. But the gentleman is the chairman of this committee.

Mr. VOLSTEAD. It is impossible to discuss a constitutional question with continual interruptions; there is no reason why I should not be treated as others on this floor. If the purpose of the amendment is not to be considered, but a literal construction given to it, the first section of the amendment would practically be waste paper, for then the Federal Government could only proceed against the State itself and could not reach its courts and officers. No such impractical construction has been placed upon it. Not only do the courts issue their writs and direct their judgments and decrees against courts and officers acting in obedience to State authority but they proceed against any State officer, though he acts in violation of his duty and entirely without authority from the State. This doctrine is firmly established.

The late case of Home Telephone & Telegraph Co. *v.* City of Los Angeles (227 U. S., 278) reviews the cases on this subject and reaffirms the rule. In this case Barney *v.* New York (193 U. S., 430) was overruled in so far as that case held that an officer acting without authority from the State could not be proceeded against. If it can be held that a person who has no authority from a State to do the act that is prohibited by this amendment can be punished for that very act on the theory that such act is still that of the State, it would seem fully as consistent with the letter and spirit of the amendment to punish those who usurp and assume the function of the State and thus prevent a State from doing its duty. The doing of that would simply be to aid the State in the performance of its duty, which evidently was one of the purposes for which Congress was given power to enforce. It is clear that if a State should so amend its laws that life, liberty, or property could not be protected within its borders Congress could not force the State to enact the necessary laws; and if a State failed to provide the necessary courts or officers to secure such protection the Federal Government could not compel the State to provide such courts and officers. No one, I venture to say, would propose a penalty against a member of a State legislature for failure to provide necessary laws, and no court could by any writ known to the law compel a legislature to act, nor could the courts or officers of a State be punished for failure to protect a person that the State did not authorize them to protect. Under such circumstances citizens of the United States could secure no protection under this amendment unless Congress could act. It is not an impossible or even improbable thing that I am suggesting. Only a few days ago the Supreme Court held void a statute of the State of Arizona by which it was attempted to deprive certain classes of persons of due process of law and the equal protection of the laws. In that case it was found possible to grant relief, but a statute could easily have been so framed that the Supreme Court could not have afforded such protection. If Congress is to be permitted to enforce the protection to citizens, it must have power to protect the individual not only against the action but also against the inaction of the State. It can not protect against inaction unless it can reach and punish the individual when the State fails to do so.

The Supreme Court does not, as I view it, follow the rule that is contended for by the opponents of this bill. In Simon *v.* Southern Railway Co. (236 U. S., 115) an action brought in the Federal court was sustained enjoining the plaintiff in an action in which a judgment had been obtained without due process of law from collecting that judgment. In that action no State court or State officer was involved. The action proceeded directly against a private person who was plaintiff in a judgment obtained in accordance with the State law, but which was held void because in violation of this amendment. A curious situation has arisen in a number of cases. The case of Ex parte

Young (209 U. S., 123) is a leading case. There an action was brought in a Federal court for an injunction against the attorney general of the State charging that as such attorney general he was about to enforce a State statute alleged to be void because in contravention of this amendment. It was contended that this action could not be maintained because the eleventh amendment to the Constitution prohibits action against the State. The court held that it was not an action against the State, but against Mr. Young as a private individual, and still retained jurisdiction of the suit for the purpose of enforcing this amendment. It is a good deal of a fiction to contend that a court is enforcing this amendment against a State where two individuals are litigating over the unauthorized act of a State officer, and neither the officer nor the State is a party or interested in the slightest degree in the result of the action. The Supreme Court directs its writs, judgments, or decrees in ordinary actions against the persons in the action. It does not limit its action to prohibition against the State or State action as such, but determines the merits of the controversy in a suit and directs the form of judgment to be entered against the persons to the suit.

Mr. LINTHICUM. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Maryland makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and three Members present, a quorum.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield now?

Mr. VOLSTEAD. No. I have already stated that I can not yield.

When a State fails to punish those who commit mob murder it fails to afford due process of law and the equal protection of the laws. Aside from immediate police protection, which in most instances can not be given, the one method recognized and relied on by every government as the appropriate, the necessary, and effective means for protecting persons against lawlessness is the punishment of those who violate law. In that connection let me again call your attention to the case of United States *v.* Blackburn. The court there expressly held that a failure to arrest and punish persons known to the officers as guilty of a murder was a failure to afford due process of law and the equal protection of the laws. The punishment of crime is not so much for the correction of the guilty person as for the purpose of deterring others from committing like offenses. When a mob murder occurs and the perpetrators go unpunished it makes certain that others will become victims of like outrages. If the perpetrators of such murders were promptly and adequately punished, there would be no mob law in this country any more than there is in other civilized countries. To insist that the Federal Government has no other remedy than to punish the officers who fail to perform their duty, instead of punishing members of the mob who are the real offenders, is to insist that the Government shall perform its duty by doing an impractical and impossible thing. But aside from that the officers, unless they participate in the murder, can not be punished for the murder. They could in most instances only be punished for negligence, and in the vast majority of cases could not be penalized at all.

There is nothing in the language of the fourteenth amendment that prohibits action against individuals when the State makes default; that is, if Congress has power to enforce its plain purpose, and I can see no sense in refusing to apply to this amendment the familiar rule that it must be construed so as to carry out its purpose. The contention that such a construction is inadmissible because it would give the Federal courts jurisdiction of every criminal offense is an argument against a policy and not against the power of Congress. It is the function of Congress and not the courts to determine policies.

The argument is, however, fallacious on another ground. From a practical standpoint it would add but very little to the reach of this amendment as it is now being enforced. Under the present law a person charged with any crime can have the protection of this amendment by appealing from the highest court of the State to the Supreme Court of the United States. If, as I suggest, no action could be had under Federal law unless a State failed to punish, the law could only operate where public sentiment was such that due process and protection of law could not be secured. In the ordinary case the Federal Government would have no chance to act because the State would perform its duty. When, however, a community makes it impossible for its courts and officers to enforce law the protection that the National Government has guaranteed ought to be given, and I have no patience with the doctrine that justifies repudiation of our obligations upon a mere technicality.

There is no merit in blinking the fact that we are face to face with the situation that lynch law is the only law that functions under certain circumstances. The mob is the judge, the jury, and the executioner. Its acts are sanctioned by the weakness or supineness of the State. The fact that the mob does not consult statutes or measure the punishment it inflicts with the nicety of the ordinary court does not make it any the less a tribunal for the punishment of crime. The lawlessness of the punishment it inflicts should not be made a shield against prosecution. It can not be material that the mob does not claim to represent the State or that it has no authority from the State when it usurps and performs the functions that no one but the State can lawfully perform. The enforcement of the lynch law is not revolution against the State; but is, as the phrase goes, the act of the public taking the law into their own hands. While I do not believe that it makes any difference whether the mob has any authority from the State or not, I confess I can see no good reason why the mob should not be held to represent the State when it assumes to function for the State. Its action is the only administration of law when it puts a person to death as a punishment for a crime. It seems to me there is as much reason for holding its act to be the act of the State as there is for holding that an unauthorized act of a State officer is the act of a State. We punish such an officer upon the theory that he acts for the State; why not make the members of the mob subject to like punishment? The officer has no more warrant from the State for his action than has the mob.

The question of whether Congress can punish those who interfere with an officer of a State was carefully considered by the circuit court in United States *v.* Powell (151 Fed., 658). This case was affirmed by the Supreme Court because, as I construe the decision, it rests on statutes that are direct instead of corrective. Statutes that only protect against the invasion of the rights and privileges secured to citizens by the Constitution of the United States and not rights and privileges pertaining to citizens of a State that are only guaranteed to such citizens by the fourteenth amendment. In my view of the law the Supreme Court was right in affirming this case.

Mr. JOHNSON of Mississippi. Mr. Chairman, there are but 50 people present in the Chamber, and I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members present, a quorum.

Mr. VOLSTEAD. In conclusion, let me again call attention to the fact that all prior legislation under this amendment that has been held void was not in any way made to depend on any failure on the part of a State, but was direct and not corrective, and that whatever was said in those cases must be construed with reference to such statutes. It would seem that if Congress has power to carry out the purpose of this amendment it has and must have power to punish not only the officers of the State but also persons who prevent a State from performing its duty. It is too plain to require argument that such purpose can not be carried out in any other way. I confidently believe that the Supreme Court will eventually hold that Congress has such power and that we are justified in submitting the question to that court for its decision upon that point.

This amendment made every person born in the United States and subject to its jurisdiction citizens of the United States and of the State of his residence. This was done to confer upon him rights and privileges denied to him in the famous Dred Scott decision. It was adopted to place him under the protection of the National Government and to impose upon that Government the duty to see that he was not deprived of life, liberty, or property without due process of law, or denied the equal protection of the laws. The Government asserts the right to command not only the services but the lives of its citizens in case of war. Hundreds of thousands—yes, millions—of men were drafted in the late war. When these men returned to their homes they and those they hold dear were in many instances threatened with the fury and cruelty of lawless mobs. The Government that will not defend its defenders, that will not protect those whom it compels to face shot and shell to protect its interest, is a disgrace to the family of nations, and I hope that this Congress will help to wipe such a stain from our flag and carry out the purpose of those who drew and those who proposed this amendment.

Mr. MANN. Mr. Chairman, will the gentleman yield for a question?

Mr. VOLSTEAD. Yes.

Mr. MANN. I understood the gentleman to say, in effect, that so far as the constitutional power of Congress is concerned we have the power to pass a law to punish any crime.

Mr. VOLSTEAD. Provided you make it dependent upon whether the State fails to perform its duty or not.

Mr. MANN. I do not know how I am going to vote upon this bill, and I want to get some information. Do I understand it is contended by the gentleman that if some man commits murder down here and is not apprehended we have the power to pass a law to have the Government of the United States apprehend him?

Mr. VOLSTEAD. You would have to have Congress or a court first determine whether the State is refusing or is too weak or inefficient to have the man punished.

Mr. MANN. But I have stated the fact that he is not apprehended by the local authorities or by the State.

Mr. VOLSTEAD. In the case of lynching everybody in the community knows what has happened. As a rule the people remain there and there is no difficulty if you want to arrest anyone to have that done. In the case of murder, in a great many instances the murderer skips out, so you can not arrest him. It might be proper, in drafting an amendment of the kind I suggest to provide that a court should determine whether the State had failed to do its duty. But I believe if the State fails to do its duty we have the power to impose penalties.

Mr. MANN. Of course, constitutional power is the same, regardless of what the amendment is.

Mr. VOLSTEAD. Yes; but we must take into consideration what the circumstances are.

Mr. MANN. The Supreme Court must take into consideration the power of Congress to enact legislation.

Mr. VOLSTEAD. The manner of using the power depends upon the circumstances under which we exercise it.

Mr. MANN. The power of Congress does not depend upon circumstances.

Mr. VOLSTEAD. The right to exercise it depends upon the circumstances.

Mr. MANN. The power of Congress was fixed when the constitutional amendment became a part of the Constitution.

Mr. VOLSTEAD. That is true.

Mr. MANN. You have not changed the circumstances.

Mr. VOLSTEAD. You can not pass the same kind of a law and make it fit every case. You must adapt the law to the circumstances, so you do not exceed the power that is granted.

Mr. MANN. You could pass it if there had never been a lynching. There is no magic in the word "mob." I understand the gentleman rests his contention on the power to punish individuals; that the mob is a court acting for the State, and the State is responsible for them.

Mr. VOLSTEAD. That is one among other suggestions, but what I believe is this, that when the State fails to perform its functions the guaranty of the United States applies.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. I yield five minutes more to the gentleman.

Mr. MANN. The gentleman has plenty of time. I would like to ask this question: If we define the mob as five, of course we could define it as three; we could define it as one, could we not?

Mr. VOLSTEAD. No.

Mr. MANN. Why not?

Mr. VOLSTEAD. Because it would not be a mob.

Mr. MANN. We define the word "mob," and we could make it any number we please.

Mr. VOLSTEAD. The old common-law definition of a mob required at least three persons.

Mr. MANN. Suppose this case: It is very common practice now, I regret to say, in cities and countries alike, that four or five or six gentlemen—I use the term—drive up in front of a bank or a store, or maybe stop at the side of a street, and pull a revolver on somebody and ask him to "put up." Suppose there were five of them? Have we the power on the part of the General Government to go and punish, or to seek out, or indict those men?

Mr. VOLSTEAD. When the State fails, but we have got to make some showing that the State is in default.

Mr. MANN. In most cases the State fails and the men go off and we do not get them. Have we the power to do it?

Mr. VOLSTEAD. My opinion is that under the fourteenth amendment we have the power whenever the State fails to perform its duty.

Mr. MANN. I understand, then, that the passage of this bill is a declaration that Congress has the power to provide for seizure and punishment of any individual who commits any crime in any State at any time hereafter?

Mr. VOLSTEAD. Provided the State acquiesces or practically consents by its inaction, because then it endangers everyone in that community, because the effect is to deny protection of the laws.

Mr. MANN. I simply add to the proposition, provided the State does not convict him?

Mr. VOLSTEAD. Oh, no.

Mr. MANN. You think we have the power if the State does not convict him?

Mr. VOLSTEAD. I do not think that the question of conviction can be considered. Take, in the Frank case, while the mob was threatening the court and threatening to take that man out of the State court and lynch him, if the Federal court could have protected him by giving him a fair trial I think there is a clear intimation on the part of the Supreme Court that it would have held that it might do so if we had had a suitable statute, but there was no such statute.

Mr. MANN. As I get the gentleman now, his position is that if the State does not punish a man for committing a crime, wherever it is or whatever it is, we have the power to do it?

Mr. VOLSTEAD. You have my view of it, I believe; though your question would hardly indicate that you have.

Mr. MANN. That is what I think.

Mr. GARRETT of Tennessee. If the gentleman will yield, the section which deals with the imposition of fine upon the county and authorizes the Federal judge to levy the tax, I understood the gentleman to express the opinion was a constitutional proposition?

Mr. VOLSTEAD. I did. It is not a tax. The method of collecting it is the method of collecting a judgment now under the Federal law. You can get a mandamus to compel a judgment to be placed on the tax records to-day. That is simply a copy of existing statute.

Mr. GARRETT of Tennessee. That is, in a civil case?

Mr. VOLSTEAD. It is immaterial whether it is in a civil or a criminal case.

Mr. GARRETT of Tennessee. Where the judgment runs against the county. This is an assessment of a fine.

Mr. VOLSTEAD. Yes.

Mr. GARRETT of Tennessee. Of course, there are powers in the State which have been exercised and regulate the matter of assessment of taxes by a county, and the gentleman quoted the South Carolina statute, which imposes a fine upon the county authorizes the fixing of them. Does the gentleman see any distinction between the power of the State in that regard and the power of a Federal judge in that regard?

Mr. VOLSTEAD. When that judgment is entered it is in a civil action brought for the collection of that fine. The judgment is like any other judgment, and can be enforced even if we do not put that provision in this law for its collection.

Mr. GARRETT of Tennessee. But the gentleman's bill goes further.

Mr. VOLSTEAD. No.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman give himself another minute? I would like to ask him a question.

Mr. VOLSTEAD. One minute probably will not be enough, but I yield myself a minute.

Mr. KELLEY of Michigan. Does the gentleman base the power of Congress upon the proposition that the Federal Government has jurisdiction whenever a State fails to prevent crime?

Mr. VOLSTEAD. Whenever a State practically acquiesces in the lawlessness.

Mr. KELLEY of Michigan. I say whenever a State fails to prevent crime.

Mr. VOLSTEAD. I think whenever a State fails to protect life, liberty, or property it is the duty of the Federal Government to see that it is done, and if it can not be done in any other way it may be done by punishing the individual at fault.

Mr. KELLEY of Michigan. Then your contention is practically that the Federal Government has jurisdiction over all crimes?

Mr. VOLSTEAD. Whenever there is a failure by the State to obey the fourteenth amendment it is made the duty of Congress to enforce it.

Mr. KELLEY of Michigan. And the county can not be fined unless the State fails?

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 15 minutes to the gentleman from South Carolina [Mr. DOMINICK].

The CHAIRMAN. The gentleman from South Carolina is recognized for 15 minutes.

Mr. DOMINICK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. DOMINICK. Mr. Chairman and gentlemen of the House, if there were any argument needed against the constitutionality of this bill and any argument that is sufficient to show its utter unconstitutionality, that was brought out just a few moments ago by the inquiry of the gentleman from Illinois [Mr. MANN] to the gentleman from Minnesota [Mr. VOLSTEAD]. That same question was asked before the Committee on the Judiciary, and it received a reply that I think will find lodgment in the minds of all fair-thinking lawyers.

Many cases have been cited here on the floor on both sides, but I am satisfied that if those who have made these arguments and cited these authorities were on the bench and the question of the constitutionality of this act came before them they would not decide in favor of its constitutionality upon the arguments and authorities which they themselves have submitted in this debate. I do not propose during the brief time that has been allotted to me to review those cases or to cite them. They have been cited time upon top of time here, and you are all familiar with them and with the principles they set out. Those same cases were cited before the Committee on the Judiciary by Col. Goff, the assistant to the Attorney General, who is, I understand, one of the ablest lawyers of the country and a man whose opinions are entitled to the highest respect. In the hearings before the committee, after many citations of authorities by Col. Goff, which he applied to his argument, Mr. REAVIS, the gentleman from Nebraska, asked Col. Goff what conclusion his arguments would lead to, and Col. Goff said:

It is a legislative fact, and I say that when the legislative department of our Government has determined the fact, the courts uniformly decline to go into the justification of the legislative motive, unless it is so very absurd that upon its face it would be in excess of authority. If the Congress of the United States, in view of the fact that a State has a law punishing murder, says there should be a Federal law punishing murder in order that there may be conceded to the people of that State an equal, vigorous, and speedy enforcement of the law and the protection of their lives and their property, then Congress would have the right, in the exercise of the correlative duty of protection, to do so. If the State is helpless for any reason to secure these rights—and the people are deprived of their enjoyment—is Congress justified in condoning the deprivation merely because of the absence of some formal action by the State?

Mr. REAVIS. Would you carry that further, to burglary, larceny, and assault and battery?

Mr. GOFF. Of course, the principle would carry us there. It would carry us there, not only under the broad, general terms of the Federal police power, but it would carry us there under the general power to maintain peace and to insure that peace which is known as the peace of the United States. If a State declined to maintain order under the law, could Congress justify a refusal to protect and enforce such rights as were violated if these rights were dependent on the Constitution of the United States?

Mr. REAVIS. Then, I gather from what you say, and I want to understand you, that under the fourteenth amendment Congress would have the right to enact legislation under the police power covering the crimes of the homicide, larceny, burglary, and embezzlement, which are purely State offenses?

To that question Col. Goff replies in the affirmative and answers yes. Later on in these hearings, discussing other features of the bill, Col. Goff made a statement, as follows:

I have not discussed that view of the bill, but have addressed my remarks rather to the other question, whether a Federal law creating the crime of murder could be passed under the fourteenth amendment.

Col. Goff used the same line of authorities that has been used here on the floor by the proponents of this bill, and yet under that line of authorities he was forced to admit, able lawyer that he is, that if you would follow his line of reasoning to the ultimate conclusion it would wipe out absolutely the State lines, and that the Federal Congress would have the power to class every crime on the calendar a Federal offense and place it under the jurisdiction of the Federal courts. Will anyone seriously contend that under the fourteenth amendment the Congress of the United States has the right to punish larceny and burglary and other such minor offenses, which have not been committed against the peace and dignity of the United States, but against the peace and dignity of the respective States? Their argument and reasoning lead them to this conclusion.

Oh, but they say, "We must give them equal protection, and the deprivation is a denial, and consequently we have the right to legislate." They even go so far, Mr. Chairman, in their arguments and in their reasoning as to set down as a fact that Congress by a mere legislative fiat can override the plain terms of the Constitution as laid down in the fourteenth amendment.

The gentleman from Minnesota [Mr. VOLSTEAD], who has just concluded his remarks, refers to a long line of authorities which he says were under the fourteenth amendment, and he says that the books are full of thousands of such cases, defining what is meant by due process of law and the equal-protection clause of the fourteenth amendment.

Yes, Mr. Chairman; the books are full of those decisions, but running all through that long line of decisions and permeating every single one of them you will find the old case of Barbour against Connolly, in One hundred and thirteenth United States, which has been affirmed and reaffirmed time after time. That case says, referring to the fourteenth amendment:

Neither the amendment, broad and comprehensive as it is, nor any other amendment, was designed to interfere with the powers of the State, sometimes termed its police power, to prescribe regulations to promote the health, peace, morals, education, and good order of the people.

That case lays down the principles governing the police power of the States under that amendment. It was the law when it was enunciated at that time and it is the law to-day; and a mere legislative declaration, writing into this act the statement that we claim it to be under the fourteenth amendment does not put it within that amendment or upon constitutional grounds. If we can do that in this act, if by legislative fiat we can make an act constitutional when it is in plain violation of the terms of the Constitution, we can do it in every case and as to every act that we pass.

Mr. Chairman, I have heard these arguments. I have read them and studied them, and while many of them cite authorities, yet I have noticed that in most instances the authorities are cited almost apologetically, and practically all of them admit that, at the most, the question is doubtful; but they say or infer that on the ground of expediency, and because of the great demand throughout the country for this legislation, and because of the great developments of the country in these days, and because of the many changes that have come, perchance when a case goes to the Supreme Court under this act, that court may pay no attention to the Constitution, but may consider this legislation, not in the light of its constitutionality but in the light of whether or not it is desirable or popular legislation.

I have heard some of our courts criticized at times for making "popular" decisions, when changes have been made in certain lines of decisions. Whether those criticisms are fair or unfair I know not, but I have seen some cases in which it seemed to me that some of the courts must have had their ears a little close to the ground when they were writing those decisions. The court will not do that in this case, and we ought not to expect and nobody does expect that a great judicial body like the Supreme Court of the United States will stultify itself on the ground of what you might call a present political expediency and declare constitutional an act which is clearly unconstitutional. This court will not hold that the platform of a political party is higher than the Constitution.

Mr. Chairman, the arguments that have been made and the authorities that have been cited by both sides all lead to the same conclusion—that this bill is absolutely unconstitutional. As the gentleman from Illinois [Mr. MANN] suggested a few minutes ago, if you define a mob as five persons you can define it as one. You talk about the necessity for this bill. You talk about the crying need for it and the crying shame of the 3,000 lynchings that have taken place in the past 30 years. You do not have the statistics before you as to the number of men who have been shot down, the number of men and women who have been killed by individuals, one or two or three or more. Have they not the right "to the equal protection of the law," as it is called here, just the same as the rapist or murderer who has been lynched?

It is true that it was not a mob who killed the man, but that man's life was taken unlawfully, and if the murderer is not apprehended, why not pass a bill making any kind of an unlawful killing a Federal offense, punishable in the Federal courts, and be done with it. If an act of Congress can stop the unlawful killing of a human being by a mob and has the constitutional authority to pass such an act, it can pass one against any unlawful killing, and in order to be consistent should do so. The number of persons who have been lynched will not compare with the number murdered or assassinated by one or more individuals and one is as much the ravishing of the law as the other. The human being, and his family, who has been murdered are as much entitled to "the equal protection of the law" as the one who has been lynched.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. DOMINICK. I yield to the gentleman from Texas.

Mr. HARDY of Texas. Is it not a fact that in many large cities the newspapers are full of statements as to the existence of great bands of criminals, whom those cities fail to bring to justice? Therefore would not this law be a precedent for bringing those cities under the jurisdiction of the Federal Government?

Mr. DOMINICK. I have no doubt of that. There is a great deal of lawlessness going on everywhere and throughout the country.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. SUMNERS of Texas. Would the gentleman like more time?

Mr. DOMINICK. I would like about five minutes more.

Mr. SUMNERS of Texas. I yield to the gentleman from South Carolina five minutes additional.

Mr. DOMINICK. In this debate and in the hearings a great deal has been said about the South Carolina law. I am glad that finally there has been somebody, especially over on that side of the aisle, who could say something good for South Carolina and find some good in her. We are proud of our little State, and we think a great deal of her. South Carolina has that law on her statute books. It was put in our constitution in 1895, and it has been the law of the land since that time. Lynchings took place in South Carolina before the passage of that law, and lynchings have taken place there since them; and I have no doubt that if certain conditions and circumstances arise in the future there will possibly be other lynchings in South Carolina, just as there will be other lynchings in Ohio or Minnesota, or any other State, when the occasion and the necessity arises. The law of South Carolina provides that in the event of a lynching the family of the person lynched may bring suit against the county in which the lynching occurred and recover $2,000 damages. I think possibly three actions have been brought in South Carolina since that time under that law, and two or three of the cases went to the supreme court. The plaintiffs recovered the $2,000 and the supreme court sustained the constitutionality of the legislative act under which the suits were brought, and that is the law of the land in South Carolina to-day.

But I want to tell you something, my friends. My honest judgment, and it is the judgment of everybody else, I believe, in so far as lynching is concerned, is that that provision in the Constitution has no more to do in preventing it than if it were not there. If a mob aroused to frenzy by a heinous crime that has been committed and that mob apprehends the culprit of the deed, they are never going to stop to consider whether the county will be subject to a fine of $2,000 or $10,000 or $1,000,000 when they make up their minds to avenge a crime of the character that has been committed in my State or in your State. You can never stop it by legislation. We have not decreased lynching in South Carolina by legislation. It has been done more by enlightened public opinion. All lynching is repulsive to everybody. We have good officers, good sheriffs, and they take an oath when they go in to uphold the constitution of South Carolina and the Constitution of the United States, and to perform their duties according to law, and when these sheriffs get one of these prisoners, if they are able to get to him, he will do everything in his power, even to risking his own life, baring his own breast, to defend the prisoner when in his care. We always hear about those who are lynched, but we do not hear of the faithful officers who nearly every day and nearly every week are rushing off some culprit, who is threatened by a mob, to the State penitentiary or some place for safe-keeping. That is what we are doing to help enforce the law, and we are keeping it down by that kind of sentiment and that kind of work. [Applause.] I am satisfied that the passage of this bill, if it should become a law and is sustained, would not only not help conditions but if anything it would hurt them. We do not want any divided responsibility on this proposition. If the State is to look after this, let the responsibility rest on the State, and if the United States Government is to do it let them take the exclusive jurisdiction, and let the Federal officers look out for the enforcement of it. [Applause.]

The views of the minority of the Judiciary Committee are clearly, concisely, and briefly expressed and, in my opinion, are unanswerable.

They are:

This bill, in the judgment of the minority, is without constitutional warrant. It is definitely and directly antagonistic to the philosophy of our system of government, and within the limit of its effectiveness, if it should be held constitutional, would be destructive of that system.

If enacted and operative it would not add to the protection of person or the general efficiency of government, or strengthen the relationship between the Federal Government and the States. On the contrary, this proposed intervention of the Federal Government directed against local power, supplanting and superseding the sovereignty of the States, would tend to destroy that sense of local responsibility for the protection of person and property and the administration of justice, from which sense of local responsibility alone protection and governmental efficiency can be secured among free peoples.

This bill, challenging as it does the relative governmental efficiency of the States and the integrity of purpose of their governmental agencies, placing the Federal Government, as it does, in the attitude of an arbitrary dictator assuming coercive powers over the States, their officers, and their citizens in matters of local police control, would do incomparable injury to the spirit of mutual respect and trustful cooperation between the Federal Government and the States essential to the efficiency of government.

As a precedent, this bill, establishing the principles which it embodies and the congressional powers which it assumes to obtain, would strip the States of every element of sovereign power, control, and final responsibility for the personal and property protection of its citizens, and would all but complete the reduction of the States to a condition of governmental vassalage awaiting only the full exercise of the congressional powers established.

The time has come when we should think of the rights of the States and remember that under our form of government they are at least supposed to have some rights. Our Federal Government has been described as a sovereignty composed of sovereignties, but if we pass such legislation, with its consequent results, and lay down this principle and keep up this tendency of centralizing the powers of the Federal Government and depriving and divesting our States of their constitutional powers, it will not be long before our State legislatures will have no more powers than township commissioners, our State courts no more powers than justices of the peace or committing magistrates, and our governors only useful for entertainment and exhibition purposes.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had concurred in the following resolution with an amendment:

House concurrent resolution 37.

Resolved by the House of Representatives (the Senate concurring), That there be printed 50,000 additional copies of parts 1 and 2 of House Document No. 408, being the report of the Joint Commission of Agricultural Inquiry, in four parts, of which 10,000 shall be for the Senate, 30,000 for the House, 1,000 shall be for the Senate document room, 2,000 for the House document room, and 7,000 for the Joint Commission of Agricultural Inquiry.

The message also announced that the Senate had concurred in the House amendments to bills and joint resolution of the following titles:

S. 2708. An act to authorize the Secretary of War to transfer without charge certain surplus material of the War Department to the American Relief Administration in Russia;

S. 2776. An act authorizing the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington;

S. 1099. An act to amend section 2372 of the Revised Statutes;

S. 2133. An act ceding jurisdiction to the State of Texas over certain lands or bancos acquired by the United States of America from the United States of Mexico; and

S. J. Res. 124. Joint resolution to amend Senate joint resolution 89, approved March 14, 1912, amending the joint resolution to prohibit the export of coal and other material used in war from any seaport of the United States, approved April 22, 1898.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2263. An act to amend the Federal reserve act, approved December 23, 1913.

ANTILYNCHING LEGISLATION.

The committee resumed its session.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. CHALMERS].

Mr. CHALMERS. Mr. Chairman, I had hoped to have more time on this subject. I consider it of vital interest to the welfare and permanency of the Nation. Lincoln said that "the Nation can not exist one-half slave and one-half free." Neither can the Nation exist one-half lawless. I fear the evil effects of the crime of lynching upon the political and moral fiber of the Nation. The human mind manifests itself along three general lines—that of the intellect, the sensibilities, and the will. The sensibilities are the mainspring of human action. When an individual participates in or is a spectator in a mob of lynchers some of the powers and factors of the sensibilities are destroyed and can never be restored. So I am approaching this subject from the moral standpoint and the standpoint of the good of civilization.

The lynching and burning at the stake of human beings must be stopped. This is essential to the saving of civilization. I

have been appalled at the record of the lynchings that have been reported and vouched for by the States and other authorities; the reports given out by some of the metropolitan newspapers, by Tuskegee Institute, by the National Association for the Advancement of Colored People, and by the governors and police authorities of many of the States.

I call your attention to the lynching of Mary Turner in Brooks and Lowndes Counties, Ga., in the summer of 1918. There is not in all the annals of human history so cruel, so barbarous, so inhuman, so revolting a crime as this lynching of Mary Turner. It included a list of some 10 or 12 colored people put to death by this fiendish mob in Georgia. I have read nothing, even in legendary history, in the records of prehistoric times, in the savagery practiced by the Indians of the West and the red men of the North, that will compare with the criminality of this disgrace to the State.

I also call your attention to the case of Henry Lowery, who was lynched within the year—to be exact, on January 26, 1921. The Memphis News announced that the lynching would be staged at a certain time and at a certain place, and the records show that this man was put to death by burning, chained to a stake, where a slow fire was kindled and that there were over 500 spectators. The sheriff who allowed him to be mobbed was said to have remarked that there was scarcely a man, woman, or child in the county that did not want to have him lynched.

I desire to call the attention of the opponents of this bill to the fact that Henry Lowery was not lynched for the crime of rape. There was a misunderstanding on the part of the farmer who hired him. A quarrel arose between him and his employee, and Henry Lowery shot the farmer, for which he ought to have been tried in a court of law and ought to have paid the penalty. Instead of that he was lynched, and the time and place of lynching advertised. He was taken into three different States. This horrible description of the barbarous lynching was published in the newspapers and sent broadcast into the homes of the community to be read by children and young people at the formative period of their lives.

In the early morning of a spring day of 1918 healthy, manly colored boys began to assemble in Washington Square, New York City. Thousands of them were formed in a military procession and marched up Fifth Avenue amid the cheering of the multitude. The places of business were decorated with the national emblem, and when they reached Murray Hill they were stopped in front of the Union Club, where the governor of the State descended, accompanied by his official retinue, and passed to this company of colored troops their colors and said to them that they should bring them back with honor.

The survivors of this company, some of them having paid the supreme sacrifice, came back to their country, bringing the colors with honor. They all offered their lives to save the world for democracy and to save the civil and personal freedom of every man, woman, and child in the United States. In the heart of hearts of these brave colored boys rested the hope that their acts of bravery would also free them and give them a little higher standing in the community in which they lived. They had the hope that while they were fighting to make the world safe for democracy and save civilization they might also win a little freedom for themselves. What has been the record? They were honorably discharged from the service, and within one year from the time they were discharged 10 of their number were lynched, not one of the 10 for rape. One of them was shot because he did not turn his conveyance out of the road in time to suit a company of white men who wanted to pass him. Another was lynched because an officer of the law attempted to arrest him while the officer was dressed in civilian clothes and the colored boy had on his Army uniform. When the officer laid his hands on the boy's shoulder and informed the boy he was under arrest the colored boy knocked the man down, saying that he should pay more respect to a military uniform. For this grave offense this boy was put to death by an infuriated mob to teach colored people that they must keep their place.

I am pleading with you to-day not only for justice for the black man, but that you must stamp out this crime of lynching, this travesty on civilization, or you yourselves, your children, and your children's children will pay the penalty in lower standards of living.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. GAHN].

Mr. GAHN. Mr. Chairman, it was my privilege on April 25, 1921, to introduce in the House of Representatives a bill to prevent the crime of lynching and to punish those guilty of its perpetration. My bill was absorbed in the Dyer bill, under discussion, by the Judiciary Committee. It contained two distinct features: (1) The right to remove cases against persons accused of crime from the State to the Federal courts, where it is shown on account of race, nationality, or religion that accused is likely to be denied equal protection of the law; and (2) the forfeiture of $10,000 by the county wherein a lynching or mob murder takes place, together with the forfeiture by a county of such amount in which territory the mob may have operated.

The committee has seen fit to omit the first feature of my bill, but incorporated the second in this bill. Half a loaf being better than none satisfies not only myself but a great mass of citizens in my district and city whose relatives and people are jeopardized by the infernal and fiendish practice of mob murder and lynching.

I have listened intently to those gentlemen, Members of this House, who seek to justify this heinous and atrocious punishment meted to colored persons and others under the guise of State rights with impatience. It is beyond my powers of imagination to determine how any American can expect to absolve himself from a guilty conscience in arguing against this antilynching bill. They, in subterfuge, maintain it is unconstitutional.

For shame! Why, the very essence of our grand old Constitution is founded upon liberty and justice. In the revered Declaration of Independence it is declared that all men are, and of a right ought to be, free and equal. All are born equal; the qualities attendant upon birth are beyond any mortal control, and it illy becomes Members of this House to paraphrase our Constitution so as to justify their hearts' desire.

That desire is the perpetuation of the supposed right to lynch. It does not emanate from the largest part of our country, but is mostly confined to those living in certain sections. Those having and exposing that desire, I have noticed, are Representatives from that part of the United States whose constituents are anticolored and always have been. On examining the list of minority Members of the House you will find that not more than 20 represent States outside the so-called South. In the wonderful landslide of 1920 nearly every other one of the minority were elected with this anticolored constituency.

Their arguments teem with resentment that we should through this bill interfere with lynching in their States. They forget that the North, too, has a large colored population. If their conclusions that this practice is necessary to prevent atrocious assaults, why is it that in the Northern States no such practice is, with little exception, indulged in? True, there have been lynchings in nearly all States, but the Northern and Western States have been ever alert to stop it and to punish those indulging in it.

Of course, some of them say they deplore lynching in their States, and they further state that if let alone their States will eventually prevent it. If their speed of prevention is gauged by the past, unaccelerated, it will take a thousand years for them to make good their predictions.

The arguments and claims of the minority are contradictory. They would permit lynching to go on whenever and wherever their constituents, in a furiated mob assembled, demanded the life of some unprotected and, in many cases, innocent person who had aroused their anger and animal instincts.

The deplorable thing, too, is that these lynchings have occurred on the least pretext. If it were done as a punishment to avenge some serious offense there might be some plausability to their argument. But statistics show that of the total lynchings in the past 30 years but 28 per cent were for rape and attacks upon women. The others were solely on account of race prejudice. The shame is augmented by the fact that in many cases the victims were colored men who had fought for our flag.

Only yesterday the newspapers carried a story of a colored man in Toronto, Canada, whom the State officials of North Carolina desire brought back to that State to answer a charge of "inciting a riot." His brother has been lynched for the same offense, and now this very State desires further satisfaction in the life of this man. Think of a State allowing its offices to be used for such a purpose. Think of a colored man being lynched for inciting a riot. The chances are that the whites started the trouble and are now accusing this colored man. I hope the State Department will never permit him to be taken back to the doom awaiting him.

This shows as clearly as can be shown that those States and their white population have the lingering desire and hope that lynching may go on unmolested by the United States Government. Not only that, but talk to most any southerner and you will soon find out that the desire for the continuance of this practice is of long standing; raised and bred into them, so to speak.

We must not listen to the argument that these States do not permit lynching, that it is the fault of local officers and not the

State governments themselves. Because there are no laws in those States authorizing lynching does not prove such contention. Look at their election and franchise laws. All are so adroitly framed that the colored citizen is deprived of his elective franchise. If it were lawful the whites of those States would so draft their lynching laws.

Oh, they say public sentiment is changing in the South. Since when, and how much? Even though there has been some change, and though there were fewer lynchings last year, yet the potential desire to lynch is still rampant and liable to break out at any time. Let us have this law enacted. If the sentiment against lynching is what they say it is becoming, this law can do no harm. If it is not what they say, it will do a world of good.

Let us not forget the principles of our forefathers. Let us go forward, as they marched forward, even to battle for that which is right. Let us not be afraid of our Constitution; let us use it as our guide. It points the way; let us follow. Let us wrap its protection around those who may suffer at the hands of mobs. Let us see whether the fourteenth amendment can be observed and enforced.

Constitutionality? Since when did Members of this House fear so much that bills passed by it are to be prejudged unconstitutional? Opinions of the Attorney General's office hold that this bill is in pursuance of the Constitution. Eminent Members of this body, including the gentleman from Ohio [Mr. BURTON], show us that it is constitutional.

But what of it, either way? There is a tribunal established under that same Constitution to determine such questions. In the final analysis the Supreme Court can alone determine it.

Meanwhile we should do our duty. Fear not a rupture of the South. We will never have another Civil War. But we must not, we shall not, recant from that noble stand for which that war was fought. That war was fought to perpetuate liberty and justice. This bill insures those grand principles of justice for which so many lives were sacrificed. Their sacrifices shall not have been in vain.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. ELLIS].

Mr. ELLIS. Mr. Chairman, I propose to speak upon the policy of this bill. I want to address myself to some arguments that have been made against the policy of it.

Before proceeding with what I have prepared to say, I want to pay my respects to some of the remarks of the gentleman from Maine [Mr. HERSEY]. Attacking the policy of this measure, the gentleman proclaimed at the outset that the Republican Party owes no obligation to the Negro element in our citizenship. At once the ungenerous intimation was made over here that the speech had been written by the esteemed gentleman from Texas [Mr. SUMNERS] in charge of the opposition to this bill. I hasten to repel the suggestion. I absolve the gentleman from Texas. He has marked capabilities, but he is wholly incapable of a statement so shocking to the sensibilities of all of us as that. The Democratic Party has never assumed responsibility for the unhappy pitiable political plight of the Negro race in our citizenship; but neither the able gentleman leading the minority side against this bill, nor any other Democrat, will stand in his place in this debate and declare that even the Democratic Party is without obligation to the Negroes of this country. But the gentleman from Maine did not stop there. He interpreted the plank of his party's platform as rank hypocrisy. He argues that the Chicago plank against lynching was made to placate, not to pledge.

He says the Republican Party has not declared war on lynching; that no legislation was promised; that the Chicago plank simply means that to fool those who asked for legislation a commission is to be created to go about the country and implore lynchers not to lynch. In effect, the gentleman argues that what is needed is to launch a peace ship, to send out another Argonaut and "have the boys out of the trenches before Christmas."

Mr. Chairman, the people of the gentleman's constituency may yet learn something about the Chicago convention. They may yet learn that this plank in the Chicago platform was in response to a rising tide of public opinion; was born of public protest of the decent, law-abiding people in all parts of this great country; that the demand made upon that convention was that war be declared upon this evil; that Federal means be devised to eradicate lynching and save our civilization. I want to say to the gentleman that if his interpretation of the Chicago platform be accepted, if his advice to his colleagues on the majority side shall be followed, his party and my party will be guilty of a dastardly breach of faith and he and we will soon learn whether the Republican Party owes any obligations to the Negro voters and Negro people of this country. I commend to the gentlemen the study of the census of two years ago. From that study he may learn something about this race, the power of which he contemns and the rights of which he would ignore. I presume that there are few, if any, Negroes in the gentleman's district. Negroes have made some mistakes in their migrations, but I have not known that they have made the mistake of going there. But the gentleman may learn from the census that there are hundreds of thousands of Negroes in Kansas, Missouri, Illinois, Indiana, Ohio, and West Virginia; that in these States these people, as is the case in the Southern States, are contributing to an industrial development; that they are making progress in all the ways and along all the lines so eloquently portrayed by the gentleman from Illinois [Mr. MADDEN]; that they are to be found in great numbers where they are most needed in this country, on the farms, and in agricultural pursuits; that in the State of Missouri alone farm lands assessed at more than $16,000,000 are owned and farmed by Negro farmers.

Will the gentleman put this debate upon the lowest possible level, the level of mere party political expediency? Let me tell him something more for his enlightenment. In many communities, congressional districts, and some States of the area I have mentioned, Negro voters hold to-day the balance of power. Will the gentleman argue that the Republican Party owes no obligation whatever to these people? Shades of the immortals! Shades of Blaine and Reed and Hale and the rest of them—giants in their day in these legislative halls; lights in the counsels of the Republican Party! What is the matter with our friend anyhow? Is the gentleman preparing campaign material for Democratic use in the approaching campaign?

The gentleman in his speech makes special appeals over and over again to the Republican majority. Let me say to him that the best appeal he can make to the Republican majority is that they keep faith with the people, with all classes and conditions of people in this country.

Mr. Chairman, this legislative proposal has had the effect of a depth bomb dropped in our midst. The deeps of partisan and sectional feeling have been thrown into violent commotion. When a proposal produces such a result, one who has convictions in regard to it, and at the same time seeks to respect the sensibilities of his fellows in this body, is prompted to weigh his judgments and measure his words. Such a bill, however, demands straight thinking and justifies plain speaking. It will serve no useful purpose for either side of this Chamber to try to dodge responsibilities, conceal facts, befog the real issues, or undertake to create unreal issues. I agree with the gentleman from North Carolina [Mr. POU] that it serves no useful purpose in a debate of this kind to beat around the bush.

From the point of view of the gentlemen of the minority who have spoken against this bill, this proposal has been diabolically conceived, diabolically born, and will be diabolically matured into law by the diabolical partisanship of a diabolical majority. No one over here will have forgotten how the gentleman [Mr. SUMNERS] flouted us of the majority as a veritable mob—madness, rope, and all other accessories—but had the good taste to say it all with a smile. We, of course, can never know whether our other friends of the unspoken speeches, while indicting, prosecuting, convicting, and hanging the Republican Party for high treason have really smiled or, following an illustrious example, looked grim and hurled inkstands. But, Mr. Chairman, the spirit of this proposal is not the spirit of a mob. It partakes no more of the mob spirit than does the very determined opposition to the bill. Let us face the situation squarely. There are two reasons why we can not reason together calmly and patriotically in this Committee of the Whole House upon this measure. They should be frankly stated and frankly recognized. This bill comes here as a party measure—conceived of a declared party policy, born of the urge of an administration program. There is no more partisanship in it, there is probably less partisanship in this measure than there has been in any other of the distinctive party and administration measures that have been presented to this Congress. The policy of this measure, of the enactment of a law to suppress lynching, has emanated from a rising tide of popular sentiment the country wide and the country over. There has been for some years a growing and persistent demand throughout the country that the National Government tackle this national evil.

I will not discuss the evidence of this in detail, but if anyone will read the matter my colleague [Mr. DYER] has inserted in the record of this debate, he will be convinced not only of the demand but that the demand was quite as insistent and almost as general in the South as in any other part of the country. In 1920 the Republican Party was out of power. It was appealing to the American people to be put back into

power. As a part of that appeal to voters it engaged to grapple—held out assurance that a Republican Congress would grapple—with this monstrous evil. This bill is the effort of the Republican Party now in power to keep faith. Now, why and where does the shoe pinch? The shoe pinches because our brethren of the minority, fine gentlemen all of them, smart politicians, clearly see and realize that if this bill shall be perfected, shall be enacted into law, and shall work—shall be effective in suppressing in some substantial degree the lynching evil—the Republican Party will profit, just as a political party always profits that keeps faith with the people in doing things that ought to be done. But that is not all. It is just as clearly seen that if the Republican Party should make no effort, or if, making the effort, shall fail in this program, it will suffer loss, just as a party always suffers loss when it breaks faith or fails to keep faith with the people. So the spirit that is troubling the waters here is not the spirit of a mob; it is the spirit of the politician. The party responsible for what is done or what is not done is not to be stampeded by threats. Gentlemen of the minority, in the play of politics, may prance before us, call us names and apply epithets, we shall not be perturbed if only they do not forget to smile.

But, Mr. Chairman, they tell us in thunder tones that this proposal is unconstitutional. It may be, in little part or big part or altogether. As I said at the beginning, I am disposed to discuss the policy of this proposal. I shall be troubled neither by the constitutionality question nor by my duty under my oath with respect to the measure until it is perfected here. The people want something done, and so help me, so far as I am concerned, the opponents of this bill must marshal some other argument beside the old, pestiferous bugaboo of State rights. I demand to be shown that my National Government has not the inherent right and power to protect its citizens from mobs and to preserve its very life and conserve its civilization.

But there is another reason why the waters are troubled. They remind us that the platform plank announcing the policy of this legislation was written at the behest of the Negroes in our citizenship. That is absolutely true. Negro men and Negro women, associated together not to promote the welfare of a political party but to promote the welfare of their race, did appeal for the plank that was put into the Chicago platform. In God's name why should they have not appealed there? Is it not disclosed in this report, has it not been admitted, directly or indirectly, by all who have participated in this debate, that the indescribable cruelties, the barbarous iniquities of the lynching evil flame forth in peculiar, divest fury against that unhappy people? Ah, Mr. Chairman, here is introduced the consideration major in the minds of the opponents of this bill, the consideration which has been insinuated into the debate by every gentleman who has spoken on the minority side, the consideration which it is painfully manifest will divide this House upon a party line upon this bill. That consideration is the race question. Mr. Chairman, if this is to be characterized as a partisan measure it will be because the minority makes it so. If it be true, let it be recognized that the division upon this bill will reflect the respective attitudes, the opposing attitudes of the Republican Party and the Democratic Party toward a racial group within our citizenship. But, Mr. Chairman, I will not admit, for I do not believe, that the gentleman from Texas or others on that side are fair or just toward their constituencies. Their speeches do not reflect the best, the most influential, or the dominating sentiment of southern people either toward the Negro race or toward the policy of this bill. The correctness of the views of these gentlemen is not attested by leading southern newspapers, educators, religionists, jurists, and public men generally. However the politicians of the South may care or fail to care about the millions of the Negro race there, there is being shaped in the minds and purposes of far-seeing, far-thinking men and women of that section policies industrial, educational, cultural—yea, political—both for the immediate and the more remote destiny of that people. The point I make against the argument of these gentlemen is that they would make lynching an essential and would have us believe that by the people of the South it is thought to be an essential to policies toward that people.

Mr. Chairman, I want to say it in all kindness, for I have no other feeling than that toward these gentlemen. I have come to know the gentleman who spoke with such force and feeling here [Mr. SUMNERS] personally and to prize his friendship highly. But I can not interpret some of the arguments contained in these speeches, to which I have referred, against the policy of this bill to mean aught else or to have other significance than that to strike down lynching would be to deprive southern communities of a recognized and tolerated instrumentality for dealing with their Negro population. I can not believe that to be true. To believe it one must judge those communities by the baser elements which exist there, as they exist in communities elsewhere. I inveigh against such judgment just as the Negroes of this country inveigh against judgments upon the standing, character, and attainments of their race by reference to the weak, the criminal, or the degenerate among them.

Since this bill has been under consideration many of us—perhaps all of us—have had our memories refreshed by a newspaper account of a lynching which occurred during the year which just closed. Listen to a few sentences from the report of it:

> More than 500 persons stood by and looked on while the Negro was slowly burned to a crisp. * * * He suffered one of the most horrible deaths imaginable. * * * Chained to a log, members of the mob placed a small pile of leaves around his feet. Gasoline was then put on the leaves and the carrying out of the death sentence was under way. Inch by inch the Negro was fairly cooked to death. Every few minutes fresh leaves were tossed on the funeral pyre until the flames had passed the Negro's waist. Once or twice he attempted to pick up the hot ashes and thrust them in his mouth in order to hasten death. Each time the ashes were kicked out of his reach by a member of the mob.

Was such torture ever more brutally applied to a human being by savagest savages or most barbaric barbarians? The victim of this diabolical treatment had committed murder. Law disregarded, courts contemned, officers defied, the murderer in turn was murdered.

Where there had been one murderer there was now 500 murderers. Can anyone believe, will anyone argue here, that such a demonstration, such horrible indulgence of criminal impulses, could possibly serve or be held in any community to serve as a deterrent of crime? If there be one, I pity his mental processes, and I pity his judgment. I ask of anyone, if, indeed, there be one who may be disposed to be tolerant of lynching for any crime or under any circumstances, can you conceive of any evil in that or any other community the iniquitous roots of which could possibly sink deeper or spread more widely?

The direct output of that lynching, as it is of every lynching, was the murder of a criminal to avenge a crime. But what of the by-products? We are far too prone to judge the outlaw practice by the direct output—to stress the quick destruction of a criminal or a degenerate. But lynching is an expanding, self-diversifying evil. The hellish thing grows by what it feeds upon. It balefully spreads, ramifies, and breeds new iniquities. The direct output is horrible, merciless murder by infuriated, irresponsible mobs. The by-products have always been and always will be more far-reaching, more fraught with danger to society and to the body politic than the direct output. The animating, compelling spirit of the lynching mob stifles every dictate of the nobler humanities. It works utter demoralization of participants and onlookers. It lowers the moral standards of communities, breathes contempt of law, utter defiance of authority, and a reckless challenge of established order. Can any one of us persuade himself that even if infractions of private rights, however sacred, might be so deterred, a public wrong so fundamentally grave and menacing should be countenanced or permitted? The policy and doctrine of this measure is that to face such a menace to free institutions, to avert such danger, to stay such peril, the National Government should stretch every nerve, strain every ligament of inherent or delegated constitutional power. To that policy and purpose I heartily subscribe.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. SWING].

Mr. SWING. Mr. Chairman, I would not on any slight consideration inject the Federal Government into State activities, but it does seem to me that after a period of 30 years' trial under State laws and State officials, during which time there have been 3,000 cases of lynchings and no punishment, as far as I can find out, of the guilty individuals who participated in the lynching, the time has come to demand a change. It seems to me we are confronted with a condition that requires us to say that existing agencies for law and order have failed to work and that the State and local authorities now vested with the responsibility of enforcing the law are unable to function in the case of a lynching.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SWING. Yes.

Mr. SUMNERS of Texas. Does the gentleman think it would be a good idea for the Federal Government to inject its policy into the situation out there in California on the Pacific coast with respect to the Japanese and the Chinese?

Mr. SWING. I would say that if there were cases of lynching of the Japanese, I would agree. My State, I frankly confess, has not been an innocent State in the matter of lynchings, but I think that a great majority of those cases happened in the

days of '49, before law and order and courts were carried into the far West. Since law and order and the courts have been instituted as the instrumentality for the punishment of crime it seems to me that no fair man to-day can defend the act of lynching. Nor do I believe there are any who do, even in the South, and I refer to the South, not because the South is defending lynching. It is not. The best men are attempting to stamp out lynching, but the instrumentalities through which they are working are ineffectual for the purpose?

I think this is the the reason why they are ineffectual. Lynching, as we understand it, is mob violence. It is the thought of the community crystallized into action. The whole community has the feeling which a few men finally carry into action, but they would not have carried it into action if the whole community were not thinking the thing which they finally did. How can you expect the grand jury of a country to pass judgment upon its own neighbors when they as well as their neighbors and those who commit the deed are infected with the virus which brought about the act of lynching? How can you expect the local sheriff or the local judge, whose office is given by the votes of their neighbors, to turn around and take any drastic action against them?

Mr. UPSHAW. Mr. Chairman, will the gentleman yield?

Mr. SWING. Yes.

Mr. UPSHAW. Does the gentleman conceive how the result would be widely different with the Federal jury from what it would be with a local jury, both coming from the same section?

Mr. SWING. Yes; I do. The Federal district attorney and the judge are responsible to a different authority. They are not dependent upon the suffrage of the people of the community. The Federal grand jury is drawn from a much wider community than just the county in which the act is committed. That is the hope of the present law, that by a change of venue you can get a different set of authorities and a different community to draw your jury from—one that is not poisoned with the same virus which has poisoned the local community and brought about the very act of violence which the authorities are supposed to suppress.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. SIEGEL].

Mr. SIEGEL. Mr. Chairman, answering my friend from Georgia [Mr. UPSHAW], who just propounded a question as to what different results would be obtained under a Federal than under a State statute, by change of venue, I would say that I have only to point to the Williams case in his own State, where, by change of venue, the State authorities themselves were able to obtain a conviction.

Mr. UPSHAW. Mr. Chairman, will the gentleman yield?

Mr. SIEGEL. Yes.

Mr. UPSHAW. I answer the gentleman with all cheerfulness that that does not disprove my contention. The ideals of the people are the same. They know the suffering through which we have passed, and the result, so far as the verdict is concerned, can not be changed by a change of venue. Besides, Williams was tried in that county where he committed the crime and was convicted.

Mr. SIEGEL. My information is to the contrary; but I am always glad to yield to my friend from Georgia, if such be the fact. Let us take the State of Georgia. The number of counties in that State is very large in proportion to those in other States. The population in each county is small, comparatively, so that everyone in the county practically knows everyone else. There has been very little immigration into that State, probably about 2 per cent, as I get it from the census figures. It is a natural desire upon the part of friends not to convict friends, if they can avoid it. I have figures before me taken from the New York Tribune, which show that the State of Georgia has had the largest number of lynchings. I do not know whether the responsibility rests upon the courts or not, but we are not confronted with a theory; we are confronted with a fact, which is that despite all of the best sentiments throughout the State of Georgia and all that it has done to obtain respect for law, the lynchings have increased in number.

What is the proposed remedy under this bill? We all know that nearly every man and woman in the United States who stands for good citizenship is absolutely opposed to lynching. I know that to be the fact in the State of Georgia, as well as in every other part of the country. I am not discussing it from a sectional standpoint. It is my belief that if the sheriff of the county or any other person having in custody one who has committed a crime knows that he will be brought to trial in the Federal court if he fails to perform his duty, which court would be held away from the particular community in which the crime was committed, he would realize the responsibility of his position and uphold the oath he has taken to uphold the law.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. SIEGEL. Yes.

Mr. WINGO. Does the gentleman favor subjecting to Federal control the 10,000 policemen of the city of New York?

Mr. SIEGEL. The Federal courts already have taken control under the eighteenth amendment.

Mr. WINGO. I beg the gentleman's pardon, but the eighteenth amendment is an amendment to the Constitution. My question is whether or not the gentleman favors placing the 10,000 policemen of the city of New York under Federal control for any purpose.

Mr. SIEGEL. They are under Federal control for the enforcement of the laws, assisting the United States marshal all of the time.

Mr. WINGO. Does the gentleman favor putting them under the control of the Federal courts?

Mr. SIEGEL. No; I do not. But in New York we make a distinction between the sheriff and the police department, which is not the case in other places.

Mr. WINGO. But they are both police officers.

Mr. SIEGEL. They are both police officers, but with a certain distinct line of duty.

Mr. WINGO. The sheriff is the police officer of the county.

Mr. SIEGEL. Not in New York City.

Mr. WINGO. The old sheriff was.

Mr. SIEGEL. Yes.

Mr. WINGO. The sheriff from time immemorial has been the chief peace officer of the particular subdivision. I want to ask the gentleman another question. As I understand, there were sixty and some odd lynchings last year in the United States.

Mr. SIEGEL. More than that, according to the report in the New York Tribune here. It was a large number.

Mr. WINGO. Say 160, just for illustration. What, according to the gentleman's idea, is the correct standard on this or any other crime—because lynching is not the only crime you are punishing; murder is not the only invasion of a man's constitutional right? Where does the dividing line come, where there are a certain number of crimes in the city of New York that are committed, and, as the opponents of this bill contend, those crimes are permitted by the State, what particular number would you establish as saying that whenever those crimes are committed would cause the Federal Government to step in?

Mr. SIEGEL. We are not establishing any particular number in this bill.

Mr. WINGO. I have not made myself clear. What particular number of crimes that are committed in a State would cause you to think made it necessary for the Federal Government to step in?

Mr. SIEGEL. I am not discussing the particular number of crimes——

Mr. WINGO. I am asking the gentleman for information.

Mr. SIEGEL. I do not stand by the question of a number. We know the Federal Government has had to step into a particular State and uphold the government of that particular State, namely, West Virginia. But that is not the question. It must be based on the last words of the fourteenth amendment:

> Nor deny to any person within its jurisdiction the equal protection of the laws.

I do not pretend for a moment that all the provisions of this bill are constitutional, according to my interpretation of the decisions of the Supreme Court.

Mr. WINGO. I am glad to hear the gentleman say that.

Mr. SIEGEL. It is my opinion that we can not hold a prosecutor liable, because he is the one that has to determine for himself whether there is sufficient evidence to be presented to the grand jury or not.

Mr. WINGO. I fear the gentleman thinks I am trying to get into a controversy with him.

Mr. SIEGEL. Oh, no.

Mr. WINGO. A good many men have raised this question in private conversation. What is the dividing line? In the failure of a State, as you contend, to afford protection, it is a denial of protection. To what extent must we go before the State loses its jurisdiction and the Federal Government, by the adoption of accretion or nonuser, or some of these other strange doctrines, assumes jurisdiction?

Mr. SIEGEL. It is the sole question of whether the Federal court will have jurisdiction to sustain the law under the first section of the fourteenth amendment.

Mr. WINGO. How many men were murdered by gunmen in New York last year that were not punished?

Mr. SIEGEL. Very few.

Mr. WINGO. Will the gentleman tell me how many women were assaulted within the District of Columbia and near-by villages in the last two years and the assailants were never punished? Would the gentleman favor the Federal Government stepping in there?

Mr. SIEGEL. One question at a time. First, let us have the editorial read, and I will then allude to the District of Columbia.

The CHAIRMAN. Is there objection to the gentleman having the editorial read in his time? [After a pause.] The Chair hears none.

The Clerk read as follows:

[From the New York Tribune, Jan. 10, 1922.]

CONTRASTS IN HOMICIDES.

Current statistics show extraordinary variations in the numbers of homicides in the chief cities and a remarkable parallel between the numbers of homicides and the numbers of lynchings.

Thus in Atlanta in 1920 lynchings were at the ratio of 40.9 to the 100,000 population, and in Savannah they were at the rate of 44 to the 100,000, and in Georgia in the last 35 years there were 528 lynchings. In Charleston homicides were at the rate of 36.5 and there were 121 lynchings in South Carolina. Memphis had 63.4 homicides to the 100,000, and Tennessee a total of 198 lynchings. In New Orleans the homicide rate was 16.9, and in Louisiana the number of lynchings was 289.

On the other hand, in Baltimore the homicide rate was only 7 to the 100,000, and the number of lynchings in Maryland was only 23. Cincinnati had 5.7 homicides, and Ohio had 20 lynchings. Milwaukee had a homicide rate of 3, and Wisconsin had only 5 lynchings. San Francisco's homicide rate was 7.6, and California's lynchings were 33. In New York City homicides in 1920 were 5.9 to the 100,000, and in New York State in 35 years there were only 2 lynchings. In Philadelphia the homicides were 6.2, and in Pennsylvania the lynchings were only 6. In Boston the homicide rate was 5.1, and Massachusetts had not a single lynching.

In the face of such figures is it impossible to ignore a very direct relationship between the lynching habit and the commission of homicide. New York City has a mixed and largely turbulent population, and has more homicides than it should have. Yet it has, in proportion to its population, only about one-seventh as many as Atlanta. And in New York State there have been only 2 lynchings in 35 years, while in Georgia, with a far smaller population, there have been 528. Such a contrast explodes the claim that lynching is a crime deterrent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VOLSTEAD. I yield two minutes more to the gentleman.

Mr. HAWES. Will the gentleman yield for a brief question?

Mr. SIEGEL. I have one question to answer, asked by my friend from Arkansas [Mr. WINGO].

Mr. WINGO. I understood the gentleman's editorial was intended to be an answer, and that the mathematical ratio mentioned there determined jurisdiction.

Mr. SIEGEL. Now the gentleman is not serious.

Mr. WINGO. I thought that was the question.

Mr. SIEGEL. The gentleman asked me about New York, and the editorial answered the fact as to the proportion of lynchings in other States.

Mr. WINGO. Will the gentleman tell me what in his opinion is the proportion of crime that causes the State to lose jurisdiction and gives it to the Federal Government?

Mr. SIEGEL. There is one question that has got to be determined, and that is what is meant by denying a person within the jurisdiction of the State the equal protection of the law. I will say for the benefit of the gentleman that there have been some six hundred and odd cases under the fourteenth amendment which have come to the Supreme Court of the United States. There have been only 35 or 36 cases which did not involve the question of property rights. In these cases the court divided along two lines. In the cases where evidence was brought before a jury in the State court to the effect that equal rights and privileges were not granted, the Federal court took jurisdiction.

In the other case where it was offered it was a mere expression of opinion; the Federal court declined to assume jurisdiction. It seems to me the only case that could be referred to in regard to the whole question is the case that the gentleman from Virginia [Mr. MONTAGUE] so ably discussed yesterday, and that is the case of Strauder *v.* West Virginia (100 U. S., 203). I am not saying that there is any authoritative decision in the Supreme Court holding that this proposed law is constitutional or not. I have searched in vain for a case squarely determining the question.

Mr. Chairman, it is interesting to note the history of the fourteenth amendment. It was first introduced in the House by Thaddeus Stevens, on December 5, 1865. Just previous to that, on March 3, 1865, the Freedman's Bureau was created. The civil rights act was adopted on April 9, 1866. Then came the Ku Klux act, which was passed April 20, 1871, in the second session of the Forty-first Congress. It was intended thereby to enforce all of the provisions of section 1 of the fourteenth amendment.

On March 1, 1875, the civil rights act became a law (U. S. Stat. L., vol. 18, p. 335). Originally the measure was introduced by Charles Sumner, but it was not until Benjamin F. Butler took charge that it became a law. It was proposed thereby to wipe out the color line in the South and give to the Negro equal privileges in public conveyances by land and by water and in all hotels. The Supreme Court of the United States held that it was only a guaranty for the protection of individuals from the invasion by the States themselves. It was thus rendered of no effect as far as defending one citizen against the activities of his fellow citizens.

Three times did the Supreme Court of the United States pass on this question: In 1875, when the decision of United States *v.* Cruikshank (92 U. S., 542) was rendered; again in 1883, when the Civil Rights cases were decided (109 U. S., p. 3); and later, in 1906, a decision was rendered in Hodges *v.* United States (203 U. S., p. 1). The deductions to be made from the decisions so far is to the effect that the only time when use can be made of the amendment is when there is proof that there is discrimination solely on the ground of race or color. There is no presumption that the discrimination is on that ground. The party aggrieved must present convincing proof to that effect. Everyone knows that it is practically impossible to prove what was running through the minds of the officials when acting. The surprising feature of the whole fourteenth amendment is that when enacted it was intended to protect personal rights. As I previously stated, in a little over 600 cases which have come up to the Supreme Court of the United States, about 565 involved the question of property rights. The balance involved the question of liberty or personal rights of the individual.

That the Federal Government should, if the Constitution permits it, have some jurisdiction to protect individual residents of the United States is not to be denied.

Something must be done to eradicate the desire to violate and to take the law into one's own hands. No excuse can be offered for the lynching of 64 women, 11 white and 53 colored, between the period of 1889 to January 1, 1921. Certainly it can not be claimed that the charge of rape was behind these lynchings. One has but to take a glance at the figures of lynchings, which are as follows, and see at once the necessity of the passage of some legislation along these lines. They are for the benefit of the country at large:

State.	Number of lynchings, 1889–1918.	Number of lynchings, 1918–1921.	Total lynched.	Number of women lynched.
Georgia	387	43	429	6
Mississippi	373	32	405	12
Texas	335	19	354	6
Louisiana	313	13	326	4
Alabama	276	16	292	7
Arkansas	214	17	231	5
Florida	179	23	201	2
Tennessee	196	3	199	1
Kentucky	169	2	171	4
South Carolina	120	8	128	4
Oklahoma	96	3	99	2
Missouri	81	4	85	.....
Virginia	78	2	80	.....
North Carolina	53	10	63	.....

The gentleman from Arkansas [Mr. WINGO] made some inquiries in regard to crime in the District of Columbia. The following letter is self-explanatory.

The population of the District of Columbia on January 1, 1920, was, according to the census of 1920, 437,571. The population of the city during the fiscal year ended June 30, 1921, was about 415,000, on account of the number of Government employees who have been discharged.

For the information of the House I insert the following letter:

DISTRICT OF COLUMBIA,
METROPOLITAN POLICE DEPARTMENT,
Washington, D. C., January 4, 1922.

Hon. ISAAC SIEGEL,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: In response to your communication of the 3d instant, I give below statistics requested for the fiscal year ended June 30, 1921:

Arrests for felonies	2,618
Arrests for misdemeanors	53,974
Total	56,592
Males	51,911
Females	4,681
Native born	52,809
Foreign born	3,783

Very truly, yours,

DANL. SULLIVAN,
Acting Major and Superintendent.

DEPARTMENT OF STATE,
Washington, December 20, 1921.

Hon. ISAAC SIEGEL,
House of Representatives.

SIR: I have the honor to acknowledge the receipt of your letter of December 13, 1921, in which you state that you understand that there are a number of cases pending in which requests have been made by foreign Governments that compensation be paid to the family of aliens who have been killed in the United States, and request that you be furnished with a statement of the facts regarding such cases so that you may refer to them in urging the passage of H. R. 13, entitled "A bill to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching."

The bill to which you refer apparently relates to cases which involve the murder by a mob or riotous assemblage of persons within the jurisdiction of the several States. I beg to state that there are no cases pending before the department concerning which representations have been made by foreign Governments with regard to the payment of indemnities to the relatives of aliens who were killed under such circumstances. Representations have been made, however, by the Japanese Government with regard to the payment of indemnities to the relatives of Tatsuji Satio, a Japanese subject, who on May 16, 1916, was killed at San Geronimo, Mexico, by American soldiers, and to the family of Torahachi Uratake, who was killed in November, 1915, at Schofield Barracks, Hawaii, through the gross carelessness of an American soldier. Both of these cases have on more than one occasion been brought to the attention of Congress. The facts concerning the death of Tatsuji Saito are set forth in House Document No. 194, Sixty-fifth Congress, first session, and in House Document No. 1108, Sixty-fifth Congress, second session. The facts in the case of Torahachi Uratake may be found in House Document No. 785, Sixty-fourth Congress, first session.

As of possible interest to you in considering the provisions of the bill in question, I may state that the British ambassador at Washington, in a note of October 25, 1921, made inquiry of the department with regard to the assault committed upon the person of Rev. Philip S. Irwin, a British subject, on July 17, 1921, at Miami, Fla. This matter is being given consideration by the department.

I have the honor to be, sir,
Your obedient servant,
For the Secretary of State: HENRY P. FLETCHER,
Undersecretary.

Mr. SUMNERS of Texas. Mr. Chairman, I yield one minute to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Alabama, Judge JOHN R. TYSON, was compelled to leave the city a few days ago on account of very important business. He had prepared an argument in opposition to the pending anti-lynching bill, which he had hoped to deliver in person, but was prevented from doing so on account of being called away. We all know that Judge TYSON is a great lawyer and that he served with great distinction and ability on the bench in his own State of Alabama as circuit judge and as associate justice and as chief justice of the supreme court. I have read this argument, and to my mind it is one of the ablest constitutional arguments I have read in opposition to this bill, and it fully sustains the splendid reputation of Judge TYSON as a great lawyer and a distinguished jurist. I ask unanimous consent that I may be permitted to insert it in the RECORD.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that he may insert Mr. TYSON'S remarks in the RECORD in the manner indicated. Is there objection?

Mr. CONNALLY of Texas. Reserving the right to object, does the gentleman approve the sentiments expressed?

Mr. BYRNS of Tennessee. I most certainly do.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The speech is as follows:

Mr. TYSON. Mr. Chairman and gentlemen of the committee, the title of this bill is—

To assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching.

Conformable and germane to the title, the bill seeks to invoke the police powers of the Federal Government for the suppression of and punishment of murder.

The first section seeks to extend the guaranty of the fourteenth amendment, prohibiting the State from denying to any person within its jurisdiction the equal protection of the laws to the violent acts of five or more persons acting in concert for the purpose of depriving any person of his life, without authority of law, as a punishment for or to prevent the commission of some actual or supposed public offense.

The second section undertakes to define or, rather, to declare that the failure, neglect, or refusal of any State or governmental subdivision thereof to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage shall be deemed a denial of the equal protection of the law within the guaranty of the amendment.

The third makes it a felony for any State or municipal officer charged with the duty or possessing the power or authority as such officer to protect the life of any person that may be put to death by any mob or riotous assemblage, or who has any such person in his charge as a prisoner, and fails, neglects, or refuses to make all reasonable effort to protect such person from death, or any such officer charged with the duty of apprehending or prosecuting any person participating in such mob or riotous assemblage who fails, neglects, or refuses to make all reasonable efforts to apprehend or prosecute to final judgment under the laws of such State all persons so participating in the mob or riotous assemblage; and also punishes any person participating in a mob or riotous assemblage who takes from the custody of any State or municipal officer a prisoner charged with the commission of a public offense and puts such prisoner to death or who participates in obstructing or preventing any State or municipal officer in the discharge of his duty to apprehend, prosecute, protect, or punish any person suspected of or charged with any public offense and puts such person to death.

The fourth section fixes the punishment, on conviction, of imprisonment in the penitentiary of any person who participates in any mob or riotous assemblage by which a person is put to death.

The fifth section imposes a penalty upon the county in which the death occurred, by a mob or riotous assemblage, of $10,000, recoverable in the United States court, for the use of the family, if any, of the person put to death; if he had no family, then for the use of his dependent parents, if any; otherwise for the use of the United States. It also makes it the duty of the United States district attorney to prosecute the claim against the county, and confers jurisdiction upon the court by appropriate processes to enforce the collection of the judgment.

The sixth section makes any and all counties liable if the person put to death is transported through them after his capture and before being put to death.

The constitutionality of this bill I challenge as being beyond the power of Congress to enact into a law.

THE STATES HAVE NEVER SURRENDERED THEIR RIGHTS TO PUNISH MURDERERS UNDER THEIR OWN LAWS.

It differs in no material respect from others, save in one particular, that relating to State or municipal officers, which have been declared unconstitutional by the Supreme Court of the United States.

I shall first discuss that portion of the bill which seeks to punish the individuals who may be guilty of the acts denounced as not being within the guaranty afforded by the equal protection clause of the fourteenth amendment. The attempt to punish the individuals is the invocation of the exercise of the police powers by the Federal Government never delegated to it by the States. The bill is an invocation of the exercise by Congress of its power of legislation upon subjects which are exclusively within the domain of State legislation, an attempt to create a code of municipal laws for the regulation of private rights and not to provide modes of redress against the operation of State laws and the action of State officers, executive or judicial, when acting under State authority. I do not wish to be understood as asserting that positive rights are not secured by the amendment, but they are secured only by way of prohibition against State laws and proceedings. And while Congress undoubtedly has the power to carry such prohibition into effect by legislation, such legislation must be predicated upon some supposed State law or State proceeding and directed to the correction of their operation and effect.

It is State action and not individual lawlessness, however heinous or revolting, over which jurisdiction is conferred by the amendment upon Congress to correct by legislation.

The power or authority conferred upon Congress by the amendment is to enact restraining legislation upon powers exercised by the States denying to persons equal protection of the laws. The amendment originated no new privileges or immunities, no new right of life, liberty, or property, and no new process of law. It does no more than to guarantee rights already existing under the Constitution. It confers upon Congress no authority to enact general legislation securing the rights of life, liberty, and property, but to enact only such legislation as may be necessary to counteract such laws as the States may enact, which, by the amendment, they are prohibited from enacting and enforcing.

The amendment is not an affirmative, positive, original grant of power to the Federal Government, nor does it confer upon Congress the power of enacting original legislation over privileges and immunities, life, liberty, or property. To repeat, it is prohibitory only, and the prohibition runs against the State and not against individuals. It differs in this respect from other grants of the States found in the Constitution, such as the right to regulate commerce with foreign nations and among the several States, to coin money, to declare war, and similar grants. Those are affirmative grants of power, and Congress, for their regulation and enforcement, has jurisdiction to enact original, affirmative legislation of every kind, including the exercise of the police power where necessary to their enforcement. The grant by the States of those powers was a surrender by them

of all power to legislate upon those subjects, conferring exclusively upon Congress that right. The States never surrendered their right to govern and regulate the rights of life, liberty, and property and to punish, under their own laws, murderers. If that power exists in the States it can not exist in the Federal Government. And if the States have surrendered that power by the adoption of the fourteenth amendment, then Congress has the exclusive right to fix the punishment which should be imposed upon murderers, and if upon murderers, upon robbers, thieves, burglars, embezzlers, forgers, bigamists, adulterers, and every other person who may commit a criminal offense.

If, by the adoption of that amendment, the States surrendered their rights to protect the life of persons without their jurisdiction, and to punish the persons who may put any one of them to death, then the States are without power "to establish a code of municipal law regulative of all private rights between man and man in society." And the constitutional guaranty by the United States "to every State in this Union a republican form of government" was annulled by the amendment. That such was not the intention of Congress when it proposed and submitted the fourteenth amendment is clearly shown by its refusal and rejection, during the consideration of the amendment, this proffered clause: "Congress shall have the power to make all laws which shall be necessary and proper to secure to the citizens of each State all the privileges and immunities of citizens in the several States and to all persons in the several States equal protection in the rights of life, liberty, and property." Had that clause been adopted and ratified by the States instead of the one that was adopted, containing the prohibition that "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction equal protection of the laws," Congress would have had the power to enact affirmative legislation, original power to make laws touching all rights pertaining to immunities, privileges, life, liberty, or property, to establish a code of municipal laws regulative of all private rights between man and man. But instead of stripping the States of their power or the rights pertaining to the life, liberty, or property of the individual, the clause containing the prohibition quoted above was adopted and ordained, the effect of which was to grant to Congress only the right of "vetoing, correcting, restraining, and nullifying laws and State action denying the rights" guaranteed by the amendment. Had that proffered clause been adopted, the Supreme Court of the United States would not have declared unconstitutional, as it did, the act of Congress punishing as a criminal offense the act of two or more persons—

who conspire or go in disguise upon the highway or on the premises of another for the purpose of depriving, either directly or indirectly, any person or class of persons of the equal protection of the law or of equal privileges or immunities under the law; or for the purpose of preventing or hindering the constituted authorities of any State or Territory from giving or securing to all persons within such State or Territory the equal protection of the laws.

It would not have said in its opinion condemning that statute as being unconstitutional that the equal protection clause in the fourteenth amendment—

does not add anything to the rights of one citizen as against another. It simply furnishes an additional guaranty of any encroachment by the States of the fundamental rights which belong to every citizen as a member of society. The duty of protecting all its citizens in the enjoyment of an equality of rights was originally assumed by the States, and it remains there. The obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, and no more. The power of the National Government is limited to this guaranty.

Nor would the court have said in Virginia *v.* Rives (100 U. S., 313), and repeated in United States *v.* Harris (106 U. S., 629)—

these provisions of the fourteenth amendment have reference to State actions exclusively, and not to any action of private individuals.

Nor would the court have said in the Cruikshank case:

The very highest duty of the States, when they entered into the Union under the Constitution, was to protect all persons within their boundaries in the enjoyment of those inalienable rights with which they were endowed by their Creator. Sovereignty for this purpose rests alone with the States. It is no more the duty, or within the power of the United States, to punish for a conspiracy to falsely imprison or murder within a State than it would be to punish for false imprisonment or murder itself. The fourteenth amendment prohibits a State from depriving any person of life, liberty, or property without due process of law, but this adds nothing to the rights of one citizen as against another. It simply furnishes an additional guaranty of any encroachment by the States upon the fundamental rights which belong to every citizen as a member of society.

The court was there speaking with reference to the act of Congress which made it a felony for two or more persons to band or conspire together, or go in disguise upon the highway or upon the premises of another, to violate any provision of that act, or to injure, oppress, threaten, or intimidate any citizen, with intent to prevent his free exercise or enjoyment of any right or privilege granted or secured to him by the Constitution or laws of the United States or because of his having exercised the same.

Nor would the court have held in the Civil Rights cases (109 U. S.-P., 3) that the act of Congress making it a criminal offense for any person to deny the full and equal enjoyment of the accommodations, advantages, facilities, and privileges of inns, public conveyances on land or water, theaters, and other places of public amusement to citizens of every race and color, regardless of any previous condition of servitude, was unconstitutional. Had the court conceived that the fourteenth amendment conferred upon Congress the jurisdiction to enact direct, affirmative police regulations, excluding the rights of the State in adopting and ratifying the fourteenth amendment, it would not have held that—

The fourteenth amendment is prohibitory upon the States only, and the legislation authorized to be adopted by Congress for enforcing it is not direct legislation on the matters respecting which the States are prohibited from making or enforcing certain laws or doing certain acts, but is corrective legislation, such as may be necessary or proper for counteracting and redressing the effect of such laws or acts.

Nor would the court have used this language in that opinion:

It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States, or which injures them in life, liberty, or property without due process of law, or which denies to any of them the equal protection of the law.

Speaking of the fifth section of the amendment, which gives Congress the power to enforce it, the court says:

To enforce what? To enforce the prohibition. To adopt appropriate legislation for correcting the effects of such prohibited State laws and State acts, and thus to render them effectually null, void, and innocuous. This is the legislative power conferred upon Congress, and this is the whole of it. It does not invest Congress with the power to legislate upon subjects which are within the domain of State legislation, but to provide modes of relief against State legislation or State action of the kind referred to. It does not authorize Congress to create a code of municipal law for the regulation of private rights, but to provide modes of redress against the operation of State laws and the action of State officers, executive or judicial, when these are subversive of the fundamental rights specified in the amendment. Positive rights and privileges are undoubtedly secured by the fourteenth amendment; but they are secured by way of prohibition against State laws and State proceedings, affecting those rights and privileges, and by power given to Congress to legislate for the purpose of carrying such prohibition into effect; and such legislation must necessarily be predicated upon such supposed State laws or State proceedings and be directed to the correction of their operation and effect.

The court further said:

Until some State law has been passed or some State action, through its officers or agents, has been taken adverse to the rights of citizens sought to be protected by the fourteenth amendment, no legislation of the United States under said amendment, nor any proceeding under such legislation, can be called into activity; for the prohibitions of the amendment are against State laws and acts done under State authority. Of course, legislation may and should be provided in advance to meet the exigency when it arises; but it should be adapted to the mischief and wrong which the amendment was intended to provide against; and that is, State laws or State action of some kind adverse to the rights of citizens secured by the amendment. Such legislation can not properly cover the whole domain of rights appertaining to life, liberty, and property, defining them and providing for their vindication. That would be to establish a code of municipal law regulative of all private rights between man and man in society. It would be to make Congress take the place of State legislatures and to supersede them. It is absurd to affirm that, because the rights of life, liberty, and property, which include all civil rights that men have, are, by the amendment, sought to be protected against invasion on the part of the State without due process of law, Congress may therefore provide due process of law for their vindication in every case; and that, because the denial by the State to any person of the equal protection of the law is prohibited by the amendment, therefore Congress may establish laws for their equal protection. In fine, the legislation which Congress is authorized to adopt in this behalf is not general legislation upon the rights of the citizen, but is corrective legislation; that is, such as may be necessary for counteracting such laws as the States may adopt or enforce, and which, by the amendment, they are prohibited from making or enforcing, or such acts and proceedings as the State may commit or take, and which, by the amendment, they are prohibited from committing or taking.

Speaking further to the power of Congress to legislate on the subject of the violation by private persons of rights secured by the amendment, the court says:

Civil rights, such as are guaranteed by the Constitution against State aggression, can not be impaired by the wrongful acts of individuals, unsupported by State authority, in the shape of laws, customs, or judicial or executive proceedings. The wrongful act of an individual, unsupported by any such authority, is simply a private wrong, or a crime of that individual; an invasion of the rights of the injured party, it is true, whether they affect his person, his property, or his reputation; but if not sanctioned in some way by the State, or not done under State authority, his rights remain in full force and may presumably be vindicated by resort to the laws of the State for redress. An individual can not deprive a man of his right to vote, to hold property, to buy and to sell, to sue in the courts, or to be a witness or a juror; he may, by force or fraud, interfere with the enjoyment of the right in a particular case; he may commit an assault upon the person, or commit murder, or use ruffian violence at the polls, or slander the good name of a citizen; but, unless protected in the wrongful acts by

some shield of State law or State authority, he can not destroy or injure the right; he will only render himself amenable to satisfaction or punishment, and amenable therefor to the laws of the State where the wrongful act was committed. Hence, in all those cases where the Constitution seeks to protect the rights of the citizen against discriminative and unjust laws of the State by prohibiting such laws, it is not individual offenses, but abrogation and denial of rights, which is denounced, and for which it clothes the Congress with power to provide a remedy. This abrogation and denial of right for which the States alone could be responsible was the great seminal and fundamental wrong which was intended to be remedied. And the remedy to be provided must necessarily be predicated upon that wrong. It must assume that in the cases provided for the evil or wrong actually committed rests upon some State law or State authority for its excuse or perpetration.

Speaking to the legislative act which the court had under consideration, the court further said:

The law in question, without any reference to adverse State legislation on the subject, declares that all persons shall be entitled to equal accommodations and privileges of inns, public conveyances, and places of public amusement, and imposes a penalty upon any individual who shall deny to any citizen such equal accommodations and privileges. This is not corrective legislation; it is primary and direct; it takes immediate and absolute possession of the subject of the right of admission to inns, public conveyances, and places of amusement. It supersedes and displaces State legislation on the same subject, or only allows it permissive force. It ignores such legislation and assumes that the matter is one that belongs to the domain of national legislation. Whether it would not have been a more effective protection of the rights of citizens to have clothed Congress with plenary power over the whole subject is not now the question. What we have to decide is whether such plenary power has been conferred upon Congress by the fourteenth amendment; and, in our judgment, it has not.

In order to emphasize that the fourteenth amendment confers no power upon the Congress to legislate on the subject of the violations by private persons of the rights, either civil or criminal, secured to those persons whose rights are violated and to which they have an unqualified right of enjoyment, I quote again from Harris's case (106 U. S., 644):

A private person can not make constitutions or laws, nor can he, with authority, construe them, nor can he administer or execute them. The only way therefore in which one private person can deprive another of the equal protection of the laws is by the commission of some offense against the laws which protect the rights of persons, as by theft, burglary, arson, libel, assault, or murder.

The principles declared in the cases quoted from establish beyond all controversy that the provision of the bill under discussion condemning individuals for the acts mentioned in the third paragraph of the bill and those of the fourth paragraph, fixing the punishment for those acts, are beyond the delegated power granted to Congress by the fourteenth amendment and are therefore unconstitutional.

CONGRESS IS WITHOUT POWER TO PENALIZE COUNTIES.

I shall next discuss the legislative power of Congress to penalize counties.

Counties are creatures of State legislation and possess no powers other than those conferred by the State. They can neither sue nor be sued unless the right is conferred by State legislation; and where the right to be sued is conferred, that right is limited to those cases ordained by the State legislation defining the causes of action on which they shall be liable. At common law counties were never liable for the torts of its officers committed outside of the scope of their authority. The relation of principal and agent does not exist between counties and their officers and therefore the maxim respondeat superior has never had any application. The assumption by the bill to penalize counties necessarily carries with it the implied power that Congress may supersede the sovereign power of the State and impose a liability upon counties, where none exists, either at common law or under State legislation. It even goes further than this. It carries with it the power of Congress to create counties and to prescribe, notwithstanding State legislation to the contrary, their liabilities for all causes of action which Congress may originate. This is bound to be true, otherwise the liability imposed by the bill upon counties could be defeated by State legislation and the provision of the bill penalizing them, rendered abortive and ineffective. It would be a non sequitur to say that Congress has the power to fix a liability but is without power to create the status against which that liability may be enforced.

Indeed it would be an absurdity to say that Congress may fix a liability upon a county but is impotent to create the right of suability to enforce that liability and to make a county respond to the liability created, though the law of its creation may provide otherwise. If Congress has the power to create counties which are no more than political subdivisions of States, it would have the power to create county officers, prescribe their qualifications, duties, and liabilities. Furthermore it would have the right to exercise the powers of State sovereignty and to supersede the exercise of those powers by the State. It would have the power to reduce the States to mere Provinces, to destroy their autonomy, and to deprive them of all sovereign power.

IT IS STATE ACTION AND NOT NONACTION THAT IS PROHIBITED BY THE AMENDMENT.

I shall next discuss the power of Congress to exercise authority over "State or municipal officers charged with the duty to protect the life of any person that may be put to death by any mob or riotous assemblage" by their "failure, neglect, or refusal to make all reasonable effort to protect such person from death," notwithstanding State laws may punish such officers for such failure, neglect, or refusal, and notwithstanding their acts may be in violation of the laws of the State or its political governmental subdivision.

I have the honor to represent, in part, a State whose constitution creates the office of sheriff and makes him one of the executive officers of the State, charged with the duty of enforcing its laws and containing the provision that—

Whenever any prisoner is taken from jail or from the custody of any sheriff or his deputy and put to death or suffers grievous bodily harm, owing to the neglect, connivance, cowardice, or other grave fault of the sheriff, such sheriff shall be impeached—

And, if impeached—

and thereupon convicted, he shall not be eligible to hold office in this State during the time for which he had been elected or appointed to serve as sheriff.

Is it possible that under the prohibitive grant of the fourteenth amendment Congress has the power to supersede and nullify that constitutional provision? If it has, then it has the constitutional authority to compel State officers to perform their duties, and if it has that authority, it has the power to prescribe those duties, and in the exercise of that power it is unfettered and unlimited by State legislation, and when exercised the States are powerless to prescribe the duties of their officers and to punish them for a failure to perform those duties. The authority for the exercise of such power by the Congress appears to be predicated upon the language used by Mr. Justice Strong in the case of Ex parte Virginia (100 U. S., 340). That language is this:

A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision—fourteenth amendment—therefore must mean that no agency of the State, or of the officers or agents by whom its powers are exerted, shall deny to any person within its jurisdiction the equal protection of the laws. Whoever, by virtue of public position under a State government, deprives another of property, life, or liberty without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State and is clothed with the State's power, his act is that of the State. This must be so or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or evade it.

The quotation is far from supporting the contention that a State acts when one of its executive officers "fails, neglects, or refuses" to discharge the duties imposed upon him by the laws of his State or does an act in violation of its laws. By no process of reasoning can it be said of an executive officer who does not act at all that his failure to act is an act "in the name or for the State." That that great court understood that the language employed and quoted meant that to bind the State by an act of its executive officer the act must be "in the name and for the State," in pursuance of the laws of the State and not in violation of them, is clearly shown by the language employed in the Civil Rights cases, where it is said:

The prohibitions of the amendment are against State laws and acts done under State authority.

And, further, in speaking of the wrongful acts of an individual, unsupported by State authority, the court denounces such acts as being—

simply a private wrong or crime of that individual—

And which—

if not sanctioned in some way by the State, or not done under State authority, his rights remain in full force.

Speaking further of the attempted deprivation of the rights of a citizen by the act of an individual, the court said:

Unless protected in the wrongful act by some State law or State authority, he can not destroy or injure the right; he will only render himself amenable to satisfaction or punishment; and amenable therefor to the laws of the State where the wrongful acts are committed.

In Barney *v.* the City of New York (193 U. S., 431) proceedings were instituted to enjoin the city of New York, the board of rapid transit commissioners, a State agency, and certain individuals, not officially connected with the city or the State, from doing certain acts in violation of the laws of the State of New York. The proceedings were not against the officers of the city or the members composing the board of commissioners. In other words, the complainant sought to bind the city and the board by the unlawful acts of city officers who were not made parties to his bill, on the theory that the city and the board of commissioners were bound by their unauthorized and illegal acts to the alleged injury of the complainant. The trial court dismissed the bill. On appeal to

the Supreme Court of the United States the opinion was by Mr. Chief Justice Fuller, concurred in by all the members of the court, and after quoting the extract from the opinion of Ex parte Virginia, which I have heretofore set out, and showing the holdings of that court in other cases, he says:

In the present case defendants were proceeding not only in violation of provisions of the State law but in opposition to plain prohibitions.

The decree of the lower court was affirmed.

In the great case of Ex parte Young (209 U. S., 123) the court had under consideration the original application for leave to file a petition for writs of habeas corpus and certiorari in behalf of Young, petitioner, as attorney general of the State of Minnesota. Young had been fined for contempt of the Circuit Court of the United States for the District of Minnesota. He, in justification of his refusal to obey the order of that court, entered in a certain cause, not necessary here to mention, disclaimed any intention to treat the court with disrespect, but believing that the decision of the United States court in the action, holding that it had jurisdiction to enjoin him, as attorney general, from performing his discretionary official duties, was in conflict with the eleventh amendment of the Constitution of the United States, he believed it to be his duty, as such attorney general, to do the acts for which he was adjudged to be in contempt. In other words, Young set up the fact that he was acting for the State of Minnesota as one of its executive officers and that the proceeding in which he was enjoined as attorney general was a proceeding against the State of Minnesota. The court, after reviewing many cases brought against State officers to prevent the commission of wrongs by them in the attempted enforcement of unconstitutional State statutes, said:

The act to be enforced is alleged to be unconstitutional, and if it be so, the use of the name of the State to enforce an unconstitutional act to the injury of complainants is a proceeding without the authority of and one which does not affect the State in its sovereign or governmental capacity. It is simply an illegal act upon the part of a State official in attempting by the use of the name of the State to enforce a legislative enactment which is void because unconstitutional. If the act which the State attorney general seeks to enforce be a violation of the Federal Constitution, the officer in proceeding under such enactment comes in conflict with the superior authority of that Constitution, and he is, in that case, stripped of his official or representative character and is subjected in his person to the consequences of his individual conduct.

And this is bound to be true, otherwise individuals wronged by executive State officers acting in the name of the State, without authority of law, would be without remedy to enforce in the courts the injuries inflicted by such wrongs. If the acts of such officers were the acts of the State and the State bound by those acts, then the injured party would have no recourse, for the reason that the eleventh amendment of the Constitution of the United States prohibits the exercise of the judicial power of the United States over—

any suit in law or equity, commenced or prosecuted against one of the United States by citizens of another State, or by citizens or subjects of any foreign State—

and for the further reason that the citizen of a State never had the right to institute and maintain a suit against his own State without its consent.

The cases are too numerous to here enumerate, in which the Supreme Court of the United States has recognized and enforced the rights of the citizen against State executive officers, who, under the use of the name of the State, were attempting to inflict injury to those rights.

After a most diligent search and careful examination of the decisions of that court I have been unable to find any case, when properly analyzed, opposed to the principles announced in the cases cited and quoted from, except some expressions which are obiter dictum, in the case of Home Telegraph & Telephone Co. *v.* Los Angeles (227 U. S., 278). That was a suit instituted by a bill filed in the United States district court of California seeking injunctive relief against the city of Los Angeles and certain of its officers to prevent the enforcement of an ordinance adopted by the city establishing telephone rates, which were alleged to be so unreasonable that their enforcement would bring about the confiscation of the property of the complainant. The trial court refused to grant the preliminary injunction, entertaining the opinion that no jurisdiction was disclosed by the bill, and on the filing of a formal plea to the jurisdiction of the court, dismissed it. The plea alleged that the suit did not really or substantially involve a dispute or controversy properly within the jurisdiction of the court, as the constitution of the State of California provided that—

no person shall be deprived of life, liberty, or property without due process of law—

and that complainant, though a resident of California, had never invoked the jurisdiction of the State court to enforce that constitutional provision. It will be noted that no question was raised as to the suability of the city or as to whether the suit should have been brought against the executive officers of the city to prevent their enforcement of an unconstitutional law, acting in the name of the city or the State. The only question presented by the plea, which was sustained by the trial court, was whether the fact that the constitution of California guaranteeing due process of law, as does the fourteenth amendment, deprived the United States court of jurisdiction. In the determination of that question it was wholly unnecessary to express an opinion upon the question as to whether the acts of State officers, acting in the name of the State, in attempting to enforce an unconstitutional law, represented the State in its sovereign or governmental capacity. Indeed, the question as to whether the acts of the executive city officers of Los Angeles, acting in the name of that city, represented the city in its governmental capacity, was not raised.

It is therefore clear that the language used in the opinion with respect to those questions, if opposed to what was said in Ex parte Young and in Barney's case, quoted above, was dictum pure and simple. Besides, the criticism indulged in of the opinion in the Barney case was wholly unwarranted, in addition to being dictum. In the Barney case the city of New York and the board of commissioners, a State agency, were proceeding in defiance of State laws, while in this case the city of Los Angeles and its officials were acting under an ordinance of the city ordained pursuant to and under the authority of State laws and not in violation of them. This clearly distinguishes the two cases, and there is in reality no conflict between them.

Furthermore, the acts complained of were affirmative, positive acts, and not a mere failure, neglect, or refusal to act.

Moreover, the opinion really and in fact placed the decision of the court that the jurisdiction of the trial court could be maintained by the application of—

the established principle that the exercise of municipal legislative authority, under the sanction of the State law, is the exertion of State legislative power within the purview of the contract clause of the Constitution (Art. I, sec. 10) declaring, "No State * * * shall pass any * * * law impairing the obligation of contracts."

It is therefore manifest that the opinion in that case does not commit the court to the announcement of principles so utterly at variance with those declared in the Civil Rights cases and in others, firmly establishing the principle that the fourteenth amendment does not confer upon the Congress the primary power to enact direct, affirmative, general legislation regulative of the private rights between man and man, which rests alone with the States in the exercise of their sovereignty and exclusively within the domain of State legislation, to supersede State legislation by taking the place of State legislatures, as is attempted by this bill. Nor can the opinion possibly be construed as committing that court to the interdiction of that well-established principle of law, fully recognized by that court, that neither a State nor any of its political governmental subdivisions through which it functions is liable for torts committed by public officers.

This exemption is based upon the sovereign character of the State and its agencies and upon the absence of obligations and not upon the ground that no means for a remedy has been provided. The Government—

Said Mr. Justice Story—

does not undertake to guarantee to any person the fidelity of the officers or agents whom it employs, since that would involve it in all its operations in endless embarrassment, difficulties, and losses which would be subversive of the public interests.

To commit the court to holding in the Los Angeles case that a State or any of its political governmental subdivisions is bound by the unauthorized or illegal acts of its officers would be to commit that court to the holding that a State or its political subdivision would be liable for the injuries so inflicted and that liability enforced by the courts if the State was suable.

CONGRESS IS WITHOUT POWER TO PRESCRIBE THE LIMITS OF THE OPERATION OF THE AMENDMENT.

I have been wondering ever since I read this bill if its authors, in constructing it, entertained the notion that the Congress possesses the power to either narrow or enlarge the limits of the fourteenth amendment or if it has the power to prescribe the orbit within which that amendment may be operative. It would appear that some such view was entertained by the attempt found in the second paragraph of the bill to extend the guaranty of the equal-protection clause of the amendment to the "failure, neglect, or refusal" of the State or its governmental subdivisions "to provide and maintain" protection to the life of any person within its jurisdiction against a mob or riotous assemblage composed of five persons or more, and impliedly refusing such protection to the life of a person against a mob or riotous assemblage composed of four, three, or two persons.

Do the authors think the lynching of a person is less criminal, less heinous, and less revolting and intolerable when done by four, three, or two persons, or for that matter by one, than when done by five? If not, then why not extend the guaranty of protection to life against all unjustifiable violence resulting in death? Certainly the number who engage in the unlawful act, or the instrumentalities employed, can not make the crime less criminal or less injurious to the rights of the murdered man or woman, or reduce those rights to a degree by which he or she is afforded no protection under the amendment.

The attempt to classify mob violence resulting in death so as to bring it within the operation of the protection afforded by the amendment is a bald usurpation of power and can no more be exercised than can the power to punish murder or other common law crimes. There is just as much reason in support of such a classification as there would be in support of a classification predicated upon the character of weapons used in depriving the murdered person of his life. It would be just as logical, and quite as righteous, to extend the protection of the guaranty to the life of the man or woman whose life is taken by the use of a rifle and to deny the protection to one whose death was produced by the use of a knife, pistol, or ax.

And the attempt to extend by legislation the equal-protection clause of the amendment to the nonaction of a State or governmental subdivision in the enforcement of laws punishing murder, by whomsoever and under whatsoever circumstances committed, is as equally a culpable usurpation of constitutional power.

It is State action and not nonaction that is prohibited by the amendment, and it is only State action of a peculiar character over which the Congress has the power of control by legislation.

ATTORNEY GENERAL'S OPINION THAT BILL IS CONSTITUTIONAL ERRONEOUS.

It is indeed regrettable that the honorable Attorney General, before expressing his opinion to the Committee of the Judiciary of the House, and permitting his opinion and that of his assistant to be made a part of the report of that committee on this bill, did not give a more thorough consideration of its constitutionality. Had they examined the opinions of the Supreme Court of the United States more carefully they would not have made the mistake of predicating their opinion that the bill is constitutional upon cases dealing with legislative acts prescribing police regulations for the enforcement of affirmative grants of power by the States to the National Government, and applying the principles announced by the court in those cases in support of the constitutionality of this bill. They would not have cited and quoted from the case of Hoke *v.* United States (237 U. S., 309), as sustaining the constitutionality of this bill, where the question presented was the power of Congress to enact what is known as the "white slave traffic act," passed in pursuance of and incidental to the power conferred to regulate interstate commerce, had they observed the distinction between the principles applicable to an affirmative exclusive grant of constitutional power and the principles applicable to the exercise of a negative or prohibitive power.

Had they given that consideration to the grave questions presented by the bill to which they are entitled they could scarcely have failed to see that the power granted by the fourteenth amendment of the equal protection of the laws is prohibitory and confers upon the Congress merely the power of "vetoing, correcting, restraining, and nullifying bad laws and action of the States denying the rights" guaranteed.

It would be extremely unfortunate for Congress, during the period when the National Government is expending millions of dollars to enforce the laws of the country and its executive officers are strenuously engaged in the suppression of lawlessness, to itself commit, if possible, a greater crime by refusing to enforce the Constitution, which its Members solemnly swore to support.

Woe to the political future of any Representative of the people in this House who indicates by his vote for this bill his willingness to disregard section 4 of Article IV of the Constitution:

> The United States shall guarantee to every State in this Union a republican form of government—

And to—

> make Congress take the place of State legislatures and to supersede them.

Let us understand and appreciate that the Constitution is, to us, no "covenant with death," no "agreement with hell," but the supreme law of the land, and is entitled to our most loyal support.

Mr. SUMNERS of Texas. Mr. Chairman, I yield one minute to the gentleman from New Jersey [Mr. PARKER].

Mr. PARKER of New Jersey. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

The gentleman from New Jersey is recognized for one minute.

LEGISLATION SHOULD BE CONSTITUTIONAL AND EFFECTIVE.

Mr. PARKER of New Jersey. Mr. Chairman and gentlemen, when a man comes from a district which contains a host of good people, of the very best, who think that the United States can do everything; when it contains, as is the case in my own district, much more than the ordinary majority of colored people, who think that the United States can protect them everywhere and administer justice in every State, it is a solemn duty—and I have sworn to perform my duty under the Constitution and to support that Constitution—to remember that Abraham Lincoln said:

> No man who has sworn to support the Constitution can conscientiously vote for what he understands to be an unconstitutional measure, however expedient he may think it.

[Applause.]

Abraham Lincoln was in many respects a practical politician as well as a statesman. He knew how to watch and to wait. He knew how to act under the Constitution when he thought action would be effective, and to wait until it should be so. But Abraham Lincoln was not one of those politicians who believed in the devilish motto that you may do evil that good may come. [Applause.] And I owe it to my people and to the people of the United States that, in the face of this awful prevalence of crime, whether murder or lynching or rape, or whatever it may be, I shall not try to give to the people a stone instead of bread, green goods instead of a real bill that is worth something. [Applause.]

THIS BILL IS NEITHER.

I shall have something to say to gentlemen on the other side if I have time, but I fear that this bill, where it is not unconstitutional, is absolutely ineffective. I do not remember the exact words of the gentleman from Minnesota [Mr. VOLSTEAD] in speaking about punishing the officer, but in effect he said it was practically a sham in that particular. He did not use that word.

THE FOURTEENTH AMENDMENT.

The Constitution, in the fourteenth amendment, says:

> No State shall deny to any person within its jurisdiction the equal protection of the laws.

I emphasize certain words: "State" means a State. "Deny" means an affirmative act, or one that can be inferred from a course of conduct. "The equal protection of the laws" refers to the equality of all persons before the law.

IT DOES NOT COVER INDIVIDUALS.

No provision of the Constitution has been subject to more construction by the courts. I shall not cite phrases. It is more important to know exactly what was done; it is better understood.

In the Slaughterhouse cases the Supreme Court determined that the amendment was not intended to apply to individuals or to take away the local self-government of the States, but that it was a prohibition against the States doing certain things—not an interference with their government.

In the Civil Rights cases (109 U. S., 37) it was held that although Pullman cars and railroads and inns and public amusements were public in their nature and filled a public want, they were carried on by individuals, and that those individuals could discriminate by their regulations between different people substantially as they pleased, so long as they afforded them the proper attention.

NOR LYNCHERS.

Then came the Harris case (106 U. S., 629), one of lynching. From the indictment it appears that three or four people were badly beaten by a mob and one Wells was killed, and the indictment was under an act which provided a penalty for conspiracy to deprive a man of his equal rights and the equal protection of the laws by going on the highways. It was a statute against a mob and people forming a mob. The Supreme Court of the United States in that case held that this could not be punished by the United States; that it was a crime against the State, and must be punished by them.

Years afterwards, in 1904, Powell and Riggins were indicted in Alabama for joining in a lynching, and Judge Jones, of Alabama, was of the opinion, as argued here, that the fourteenth amendment had been extended and that it could be used to punish the members of that mob. (134 F. R., 409.) Riggins was convicted. Powell went to the Supreme Court, and the Supreme Court, having just decided the Hodges case (203 U. S., 1), which was a conspiracy to keep people from having the right to go to work, wherein they had affirmed the old doctrine, immediately repeated it in the Powell case, and said that

lynchers could not be held by the United States under the fourteenth amendment (212 U. S., 564), and thereupon not only Powell but Riggins was released. Powell had already been discharged by Judge Jones under the Hodges case above mentioned (151 F. R.). The Government appealed to the Supreme Court of the United States. They alone were heard. The other side did not appear, and the Government was turned down and the indictment held bad.

Mr. Chairman, I do not know how to find a stronger line of decisions settling the law, that this bill is absolutely unconstitutional and a sham and a gold brick, so far as indictment of the lynchers is concerned; and we can not vote for the bill on that part of it.

Mr. CLOUSE. Mr. Chairman, will the gentleman yield for a question?

Mr. PARKER of New Jersey. I can not yield unless I can get more time; I have only one more minute.

The CHAIRMAN. The gentleman declines to yield.

IT WOULD BE INEFFECTIVE AS TO THE SHERIFF.

Mr. PARKER of New Jersey. The case as to an officer is different. My contention, if I have time to make my contention, is that no matter what statute is passed upon that subject, it would be ineffective, because no jury, Federal or otherwise, will indict or convict a sheriff who has had a gun put at his head and is simply a weakling. They will not hold that he is a criminal because he is a coward. [Applause.]

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. PARKER of New Jersey. I would like to have some more time.

Mr. SUMNERS of Texas. I am sorry I have not any more time.

Mr. PARKER of New Jersey. Will the chairman of the committee afford me more time?

Mr. VOLSTEAD. I regret I can not.

Under the leave to extend his remarks, Mr. PARKER of New Jersey submits the following:

THE AMENDMENT BINDS THE STATE AND ALL ITS OFFICERS.

The fourteenth amendment is no sham.

It made unconstitutional a host of State laws, and hundreds of pages in the Digest deal with the cases under that amendment.

It has made void hosts of laws and municipal regulations which discriminated against persons as to their life, property, or privileges.

It applies to every State agency, legislative, executive, judicial, or municipal.

Where a judge in Virginia had the power to select the juries and refused to select any colored men on those juries, his persistent denial of their right to jury duty was held a crime under a United States statute forbidding such denial.

He was convicted and the conviction was affirmed in the Supreme Court. (Ex parte Virginia, 100 U. S., 339.)

Where a California municipal officer had the right to license laundries and refused to license any Chinaman, and Yick Wo was convicted for keeping a laundry without a license, the Supreme Court held that conviction void. (Yick Wo *v.* Sheriff, 118 U. S., 356.)

ACTING IN THEIR JURISDICTION.

These were cases in which the State officer, within his authority under the State law, denied the equal protection of that law.

The officer was acting fully within his authority and committed no crime against the State, and his action therefore was the action of the State, and treated as such under the fourteenth amendment.

On the other hand, where the officer breaks the State law and criminally violates his duty under that law, his action may be held not to be the action of the State, but his individual action. (Barney *v.* N. Y., 193 U. S. 430.) The case cites other distinguishing acts done ex virtute officii from those ex colore officii—those done by virtue of the office from those under color of office.

NOT PERHAPS WHEN THE OFFICER GOES OUTSIDE OF HIS DUTY.

The sheriff may be held responsible to the State and not to the United States.

This bill fails to recognize this distinction.

It attempts to make it an act of the State for the sheriff to violate his oath of office, break the State law, and to fail to exercise reasonable care of his prisoner, although in such case his action is not the action of the State but is an express violation of official duty. Perhaps it may be held by the Supreme Court that this action is not that of the State and not covered by the fourteenth amendment.

It is to be noted also that the fourteenth amendment does not refer to carelessness, but to the affirmative act of denial such as was shown by the judge in Virginia and the license officer in California.

The fourteenth amendment does not refer to all acts which take away the protection of the laws but a denial of equal protection; that is to say, discrimination.

A CONSTITUTIONAL ACT.

In my judgment an act would be constitutional which provided as follows:

"If any State, through any of its officers or agents, shall deny to any person within its jurisdiction the equal protection of the laws, such officer or agent shall be guilty of a felony, and upon conviction thereof shall be punished by imprisonment not exceeding five years, or by a fine of not exceeding $5,000, or by both such fine and imprisonment."

This is in the words of the Constitution and as broad. It would leave to the court under the facts of each case to determine whether the act was an official act and that of the State or an individual act that was not that of the State.

The distinction in each particular case would be absolutely clear.

BUT NOT EFFECTIVE.

But even if this part of this bill should be held constitutional, it would be ineffective and injurious.

At present governors who respect the law remove a sheriff instantly who proves himself a weakling in the presence of a mob.

That sheriff is only a weakling and may not be a criminal when he has not the energy and courage to stand up against a gun, but he is not the best man to be sheriff.

But he is less likely to be removed if such removal would prejudice a trial in the United States court.

The practical thing, however, is that no jury is likely to indict or convict a man as a felon because he had not the courage to face a mob.

This would be especially true where the prosecution is not by the sentiment of the neighborhood, but under an outside statute overthrowing the laws of the State. This provision would be worthless in practice.

THE UNITED STATES CAN NOT PENALIZE THE COUNTY.

The only other section of this bill gives to the next of kin of the person who is killed by a mob a right to recover $10,000 from every county in which he was seized or taken by that mob.

It makes the locality guarantee the absolute execution of the laws.

The State may make the locality responsible because the State created that locality and controls it. The United States has no such power.

The criminal acts of an individual or a mob are not acts of a State for which it or its counties can be held responsible under the fourteenth amendment.

THE AWFUL GROWTH OF CRIMES OF VIOLENCE.

It is an awful fact that the United States has more crimes of violence than most civilized countries.

Abraham Lincoln's first essay on political matters was directed against lynching, then prevalent in Illinois.

Murders in the last few years have increased frightfully.

Robberies have extended to the mails and all our large cities.

The automobile has taken the place of the horse, and good roads have made escape easy.

Perhaps the greatest growth in these crimes has been in the very matter in which the United States has attempted to take charge—in bootlegging, liquor stealing, and a host of crimes that we never knew before.

Thousands of cases under the prohibition amendment already fill our courts and have choked the administration of justice and the voice of the law.

Harm can come out of this legislation.

The race issue is an awful thing. It is almost as awful to tell any community that they can rely on justice being done elsewhere and need not maintain order.

THE HISTORY OF LYNCHING.

It has not been suggested that lynching has grown in the United States with its population.

It has diminished as fast as civil government has become settled.

It was once the universal punishment for the horse thief who was found with the goods, when there were no sheriffs and no courts near by.

It has been common when some bad man has killed the sheriff and has been chased as an outlaw.

It is now too common when an outrageous crime has been committed and when suspicion has fallen, however unjustly, on a particular man.

Lynching comes largely because there is distrust of the courts and of jury trial.

Many States have degraded the jury and the courts, so that it is often impossible to secure an intelligent jury, because no one can be sworn who has read the newspapers and formed an opinion.

The judge is sometimes forbidden to charge the jury on the admitted facts and to tell them what they really have to decide.

Successive appeals are provided which delay the execution of the sentence, and the most technical objections are allowed to upset the verdict of a jury before whom the case has been thrown in an undigested mass.

As a result in such communities the law is not thoroughly respected as sufficient for the punishment of outrageous crime. For enforcement of the law it is a sad fact that in many parts of the United States they need to return to a real trial by court and jury where the court has power to state the evidence and advise the jury what is the real issue of fact and upon what principles of law their verdict should be based, and to the limitation of appeals, so that the sentence and its execution shall follow promptly upon the verdict without captious appeals or frivolous delays.

IT DEMORALIZES THE COMMUNITY.

The most awful part of lynching is its effect upon the community. It trains men as murderers.

That community is taught to despise the law and to seek private vengeance, which often hits the wrong man. It is abominable in every way.

I once knew a case. A desperado shot the sheriff's deputy; the alarm went through the countryside and the town was soon filled with horsemen coming in with their rifles. Almost all the colored people in the town ran away for fear. The mob broke open the jail, killed a poor colored prisoner who had nothing to do with the riot, and then rounded up the town, making the colored boys dance by shooting entirely too near their legs. A company of soldiers came promptly and restored order, while a posse chased the outlaw to the swamps and he was killed fighting.

THE LOCALITY MUST CURE IT.

There is nothing so bad as the blind and heartless cruelty of a mob. It was that cruelty which shocked the world in the French Revolution, when the cry was raised, "To the lamp post." But France had to be left to work out her own salvation, as every community must be left to make and carry out the law and punish crimes.

Ireland has proved that this can not be done by courts run from outside of the community. In the last few months houses were burned and men and women killed in spite of 100,000 soldiers.

Dr. Francis Lieber used to say that liberty depended upon local self-government and not upon a republican form of government; that France had a republican form of government, but that every mayor was appointed from Paris.

We have tried government from Washington in the Indian Territory. It was not good.

I once saw the dead body of an Indian marshal there on the road who had been shot down by bootleggers whom he had tried to arrest.

Law and order can come only from the sentiment of the community, which will educate itself and will develop law and order if the unit of that community is small enough and is given power to take care of itself.

The right of trial in the county by a jury of his peers is the foundation of English liberty and of the American liberty which has proceeded from it. We should not trust anything else, and perhaps rather see disorder than czarism or bolshevism.

The Constitution of the United States recognizes our form of government—an indestructible union of indestructible States. We have sworn to uphold the Constitution. I should be glad if every voter was sworn to uphold the Constitution.

THE TENDENCY TO CENTRALIZATION.

Some few of us have tried to be consistent in our opposition to the tendency which exists here to centralize our Government and get away from the old-fashioned local self-government of city, town, and county and trial by jury, and have opposed government by a central police by whatever name called.

The House and country are to be congratulated on the constitutional arguments which have been now made on this bill. We could wish that the men who made those arguments had been more consistent, and that they could have joined us in opposing the invasions lately made by the United States of the reserve powers of the States.

Those invasions have been manifold. United States statutes have established United States control of common roads, United States police in agriculture, United States responsibility for damage done by floods, even by rivers entirely within the State, United States health and quarantine bureaus in all States, and it is proposed to regulate birth by United States institutions.

Many of the gentlemen who now so earnestly support and applaud local State government were among those who voted to invade the State's control of its own suffrage. Others voted for an amendment to give the United States concurrent—really dominant—police power over the manufacture and sale of liquor, establishing a double jurisdiction in the courts under State or United States laws with reference to all the details of that difficult subject.

This last invasion has been made constitutional by the eighteenth amendment, but its results are already evident in contempt for law here, there, and everywhere.

CONCLUSIONS.

It is not right for anyone who believes in an indestructible Union of indestructible States to take the first step in putting jurisdiction in the United States over all crimes against persons and property on the ground that such crimes deny to the persons injured the protection of the law, or that the States deny protection because they can not always give it.

It would not be right to do so if the Constitution permitted such legislation.

It is still more wrong when the Constitution does not permit.

We should not present the people with an unconstitutional bill which will be held void or which will prove ineffectual.

Let us legislate according to the Constitution.

Let us trust the people of each State. They are good people everywhere and are fit to govern themselves, and should be allowed to do so, subject to the restriction that the State shall not deny to any person the equal protection of the law.

They must be trusted to punish any individual, whether in or out of office, who violates his duty to his State and injures anyone else.

Gentlemen say we should pass this law, even if we believe it unconstitutional, because its effect will be good. I stand with Abraham Lincoln. I stand with him, the friend of the colored man, the friend of man, and the lover of the Constitution.

The passage of this bill will do no good. It may only raise again the race issue, and the result of raising that issue has always been disastrous to the honest, law-abiding colored people of the South.

Justice will never be had unless undivided responsibility is put somewhere.

That responsibility is now and remains with the States. We must hold them to it.

It is absolute folly to relieve them in any way of that responsibility.

Such a folly would be a legislative crime.

THE REPUBLICAN PLATFORM AND PRESIDENT HARDING.

This course was not recommended by the Republican platform, which only asked the Congress to take the matter into consideration.

> We urge Congress to consider the most effective means to end lynching in this country, which continues to be a terrible blot on American civilization.

It was not recommended by President Harding, who asked that a commission be appointed to investigate the matter, composed of representatives of both races. In his speech of April 12 he said:

> Somewhat related to the foregoing human problems is the race question. Congress ought to wipe the stain of barbaric lynching from the banners of a free and orderly, representative democracy. We face the fact that many millions of people of African descent are numbered among our population, and that in a number of States they constitute a very large proportion of the total population. It is unnecessary to recount the difficulties incident to this condition, nor to emphasize the fact that it is a condition which can not be removed. There has been suggestion, however, that some of the difficulties might be ameliorated by a humane and enlightened consideration of it, a study of its many aspects, and an effort to formulate, if not a policy, at least a national attitude of mind calculated to bring about the most satisfactory possible adjustment of relations between the races, and of each race to the national life. One proposal is the creation of a commission embracing representatives of both races, to study and report on the entire subject. The proposal has real merit. I am convinced that in mutual tolerance, understanding, charity, recognition of the interdependence of the races, and the maintenance of the rights of citizenship lies the road to righteous adjustment.

Publicity of the real facts will bring the remedy in the States. The United States can only muddle if it try to meddle.

Mr. SUMNERS of Texas. Mr. Chairman, how much time was used by the gentleman from Mississippi?

The CHAIRMAN. Three minutes.

Mr. SUMNERS of Texas. I beg your pardon, Mr. Chairman. You have a mighty fast clock there. I was keeping time on that.

The CHAIRMAN. The Chair is informed by the time clerk that the gentleman used three minutes.

Mr. SUMNERS of Texas. Mr. Chairman, I yield one minute to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman and gentlemen of the committee, it seems to be conceded by the great majority of those who have given this question study that this bill is unconstitutional in many of its provisions. I go further than that, and say that in my humble opinion this bill is unconstitutional in its entirety. It is subversive of the very principles upon which our Government is founded. But aside from that, even if it were constitutional, it is in some of its provisions vicious and indefensible.

I was unable to get time to address the committee, so I ask indulgence of the committee for unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD. Without objection, it is so ordered.

There was no objection.

Mr. SUMNERS of Texas. I yield to the gentleman from Louisiana [Mr. SANDLIN].

Mr. SANDLIN. Mr. Chairman and gentlemen of the House, one coming from the section of the country from which I come and realizing the evil effects and the great injustice of the legislation proposed by this bill finds it difficult to discuss it dispassionately. However strenuously the proponents of this measure may deny that this bill was introduced in response to the demands of a certain class of political agitators, remembering the witnesses who appeared before the committee in advocacy of this measure and the press reports with reference to it and the arguments made in support of it on the floor of this House, we are convinced this measure is a political one, pure and simple.

In my humble opinion it is unfortunate at this time in our Nation's history, when there are so many questions, both national and international, disturbing the people, such as railroad rates, demoralized condition of the farming industry, the unemployment situation, lack of foreign trade, and innumerable others, all pressing for solution and upon which the people are demanding that immediate action shall be taken by this Congress, with a view to early solution and relief, that this uncalled for, unconstitutional, vicious, and ineffectual legislation should be considered.

The constitutional phase of this bill has been so ably and thoroughly covered by the Member from Texas [Mr. SUMNERS] and others that it would seem to be unnecessary to dwell on this point. I am sure that no lawyer in this body would be willing to stake his reputation as an authority by asserting that this proposed measure is constitutional.

The title of the bill now under consideration reads as follows:

To assure to persons within the jurisdiction of any State the equal protection of the law and to punish the crime of lynching.

The title is misleading. Properly the title should read thus: "A bill to provide accident insurance on the lives of persons who have committed or are about to commit a crime, payable to the family of the criminal."

In this proposed legislation a mob or riotous assemblage is defined as an assemblage of five or more persons who put to death a person who has committed or is about to commit some crime against society. Hence, according to the terms of this bill, four persons or a less number, acting in concert and doing the selfsame act, would be held guiltless. This provision, to say the least, is ridiculous and can not appeal to the judgment of any fair-minded legislator.

I would call to your attention and earnest consideration the sections of the bill that would penalize the county or parish in which a person is put to death at the hands of a mob or riotous assemblage in the sum of $10,000, and which goes further and would penalize a county or parish through which the victim of a mob might be transported.

If legislation of this kind is constitutional, there can be and will be no limits to which the Congress can go with kindred measures of this kind. We will be called upon, and can not consistently refuse, to pass legislation controlling and directing the officials of the States in the enforcement of all their criminal laws.

No one is deceived by the arguments of the proponents of this bill that it is not initiated and pressed for political purposes, nor directed at any particular section of this country, for it is only too apparent that the contrary is true.

I feel sure that some of the advocates of this measure are entirely misinformed with reference to the race question in the South. They have taken the statements of political agitators and proceeded on the wrong theory, and are absolutely ignorant of conditions as they really exist, magnifying infrequent and exceptional cases, totally ignoring the general amity prevailing there between the races. If I should desire to inform myself upon the matter of the conditions existing in the western part of this country with reference to the differences, if any, that exist between the white people there and the Japanese or Chinese, or upon any other matter which affected their welfare and happiness, I would not be governed by statements of those thoroughly unacquainted with that great section and her splendid people; rather would I take the advice of the Members of this House from that section, the real representatives of the sentiment and intelligence of that splendid section and her great people.

The people whom I have the honor to represent are willing that a great question like the race question should be left to the best judgment of the white citizens of any other section affected, and earnestly demand the same rights for themselves.

It would be ridiculous for Congress to say that in the city of New York, because of the fact that 500 murders were committed there in a single year, that it should pass a law penalizing the State and municipal authorities for allowing this condition of affairs to exist. We must leave the solution of such a problem as this to the people and the officials of the State of New York.

I dare say there is more misinformation in the matter of the race question than on any other question which has engaged the attention of the country since the establishment of the Government. We people down South who have had to deal with the Negro, in slavery and in freedom, have profited by our experience, and we understand better how to cope with the situation than do the people of any other section, however honest and conscientious some of them are in devising schemes to perfect amity between the white man and the black man.

My people, civilians and officers, understand the problem with which we are dealing and how best to meet and solve it. We are not novices; we handle in a practical, common-sense way, and the light that guides us is the light of knowledge and experience. We have learned because we live in close, intimate touch with the situation, and are not guided in our actions by theorists and agitators, many of whom are influenced by their provincial prejudice and ignorance, and by political considerations. Narrow and narrowing, these self-appointed guardians of the consciences and the well-being of my people, white and black, would sow discord among the races, and we who must live there would reap a whirlwind of disorder, chaos, and bloodshed.

Leave us to solve this problem, the most momentous one which has confronted any people in any age, as best we may. We must be left unhampered in working out a solution. The man who does not live in the South can not understand nor even begin to appreciate the conditions confronting the people of that section. We are patient and forbearing with the black man, we who have known him long and intimately. The Negro is safeguarded in his property rights by the laws and the courts. He is not accorded social equality with the white race, and he never will be. If let alone by ignorant or vicious agitators, the Negro in the South would not aspire to this abortive condition.

People of the North who have not lived among the Negroes do not understand the situation in the South. I have talked with a number of people of this class who came South to live. After living there for a time they gain some knowledge on the subject, and in many instances have said they thought the people of the South should be commended for the just and equitable treatment which they found the Negro received at the hands of the native southerner. The northern man who all his life has been led to believe that the people of the South were unjust to the colored race and comes there with preconceived ideas of what the correct attitude should be, is quickly disillusioned. In many, very many instances, such a man is not at all tolerant of the shortcomings of the black man and becomes his foe rather than his friend. Having been taught to believe that the only essential difference between the two races is in the color of their skin, he expects the Negro to measure up to a standard to which the laws of nature and of nature's God has not called him. He is unprepared for what he encounters, and as a consequence loses all his patience and self-restraint, and oftentimes assumes an attitude of antagonism which the southern white man would never think of taking, because he knows the faults and frailties of the inferior race, and excuses and condones his

shortcomings. The northern man, ignorant of the barriers which forever preclude the two races living on terms of social and political equality, would crown him as a martyr; enlightened as to the vast difference between the white man and the Negro, he quickly becomes impatient and intolerant, and crucifies him because he does not comprehend and appreciate his peculiar, but natural, inferiority. The pendulum swings all the one way or all the other. He is ready, first to crown, then to crucify. The middle course, the one which my people have adopted, and which means counsel and advice, patience, forbearance, and toleration is the only one which should be followed. This is the policy pursued by my people, and all fair-minded and just men must acknowledge that those who understand this subject should be left free to work it out along the lines that experience has shown to be the better way.

I make my appeal to the fair-minded and patriotic men of the East, the West, and the North to join hands with the men of the South and put to rout the proponents of this unnecessary, unconstitutional, harmful, and dangerous measure.

Why, Mr. Chairman, if this measure is placed on the statute books of this country it is going to weaken local responsibility and will be an encouragement to the viciously inclined. By the growth of a healthy public sentiment mob law is greatly on the wane in the South, but enact this bill and there will be a lessening of the efforts to check and abate it. The citizen will feel that the matter has passed out of his hands since the Federal Government has intervened, and will look to the Government to control and punish. He will feel that the United States has usurped his functions in this regard. Local officials will take much the same view and will not be so keenly alive to their own individual responsibility. The imposition of a penalty on a county or parish will not deter the members of a mob. The criminally inclined will draw surcease from the provisions of this bill. Gaining the impression that the power of the National Government will save him from the wrath of the mob, he thus is encouraged to commit the unspeakable crime. Instead of making for law and order, it will be but a breeder of disregard for law, and encourage the brute to seek to gratify his unholy propensiites, imagining himself secure because a law has been placed on the statute books which penalizes the county where a lynching occurs and imprisons those who dare lay hands on him.

The Constitution of the United States declares that "the powers not delegated to the United States by the Constitution, nor prohibited to it by the States, are reserved to the States, respectively, or to the people." This proposed measure plainly violates this provision of the Constitution of the United States and aims at the destruction of local self-government.

In conclusion, Mr. Chairman, let me say that I deplore the rapid change in our Government from a democracy to a bureaucracy, and unless we turn about and retrace our steps the people of this country will soon awake to the realization that they have no local self-government and are living under a centralized form of government, with their everyday actions directed and controlled by Federal agencies. If demands for legislation of this character are acceded to by the Congress, there will be no limit it will not be urged to go and which it can consistently refuse to grant. Let me, then, appeal to Members of this House, regardless of the section from whence you come, to stand together and resist and defeat this assault upon the Constitution and the inherent rights of the States guaranteed to them by the provisions of that immortal document. [Applause.]

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman and gentlemen of the House, I believe that Abraham Lincoln would turn in his grave if he thought that 60 years after the emancipation proclamation a Republican House would hesitate to pass legislation to protect colored people from being deprived of their lives without due process of law, and I fail to follow the logic or the political tactics of my Republican colleagues who try to pretend that this legislation is not aimed at special sections of the South. The spirit of Abraham Lincoln still lives and the Federal Government is obliged to take cognizance of the hideous plague of lynching and provide a penalty so drastic as to render it dangerous for future mobs to indulge in.

Mr. UPSHAW. Will the gentleman yield?

Mr. FISH. Yes.

Mr. UPSHAW. There is no reference whatever to colored people in this bill.

Mr. FISH. That is the exact point, and I will say to the gentleman from Georgia that the reason for this bill, and in my mind the sole justification for the bill, is that his State and a few other States like his own fail to prosecute the lynchers.

Mr. UPSHAW again rose.

Mr. FISH. Does the gentleman want to ask me a question?

Mr. UPSHAW. Yes.

Mr. FISH. Proceed.

Mr. UPSHAW. I just want to ask the gentleman if he realizes that there has never been a lynching in Georgia in which there has not been an effort on the part of the State to punish the lynchers? And I wish to say further that the editorial just read from the New York Tribune does not bring out the fact that Georgia has had a thousand times greater provocation for lynching than New York has had.

Mr. FISH. I will ask how many men have been convicted for lynching in the State of Georgia?

Mr. UPSHAW. I do not know exactly how many men have been convicted.

Mr. FISH. Has a single one been convicted?

Mr. UPSHAW. Yes; a number of them.

Mr. FISH. And sent to jail?

Mr. UPSHAW. Many of them have.

Mr. FISH. I think the gentleman is mistaken.

Mr. BANKHEAD. Yes; and sent to the penitentiary, too, in Alabama.

Mr. FISH. The State of Georgia has an average of 10 lynchings a year, whereas the State of Virginia has no more lynchings than the Northern States, and in each case in the State of Virginia the lynchers have been prosecuted and convicted. It is only for your State of Georgia and others like her that we are obliged to enact Federal legislation to enforce the fourteenth amendment. [Applause.]

I will say, furthermore, to the gentleman from Georgia that it would be far more profitable for a certain Member of the Congress of the United States who declared that American soldiers have been lynched in France and have been hanged without being convicted by court-martial in the American Expeditionary Forces—it would be far more profitable, I say, if that man who made those infamous charges would investigate lynchings in his own State instead of besmirching the record of the American Expeditionary Forces. [Applause.]

Mr. UPSHAW. Will the gentleman yield?

Mr. FISH. I regret that I can not yield any further.

The CHAIRMAN. The gentleman declines to yield further.

Mr. FISH. I can not remain silent on this question. I would be untrue to those colored men of this country who paid the supreme sacrifice, and especially to men of my own command who gave up their lives to make the world safe for democracy, if I failed to advocate the passage of the antilynching bill. Let me tell you something that perhaps you Members of the House do not fully appreciate, and that is that the colored man who went into the war had in his heart the feeling that he was fighting not only to make the world safe for democracy but also to make this country safe for his own race. [Applause.] I wish also to testify to the loyality, fortitude, and bravery of the colored soldiers which compares favorably with any soldiers in the allied armies or our own. Gentlemen, consider the appalling fact that there have been men who wore the uniform lynched by citizens of Georgia. Some of them were innocent, indeed, because only 20 per cent of those who have been lynched were lynched for the crime of rape. I can say further to the gentleman from Georgia, how can he defend the fact that even women have been lynched in the State of Georgia.

Mr. UPSHAW. Will the gentleman yield?

Mr. FISH. No; the gentleman can answer in his own time. I am not a lawyer and do not intend to go into the legal points of the bill, but I have had political experience enough to know that it will be contested and disputed on constitutional grounds to the very end. It will be up to the Supreme Court finally to pass on the constitutionality of the antilynching bill and not the eminent constitutional lawyers of the House.

I have sworn to support the Constitution of the United States, and on that account, if for no other reason, it would be my sacred duty as a Member of the House of Representatives to vote for a drastic antilynching bill to protect the rights and lives of American citizens everywhere in the United States and put an end to lawlessness, which threatens the administration of justice. Who can tell, if lynching is not suppressed, when it will spread to take in the unpopular employer or capitalist and even public officials while enforcing the law?

My distinguished colleague, Mr. ANSORGE, of New York, representing a constituency of nearly half a million people, of whom 100,000 are colored men and women, has clearly pointed out the fact that members of a lynching mob in the South are seldom apprehended, rarely prosecuted by the local or State authorities, and almost never convicted.

Of all the dastardly and cowardly crimes lynching is the worst because the lynchers are armed to the teeth and the

victim is generally an unarmed person in the custody of the sheriff or local official. The mob is composed of cowardly ruffians, and unless drastic legislation is passed and enforced the spirit of lawlessness will run riot throughout the country. As for me, I do not think the bill is drastic enough; it should provide for machine guns in all county jails where lynching is rampant for use against mobs who attempt to substitute their desires for the orderly process of the law and thereby subvert our Republican form of government.

The advocates of this bill do not believe that its passage will solve the racial question, but they believe that it is a step in the right direction. Personally I advocate the creation of a commission to examine into the economic and political status of the colored people and report back to the House a comprehensive plan for the betterment of their condition and assure them equal protection and equal opportunity under the law.

Mr. BRAND. Will the gentleman yield?

Mr. FISH. I will.

Mr. BRAND. Has the gentleman any information in regard to the first lynching that occurred in Georgia?

Mr. FISH. There have been lynchings there for 50 years.

Mr. BRAND. Has the gentleman any information as to when the first lynching occurred in Georgia?

Mr. FISH. I do not know when the first occurred.

Mr. BRAND. The first lynching which ever occurred in Georgia, so far as I can gather, was in 1865. A Negro man raped a white woman in Gwinnett County. He fled for protection to Lawrenceville, where a company of Federal soldiers was stationed. When learning the facts, they took him in custody and hanged him in the courthouse square. The lynchers were partly from your own State and other States north of the Mason and Dixon line.

Mr. FISH. It is the exception that proves the rule. There have been lynchings in Georgia for 50 years, and it exists to-day, so that colored citizens are forced to come to Congress and ask for protection of their lives. And if you Republicans fail to pass the bill, you will spread discouragement among the colored people throughout the land who have been given to understand that the Republican Party was going to do everything in its power to provide that the colored citizen should have equal rights under the law and that his life will be protected everywhere in the United States. The colored citizen will not only be disappointed and discouraged, but he will believe that Congress has turned a deaf ear to his plea for simple justice, if some of you wavering Republicans fail to support the bill for disputed constitutional reasons. The rejection of the bill will close the door of hope and do much to aggravate the racial problem.

This is meritorious legislation, legislation which we have promised to the colored people in our party platform. We owe it to ourselves and to those colored people who fought in our Army and to their kin; we owe it to our party, to tell the people in the South that the antilynching bill is aimed against special counties and States in the South, and if they can not and will not enforce the laws, if they will not prosecute the lynchers, then the Federal Government will do it for them.

Mr. BANKHEAD. Does the gentleman think he is interpreting the act of the Republican Party in that?

Mr. FISH. The Republican Party has written it into its platform and it has no apology to make for the antilynching bill.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. FISH. Yes.

Mr. CONNALLY of Texas. The gentleman does not approve of the mob in East St. Louis. Would not the gentleman favor an amendment to this bill so that it would include the riot like that in East St. Louis where 25 or 30 people were killed?

Mr. FISH. I would favor some amendments to this bill. I understand that quite a few believe that the bill should be amended. In my opinion, however, many Members of the House are wasting their time discussing the bill from a constitutional point of view before the provisions of the bill are perfected by amendments.

Mr. CONNALLY of Texas. Does not the gentleman understand that this bill would not punish the mob in East St. Louis that killed a number of colored people?

Mr. FISH. In that case men were prosecuted and convicted. I think six white men are now in jail for having taken part in that riot. I ask the gentleman is there a single white man in the State of Texas now in jail who took part in any lynching? [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. VOLSTEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER. Mr. Chairman and gentlemen of the committee, there have been long and able arguments on the constitutionality of this bill, likewise on the policy of Congress in enacting this legislation. It may be a pleasant diversion to depart from the constitutional argument and refer to some of the wonderful speeches made on the bill. In this connection, my attention is drawn to a speech on the antilynching bill delivered by the gentleman from Texas [Mr. BUCHANAN] when the rule making the bill in order was under discussion. I am sorry the gentleman is not on the floor of the House at this time. This was on December 17 last, and the address may be found on pages 458 to 468 of the CONGRESSIONAL RECORD of that date. The speech contains some features that are usual and some that are unusual; usual because, like some others on the same subject, it contains little, if any, information, and unusual because the speaker justifies lynching and defies Congress to enact any legislation that will prevent or tend to lessen the evil. He also bemoans the Nation's fall from greatness, prophesies the ultimate collapse of people's rights under the Constitution, and looks into the future with all the bewailing of the old-time, worn-out Democratic alarm. Gentlemen, have you read it? Have you analyzed or attempted to analyze it? Have you spent any time on it? Have you paid any attention to it? I doubt that anyone has given it any thought whatever.

It is not my part to search out the unusual and the grotesque. I have even less disposition to follow up inaccuracies, to dispute strange and unseasonal conclusions, or even indulge in controversy with one who indirectly advances the astounding argument that because the Constitution does not affirmatively prohibit lynching therefore it is to be recognized as one of the permanent institutions of the country. That it shall abideth now and forever, world without end. I have no time to dispute with or even disturb the mental peace of one who reaches such a happy and comfortable conclusion, placing its foundation not only on the Justinian Code and the Magna Charta, but all other laws of God, man, and nature, including the Constitution of the United States of America. As one of the interpreters of the Constitution, as one who gives the innermost thoughts of the framers, as they struggled to weave our fundamental and basic law, the gentleman from the Lone Star State stands out at once as truly original. I commend his treatise if you are not particular about historical accuracy. Some of his sentences are rather twisted, the periods a little snarled, the meaning somewhat obscure, but still he sails over what he called "unmuffled waters." Here is one academic gem, tossed out when discoursing under the head of "Constituent character." Listen to this, and I quote from page 461, left-hand column, near the top:

> But the purest and truest patriotism was the ruling passion and the doubts and misgivings and adversities of centuries of failure gave the nerve and caution essential to the success which was the crown of rejoicing sure to adorn the brow of consecration and unfading immortality.

[Laughter.]

It has been suggested that buried somewhere in this Macaulay-like passage is the true idea which later developed into the constitutional right to hang "niggers." No, gentlemen, it is not a quotation from Dr. Einstein's treatise on gravitation. It is original with the gentleman from Texas. Dr. Einstein has nothing so abstruse.

Now, here again, you students of English diction! Listen to this companion piece handed out while discoursing under the head of "Government spirit and doctrine," and I quote from the same page, column on the right:

> The Constitution with its provisions insisting on individual rights and local self-government, with manifestly necessary and appropriate limitations, led irresistibly to the question of how to apply the specifics of the great system to secure and perpetuate the benefits of the inspired prescription.

[Laughter.]

This is also original. It is like some of Walt Whitman's poetry—either great stuff or nothing at all; some say it is neither and some say it is both. But, anyway, we are led to believe that the framers of our Constitution worked in this atmosphere with the doors locked and the windows closed. [Laughter.]

We all marvel at the ease with which some men grasp great subjects. We stand amazed in the presence of one who masters the intricate and involved things of life, which have so long bothered the little mind of man. We are all now refreshed and made comfortable by the harmoniously assembled details of how the Constitution was brought into being, all gathered, clarified, and rectified by the gentleman from Texas. It is difficult to appreciate that the world has so long stood in doubt. And it is all about hanging colored folks in the South! Is a measure tending to prevent or lessen lynching in the South an inter-

ference with personal liberty? Seems so, from the gentleman's argument. Even more, lynching seems to have something of a Biblical basis. Under the subhead "Individual liberty and responsibility of divine origin" the learned gentleman goes on to say that the ideals written into the Constitution hailed from Mount Sinai, were embodied in the Decalogue, were written on the tables of stone, and were taught by the Mosaic law. It is interesting to observe some of these events were rather far apart. Is it possible that the gentleman is proceeding along the theory that acts not expressly prohibited are permissible? Are we to understand that since these ideals of which he speaks are collectively woven into the Constitution and that lynching is not expressly ruled out that, for that reason, lynching is after all not forbidden by divine law? But the gentleman continues:

> The God-given Ten Commandments are not intended to be collective or in the plural number.

The only inference from this weighty suggestion is that when two or more are gathered together and go out lynching a poor devil no admonition of the Ten Commandments is disturbed, nor is there in the act aught that is violative of the teachings of Holy Writ. [Laughter.] This brilliant idea may grow on the gentleman to such an extent that in subsequent reversions and extensions we may be prepared to find positive affirmative divine sanction. [Laughter.] This when the whole world knows, and every human being brought up in our Christian civilization must know, that lynching is forbidden by every law of God and man written or spoken since the world began! [Applause.] Strange doctrine this, wonderful discovery. The more I read the gentleman's address, the more I am profoundly impressed with the thought of how much time has been wasted on the organization of our courts of justice.

In another part of his address the gentleman sort of shifts gear, so to speak, and enters into something of a feeble denunciation of lynching, coupling up, however, this modest protest with a forceful reference to the enormity of the black man's crimes. Then, further, as if apologizing for even this gentle reference he comes forth by saying "not a spot on earth can be located where the infuriated multitudes will not override every barrier to avenge the pitiless horror," thereby uttering a challenge to the law-making power of the Government and defiance to our civil institutions.

Who is there in the name of God who condones the black man's crime against womanhood? It is unthinkable that there should be such. White men and black men alike condemn it. My God, gentlemen, where are your courts? What are they there for, if not to give speedy trial and swift justice? Is it not the character of punishment for crime whereof the accused has been convicted that is shocking the people of the Nation. We give you our approval of the severest penalty—whatever your statutes provide, but the Nation, its people, would be failing in its duty should it not put forth every endeavor to see that every man, white, black, yellow, or red, has a trial in conformity to law. What has aroused and horrified the people, and I am using the word "people" advisedly, is that human life is taken without the semblance of trial, in which the guilt or innocence of the accused is determined. [Applause.]

We as a Nation know too well the efficacy of the orderly administration of justice. Those communities in which lynchings are of frequent occurrence must learn now that the patience of liberty-loving America is about exhausted. There are no "ifs" and "ands" about it. This bill, amended or unamended, will pass, and those communities can take the consequences or leave them alone. The decision is up to them. [Applause.]

There never was a case of mob violence but that every personal safeguard, constitutional, legal, and moral, was overridden with heartless impunity. There never was a case of lynching but that every law, so carefully woven into our civil fabric was defied and every element of orderly, organized government for the time was overthrown. [Applause.] Courts and public officials and sometimes State executives make formal protest, but on the whole these protests were becomingly modest and dealt with the offending community with a sort of gingerly sensitiveness.

All the American people ask is that every offender shall be indicted and tried according to the law of the land, as you have made it, and that if innocent, he be set free, if guilty he be punished according to its provisions; or, in other words, that the personal safeguards in the Constitution, set forth in the Bill of Rights, shall abide without reference to geography. To this demand the East, West, North, and South must yield, we all hope gracefully and becomingly. Hurling defiance at an act of Congress or a pending act has somehow an ancient ring, but all that is a part of the history of the past. We are now living in an advancing age, and let us hope in a better-poised age, the gentleman from Texas notwithstanding. [Applause.]

But the ill-tempered outburst of the gentleman's speech comes when he approaches what might be termed the political angle. Of the bill he says, "Its political spirit is partisan greed," "its political principle is sectional hate," and one would think there is no help in us; "that they—the Republican Party—are devoid of respect for the Constitution, as they have often been," and so forth; that—

> it is impossible to avoid the conclusion that desperate political fear has driven the Republican Party into their hateful temper of the "bloody-shirt" régime—that disgraceful and shameful reconstruction era of "spoils and persecution."

Strange voice this, of the gentleman from Texas, crying out in the wilderness. And then, bracing his feet, he lunges out this charming and touching sentiment:

> Coming down, Mr. Chairman, to the spiritual merit of this Dyer bill and its kindred measures, which constitute the summum malum of the entire dastardly budget of unpatriotic wickedness leveled so unscrupulously at the heart of the Nation, the astounding fact is that such a practically impossible proposition could even have a day in court.

Presently, as if Zion is repenting of its wickedness, he comes down to earth and habitation with the soothing and comforting assurance that "we have no antipathy to our colored population." Tenderly, fatherly sentiment! [Laughter.]

But his speech is singularly out of place in Congress. Better would it have been for him had he not made it. It may sound all right in Texas, but it is out of tune here—another sweet bell out of tune. I can see the gentleman down on his native heath, in the busy and crowded marts of Cat Springs and Driftwood, or perhaps out amid the multitudes of String Prairie, or over in that other great glowing city of Mud, almost celestial in beauty and repose, standing on his tiptoes and "letting 'er fly" before an admiring constituency. [Laughter.] Or, farther over in his district, down in "that fair land of flowers and flowery land of the fair," at the delightfully poetic city of Jonah—the name is good to be heard of by white men but enough to scare a "nigger" to death—holding his admirers in wondering amazement of how he told them right to their faces where the grand old Republican Party was to "head in." [Laughter.] O, my worn and weary brother, the grand old Republican Party has heard worse things than that since it came into being. It has heard them since ere the little morning stars sang together, and it may and probably will hear more of them before its star is set. Lincoln heard the same thing in his day. He who stood in matchless majesty in life, and now stands consecrated in death, he heard the same unkind things said of him. But, brother, do you know that the light of his seemingly inspired life will glow in transcendent, celestial beauty as long as the sea and the sky are blue? [Applause.]

His immortal emancipation proclamation was the "summum malum" of its times—"the entire dastardly budget of unpatriotic wickedness leveled so unscrupulously at the heart of the Nation." "With malice toward none, with charity for all, with a firmness in the right as God gives us to see the right"—nobler words never fell from the pen of man—these, I suppose, were founded in "sectional hate," and were a part of "the dastardly budget of unpatriotic wickedness of its time." [Applause.]

I do not want to be offensive in this address. I do not mean to be, but if I should be, I would then be on a par with the gentleman from Texas. Whether he intended to be really offensive, I do not know, neither do I care, but we can all read his address and judge for ourselves. As an exhibition of bitter partisanship, as a specimen of narrow sectional prejudice, as an illustration of an apparently unsatisfied hatred of the Republican Party, the address of the gentleman stands without a rival since I have been a Member of this body. Democrats of his brand are all gone but him. Really, I did not know there were any of them left. I had thought they had all gone along with the passing of the buffalo and the long-horned steer. [Laughter.] But it seems there is at least one left—one of those "rock-ribbed and ancient-as-the-sun" kind, who, like poor Rachel of old, still grieves over her lost children and refuses to be comforted because they were not. The speech of the gentleman is just about as much out of place in this day and generation as a sod house on Fifth Avenue. [Laughter.] One would think the Republican Party is the double-distilled quintessence of deviltry, if the gentleman means what he says.

But the gentleman can wave his puny little hands and chatter his full; the grand old party will go right along its way and about its business as if this deluge of the gentleman from Texas had never come. [Applause.] It will brush these little rantings aside as the busy housewife brushes the idle cobweb from the ceiling—and there is a similarity between the two. [Applause.]

Really his address sounds more like an order sending shock troops into action at a Democratic rally. [Laughter.]

If the gentleman was not taking himself so seriously, this address of his would be really funny. The supposedly Latin quotations are off the text, most probably of the home-grown variety, while the combinations of metaphors, similes, and other figures of speech are just about as illuminating as the dark of the moon. The diction is somewhat twisted, snarled: His Lord Chesterfield advice takes on a peculiar slant, but enough can be gained from a careful reading to get the idea that somehow he does not like the Republican Party, nor does he particularly like this antilynching bill. [Laughter.] But, after all, it makes little difference whether the gentleman likes or does not like this bill, and it makes no difference whatever whether he likes or does not like the Republican Party. His political opinions are his own; he is welcome to them. So far as I can see, nobody else wants them. He can hide them under a tin cup or shout them to the wind. He can take any stand he wants in Texas, if he can get away with it, but when he comes upon the floor of the House of Representatives in advocacy of lynching, challenging and daring Congress, he must expect some one to rise up and say, "Here is the sole, surviving remnant of the species." [Laughter.] People fix their estimate of men by what they say; especially is this true of Members of Congress. The public is not slow in cataloguing a man, if he says anything worth while. I have seen no estimate of the gentleman; so far as I know there has been no cataloguing. He has just been overlooked, left alone, as saying nothing worth while. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield one minute to the gentleman from Maryland [Mr. GOLDSBOROUGH].

Mr. GOLDSBOROUGH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Virginia [Mr. WOODS].

Mr. WOODS of Virginia. Mr. Chairman, I would be false to my conception of the duty we in this body owe to the country and to the cause of good citizenship were I to indulge unnecessarily in the expression of any sentiment here that would either arouse or perpetuate any sectional or class or racial hatred. We are one country, and no man is justifiable at this day in doing or saying anything to disturb that unity. If doubt existed in the minds of any as to this unity, surely it was removed by the spectacle of the Spanish-American War and the recent World War when we saw the sons and grandsons of the men who followed Lee keeping step with the sons and grandsons of those who fought under Grant, united under one flag, fighting for one common cause, and that cause the great cause of humanity.

It would serve no good purpose at this remote date to call in question the wisdom of that movement which established the fourteenth amendment and thrust upon the Negro, wholly unprepared for them and without his asking, the duties and obligations of citizenship. Suffice it to say, it was done—mistakenly done—when the bitterness of the then recent strife was still unforgotten and when the minds of men of the North were in no proper frame to enact maturely considered constructive legislation. Without animosity, but recognizing the inflamed conditions, I may say that such legislation was enacted that the Confederate States might drink to its dregs the cup of their humiliation.

The Confederate soldiers—my father among them—as they approached the ballot box to register their wisdom, their counsel, their patriotism, their voice, so sorely needed by their war-wasted Commonwealths, were waived aside as if they were lepers and had to cry out "unclean," unfit to approach that ballot box surrounded, as it was, by the newly enfranchised Negro, the carpetbagger, and the scallawag—"apostate for the price of his apostasy"—and this, too, when the only crime of these forbidden was that in courage and in patriotism they had responded to the call of their States in the hour of need. By this procedure you of the North, doubtless to your present regret, taught the Negro to estimate lightly the individual virtues and accomplishments and qualifications of suffrage citizenship and to depend not upon cardinal virtues but to look to the Federal Government to supply not only his needs but his desires as well. You taught him that his advancement would come by governmental donation rather than as a result of his own industry, thrift, and individual merit. He felt that as suffrage had come to him without either his asking or his qualification, he could cease work and the emoluments of office would take care of him. That delusion was not dispelled until the intelligent patriotism of the Southern States struck down these false standards of citizenship set up by their carpetbagger constitutions and established as a prerequisite of citizenship the merits of intelligence, frugality, patriotism—either individual or inherited—and a willingness to contribute to the education of the children of the land, as the price of suffrage. We have taught our people to look upon suffrage citizenship as a thing to be achieved. I submit to you in all seriousness the question, Which plan is the better calculated to develop a worthy citizenship? Which plan holds out to the Negro, even, the greater incentive to worthy achievement, and which plan will more likely bring to the States due appreciation of the obligation—they having made suffrage citizenship a thing to be achieved or merited—they owe to jealously guard and protect the citizenship and to give to every class of citizenship equal protection before the law?

I submit that the Southern States, by their action, have taken a long step forward toward a higher citizenship. They have shown not only a disposition but an ability to work out these problems. They realize their obligation and recognize that the responsibility is theirs. We of the South are glad to have your tolerance and your sympathy, and your moral support, but with equal earnestness we insist that you leave the solution of this and all kindred questions to the common sense, courage, and patriotism of the southern people—that patriotism which has made glorious the history of this country—and we solemnly promise you that we will solve this and all kindred questions to the honor of your section and ours and not to the ruin or disgrace of either.

The proponents of this bill are taking a step backward. They are overturning the very spirit and philosophy upon which this governmental institution was founded. That philosophy and spirit found its essence in the simple, well recognized principle that that Government is best which is nearest the people, that that Government is best which leaves the administration of the so-called "police powers" to the States. This bill, commonly known as the "antilynching bill," would be described more accurately if designated—from the standpoint of its effect rather than from its purpose—as a "bill to override the Constitution of the United States, to foment race hatred, and to revive sectional animosity." If it were possible to put an end to lynching by a lawful act of Congress, none would support such legislation more earnestly than we of the South. I realize as fully as you do that when, without trial, men "swing up" the man they "swing down" the law. Not a Member on our side of the House has raised his voice in defense of this brutal and cowardly crime. The sentiment of our best citizens deplores its existence. I saw the aftermath of one mob in my home city in Virginia. A colored man had been arrested for a most brutal assault upon an elderly woman for the purpose of robbery. On account of the extreme brutality the community was greatly inflamed. The spirit of the cave man was asserting itself, and rising even above the law. To protect the accused, who had been placed in jail, from the curious and threatening mob that was forming around it, the mayor went to the extent of calling out the local military company.

The mayor was a Confederate soldier. He had led his company in Pickett's charge at Gettysburg. Two-thirds of them never returned from that gory field, and though his charge did not succeed and later on the cause that he fought for was denominated the "lost cause," yet he and his comrades—my own uncle among them, whose body still fills an unmarked grave there—on that summer day, made a mark in history that will survive as long as the language of valorous deeds shall be read among men. I mention this simply to show that that mayor did not lack the element of personal courage; that he did not fail in a firm resolve to discharge the duty that the law placed upon him. He stood at the front steps of the jail until he was shot and wounded, and when the mob tried to batter in the doors of the jail the military company fired upon it, killing 12 men, some of them innocent bystanders. The prisoner was spirited away to a place of supposed safety, yet five or six hours afterwards, in the early morning hours, he was taken and lynched by the mob. I submit to you that the authorities of Virginia made a bona fide and determined effort and sacrifice to give to that prisoner the protection that the law afforded. What else could have been done? Were not the sacrifices sufficient? And yet under this bill that community and that old State—whose very graves make her still glorious—would be penalized $10,000, and her faithful officials haled before a Federal court for trial under a Federal law enacted by a remote body. In the past 13 years Virginia has had, I believe, according to the records, only six lynchings. There is nothing in the hearings to show whether the persons lynched were in custody or not. There is nothing whatever to show but that the State made every effort not only to prevent lynchings but to bring the lynchers to prompt trial, and yet it is proposed by this measure to deprive Virginia, and it is but one of 48 States,

of its right—its constitutional right, if you please—to exercise its own police powers and to regulate in any way it deems most effective its domestic affairs. I would remind you that the mobs formed in the South are different apparently from those formed in the North in that the animus of the mob in the South is directed against the individual, while in the North it is directed toward the race.

The last lynching that occurred in Virginia was one of two young Negro tramps who had brutally beaten to death and robbed an inoffensive and very respectable aged colored man. The lynchers, I am told, were white men—at least one has been tried and convicted for it—who doubtless had a kindly feeling for this old colored man. That lynching is more prevalent in our section of the country than in the North is not because our people are less law-abiding than yourselves. If true, it is due solely to the fact that they have greater and more frequent provocations to yield to the impulse of mob passion.

Will this bill, if enacted into law and upheld by the Supreme Court of the United States—if the unexpected should happen—make less frequent the commission of these crimes which incite lynchings? Will it give to the creature of bestial instinct, drunk with lust, a false sense of security? Will it cause an infuriated mob to forego its vengeance, or will it serve only to intensify the mob's vindictiveness and strengthen its determination? Keeping in mind that the mainspring of the mob is defiance of law, to anyone possessing even the slightest knowledge of human nature, the answers to the foregoing questions are obvious. The best that the majority can hope for from the passage of the bill is to keep within the party fold a while longer those Negroes of the North who have of late shown a tendency to waver in their Republicanism. But for every colored vote which you retain you will suffer the loss of two white votes, the votes of men and women, North as well as South, who resent the attempted invasion of State rights—on the part of some; and I do not believe even on the part of a majority of that side of the House and the partisan exploitation of a problem which calls for profound study and careful handling. Is it not wiser to follow the suggestions, if I correctly interpret them, of the President, whom we all recognize as a man of most generous impulses, to appoint an impartial commission to study and carefully investigate this problem and make recommendations as to the best method of relieving the conditions which we all deplore?

I appeal to the patriotic men on that side to adopt such a course, which I am satisfied will accomplish good results and certainly can do no harm.

The bill in its first section defines a mob as five or more persons. Therefore, so far as the provisions of this bill go, four men, however brutal in their methods and purposes, are immune from punishment. Four can lynch with impunity, so far as this bill is concerned. The third section provides for punishment in the Federal court of the officer failing, neglecting, or refusing to protect his prisoner, matters which should more properly be left to the State court; and the fourth and fifth sections provide punishment for those participating in any mob, penalizing the county in which the lynching takes place to the extent of $10,000, which shall be paid to the family or heirs of the person lynched, and even extends so far as to provide that if the lynched person is carried through even the slightest portion of any county, and without even the knowledge on the part of such county officers or a single citizen of the county, that county must forfeit $10,000, and this without any opportunity whatever on the part of the county to prevent such conduct.

THE PROPOSED LEGISLATION UNCONSTITUTIONAL.

The proponents of the measure claim its constitutional warrant is found in the fifth clause of the fourteenth amendment, providing in substance:

> * * * Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction equal protection of the law.

And in section 5 Congress is given power to enforce by appropriate legislation the provisions of this amendment. It will be noted that the inhibition applies to the States and may extend to political subdivisions of the States as well as to officials as representatives of the State, but by no enlargement of its construction could it be held to extend to the acts of individuals in the State. Its purpose and meaning was to prohibit the States from taking affirmative action, by statute or otherwise, to deny equal protection of the laws to all classes of its citizens. It never was intended and has never been construed to give to the Federal Government the right to supplant the States in the exercising of their "police powers" and of control over the domestic affairs of their people. The effect of this bill is to deprive the States of that power.

The Supreme Court of the United States has repeatedly held that no such power is given to Congress by this amendment. No argument has been advanced here to seriously contend that this measure is within the scope of the Constitution. The fact that it is unconstitutional ought to deter us from its passage, regardless of the fact that it is inexpedient and will be ineffective.

We can not do better than in this instance follow the advice of Abraham Lincoln, who at Cooper Union in 1860 said:

> No man who has sworn to support the Constitution can conscientiously vote for what he understands to be an unconstitutional measure, however expedient he may think it.

President Harding, in his message, has said recently, speaking of this question:

> Some of the difficulties might be ameliorated by a humane and enlightened consideration of it, a study of its many aspects, and an effort to formulate, if not a policy, at least a national attitude of mind calculated to bring about the most satisfactory possible adjustment of relations between the races and of each race to the national life.

President Wilson in one of his messages called attention to the conditions existing, but his appeal, and, as I understand, President Harding's, is an appeal to the public conscience on this question, calling for profound study, but nowhere recommending action such as this by Congress. The Attorney General does not personally approve its validity. One of his assistants, Mr. Goff, if I correctly understand him, claims that Congress can determine as a "legislative fact" that citizens are being deprived of equal protection of the law, and Congress may, therefore, pass an act punishing murder in the States. The Assistant Attorney General was asked:

> Would you carry that further to burglary, larceny, and assault and battery?
>
> Mr. GOFF. Of course, the principle would carry us there.

Lynching is but murder; and if, as Mr. Goff says, we can by Federal statute punish the crime of lynching perpetrated by individuals composing a mob, there is no escape from the conclusion that by Federal statute we can extend the jurisdiction of the Federal Government into all the States and against all crimes affecting life, liberty, or property of citizens of the various States. The result would be to flood the States with a swarm of carpetbagger, pie-eating Federal officers to punish every crime known to the law.

The Supreme Court, in Sixteenth Wallace, as early as 1873 said in discussing the effect of this amendment:

> * * * When the effect is to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character, when in fact it radically changes the whole theory of the relations of the State and Federal Governments to each other, and of both of these Governments to the people, the argument—illustrating what could be done under such a power, as I have undertaken to illustrate what could be done under this bill—has a force that is irresistible in the absence of language which expresses such a purpose too clearly to admit of doubt. We are convinced that no such results were intended by the Congress which proposed these amendments, nor by the legislatures of the States which ratified them.

In the United States against Cruikshank case, decided in 1875, Ninety-second United States, 542, which arose under the act of 1870, known as the enforcement act, the act prohibited two or more persons from conspiring together with intent to violate the act, or intimidate any citizen from exercising and enjoying the right secured to him by the Constitution and laws of the United States, making the action a felony. Cruikshank and his associates were tried in the District Court of Louisiana for violation of this act and convicted. The Supreme Court, however, held that the fourteenth amendment does not undertake to create any additional guaranty as among the citizens of the States, the court using this language:

> The fourteenth amendment prohibits a State from denying to any persons within its jurisdiction the equal protection of the laws; but this provision does not, any more than the one which precedes it, * * * add anything to the rights which one citizen has under the Constitution against another. * * * Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle if within its power. That duty was originally assumed by the States, and it still remains there.

Also the case of United States *v.* Harris (106 U. S., p. 629), a lynching case. The mob had taken the prisoners away from the deputy sheriff, and Harris and 19 others were indicted for taking the prisoners from the custody of the officers and beating and wounding them. The indictment was drawn under section 5519 of the Revised Statutes, similar in some respects to the provisions of the bill under consideration. The court said in passing upon the validity of this statute, which had been passed by Congress:

> It is, however, strenuously insisted that the legislation under consideration finds its warrant in the first and fifth sections of the fourteenth amendment. The first section declares, "* * * nor shall any State

deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws."

This case is apparently on "all fours" with the principles embodied in this bill, and it is sufficient to convince any fair-minded man that this bill is brought under the condemnation of the Supreme Court of the United States.

To the same effect and upholding the same principles is the case arising in Virginia and decided by the Supreme Court. (Virginia v. Rives, 100 U. S., 313.) All of these cases hold that the object of the Federal amendment was to prohibit the States from passing any law affirmatively denying to one class of citizens equal protection of the law. Nowhere can it be shown in any case that the scope of the amendment has been extended so as to apply to acts of mere omission on the part of the States. In the Rives case the judge had by affirmative action excluded Negro citizens when he made up his jury list. This amounted to a denial of a right to them—if you please, an affirmative denial—by an agency of the State government of a legal right.

In the "Civil Rights cases," decided in One hundred and ninth United States, page 3, the court, speaking of the fourteenth amendment, says:

It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States or which injures them in life, liberty, or property without due process of law, or which denies to any of them the equal protection of the law. * * * To adopt appropriate legislation for correcting the effects of such prohibited State laws and State acts and thus to render them effectually null, void, and innocuous. This is the legislative power conferred upon Congress, and this is the whole of it. * * * It is absurd to affirm that because the rights of life, liberty, and property—which include all civil rights that men have—are by the amendment sought to be protected against invasion on the part of the State without due process of law Congress may therefore provide due process of law for their vindication in every case, and that because the denial by a State to any persons of equal protection of the laws is prohibited by the amendment, therefore Congress may establish laws for their equal protection. This is not corrective legislation; it is primary and direct; it takes immediate and absolute possession of the subject of the right of admission to inns, public conveyances, and places of amusement. It supersedes and displaces State legislation on the same subject or only allows it permissive force. It ignores such legislation and assumes that the matter is one that belongs to the domain of national legislation.

The court holds that such attempted invasions of the constitutional functions of the States by Congress is void.

In the case of James v. Bowman (190 U. S.) by Mr. Justice Brewer the foregoing authorities were reviewed and approved, and it was again declared that Congress has no power under these amendments to protect one citizen of a State against wrongs committed against his person or property by another citizen.

The Riggins case has been cited under sections 5508 and 5509 of the Revised Statutes. Riggins and his coconspirators took Maples, a Negro, from the custody of the sheriff and National Guard troops in Alabama and hanged him. The indictment charged that the act was done because Maples was a Negro, that it was done to deprive him of his rights to trial, and so forth. The court denied Riggins a discharge on his habeas corpus, proceedings instituted on the ground that the charge under which he was held constituted no offense against the laws of the United States, and on the theory of that case, upholding the statutes mentioned, the bill under consideration seems to have been drawn. The foundation upon which it is built, however, is one of sand. The same judge later in the Powell case, reported in 151 Federal Reporter, page 648, Powell being jointly indicted with Riggins for the same offense, reversed his decision on the Riggins case and discharged Powell, indicted for the same offense. The Riggins case was a lynching case similar to other lynchings where the person lynched is taken from the custody of the sheriff by a mob. After the Riggins opinion was handed down, however, and before the court had passed upon the Powell companion case, the Supreme Court of the United States in the case of Hodge (203 U. S., 1) overruled the decision followed by the lower court in the Riggins case, and clearly held that no power resides in the Federal courts to punish any citizen of a State for acts of violence committed against another. The Government appealed the Powell case in which the lower court, deciding the Riggins case, had reversed itself and the Supreme Court held that there was no power in the Federal Government by statute to punish such offense, and affirmed the lower court's decision in the Powell case. (212 U. S., 564.)

My time is limited and I refer only to section 5 of this act, which provides for the imposition of penalties upon counties in which lynchings occur and upon those through which the intended victim may be carried to execution. We may search in vain for any warrant in the Constitution by which the Federal Government may tax States or any political subdivision of a State.

If the Federal Government can impose penalties upon counties it can impose penalties upon States and, carried to its logical conclusion, it can therefore impose penalties that can not be borne by the States and thus entirely deprive the States of existence. If it can fine or imprison the sheriff of a county for acts of omission of this character, it can fine and imprison the governor or the legislators of a State and thus entirely deprive the States of all power.

I can not conceive of greater violence to the Constitution than the provisions of this bill make possible. I quote from Cooley on constitutional limitations:

In the American system the power to establish the ordinary regulations of police has been left with the individual States, and it can not be taken from them, either wholly or in part, and exercised under legislation of Congress. Neither can the National Government, through any of its departments or officers, assume any supervision of the police regulations of the States. All that the Federal authority can do is to see that the States do not, under cover of this power, invade the sphere of national sovereignty, obstruct or impede the exercise of any authority which the Constitution has confided to the Nation, or deprive any citizen of rights guaranteed by the Federal Constitution (p. 831).

It is unnecessary to cite further authorities. They are all one in upholding the rights reserved to the States by the Constitution, in regulating their "police powers," their domestic relations, and the conduct of their citizens as individuals. In fact, this power was so fully recognized and understood that the proponents of effective Federal legislation on prohibition required a constitutional amendment.

THE SINCERITY OF THE PROPOSAL DOUBTED.

This bill is put forward by the Republican Party, though many Members of that party here will not vote for it, and many of the strongest arguments that have been made against it have come from the Republican side of the House. Practically no Democrats are supporting it. On the part of some, though I would not say all, it is a bold attempt to hold in line the Negro vote in the border States.

Just how much sincerity is behind the proposal may to some extent be indicated by the recent attitude of the Republican Party in Virginia toward the Negro. Its State convention deprived the Negro of participation in the State convention held at Norfolk, though for years that race had furnished the votes upon which Republican officeholders fattened in that State. That convention's State platform declared against the Negro purely for reasons of political expediency, just as this bill for the same reason is put forth. Can it be doubted that the national Republican committee approved this policy?

The Lynchburg News of November 11, 1921, in an editorial, states with reference to that convention's candidate:

When Henry W. Anderson suggests, as he did in his address in Lynchburg, that there are trees available for Negroes who aspire with prospect of success to public office in Virginia, he virtually says, "Give the Negro the right to vote, as the Republican Party advocates in its platform, and upon which platform I plant myself solidly, and the promises of which platform I solemnly pledge myself to carry out, if elected, but if by exercising the right of suffrage we give him the Negro in these 21 counties in which he outnumbers the whites elects one of his own race to office, why lynch him."

It is not contended that this is the exact language of the Republican candidate, but only an interpretation of his speech as given by a highly respectable newspaper. This, however, is not the attitude of Virginia, as has been very clearly shown by the decisive majority recently registered against the Republican candidate. How different from this position is the attitude of the dominant party of Virginia in its effort to see that justice is done toward all its citizens.

I cite only one or two instances. For years in Charlottesville, Va., where the Negro Republican vote outnumbered the white Republican vote, the electoral board had followed the custom of appointing as a representative of the minority one colored judge of elections to serve with two white Democratic judges. A colored judge was appointed as early as 1868. After his death his son succeeded him. One of these judges was probably worth one hundred and fifty to two hundred thousand dollars. There was never any complaint raised as to their intelligence, fairness, or conduct in office of any of these colored judges. Just prior to the late State election for the first time the "lily white" Republicans asked that these Negro Republican judges be removed and white Republicans be substituted for them. Of the four, the electoral board substituted two white Republicans in two precincts, but retained the two Negro Republican judges in two wards where the Negro Republicans were largely in the majority in the party. The claim was made that the Negroes were not Republicans, though the evidence showed that they voted for the last presidential candidate and that they were Republicans.

As evidence that the courts of Virginia are not swayed by prejudice or factional party considerations, I quote the court's opinion from the December Virginia Law Register, pages 617 and 618:

Upon the foregoing state of facts this thought presents itself to the court: Is this really a question of judicial relief from a wrong or is it political demagoguery to influence ignorant voters on the race question? When the Negro vote was large, did the white Republicans ever try to repudiate it? If there were now enough Negro voters to carry the State Republican, would this request be made to oust these men? If so, no question of politics is involved. But if the motif of this proceeding is politics and not justice, a court of law could not take jurisdiction. This court will assume as a presumption of law that petitioner is not trying to use this proceeding for political purposes. * * * They claim to be Republicans now. So the issue is whether a man's own volition or that of others makes him a Republican. If the "Lily White" convention can keep the colored man from voting for Republican candidates, then, indeed, is he out of that party. But of all the law quoted none has yet been cited to this effect.

The issue is now reduced to the simple question of whether the Negro shall per se be discriminated against. Whatever others may do, the courts of this State never have and never will do this. * * * And the action of the electoral board in appointing Inge and Coles (Negro judges of election) violates no law or principle of law or justice, in the opinion of the court.

As an evidence of the fair treatment received by this class of citizens in Virginia controlled by the Democratic Party I give the figures furnished by the State auditor, showing that Virginia for State purposes collects from its Negro citizens from capitation taxes $113,482.85, from real estate $80,583.57, from personal property and income $42,902.64. The total from all sources collected from Negro citizens is $236,969.06. The amount expended for State Negro institutions, public education of Negroes, and so forth, is: State institutions, $680,353; public schools, $1,600,000; estimated expense of Negro criminals, $260,000; total, $2,540,353. Notwithstanding this does not include the amount collected from the counties and appropriated to the education of the Negro children, it will be seen that the State is spending on its Negro citizens about $11 for each $1 collected from the people of that race.

I submit to this body that with such a showing on the part of Virginia—and I have no doubt the same showing can be made by the other Southern States—it can not be successfully contended that there is any disposition whatever among the best sentiment of these various States to be unjust toward any class of their citizenship. This attitude so clearly shown ought not be disturbed by Federal legislation. The responsibility which we recognize as ours and which we are discharging and will continue to discharge in good faith should not be divided. Any attempt on the part of the Federal Government to interfere with these conditions, to divide this responsibility, or to hinder the people of the South in the just solution of this and all kindred questions, peculiarly theirs, will be met with disfavor, if not, indeed, with resentment, on the part of the South. We have made citizenship dependent upon merit and thus given incentive to all classes.

The best people of the two races in the South are in the main in accord as to the best methods of handling the problem. The southern white man is to-day the Negro's best friend. He has a deeper appreciation of his good qualities and more genuine sympathy for his weaknesses. You had as well here and now recognize the fact that frugality, patriotism, and intelligence will remain the test of citizenship in the South, and this further fact had as well be recognized now and always—never to be forgotten—you may write it on your parchments, you may grave it with your pen of iron upon the rock, that just as true as patriotic, united intelligence is the only human power that can not be withstood, just that true is it that united, patriotic intelligence will rule the South.

I know the temper of my people. When you override or trench upon the Constitution in favor of a particular class you are sowing to the wind.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. LONDON].

Mr. LONDON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LONDON. Mr. Chairman, I am sorry that I have not the time to analyze this painfully complex subject. I deny to the State the right to inflict capital punishment. I deny that society as a whole is justified in taking human life. I certainly deny that right to the individual or to the mob. Every manifestation of passion, hatred, or violence which results in the destruction of human life is abhorrent to every civilized man. I wish this subject were not discussed either as a partisan or as a sectional subject. Since the war particularly, since human life has become cheap, and since young men of refinement have been taught to bayonet and kill their fellow men, mob violence has spread throughout the country and mob action has become a national curse. It is no longer a sectional question. Nor does the colored race only suffer. Only two days ago it was reported that in the State of Louisiana a mob captured a lawyer who came to defend unpopular defendants, members of the I. W. W. Whether they were I. W. W. men or whether they were not does not matter. It is not a crime in itself to be a member of that body. It is a form of industrial organization with which certain people disagree. A mob kidnaped and maltreated a lawyer, an officer of the court, engaged in the sacred duty of defending men in distress. The mob consisted in all probability of respectable gentlemen, of gentlemen of property.

As a Socialist, believing that the only salvation of the human race is love, guided by intelligence, and that the only process of human civilization should be obedience to the collective expression of an enlightened will, through the duly chosen representatives of the people, I repudiate every form of mob action.

Now a word as to the police power of the Nation. The expression "police power" is improperly interpreted by those who would give a narrow interpretation to the Constitution. The State has become a mere nominal unit of the Nation. The United States to-day is a Nation. It is not a confederacy of States. It is not an American league of nations, a league of 48 sovereign States. Industrial evolution, inventions, the economic course of society have obliterated State boundary lines. The city of Jersey City, in the State of New Jersey, is more a part of the city of New York, in the State of New York, than is Buffalo, although separated technically by State lines. State lines have disappeared. The National Government has such police power as is necessary to effectuate the purposes for which the National Government has been organized and for which it exists. The Nation can, if it desires, punish murder. It can, if it desires, punish mob action. The Nation which assumed the power to enter every home in every State of the Union and conscript every young man, can reach every criminal who deprives an American citizen of elementary rights guaranteed by the American Constitution and by every tenet of civilized society. [Applause.]

That power can not be denied. That power exists outside of the fourteenth amendment. That amendment, designed by its framers for the protection of the helpless, the submerged and unfortunate colored man, has by crooked lawyers been employed to serve for the protection of corporate interests. It has never been used to protect human life or human dignity.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONDON. Will the gentleman give me two minutes more?

Mr. VOLSTEAD. I yield two minutes more to the gentleman.

Mr. LONDON. Neither the fourteenth nor the fifteenth amendment is being enforced for the benefit of the Negro.

I look upon the colored man as my weaker and younger brother. I owe him the duty of defending him. He is in a minority. He did not come to the United States of his own free will; he was brought to the United States by force. We should right the wrongs of the past; the sins, not only of the slave owner of the South but of the slave importer of the North. We owe to the Negro our love because of the martyrdom to which we have subjected him. He is not responsible for the carpetbaggers of the reconstruction period. He does not want to dominate nor can he dominate.

Americans are all democrats, but that does not prevent most American people from joining secret societies. There is the one place where everybody has a chance to be higher than somebody else. It is in the secrecy of the lodge room that the humblest man in the full splendor of the regalia of his office becomes the supreme commander of the invisible empire of the inscrutable frog pool. In any event, it is quite a pleasure to think oneself superior. In those sections where the colored people constitute the great majority of the workers and where they have no political rights that their masters are bound to respect, there is in addition to the inevitable tendency of a stronger race to keep down a weaker one the desire on the part of the ruling class to keep the working people in a state of helplessness.

The illiterate and ignorant white worker does not realize that every time the colored worker is deprived of his political, civic or economic rights a blow is being struck at the entire laboring class. Fortunately, the American organized labor movement is beginning to take a more fraternal attitude toward the colored man.

It is rather significant that the largest number of lynchings of colored people occurs in the States where there is the largest illiteracy among the native whites.

I am not sure that this bill is effective. I would like to see it amended. I am a little afraid of politicians. The gentleman

from New York [Mr. FISH] is not a politician. He is young in politics, and he has told more of the truth about the bill than the other people on the Republican side. I would hate to see the Negro made the football of politics. No greater misfortune could be visited upon a racial minority.

I want a real antimob bill. I want an effective antilynching bill. I have often wondered why the United States, this most glorious experiment in the building of nations, has not exercised a deeper influence in stimulating democratic thought in other countries. The prediction of Thomas Paine, made after the American Revolution, that by the end of that century every country in Europe would become a republic was not realized. The glory of the United States was dimmed by the shadow of slavery up to 1860. Since then the world's view of America has been obstructed by the lyncher and by the leader of the mob.

No local sentiment, passion, or prejudice should be permitted to defy the legal rights of the humblest citizen. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from California [Mr. LEA] such time as he may desire.

Mr. LEA of California. Mr. Chairman, the antilynching bill is presented under a claim that its enactment would give further security to human life.

The question before us is not whether there shall be a law to punish lynching. Such a law is on the statute books of every State in the Union. Under the theory and practice of our Government for more than 130 years such offenses have been within the sole jurisdiction of the State. The question is whether or not we shall duplicate the State function by conferring the same power upon the Federal Government as to this class of crimes.

Ours is a Government of divided sovereignties. It is founded on the theory that all rights were originally vested in the people of the various States and that the Federal Government has been delegated only those powers that are essential and appropriate to the exercise of national functions. It was designed that all other powers should remain with the States. Each of these sovereignties, the State and the Nation, was designed to remain separate and supreme within its jurisdiction. This distinction was not founded on any idle or merely scholastic or abstract theory. It was deliberately adopted as part of our system of government by the framers of the Constitution after a profound study of the history of governments. They recognized that if the Republic is to endure to serve mankind, it must be guarded against the autocracy of centralized government as well as against the disintegration that would come from irresponsible, unorganized, uncontrolled powers.

Following out this plan of organization, the duty and responsibility of preserving the security of the lives and bodies of our citizenship, as well as protecting them against the whole category of domestic crimes, was made the function of our State governments. A brief number of crimes not included in State functions were defined under the Federal statutes and penalties provided for such offenses against the national sovereignty.

The general plan of our Government was wisely designed to avoid duplications of jurisdictions and functions. The State and Federal Governments were designed each to perform its separate essential function, coordinating and cooperating. It was readily perceived that the duplication of functions of these two sovereignties meant conflict, discordant functioning, and that each would be weakened by inharmony with the other.

The bill wholly fails to recognize the wholesome wisdom of the separation instead of the duplication of the State and Federal functions established under our plan of government. These features of the bill, as well as the inaptitude of its purposes, will be readily disclosed by examination of its provisions:

(1) It duplicates what should be the sole function of the State. It provides for the trial and punishment of offenses in the Federal courts that are already punishable under the State laws and in the State courts.

(2) Under its provisions the prosecution and punishment or acquittal of offenses in the State courts would not bar another prosecution and punishment in the Federal court. Such a plan is repugnant even to a most crude sense of justice.

(3) It seeks to punish mob murder, but only in those cases where the life of the victim has been taken "for the purpose" of punishing or preventing an "actual or supposed" offense committed by the man who is lynched. It provides no penalty for the crime against those victims of the mob who have committed no crime, "actual or supposed." This act makes the protection of the criminal of higher concern to the Federal Government than the protection of the victim of a mob whose innocence is unquestioned. It authorizes a prosecution against those who lynch the guilty man, but provides no prosecution for those who lynch the man unquestionably innocent.

(4) It makes the officer of the State who fails to perform his duty in apprehending or prosecuting a member of the mob guilty of a felony unless such member of the mob is held for prosecution in the Federal court. Thus in two cases, in each of which the officer has equally failed to do his duty, he is punished in one and not in the other, depending on whether or not some one else unrelated to him has subsequently caused the member of the mob party to be prosecuted in the Federal court. Such a scheme of making an officer punishable for a criminal act, dependent not upon the inherent character of the act but solely upon the conduct of other persons, subsequent to its commission, and for which the officer is in no way responsible, has heretofore been a stranger to our system of criminal law.

(5) This bill would make each county in which a lynching occurs or through which the party lynched has been transported by the mob, regardless of the knowledge of the county or its officers, and without regard as to how blameless the county may be, responsible in damages in the sum of $10,000 for each person so lynched or transported through such county. Such sum may be recovered on suit against the county by the Federal Government. The bill attempts to authorize a levy of execution "on any property of the county to satisfy such sum." Under the terms of this bill, if held constitutional, the Federal Government might sell the courthouse of a county in satisfaction of such a judgment.

The $10,000 so recovered is to be paid to the family of the person lynched. Thus, under these provisions, we see the innocent, law-abiding people of a community mulcted for $10,000 to be paid the relatives of the victim of the mob, regardless of the viciousness of the offense the lynched man has committed, regardless of his value to his surviving relatives, and regardless of the worth or character of such relatives.

This $10,000 penalty is exacted, not of the guilty lynchers, but of the innocent taxpayers of the county. It is, in substance, a guaranty or an insurance policy in favor of every person in the Nation for $10,000, payable in case he is lynched, provided he was lynched "as a punishment for or to prevent some actual or supposed public offense." The insurance is not payable if he is unquestionably the innocent victim of a mob and not connected with any actual or supposed crime.

No human government has ever heretofore reached that stage of efficiency in the enforcement of preventive criminal law when it could give a financial guaranty to its citizens against the criminal acts of wrongdoers. It would seem if we desire to embark upon such a scheme of crime insurance, we should begin by writing our policies in favor of innocent victims rather than in favor of those whose own repulsive crimes provoke mob violence. The orphan child and the widowed mother, dependents of innocent victims of mobs and other vicious crimes, should make a stronger appeal to our humanity and sense of justice than the relatives of victims who are usually perpetrators of vicious crimes.

Lynching is a crime under the law of every State in the Union. No system of criminal law in any State recognizes the justice or right of the mob to take a human life. The only necessity urged for this bill is the claim that the Federal Government will more effectively than the States prosecute lynchers. Local sentiment, it is charged, sympathizes with or condones the mob, rendering State prosecutions impossible or ineffective. Therefore import prosecutors and export the accused for trial.

In other words, the demand for this bill proceeds on the theory that the Federal Government shall be the censor of State conduct; that the Federal Government, with the superior virtue of a superman, shall approve what is good in the State government, condemn what is bad, and stand like a colossus with a club over the State, punishing it when it fails to meet the standards of virtue prescribed by the Federal Government. Not only does this bill threaten to punish State officials from governor to constable, who fail to perform their State duties as determined by the Federal Government, but it also holds subdivisions of the State liable to penalties, regardless of their knowledge or participation in any wrongdoing. This is an impossible conception of the relations of our Federal to our State Governments. A Federal Government that can command and penalize officers and subdivisions of the State can tyrannize over and destroy the liberty of the State government and its people.

The courts of the United States are inadequate to handle general criminal cases. The court system of the United States was never designed to take over the enforcement of domestic crimes generally. There are only 86 district courts in the United States.

These courts, comparatively few in number, are largely located remotely from vast numbers of our population. The Federal Government has neither the jails nor a number of officers sufficient or intended to provide the machinery for enforcing generally the criminal law. For nearly a thousand years Anglo-Saxons have believed that the accused is entitled to a jury trial in the county where the crime is alleged to have been committed and where his witnesses are available.

The constitutions of most States guarantee that right and prohibit the trial elsewhere, except by consent of the accused. For over eight centuries the establishment of this right has been haled as one of the greatest triumphs in the struggle of men for liberty and justice. This bill in substance discards that rule of just procedure. It proposes going back to the old system of tyranny in ancient days when men were dragged from their homes to remote places for trial, away from their acquaintances and friends, and largely deprived of the benefit of favorable witnesses.

The State criminal-law system has provided more than 3,000 courts, distributed over the United States, where men are properly tried for domestic offenses near the places where the offenses are committed. It is to these State courts we should leave the prosecution of the offenses defined by this bill.

As a precedent this bill is bad. A power that can be employed by the Federal Government for the punishment of one kind of mob violence to-day can be exerted for another to-morrow. The power that usurps a State function as to one crime can be applied to many and to all crimes.

It does not qualify or mitigate the viciousness of the principle embodied in this legislation that it is invoked for a purpose that may appear humane or just. All encroachments upon the liberties and rights of men have been made under a pretense of serving the higher good. A wrong thing done for a good purpose can have no sanction of law. It is based upon the same theory upon which the mob defies law.

In assigning separate functions to the two great sovereignties of our Government, the Nation and the State, it was not intended that one should be the censor of the other. The power to define and punish crimes reserved to the State included the power to act unwisely as well as wisely. If the right of the State to perform its functions is dependent on whether or not in the opinion of the Federal Government such functions are wisely or unwisely, successfully or unsuccessfully, performed, then the original reservation of such power to the State is a mere nullity—a form without substance.

This legislation is proposed primarily as a plea in behalf of the colored man. It is legislation that involves race prejudice and the tendency of which, if enacted, will be to accentuate race prejudice. To a considerable extent its enactment would be accepted by a large portion of the colored people of the Nation as a threat or punishment directed at the white people of the South by the people of the other sections of the country. In this situation colored people of criminal inclinations are likely to find an incentive and a license to commit offenses that they did not feel before.

The people of no State in the Nation are predominantly criminal or unjust. One State may travel the road of progress more slowly and falteringly than another, but no intelligent well-wisher of the future of the Republic would for that reason suggest that such faltering State should be deprived of its functions.

The large population of colored people in the South have given the white people of that section one of the most trying problems ever presented to the white race. It is the peculiar problem of the South. Officious interference by the Federal Government and other States will only accentuate the problem without contributing to its solution.

The lynching problem is not alone the problem of the South. Since 1885 lynchings have occurred in each of the 48 States of the Union, with six exceptions.

In the 32 years from 1889 to 1920, inclusive, 3,095 persons were lynched in the United States. The average number lynched per year for the first 16 years of this period was over 128. The average number lynched per year for the last 16 years was less than 65. The largest number lynched in any one year during the last 16 years was 83, while the largest number lynched in one year of the preceding 16-year period was 208, in the year 1892. Thus 30 years ago we passed the peak of the lynching period. Gradually the States, supported by public sentiment, have improved conditions. We have made substantially a 50 per cent progress toward eliminating lynching in the last 20 years. Ten Houses of Congress have come and gone. The pressing need for this legislation, if it ever existed, has largely passed away.

If it is desired to superimpose the Federal Government on the States in the enforcement of the criminal law, other fields of criminality now make a much stronger appeal. The Judiciary Committee recently reported to the House that during the last 10 years, while lynchings have been decreasing, "criminal business in the United States district courts has increased over 800 per cent." On the 1st day of last July 55,769 criminal cases were pending in the United States district courts. Over 9,000 homicides per year are now being committed in the United States. A wave of murder, highway robbery, and grosser crimes is sweeping over the country. The percentage of such crimes in our land is far beyond that of other civilized countries. Our States are failing unquestionably and ignobly to give that security of human life that is the ideal and aim of government. If the remedy for State failure is Federal interference and a duplication of State crimes by Federal statutes, then the method of this bill points to the remedy for our appalling record of crime. But no man is so foolish to suggest that such is the remedy. Neither is it the remedy for lynchings. The remedy for State failure is not Federal interference but State improvement.

In voting against this bill I have no thought that its defeat would retard the progress of the colored man or deny him justice. The race sensitiveness exists. It is not the creature of law, nor can it be eliminated by law. The black man has the same right to justice as the white man. The distinctions of race that separate him from his white neighbors can not be wiped away by decree of Congress. If that could be done, the problem would be easy. In the struggle of peoples the black man has been the white man's victim and the white man has also been his savior. The rights and opportunities of the black man should be protected by law, but his progress and advancement can have no other secure foundation than his own moral worth. That is the means of progress within his own hands. It is the natural way and his only sure way.

Too much of the interest of outside people in the problems of the colored man in the South has been in ignorance of the problem or inspired by political motives. Unfortunately, ever since the Civil War both the North and South have been pestered by demagogic politicians, whose selfish interests have been served by promoting racial and sectional hatreds. Energies and abilities that should have been exercised to promote progress and harmony have been prostituted to the propagation of racial and seditional hatreds for political purposes. The poor colored man has been on the nether side of this situation. The ignorant colored man has been the victim and the pawn of these demagogues. To the extent that this bill serves such purposes, it is wholly vicious.

Those truly interested in the welfare of the colored race have abundant opportunity for the full bestowal of their efforts. Let them contribute to the improvement of the comfort, morals, education, and religious advancement of the colored people. Let their concern be primarily for the millions and millions of law-abiding, worthy colored people rather than inciting race prejudices in behalf of an infinitesimally small number of mob victims.

Only a little over 70 years from slavery, the colored people have made a progress that is commendable and challenges our admiration and sympathy. We can best promote their further progress by encouraging them still further along the path of patient industry, law obedience, and moral worth.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD. Mr. Chairman, this is a so-called anti-lynching bill. It is proposed to assess a fine of $10,000 against each county in which a lynching occurs, the money to be paid to the relatives of the person lynched. It is further proposed to punish the sheriff, deputy, marshal, or other arresting officer from whom the lynched person is taken by life imprisonment.

Will these things prevent lynchings? No. Lynchings can only be stopped in other ways. You can not stop lynchings by offering a reward to a person to go out and commit a crime which invites a lynching. This bill if passed will bring about more race hatred, more lynchings, and more race riots. I had intended to argue the legal propositions involved, but will not do that now. The question of the unconstitutionality of this act has been ably presented repeatedly by Members on this floor. Every phase has been fully covered. Every decision has been ably presented. I have no doubt that the bill is not constitutional. It is my purpose at this time to present some views I have, many of which have not heretofore been presented in the argument here. I am leaving unsaid many things I would like to say, but which have during the long hours of debate here been repeatedly said. I shall strive to add to what has already been said.

Mr. Chairman, Mr. DYER, the author of this bill, the other day on this floor said:

During the Civil War never was there a criticism of the conduct of any Negro man or woman who was in slavery.

This is true. No criticism was made of the Negroes of the South who were left with the wives and children of the white men. No outrages were committed by these colored men either during the Civil War or immediately after the war. This is to the everlasting honor of the Negroes of those days and of the influences then surrounding them. This was before the Negro was influenced by propaganda of those who do not understand him. This was before the introduction of this Dyer so-called antilynching bill and before the introduction of the Tinkham resolution, in the days when the Negro race considered it honorable to love and protect the women and children of the white men, when the Negro wanted no higher privilege than the privilege of being helpful and courteous to others, the most glorious privilege on earth when exercised properly and under proper circumstances.

Mr. Chairman, this was in the good old days when the Negro sought, found, and gladly exercised the privilege of being courteous and helpful to the white man and his folks and rejoiced in the grateful appreciation of the white folks.

Other influences, ofttimes sincere but more often sinister, have crept in, and now instead of appreciation and love of each other there is race hatred and bitterness. There are thousands, yea, millions, of Negroes yet in the South, under the influence of the good old Negro daddies and mammies of the old days, who are courteous and true to the white man and his family. There are a few—a very few, thank God—in the South and many in the North of the Negro race who have gotten the idea from somewhere that the white man is a thing to be hated; that it is degrading for the Negro race to be courteous, polite, and obliging to the white folks, and that the way for the Negro to make his way among the white race is for him to be offensive, discourteous, and to force himself in where he is not wanted as often as possible. What an awful indictment against the Negroes and whites everywhere who live by stirring up race prejudices and bitterness.

Mr. Chairman, if you would remove the greatest cause of the outrages by Negro men, of racial hatred, of lynchings, and of race riots, then remove or forever stop the mouths of Negro and white breeders of race hatred. Oh, that the Negro race would spew out of its mouth these carrion maggots who engender, create, and live on the stench of race hatred.

Mr. Chairman, you will agree with me that the best thing to be done is that thing which will cause the best feeling between the races.

The true test to be applied to every bill like the present one is, will the measure if enacted bring about a better feeling between the white men and the colored men? This is true of everything suggested in connection with the race question. Some one asked me what I thought of President Harding's Birmingham speech as touching the race question.

I said in reply:

If the speech caused a greater politeness, courtesy, respect, and love of the Negro for the white man and of the white man for the Negro, then the speech was a great success. But if the speech caused the Negro race to hate the white man more and the white man to hate the Negro more bitterly, and if it caused the Negroes of the country to crowd more women and children off the sidewalks and make themselves more offensive in every way and made the chasm of bitterness and hatred between the races deeper and wider, then the speech was a monumental and an awful blunder.

Lets build up a better feeling between the races, not a more bitter one.

Mr. Chairman, the white race will determine what position in this great civilization the Negro race shall occupy. This will eventually be determined not by sectional hatred—not by partisan prejudice and not by political selfish narrowness. The white race will write the verdict of the Negroes' rights in this Nation, and the white people of the South will help make, will agree to, and will approve the verdict. The verdict will be impartial. It will be fair. It will speak the truth. It will be made up, after a careful consideration of all the evidence submitted by the Negro race, in view of all the surrounding circumstances and under the laws of eternal fairness, justice, and right. The verdict will not be a directed verdict. It will not be a forced decision. The white race will decide what position the Negro is worthy to occupy from the Negro's own acts, from his merit or lack of merit, and not from demands made by Negro propagandists of either the Negro race or white race, except that these propagandists by the creation of racial hatred are introducing a mass of evidence against the colored race. I will say more along this line later.

The white man's verdict on the race question will not be made up by bills pushed through Congress, except this kind of thing hurts the Negro race. The verdict will not be made up favorably to the Negro by the Negro race forcibly exercising privileges contrary to the wishes of the white race. The Negro race suffers from this. It does not gain. If I had a case before 12 jurors I would, so far as possible, introduce my best evidence. I would not want to be obnoxious to the jurors. I would want to show them every possible courtesy. I would want to be polite to them. Some Negroes are handling the matter properly. Others are not. The Negroes of the South are making a better showing for the race than is being made by the Negroes of the North. The white race of the South is helping the Negro solve the problem. We would soon solve the race question in the South if we were only let alone by racial prejudice, vultures of other sections. The Negro of the South is very much more polite and respectful to the white race than are the northern Negroes. While the southern Negro as a rule is courteous and polite to the white man or woman, the northern Negro is arrogant, haughty, disrespectful, and insulting to the white man and his folks.

The Negroes of the South are working out their own salvation in this country; the northern Negro is working out his own condemnation. The time is fast approaching when the North will bitterly detest the whole Negro race. The worst Negroes of the South, if they miss the penitentiary, the gallows, and the occasional lynchings, are coming north to add to your already haughty, contemptible northern Negro population. This mixture of our worst with the northern bad Negro race will go on making themselves as obnoxious as possible to the white race. They will push you and your wives and children aside to get on street and railway cars first, and then take the best seats and slouch down on the seats, and force you and your loved ones to sit by them while they, in order to be sure they appear your equal, make themselves as offensive as possible. They will push you and your folks off the sidewalks, to show you that they have special rights and are exercising them. At the public parks and public gatherings they will be anxious to show the white man that they are his equal. They will be sure and get between you and the music, and stand if you are sitting. They will talk loudly and laugh boisterously while you are trying to hear, to show you they are exercising equal rights. They will puff their cigar smoke so you will get a full share, and they will spit so a little will come your way, so you will know they are exercising their rights. They will not dare sit together at the band concerts, they will mix as thoroughly as possible, so you will see they are there. As nearly as possible they will get one on each seat in the street and railway cars, to show you they are exercising their rights.

It does not differ how many seats are in your waiting rooms; they will, if possible, get a few on each seat, so you will have the pleasure of standing or sitting by them and knowing they are exercising their rights. What I am saying is the truth. I am describing the condition in Washington and the North where the Negro is to-day. I am not talking about the South now. On Christmas Eve night I was in that great, magnificent passenger waiting room here in Washington, the most magnificent waiting room in the world. There are many, many, most splendid seats. There were present about one-third enough people to fill all the seats, and yet, upon careful observation, I found a few Negroes on every seat in that great waiting room. Not a single seat left where a white woman or child could sit without being side by side with a Negro. Yes, plenty of room, but no room where there were no Negroes. The Negroes of Washington and the North are determined to force themselves in as the equal of the white man. The so-called educated Negro is the most obnoxious of all. He thinks he knows how to swagger and not give an inch to any human being that is white. He thinks that to be courteous to a white person is to admit that he is not the white man's equal, and he must never do that.

The white people of the North will before long get the idea that there are no good Negroes; no, not one. The northern Negro and the mean southern Negro who comes North will expect political equality, economic equality, and social equality. He is determined to push himself forward in these respects every time he can, and if he gains an inch he will swagger over it and make his colored brethren hate the white man all the more. The northern Negro believes he is given a greater freedom with the white women up here. If he commits rape he expects the father and brothers, relatives, and neighbors of the outraged girl to plead for his protection and beg for him to become a great hero and have a fair and impartial trial, with the outraged girl, if left alive, in court to testify and him to deny. He expects newspaper write-ups, and the folks, some saying, "The rapist, Mr. Jones, must be innocent," and bringing him flowers, and if convicted he expects executive clemency and probably a pardon, with an implied invitation to him and others of his kind to go and do likewise.

All the while the Negro will be working his own condemnation, for as surely as day follows night so surely will the misunderstandings, the discourtesies, the insults, the outrages, the grow-

ing race hatred finally break forth not only in St. Louis, Omaha, and Washington but all over the North, and the awful carnage of race riots will hold sway. Why can not the northern Negro see this and instead of being haughty, offensive, and discourteous to the white race be all that the southern Negro is in the way of respect, courtesy, and politeness to the white race? You agitators had better quit teaching race hatred and teach race respect and good will. You had better teach the Negro race to respect and love the white man instead of hating him. You had better plead for good will, which will protect your innocent women and children against riots, instead of worrying over the rapist. You had far better plead for separate passenger stations, separate passenger cars, separate seats on street cars, and separate space at band concerts, and every other arrangement which will lessen the friction between the races and bring about a better feeling.

In the South everything has been done that can be done to lessen the friction between the races. A few of the worst Negroes will be lynched. The Negro in the South who commits rape knows what is coming. He simply commits suicide, that is all. If something is not done, and that speedily, hundreds will be killed in the North for every one we lynch in the South. You simply can not start a race riot where Negroes are courteous and polite to the white folks. The white people will not stand for it.

When race hatred is fanned almost to an all consuming flame and some one or score of men say lets destroy the Negro section and dozens of men promptly say, "No; old Bill lives down there. Old Fanny, my good old cook is down there. The Negroes down there are the friends of the white people. They are polite and anxious to be our friends." No race riot takes place.

But, on the contrary, let every man in the crowd remember not a good Negro but a bad one, not a good deed but a bad one, not courtesy and politeness but disrespect and vicious conduct, and then hell breaks loose. The good Negroes are saving the Negro race, the bad ones are destroying it. Why do not we worry about the good ones and not so much about the criminal and the rapist?

Mr. Chairman, now this bill is offered as a solution in part of the race question. Would it not be better for us to legislate for the innocent Negro women, children, and men rather than for the rapist and the vile criminal? Why not legislate for the protection of innocence and virtue instead of for the protection of the criminal and the defiler?

Mr. Chairman, why do some people concern themselves so much about the protection of the vile criminal and care so little or nothing about the welfare of innocent women and children? But, Mr. Chairman, I have never seen a buzzard turn from his filth and his carrion to enjoy the fragrance of the rose or to sip the sweetness of the honeysuckle. I have never seen the driver of a garbage wagon giving flowers to children or drinking in the beauties of the sky and earth. And, Mr. Chairman, I have never seen the man who is so concerned about the vilest of criminals bestir himself much for the cause of innocence, purity, and virtue. Let us strive to remove the cause of lynchings. We can stop them that way only. On the second day after I was sworn in as Congressman I used on this floor the following language:

> Sometimes the men of my State and of the South even go so far as to deal out, without trial, summary punishment to the individual who does a serious injury to one of our daughters.
>
> It is true they go beyond the law and become criminals themselves to avenge the wrong. Life becomes unbearable to the man whose daughter or neighbor's daughter has been outraged so long as there breathes the one who wantonly committed the outrage. The father and his neighbors are pushed onward to vengeance by a never-ceasing, ever-increasing, irresistible agony of an outraged love which sweeps everything aside. There is no fear of law or death or hell. Vengeance is theirs, and the outrage of their loved one must be avenged. They are as helpless to turn aside from their mission of dealing out justice, without regard to law and order, as a handful of leaves of the forest would be of themselves to turn aside from the mighty rush of the Niagara.
>
> We do not sanction and approve the disregard of law. We must admire the great love of womanhood which prompts and compels the action.
>
> The women of my State, and I believe of all other States, fear no violence, unavenged, so long as there lives within our bounds the lover of a sweetheart, the brother of a sister, the husband of a wife, the father of a daughter, or the son of a mother.

Many believe that the way to lessen a crime is to make the punishment more speedy, sure, and terrible. The same sentiment or passion which causes men to lynch for an outrage of a woman is in the bosom of every man present. See if I am right about this. Even a dog on the street or out on the public road has not only the protection of the law, he has the protection of his owner who will fight for him, "It makes no difference if he is a houn'. They've got to quit kicking my dog aroun'."

Your little boy or girl has the protection of the law and in addition thereto the protection which exists when others know he is your child and that you will not only appeal to the law but will resent with your last drop of blood, if necessary, any indignity or abuse heaped upon that child. The girlhood and womanhood of the country have and should have not only the protection of the law but the protection of every drop of blood and ounce of flesh of every true man not only within sound of her voice but within the territory where true men hear of her mistreatment. What will we do in Georgia and in the South to protect our women? I will tell you. We will do just whatever is necessary. Some one inquired about two young women. The reply came, "One is the daughter of old Bill Pidgeon Liver. If you insult her, mistreat her in any way, seduce her, or rape her old Bill and her brothers and all their kin will not hold you to account personally. Oh, they may swear out a warrant and let you give bond and get off best you can." Then the question was repeated, "Who is the other girl?" The answer came clear and definite, "She is the daughter of Johnny Redblood. If you dare harm or insult her or mistreat her you will receive bitter, determined punishment at the hands of her father and brothers, even unto death, if necessary."

Whose child had you rather be? Who is the best citizen? Which brothers would be bravest and best on the field of battle for their country? You know. I know. Everybody knows.

Is there a man in Congress who will confess that regardless of what indignity and outrage may be heaped upon his wife, daughter, mother, or sister he would not personally resent the offense? No; there can be no such person. Then we all must have the same sentiment which ofttimes impels fathers, brothers, and others to dispatch promptly a guilty person who has outraged a loved one of theirs.

The people of the North can claim no more love for another race than can the people of the South. The Pilgrims of Massachusetts made the same war on King Philip and his Indian followers as did the people of Georgia and Florida on the Indian Osceola and his band, and as did the people of the Great Lakes region on the treacherous Pontiac and his braves. The people of the North loved the good Indians just as our ancestors in the South loved Tomochichi, the friend of Oglethorpe, Pushmataha, the great friend of the whites, and Sequoia, the Cadmus of his race, that noble Indian born in my State of Georgia, whose statue was placed yonder in Statuary Hall by the good State of Oklahoma.

"There is nothing either good or bad but thinking makes it so." Some men pretend that the safety of the Nation depends on the elimination of lynchings. There are a hundred ways in which our Government is being undermined more effectively than by the occasional lynching of some one who has disregarded all law. While we argue this bill there will be more men, women, and children hit, crushed, and killed by speeding auto violators of the law here in Washington alone than there are criminals lynched in the entire United States in a whole year. The children and people killed here every day are innocent. The person lynched is, as a rule, a criminal. The auto violator of the law has no excuse except the utter disregard of human life and law. He is a murderer at heart when he speeds through a crowded street, and yet practically no effort is made to punish him. If he is ever brought before some of the so-called judges here in the District, he is probably turned loose with the thanks of the court, and the man who arrested him is probably cussed out by the judge for pursuing him or using a little force to stop his murderous speed or for being not in full view of the speeder at the time the auto bandit was making a murderous assault on the common folks who walk. This is lynching of all law and order by the judiciary.

We ought to have a decent observance of traffic regulations here, or have a few hangings for murder and a chain gang full of men guilty of voluntary manslaughter and murder, or we ought to impeach some judges for lynching the law. There are so many things that worry me more than the occasional lynching of a criminal.

There are approximately 1,000 girls in this country each year who go away from home and are lost to father and mother and home, never to return, to each person lynched in this country. Why worry so much about the lynched brute when there are thousands of things more serious demanding our attention? Almost invariably when I find in a newspaper here in Washington a tirade against the lynching of some rapist in the country somewhere, I turn through that paper and find where the paper which is so concerned about the rapist has felt it a glorious opportunity to lynch in the presence of the populace some child who is accused of a petty larceny or other small offense. The lynched brute gets what he invited and what he

deserves and is soon through the agony. The child is innocent of all crime except some childish indiscretion, and yet she is mentioned as pretty and young, her age being given, the little offense is described in exaggerated terms so as to attract attention to the write up, and her name and address are given so as to lynch her not for a day, not with a sudden death, but daily and continually, and for life. Better that she was burned and forgotten.

Mr. Chairman, I will support a bill to punish the big newspapers which persist in lynching children and women. I wonder if the passage of such a bill can be secured. These children that are lynched are poor children who need a good name as badly as the rich children, whose small offenses are not ordinarily chronicled. There are a million crimes, outrages, and horrible violations of the law for every lynching. Why worry so much about the minor offense? Surely those that are pushing this bill through Congress are about as wise and brilliant as the owner of a large cabbage plantation who went out and spent days worrying about five gnats which persisted in flying near and alighting on his cabbage and paid no attention to a thousand elephants which were destroying his entire cabbage field.

Mr. Chairman, this is a bill to provide, among other things, for the payment of $10,000 to the relatives of a lynched individual, the penalty to be paid by the county in which the lynching occurs. Let us see what is proposed here. All criminal statutes are designed for the protection of some class of individuals or for the protection of individuals in the enjoyment of certain rights. Who are to be protected under this bill? Is it for the protection of a citizen who quietly and peaceably is engaged in the daily avocation of life? No. Is it for the protection of the innocent in the enjoyment of any of the rights guaranteed by the fundamental laws of the land? No. Is it for the protection of any man, woman, or child anywhere in this country of ours in the legal possession of any right vouchsafed by the laws of either man or God? No. The bill is designed for the protection of the man who has disregarded all the laws of man and of God and committed the unspeakable crime and whose foul, vile black hands are dripping with innocent human blood. The bill is not for the protection of an innocent man, woman, or child. It is not for the protection of a law-abiding liberty-loving human being. But, Mr. Speaker, it is for the protection of the vilest, foulest, blackest beast out of the lower regions—the rapist.

Why, Mr. Chairman, should we provide $10,000 for the relatives of the rapist when he is killed by a justly infuriated community, when there is no provision to pay the relatives of the father who is killed by the highwayman? Why pay the relatives of the rapist when there is no law to pay the relatives of the innocent children whose lives are crushed out every day here in the very shadow of this Capitol by speeding autoists in utter disregard of law? Why should the rapist and his relatives become the special favorites of the Government and be given a status superior to the millions of other individuals who yearly lose their lives illegally? Why give to the rapist $10,000 insurance, payable to his heirs? This is better than we did for the boys who left their homes and went to the battle front to fight and to die. The soldiers had to pay for their insurance as a protection against the risk assumed. The rapist is, under this bill, to get free insurance against death because of the risk assumed.

Are we to pass a law saying to the criminally inclined, "Commit rape, then brutally slaughter your innocent victim, and this 'Land of the free and home of the brave' will stand sponsor for you, and if you are killed by those who are crushed and horrified by your act, then your relatives are to get what will be to them a magnificent fortune"?

Mr. Chairman, there are principles of equity which may be remembered just now and which are as follows: "He who seeks equity must do equity." "He who seeks equity must come with clean hands." We might here well add the following: He who seeks for himself the full protection of all the rights guaranteed by Constitution and all fundamental and statutory laws should not himself become the basest of all violators of all law and order. He who seeks the protection of the laws of man should not himself cease to be human and become worse than brute. Oh, what a farce is this bill, which seeks to make the base criminal and ofttimes the rapist the hero of law enforcement. You seek to make the rapist the mentor of human rights and liberties, and would make him the exemplar of constitutional rights and law enforcement. You would make him a messenger, a precursor, a forerunner, a harbinger of that better, brighter, and more glorious civilization which is yet to dawn and usher in the flood tide of human greatness.

Oh, what a farce is the bill and the very idea of its enactment. Let us put forth every effort to solve the race question and not make it more complex.

Mr. Chairman, are we solving the race or Negro question or is this question solving itself? I believe the question is solving itself. The Negro race is working out its own salvation and greatness or its own condemnation and failure. Just as an individual can gain friends by becoming worthy of friends, so can a race attain a high position in the world by becoming worthy of that position and as an individual can destroy himself by failure to respect the rights of others, so does a race destroy itself by failure to respect and safeguard the rights of other people and races.

So it is with the Negro race. An individual may for a while occupy a position in the minds of those who know him, either higher or lower than he is entitled to, but he will eventually find his proper level. The Negro race will find the level it is entitled to occupy. A piece of cork and a piece of lead held by a hand under the water remain together, but when released one floats, the other sinks. The white and black race may be held together by political exigencies or sectional hatred or one race by these causes may be placed higher than the other, but when sectional hatred is swept away, and both races are left free to sink or swim on merit then each will find its true level. The Negro race is left in this great civilzation—the product of the white man's brain and the Negro race will find and occupy eventually the position it is entitled to occupy. This is a white man's glorious civilization and a white man's grand and magnificent form of Government. The Negro never helped to build either. They were thrust upon him without his adding a single jot or tittle anywhere. He has done nothing that would not have been done by the white man. What is the Negro's true position? The white man is willing to give the Negro a fair deal and accord him his true position in this country. This is true in the North. It is likewise true in the South. The greatest trouble now is, that some sections do not yet understand the Negro as well as he is understood in the South. I believe the people of the South are to-day the Negro's best friends. We give them the same government and laws we enjoy. We give them the equal protection of the law. We detest and abhor the vile criminal beast of the Negro race. We accord a square deal and fair treatment to the thoughtless and average criminal class of Negroes. We give our good will and hearty support to the Negro who is striving to make good and who is honorable in his dealings.

We respect, we love, we reverence the good old Negro man and woman who respect, love, and reverence the white man and his loved ones. Oh, yes; the Negro gets a fair deal in the South. The Negro race can never build for itself a better future by pushing the Negro in where the white man should be. Legislation forced on the white people of the South by Negroes of the North and by those who desire to please the Negroes of the North does not and can not help the Negro race. It only widens the breach and does damage.

The Negroes of the South would be a contented people ordinarily except for the bitterness stirred up by northern Negroes and white propagandists who really care nothing for the southern Negro. Practically all the fight from the Negro race for this so-called antilynching bill is from Negroes from Boston, Philadelphia, St. Louis, Chicago, and other northern points. I attended all the committee hearings on the investigation of the Ku Klux, and there were several Negroes there scared to death of the Ku Klux, and every one of them was styled doctors or professors and were from some northern city. Why are the Negroes of St. Louis, Chicago, and Boston so afraid of lynchings and so afraid of the Ku Klux? Do not the Northern States give protection to the Negroes? Oh, some one says that the northern Negro is trying to help the southern Negro. I deny this charge. The northern Negro propagandists are helping the northern Negro to the detriment of the southern Negro and to the detriment of the white race. The northern Negro is stirring up all the race hatred possible, so he can fleece the innocent, unsuspecting darkey and make him believe he is making a fight to save him from a dire calamity and to make him the equal of the white man. The northern Negroes have an equal rights league or organization. God Almighty never made the Negro the white man's equal, and I am sure no Boston or Chicago Negro can make the Negro the white man's equal. No set of men, white or black, can do so. You had as well try to shoot the moon out of the sky with a popgun as to try to undo the race limitations fixed by the Creator. If the northern Negro loves the Negro race so well, and is doing an unselfish work, why do not these Boston and Chicago Negro strife makers go to Africa and tell of this civilization to their forefathers, the African savages in their jungle home. The white men came to this wilderness, wrought a great empire in spite of adversity. Why do not these Negroes of the North, who style themselves doctor and professor, go to the wilderness of that great continent and build a great Negro empire

and a great civilization instead of staying here and instilling in the Negroes of this country hatred of the race that brought the Negro out of darkness and gave him the best civilization and Government the world ever saw. The white civilization is thousands of years ahead of the Negro civilization of Africa. Suppose the white man could get up to some of the planets in the sky and find a civilization there thousands of years ahead of ours. What would those white men do? They would be glad to get back to the earth to tell of the wonderful civilization found up there beyond the sky.

Not so with the Negro of the North. He cares for no other Negro except in so far as he can use him. He stirs up bitterness and causes the Negroes' lot to be more difficult. The Boston and Chigaco equal-rights Negro is the breeder of lynchings and mob violence, and now they have a great bill to pay $10,000 to a Negro who commits suicide by causing a lynching. The way to stop lynchings is to remove the cause. You can not stop lynchings by law as long as the cause of lynchings is prevalent. You had as well try to spit on the sun and put it out as to try to stop lynchings by a law that does not endeavor to remove the cause of lynchings.

You northern Negroes quit howling about lynchings and begin preaching against rape. Preach more of the shortcomings of the Negro and less of the white man's errors. Make war on rape and all forms of crime. Do not leave the white race to wage all the war. The rapist needs not the protection of either race. The rapist outrages all law, and, brute that he is, not only voluntarily makes his own violent death inevitable at once, but stirs up a race hatred that may mean the immediate death of not only his own relatives but of scores of others. Why should anyone worry about his welfare?

Mr. Chairman, instead of taking up time with this bill, we better be trying to find the relative rights of each and bring about a better understanding. The Negro can not be the equal of the white man socially, economically, or politically. This is a white man's civilization and a white man's Government, and the white man is and will remain supreme. The Negro race can be and should be happy, contented, prosperous, law-abiding, and very helpful to his community and to his Nation. He can best be this keeping in mind his obligations to the white race and recognizing the true position of himself and of the white man.

Mr. Chairman and gentlemen, when God created the heavens and the earth and the fullness thereof and thought of suns, planets, stars and satellites, and they rolled from His finger tips and took their places in the broad expanse of space, and said, "Let there be light," and there was light, and viewing the end with the beginning, saw all that has ever come to pass and all the future and knew of the future progress of humanity before the birth of the race, He was well pleased, and yet His supreme creative work had not yet been done. He took the dust of the earth and molded it into His own image, into the form of a man and breathed into its nostrils His own creative, everlasting, immortal breath, and the image came forth a human being, a living soul, all dominating, all conquering, everlasting, eternal, immortal; a part of God Himself; a Caucasian, a white man, and God gave that first white man dominion over all things, and told him to reach to the bottom of the sea and up to the highest skies and understand and know the mysteries of all time and space, and that first man, a white man, went forth to solve, understand, conquer, and know the universe in which he had been placed. And that first white man from that day to this has been the all-powerful, all-controlling, all-dominating man of the world. He has conquered the depths of the sea; he has flown like a bird through the very gates of the skies; he has whispered around the world in the twilight of a new era; he has weighed the moon, the earth, and the sun; he is solving and knowing and bringing under his subjection and dominion all the mysteries of life, of space, and of all the universe of God, and as time goes by he is learning to think, understand, and know the thoughts of the Almighty God of the skies.

Commissioned by the Great Creator, he is the governing power of the world and is gradually shaping the nations of this earth into the highest and best forms of government, and is the ruler, and the supreme power of all other races, whether the yellow, the red, or the black. He is the all-controlling, all-powerful, all-dominating man of the world. He always has been and always will be, to the end of time.

Forces of nature may oppose him, but he overcomes them. Other peoples, races, and colors of humanity may resist him, but of no avail, he marches onward conquering and holding his God-given supremacy. Mr. Speaker, the sooner an individual learns his relation to the rest of mankind the better for that individual and for humanity, and the sooner the colored or Negro race learns its true relation to the rest of the world, and especially to the white race, the better for both races. Nothing could help so much in the solution of the race question as for the white race, not only of the South but of the North, East, and West, to know, realize, and assert, once and for all, the absolute supremacy of the white man.

By white supremacy I do not mean white oppression. I do mean, though, that this is a white man's Nation and a white man's world. The white man by nature and by God's eternal plan is the supreme man and is the governing, dominating force of the world. The powerful should always be fair, and the white race being the supreme race should be fair in its dealings with all men of all races. The white race is the supreme race, the God-like race, and should be as just in its dealings with the inferior races and peoples as God himself is just.

Mr. Chairman, in the South we are not trying to make the Negro our equal. We could not do this if we tried. We would only injure the Negro and not help him. We are ofttimes forced to use extreme measures with the Negro. This is caused by the Negro getting the wrong idea of his relation to the white man. He gets this erroneous idea from improper propaganda generally originating in sections other than the South. The man who does not know the darkey and who would help him by persuading him that he is the equal of the white man works the destruction of the Negro race.

This whole race question will be solved, and the probability of lynchings and race riots will be greatly lessened, if not eliminated, when the white race everywhere asserts its supremacy to all races and its fairness to all races.

This is in accordance with God's great plan, and the plan is as inflexible as God himself. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. SINNOTT].

Mr. SINNOTT. Mr. Chairman and gentlemen, there is one thing that has been developed in this debate and that is the unanimity with which all reprobate lynching and revere the Constitution. If I had time, I should like to add a word, a few burning words, against the heinous crime of lynching. It is indefensible. I join in the general abhorrence that has been expressed in this body against this savage, this inhuman crime. But because I abhor that crime, and because I think that the great body of our citizens who are crying out against this crime and demanding some protection are entitled to real protection, I am unwilling to subscribe to every half-baked measure aimed against lynching that may be disgorged from the Committee on the Judiciary.

This great body of our citizens is entitled to real and actual and substantial legislative protection. I am not willing to subscribe in toto to this bill, because I feel that it is an idle, vain, illusory, and nugatory measure. It is a measure that ignores and defies the repeated decisions of the Supreme Court, the repeated statements of the great text-writers who have specialized upon this fourteenth amendment, and unless this bill is amended I am unwilling to subscribe to the legislative chicanery, camouflage, deception, and duplicity that it now embodies.

The Republican platform in no place declared for this bill. The Republican platform reprobated lynching, and the President of the United States asked us to secure the appointment of a commission to determine how far Congress was entitled to go under the Constitution in order to suppress this abhorrent crime. For that reason, and for the reason that these men, this great body of our citizens, are entitled to real, actual, substantial, valid, and constitutional legislation, I wish to leave a few thoughts with the committee this afternoon.

The gentleman from Massachusetts [Mr. DALLINGER] said the other day, "Why not leave it up to the Supreme Court to decide?"

I do not look with favor upon such a proposition. The Supreme Court has already given us guides. I do not think such a proposition comports with the duty that we owe to the House and the duty that we owe to the country. I believe it is my duty to give to this House and to the country and to the great body of citizens demanding redress from lynching my best thought and my best consideration as to what is a valid measure under the Constitution looking toward the suppression of lynching.

I have not the time now to discuss the large number of decisions on the fourteenth amendment. They have been presented to you by various Members of the House. Again, it seems to me that in a mixed body, such as we have here, composed of both laymen and lawyers, decisions are more or less confusing and misleading. They contain, as Blackstone says, "subtle disquisitions and metaphysical refinements that work to great confusion of the lay gents." I think I can be helpful and best serve

the interests of this body by reading from the great authors who have specialized on the fourteenth amendment and who have written textbooks upon that fourteenth amendment. They give us a reliable, impartial, and easily understood exposition of the decisions of the Supreme Court.

They invariably lay down the proposition that the fourteenth amendment can not be invoked to suppress the lawless acts of private individuals. That proposition is laid down by every text-writer. It is laid down by every legal encyclopedia. It is laid down by every writer who has annotated our Federal Code or our Federal Constitution.

The first authority I shall read from is Guthrie upon the Fourteenth Amendment to the Constitution, the very authority which the chairman of the committee a few moments ago quoted from. On page 42 of his Fourteenth Amendment, Guthrie says:

While the application of the fourteenth amendment is universal and protects the individual from an arbitrary exercise of power by State authority, whether it be the legislature, the executive, or the judicial branch of State government, it must be borne in mind that the Federal courts can not supervise or interfere with the internal affairs of a State unless some constitutional right has been invaded by State authority. The wrongful actions of individuals, unsupported by such authority, are not to be redressed under this amendment. They constitute merely private wrongs or crimes of the individual. The denial of a constitutional right must rest upon some State law or State authority for its excuse or perpetration if the fourteenth amendment is to furnish any remedy. Nor is the hardship or injustice of State laws necessarily an objection to their constitutional validity. The Federal courts should not be driven into perplexing inquiries as to the expediency or policy of State laws—inquiries which are usually unfit and improper for the judicial department. They will not permit themselves to be made harbors in which the people are to find a refuge from ill-advised and oppressive State statutes which do not infringe or deny constitutional guaranties. The remedy for evils of that character is to be sought in the State legislatures or at the ballot box—not in the Federal courts. "The rule, briefly stated, is that whenever an act of the legislature is challenged in court the inquiry is limited to the question of power, and does not extend to the matter of expediency, the motives of the legislators, or the reasons which were spread before them to induce the passage of the act. This principle rests upon the independence of the legislature as one of the coordinate departments of the Government. It would not be seemly for either of the three departments to be instituting an inquiry as to whether another acted wisely, intelligently, or corruptly."

You will find every one of these authorities laying down the same doctrine—that the fourteenth amendment can not be invoked to suppress the lawless acts of private individuals. At this point, Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD. I shall print extracts from the textbooks.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to extend and revise his remarks. Is there objection?

Mr. DOWELL. Mr. Chairman, will the gentleman yield for a question?

Mr. SINNOTT. I have not the time to yield. I am sorry. I shall probably not be able to complete my remarks as it is. I read:

COLLINS "THE FOURTEENTH AMENDMENT AND THE STATES." (1912.)

As a consequence the relationship of Congress to the amendment has been for a long time clearly understood. It may be summed up as follows: The first section of the amendment is a prohibitory measure, and the prohibitions therein expressed operate against the States only. They bear no relationship to the acts of private persons within the States. (P. 67.)

So far as the fourteenth amendment is concerned, the Federal Government would be powerless to prevent armed mobs of whites from driving Negroes out from a State or otherwise threatening or intimidating them in their attempt to exercise the privileges of citizenship. (P. 68.)

BRANNON "THE FOURTEENTH AMENDMENT." (1901 EDITION.)

To whom it applies: The amendment applies only to State governmental action. Its first section does not operate upon the Federal Government, but on that of the States it does; nor does it have any reference to action or conduct of individual to individual. That it is a restraint upon State action is very obvious from its words, they being words of explicit prohibition. "No State shall" do the things prohibited. And section 5 gives Congress power to enforce the amendment by appropriate legislation. And the Constitution of the United States is the highest law of the land. Thus it is undeniable that the Federal Government can and should, under this amendment, in proper cases, use all its machinery for the vindication of the rights by it sought to be protected. (P. 46.)

Another sound reason given by the court in the Civil Rights cases why the privileges there involved did not fall under the fourteenth amendment is that the amendment only deals with State action, not individual action, and the denial of admission by a hotel keeper or owner of a conveyance or theater is an individual act. And would not the police power of the State in such case forbid the Federal statute? (P. 86.)

At the threshold of the discussion of the clauses of the fourteenth amendment touching these subjects it is proper to say that it is no matter by what proceeding or in what manner the State deprives the person of life, liberty, or property, or denies him the equal protection of the law, without due process of law, whether by legislation or judicial decision, or by what officer or agent or agency, so it be by State authority or by any subordinate division, as by municipal corporation, the result is the same and is equally prohibited. But it is only the State that is prohibited, not individual action. It does not touch individual action. (P. 97.)

It is hardly necessary to say again that the amendment does not touch the case of the individual or mob murder, as it deals not with acts of individuals but only with action by the State through its constituted authorities. Such murders by individuals or mobs are to be dealt with only by the States. (P. 108.)

Wrong by individuals: This clause of equal protection has no application to wrong done by one individual to another. The trespasser or murderer is only the individual trespasser or murderer, acting in his own wrong, not for the State but against the will of the State, and the amendment does not touch his wrong, as it deals only with action by the State. (P. 330.)

The author, referring to the Civil Rights cases (109 U. S., 3), states:

"In that case an act of Congress was held void and not warranted by the fourteenth amendment, because 'it stepped into the domain of local jurisprudence and lays down rules for the conduct of individuals in society toward each other and imposes sanctions for the enforcement of those rules, without referring to any supposed action of the State or its authorities.' If this legislation is appropriate for the enforcement of the prohibition of the amendment, it is difficult to see where it is to stop. Why may not Congress with equal show of authority enact a code of laws for the enforcement and vindication of all rights of life, liberty, and property? If it is supposable that States may deprive persons of life, liberty, or property without the process of law—and the amendment itself does suppose this—why should not Congress proceed at once to prescribe due process of law for the protection of every one of these fundamental rights in every possible case, as well as prescribe equal privileges in inns, public conveyances, and theaters? The truth is that the implication of a power to legislate in this manner is based on the assumption that if the States are forbidden to legislate or act in a particular way and power is conferred on Congress to enforce the prohibition, this gives Congress power to legislate generally on that subject and not merely power to provide modes of redress against such legislation or action. The assumption is certainly unsound. It is repugnant to the tenth amendment, which declares that 'powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.'" (See Justice Field's opinion in Ex parte Virginia.)

Again referring to the Civil Rights cases (109 U. S.), the author, on page 454, states:

"Justice Bradley delivered a very able opinion, the effect of which is that it is State action of a particular character that is prohibited by the amendment, individual invasion of individual rights not being the subject matter of the amendment."

* * * * * * *

It may cast light upon the proper construction of the fifth section of the amendment to say that when that amendment was proposed in Congress a clause was proposed reading thus: "Congress shall have power to make all laws which shall be necessary and proper to secure to the citizens of each State all the privileges and immunities of citizens in the several States and to all persons in the several States equal protection in the rights of life, liberty, and property." It was rejected. That rejection sheds light on the meaning of what was adopted. Had that clause been adopted, the amendment would mean more than it does. It would have given Congress power to do what the Supreme Court in all civil rights cases says it has no right to do. It would have given Congress power of affirmative legislation, such as it has in regard to commerce, to make laws, original power to make laws touching rights which the people of the States have, under State laws, covering immunities, privileges, life, liberty, property, and equality; in short, to make a code of regulation, of governing law, as to these matters, which, as Justice Bradley in those cases said, cover everything of value which man has; but, as adopted, the powers of Congress under the amendment are only vetoing, corrective, restricting, nullifying bad laws and action of the States denying those rights (p. 460).

FEDERAL STATUTES ANNOTATED.

(Second edition, issue of 1918.)

Page 582, paragraph 5, referring to the fourteenth amendment, states:

"Not against wrongful action of individuals: Civil rights, such as are guaranteed by the Constitution against State aggression, can not be impaired by the wrongful acts of individuals unsupported by State authority in the shape of laws, customs, or judicial or executive proceedings. The wrongful act of an individual, unsupported by any such authority, is simply a private wrong, or a crime of that individual; an invasion of the rights of the injured party, it is true, whether they affect his person, his property, or his reputation; but if not sanctioned in some way by the State, or not done under State authority, his rights remain in full force, and may presumably be vindicated by resort to the laws of the State for redress. Hence, in all those cases where the Constitution seeks to protect the rights of the citizen against discriminative and unjust laws of the State by prohibiting such laws, it is not individual offenses, but abrogation and denial of rights, which it denounces, and for which it clothes the Congress with power to provide a remedy. This abrogation and denial of rights, for which the States alone were or could be responsible, was the great seminal and fundamental wrong which was intended to be remedied. And the remedy to be provided must necessarily be predicated upon that wrong. It must assume that in the cases provided for the evil or wrong actually committed rests upon some State law or State authority for its excuse and perpetration.

Page 634, referring to the fourteenth amendment, says:

"That this amendment is a prohibition on all State agencies, whether legislative, judicial, or executive, and is not directed against the action of individuals * * *."

Page 919, treating on the last paragraph of the first section of article 14, which is as follows: "Nor (shall any State) deny to any person within its jurisdiction the equal protection of the laws," it is stated:

"That this amendment is a prohibition on all State agencies, whether legislative, judicial, or executive, and is not directed against the action of individuals * * *."

This bill violates every doctrine announced in these textbooks when it seeks to punish the acts of lawless individuals. In that connection I desire to call to the attention of the House the remarks of the gentleman from Ohio [Mr. BURTON] on yesterday. I think the gentleman from Ohio was led into an error by the letter of the Attorney General to the Judiciary Committee. The letter of the Attorney General to the committee quotes from the Civil Rights cases (109 U. S., p. 23), and the

gentleman from Ohio read the same quotation, which is as follows:

Many wrongs may be obnoxious to the prohibitions of the fourteenth amendment which are not, in any just sense, incidents or elements of slavery. Such, for example, would be the taking of private property without due process of law, or allowing persons who have committed crimes (horse stealing, for example) to be seized and hung by the posse comitatus without regular trial, or denying to any person, or class of persons, the right to pursue any peaceful avocations allowed to others.

The gentleman from Ohio quoted that. Then he said:

If the seizing and hanging of a horse thief is obnoxious to the fourteenth amendment, is there not a basis for legislation such as is here proposed?

The trouble with the Attorney General and the trouble with the gentleman from Ohio is that they did not read far enough in that decision, because the very next sentence of Judge Bradley is this:

What would be called class legislation would belong to this category and would be obnoxious to the prohibitions of the fourteenth amendment.

Judge Bradley was not talking about these individual offenses. He was talking about class legislation of the States that would have permitted such an offense.

I desire also to call the attention of the House to the case that the gentleman from New Jersey [Mr. PARKER] adverted to, and that is the Powell case (212 U. S., 564). That is a most important case, because it represents the very latest decision of the Supreme Court upon a statute not different in principle from the bill before us. The gentleman from Minnesota [Mr. VOLSTEAD], the chairman of the committee, tells us in effect that if those who passed the statute under which Powell and Riggins had been indicted had labeled that statute "A denial by the State of the equal protection of the laws," then that statute would have been upheld. That was the effect of his argument.

Mr. VOLSTEAD. Mr. Chairman, will the gentleman yield?

Mr. SINNOTT. I can not yield. I will develop that idea. He says in effect that if you will declare the commission of the acts interdicted in that statute as "the denial of the equal protection of the laws" that then you have an act within the purview of the Constitution. The words "the denial of the equal protection of the laws" will supply the "open sesame" that will open the doors of the Constitution to the protection desired.

Let us examine into this Powell case and see what the Supreme Court held. The Powell case was a case where a man named Powell and a man named Riggins were indicted, under statutes (R. S., 5508 and 5509) almost identical in principle with the bill under consideration, and based on the fourteenth amendment, for taking with other persons a prisoner from the custody of the sheriff and lynching him.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SINNOTT. Mr. Chairman, will the gentleman give me about 10 minutes?

Mr. SUMNERS of Texas. I yield to the gentleman seven minutes additional.

The CHAIRMAN. The gentleman from Oregon is recognized for seven minutes more.

Mr. SINNOTT. Riggins secured a severance. His attorneys applied to Judge Jones, of the United States Circuit Court of Alabama, for a writ of habeas corpus. Judge Jones denied the writ of habeas corpus and held that the fourteenth amendment covered the acts of private lawless individuals. Then his attorneys appealed to the Supreme Court. The Supreme Court dismissed the appeal without prejudice, on the ground that habeas corpus was not the proper remedy.

In the meantime the Supreme Court of the United States decided the case of Hodges *v.* the United States (203 U. S., p. 1), involving the lawless acts of private individuals, in which they held—

That prior to the three post bellum amendments to the Constitution the National Government had no jurisdiction over a wrong like that charged in this indictment is conceded.

The court said:

That the fourteenth and fifteenth amendments do not justify the legislation is also beyond dispute, for they, as repeatedly held, are restrictions upon State action, and no action on the part of the State is complained of.

Now, the Powell case, the codefendant with Riggins, was before Judge Jones. The attorney for Powell sued out a writ of habeas corpus. After the decision in the Hodges case Judge Jones was doubtful as to whether or not the Hodges case should be applied to the Powell case. The attorneys for the Government in the Powell case contended that the quotation from the Hodges case was mere obiter dicta, and that it should not be the principle upon which to decide the Powell case. Judge Jones decided that the Supreme Court meant to say that the fourteenth amendment could not be invoked to suppress the lawless acts of private individuals, reversing his former decision in the Riggins case. He decided that way because he said:

If I make a mistake against the Government, it can appeal; no one will be injured. If I make a mistake against the defendant, an irreparable damage will be done to him.

Then the Powell case went to the Supreme Court of the United States, appealed by the Government. The attorneys for the Government set forth in the record the decision of Judge Jones in the Powell case. While Judge Jones decided in the Powell case against the application of the fourteenth amendment to private lawless acts, he proceeded to restate the reasons why he decided the other way in the Riggins case. He restated his reasons in a most powerful, persuasive way, doubtless having in mind that the Supreme Court would be more or less influenced by his restatement of his reasons in the Riggins case and reverse its former holdings and reinstate his original decision in the Riggins case. That powerful opinion of Judge Jones was printed in the record before the Supreme Court. Not only that, Attorney General Bonaparte and his assistants made a wonderfully powerful and eloquent argument in their brief. I shall print in the CONGRESSIONAL RECORD excerpts from this brief and from Judge Jones's decision. You will find in them every argument that has been advanced in support of this bill from the floor of this House since the consideration of this bill began. Yet, in spite of those arguments, the Supreme Court reiterated its oft-repeated position and held that the fourteenth amendment could not be invoked for the prevention of lawless acts of private individuals.

Not only that, but the Attorney General of the United States filed an able and vigorous petition for a rehearing, in which the matter was reargued again. In spite of that the Supreme Court again reiterated its original position and dismissed the charges against Powell. In the face of this we are asked to trifle and gamble with the Supreme Court.

How much more time can the gentleman give me?

The CHAIRMAN. The gentleman has four minutes remaining.

Mr. SUMNERS of Texas. That is all I can give the gentleman.

Mr. SINNOTT. In these four minutes, gentlemen, I shall present some of the arguments advanced by Attorney General Bonaparte to show why he could invoke the fourteenth amendment against the lawless acts of private individuals. Referring to the deductions to be drawn from the decisions of the Supreme Court in other cases, he says:

They conclusively establish the contention that the United States is not confined to merely antagonizing and nullifying State action, but may and should actively participate in enforcing the guaranties embodied in this amendment.

Another argument he made was:

While these clauses express prohibitions against the States, yet these prohibitions are for the benefit of the individuals, who are within the jurisdiction of the States. Indeed, this amendment was adopted solely for the benefit of individuals; and we submit, therefore, that in some of the above-cited decisions, and especially, in the dicta contained therein, emphasis was improperly laid upon the rights of the States as opposed to the rights of the individuals subject to their laws (p. 43).

That argument was rejected. Again the Attorney General says, referring to the fourteenth amendment:

And there was, furthermore, guaranteed and secured to all persons, regardless of race or color, that the States should forever thereafter not deny but afford to them the equal protection of the laws.

That is the argument that has been made here. Continuing, he said:

The effect, therefore, of the two clauses when taken together was to place all individuals upon an absolute equality before the law in all matters essential to the preservation of life and liberty and for the pursuit of happiness—

And this is in italics—

and to guarantee and secure to every individual that he should have the same protection of the laws that all other individuals have, and that all proceedings against him or his property should be conducted in accordance with the regular methods of procedure (p. 46).

Then, again, he says:

But it is the *guarantee* of State action to protect each individual in the enforcement of his rights, and the *guarantee* that all State action shall be by due and equal process of law that specially concerns us in the present inquiry (p. 46).

In the enforcement of the rights and privileges secured by the fourteenth amendment the United States is not restricted to actions corrective in their nature and antagonistic to the State governments, but may act in conjunction with or even independently of the States (p. 50).

It was contemplated that in some instances the State authorities would refuse to enforce this amendment, and that in other instances the State authorities would be unable to do so, and for that reason it was provided in the fifth section that it should be enforced by the United States by and through appropriate legislation by Congress. No limitation is placed upon the character of this legislation, except that it shall be appropriate for the purpose. But if there is any one thing that is perfectly clear from the language of the amendment it is that the rights and privileges secured *shall be enforced, and that regardless of the*

State's will. And there can be no less doubt that in case a State should refuse, or be unable to enforce them, *the United States authorities, acting under congressional enactment, may proceed to their enforcement independently of the States.* This position is abundantly sustained by the decision of this court, and never denied except in dicta (p. 53).

But can there be any practical difference between the incapacity of the State authorities growing out of their judicial system, *and their incapacity arising from sheer want of physical power to afford the accused this right?* In the latter instance the right is just as important to the accused as in the former, and the amendment contains no warrant for a distinction between the two conditions (p. 55).

The defendant set at defiance the pledges of the fourteenth amendment by slaying Maples to prevent him from being tried by due process of law and from having the equal protection of the laws, while they were being administered to him by the very authorities which were designated by the amendment as the proper authorities to administer them (p. 59).

Then, again, on pages 61 and 62, the Attorney General argues as to the meaning of the fourteenth amendment:

What we conceive to be the fundamental error in this argument is the idea that these "due process of law" and "equal protection" clauses are ordinary prohibitions. They can not be construed as prohibitions in the ordinary sense of that term. With reference to the latter clause, the word "deny," when standing alone, implies negative action, but when used in connection with the word "not" the two become a double negative, which, as the amendment is written in English and not in Greek, is equivalent to an affirmative, and means "grant." (P. 61.)

There is nothing strained or peculiar about the simple expression "nor deny the equal protection of the laws." It means "*grant* the equal protection of the laws," and all the reasoning of the sages and the most profound jurists can never make it mean anything else. And the United States has, therefore, had written right in the face of its Constitution, as a pledge to everyone residing within the jurisdiction of the States, that those States *shall grant to them the equal protection of their laws.* (P. 62.)

The exact question here presented is this:

When the State authorities possess the will to enforce the rights secured by this amendment, *but are entirely helpless, is it beyond the power of the United States to come to their assistance?* Has the National Government undertaken to create and secure certain rights and privileges, and yet, when a State is too weak to enforce them, must it sit with folded hands and complacently witness the willful murder of its citizens in violation of those rights and privileges? If the hand of the Government must be stayed until the State shall develop antagonism, then fortunate is he who falls into the hands of hostile State authorities, because he may entertain some hope of a trial by due process of law and of the equal protection of the laws, while he who falls into the hands of State authorities who are *willing* to grant the accused such protection, but are *unable* to do so, is without hope, because neither the State, from physical weakness, nor the United States, from inherent feebleness, can afford him the necessary relief. (P. 63, 2d par.)

If one of our armed vessels were in a foreign port and the commander should there refuse to protect an American citizen against a mob which had overcome the local authorities and were threatening his life, such commander would be discharged from the service in disgrace. And yet it is seriously urged that a citizen of this Government, to whom it has guaranteed trial by due process of law and the equal protection of the laws, while in the hands of State authorities, who are honestly endeavoring to carry out those Federal guaranties, may be by superior force wrested from such authorities and murdered in order to prevent him from exercising and enjoying those rights, and that the Government—the very Government that claims to have secured to him these rights and privileges—can not aid the State authorities in resisting the mob or inflict upon its members punishment for setting at defiance the laws written in its very Constitution. (P. 64.)

EXCERPTS FROM PETITION FOR REHEARING.

Suppose a State refuses by mere inaction to afford one the equal protection of the laws, has such person no relief? Or suppose, as was the case with Horace Maples, the State is unable to give him the equal protection of the laws, or to try him by due process of law, are these guaranties so worthless that they can afford him no protection? (P. 9.)

To determine this question against the United States is to deny all protection to its citizens when situated as Maples was, and to render it impossible for punishment to be inflicted upon those who commit murder in open defiance and in contempt of the fourteenth amendment. This is true, because experience demonstrates that the authorities of no State are able to punish those guilty of crimes of this character. (P. 11.)

Has anyone here presented anything not found in the argument of the Attorney General or presented it with more force or eloquence?

Now, listen to the excerpts from the decision of Judge Jones, printed in the record before the Supreme Court. I shall also print his syllabus, as therein he gives an explanation of the case. The syllabus was written by him:

UNITED STATES v. POWELL.

[Circuit court, northern district of Alabama, March 22, 1907.]

CONSPIRACY—CRIMINAL RESPONSIBILITY—CONSTITUTIONAL LAW—DEPRIVATION OF RIGHTS—RIGHT TO TRIAL BY DUE PROCESS OF LAW.

[Federal Reporter, vol. 151, p. 648.]

In Ex parte Riggins (134 Fed., 404) the circuit court ruled that certain counts of the indictment were good under constitutional amendment 13. It also held that two other counts based upon the fourteenth amendment were good, as the fourteenth amendment secured to a prisoner in custody of the sheriff, on accusation of crime against the State, the right, privilege, or immunity to have the benefit of a jury trial by the operation of the State's established course of judicial procedure, and that private individuals who lynched such a prisoner to prevent his enjoying the benefit of such a trial deprived him, in the constitutional sense, of a right secured to him under the fourteenth amendment, and could properly be indicted under sections 5508 and 5509 of the Revised Statutes (U. S. Comp. Stat. 1901, p. 3712). The defendant in this case, who obtained a severance and demurred to this indictment, was a codefendant with Riggins, who appealed to the Supreme Court (26 Sup. Ct., 147; 199 U. S., 547; 50 L. Ed., 303) from a decision of the circuit court refusing to discharge him upon habeas corpus. The Supreme Court, holding that habeas corpus was not the proper mode of testing such questions, quashed the writ. Riggins's appeal was argued and submitted at the same term as the Hodges case (27 Sup. Ct., 6; 51 L. Ed., —), which involved like questions under the thirteenth amendment. After the Supreme Court thus disposed of the Riggins appeal it decided the Hodges case, holding that similar rights to those claimed under the thirteenth amendment were not secured by the Constitution or laws, and made use of expressions in the latter opinion which, in the view the circuit court took of them, under the circumstances stated, made it doubtful whether the Supreme Court did not intend to hold that the United States has no power, under any circumstances, to deal with lawless private individuals for violation of rights secured under the fourteenth amendment.

The Government insisted that the expressions in the Hodges opinion as to the fourteenth amendment "went beyond the case," and should not "control the judgment" as to the rights and immunities here claimed under the fourteenth amendment. The circuit court, while satisfied as to the soundness of the Riggins case, as regards the counts based on the fourteenth amendment, was, nevertheless, of opinion that proper judicial subordination required the circuit court, under the circumstances stated, not to run counter to the last utterances of the Supreme Court as to the fourteenth amendment, though they "went beyond the case," and that the only court which could properly determine what was intended by these expressions is the Supreme Court itself, and accordingly held, sustaining the demurrers to the indictment, that no right, privilege, or immunity under the fourteenth amendment, in respect of due process at any stage of the duty of the State in affording it, is secured under that amendment, unless there is actual denial of the right by the State or its officers; and that private individuals who take a prisoner from the custody of the State's officers and murder him, to prevent his enjoying the benefits of a trial by the operation of the State's established course of judicial procedure, do not deprive him of the enjoyment in the constitutional sense of any right secured to him by the Constitution or laws, and were not therefore indictable under sections 5508 and 5509 of the Revised Statutes. (Syllabus by the court.)

EXTRACTS FROM A DECISION OF JONES, DISTRICT JUDGE, AND UNITED STATES V. POWELL (151 FED. REP., 648).

The precise issue the remaining counts present is whether a citizen lawfully held in the custody of the State, awaiting trial on a charge of crime, has any right or immunity, which Congress can protect under the fourteenth amendment, against lawless violence of private individuals, which prevents, and is designed to prevent, the State from affording the accused, when it endeavors to do so, the benefit of a trial according to the "law of the land," by the administration of the State's established course of judicial procedure (p. 650).

The performance of the duty by the State to its full extent is the dominant thought and purpose of the amendment. When the framers of the amendment, knowing that the States must continue to administer justice and punish crime within the State, coupled with this constant and continuing duty the condition that the States shall not deny due process of law, the substance of what they intended can not be less than that the State shall afford to every person enjoyment of the benefits of due process, when it starts out to administer its justice in his case. Unless we surrender abjectly to the witchery of mere grammatical expression and utterly desert the spirit of this clause, we must hold that the command, "no State shall deprive," etc., is only another form of command that each State shall afford enjoyment of the administration of its established course of judicial procedure in a case like this. The dominant end and purpose the amendment had in view were not merely that the States shall pass proper laws and furnish proper officers, who endeavor to execute them, but that the duty imposed upon the State shall be so fully performed that the citizen shall have actual, physical enjoyment of the benefits of the right, as distinguished from fictitious enjoyment, in theory of law, of a right in the form of an enchanting declaration upon parchment. One main aim of the amendment was, in short, to put an end to the denial of the State's justice by means of the execution of private vengeance upon criminals and persons charged with crime by lawless private persons when the prisoner was in the hands of the law by giving power to Congress, standing behind the effort of the State, to bring that purpose to pass by any mode whatever which does not overthrow or usurp the State's power (p. 652).

The other is a positive duty, and requires affirmative, sustained action at the hands of the States, compelling them, as we shall presently see, to do certain things, in given modes and times, in particular cases as they arise, without which the benefits of the right can not possibly be had (p. 653).

It by no means follows, however, that the amendment did not intend to confer power upon Congress to deal with lawless private individuals who interrupt the performance of the other duty flowing from the prohibition regarding due process. This duty, unlike the other, is a positive duty enjoined upon the State, and demands in particular cases as they arise affirmative action of a particular kind at its hands in some stages of the duty (p. 653).

The sum of the command in the case we have here is that the State must afford the prisoner the due administration of "its established course of judicial procedure" (p. 654).

The citizen or person can not, in the nature of things legal and finite, have enjoyment of the benefits of the right this clause is intended to secure by requiring the doing of those affirmative acts, if lawless private individuals, by themselves punishing the prisoner, prevent the State's officers from taking him into its tribunals, hearing him and his witnesses, confronting him with his accusers, and then having its officials in whom the power resides pronounce judgment of acquittal or conviction, as this clause of the Constitution commands the State to do (p. 655).

Plainly Congress may legislate under the fourteenth amendment to punish private individuals in such a matter as this, * * * (p. 660).

Congress was therefore given power to see that the States accomplished their task. The General Government is not left to the means provided by the States to secure any rights which the Constitution commands the States to afford. It may or it may not depend upon such instrumentalities. It is not bound, under the fourteenth amendment, to leave the protection of these rights to the execution of State laws, however inefficient it may prove in bringing about the results intended by the Constitution. It is not compelled to sit still until the State calls for the military arm of the Government to put down individuals who defeat enjoyment of these rights by preventing the execution of State laws (p. 661).

Having determined to this end that the United States might supervise and correct the action of the local sovereign, it would seem strange, indeed, if the amendment intended to deny to the General Government in accomplishing its object all power to deal with private individuals who were subject to but resisted the laws of the local sovereign (p. 662).

We ought not to shrivel the power by treating it as a mere penal enactment against faithless State officers (p. 662).

This powerful and luminous argument of the Attorney General and the equally able argument in the decision of Judge Jones were rejected by the Supreme Court. I might say, I hope, without being offensive, that the arguments that we have heard on this floor during this discussion are mere reflections and reiterations of the arguments presented by the Attorney General of the United States and by Judge Jones to the Supreme Court in the Powell case. How fatuous it is then to indulge the hope that similar arguments will be of any avail to overturn the oft-repeated decisions of that court. Why not frame a bill consonant with the decisions of the Supreme Court?

I want to grant to these colored people every right and every protection that the Constitution of the United States authorizes us to grant, but I am unwilling to trifle and juggle with them. There is going to be a hereafter, and if this law is passed in its present form, when the Supreme Court holds it unconstitutional, as it surely will, they will come back and say that we have trifled with them, that we have juggled with them, and that we have handed to them a "gold brick."

I am willing to go as far as the law will permit us to go, and where the law will not permit us to go I am willing to support an amendment to the Constitution of the United States that will enable us to reach the crime of lynching and give them real, actual protection; but I am not willing to subscribe to a bill that I believe is, in the most part, vain, idle, nugatory, and unconstitutional. [Applause.]

Mr. SUMNERS of Texas. I yield five minutes to the gentleman from Alabama [Mr. JEFFERS].

THE PROPOSED DYER ANTILYNCHING LAW, SO CALLED, AND ITS UTTER FUTILITY.

Mr. JEFFERS of Alabama. In my remarks it is my purpose to impress you with the fact that the people of that section of the country where I live realize the obligation that rests with state and county to stamp out mob law in all its forms.

If anyone has any idea that my people condone lynching, or lawlessness in any form, I want to disillusion your mind, for that is not true. We know there is a duty which rests upon the State, and there is also a duty resting upon the people, both white and black; we know that. It is wrong for anyone to say that any State acquiesces in lynch law.

I want to tell you how Alabama, for example, is already handling this situation. And I want to say, my friends, that interference such as is provided in this foolish "alleged" antilynching law would actually hinder rather than help the handling of the problem.

Regarding this Dyer bill let me say that it is a disciplinary measure appearing here under a misleading name. Its utter futility is apparent; it is an unnecessary and an unwarranted slam at all State and county judicial and executive officers; and it is an unfair imposition upon innocent citizens and taxpayers. It would tend to encourage criminals to more boldly and freely attempt crime, and the natural result would be, therefore, that it would make matters worse instead of better.

ALABAMA HAS TAKEN STEPS HERSELF TO HANDLE THE SITUATION.

So anxious has Alabama been to suppress mob violence that the people included in the constitution of the State provision for the impeachment of sheriffs where a prisoner suffered death or grievous bodily harm owing to the neglect, connivance, cowardice, or other grave fault of the sheriff. (Ala. Const., 1901, sec. 138.) And to prevent the nonenforcement of this provision because of local public sentiment the State constitution provides for the impeachment of sheriffs by the supreme court, or court of last resort. (Ala. Const., 1901, sec. 174.) Our supreme court has unhesitatingly removed sheriffs whenever any negligence whatever could be traced to them in such cases.

The Alabama statutes also provide that the governor, and in some instances the circuit judges or sheriffs, may use the State militia to suppress mob violence. (Ala. Crim. Code, 1907, sec. 7396 et seq.) For this purpose the governor may transfer trained policemen to any part of the State. (Acts of Ala., 1919, pp. 163–164.)

I am opposed to lynching and believe that every legitimate effort should be made to suppress it, and to punish those who engage in mob violence. But even if Federal legislation could be validly enacted, vesting in Federal courts the jurisdiction to try such cases, I do not think that such Federal legislation would serve in Alabama to materially assist in suppressing lynching. My reasons for this conclusion are as follows:

First. By constitutional provision sheriffs of Alabama are already held to the highest degree of care in protecting persons from mob violence, and their impeachment for a failure to furnish this protection is removed from local influence.

Second. The judicial and executive officers of the State of Alabama are as high-minded, patriotic, and as fearless in the discharge of their official duties as are the Federal officers.

Third. The jurors before whom such law violators would be tried in the Federal courts would necessarily be drawn from the same citizenship as the jurors of the State courts. In the jury boxes in the State of Alabama will be found the names of people of high character and intelligence. As intelligence and high, patriotic ideals go hand in hand, it follows that a just verdict would be just as often returned in the State courts as in the Federal courts.

Fourth. This bill is purely a disciplinary measure, and is a rank imposition on the State.

As the Brooklyn Eagle thoughtfully points out:

In the last analysis a man's guilt or innocence must be decided by 12 good men and true, whether in a Federal or a State court.

It is difficult to see where Federal intervention would change the procedure of courts composed of the same class of citizens. In all probability all the latent well-meaning back of this effort to stop lynching would be more than neutralized by vicious outcroppings of racial hate. It would go far to defeat the growing understanding between whites and blacks and to prove a backset to the sociological evolution now taking place in the South.

The South's opposition to the Dyer bill is not based on any sympathy with mob violence, but it is mainly, I believe, based upon the fact that it is a farcical sham that will do no real good. Instead it will do untold harm.

Upon the passage of this bill it would be found that it would be understood by some—from the very name of it—to be a law enacted to protect the guilty from the extreme penalty, and it would encourage the would-be rapist to more boldly attempt to do his fiendish work. As a general rule, wrong methods for the correction of an evil will cause more harm than the evil as it is. All good citizens, South, East, North, and West, stand together in opposition to "lynching," but this proposed legislative panacea, which penalizes the innocent and makes whole communities suffer together for the lawlessness of a few, is not consistent with American ideas of justice and fair play and commits one offense in trying to remedy another. It is fundamentally wrong; it can not be worked; it will not do to pass it.

Why this unwarranted slap at the efficiency and the loyalty of every local sheriff, of every local deputy, of every local judge on the bench, and of every good citizen whose name is in the jury box of his good county? Why this unwarranted disciplinary feature against all citizens of this country, this illegal proposal to paste a disciplinary fine of $10,000 on their county treasuries? Would good American sheriffs and deputies and judges and jurymen accept that insult in good grace? Would innocent American citizens and taxpayers accept the disciplinary $10,000 fine in good grace? No; they would not. And you know they would not.

This manifestly unfair proposition will never work, and you know it will not. This measure reflects petulence and littleness and a desire to spank American officials and citizens like so many schoolboys. It is childish, it is foolish, and it is not consistent with the American way of facing facts squarely or of meeting issues fairly. [Applause.]

Some gentlemen present may feel that they are doing a wonderful thing for the entire colored race, but believe me when I tell you that you are only playing to some of the so-called "big Negroes" of the North, who are, in my opinion, the worst enemies that the mass of the colored people have. The Negro of the South, and that is where the Negroes live, knows that the southern white man understands him and wants to treat him right if he himself will keep his place and behave. But while the southern white man will treat the colored people right, he will never change the social dead line, well established and well understood, and whenever the Negro oversteps the white man's dead line he knows, and he is so informed by the right-thinking members of his own race, that he thereby takes his life in his own hands.

I do not condone lynching, and neither do any of you here, but I can imagine the terrible despair that must be felt in the heart of the man upon whose loved one has fallen the blighting hand of the brutal rapist. And when that cold steel has pierced the heart of any man, be he the most law-abiding citizen of any community, I have some slight conception of the blackness that must engulf his very soul and of the blindness of his uncon-

trollable rage, and naturally he has the sympathy of his neighbors.

Still, while we have some idea of the feelings of the people of an outraged community, and while we sympathize with them, we know that lynching is illegal, and we know that the influence of the cool-headed citizens must be used to see that the law takes its course. It is then, in the most extreme cases like this, that the strong, leading spirits of the community and loyal public officials have bravely thrust themselves into the breach, pleading with the frenzied men to let the law take its regular course, and have in many instances successfully exerted their influence. Time after time, under circumstances like these, the reasoning of these calmer heads has prevailed, and great victories have been won for law and order as against mob rule. So it is highly important that we encourage these officials and other leaders upon whom we must depend in times like this, and not insult and discourage them with such threats of unfair punishment as this legislation provides for.

The people of the South know the obligations resting upon the State and county to stamp out mob law. The people of the Southern States are not lawless. They will handle this situation better by State authorities than it could ever be handled by Federal authorities. Let me read a very timely and well-worded editorial from an Alabama daily—the Selma Times-Journal—which calls attention to the duty resting upon the community, and which at the same time points out the manifest futility of this proposed Federal disciplinary measure:

The Federal antilynching bill has been favorably reported by the committee in the House, and its passage will be vigorously pressed by the Republican majority. The bill is an effort to redeem the pledge given in the Republican platform, and which was incorporated in that document as a means of corralling the Negro vote in the doubtful States.

The bill is drastic in its provisions and also unjust, as it penalizes the innocent for the crimes of the guilty. It is intensely antisectional and is believed to be fatally defective. It requires that all persons who are accused of participating in a lynching shall be tried in a Federal court. All counties where a lynching occurs are subject to a fine of $10,000. All officers who fail to make reasonable efforts to apprehend and punish the lynchers shall be adjudged guilty of a felony. Those who are convicted of being members of a mob may be sentenced to life imprisonment.

Unfortunately for the contrivers of this new statutory device no means is provided for taking the subject matter out of the hands of the juries. The juries even in the Federal courts must pass upon the cases brought before them, and it may be safely foreknown that their sympathies and interests will make them recoil from verdicts that will not only condemn the actual offenders but will involve influential public officials and assess heavy penalties against their own communities and against themselves. Right here the law will prove abortive and of little value. It will not, no matter how buttressed with safeguards, be able to rise above the jury box. If the law seeks to throw the responsibility of a lynching upon the entire community, then the community, in self-preservation, will reject the imposition.

The manifest futility of this proposed Federal enactment will not, however, relieve any community of the obligation that rests upon it to stamp out mob law. Wherever these exhibitions of savagery occur the whole morale of a people suffers. No State or county should undertake to protect or condone such outrages, but the communities should themselves take up the work of preventing these disgraces and of making such usurpations as the new Federal antilynching bill unnecessary.

I tell you in all seriousness that there is no remedy in such an impossible measure as is this bill. The States are able to take care of their own affairs in this connection, and they will do it. The authorities of the several States should, and I am sure they are taking up this question in all seriousness to find out the best possible solution that may be obtained by their own legislation and judicial reform. And then the leaders of the colored race must impress seriously upon their people the necessity of virtue and morality and create among them a sentiment which will make the member of their race an outcast who commits the crime which so often leads to lynching.

Former President Roosevelt, discussing the question said:

Every colored man should realize that the worst enemy of his race is the Negro criminal, and above all the Negro criminal who commits the dreadful crime of rape; and it should be felt as in the highest degree an offense against the whole country and against the colored race in particular, for a colored man to fail to help the officers of the law in hunting down with all possible earnestness and zeal such infamous offender.

Help us, my friends, to solve our problem, but do not make the handling of it all the harder for us by passing this measure that we have before us here now under the name of an "antilynching" bill.

Is it not a fair and reasonable suggestion that the advice of the Representatives in the National Congress from the section of the country most affected be taken in this matter? For example, I, myself, am willing to take the advice and abide by the opinions of my colleagues in this body who are here from out on the coast regarding the Japanese question out there. I have never lived in California. I realize that I can not see and understand the situation there as well as the man who lives there. I believe the Representatives from the Pacific coast would advise me honestly and well as to the desirability of any legislation especially concerning their particular section of the country. I know they understand the situation better than I, who have never lived there. And, therefore, on matters concerning their yellow problem out there, I would be guided more by their advice than by the advice of men from other sections. So is it not a reasonable suggestion that the serious arguments of the Representatives from the South be heeded in connection with this alleged antilynching measure? If you will think for a moment you must realize that they know the situation.

From the daily press we have seen that practically all of the petitions that have come to Congress asking for the enactment of this legislation have been from colored societies, and in the cases that I have noticed these petitions have been given out at points very far removed from that part of the country where most of the colored people live.

My advice to the leaders of the Association for the Advancement of Colored People and the Colored Congress and Society for Amity Between the Races, and the 5,000 Negroes who recently assembled in New York and petitioned Congress, is that if their sincere desire is to stop the lynching of members of their own race they are on the wrong track when they spend their time framing and delivering petitions to Congress asking for the passage of this perfectly futile measure, which would only tend to arouse sectional as well as racial feelings. The State authorities do not want any lynchings within their borders, and are honestly trying to stamp out mob law. They are trying earnestly and energetically—and making progress, too, I may say—to develop strong public sentiment in this direction, and if these so-called "leaders" of the Negroes want to do something worth while to really help stop lynching, so far as their own race is concerned, then my advice to them is that instead of sending petitions to Congress to pass this bill they should be finding a way to impress upon the people of their own race the fact that they must themselves help by stopping the crimes for which lynching often occurs. If they will bend their efforts seriously in that direction they can help materially.

Do not make the problem all the harder to handle. You who want to do the right thing and help—not hinder. Vote against this bill, my friends, it is a farcical, impossible, futile thing—I tell you it will never do. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LARSEN].

Mr. LARSEN of Georgia. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

THE DYER ANTILYNCHING BILL.

Mr. LARSEN of Georgia. Mr. Chairman, the caption of the pending bill, so far as its practical effect is concerned, should be: "An act to assassinate State rights; to nullify the constitutions of the several States; to corrupt public morals; to encourage rape and race riots; and to pension the families of rapists and despoilers of society."

The purpose and intention of the bill is obvious. There is little or no attempt to conceal it. Everyone realizes that it is to be enacted for political purposes, to enable the Republican Party to more firmly secure its hold upon the Negro vote, and to bow to the demands of race agitators and Negro organizations of the North. Individual Members with large Negro constituencies are evidently impelled to support the measure upon the basis of self-preservation. Gentlemen, you are paying too much for your whistle.

Heretofore the race problem has been confined almost exclusively to the South. If I mistake not the trend of the times, within a short while the North will also be compelled to grapple with the proposition. Your density of population will lessen your exposure to rape, the chief cause of lynching, but the question of social equality, race riots, and other race problems will vex you. May I say to the Representatives of the North that when these trying hours come you will then understand and appreciate the South with its problems.

Yesterday I listened with regret to the address of the distinguished gentleman from Ohio, Senator BURTON. He frankly admitted doubt as to the constitutionality of the proposed law, but, in effect, said the public demand for it was such that we should pass the bill and let the courts determine its constitutionality.

Can it be the gentleman has forgotten that Members of Congress are sworn to support the Constitution? If there be doubt as to the constitutionality of a proposed law, shall we resolve that doubt in favor of public opinion and assume the responsibility of swearing a lie, even though our God-given conscience

suggests a doubt? At Cooper Union February 27, 1860, Mr. Lincoln said:

> No man who has sworn to support the Constitution can conscientiously vote for what he understands to be an unconstitutional measure, however expedient he may think it.

My God, how the party of the immortal Lincoln has degenerated.

I would not attempt to justify lynching or murder in any form. No person can, but lynching is as susceptible of justification as is rape, the primary cause of lynching. Which is the more shocking to the sensibilities of society—information that some pure, white girl has been raped in the community by a black brute or that some person, black or white, guilty or innocent, has been lynched by an infuriated mob? There can be but one answer. Of the two, rape is infinitely worse.

Do you understand the emotions which actuate mobs in lynching for rape? Do you understand that our National Constitution, Article VI of amendments, requires that defendants charged with crime shall be given a public trial and confronted with witnesses testifying against them? When a virtuous female has been raped and ruined by a black brute, would you have her suffer further humiliation by being dragged before the court and the curious public to tell in detail the story of her disgrace and ruin? If you understand all this and many other gruesome matters which enter into the subject, you may understand the spirit of the mob. Would we not serve a better purpose by amending the Constitution so as to provide that defendants charged with rape may be given a private trial before the court with an impartial jury? Would not this lessen lynchings to a far greater extent than the proposed law?

Rape is worse than murder. Some of you may not regard the crime of rape as atrocious as do the people of the South. I know that in Ohio the maximum penalty for the crime of rape is only 20 years' imprisonment in the penitentiary, unless the rape be committed upon one's own sister or daughter or female less than 12 years of age, in which event it may be life imprisonment. I know that in New York and many other Northern States 20 years is the maximum penalty for rape. In Pennsylvania it is only 15 years' imprisonment or $1,000 fine.

In Georgia, and I believe all other Southern States, we regard the crime as more atrocious. We feel that a man has no more right to rape the daughter or sister of another than to rape his own. We do not believe he should be permitted to rape females of any age. If he should do so, we believe he has wrecked a life and forfeited the right to live; hence the penalty of the law for rape is death.

The proponents of the bill have an abundance of statistics as to lynchings which have occurred within the last 30 years, but no one of them can tell us the number of rapes which have occurred during the same time, or for any specific period. Can they tell us whether lynchings have, to any degree, diminished the crime of rape? No. They simply say it has not prohibited it. Certainly not, but the question is, Has it diminished it? The laws against murder do not prohibit it, but they deter. The proposed law will not prohibit lynching, but will undoubtedly encourage rape. As already pointed out, the antilynching law of South Carolina, in force for a quarter of a century, has not prevented lynching in that State, nor is it contended the antilynching law of Ohio has prevented it there.

Lynching is murder, and murder is a violation of law in every State of the Union. As long as no State denies to any person within its jurisdiction the equal protection of its laws, Congress has no constitutional authority to pass the proposed bill. Mind you, the Constitution says that no State shall "deny to any person within its jurisdiction the equal protection of the laws." It does not say that it shall guarantee and afford to each person equal protection from assaults of citizens. This must be recognized as impossible in the practical operation of State or National affairs. It is a sufficient compliance when the laws do not discriminate and afford equal protection to every person within its jurisdiction.

If the bill as written should be enacted into law, it will, of course, be held unconstitutional. No court would jeopardize its reputation for integrity and knowledge of legal procedure by declaring such law valid and constitutional. To construe it otherwise would constitute one of the most infamous judicial rapes of our National Constitution ever recorded in the annals of legal jurisprudence. I can not understand how an unbiased person with legal knowledge, who has studied our Constitution and the provisions of the bill, can reach any other conclusion.

Where and when did the States delegate to the Federal Government the right to make criminal laws to govern any State? What paragraph of the Constitution denies to the States their full enjoyment and discharge of such rights and powers?

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people. (See Article 10, Constitution.)

It is admitted by all that there is no authority for the proposed legislation unless it be found under the provisions of the fourteenth amendment. Let us, therefore, consider the question in the light of the decisions of our courts.

The fourteenth amendment provides that no State shall "deny to any person within its jurisdiction the equal protection of its laws."

What does this mean? Regarding the amendment in the case of United States *v.* Cruikshank (1 Woods, 308), the court said:

> It is a guaranty against the exertion of arbitrary and tyrannical power on the part of the Government and the legislature of the State, not a guaranty against the commission of individual offenses; and the power of Congress, whether express or implied, to legislate for the enforcement of such a guaranty does not extend to the passage of laws for the suppression of crime within the States. The enforcement of the guaranty does not require or authorize Congress to perform the duty that the guaranty itself supposes it to be the duty of the State to perform, and which it requires the State to perform.

In One hundred and sixth United States, page 638, the above is approvingly cited in the case of United States against Harris.

Again, in United States *v.* Cruikshank et al. (92 U. S., p. 542), the court said:

> Sovereignty for the protection of the rights of life and personal liberty within the respective States rests alone with the States.

In Virginia *v.* Rives (100 U. S., p. 313) the court holds:

> The prohibitions of the fourteenth amendment have exclusive reference to State action. It is the State which is prohibited from denying to any person within its jurisdiction the equal protection of the law—

And so forth.

In the famous Civil Rights case, United States *v.* Stanley et al. (109 U. S., p. 11), discussing the fourteenth amendment the court said:

> It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation.

The law books are full of decisions to this effect, such as Barbier *v.* Connolly (113 U. S.); Pembina Mining & Milling Co. *v.* Pennsylvania (125 U. S.); James *v.* Bowman (190 U. S.); Barney *v.* City of New York (193 U. S.); Keller & Ullman *v.* United States (213 U. S.), which discuss the question and show conclusively the unconstitutionality of the proposed bill. But why submit additional authorities upon a proposition so plain?

In conclusion, let me say it may be—shocking as it is to conceive—that public opinion holds the virtue of its women in no higher respect than does it regard property. In some States—Pennsylvania, for instance—it may be possible for a black brute to lay his lecherous hands upon the fair form of a virtuous white girl, deflower her youth, blacken and wreck her life, and by counting out a thousand filthy dollars walk out of the courtroom free to repeat his heinous offense. But, thank God, in Georgia, and in other States who share her ideals, if a brute lay his hands in violence upon a woman, be he black or white, high or low, rich or poor, born within or without her borders, he shall pay with his life for this offense. No act of Congress or proclamation of President can change this law or abate one jot or tittle thereof.

With pride and reverence, I stand by the traditions and ideals of my people and under my oath to support the Constitution I vote "No."

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Georgia [Mr. BELL].

Mr. BELL. Mr. Chairman, Congress enacts too many laws. A large per cent of the legislation enacted here should be left to the States, and if we continue a few years longer to usurp authorities delegated to the States under the Constitution, we will not be able to tell where State lines begin or where they end, so far as the laws of the land are concerned. It would be far better for the country as a whole if Congress should repeal numerous laws which have been enacted here and leave these matters to the jurisdiction of the States.

In my judgment, the bill now being considered, if it should be adopted, would be without avail, dangerous and fraught with many consequences. We are drifting too much to Federal control of our affairs, and the day is coming, in my judgment, when the Nation will suffer on account of our tendencies and activities. We must halt. We can not afford to continue to further disregard the spirit and letter of the Constitution and usurp police powers delegated to the States. That this measure is sectional in its nature there is no doubt. That it has some political significance there appears but little question. If this is the thought which engages the proponents of this measure, they will find themselves badly mistaken in the results, and the passage of this bill will be as big a political blunder as that made by President Harding in his recent Birmingham speech.

To advocate political equality between the races carries with it social equality, as it would be impossible to separate one from the other to a certain and marked degree. To wish upon

the South a division of political preferences with the Negro is something which will never be tolerated and should not be advocated by anyone, not even a Republican President.

Some of the advocates of this measure have stated that the bill is not sectional. This will do for the RECORD, but it is not digestible. I believe that 50 per cent of the Republican membership of this House regret the reporting of this bill, and, in reality, prefer not to vote for it. I believe the time is opportune for these Members to vote their convictions and disregard the report of the committee having charge of legislation of this character. I can not believe it the duty of any Member to vote for a measure not consistent with his views merely because it is favorably reported from a committee of the majority side. If we commit ourselves to a proposition, which, according to our individual opinions, is not constitutional nor wholesome nor to the best interest of the entire country, we may certainly expect just criticism of our deeds. In this connection I ask permission to incorporate as a part of my remarks an editorial which appeared recently in the New York World, which runs as follows:

LYNCHING THE CONSTITUTION.

[From the New York World.]

No newspaper in the country has more constantly and more bitterly fought the lynching evil than the World. But the World is not in favor of lynching the Constitution of the United States in order to reach the evil, and particularly when so desperate a remedy would come to nothing.

This is what the so-called Dyer antilynching bill, now being jammed through Congress by the Republican majority, amounts to, and all it amounts to. Lynching is made a Federal crime by this measure, and participators are subject to Federal prosecution and localities are held nationally responsible to pay money damages to the families of victims.

If Congress can validly make this kind of offending a Federal crime, there is no felony or misdemeanor known to the laws of any State which can not be made a Federal crime and imposed upon the Federal authority for detection, prosecution, and punishment. If then, perchance, there should remain any vestiges of the police power and reserved rights of the States, they could also be swept into the maw of centralization until nothing would be left but the name, and that would soon become but a memory.

The proposition would be as vain in practice as it is obviously unconstitutional. No State is now without antilynching laws, and many of them, including those of the South, are of the most stringent character. The Federal authority and processes under the proposed bill would have to run in the affected districts as the State authority now runs, and how much more effective would they likely be when subject to the same obstructions affecting the administration of State law?

The Dyer bill is a michievous and essentially a lawless measure and every effort should be made to prevent its enactment.

The World is one of the best newspapers published in the United States and has for many years consistently protested against lynching, and such an editorial coming from this great daily is timely and should be seriously considered by the Congress before they pass a measure which, as the World says, "*lynches the Constitution*" and which adds to our statutes one that is unconstitutional, sectional, political, useless, nagging, and offensive.

I can not bring myself to the conclusion that a majority of this Congress will vote for this bill in its present form, when, in fact, no part of it should become a law.

I think the proposition to penalize a people of one county because a crime has been committed in another county is the most outrageous proposition ever presented to an intelligent body. Under the provisions of this bill a half dozen counties in a State could be penalized in the sum of $10,000 each, and yet be as innocent of any knowledge of the crime committed and as innocent of any dereliction of duty as any of the proponents of this bill.

Gentlemen, if you favor this kind of legislation, it is evident you are hungry for sectional strife and disturbances. I come from a State that the gentleman from Kansas claims—from the report of a former governor—has furnished more lynchings than any other State in the Union. It will be remembered that this selfsame governor was obliged to retract numerous statements he made in his report, and it developed, so I am informed, that several so-called lynchings which he enumerated turned out to be ordinary fist fights.

It is unfortunate that a high official of any State would deliberately misrepresent conditions, thereby casting reflection upon one of the best, if not the best, State in the Union and populated with as good men and women as inherit the universe. This once governor can not, or would not, attempt to prove that any county, municipality, or State officer had failed or refused to do his duty in trying to apprehend the guilty parties in any of the many cases which were enumerated by him.

Since it is true that 90 per cent of the crimes committed for which lynchings sometimes follow is committed by Negroes it will be of interest, no doubt, to some to note the population of some of the States. These figures are official and were tabulated by the census of 1920: In New York State there are 11,182,027 white people and only 198,483 Negroes; in Pennsylvania there are 8,432,726 whites and 284,568 Negroes; in Ohio, 5,571,893 whites and 186,187 Negroes; in Indiana, 2,849,068 whites and 80,810 Negroes; in Missouri, the home State of the introducer of this bill, there are 3,225,044 whites and only 178,241 Negroes; in Kansas, the home of the chairman of the Rules Committee of the House and a strong advocate of the passage of this bill, there are 1,708,906 white people and only 57,925 Negroes. In Georgia there are more Negroes than any State in the Union, there being 1,689,114 whites and 1,206,365 Negroes; in North Carolina, 1,783,779 whites and 763,407 Negroes; in Tennessee, 1,885,993 whites and 451,758 Negroes; in Alabama, 1,447,032 whites and 900,652 Negroes; in South Carolina, 818,538 whites and 864,719 Negroes, being 46,181 more Negroes than whites in this State; in Mississippi there are 853,962 whites and 935,184 Negroes, 81,222 more Negroes than whites. There are 220,151 more Negroes in Georgia than there are in New York, Ohio, Pennsylvania, Indiana, Missouri, and Kansas combined. We have very stringent laws against lynching, as well as all other crimes, and the States can and will handle the proposition as it should be, and can do so better than by Federal interference.

There is no room for doubt that after all the best friend the Negro has is the white man of the South, and no one knows this better than the Negro himself. The fact that the Negro remains there and is satisfied with his lot is certain proof that these statements are true.

If a good Negro in the South happens to misfortune or gets into trouble beyond his capacity to free himself his intitial step is to go at once to his white friends for assistance, where he knows he will get fair treatment. A good Negro in Georgia, and all over the South, gets credit from the white merchants and long-time indulgence from the landlord. If the gentleman from Kansas and the gentleman from Missouri should live only for a short while in the South they would soon find conditions there as I have described them, and they would within a few short moons be voting the Democratic ticket. A few days ago I clipped the following from the Atlanta (Ga.) Constitution:

Presents are wanted for needy Negroes. Gifts for needy ones among the Negroes will be received at Clark University Sunday night at special Christmas services. The services will be conducted by the Clark Gammon Sunday School. Scripture readings, songs, carols, tableaux, and other exercises will be included in the program.

I wonder if such a notice as this has ever appeared in a newspaper in St. Louis, Mo., or in Pittsburg, Kans.?

I wonder if the proponents of this bill know that when a good Negro in the South loses his home by fire or storm that the white people of the vicinity go to his aid and help to make good his loss?

I wonder if the proponents of this bill know that the white ministers of the South go and preach to Negroes at their churches and help and encourage them in every way to become better citizens?

I wonder if the proponents of this measure know that often at the death of a white man in the South a legacy is left in his will for the Negro servants?

I wonder if the proponents of this legislation know that when a good Negro dies in our midst and leaves nothing with which to bury himself that the white people contribute to the expense and see that he has a decent and Christianlike burial?

Gentlemen, acquaint yourselves with the people of the South and the conditions which prevail with us, and if you will do so your advocacy of this bill will melt like a snow bank before a blistering sun.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. BROWN].

Mr. BROWN of Tennessee. Mr. Chairman, I oppose this bill for two reasons: First, because I firmly believe that if it should become a law it would not suppress lynching in any part of the country but would, on the contrary, create race strife, race conflict, race riots, and lawlessness, particularly in the South, where there is now less race feeling than in any other section of the country; and secondly, because the proposed law is an unwarranted aggression upon the reserved rights of the States. By this law Congress is attempting to give to the Federal Government jurisdiction and control of the punishment of crimes occurring within the States. I do not believe that Congress has this power under the fourteenth amendment.

I have always lived in the South, and I am interested in the welfare of the Negro race. I suspect that my interest in their

happiness and welfare is quite as real as and perhaps more than the interest of some of the people who are promoting this legislation. There are several thousand Negroes in my district. Most of them are my friends. The Negro race is not disfranchised in Tennessee, and practically all the Negroes who voted in my district in 1920 supported by candidacy, but I do not believe that the passage of this bill would serve their interests. I do not believe that Congress could pass any law that would be more harmful to the Negro race than the bill under discussion, unless it be a law to enforce social equality. I think that I may justly claim to know something about the Negro race, and especially something about their relationship with the white man in the South.

The Negro is a part of the agricultural and industrial life of the South, and his property rights are as fully protected in the South as in any other part of the country. This is not true politically either in theory or practice in some parts of the South, where the Negro population exceeds the white; and no man who is familiar with conditions in that section of the country will contend that it would promote the happiness or welfare of either the white man or the black man to alter conditions in that section of the country until the Negroes as a whole reach a higher plane of political and moral responsibility.

But if the misguided uplifters and agitators who profess so great an interest in the advancement of the Negro will let him alone, he will advance much more rapidly than he will with their uncalled-for and mistaken political advice. In reality there is no serious Negro or race problem in the South. The Negroes of the South live contentedly there. They are accumulating money and acquiring property. The decent, sensible Negro has no thought or desire for social equality. The States, counties, and towns provide the same, though separate, school facilities that they furnish for the white children. The property rights and personal rights of the Negro race are protected and enforced in the courts. The Negro is given every opportunity to advance himself. His relations with white people, as a rule, are friendly and cordial. And I undertake to say that the southern Negro does not want this legislation or any legislation which will bring him in political conflict with his white neighbor.

The progress which has been made by the Negro race in the South during the last 50 years is an assurance of the good intentions of the white man of the South toward the Negro race.

I have not secured sufficient time to enumerate all the objections which occur to me as respects the policy of Congress undertaking such legislation. I think one of the serious objections to the present consideration or passage of the bill is the total lack of evidence or reasonable prophecy of any resulting benefit. Granting that it is within the legislative power of Congress under the Constitution to pass such a bill, the question arises as to whether its passage will have any good effect. The enactment of the law by Congress would mean that in the mind of Congress a Federal law upon this subject would deter men from committing the offenses described in the bill, but I can see no reasonable ground for this expectation. Our experience in the concurrent enforcement of prohibition laws established by an amendment to the Constitution does not offer much encouragement to believe that Federal laws are now any more respected than the laws of the States. It used to be that when the Federal Government said a thing it meant unquestioned obedience, but we find now that the Federal amendment with respect to prohibition and the laws passed to enforce that amendment are no more effective and are no more respected than the State laws upon the same subject.

The question of the constitutionality of this bill has been exhaustively and ably discussed. I have listened with especial attention to the arguments in favor of the constitutionality of the bill, but the reasoning of its supporters has not demonstrated to my mind that Congress possesses the power claimed for it under the Constitution or under the fourteenth amendment to the Constitution to deal with this question.

The act in substance provides that "mob or riotous assemblage" shall mean an assemblage of five or more persons acting in concert for the purpose of depriving any person of his life without authority, and that if any State or subdivision thereof neglects or refuses to maintain protection to the life of any person against a mob, such State by reason of such failure shall be deemed to have denied to such person the equal protection of the laws of the State; that any State or municipal officer who possesses the authority as an officer to protect the life of any person that may be put to death by a mob or who has such person in his custody, who fails to make all reasonable effort to prevent such person from being put to death, or any officer charged with the duty of apprehending any person participating in a mob, who fails to make a reasonable effort to perform his duty in apprehending or prosecuting under the laws of the State all persons participating in such mob, shall be deemed guilty of a felony and be punished by imprisonment not exceeding five years or by a fine of $5,000, or by both; that any person who participates in a mob which takes from the custody of any officer any person held by such officer and puts such person to death, or any person who participates in any mob that prevents any State officer in discharging his duty and puts such person to death, shall be deemed guilty of a felony and imprisoned for life or not less than five years; that any person who participates in a mob by which a person is put to death shall be guilty of a felony and imprisoned for life or not less than five years; that any county in which a person is put to death by mob shall forfeit $10,000, which may be recovered by an action in the name of the United States against the county for the use of the family of the person put to death, and if such forfeiture is not paid upon recovery of a judgment, such court shall have jurisdiction to enforce payment by levy of execution or by mandamus or other process; that in the event any person so put to death shall have been transported by a mob from one county to another county, each county in or through which he has been transported shall be liable to pay the forfeiture provided.

These provisions are clearly an invasion of the rights of the States—that is, of the rights reserved for the States by the Federal Constitution. Article X of the amendment to the Constitution provides that—

> The powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States, respectively, or to the people.

Under this section and under our constitutional system the power to establish police regulations and to control their internal affairs and to punish crime has been left with the individual States, because the Constitution has not conferred this power upon the Federal Government, and it can not be taken from the States and exercised by the Federal Government by any legislation passed by Congress. The limit of the Federal authority, as long ago defined by Judge Cooley, is to see that the States do not, under cover of their power, invade the sphere of national sovereignty and obstruct the exercise of any authority which the Constitution has confided to the National Government or deprive any citizen of rights guaranteed by the Constitution.

I am a Republican mainly because I have believed from my reading and understanding of the history of our Government that the Republican Party is the successor in political thought and teachings of that party which constructed and secured the adoption of the Federal Constitution and strengthened it by judicial construction. I have looked upon the Republican Party as the defender of the Constitution. It is the party which, as I have understood, has held to the belief that the judicial department of the Government under the Constitution has the power to determine whether an act of Congress is or is not constitutional, and the Supreme Court of the United States, the highest judicial authority in our Government, charged with the duty of construing that instrument, has time and time again asserted in cases which have been cited, some of which I desire to refer to, that the Federal Government or Congress has no authority under the Constitution to enact laws to confer jurisdiction upon the Federal Government to interfere in the police regulations of the States.

The rights of the States to control their internal affairs and the duty of the Federal Government to recognize this right of the States is of supreme importance to this Nation. There is great danger in the continuance of the tendency to centralize power in the Federal Government. Mr. Root once made the statement that the grave danger to the stability of our Government was in making it "heavy at the top." The Civil War did not destroy the rights of the States. It settled for all time the proposition that a State can not withdraw or secede from the Union, but the right of the States to function within the sphere defined by the Constitution exists as fully now as it ever has in our history, and it is the duty, as I see it, of the Republican Party, as a great national party—the party of the Constitution—to respect these rights in all matters of legislation and to carefully preserve them. The Republican Party as a political organization has frequently given expression to its adherence to the Constitution and its determination to enforce particularly the reserved rights of the States. In the great national convention of 1884 the lamented William McKinley was chairman of the committee on resolutions, and wrote and reported a resolution as a part of the party platform of that year which forcibly and ably expressed the view of the party upon this important question. That resolution was as follows:

> The people of the United States, in their organized capacity, constitute a nation, and not a mere confederacy of States. The National Government is supreme within the sphere of its national duties; but

the States have reserved rights which should be faithfully maintained; each should be guarded with jealous care, so that the harmony of our system of government may be preserved and the Union kept inviolate.

It is claimed that this bill is justifiable and can be defended under the terms of the fourteenth amendment, which provides that—

No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, * * * nor deny to any person within its jurisdiction the equal protection of the laws.

Some of those who support the bill proclaim that there is no room for doubt as to its validity, but the more conservative and thoughtful recognize that there is doubt as to all its provisions and particularly with respect to section 5 and section 6 of the act, which provide for a forfeiture against a county in which a lynching occurs or through which the person put to death is transported. These provisions are so clearly and manifestly unconstitutional that no serious effort has been made here to defend them, at least none that I have heard or read. It seems to me that section 3, which undertakes to punish a State or county officer charged with the duty of protecting the life of persons under arrest or accused of crime and which undertakes to punish an officer who fails to perform that duty, comes more nearly within the power of Congress than the other sections, but I can not believe that this section is within the legislative competency of Congress. I can not believe that the fourteenth amendment gives the power to Congress to enact legislation to punish States or counties or individuals acting either as individuals or as officers and agents of States or counties, as the bill undertakes to do.

The fourteenth amendment was intended to and did give the Federal Government power to compel the States to afford equal protection to all citizens without discrimination, and the judicial branch of the Federal Government has frequently exerted the power of the Government under this amendment.

If it could be shown that the States or any State had failed to enact laws to punish lynching or murder or any other recognized crime, or that it had enacted a law to punish one class of people differently from another class or color or race for the same crime, Congress could, I suppose, correct the omission by the enactment of a law where no law is provided by the State, and the Supreme Court could and would, as it frequently has in the past, declare the discriminatory State law invalid because in violation of the fourteenth amendment.

The amendment operates against action by the States and not action by individuals over whom the States have jurisdiction under their police powers and regulations.

Lynching is murder, and it is conceded that all the States of the Union have adequate laws upon this subject just as the States have provided a Republican form of government, and it is not contended that any State acting as a State has enacted any law upon this subject which can be construed as denying the equal protection of the law to all its citizens. It is said that three thousand four hundred and some odd Americans have been lynched or killed by mobs since 1889 and that Congress can determine as a legislative fact that the equal protection of the laws guaranteed by the fourteenth amendment was not enforced by the States, and that the courts will not consider whether Congress was or was not justified, but will assume because of Congress having passed appropriate legislation that the States have denied "equal protection."

There has never been any determination by any court or any competent authority, or any authority charged with the duty of making an investigation of any failure by any State officer to protect the life of persons put to death by mobs, and there is no evidence before this Congress with respect to the dereliction of duty on the part of officers of the States. The statistics show that during the last year there was only one lynching in the State of Tennessee. Now, can Congress determine, as a legislative fact, from the evidence of one lynching, that the law is not being enforced in Tennessee, and that persons charged with crime and arrested in that State are not being accorded the equal protection of the laws? Congress would certainly not be warranted or entitled to reach such a conclusion. If Congress could do this and could base legislative action upon such a fact, it could just as logically and reasonably, upon the same reasoning, enact a law to punish offenders accused of larceny or embezzlement or any other crime, or for a murder committed by one person instead of by five. There were a number of murders committed in Tennessee last year, and hundreds of them in some States; for instance, in the State of New York. The newspapers frequently charge that in some places the officers of the law have been derelict in hunting down the persons who have committed these crimes. If Congress can pass this legislation upon the grounds asserted in its favor, it can just as logically be argued that it can pass a Federal law to punish for ordinary murder committed in the States, upon the ground that the States have not discharged their duty or that its officers and agents have not been diligent in preventing murder and other crimes. Rape is punishable by death or life imprisonment in all the States of the South, but notwithstanding the drastic punishment provided, this horrible crime is frequently committed. This is a fact. Congress knows it. Can Congress then say that since those States can not prevent the commission of these offenses against the State law and society, that it will enact a Federal law upon the subject? It is just as much and as clearly within the power of Congress to enact a law to punish for rape committed in a State as it is to enact the law under discussion.

This was not the intention of the amendment. The decisions of the Supreme Court of the United States have stated the purpose and scope of the amendment. I have examined the cases cited by the advocates of the bill. I do not think that these cases are authority for the constitutionality of the law. In all the cases cited where the court held some law or action by State officers or county officers to be in violation of the fourteenth amendment, it was shown as a fact and judicially determined in that particular case that the amendment had been violated and that the equal protection of the law had not been accorded the persons whose rights were involved.

It has been said that political expediency is responsible for the introduction of this bill. This may be true, but many gentlemen here have spoken publicly and privately in its favor or in favor of some law to mitigate the horrors of lynching because they realize, as every thoughtful man must and does, that it is an evil and a serious one in our civilization. The sincerity and good intentions of these men are not to be doubted, but I say to them that a way should be found to accomplish this which is within the power of Congress and which will not trespass upon the rights of the State, which we are bound to protect.

I say to them that we should proceed in an orderly and constitutional way. Would it not be better and wiser to follow the advice of the President and pass the resolution recommended by the President and introduced here, and investigate the facts with reference to lynching so as to determine what should be done, and would it not be wiser for Congress to base its action upon a report either of a commission or a committee of Congress? The statistics read here show that a certain number of persons have been put to death by mobs, but there is nothing to show whether these crimes could or could not have been prevented by State officers. If we could have an investigation conducted by a commission representing both races or by a committee of Congress, evidence might be produced upon which appropriate and constitutional legislation could be based. If this report should demonstrate that the States, or any of them, have not provided effective or adequate machinery to enforce the law or that the States are not honestly or in good faith attempting to protect a certain class of prisoners, or that the officers of the States are not, then Congress might, by appropriate legislation, propose assistance to the States or an amendment to the Constitution to give the Federal Government specific authority to deal with this important question.

This is not merely a political question. It can not be solved by the application of partisan political principles. We all agree as a civilized, law-respecting people that lynching and murder are indefensible and inexcusable. If it is desirable that the Congress should undertake to remedy the evil, it should proceed as it would toward the settlement of any great moral question—in a spirit of unity and of common helpfulness with the States and not in a spirit of antagonism and political distrust.

SUPREME COURT DECISIONS.

The Supreme Court has frequently construed and defined the scope and meaning of the fourteenth amendment. In United States *v.* Cruikshank (1 Woods, 308) Mr. Justice Bradley said:

It—the fourteenth amendment—is a guaranty against the acts of the State government itself. It is a guaranty against the exertion of arbitrary and tyrannical power on the part of the government and the legislators of the State, not a guaranty against the commission of individual offenses, and the power of Congress, whether express or implied, to legislate for the enforcement of such a guaranty does not extend to the passage of laws for the suppression of crime within the States. The enforcement of the guaranty does not require or authorize Congress to perform the duty that the guaranty itself supposes it to be the duty of the State to perform and which it requires the State to perform.

In Virginia *v.* Rives (100 U. S., 313) the court, in speaking of the limitations of the fourteenth amendment said:

These provisions of the fourteenth amendment have reference to State action exclusively, and not to any action of private individuals.

In United States *v.* Stanley, Ryan, et al. (109 U. S., 11) it was said:

It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States.

In James *v.* Bowman (190 U. S., 127) the Supreme Court of the United States again explained its construction of the fourteenth amendment:

The equality of the rights of citizens is a principle of republicanism; every republican government is in duty bound to protect all the citizens in the enjoyment of this principle, if within its power. That duty was originally assumed by the States and still remains there. The only obligation resting upon the United States is to see that the States do not deny the right.

Other cases in point are the following:

Keller *v.* United States (213 U. S., 138), Hodges *v.* United States (203 U. S., 1), United States *v.* Harris (166 U. S., 138).

Mr. VOLSTEAD. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. BACHARACH].

Mr. BACHARACH. Mr. Chairman, I have listened with considerable interest to the arguments that have been made against the adoption of this legislation, but I have heard nothing offered by the opponents of the bill which would incline me to vote against the bill. I shall vote for the bill because I am in hearty sympathy and accord with its intents and purposes.

The continued frequency of mob rule in the United States which usually culminates in the putting to death of the victim in many instances in a most repulsive and barbarous manner is a blot and a stain on our country's name and professed civilization, and such actions can not be justified under any circumstances.

I believe this bill, when enacted into law, will have a very powerful moral effect upon the law officers of the country. I can see no good reason why there should be any opposition to it, for no one can consistently condone the action of an infuriated mob bent upon wreaking vengeance upon a helpless victim, too often without substantial proof of the guilt of the victim, and in many instances carrying out the will of the mob in a manner far more gruesome than the crime of which the victim is charged.

It seems that the only argument those who are opposed to the bill have to offer is upon the constitutionality of the measure. I am not a lawyer and therefore I shall not attempt to argue that phase of the question. But as I view the proposition it has occurred to me that we Members of this House are not elected to pass upon the constitutionality of any legislation, since our Constitution wisely provides that another branch of the Government shall pass upon all questions bearing upon the constitutionality of any act passed by Congress.

However, I have not failed to notice that many of those who are opposing this bill on constitutional grounds made no such argument against the passage of the prohibition enforcement legislation which permits the Government to send its police officers into any section of the country for the purpose of assisting the State authorities to enforce the law, or to enforce it over the heads and authority of State officers if need be.

The adoption or enactment of the eighteenth amendment gave to Congress the power to enact any additional legislation necessary to enforce that amendment. This we did by a very decided vote with the overwhelming support of the Democratic membership of the House.

When the fourteenth amendment to the Constitution was adopted, Congress was given the power to enforce by appropriate legislation the provisions of the amendment.

If it is constitutional for Congress to enact legislation to enforce the provisions of the eighteenth amendment, why is it not constitutional to take similar action to enforce the provisions of the fourteenth amendment?

The only criticism which I can offer on this score is that Congress has unfortunately too long delayed the enforcement of the fourteenth amendment.

As I view it, it seems to me that it is our duty to enact legislation when we believe the needs of the country demand it, and we are not charged with the responsibility of determining its constitutionality.

So far as this particular piece of legislation is concerned, I believe that it is good legislation, that the country demands it, and further that it is legislation within constitutional limits.

It is a source of much gratification to me that the great State of New Jersey, which I have the honor to represent in part, has been so free from the spirit of mob rule, and yet so sure and swift do our law officers and courts move in the prosecution of those charged with crimes which incent to mob rule that "Jersey justice" is known throughout the length and breadth of the land.

Last summer there occurred in my own district a most dastardly and repugnant crime, in which a little girl was literally hacked to pieces by a fiendish brute. He managed to escape before the crime was detected and fled the State. But returning a few months later he was recognized on the streets of a neighboring community, and after a battle, in which pistol shots were exchanged and a police officer seriously wounded, the man was captured and committed to jail. He was promptly tried before a jury, found guilty, admitted that he was given a fair trial, sentenced to death, and has since paid the penalty.

A more recent case happened in my neighboring district just a few days before Christmas, when another little girl was the victim of an attack by a degenerate. He succeeded in eluding the officers of the law for only a few days; finally he was captured, put in jail, tried by jury, found guilty, and sentenced to death, and he will pay the penalty of his crime in the early part of the coming month.

That is what we call "Jersey justice," and if the law officers and courts of every State would move with the same dispatch as we do in New Jersey there would be no need of action at the hands of the mob, nor would there be any demand for this legislation.

It seems to me that this legislation should appeal to the conscience of every person from a humanitarian standpoint if for no other reason. Too often the victim of the mob is innocent of the crime charged, but in the frenzy and disturbed mental state of his captors he is given no opportunity to prove his innocence, and in many instances false confessions are wrung from the victims by methods of torture so unmerciful and so inhuman that death is preferable to any further attempt on the part of the victim to convince the mob of his innocence.

The prevention of lynching in the United States is a question that has confronted the country for many years, and this legislation is brought forth with the hope and desire that it will put to an end a disgraceful evil in the United States of America, where civilization should be something more than a name.

Mr. VOLSTEAD. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13, the antilynching bill, and had come to no resolution thereon.

THE EXECUTIVE APPROPRIATION BILL.

Mr. MADDEN, chairman of the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes, which was read a first and second time and with accompanying papers referred to the Committee of the Whole House on the state of the Union (Rept. No. 576).

Mr. GRIFFIN reserved all points of order on the bill.

EXTENSION OF REMARKS.

Mr. BOX. Mr. Speaker, the House on a former occasion granted permission to the gentleman from Maryland, Mr. GOLDSBOROUGH, at my request, to print in the RECORD a speech delivered by him at Saulsbury, Md., and I ask unanimous consent that it be printed in the usual congressional type.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriated committee, as indicated below:

S. 2263. An act to amend the Federal reserve act, approved December 23, 1913; to the Committee on Banking and Currency.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. STEVENSON, for two days, on account of going to make a Democratic speech where it is needed.

To Mr. WEBSTER (at the request of Mr. HADLEY), for the day, on account of illness.

ADJOURNMENT.

Mr. VOLSTEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Thursday, January 19, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

475. A letter from the Secretary of Agriculture, transmitting annual reports submitted by the Bureau of Public Roads and the Forest Service, showing expenditures for the year ended June 30, 1921; to the Committee on Expenditures in the Department of Agriculture.

476. A letter from the Secretary of War, transmitting reports from the Chief of Engineers, the Acting Chief of Ordnance, and the Acting Chief Signal Officer of typewriters, adding machines, and similar labor-saving devices that have been exchanged during the fiscal year ended June 30, 1921, as part payment for new labor-saving devices; to the Committee on Expenditures in the War Department.

477. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Merrimack River, N. H. and Mass., with a view to obtaining increased depth, a more uniform flow of water, and a diminution of periods of drought and of freshet by means of the establishment of a storage reservoir or reservoirs at or near its headwaters in New Hampshire; to the Committee on Rivers and Harbors.

478. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Columbia River and Willamette Slough in the vicinity of St. Helens, Oreg., including any proposal of cooperation by local interests (H. Doc. No. 156); to the Committee on Rivers and Harbors and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MERRITT: Committee on Interstate and Foreign Commerce. H. R. 2187. A bill to regulate the retired pay of certain enlisted men in the Coast Guard; with an amendment (Rept. No. 573). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Territories. H. R. 8690. A bill to add a certain tract of land on the island of Hawaii to the Hawaii National Park; without amendment (Rept. No. 574). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOSTER: Committee on the Judiciary. S. 2682. An act to amend the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901," and the acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 575). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII.

Mr. SMITH of Idaho: Committee on the Public Lands. H. R. 9275. A bill for the relief of Frances Kelly; with amendments (Rept. No. 572). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9664) granting a pension to Eliza J. Spencer; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 9910) granting a pension to Emma D. Manson; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RIDDICK: A bill (H. R. 9976) authorizing the Secretary of the Interior to enter into an agreement with the Cut Bank irrigation district, of Cut Bank, Mont., for the disposal of the surplus waters of Cut Bank and Badger Creeks, on the Blackfeet Indian Reservation, not needed by the Indians of the Blackfeet Reservation for domestic and irrigation purposes; to the Committee on Indian Affairs.

By Mr. REED of West Virginia: A bill (H. R. 9977) providing for the purchase of a site and the erection of a public building at Weston, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. ZIHLMAN: A bill (H. R. 9978) to amend the corporation law of the District of Columbia; to the Committee on the District of Columbia.

By Mr. TOWNER: A bill (H. R. 9979) to amend an act entitled "An act granting a charter to the General Federation of Women's Clubs"; to the Committee on the Judiciary.

By Mr. DARROW: A bill (H. R. 9980) authorizing the Secretary of the Navy to proceed with the construction of certain public works; to the Committee on Naval Affairs.

By Mr. WOOD of Indiana: A bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes; committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON: A bill (H. R. 9982) granting a pension to Lewis C. Allentharp; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 9983) granting a pension to James Alexander; to the Committee on Pensions.

Also, a bill (H. R. 9984) for the relief of Rudolph L. Wise; to the Committee on Claims.

By Mr. HADLEY: A bill (H. R. 9985) granting a pension to Albert B. Campbell; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 9986) granting a pension to Rebecca Melvina Elliff; to the Committee on Pensions.

Also, a bill (H. R. 9987) for the relief of George F. de Maranville; to the Committee on Military Affairs.

Also, a bill (H. R. 9988) granting a pension to Alwilda Dobson; to the Committee on Invalid Pensions.

By Mr. KINDRED: A bill (H. R. 9989) for the relief of Nellie Hoar; to the Committee on Claims.

By Mr. MONTOYA: A bill (H. R. 9990) granting a pension to Emily A. Roley; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 9991) granting an increase of pension to Ella J. Crosse; to the Committee on Invalid Pensions.

By Mr. PERLMAN (by request): A bill (H. R. 9992) for the relief of Winifred Flynn; to the Committee on Claims.

By Mr. RHODES: A bill (H. R. 9993) granting an increase of pension to Daniel J. Graves; to the Committee on Pensions.

By Mr. ROACH: A bill (H. R. 9994) granting a pension to Daniel Richardson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3547. By the SPEAKER (by request): Petition of Private Soldiers' and Sailors' Legion of the United States of America, urging the sale of the Muscle Shoals plant in Alabama to Henry Ford; to the Committee on Naval Affairs.

3548. By Mr. CULLEN: Petition of National Board of Farm Organizations, of Washington, D. C., opposed to the transfer of the Bureau of Markets, also the transfer of the Forest Service; to the Committee on Agriculture.

3549. Also, resolution adopted at a joint meeting of the Knitted Outwear Manufacturers' Association, Eastern District of Brooklyn Sweater Manufacturers' Association, and the Wool Yarn Jobbers' Credit Association, urging the adoption of the American valuation plan under the Fordney tariff bill; to the Committee on Ways and Means.

3550. By Mr. DALLINGER: Resolution of the Bindery Women's Local No. 56, International Brotherhood of Bookbinders of Boston and Cambridge, Mass., favoring a protective tariff to protect American labor; to the Committee on Ways and Means.

3551 By Mr. FAVROT: Petition of George C. Crotty and others, of West Baton Rouge, La., urging the passage of House bill 7 and Senate bill 1252, the Towner-Sterling bills; to the Committee on Education.

3552. Also, petition of Mrs. Mary G. Ony and others, of West Baton Rouge, La., urging the passage of House bill 7 and Senate bill 1252, the Towner-Sterling bills; to the Committee on Education.

3553. By Mr. FULLER: Petition of the national board of farm organizations, protesting against the transfer of the Bureau of Markets from the Department of Agriculture to the Bureau of Commerce and of the forest services to the Department of the Interior; to the Committee on Agriculture.

3554. By Mr. FROTHINGHAM: Petition of the Bindery Woman's Local, No. 56, of Boston and Cambridge, Mass., favoring the American valuation plan upon imports; to the Committee on Ways and Means.

3555. By Mr. KINDRED: Petition of employees of the New York Navy Yard, relative to relief for navy-yard employees in case of unemployment; to the Committee on Naval Affairs.

3556. Also, petition of Martin Cantine, of Saugerties, N. Y., opposing the St. Lawrence waterways project and urging the completion of the Barge Canal; to the Committee on Rivers and Harbors.

3557. Also, resolutions adopted by the staff of the New York Agricultural Experiment Station relative to the publication of certain journals by the United States Department of Agriculture; to the Committee on Agriculture.

3558. By Mr. KISSEL: Petition of the American Game Protective Propagation Association, of New York City, urging the passage of Senate bill 1452, also House bill 58231; to the Committee on Agriculture.

3559. By Mr. MAGEE: Petition of citizens of Syracuse, N. Y., in opposition to a tax on beer and light wines for the purpose of raising money for soldier bonus; to the Committee on Ways and Means.

3560. By Mr. MORIN: Petition of Weaver, Costello & Co., C. A. Weaver, secretary, protesting against the proposed increase in rates of import on shelled nuts as contained in the tariff bill; to the Committee on Ways and Means.

3561. By Mr. PERKINS: Petition of the council of the borough of Bloomingdale, N. J., protesting against the present tariff on hard rubber; to the Committee on Ways and Means.

3562. Also, petition of the Board of Conservation and Development of New Jersey, protesting against the proposed transfer of the Federal Forest Service from the Department of Agriculture; to the Committee on Agriculture.

3563. By Mr. SINCLAIR: Petition of about 75 citizens of Crosby, Mapes, and Michigan, N. Dak., urging the revival of the United States Grain Corporation and the enactment of legislation for the stabilization of prices of farm products; to the Committee on Agriculture.

3564. By Mr. TINKHAM: Resolution adopted by the Bindery Women's Local, No. 56, of Boston and Cambridge, Mass., relative to the Fordney tariff bill; to the Committee on Ways and Means.

3565. Also, petition of Harriot S. Curtis, urging the suspension of Austria's debt to the United States for at least 20 years; to the Committee on Ways and Means.

3566. Also, petition of Isadora Lee, 7 Walnut Street, Boston, Mass., urging the suspension of Austria's debt to the United States for at least 20 years; to the Committee on Ways and Means.

3567. Also, resolutions adopted by the Boston Electrotypers' Union, No. 11, urging the passage of the Fordney tariff bill; to the Committee on Ways and Means.

3568. By Mr. WALSH: Petition of Bindery Women's Local, No. 56, of Boston and Cambridge, Mass.; also petition of International Brotherhood of Bookbinders; to the Committee on Ways and Means.

SENATE.

THURSDAY, *January 19, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we rejoice to call Thee by that name. May we have such confidence in Thee that all the work of life may be accepted as from Thy hand and to fulfill Thy good pleasure. Remember every interest that ought to appeal to us, and grant, our God, that our land may be saved from the troubles and the disturbances of other lands. Hasten the time, we beseech of Thee, when nations shall be closer akin in all the fellowship of noble doing and service. We ask in Jesus Christ's name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Navy, transmitting a list of papers and documents on file in the Navy Department (Bureaus of Navigation and Engineering) which are not needed in the conduct of business in the department and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The Vice President appointed Mr. POINDEXTER and Mr. SWANSON members of the committee on the part of the Senate, and ordered that the Secretary of the Senate notify the House of Representatives thereof.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	Lodge	Ransdell
Ball	Glass	McKellar	Robinson
Borah	Gooding	McKinley	Sheppard
Bursum	Hale	McLean	Simmons
Calder	Harreld	McNary	Smith
Cameron	Harris	Moses	Smoot
Capper	Harrison	Myers	Spencer
Caraway	Heflin	Nelson	Swanson
Culberson	Johnson	New	Trammell
Cummins	Jones, N. Mex.	Newberry	Wadsworth
Curtis	Jones, Wash.	Nicholson	Walsh, Mass.
Dial	Kellogg	Norris	Walsh, Mont.
du Pont	Kenyon	Oddie	Warren
Edge	Keyes	Page	Watson, Ind.
Ernst	King	Pepper	Weller
Fernald	Ladd	Phipps	
Fletcher	La Follette	Pittman	
France	Lenroot	Poindexter	

Mr. RANSDELL. I desire to announce the absence of my colleague [Mr. BROUSSARD] on account of illness in his family.

Mr. WALSH of Massachusetts. I wish to announce the absence of the Senator from Rhode Island [Mr. GERRY] on account of illness.

Mr. HARRIS. I desire to announce that my colleague [Mr. WATSON of Georgia] is absent on official business.

The VICE PRESIDENT. Sixty-nine Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the amendment of the Senate to the concurrent resolution (H. Con. Res. 37) providing for the printing of 50,000 additional copies of the report of the Joint Commission of Agricultural Inquiry.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice President:

S. 2708. An act to authorize the President to transfer certain medical supplies for the relief of the distressed and famine-stricken people of Russia;

S. 2776. An act to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington; and

H. J. Res. 30. Joint resolution to amend a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920.

PETITIONS AND MEMORIALS.

Mr. BORAH. I present a resolution adopted by the Chamber of Commerce, of Nampa, Idaho, asking for the enactment of legislation to create a broad policy of reclamation. I move that it be referred to the Committee on Irrigation and Reclamation.

The motion was agreed to.

Mr. WALSH of Montana presented four memorials of sundry citizens of Butte and Walkerville, both in the State of Montana, remonstrating against the enactment of Senate bill 1948, providing for compulsory Sunday observance in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. CAPPER presented three telegrams in the nature of memorials from the Retailers' Association of Salina, the Board of Commerce of Wichita, and the Chamber of Commerce of Hutchinson, all in the State of Kansas, remonstrating against inclusion of the American valuation plan in the pending tariff bill, which were referred to the Committee on Finance.

Mr. LADD presented 30 petitions of sundry citizens of the State of North Dakota, praying for the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted at a stockholders' meeting of the Fullerton (N. Dak.) Equity Elevator Co., favor-

ing the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which was referred to the Committee on Agriculture and Forestry.

THE OUTLAWRY OF WAR (S. DOC. NO. 115).

Mr. BORAH. Mr. President, I present a pamphlet entitled "Outlawry of War," containing a part of an address of the President and an article by Mr. Salmon O. Levinson, a distinguished attorney of Chicago. I ask that it be printed as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

THE OIL INDUSTRY.

Mr. HARRELD. Mr. President, I present a communication from the Western Petroleum Refiners' Association relating to the oil industry and the proposed tariff duty on oil, which I ask be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the communication was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

WESTERN PETROLEUM REFINERS' ASSOCIATION,
Kansas City, Mo., December 2, 1921.

Hon. JOHN W. HARRELD,
United States Senate, Washington, D. C.

MY DEAR MR. HARRELD: I wish to call your attention to the fact that the independent oil industry is in the most serious prostrate condition it has ever experienced. Never before in the history of oildom were there so many independent refineries shut down as at this time. Some are in the hands of receivers; some have simply gone out of business; practically every one of them is running far short of capacity.

I desire to call your attention to the fact that when importations of Mexican crude were suspended last summer there was immediate improvement in the oil industry in this country. Almost instantly there was a demand for our own crude product. Refiners bid so actively for crude that they were soon paying, in the Burkburnett district, as high as 45 and 50 cents a barrel to the producers for their product. There was a market for our fuel oil. It began to look as if prosperity in some degree was returning to the American oil industry.

Then a few men went down to Mexico City and made some secret arrangement with the Mexican Government. Mexican shipments to this country were resumed and almost immediately the independent oil industry in the United States was again plunged into depression. We have 75,000,000 barrels more of crude in storage now than we had last spring, when crude prices were so spectacularly cut. We have entered the winter with 79 per cent more gasoline on hand than ever before in the history of the business. We have also entered the winter with 59 per cent more fuel oil on hand than in any previous time.

The result is, fully 50 per cent of our independent refiners are shut down. Many more have made arrangements to shut down and those that are still operating are running far short of capacity.

We are utterly unable to get any accurate statement of conditions in Mexico. For more than a year we were told again and again that Mexican oil wells had been "shot to pieces" with salt water; that in a little while Mexico would be a thing of the past. We have been heralded for years with the threadbare statement we were facing a petroleum famine and yet the fact remains, as near as we can learn, that Mexico is producing more oil to-day than she has ever produced and that we have had greater production of American crude with more refined products than at any other time.

One of the great difficulties with the oil industry is that it is groping most of the time in the dark. For instance, we do not know what arrangement was made with the Mexican Government. We can not find out. We simply know we are suffering the effects of that arrangement. Recently we wrote to the Department of Commerce and asked that an impartial and complete investigation of the Mexican oil situation be made and that the actual facts be given to the oil industry. I have a letter from Mr. Julius Klein, director, from which I quote, as follows:

"The interests of our own citizens in Mexico are so many and varied and the results of the special investigation you suggest might have such a profound effect upon them that it might conceivably be considered as unwarranted meddling for the Government to take sides in the controversy, as it would inevitably have to do if the investigation were made and the result published."

Thus, because the truth about Mexico would have a "profound effect" upon the operators in that field, incorporated under foreign laws, we must be denied the privilege of knowing the truth and must suffer the effects of disintegration.

Permit me to call to your attention the fact that since we went into the war the refinery at Baton Rouge, La., has become the largest refinery in the world. Another big plant has been erected at Charleston, S. C., another at Brunswick, Ga., another at Providence, R. I., another at Boston, Mass., etc., along the Atlantic coast. An immense refinery has just been completed at Toledo, Ohio, on the Great Lakes. With the exception of the latter, these refineries are all supplied with crude oil from Mexico. In spite of all statements to the contrary, as much gasoline is obtained to-day from Mexican crude as from most of the oils produced in this country.

Pipe lines are in operation from the Gulf of Mexico to Kansas City, Chicago, and eastern tidewater. Now with cheap crude coming into these coastwise refineries by water, with oil moving to inner strategic points by pipe line, and with railroad rates so high as to be practically prohibitive, is it any wonder the petroleum industry in the United States is in a chaotic condition? Is it any wonder hundreds of oil men have been financially ruined with the inevitable effect of these agencies mentioned? Is it any wonder the independent oil industry is on its knees begging the Interstate Commerce Commission for a reduction in freight rates and Congress for a protective tariff on Mexican crude?

Just so long as the country can be denied facts about Mexico and just so long as the conditions above referred to maintain just that long we are going to have a paralyzed petroleum industry, and when we consider how vitally important petroleum is to the Nation is not the industry entitled to greater consideration?

I am writing this as a personal letter and will be pleased to know your views.

Very sincerely, yours,

WESTERN PETROLEUM REFINERS' ASS'N.
By H. G. JAMES, *Secretary.*

ROBERT JUNE.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 1245) for the relief of Robert June, reported it without amendment and submitted a report (No. 443) thereon.

HEADWATERS OF MOBILE BAY BRIDGE.

Mr. CALDER. Mr. President, from the Committee on Commerce I report back favorably without amendment the bill (S. 2994) to revive and reenact the act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917. I ask for its immediate consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, and it was read as follows:

Be it enacted, etc., That the act approved October 5, 1917, authorizing the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct, operate, and maintain a bridge or bridges and trestles over and across the navigable channels of the mouth of Mobile River from Bay Port, in township 4 south, range 2 east, on the east shore of the waters of Mobile Bay, in Baldwin County, Ala., on a direct line, to a point on Blakely Island, in Mobile County, on the east shore of Mobile River, opposite the municipal docks of the city of Mobile, Ala., at a point or points suitable to the interests of navigation, be, and the same is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge or bridges and trestles herein authorized be commenced within one year and completed within three years from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

REPORT OF DAUGHTERS OF THE AMERICAN REVOLUTION (S. DOC. NO. 116).

Mr. MOSES, from the Committee on Printing, to which was referred the annual report of the National Society of Daughters of the American Revolution, reported the following resolution (S. Res. 220), which was considered by unanimous consent and agreed to:

Resolved, That the report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1921, transmitted to Congress by the Secretary of the Smithsonian Institution, pursuant to law, be printed as a Senate document, with illustrations.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 3018) conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate claims which the Stockbridge and Munsee Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. KING:

A bill (S. 3019) to confer upon commissioners of the United States district court jurisdiction to arraign and receive pleas in misdemeanor cases, as defined by section 335 of the United States Penal Code, adopted March 4, 1909; to the Committee on the Judiciary.

By Mr. MOSES:

A bill (S. 3020) to classify as second-class mail matter periodical publications published by amateur journalists; to the Committee on Post Offices and Post Roads.

A bill (S. 3021) granting an increase of pension to Florence B. Eldred; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 3022) making an appropriation for cooperation with the State of Florida in the maintenance of the State agricultural experimental station in the Everglades of Florida; to the Committee on Agriculture and Forestry.

By Mr. HARRELD:

A bill (S. 3023) for the relief of Robert F. Hamilton; and

A bill (S. 3024) providing for the appointment of Michael McDonald (formerly a squadron sergeant major, United States Army) a warrant officer, United States Army, and to place him

upon the retired list immediately thereafter; to the Committee on Military Affairs.

A bill (S. 3025) granting a pension to Vera Jones;

A bill (S. 3026) granting an increase of pension to Mary E. Reddick; and

A bill (S. 3027) granting an increase of pension to James S. Beard; to the Committee on Pensions.

By Mr. NEW:

A bill (S. 3028) granting an increase of pension to Roscoe W. Barker (with accompanying papers); and

A bill (S. 3029) granting a pension to Mary E. Hall (with accompanying papers); to the Committee on Pensions.

By Mr. BALL (by request):

A bill (S. 3030) to provide one-half fare for children riding on the street railways operating within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. JOHNSON:

A bill (S. 3031) to provide for the establishment and maintenance of a forest experiment station in cooperation with the University of California; to the Committee on Agriculture and Forestry.

A bill (S. 3032) to correct the military record of First Lieut. Truman D. Thorpe, United States Army, retired; to the Committee on Military Affairs.

A bill (S. 3033) for the relief of W. N. Attrill; to the Committee on Claims.

A bill (S. 3034) to provide one-half fare for children riding on the street railways operating within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 3035) granting a pension to Angeline M. Preston;

A bill (S. 3036) granting a pension to Edgar B. Stuart;

A bill (S. 3037) granting a pension to George A. McAmis;

A bill (S. 3038) granting a pension to Ella Swart; and

A bill (S. 3039) granting an increase of pension to John E. Markley; to the Committee on Pensions.

INTERCHANGEABLE MILEAGE TICKETS.

Mr. McKELLAR submitted an amendment to the amendment of the Senator from Iowa [Mr. CUMMINS] intended to be proposed by him to the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT TO TREASURY DEPARTMENT APPROPRIATION BILL.

Mr. MYERS submitted an amendment proposing to appropriate $5,000 for altering and fitting the third floor of the Federal building at Billings, Mont., as a court room for the holding of sessions of the United States District Court for the District of Montana, etc., intended to be proposed by him to House bill 9724, the Treasury Department appropriation bill, which was ordered to lie on the table and to be printed.

ROSE CROSSEN.

Mr. CALDER submitted the following resolution (S. Res. 216), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, out of the miscellaneous items of the contingent fund of the Senate, to Rose Crossen, sister of Philip A. Crossen, late a laborer in the employ of the Senate in the heating and ventilating department, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

EXPRESS RATES ON PERISHABLE FARM PRODUCTS.

Mr. TRAMMELL submitted the following resolution (S. Res. 217), which was referred to the Committee on Interstate Commerce:

Resolved, That the Committee on Interstate Commerce be, and it is hereby, directed to investigate the present high express rates being charged on citrus fruits, vegetables, and other perishable farm products, with a view to bringing about early legislation that will result in a reduction of the existing express rates on such perishable products.

NATIONAL GRAIN DEALERS' ASSOCIATION.

Mr. KENYON. Mr. President, on the 22d of August last the Senate passed a resolution (S. Res. 110) directing the Committee on Agriculture and Forestry to investigate a certain campaign which was alleged to have been waged against the United States Grain Growers (Inc.), but we failed in the resolution—and I assume it was probably my fault—to provide for the expenses of the investigation. I am now offering a resolution on that subject, which I assume will have to go to the Committee to Audit and Control the Contingent Expenses of the Senate, and I ask the chairman of that committee if he will not give it his special attention, because the hearings in reference to the matter will commence on Monday next?

Mr. CALDER. I shall be glad to give the resolution consideration.

The resolution (S. Res. 218) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Whereas on the 22d day of August, 1921, the Senate passed a resolution directing the Committee on Agriculture to investigate a campaign alleged to be waged against the United States Grain Growers (Inc.); and

Whereas said resolution did not provide for the employment of a stenographer or the subpœnaing of witnesses or the necessary expense of said investigation: Therefore be it

Resolved, That the Committee on Agriculture or any subcommittee thereof is authorized for the purposes embraced within said resolution No. 110 to employ a stenographer and to subpœna witnesses, and that the expense of said investigation be paid out of the contingent fund of the Senate.

HAITI AND SANTO DOMINGO.

Mr. KING submitted the following resolution (S. Res. 219), which was referred to the Committee on Foreign Relations:

Whereas the relations between the United States and the Republic of Santo Domingo and the Republic of Haiti have assumed a condition which is unsatisfactory to the inhabitants of said countries, and otherwise disadvantageous to the United States, which condition is due in large measure to the presence of the naval forces of the United States in said countries and the exercise by the United States of the control of the finances and revenues of said countries; and

Whereas the purpose of the intervention by the United States in the political affairs of said countries, the direction of their revenues and finances, and the police of the same by the United States naval forces has been accomplished, and there is no further advantage either to the United States or said countries from any continued intervention in their affairs: Now, therefore, be it

Resolved, That it is the sense of the Senate of the United States that the President should withdraw the naval forces of the United States now in Santo Domingo and Haiti and should arrange an abrogation of any treaty, protocol, or other agreement providing for the control of the revenues of Haiti or Santo Domingo by the United States, or providing for the intervention of the United States in the political affairs of either of said countries, and that it is the sense of the Senate that Santo Domingo and Haiti should be free from any external interference with their domestic policies or internal administration.

INVESTIGATION OF EXAMINING DIVISION, CIVIL SERVICE COMMISSION.

Mr. ROBINSON. Mr. President, some days ago the Senator from New York [Mr. CALDER] reported from the Committee to Audit and Control the Contingent Expenses of the Senate the resolution (S. Res. 199) providing for an investigation of certain proceedings of the Civil Service Commission. The resolution is on the table pursuant to a consent agreement by the Senate. I think it will take but a moment to dispose of the resolution, and I therefore ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection?

Mr. KING. I have no objection to the consideration of the resolution, but I ask that it may be read.

The reading clerk read the resolution (S. Res. 199), which had been reported with an amendment from the Committee to Audit and Control the Contingent Expenses of the Senate by Mr. CALDER on January 9, 1922, as follows:

Resolved, That a committee of five Senators, who shall be members of the Committee on Civil Service, be appointed by the President of the Senate, and the said committee is hereby authorized and instructed to investigate the proceedings of the Examining Division of the Civil Service Commission, and particularly to ascertain whether political influence has been used in said examinations and in the making and alteration of grades relating to the same, and whether the act of Congress giving preference to ex-service men in appointment to office under civil-service regulation has been observed and executed.

Said committee is empowered to sit during the recess and sessions of the Senate, at such times and places as by it may be deemed advisable, to require by subpœna or otherwise the attendance of witnesses and the production of books, papers, and documents, to administer oaths and to employ stenographers at a cost not exceeding $1.25 per printed page, and such clerical assistance as may be necessary. All expenses of the committee incurred under this resolution shall be paid out of the contingent fund of the Senate on vouchers authorized by the committee and signed by the chairman thereof.

Said committee shall report its proceedings and findings to the Senate within 90 days.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WATSON of Indiana. What is the question now before the Senate, Mr. President?

The VICE PRESIDENT. Unanimous consent is asked for the consideration of the resolution which is now on the table and which has just been read.

Mr. WATSON of Indiana. Mr. President, personally I am not familiar with this resolution, not having heard of it before, but I should like to have an opportunity to study it in order to find out something about it. While, so far as I know, personally I have no objection to the consideration of the resolution——

Mr. ROBINSON. Mr. President, the resolution was reported approximately 10 days ago by the Committee to Audit and Control the Contingent Expenses of the Senate. It was discussed briefly at that time. The same suggestion which is now

made by the Senator from Indiana [Mr. WATSON] was then made by another Senator. I should very much like to have the resolution disposed of. I hope the Senator from Indiana will not insist upon it going over.

Mr. WATSON of Indiana. Very well. Under the circumstances stated by the Senator from Arkansas, I shall not object to the consideration of the resolution.

Mr. JONES of Washington. I desire to ask has this resolution been referred to or considered by the Committee on Post Offices and Post Roads?

Mr. ROBINSON. It was considered by the Committee to Audit and Control the Contingent Expenses of the Senate, and that committee conferred with the Committee on Civil Service in regard to the resolution, which, I think, would have jurisdiction of it. The resolution relates to the proceedings of the Civil Service Commission and has no especial application on its face to any particular department of the Government.

Mr. JONES of Washington. Does it not deal particularly with the Post Office Department?

Mr. ROBINSON. It does not; it relates to all civil-service examinations.

Mr. JONES of Washington. As I understand, the resolution has not been considered by any committee except the Committee to Audit and Control the Contingent Expenses of the Senate. Is that correct?

Mr. ROBINSON. That is true; but the Senator from New York [Mr. CALDER], who reported the resolution, conferred with the chairman of the Committee on Civil Service, who approved of the resolution with the amendment which has been reported by the Senator from New York.

Mr. JONES of Washington. I do not think I shall object, but I wish to say that I think resolutions of this character ought to be referred to the committee having jurisdiction over the subject matter, irrespective of the question of the funds necessary to carry on the investigation. It is not in the province, as I understand, of the Committee to Audit and Control the Contingent Expenses of the Senate to go into the merits of resolutions of this character which are referred to it; the committee having jurisdiction over the subject matter should do that. I know the chairman of the Committee on Post Offices and Post Roads is interested in this resolution.

Mr. ROBINSON. Mr. President, will the Senator permit me to interrupt him?

Mr. JONES of Washington. Yes.

Mr. ROBINSON. Under the suggestion which has just been made by the Senator this resolution would have to go to almost all of the committees of the Senate, because it relates to the proceedings of the Civil Service Commission, which establishes eligibility for all of the departments of the Government. As I have said, the resolution has the approval of the chairman of the Committee on Civil Service, and I think, since it merely provides for an investigation, its reference to the Committee to Audit and Control the Contingent Expenses of the Senate has afforded all the opportunity for inquiry that any committee may need to make respecting the subject.

Mr. JONES of Washington. Mr. President, I am simply expressing my view as to what I think ought to be the general policy of the Senate with reference to resolutions providing for investigations. Of course, the resolution had to go to the Committee to Audit and Control the Contingent Expenses of the Senate before any money could be paid out, but I think it ought to be the general practice of the Senate to refer such resolutions in the first instance to the committee having jurisdiction over the subject matter, so that we may have the benefit of their views as to whether or not the investigation ought to be made. Then, if they conclude that it should be entered upon, it is proper to refer the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate to determine whether the money should be provided.

Referring briefly to the suggestion of the Senator, the Committee on Civil Service would probably be the proper committee to deal with the matter, as it relates to all of the departments of the Government. With that statement, Mr. President, I am not going to object to the present consideration of the resolution, because I understand it has been reported from the committee and has been on the table for two or three weeks.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendment which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 2, line 3, after the word "documents," to insert "except those that have been received by the commission under pledge of confidence," so as to make the resolution read:

Resolved, That a committee of five Senators, who shall be members of the Committee on Civil Service, be appointed by the President of the Senate, and the said committee is hereby authorized and instructed to investigate the proceedings of the examining division of the Civil Service Commission; and particularly to ascertain whether political influence has been used in said examinations and in the making and alteration of grades relating to the same, and whether the act of Congress giving preference to ex-service men in appointment to office under civil-service regulation has been observed and executed.

Said committee is empowered to sit during the recess and sessions of the Senate, at such times and places as by it may be deemed advisable, to require by subpœna or otherwise the attendance of witnesses and the production of books, papers, and documents, except those that have been received by the commission under pledge of confidence, to administer oaths, and to employ stenographers at a cost not exceeding $1.25 per printed page, and such clerical assistance as may be necessary. All expenses of the committee incurred under this resolution shall be paid out of the contingent fund of the Senate on vouchers authorized by the committee and signed by the chairman thereof.

Said committee shall report its proceedings and findings to the Senate within 90 days.

The amendment was agreed to.

The resolution as amended was agreed to.

TREASURY DEPARTMENT APPROPRIATIONS.

Mr. WARREN. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. WARREN. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, I do not want to object, but if that procedure shall be followed it will not give us an opportunity even to scrutinize the various items of the bill.

The VICE PRESIDENT. The text of the bill will be read.

Mr. WARREN. The bill will be read just the same, but a double reading will be avoided.

Mr. KING. Very well; I shall offer no objection.

The VICE PRESIDENT. Without objection, the request of the Senator from Wyoming is granted.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the head of "Office of the Secretary," on page 2, line 2, after the numerals "$12,000," to insert:

Undersecretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall receive compensation at the rate of $7,500 per annum and shall perform such duties in the office of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed or such absence or sickness shall cease, $7,500.

Mr. FRELINGHUYSEN and Mr. KING addressed the Chair.

The VICE PRESIDENT. The Senator from Wyoming has the floor. Does he yield; and if so, to whom?

Mr. WARREN. I understand the Senator from New Jersey wishes to offer an amendment to the amendment, which, of course, is in order.

Mr. FRELINGHUYSEN. Mr. President, I desire to offer an amendment to strike out "$7,500," in line 6, and insert "$10,000"; and, in line 12, to strike out "$7,500" and insert "$10,000."

The amendment applies to the salary fixed for the Undersecretary of the Treasury. The incumbent, Mr. Gilbert, comes from my State. He was appointed one of the Assistant Secretaries during the war; he is a man of considerable ability and has had a great deal of experience.

When the present Secretary of the Treasury, Mr. Mellon, was appointed he immediately recognized that Mr. Gilbert could be of great assistance to him in relieving him of the many details that the Secretary of the Treasury has to assume. Mr. Gilbert was offered a position in the law firm of Mr. Cravath, in New York, at a considerably higher salary; but the Secretary of the Treasury urged him to stay in the service of the Government in the Treasury Department by reason of his experience, and the fact that he could be of assistance to the Secretary; and he suggested that Mr. Gilbert be made Undersecretary of the Treasury when that office was created, which is now a fact.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. FRELINGHUYSEN. I yield.

Mr. HARRISON. Mr. Gilbert is slated to take this place when this office is created?

Mr. FRELINGHUYSEN. I understand so; yes.

Mr. HARRISON. Mr. Gilbert was in the Treasury Department during the last administration, I suppose?

Mr. FRELINGHUYSEN. Yes; he was.

Mr. HARRISON. Can the Senator tell us what salary he received at that time?

Mr. FRELINGHUYSEN. I do not know. It was much less than this; but his duties at present are much greater, and he had opportunity outside to make a great deal more money in the practice of law; and the Secretary feels that he should be paid a salary commensurate with his responsibilities and the work that he performs, and feels that it should be $10,000.

Mr. HARRISON. I had understood, and I thought perhaps the Senator was informed as to that, that Mr. Gilbert had been in the Treasury Department for quite a long while, and that he formerly received $2,400 a year. Does the Senator know about that?

Mr. FRELINGHUYSEN. I do not.

Mr. HARRISON. I am further informed that when this position of Undersecretary of the Treasury or Assistant Secretary of the Treasury was suggested by the present Secretary of the Treasury he wanted provision made for a salary of $10,000, and that he said it was necessary that that amount be appropriated to obtain the services of just such a man as was needed, and that he then lifted Mr. Gilbert from the salary of $2,000 or $2,400, which he was then receiving, to the salary he is now receiving.

Mr. FRELINGHUYSEN. Those may be the facts; but that has nothing to do with this situation, because Mr. Gilbert, coming to the Treasury Department as a young man, has shown marked ability, and the Secretary feels that he is worth this salary. More than that, if Mr. Gilbert decides to leave the Treasury and the public service, a place is waiting for him in one of the largest law firms in New York. I think the Secretary of the Treasury is anxious to keep a man of Mr. Gilbert's ability in the public service, and I feel also that it is a wise plan.

Mr. HARRISON. May I ask the Senator whether, under the law, the Secretary of the Treasury has not now the right to name three Assistant Secretaries of the Treasury at salaries of $5,000 each?

Mr. FRELINGHUYSEN. I think so; yes.

Mr. HARRISON. If it was so necessary to retain the services of Mr. Gilbert, who during the last administration was working for a much smaller salary, he could be appointed to one of those places, could he not?

Mr. FRELINGHUYSEN. The Senator knows perfectly well that during the war men never considered the salary they were receiving. They served oftentimes from a sense of patriotic duty, and I think Mr. Gilbert was in that class. I know him.

Mr. HARRISON. No doubt; but Mr. Gilbert has been in the Government service for a number of years. As I understand, he has grown up in the service. He started at a very small salary and gradually was promoted to this place. I am just wondering if this is not merely a plan to put upon the taxpayers of the country a very large increase of salary and to create a new office, whereas if Mr. Gilbert was so necessary to the Secretary's office he could have been appointed to one of the positions of Assistant Secretary of the Treasury that are now provided by law.

Mr. FRELINGHUYSEN. We will admit that Mr. Gilbert is exceptionally fitted for this position. I know that that is so, and he is a man of exceptional ability.

Mr. HARRISON. May I say to the Senator——

Mr. FRELINGHUYSEN. Will the Senator wait until I finish?

Mr. HARRISON. I was just going to back up that statement by saying that I understand he is extraordinarily efficient, that he is thoroughly efficient and qualified.

Mr. FRELINGHUYSEN. The Senator also knows that by reason of the after-the-war conditions the Treasury Department has great responsibilities and great burdens. The Secretary of the Treasury has the bond-refunding plan and the tariff to deal with, and all of the various responsibilities of the Treasury Department impose upon the Secretary great burdens; and he does need at his right hand an able man to help handle those problems. The Secretary of the Treasury feels that in Mr. Gilbert he has such a man. He desires him to have this position and also this salary.

Mr. FLETCHER. Mr. President——

Mr. FRELINGHUYSEN. I yield the floor.

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Florida?

Mr. WARREN. I do.

Mr. FLETCHER. I want to say to the Senator that the House declined to put this Undersecretary of the Treasury in this bill.

Mr. WARREN. Mr. President, if the Senator will allow me, I think I owe the Senate a little explanation about this item.

Mr. FLETCHER. I should just like to make this statement: I am opposed to this proposed increase in salary. I am opposed to the creation of this position of Undersecretary of the Treasury at all. We did that once, I think, in the State Department. My impression is that we have left out the Undersecretary of the State Department. Now we want to put an Undersecretary in the Treasury Department, with three Assistant Secretaries already there. It is just another addition to the pay roll of the Treasury Department; and the committee proposed to name a salary of $7,500 for the Undersecretary, whereas now it is proposed to increase that to $10,000, and I presume next year there will be a proposal to increase it to $12,000 or $15,000. At any rate, I am against both propositions—both the committee amendment and the amendment proposed by the Senator from New Jersey. I do not believe this Undersecretary of the Treasury is needed. If Mr. Gilbert is peculiarly qualified as an assistant in this department and is very helpful to the Secretary, let him take the position of Assistant Secretary of the Treasury; but the proposal here is to add another position and another salary, and I do not think it is justified at all.

Mr. WARREN. Mr. President, I think I ought not to let the Senator go on without an explanation.

Mr. FLETCHER. I am willing now to have the explanation.

Mr. WARREN. This is not a new place. It is a place that is already filled, and has been filled for nearly a year.

Mr. FLETCHER. Then we ought to abolish it, I think.

Mr. WARREN. We are abolishing another place immediately under this estimate, one that was created during the time of Mr. McAdoo, namely, assistant to the Secretary. It has been useful, probably, but we believe that at the present time, while there is a vacancy, they can do without the position.

The history of this position of Undersecretary is as follows:

Immediately after the present Secretary of the Treasury took the office he brought to the attention of the Congress the fact that he must have an Undersecretary, or one who could perform his duties in case of his absence. He recommended the position very highly and recommended the salary. It was put in an appropriation bill after the estimate came down in the regular way, and he appointed Mr. Gilbert, as has been said.

I do not know what salary Mr. Gilbert formerly got. I understood that he got $5,000 previously as Assistant Secretary, but I may be wrong about that. He is a man I should say about 35 years old, and there is no doubt that he is thoroughly competent. He was there under the former administration, perhaps even further back than the immediately preceding one.

The House put in the position, and put it in at $10,000, and endeavored to retain it in the bill; but having been put in originally in a deficiency bill, under the old rule the position must first be established by general law, and a Member from Texas [Mr. BLANTON] made a point of order against the provision, which was sustained.

That is the history of the matter. It came to our committee with a very urgent letter from the Secretary himself, over his own signature, and besides by a messenger at another time, expressing great anxiety about the place, and the necessity of retaining it. Meantime, the Senate committee voted to reinstate it, not at $10,000, as the House had it, but at $7,500; and the Senate committee proposed, and the amendment will come up in a moment, to strike out the assistant to the Secretary, a position which, by the way, has been vacant for a little time because of other arrangements. Now, it is up to the point where the Senator from New Jersey [Mr. FRELINGHUYSEN] moves to raise the salary of $7,500 to $10,000, and the vote will come first upon that amendment.

Mr. KENYON. Mr. President, I should like to ask the Senator from Wyoming what salary is paid the Undersecretary of State?

Mr. WARREN. The Undersecretary of State is getting $7,500. The First Assistant Secretary of War gets $10,000. Those three are the ones who stand above the similar positions in other departments. There are only two undersecretaries, but the assistant secretaries generally, as a class, are receiving $5,000. The Secretaries of some of the departments have asked to have their first assistants paid $7,500. There is not any doubt in my mind that they ought to have that salary, but we have not raised any salary whatever at any place in this bill, and the matter of $7,500 must not be considered as a raise by us. It is simply substituting $7,500, less $5,000, which amounts to only $2,500, in place of the $15,000 for the two men placed in the bill by the House.

Mr. KENYON. I am wondering, if we raise this salary to $10,000, whether it will not be necessary, as a matter of justice,

to raise the salary of the Undersecretary of State to the same figure.

Mr. WARREN. That will be a matter for future consideration. Of course, it has been considered heretofore that the duties in the Treasury Department, which are so heavy, are more important, and became even more important after the war than during the war because of the tremendous volume of claims, and the change of currency, notes, and so forth, and the putting out and taking in of new securities, and so forth.

Mr. FLETCHER. Mr. President, why can not this position of assistant to the Secretary be tendered to Mr. Gilbert, since it seems to be necessary to retain Mr. Gilbert, and since he is so important to the proper conduct of the business of the office of the Secretary of the Treasury, and a new office must be made for him? I do not question his qualifications at all. I do not know Mr. Gilbert, but I assume that the Senator is entirely correct in what he says about him.

Mr. WARREN. If the Senator will permit me right there, the matter of Mr. Gilbert's name comes to me only incidentally. When the Secretary of the Treasury asked for the creation of this office we knew nothing about whom it was to go to, and we only know whom it went to by the business that we have done since. Of course, the provision in the present bill may apply to him and it may not.

Mr. FLETCHER. I think it is entirely immaterial who is in contemplation. What I am objecting to is the creation of a new office with a new salary. Why can not Mr. Gilbert be assistant to the Secretary? Why is it necessary to change the House bill, to strike out the Assistant to the Secretary and to put in an undersecretary instead? The idea seems to be that an Undersecretary is more important than an Assistant Secretary and entitled to more pay, and I take it that that is the reason for giving him the new title. It is not necessary to have an undersecretary in order to have somebody perform the duties of the Secretary during his absence or illness or incapacity. An assistant to the Secretary can do that, or one of the Assistant Secretaries can do it.

There is no necessity for creating a new position and giving it a new and more dignified name in order to have somebody perform the duties of the Secretary when he is incapacitated or absent.

Mr. FRELINGHUYSEN. May I interrupt the Senator?

Mr. FLETCHER. I can not see why we can not keep the place of Assistant Secretary at $5,000, instead of striking that out and putting in the position of Undersecretary at $7,500, which it is proposed now to raise to $10,000. It is simply a means of increasing somebody's pay and giving the position a new title in order to justify that increase. That is what it looks like.

Mr. FRELINGHUYSEN. Does the Senator yield?

Mr. FLETCHER. I yield to the Senator.

Mr. FRELINGHUYSEN. The Senator is in error when he says it is increasing somebody's pay. Mr. Gilbert occupied the position of Undersecretary for the past year, and last year's appropriation act provided a salary of $10,000 for the Undersecretary of the Treasury. He has been receiving that for the past year. The committee propose a reduction in his salary to make it $7,500. I want to call the Senator's attention to the testimony of Secretary Mellon. The chairman asked Mr. Mellon in regard to Mr. Gilbert:

> Mr. Secretary, will you please tell us how the position of Undersecretary is functioning, and whether it is of any advantage in the conduct of the department, or as much advantage as you anticipated it would be?

Secretary Mellon replied:

> Yes, sir; it is of very great importance. The position is general instead of being special to the different bureaus, and there are matters of general import that have to be taken care of which the Undersecretary can handle and relieve the Secretary to that extent. Then it is desirable, in the absence of the Secretary, to have one who will have the general authority to handle whatever business comes in.

You can do what you please with this proposition, but we are legislating to provide a staff for a very important department, with great responsibilities at this time, and I think the Senate ought to consider somewhat the recommendations of the Secretary of the Treasury, who desires efficient help and efficient assistance, and we should not try to cut the salaries down to such an extent that the Secretary can not procure the help he needs and desires at this time.

Mr. JONES of Washington. Mr. President, I am emphatically opposed to the amendment offered by the Senator from New Jersey. I do not think we ought to provide in this bill for a salary for the Undersecretary of the Treasury double the salary of an assistant secretary. There will be no trouble about getting a proper man for the place, in my judgment. Furthermore, I do not think we ought to make provision for this in view of the proposal for a reclassification of salaries. If we should provide for an undersecretary or an assistant secretary at this salary it can be cared for in that bill, and all the various conditions can be taken into account.

The argument presented here in behalf of an increase in this salary has been urged time and again before the Committee on Appropriations with reference to various offices, various positions, and various salaries paid by the Government. We have refused to accede to that argument, although we may recognize the merit of it, and we have refused largely because it would involve increases in the salaries of a great many employees of the Government without regard to their relation to the other employees of the Government.

Personally I do not like the word "undersecretary." I would much prefer the language "first assistant secretary," if we must have one of these gentlemen getting higher pay than the others; but the majority of the committee were in favor of using the term "undersecretary," and I acquiesced in their judgment, and I will stand by it. But the recommendation of the committee of a salary of $7,500 is liberal to the fullest extent, taking into account the fact that there are three Assistant Secretaries of the Treasury who get only $5,000 a year apiece. So, Mr. President, I hope the amendment of the Senator from New Jersey raising it to $10,000 will be voted down.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. JONES of Washington. I yield.

Mr. McKELLAR. I merely wish to say to the Senator that if this amendment is adopted, in view of the fact that it will create the position of undersecretary, the more "undersecretary" he is the more overpay we will give him. Is that the idea?

Mr. JONES of Washington. Yes; I suppose the more "under" he gets the more pay he will get. I just want to say, too, that if we continue this practice of providing for these positions of undersecretary there will not be a Cabinet officer who will not come in here asking for an undersecretary, and if we grant the request of this one and the request of that one, what reason can we give for not granting it to the others who may ask for it? That is an additional reason why we at any rate should not provide this salary of $10,000 a year. Seven thousand five hundred dollars is ample, especially in view of what we provide for the Assistant Secretaries.

Mr. FRELINGHUYSEN. Does the Senator understand that the Undersecretary of the Treasury has had $10,000 in the past year, and that it was provided in the appropriation act for this year?

Mr. JONES of Washington. Then, the sooner we end it the better it will be for the Government. This continues it for another year, does not make it permanent legislation, and, in my judgment, we ought to stop it right here.

Mr. SMITH. Mr. President, I would like to ask the chairman of the committee, in view of the statement made by the Senator from New Jersey that this office had been in existence for a year or more——

Mr. KING. For less than a year.

Mr. SMITH. Or less than a year, at the rate of $10,000—I would like to ask the chairman of the committee, for information, under what provision of law Mr. Gilbert was appointed as Undersecretary? I believe that is the terminology which the Senator from New Jersey used.

Mr. WARREN. It was placed in the first deficiency bill, and this was the provision:

> Undersecretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall receive compensation at the rate of $10,000 per annum, and shall perform such duties in the office of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed, or such absence or sickness shall cease.

Mr. SMITH. That was passed at what time?

Mr. WARREN. That was for the fiscal year 1922, which, of course, will run until the 30th of next June. This was approved June 16, 1921.

Mr. SMITH. So that Mr. Gilbert has been serving in that capacity practically from June 16, 1921?

Mr. WARREN. He has.

Mr. SMITH. And the name of the office has been "Undersecretary of the Treasury"?

Mr. WARREN. He was appointed and confirmed in the usual way.

Mr. SMITH. And he has received, up until the present time, a salary of $10,000?

Mr. WARREN. And he will receive that salary until the end of the present fiscal year.

Mr. SMITH. I have not been keeping up with this matter, but I see that the House provided for an Assistant Secretary at $5,000. When this Undersecretary was provided for by law in June, 1921, did that office supersede the office of the Assistant Secretary, which the House had stricken out, or were there four assistants in addition to the other Secretary?

Mr. WARREN. There were at least three besides one called assistant to the Secretary. It did not disturb those at all.

Mr. SMITH. So the House has amended by striking out the assistant. As I understand it, there has been an assistant to the Secretary, and three Assistant Secretaries, in addition to the Undersecretary, until the present time.

Mr. WARREN. There were three Assistant Secretaries, besides the Undersecretary, and besides an officer called "Assistant to the Secretary of the Treasury."

Mr. SMITH. That would make, in effect, four assistants to the Secretary of the Treasury up to the present time, starting with June 16, 1921, in addition to the Undersecretary?

Mr. WARREN. Yes.

Mr. SMITH. The House modified that by striking out the Assistant to the Secretary and providing for an Undersecretary and three assistants?

Mr. WARREN. No. The House committee constructed their bill precisely as the law provides now, and with the same officers precisely, but on the floor this one particular item providing for an Undersecretary, together with the language providing for his salary, was stricken out on a point of order raised by the gentleman from Texas.

Mr. SMITH. So that if this Undersecretary shall be provided for, we will have an Undersecretary, an Assistant to the Secretary, and three Assistant Secretaries?

Mr. WARREN. The Senator will notice, immediately following this item, that there is an amendment to vacate the position of Assistant to the Secretary.

Mr. SMITH. So that would leave the Undersecretary and three assistants?

Mr. WARREN. It would leave the Undersecretary and three assistants.

Mr. SMITH. That, then, would remove a $5,000 salary, which was carried in the previous bill, and add $2,500 for the Undersecretary?

Mr. WARREN. No; it will take out one $5,000 position, and it will reduce the $10,000 provided for the Undersecretary to $7,500. A total of $7,500 will be taken out if both of the amendments are agreed to as the committee reported them.

Mr. SMITH. The point I wanted to get at was this: The total increase, then, in the expenses incurred in providing for three assistants and the Undersecretary, would be $2,500 in excess of what it would be if it was left as the House has it?

Mr. WARREN. If the Senator means as the House has stricken it out on the point of order, it simply leaves four at $5,000, and if this amendment of the committee prevails, there will be one less at $5,000, and there will be one more at $7,500, which would make an addition of $2,500; but the total would be $7,500 less than was carried in the bill as reported by the House committee.

Mr. HARRISON. Mr. President, I am opposed to the amendment offered by the Senator from New Jersey, as well as the committee amendment; and my opposition is in spite of the fact that they need some efficient help up in the Treasury Department to see that that department is administered properly.

Mr. President, if there is a department in the Government that needs efficient men it is the Treasury Department, and I do not know of a gentleman more qualified by training and fitness to do the work of the Secretary of the Treasury than Mr. Gilbert. He started in at a very small salary, has been in the Treasury Department for quite a long while, worked up from $1,200 to $1,500, and $2,000, but under this administration they have raised his salary from $2,000 or approximately that amount, for which he worked so long, to $10,000.

It is but in keeping, however, with the general policy of the present administration, and I say that in the best of humor and commiserate with the Senators on the other side. We have not forgotten how the Shipping Board took men who had been working for $6,500 for several years and are now paying them $35,000 and $20,000, and $15,000 a year. So this increased salary is in line with the present general policy of taking persons who were receiving, under the last administration, $2,000 or $2,400, and now increasing their salaries to $7,500, $10,000, or much higher——

Mr. FRELINGHUYSEN. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from New Jersey?

Mr. HARRISON. Does the Senator desire to ask me a question?

Mr. FRELINGHUYSEN. I desire to ask the Senator to include the cost of the merchant marine built under the previous administration, and what it is worth at the present prices.

Mr. HARRISON. I would include that because we built a very wonderful merchant marine, and I would include the statement, too, that under the present management they are selling ships that cost us thousands on thousands of dollars for $2,100 each; and it will be very difficult for them to explain the fact how, when they went to employ counsel to defend suits which were filed against the Shipping Board and the Emergency Fleet Corporation, they went to New York and consulted in some instances the members of the firm which had pending suits against the Shipping Board and the Emergency Fleet Corporation, and accepted their recommendation as to the employment of attorneys out of their offices to defend those suits.

Mr. FRELINGHUYSEN. The Senator should also investigate the employment of and fees paid to certain lawyers during the previous administration.

Mr. HARRISON. Ah, well; they were quite reasonable. This is the second appropriation bill reported out of the Committee on Appropriations. The first was a deficiency bill that carried over $100,000,000, and in this second appropriation bill we find that salaries are to be increased. Are we never to stop passing deficiency bills and creating new officers and increasing salaries? We have heard enough of economy to practice a little of it. Certainly this is a most appropriate time.

Mr. WARREN. Mr. President, I do not believe the Senator means exactly that.

Mr. HARRISON. Yes; I meant exactly what I said.

Mr. WARREN. Will the Senator allow me to make a brief statement?

Mr. HARRISON. Certainly.

Mr. WARREN. This is the first appropriation bill for the fiscal year 1923.

Mr. HARRISON. But we passed a deficiency bill here during this Congress.

Mr. WARREN. The deficiency bill was for the year 1922.

Mr. HARRISON. But it was during this Congress and carried an appropriation of over $100,000,000 as a deficiency.

Mr. WARREN. It did. On the point of increasing salaries, I think I am correct in stating there is not a single salary increased in the entire bill which we are now considering, so that in starting the fiscal year 1923, while the Senator may indulge in anticipation, he has nothing yet on which to base his statement. The bill does not propose a raise in salaries.

Mr. HARRISON. Here are the facts, and if I state them incorrectly I hope the chairman of the Committee on Appropriations, for whom I have very high regard, will correct me.

The Secretary of the Treasury, as soon as he was inducted into office, went before the House Appropriations Committee and said he needed an undersecretary or assistant and asked for an appropriation to be made of $10,000 so he could employ that particular person. He did not state to the committee, which evidently was what he had in mind at that time, that he intended to appoint Mr. Gilbert. On that deficiency bill they appropriated $10,000 to cover that one year. He pleaded to the committee that it was because of the extraordinary situation, the abnormal condition that was then confronting the Treasury Department, that he needed a man at that particular time for the work.

The committee did not attempt to make it a permanent office. There was no suggestion to the Committee on Appropriations to make it a permanent office, and this is the first attempt to make it a permanent office. That appropriation of $10,000 was to expire at the end of this fiscal year. It was incorrectly carried in the deficiency bill, for it was not a deficiency——

Mr. LODGE. Mr. President——

Mr. HARRISON. This proposition is to make it a permanent office, which was not attempted to be done before. I now yield to the Senator from Massachusetts.

Mr. LODGE. I merely wish to say to the Senator that I never heard of this matter until I came on the floor of the Senate a little while ago, but I seem to remember that Mr. Gilbert was appointed under the last administration as Assistant Secretary at a salary of $5,000.

Mr. HARRISON. In the closing days of the last administration.

Mr. LODGE. I do not care whether it was in the closing days or the beginning days——

Mr. HARRISON. The Senator is right.

Mr. LODGE. He was appointed Assistant Secretary at a salary of $5,000 a year.

Mr. HARRISON. I think he took Mr. Leffingwell's place as Assistant Secretary at $5,000 a year.

Mr. LODGE. That is what I thought.

Mr. HARRISON. He has proven himself to be a most efficient gentleman, thoroughly competent, who had before that time received as high as $2,400. I desire, Mr. President, at this time to call attention to an article that appeared in yesterday afternoon's paper, I think in the Daily News. I have seen it carried in other papers. This article seems to have been headed:

Harding's plan is halted. Opposition blocks Harding's reorganization scheme.

Then at the bottom of the article it is said:

The first serious opposition to reorganization suggestions is found in Congress, where every department and bureau head has at least a handful of active friends fighting for him.

As soon as this administration took office the suggestion was made that there should be a reorganization of the bureaus of the Government, a weeding out of surplus offices, a reduction of salaries, that efficiency might be promoted and a saving effected to the American people. A propaganda to carry out that plan was started in the country. A joint resolution was passed by the House and the Senate directing the appointment of a joint commission on reorganization. Three Senators were appointed and three Members of the House were appointed.

Then the suggestion came from the White House that there should be cooperation between the Executive and the legislative branches and a desire that the resolution be amended so that he might designate some one as his personal representative to cooperate with the congressional commission. Congress accordingly did that. I did not believe at that time that it was a wise policy, because Congress was undertaking the job, and should be permitted to do it without delay or Executive embarrassment.

That commission had a meeting along in the latter part of March. It had another meeting on April 6 of last year. It is almost a year now since it met. I say to you, Mr. President, and I say to the country that the reorganization commission which was empowered by Congress to go to work, weed out useless offices, reduce salaries if necessary, coordinate and reorganize the bureaus of the Government, has never held a meeting from that day to this. No suggestion has come to the Congress as to what that commission is doing.

I speak by the card, because I happen to be a humble member of that commission. There has been no call for a meeting; there has been no conference upon the part of the members of the commission, and the insinuation that evidently came from the White House that Congress is blocking the plans of President Harding in this great reorganization scheme is absolutely and utterly false.

I have had no one in any of the departments approach me on the subject and try to block any plan. The delay has been caused by some one other than Members of Congress on the commission. What ought to happen is that the chairman of the commission should call it together and inform the members about his preliminary survey. We should get to work. We should have hearings and try to put in effect this great reorganization plan that was advertised 12 months ago as the cure for existing ills, so the plan could be laid before the Congress and the reorganization scheme put on its feet.

I have risen in the main to counteract the impression that might have been created by the article to which I have referred and other articles that are appearing in print. If they have differences in the departments, between the Army and the Navy, for instance, as to coordination, the President should get them together. If he can not, then let the commission meet, have hearings, get all the facts, and make their recommendations to Congress, so that Congress can do something.

I desire to say, too, that the commission has made no findings touching the coordination of the Army and Navy Departments of the Government, and so far as I know the only one who has a fixed purpose about it is Mr. Brown, the personal representative of the President on the commission. Of course, the commission may, after it has had full hearings, recommend that plan, but it has not even discussed it up to this good hour. So far as establishing a public welfare bureau, it has taken no action, nor has it acted on any of the other very great problems that the commission thought it would investigate and consider and upon which it would make its recommendations.

It would seem to me that instead of these articles, that one being issued or inspired from the White House or the personal representative of the President, Mr. Brown, who is the chairman of the commission, thereby creating an impression in the country that this department will be coordinated with that department, the chairman should call the commission together and allow the members representing the House of Representatives and the Senate of the United States to begin their work, so that they can pass judgment upon the problem.

Mr. KING. Mr. President, may I inquire of the Senator why the commission have refrained from engaging in the work which they were charged to perform?

Mr. HARRISON. I could not explain that. It is inexplicable. Of course, the Senator understands I am merely a minority member of the commission and that Mr. Brown, the personal representative of the President, was made chairman of the commission over my protest, because I suggested that the Senator from Utah [Mr. SMOOT] should be chairman of the commission. I do not know and can give no explanation in the world.

Mr. KING. I should like to inquire of the Senator whether Mr. Brown, because he is chairman, is superior to the commission and prevents their meeting? I should like to inquire, further, if he refuses to call them together, whether it is the purpose of the commission to continue this policy of inaction indefinitely?

Mr. HARRISON. I think the commission should be called together, and if Mr. Brown as chairman does not call the commission, it is my opinion that one of the members of the commission belonging to the majority party should call it together and we should fix our program and go to work.

Mr. KING. Would it not be a good idea to offer a resolution discharging the commission from further service if they are not to act, and appointing a commission that will act?

Mr. HARRISON. I think it would be very appropriate that that should be done.

Mr. KING. I suggest that the Senator from Mississippi offer a resolution discharging the commission from further consideration of the work which they were charged to perform, and that we appoint a commission that will act. If Mr. Brown, because he is the President's appointee, declines to act and declines to call the commission together, it seems to me we had better appoint another commission.

Mr. HARRISON. I think the Senator is exactly right, and if something is not done very soon about calling the commission together, so we can get a preliminary survey of what, if anything, has been done, I shall offer a motion to discharge the commission, so that another one may be appointed.

Mr. KING. May I say to the Senator that we have a reclassification bill before us, and my understanding was that the reorganization was to be effected at a very early date, and then that was to be followed by the reclassification bill. That would be the orderly method of procedure, to determine the various organizations in the executive department of the Government, and then, after having determined those organizations, fix the personnel and permit the reclassification bill to provide for the classes and for the compensation to be allowed. But it seems to me as though we are, in halting the work of reorganization, offering an insuperable obstacle to a proper reclassification bill.

Mr. HARRISON. There is certainly very much of an impression going out that Congress is halting the work of the reorganization commission when Congress is not halting the work of the commission at all.

Mr. JONES of Washington obtained the floor.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. I yield.

Mr. SMOOT. I just entered the Chamber, and do not know the source of the information of the Senator from Mississippi on which he bases the statement that Congress is halting the reorganization work.

Mr. HARRISON. The Senator was not here when I read an article which appeared in yesterday's afternoon paper. It is headed:

Harding's plan is halted. Opposition blocks Harding's reorganization scheme.

It closes with the following statement:

The first serious opposition to reorganization suggestions is found in Congress, where every department and bureau head has at least a handful of active friends fighting for him.

The article gives that impression throughout.

Mr. SMOOT. I wish to say to the Senator frankly that there is no foundation for that conclusion.

Mr. HARRISON. The Senator will also state that the propaganda sent out to the effect that the commission is doing this and doing that should not go to the country, when, in fact, the commission has not met since April of last year and has made no findings whatever.

Mr. SMOOT. The Senator from Mississippi is correct as to the meeting of the commission, but at the last meeting of the commission, Mr. Brown, the chairman of the commission, was authorized to prepare a plan and when that plan was complete to report to the committee. I myself thought at the time that it was rather a sweeping power to grant to any one member of the commission, no limit being placed as to the time when the report should be made, but that was the action of the commission.

I wish to say that, in my opinion—I am not informed as to whether the status has changed within the last two or three weeks—there are two or three very serious questions to be solved, and I think before they are finally solved the President of the United States will have to pass upon them. I refer to the question of difference between the heads of some of the departments.

Mr. HARRISON. Does not the Senator think that the commission ought to pass on them before anything is finally done?

Mr. SMOOT. I think we instructed Mr. Brown to report to us as to those questions.

Mr. HARRISON. I understand.

Mr. SMOOT. And Mr. Brown is trying to bring all of the interested parties into accord in order that he may report to the committee a unison of opinion on the part of the heads of all departments of our Government as to the plan that he shall submit.

Mr. HARRISON. Does not the Senator think, since the commission was over a year ago empowered by Congress to get to work, that it really ought to have some meetings and hearings and do something? If there are differences between the departments of the Government, that is of no concern to Congress.

Mr. SMOOT. I will frankly say to the Senator from Mississippi that I had expected a report would have been made before this time, but—and I say it with deference to the head of every department and of every division and to those under them who, through the proper channels, are objecting—to prepare for the committee in a completed form such a plan of reorganization as is desired is a great undertaking. The Senator from Mississippi will remember that, as I have already stated upon the floor of the Senate, unless there could be harmony between the heads of the different departments, the President and Congress, nothing would come out of these reorganization plans. That is exactly what my idea has been in the past, and it is what I believe to-day. During several past administrations I have seen such an effort made several times, not as a whole, but in piecemeal——

Mr. HARRISON. That, of course, is no secret.

Mr. SMOOT. And it has been an entire failure in that way at all times. I will say to the Senator I think the time has now arrived when the various departments must come to some agreement.

Mr. HARRISON. I am glad to hear the Senator from Utah say that.

Mr. SMOOT. If an agreement can not be reached, then I desire that a report shall be made to the joint committee, and that the committee shall decide upon the course to pursue, and then report to Congress, for the ultimate result of this proposal must be left, of course, to Congress.

Mr. KING. Mr. President——

The PRESIDING OFFICER. The Senator from Washington is entitled to the floor. Does he yield to the Senator from Utah?

Mr. JONES of Washington. I merely desire to speak for a moment.

Mr. KING. Is what the Senator intends to say apropos of the question we are now discussing?

Mr. JONES of Washington. It is.

Mr. KING. Then, of course, I defer to the Senator.

Mr. JONES of Washington. I wish to say merely a few words. I sympathize very much with the criticism of the Senator from Mississippi [Mr. HARRISON] and the suggestions that he has made. I do not believe that there is a more important question confronting the administration than the reorganization of the various departments of the Government. That has been presented as one of the great objects that the administration expects to accomplish. I hope that it will be accomplished, but about the only way, so far as I can see, that it can be brought about is for the President to insist upon his Cabinet officers getting together and agreeing as to the distribution of the various departmental activities and simply to tell them that they must reach an agreement. The Cabinet officer who is not willing to cooperate with his fellow Cabinet officers and make concessions and see to it that duplications are avoided should be disciplined in some way by the President of the United States.

Mr. FLETCHER. May I ask the Senator from Washington if it is absolutely necessary to have an agreement between the heads of the different departments?

If the commission, through Mr. Brown, its chairman, shall see fit to devise a plan of reorganization, note the duplications, and note the extra service that could be eliminated, and all that, could not Congress act on it without reference to the department heads?

Mr. JONES of Washington. Technically it is not necessary, but practically, in my judgment, it is necessary, because, as the Senator from Florida knows, if particular Cabinet officers are not in favor of a certain line of action by Congress when we attempt to carry out what we think possibly ought to be done, if it is contrary to the wishes of such Cabinet officers, they will have their representatives from the various bureaus and departments that may be affected coming to Congress and entreating Senators to do this and to do that. That is why it makes it practically impossible, though technically it is not impossible, and technically Congress will have the last say in the matter.

Mr. FLETCHER. I recognize that difficulty, but if the commission can present to Congress reasons for their recommendations, backed by a man of experience who has analyzed the whole situation, and who can give the reason for his recommendations, I think the opposition of the Cabinet officers will vanish.

Mr. JONES of Washington. I do not want the Senate to understand that I do not think the commission should make any report until the Cabinet officers get together. What I am suggesting is what I think is the practical course in order to arrive at a decision and to reach an agreement; that is, for the President to direct his Cabinet officers, first, to acquaint themselves with the various activities of the different bureaus, then to get around the table and discuss the matter and try to arrange a program that will do away with duplications. If, however, each head of a department is going to depend upon his bureau chiefs, and so on, of course they will never get together and we shall never get rid of this duplication. To use a very common expression, it is necessary to take the bull by the horns and act in these matters. If after they have tried to do that there are still disagreements amongst them, then I believe in the commission getting together, finding what they have done and how far they have gone, what the duties are of the various offices, and then, if necessary, without their agreement, to make their recommendation to Congress. In my judgment, however, that will not be necessary, for I hardly believe there will be a division of opinion.

I have no doubt about the President's earnestness and sincerity in this matter, but with the multitude of duties he must perform and the obligations which are placed upon him I can not wonder that some of these matters may not be pressed as vigorously as I think they ought to be pressed; but if the President should tell his Cabinet officers that they must agree upon a plan for the reorganization of the departments of the Government, that plan will be agreed upon; it will be submitted to the commission; in my judgment it will meet with its approval, will come to Congress, and will pass without very much opposition. The more opposition there is on the outside, however, the more difficult it will be and the more doubtful the action by the Congress.

Mr. SMOOT. Mr. President, I quite agree with all that the Senator from Washington has said, and I am sure that the Senator from Florida [Mr. FLETCHER] will agree with me that it is very difficult, indeed, to report a bill to the Senate or to the House of Representatives to which one or more departments of the Government are bitterly opposed. As an indication of that difficulty, I only have to call attention to the fact that we have tried for years and years to pass through the Senate a bill amending the printing laws. We have had before us such a measure year after year. The reports, as I have stated on the floor of the Senate time and time again, show that if enacted into law such a bill would bring about a saving of between $800,000 and $900,000 a year; but because of the fact that former Public Printers have opposed it for the reason that it took certain appointments out of their hands, I have seen Senators object to it for all kinds of flimsy excuses. I know that employees of the Printing Office have been up here and have visited nearly every Senator they could reach. So we have not been able to pass that bill up to this day.

If it be possible, when the reorganization committee have agreed upon a bill and reported it to the Senate, I earnestly hope that it will be in such shape that there will not be half dozen of the departments calling upon their friends, perhaps, and asking them to oppose it and thwart it in every way.

I agree with the Senator from Mississippi that the question has been under consideration by the joint committee for a long time, and yet I must say that there has been a great deal accomplished toward the final completion of the work, and I am

hopeful that it will not be many days longer until the final report shall be submitted.

This is the only place where objection can be made to the delay, because the commission itself practically took the matter out of its hands as to the time when the report should be made, but I now voice my hope that it will not be many more days until the matter is brought to a head and a report submitted by the chairman to the commission, so that we may get to work.

Mr. FLETCHER. Mr. President, may I suggest to the Senator that while the commission, in effect delegated their authority to the chairman of the commission and failed to limit him as to the time in which he should submit a report back to the commission as a whole, still it is in the power of the commission to meet and to call upon the chairman to make that report without further delay. I submit it is not entirely out of their hands.

Mr. SMOOT. The Senator is correct as to that.

Mr. HARRISON. Mr. President, if the Senator will permit me, I am sure he will agree with me that no member of the commission ever dreamed that it would take this long for a report to be prepared and submitted. Mr. Brown was authorized to prepare his preliminary reports and submit them to the commission, but there was nothing said about his preparing an entire plan and then submitting it, because after the report is made to the commission I take it that the commission will hold hearings and go into the question fully, so that their findings will be based upon a full investigation and consideration of the question. So it would seem to me that the commission should be called together, and, if a full report is not ready to be made, that a partial report should be made to the commission so that we may proceed with the work in hand.

Mr. SMOOT. Mr. President, I think this is the second time we have discussed this question upon the floor of the Senate. I repeat the hope heretofore expressed that the whole plan will be submitted to the commission in a very few days and that the plan as submitted will have the united support of the heads of all the departments.

Mr. KING. Mr. President, I can appreciate the delicacy of the commission in dealing with this question. In view of the fact that the President of the United States—and perhaps quite properly—has a personal representative upon the commission, I can understand that the commission would feel like yielding to him in many respects, particularly in dealing with the preliminary matters; and yet I can not help but feel that a mistake was made by the President of the United States in seeking either to take the matter out of the hands of Congress or to influence or curb the activities of the legislative commission appointed to discharge this important task.

Speaking for myself, I have such confidence in my colleague [Mr. SMOOT], in the distinguished Senator from New York [Mr. WADSWORTH], and in my good friend the Senator from Mississippi [Mr. HARRISON] that I would have preferred to leave the matter to them, with such committee as might be appointed by the House of Representatives, than to leave it to Mr. Brown or any other person who might be brought into contact with the commission. The Senators whom I have mentioned—and I think the same thing may be said of the Members of the House—are very familiar with legislative matters, with the organization of the Government, and with the departments. They know where economies may be effectuated. Mr. Brown was a stranger, he was not an executive, nor had he been a member of the legislative branch of the Government. So he had to begin at the bottom to learn the executive and administrative problems which were involved in this great work of reorganization. I have been surprised to learn that the commission have not functioned better than they have functioned. I am surprised that the commission have left so much authority to Mr. Brown, because my colleague and the Senator from New York and the Senator from Mississippi, with their long legislative experience and their devotion to economy, in my opinion, could have done more work and done it better than it has been done, or could have been done, by Mr. Brown.

I think my colleague expects too much of the executive departments. They are all jealous of authority; they are not going to yield; and the only way in which economies can be effectuated in the executive departments is by legislative action. If we leave it to the executives to formulate a plan for reorganization and to determine the personnel and the compensation, there never will be reforms and there never will be economies. Congress must deal with this question, and the sooner we learn that fact the better it will be.

I most respectfully suggest to the commission that they immediately take the matter in hand and proceed with the important work which has been assigned to them.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN] to the amendment of the committee.

Mr. HARRISON. I call for the yeas and nays.

Mr. WATSON of Indiana. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The roll was called and the following Senators answered to their names:

Ashurst	Gooding	McKellar	Shortridge
Bursum	Hale	McKinley	Simmons
Calder	Harreld	McNary	Smith
Cameron	Harris	Nelson	Smoot
Capper	Harrison	Nicholson	Spencer
Caraway	Heflin	Norris	Sterling
Cummins	Johnson	Oddie	Swanson
Curtis	Jones, N. Mex.	Overman	Townsend
Dial	Jones, Wash.	Page	Trammell
Dillingham	Kellogg	Pepper	Wadsworth
Ernst	Kenyon	Phipps	Walsh, Mass.
Fernald	Keyes	Poindexter	Walsh, Mont.
Fletcher	King	Pomerene	Warren
France	Ladd	Ransdell	Watson, Ind.
Frelinghuysen	La Follette	Robinson	Williams
Glass	McCumber	Sheppard	

Mr. HARRIS. I wish to announce that my colleague [Mr. WATSON of Georgia] is detained from the Senate on official business.

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. A quorum is present. The question is on the amendment proposed by the Senator from New Jersey [Mr. FRELINGHUYSEN] to the amendment of the committee.

Mr. GLASS. Mr. President, getting back to the discussion of the pending amendment, I shall feel compelled to vote for the amendment of the committee and against the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN], but I think I ought to say that the gentleman who now occupies the position of Undersecretary of the Treasury—whether he be a Democrat or a Republican, I do not know—is, in my judgment, one of the most extraordinarily competent men in the public service. He has charge of all the fiscal affairs of the United States Treasury, and he has shown himself through a series of years almost indispensable to the Treasury. Of course no man is indispensable, but he is almost indispensable. If the Secretary of the Treasury himself is worth $12,000 a year—which is about sufficient to pay his house rent in Washington—this Undersecretary of the Treasury is certainly worth the sum reported by the committee, because he does more actual work in any day of the week than the Secretary of the Treasury himself does in any entire week.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN] to the amendment of the committee.

Mr. FRELINGHUYSEN. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. WATSON of Indiana (when Mr. CURTIS's name was called). I desire to announce that the Senator from Kansas [Mr. CURTIS] is detained on official business. If present, he would vote against the amendment to the amendment of the committee.

Mr. HARRISON (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. ELKINS]. I transfer that pair to the junior Senator from Rhode Island [Mr. GERRY], and will vote. I vote "nay."

Mr. MCKELLAR (when his name was called). I have a pair with the Senator from Indiana [Mr. NEW]. I transfer that pair to the Senator from Nebraska [Mr. HITCHCOCK], and will vote. I vote "nay."

Mr. ROBINSON (when his name was called). I am paired with the senior Senator from West Virginia [Mr. SUTHERLAND]. I transfer that pair to the senior Senator from Missouri [Mr. REED] and vote "nay."

The roll call was concluded.

Mr. WATSON of Indiana. I desire to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from Massachusetts [Mr. LODGE] with the Senator from Alabama [Mr. UNDERWOOD];

The junior Senator from Kentucky [Mr. ERNST] with the senior Senator from Kentucky [Mr. STANLEY]; and

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN].

Mr. HARRIS. My colleague [Mr. WATSON of Georgia] is detained from the Senate on official business.

The result was announced—yeas 9, nays 51, as follows:

YEAS—9.

Bursum	Frelinghuysen	McCumber	Wadsworth
Calder	Keyes	Moses	Watson, Ind.
Cameron			

NAYS—51.

Ashurst	Heflin	Nelson	Shields
Capper	Johnson	Nicholson	Shortridge
Caraway	Jones, N. Mex.	Norris	Simmons
Dial	Jones, Wash.	Oddie	Smith
Dillingham	Kellogg	Overman	Spencer
Fletcher	Kenyon	Page	Sterling
France	King	Pepper	Swanson
Glass	Ladd	Phipps	Townsend
Gooding	La Follette	Pittman	Trammell
Hale	Lenroot	Poindexter	Walsh, Mass.
Harreld	McKellar	Pomerene	Walsh, Mont.
Harris	McKinley	Robinson	Williams
Harrison	McNary	Sheppard	

NOT VOTING—36.

Ball	du Pont	McCormick	Smoot
Borah	Edge	McLean	Stanfield
Brandegee	Elkins	Myers	Stanley
Broussard	Ernst	New	Sutherland
Colt	Fernald	Newberry	Underwood
Crow	Gerry	Norbeck	Warren
Culberson	Hitchcock	Owen	Watson, Ga.
Cummins	Kendrick	Ransdell	Weller
Curtis	Lodge	Reed	Willis

So Mr. FRELINGHUYSEN's amendment to the amendment of the committee was rejected.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment of the committee.

Mr. TRAMMELL. Mr. President, I hope the amendment will be defeated. During these times of financial distress throughout the Nation, when it is necessary for all of the private business concerns of the country to practice every retrenchment possible, I do not feel that we, representing the Government, should be creating new offices and imposing additional burdens upon the American taxpayers.

We have heard a good deal about economy, and the good intentions of the present administration to practice economy, and to relieve, as far as possible, the burdens of those who maintain our Government; but I submit that these good intentions will be but empty promises if the Senate is to persist in creating new offices and increasing salaries.

We recall that some two months ago we had under consideration the question of creating some new offices and allowing fabulous, ridiculous, excessive salaries to those connected with the Shipping Board, and at that time a majority of the Senate seemed to agree with this increase of Government expenditures. It seems that in the wake of the precedent established then by a majority of the Senate that this was the time for creating new offices and increasing salaries; there is now a desire to perpetuate the policy which was inaugurated at that time.

The House declined to authorize this additional office at any salary. However, we find that the Senate committee, acceding to the wishes of the Secretary of the Treasury—and, by the way, the Secretary of the Treasury likes to herald throughout the country that this is an administration of economy—acceding to his wishes, they bring in the amendment proposing to create this additional office at a salary of $7,500 a year. Not content with the committee action, the Senator from New Jersey [Mr. FRELINGHUYSEN] comes and pleads with the Senate to fix the salary of this new office at $10,000 a year.

Since almost the first days of my service in this body I have witnessed a disposition on the part of quite a number, at least, to cut the salaries of those who are receiving a mere pittance for their services, but in contrast to that spirit of economy which seems to actuate some of these gentlemen in dealing with the salary of the person who is making probably not more than $1,200, $1,500, or $1,800 a year, when it comes to the question of dealing with the larger salaries we find that they reverse their position, and almost invariably favor increases in salary. It is high time that we should perform and make good the expressions of good intentions along the line of economy.

The American people are observing the action of Congress, and we must not fool ourselves and think that when we send out a statement broadcast over the country that the expenditures of the Government have been reduced hundreds of millions of dollars the public will accept that statement, especially in view of the fact that the history of the policy of the present Congress has disproved that those amounts have been saved.

In my opinion, it is necessary for Congress to deal courageously with this salary question. Think of the astounding and appalling condition which has been brought to the attention and to the notice of the public regarding the salaries being paid by the Federal reserve banks, more particularly the one in New York. Salaries have been increased 100 per cent, 200 per cent, 300 per cent, 400 per cent, and probably in some instances as much as 500 or 600 per cent. We find in the schedule of increases in salaries that men who had been receiving salaries of only $1,800 a year have had their salaries increased to $4,000 a year; men who had been receiving salaries of $3,000 a year have had their salaries increased probably to $10,000 or $12,000, and those salaries necessarily are paid from the earnings of the bank, which are due to the discount rate that is permitted. Yet although we profess a desire to institute and practice economy we have placed no restrictions upon them in the matter of fabulous salaries.

In my experience in dealing with the public affairs in a State government I found that there was always somebody knocking at the door wanting a salary increase; that there was always an effort, at least, to present a very plausible case, just as it has been urged here, that on account of the efficiency required and skill necessary in this very important position we will have to fix the salary at an amount commensurate with the services of the person who would be called into the position. Sometimes the salary is increased. When it is increased, almost invariably the same man who was filling the position at a far lower salary enjoys the increase.

During these times of financial depression in the country, when thousands and even millions of men who are willing to work, men who desire employment, are walking the streets of our cities in idleness, and in many instances hungry and half clad, we must try to do something to save the American people from the burdens of excessive taxation which can be inflicted upon them by a spirit of extravagance and recklessness in dealing with their Public Treasury.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 848.

Mr. CUMMINS and Mr. WARREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is entitled to the floor on the unfinished business. Does he yield to the Senator from Wyoming?

Mr. CUMMINS. I yield.

Mr. WARREN. I assume the Senator in charge of the unfinished business desires to resume the consideration of that bill. If so, I can only give notice that at the earliest opportunity I shall again seek to bring up the appropriation bill we have just been considering.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. CUMMINS. In view of the fact that we are about to change from the consideration of the appropriation bill to the consideration of the so-called mileage bill, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Borah	Hale	McNary	Simmons
Cameron	Harreld	Moses	Smith
Capper	Harris	Nelson	Smoot
Caraway	Heflin	Newberry	Spencer
Culberson	Jones, Wash.	Norris	Sterling
Cummins	Kellogg	Oddie	Swanson
Curtis	Kenyon	Overman	Townsend
Dial	Keyes	Page	Trammell
du Pont	King	Pittman	Wadsworth
Edge	La Follette	Poindexter	Walsh, Mass.
Ernst	Lenroot	Pomerene	Walsh, Mont.
Fletcher	McCumber	Robinson	Warren
Glass	McKellar	Sheppard	Watson, Ind.
Gooding	McKinley	Shields	

Mr. HARRIS. I wish to announce that my colleague [Mr. WATSON of Georgia] is detained from the Senate on official business.

The VICE PRESIDENT. Fifty-five Senators having answered to their names, a quorum is present.

Mr. CUMMINS resumed and concluded the speech begun by him yesterday. The speech entire is as follows:

Wednesday, January 18, 1922.

Mr. CUMMINS. Mr. President, I always listen to the Senator from Arkansas [Mr. ROBINSON], not only with great pleasure but with great profit. I think he discusses any question with distinguished fairness and clearness, and I am sorry that I feel compelled to dissent from some of the conclusions to which he has arrived. For a long time during his service upon the Committee on Interstate Commerce of the Senate I think all the members of that committee learned to lean upon him for information and advice, and I for one acknowledge in this public way my very great obligation to the Senator from Arkansas for

the work that he has performed in connection with this important and vital subject.

I think I ought to say another word, in a preliminary way, so that my position with regard to the general subject may not be misunderstood. I believe in the system of mileage books or tickets; I believe that form of transportation with respect to a great many people is exceedingly convenient. I think that the practice of issuing mileage books in this country ought to be resumed, and I have no doubt whatever that the Interstate Commerce Commission, when vested with the power, which it has not now, in my opinion, to require railroad companies to issue interchangeable mileage books, will speedily make the necessary order.

The question, however, with regard to the difference which shall be established between the ordinary ticket and the mileage book is a question upon which we are not qualified to express a judgment. While the Senator from Arkansas has paid me a very great compliment, which I deeply appreciate, I want to say in all candor that even though I have studied this subject for many years it would be utterly impossible for me, with the information I have, to determine what should be the difference, if any, as between the ordinary ticket for a specific journey and the mileage book good for any journey.

Mr. McKELLAR. Mr. President——

Mr. CUMMINS. I yield to the Senator from Tennessee.

Mr. McKELLAR. As I understand the Senator from Iowa, he says that he is in favor of a return to the system of mileage tickets, but he also states his difficulty in determining that matter for himself. What would the Senator do about it—merely specifically authorize the Interstate Commerce Commission to require the issuance of mileage tickets?

Mr. CUMMINS. I would authorize the Interstate Commerce Commission to require the issuance of mileage tickets precisely as that commission is authorized to establish any other joint rates, and to require the issuance of a ticket not for the specific journey that is to be made but for general journeys, good everywhere upon any railroad within the jurisdiction of that body.

Mr. WATSON of Indiana. Will the Senator from Iowa yield to me?

Mr. CUMMINS. I yield.

Mr. WATSON of Indiana. The Senator from Iowa has made the statement, in which I was much interested, that the Interstate Commerce Commission is now without authority to do what he suggests.

Mr. CUMMINS. The commission so believes and I so believe.

Mr. WATSON of Indiana. The Senator from Arkansas [Mr. ROBINSON] has stated that the commission is divided about half and half on the proposition. I should like to ask him, if the Senator from Iowa can not answer the question, does that mean the commission is divided half and half on the question as to their right or authority or as to the question of policy?

Mr. ROBINSON. My information is that the commission is divided upon both questions and is very nearly equally divided upon them, particularly upon the question of policy.

Mr. WATSON of Indiana. The Senator from Iowa is so eminently qualified to speak upon this question that I am loath even to intrude my opinion upon him or upon the Senate, but my impression all the time has been that while the Interstate Commerce Commission had full authority to require the railroads to issue mileage books they were divided on the question of the policy of doing so. Of course, I may be in error about that.

Mr. ROBINSON. I know that some members of the Interstate Commerce Commission think the commission has such power. I do not know whether any other members of the commission believe it has not such power.

Mr. CUMMINS. Mr. President, it is my judgment that the commission has not the power. The mere power to establish reasonable rates for passenger travel does not give the commission the power to require one railroad to sell tickets which are good all over the United States. I am sure that that must be the conclusion of most lawyers who have examined the matter.

Mr. KELLOGG. Mr. President, I should like to call the attention of the Senator to section 4 of the transportation act, page 33, under which the commission at the present time in fixing a joint route and through rate can not fix it indiscriminately over all roads.

Mr. CUMMINS. Certainly not.

Mr. KELLOGG. It can include all of the carrier's line, unless it is unreasonably long; but it can not to-day fix a joint rate over all lines.

Mr. McKELLAR. Mr. President, will the Senator yield for a question on a different branch of the subject and not relating to the legal question?

Mr. CUMMINS. I yield again to the Senator from Tennessee.

Mr. McKELLAR. The Senator has stated that he is in favor of mileage books. I notice that this bill provides for the issuance of 5,000-mile books. The Senator will recall that the railroads, under the system prevailing before the World War, provided for 1,000-mile books. I think they may have issued books covering a greater mileage, but the one commonly in use was the 1,000-mile ticket. Does not the Senator think, if we establish any system of mileage books, that we ought to provide that a 1,000-mile book shall be issued instead of a 5,000-mile book?

Mr. CUMMINS. My answer to that question is found in the amendment which I have offered, which authorizes the commission to require the carriers to issue this form of transportation for distances not greater than 5,000 miles and not less than 1,000 miles.

Mr. McKELLAR. I thought the Senator might agree to that proposition. I think it is very much better to provide for 1,000-mile books than for 5,000-mile books.

Mr. CUMMINS. Mr. President, having stated my general attitude toward this matter, I intend now to state why I am opposed to the bill at present under consideration. I am opposed to it in its present form for the following reasons:

First, it is plainly, obviously unconstitutional; second, if it were constitutional——

Mr. WATSON of Indiana. Mr. President, will the Senator yield before he proceeds to his second objection?

Mr. CUMMINS. I intend to argue that presently; I am simply now stating my reasons for opposing the bill in its present form. However, I yield to the Senator from Indiana.

Mr. WATSON of Indiana. I want to ask the Senator whether or not he refers to that particular portion of the bill having reference to intrastate rates?

Mr. CUMMINS. Not entirely. I will come to that later.

Second, if it were constitutional, it is manifestly unwise for Congress to attempt to fix either freight rates or passenger rates.

Third, because just at this time we ought not to put any obstacle in the way of the efforts of the commission or the carriers to reduce freight rates. The passage of this bill, as it is now before the Senate, will just as surely arrest the progress of that movement as that time is to go on.

Fourth, the difference of practically 1 cent per mile would be the grossest sort of discrimination in favor of corporations and individuals who can afford to buy $125 worth of transportation at one time.

Fifth, because it takes direct possession of the authority which, in my judgment, is vested in the several States and attemps to fix passenger rates within the States and for journeys wholly within the borders of a single State. As earnestly as some advocates of universal and national control have contended for the proposition, Congress never yet has attempted to assert the power of fixing, primarily and directly, the rates either for the transportation of freight or the transportation of passengers wholly within a State.

I shall address myself to these objections in the order that I have named them, first asking that the amendment which I have offered shall be printed not only, as it would naturally be, in the RECORD but that it shall be printed so that if this bill is not disposed of to-night it can be laid upon the desks of the several Members of the Senate to-morrow morning.

It must be observed from what I have stated that I do not approach the discussion of this question in a hostile spirit. I mean, I recognize the demand which the commercial travelers of the United States have made for this form of transportation, and I am not prepared to say that they should not have the privilege of buying transportation at wholesale at lower rates than the person who buys a specific ticket for a particular journey. In so far as the selling of transportation in this way and in so far as all the operations which are connected with that transportation are concerned which tend to reduce the cost of the service, the Interstate Commerce Commission may very well, in my judgment, establish a lower rate per mile than the ordinary rate which is now in force or which may be in force at any given time.

I want your attention for a moment to the question of constitutionality.

It would be rather impertinent on my part to enter upon an extensive argument upon the proposition I have just made, inasmuch as I have before me a decision of the Supreme Court of the United States which, in my judgment, is exactly and precisely applicable to the present bill. I beg to say that we have given to the Interstate Commerce Commission the authority to establish maximum rates—latterly minimum rates also, in some cases—but the general authority is to establish maximum rea-

sonable rates for the carriage of passengers and the transportation of freight. I mention that in order to show that the authority we have given the Interstate Commerce Commission, so far as interstate commerce is concerned, is exactly the authority which the Legislature of Michigan attempted to exercise over the State rates in the case I have before me.

The case to which I refer is that of Lake Shore & Michigan Southern Railway Co. against Smith. It is reported in One hundred and seventy-third United States, beginning at page 684.

The statute of the State of Michigan, which came finally under review in the Supreme Court, was as follows—I am reading only that part which relates to this subject:

Provided further, That 1,000-mile tickets shall be kept for sale at the principal ticket offices of all railroad companies in this State or carrying on business partly within and partly without the limits of the State at a price not exceeding $20 in the lower peninsula and $25 in the upper peninsula. Such 1,000-mile tickets may be made nontransferable, but, whenever required by the purchaser, they shall be issued in the names of the purchaser, his wife, and children, designating the name of each on such ticket, and in case such ticket is presented by any other than the person or persons named thereon the conductor may take it up and collect fare, and thereupon such 1,000-mile ticket shall be forfeited to the railroad company. Each 1,000-mile ticket shall be valid for two years only after date of purchase, and in case it is not wholly used within the time the company issuing the same shall redeem the unused portion thereof, if presented by the purchaser for redemption within 30 days after the expiration . . such time, and shall on such redemption be entitled to charge 3 cents per mile for the portion thereof used.

It will be observed that this legislation adopted by the State of Michigan is, so far as this question is concerned—that is, the constitutionality of the legislation—exactly like the bill proposed by the Senator from Indana [Mr. WATSON] and now under consideration by the Senate. I do not mean that the rate per mile is the same; I do not mean that all the conditions under which the tickets were to be used is the same; but in every respect, so far as the power of Congress to pass such a statute is concerned, the cases are parallel.

The validity of that law came before the Supreme Court in the case to which I have referred. There is first presented in the opinion the question of the power of the State to adopt regulatory legislation in view of an alleged contract between the State and the railroad; but that is easily disposed of, and I need not read any part of the opinion which refers to that question. I read now from page 690:

The question is presented in this case whether the legislature of a State, having power to fix maximum rates and charges for the transportation of persons and property by railroad companies, with the limitations above stated, and having power to alter, amend, or repeal their charters, within certain limitations, has also the right, after having fixed a maximum rate for the transportation of passengers, to still further regulate their affairs and to discriminate and make an exception in favor of certain persons, and give to them a right of transportation for a less sum than the general rate provided by law.

We have undoubtedly the power to fix passenger rates for all interstate carriers. We have delegated that power to the Interstate Commerce Commission, and the Interstate Commerce Commission has fixed and has promulgated a schedule or tariff for passenger rates everywhere throughout the United States, and this is what the court says about the Michigan legislation:

It is said that the power to create this exception is included in the greater power to fix rates generally; that having the right to establish maximum rates, it therefore has power to lower those rates in certain cases and in favor of certain individuals, while maintaining them or permitting them to be maintained at a higher rate in all other cases. It is asserted also that this is only a proper and reasonable regulation.

It does not seem to us that this claim is well founded. We can not regard this exceptional legislation as the exercise of a lesser right which is included in the greater one to fix by statute maximum rates for railroad companies. The latter is a power to make a general rule applicable in all cases and without discrimination in favor of or against any individual. It is the power to declare a general law upon the subject of rates beyond which the company can not go, but within which it is at liberty to conduct its work in such a manner as may seem to it best suited for its prosperity and success. This is a very different power from that exercised in the passage of this statute. The act is not a general law upon the subject of rates, establishing maximum rates which the company can in no case violate. The legislature having established such maximum as a general law, now assumes to interfere with the management of the company while conducting its affairs pursuant to and obeying the statute regulating rates and charges, and notwithstanding such rates it assumes to provide for a discrimination, an exception in favor of those who may desire and are able to purchase tickets at what might be called wholesale rates—a discrimination which operates in favor of the wholesale buyer, leaving the others subject to the general rule. And it assumes to regulate the time in which the tickets purchased shall be valid and to lengthen it to double the period the railroad company has ever before provided. It thus invades the general right of a company to conduct and manage its own affairs, and compels it to give the use of its property for less than the general rate to those who come within the provisions of the statute, and to that extent it would seem that the statute takes the property of the company without due process of law. We speak of the general right of the company to conduct and manage its own affairs; but at the same time it is to be understood that the company is subject to the unquestioned jurisdiction of the legislature in the exercise of its power to provide for the safety, the health, and the convenience of the public, and to prevent improper exactions or extortionate charges from being made by the company.

It is stated upon the part of the defendant in error that the act is a mere regulation of the public business, which the legislature has a right to regulate, and its apparent object is to promote the convenience of persons having occasion to travel on railroads and to reduce for them the cost of transportation; that its benefit to the public who are compelled to patronize railroads is unquestioned; that it brings the reduction of rates of 2 cents per mile within the reach of all persons who may have occasion to make only infrequent trips; and that there is no reason why the legislature may not fix the period of time within which the holder of the ticket shall be compelled to use it. The reduction of rates in favor of those purchasing this kind of ticket is thus justified by the reasons stated.

The right to claim from the company transportation at reduced rates by purchasing a certain amount of tickets is classed as a convenience. As so defined, it would be more convenient if the right could be claimed without any compensation whatever. But such a right is not a convenience at all within the meaning of the term as used in relation to the subject of furnishing conveniences to the public. And also the convenience which the legislature is to protect is not the convenience of a small portion only of the persons who may travel on the road, while refusing such alleged convenience to all others, nor is the right to obtain tickets for less than the general and otherwise lawful rate to be properly described as a convenience. If that were true, the granting of the right to some portion of the public to ride free on all trains and at all times might be so described.

I will not read more of the opinion. It argues at considerable length the claim that is here made, and decides against it.

Mr. President, I believe that the Interstate Commerce Commission, in accordance with the principle of this opinion, after it makes the proper investigation, and after it determines that the cost of the service, if it so finds, is less in the case of mileage tickets than in the case of specific tickets, can make a reasonable, fair reduction in passenger fares in behalf of those who use mileage tickets; but it must not be an arbitrary reduction. It must be based upon sound, economic reasons. It must be based upon precisely the same reasons, in principle, which obtain in the case referred to by the Senator from Arkansas in freight rates. The rate per hundred pounds is less in the movement of freight in carload lots than when it is moved in less than carload lots, and for very plain, manifest reasons, because the railroad company can move a given number of pounds in carload lots at a lower cost than it can move the same number of pounds in less than carload lots, and it would be unfair to establish a tariff that would require the payment of the same rate per pound or per hundred pounds or per ton of freight in carload lots and in less than carload lots.

I want the Senate to remember that the man who has one carload to move moves it at the same rate given to the man who has a hundred carloads of that commodity to move. There is no reduction in the carload rate an account of the number of carloads that any particular shipper may desire to ship. That question has been argued at very great length. It has been urged upon the Interstate Commerce Commission, almost from the time the commission was organized, that a great shipper, like the United States Steel Co., or the Standard Oil Co., or any other great factory which furnishes hundreds and thousands of carloads every month or every year, is entitled to a lower rate per carload than the shipper who ships but one carload per year of that commodity; but the commission has stood steadfastly and firmly against the effort to reduce the carload rates because of the extent of the business of the shipper, and I think very wisely.

In this case if the commission, after its investigation, finds that the railroads can afford, by reason of lessened cost, to sell 5,000-mile tickets or 2,000-mile tickets, I believe it has, or would have if my amendment were passed, the authority to require the railroads to issue those tickets; but an act simply declaring that every railroad in the United States shall issue 5,000-mile tickets, usable and good upon every other railroad in the United States, when the rate established by the commission as a fair and reasonable rate for travel is substantially 1 cent per mile higher than that mentioned in the bill before us, is beyond our power. It is not only unfair and unjust, but it is not within our constitutional authority to enact.

Every man who knows anything about the subject knows that there is not the difference of 1 cent or 1⅛ cents per mile in the cost of the service, comparing mileage tickets and specific tickets. There may be some difference; I am not prepared to say what it is. I am not well enough informed to say what it is, any more than I am well enough informed to say what should be the rate upon a carload of apples from Arkansas to Chicago or New York. Whenever the Congress of the United States enters upon the field of determining at what rate either commodities or persons shall be carried throughout the United States, it will not only enter a field of chaos and confusion but it will inflict infinite injury not on the railroads alone but upon the commerce of the country as well.

We have organized a commission which has now been functioning for about 26 years, and its members are constantly investigating these subjects, and they are as familiar with them as their mentality will permit them to be. That commission is the proper authority to declare what the rate upon a mileage ticket shall be.

Mr. SPENCER. Mr. President——

The PRESIDING OFFICER (Mr. BURSUM in the chair). Does the Senator from Iowa yield to the Senator from Missouri?

Mr. CUMMINS. I yield.

Mr. SPENCER. The position of the Senator as the chairman of the Interstate Commerce Committee of the Senate gives to his judgment unusual force, and therefore I should be very glad to get his judgment upon this proposition: If I understood him rightly, the Senator from Iowa said that in proportion as the return to the railroads from interchangeable mileage tickets was greater than from ordinary individual tickets, in that proportion there was a justification for a reduction of rate on interchangeable mileage tickets.

Mr. CUMMINS. My statement was a little broader than that.

Mr. SPENCER. Did the Senator from Iowa go that far?

Mr. CUMMINS. I will repeat what I said.

Mr. SPENCER. I should be indebted if the Senator would.

Mr. CUMMINS. A railroad company in issuing mileage tickets reduces its expenses somewhat, because it sells 5,000 miles at a single time and by a single act.

Mr. SPENCER. It sells at wholesale.

Mr. CUMMINS. It would not require so many agents to sell these tickets as would be required if the tickets were sold for each 10 miles or each 100 miles. That is simply an illustration. In so far as the use of transportation in that form reduces the cost of the service, I believe that it is constitutional and would be within the authority of the commission, if we adopt the amendment I have offered, to reduce the mileage rate of these mileage tickets or books to that extent; but when it comes to the further question of allowing a commercial traveler, simply because he is a commercial traveler, to travel at less than I have to pay when I travel, I rebel.

Mr. WATSON of Indiana. Of course, the Senator understands that this does not apply only to commercial travelers?

Mr. CUMMINS. I understand that, and I want to do everything in my power for the commercial travelers. They are the best fellows in the world, and while this particular movement is rather a movement on the part of the wholesale houses than of the commercial travelers themselves, I recognize that they are relying upon an old custom of years ago, and I am in sympathy with them to that extent, but not further. I do not know of any reason why a man in my State who must sell his corn at 30 cents a bushel and practically makes nothing out of it after he pays for its production and its transportation, and who can not and never would buy a mileage ticket, should not have the same privileges of transportation, or approximately the same, as the man who is able to buy and use a very large amount of transportation.

Mr. SPENCER. I think the Senator from Iowa is mistaken about the lack of interest of the commercial travelers, for a very obvious reason. It might be said that any reduction in the rate arising out of the sale of interchangeable mileage books would be paid by the employer and not by the commercial traveler; but just in proportion as the cost of operating commercial travelers upon the road decreases, just in that proportion their number increases and their routes increase, and therefore the commercial traveler is naturally very much interested.

Mr. CUMMINS. I have no doubt that the commercial traveler is financially interested in a bill of this sort, and he has a right to just such a reduction as I have indicated. He has no right to a reduction of passenger rates simply to stimulate the business of the country any more than the farmer has a right to a reduction in his rate to permit him to reach the market and sell at a fair profit.

Mr. SPENCER. The Senator has reached the second question I was going to ask him; he has answered the first. What does the Senator from Iowa think about the point that is made, that commercial travelers using the railroads for the business of selling, at different points, articles which in turn require transportation themselves are the source from which an exceedingly large additional amount of freight and expressage arises—of course to the benefit of the railroads—and that because of that fact, from the railroad's standpoint, they are entitled to certain consideration in regard to the cost of their transportation?

Mr. CUMMINS. I can not recognize that title to a lower rate of freight. That, of course, was the very principle upon which passes were based, that a man who had a large amount of freight to send to market was entitled to free transportation, and for years and years he was given free transportation; but we abolished that custom and that principle long ago, and I hope will never return to it. I do not believe that it is either practicable or just to issue transportation to a manufacturer or mercantile house at a lower rate than others enjoy because that manufacturer or that establishment may furnish more freight to the railroad company.

Mr. NORRIS. Was it not true that it was not always the man who had property to ship to whom the pass was given, but they were even given to the fellow who had votes that he could control?

Mr. CUMMINS. Oftentimes, I think so; and not only were the passes given to the actual producer but they were given to any person for whom the actual producer asked a pass. It became so universal in my State, at a time when the railway rate was 3 cents per mile by statute, that the actual amount received by the railroad companies for the carriage of passengers in that State was a little less than 2 cents per mile.

Mr. NORRIS. I would like to ask the Senator another question. I have never heard the point discussed, and yet it seems to me to be a very important one and one that ought to be taken into consideration in the issuing of mileage books if they are issued at all.

A large proportion of the expense of operating the passenger department of the railroad is taken up by the handling of baggage. It is proposed to allow baggage privileges on these mileage books the same as on tickets. Why would it not be a practicable proposition to issue two kinds of mileage books, one with the baggage privilege, and one without the baggage privilege at a lower rate. It would be perfectly proper to require a railroad company to issue those that did not carry the baggage privilege at a less rate because they would have no expense of handling the baggage.

Mr. CUMMINS. I see very readily the force of the suggestion made by the Senator from Nebraska. If he will observe the amendment which I have offered to the bill by way of a substitute, he will find that I have directed the Interstate Commerce Commission to prescribe by regulation what baggage privileges shall be attached to a mileage book.

Mr. NORRIS. I will say to the Senator that I did observe that as it was read. That is one reason why I have asked the question. I have thought about it a great many times. It seemed to me in common justice some regulation of that kind ought to be put into force, if not unjust to anybody, because assuming, which is a proper assumption, I think, that the railroad company gets a just return for whatever rate it charges for the ticket of transportation, mileage book, or whatever it may be, the people who travel without baggage and never use the baggage privilege are, as a matter of fact, paying just as much to the railroad company as the people who require the handling of baggage and get the benefit of it, which means in the aggregate many millions of dollars each year.

It is only a matter of common justice that the man, whether he is a commercial traveling man or an ordinary citizen, who is traveling and does not require the handling of any baggage on the part of the railroad company, ought to be carried for a less amount of money than the man who has 150 pounds of baggage that must be carried also.

Mr. CUMMINS. As a matter of fact, that is undoubtedly true.

Mr. SPENCER. Mr. President, it would result that, as a very large percentage of commercial travelers have their sample trunks with them, the suggestion of the Senator from Nebraska would mean an increase in their rate over the ordinary traveler rather than a decrease in their rate, because there is a large proportion of commercial travelers, the exact number I am unable to give, who travel, as the Senator knows, with their sample trunks, and one of the real sources of excess baggage is from the excess baggage of the commercial travelers. So that if those who have baggage were charged more than those who did not have baggage, the regulation would mean for commercial travelers an increase of rates and not a decrease.

Mr. NORRIS. If the Senator from Iowa will permit me——

Mr. CUMMINS. Certainly.

Mr. NORRIS. In making this suggestion, I am not thinking of the commercial travelers any more than I am of other individuals. I am thinking of the matter of common honesty and common fairness. If it costs the railroad company more to carry me with my baggage than they get for carrying me and my baggage, it is not right to compel the Senator from Utah [Mr. KING], who has no baggage, to pay enough to the railroad company for carrying him to make up what it loses on me.

Mr. CUMMINS. As a matter of literal adjustment there could be no doubt about the proposition of the Senator from Nebraska.

Mr. NORRIS. I wish to ask the Senator as a practical proposition if it would be a difficult thing for the Interstate Commerce Commission to ascertain and to fix a different rate? My pro-

posal is not, as I understand it, impractical. It would not be difficult to put in operation, would it?

Mr. CUMMINS. It is not impractical as I look at it at the moment. It would be difficult to ascertain with any certainty just how much less the rate should be upon a ticket unaccompanied by baggage privileges than the ticket accompanied by baggage privileges. Personally I have no idea how much less it should be. Nevertheless, it could be done within fair bounds. All these things are susceptible of ascertainment in the limits that enable people to act reasonably upon them.

Now, if I may recur to the point I am submitting. For those reasons I hope that Congress or the Senate will not now enter upon this new field of fixing a rate at which either a person or a commodity may be carried in any part of the United States.

Mr. WATSON of Indiana. The Senator from Iowa was ill, as I recall, at the time of one of the meetings of the Interstate Commerce Committee at which the whole matter was discussed.

Mr. CUMMINS. I was absent from all the meetings at which the bill was considered in the committee.

Mr. WATSON of Indiana. It was not formally considered. It was brought up on two or three occasions. I think the Senator from Ohio [Mr. POMERENE] was present. In those discussions it was regarded as essential that the language on page 2, line 2, as follows:

> Without regard to whether the points of origin and destination for any single journey are within the same State—

should be stricken out. I think the Senator from Arkansas is in full accord with the proposition.

Mr. ROBINSON. I am.

Mr. WATSON of Indiana. First, because they thought it was unconstitutional and, second, because the committee was not willing to go that far, the committee not believing that Congress should exercise the right, if, indeed, it had the power, which was gravely questioned, to compel railroads to issue rates for mileage books to be used wholly within a State; that is, to control State rates.

Mr. ROBINSON. With the permission of the Senator from Iowa I will say that I and other proponents of the bill will make no objection to the amendment which has been suggested by the Senator from Indiana.

Mr. WATSON of Indiana. I would like to ask the Senator from Arkansas, if the Senator from Iowa will permit a further interruption——

Mr. CUMMINS. Certainly.

Mr. WATSON of Indiana. How much, in the Senator's judgment, would that take from the decrease that would come from the establishment of this custom or practice?

Mr. ROBINSON. I have said that I did not believe any decrease in the revenues of the railroads as a whole would result from the adoption of this legislation, but I can not say what difference that would make. I have no information upon the subject.

Mr. WATSON of Indiana. That is to say, taking the commercial travelers, for instance, what proportion of the total trips they make are wholly within a State and what proportion are interstate?

Mr. ROBINSON. I do not think anybody could answer that. I have no information on the subject.

Mr. WATSON of Indiana. One of the commercial travelers was present on a day when we had a meeting of the Interstate Commerce Committee, at which this matter was discussed, and he called me outside. He was representing them here. He stated to me that in his judgment about 40 per cent of all the trips made were intrastate and 60 per cent interstate. Of course, I thought there was a much larger percentage intrastate and was surprised at the statement. But taking that into consideration it would make a difference in the question of revenue.

Mr. ROBINSON. The commercial travelers, or at least their representatives here, raised no objection, so far as I am informed, to the amendment which was suggested by the Senator from Indiana, which would eliminate one of the objections urged by the Senator from Iowa.

Mr. CUMMINS. That amendment, if offered and agreed to, would eliminate one, and the least important, of the objections which I make to the bill.

The third objection which I have to the passage of the measure at this time relates to a provision which I shall read again, because just at this time we ought not to put any obstacle in the way of the efforts of the commission or the carriers to reduce freight rates. The passage of the bill that is now before the Senate would just as surely arrest the progress of that movement as time is to go on. We all know that ever since the increase in rates, since the return of the properties to the owners, an increase that was ordered on the 26th of August, 1920, there has been a continuous and, as I thought, praiseworthy endeavor on the part of those who were interested in the commerce of the country to secure a reduction in the rates that were thus established in what is known or referred to by the Senator from Arkansas as Ex parte 74.

It was quite impossible, as everybody will see, for the commission having in charge the reestablishment of the credit of the railroad companies, among other things, and having in charge a commerce that is inestimable in magnitude, to issue any order that would be just in all its parts. The commission has been constantly reviewing that order. I suppose there have been 5,000 reductions in rates or readjustments in rates since August 26, 1920.

Mr. McKELLAR. Mr. President——

Mr. CUMMINS. The country is so tremendously large and its commerce is so infinitely complicated that no consideration of it at any given time can possibly create a rate fabric or structure that will be just and reasonable in all its parts.

I yield to the Senator from Tennessee.

Mr. McKELLAR. While it is true that there have been individual reductions from time to time, there have also been a great many increases.

Mr. CUMMINS. I think not.

Mr. McKELLAR. I recall notably that there have been such increases on road materials and things of that kind.

Mr. CUMMINS. Possibly so, but I venture to say that the increases in rates since that time have been absolutely negligible so far as revenue is concerned. It may be that there have been some readjustments as between State rates and interstate rates, in which there has been an increase of some particular rate in order to remove the discrimination which that rate created against some other locality or some other enterprise, but the tendency has been all the time and the struggle has been all the time to reduce these rates. That is natural, because the increase of such rates came just at a time when a great many industries of the land practically collapsed.

I hope that many Senators heard the analysis which was given on yesterday or the day before by the Senator from Virginia [Mr. GLASS] with regard to the reasons for the partial cessation of business which occurred in the latter part of 1920 and during 1921. I have never heard any analysis of our situation or of the situation throughout the world so comprehensive and so accurate as the one which was submitted by the Senator from Virginia. I restate that it was inevitable that the people who were doing business at a loss, that the farmers who were unable to sell their products in the market at the cost of production, should appear before the Interstate Commerce Commission, not only one day but every day, hoping that there might be some reduction from what was the highest cost of transportation ever established in the United States.

Mr. NORRIS. Does the Senator from Iowa state that there have been a great many reductions in freight rates?

Mr. CUMMINS. I state there have been more than 5,000 such readjustments, generally reductions.

Mr. NORRIS. Reductions made by the Interstate Commerce Commission?

Mr. CUMMINS. Reductions approved by the Interstate Commerce Commission and many of them made by the Interstate Commerce Commission. Those were not general reductions, however.

Mr. NORRIS. I remembr not long ago, probably a couple of weeks ago, I received a letter from one of the experts of the Nebraska State railroad commission, in which he said, in substance, that the State commission had been prohibited by an injunction of the United States court from decreasing intrastate rates, and the Interstate Commerce Commission had issued an order permitting them to increase intrastate rates. So, applying entirely to intrastate rates, they were met with an order of the Interstate Commerce Commission at Washington permitting them to increase such rates, and by an injunction from the United States court restraining them from decreasing them. If there have been many instances of that kind—and the expert, as I remember, said there were other States which were in the same predicament—it would look to me as though it would be impossible to get a decrease, but a very easy thing to get an increase of a freight rate.

Mr. CUMMINS. Mr. President——

Mr. WATSON of Indiana. Will the Senator permit me to make a suggestion?

Mr. CUMMINS. In just a moment. Permit me first to answer the Senator from Nebraska [Mr. NORRIS].

I suppose our committee has accumulated 5,000 pages of testimony upon the point suggested by the Senator from Nebraska. That question, however, will arise upon a different bill, and I

do not intend to try to enter upon the history of the relation between the Interstate Commerce Commission and the State railroad commissions at this time; but I can say that the Interstate Commerce Commission—not the State commissions, but the Interstate Commerce Commission—or the railroads have readjusted or reduced 5,000 individual freight rates. So I am informed; I have not attempted to reckon them; but that is my information from those who are familiar with the work of the commission.

There have been as well some general reductions, covering great commodities, over a large territory, and I am about to refer to two which have most recently occurred. Now I yield to the Senator from Indiana.

Mr. WATSON of Indiana. In connection with the information sought by the Senator from Nebraska [Mr. NORRIS], I will say that not very long ago—I can not give the number of weeks exactly—I asked the Interstate Commerce Commission to make out for me a list of reductions which it had made in freight rates, specifying the instances, and so forth. They furnished that information to me. Afterwards there was a demand by a great many people for its publication, and Representative SANDERS of my State wanted to have it published in the CONGRESSIONAL RECORD; but it was too voluminous for that, and so he secured the privilege in the House of having it printed as a public document. It was printed for circulation, and the Senator from Nebraska may obtain a copy of it and ascertain the rates themselves and the reductions which have been made on the initiative of the Interstate Commerce Commission itself, I think, running something over 5,000 in number.

Mr. CUMMINS. There is no doubt about the fact. Furthermore, in recent months the Interstate Commerce Commission reduced the rates on hay and grain in various parts of the country from 16 to 20 per cent. Very shortly after that the railroad companies, of their own motion and under the approval, of course, of the Interstate Commerce Commission, reduced by 10 per cent the rates on all agricultural products everywhere, and upon many other commodities of a bulky and heavy nature. In addition to that, at this time the Interstate Commerce Commission is pursuing an investigation, which it entered into somewhere near the middle of December, for the purpose of ascertaining whether the freight rates and the passenger rates of the country could still be further reduced. The division which have that matter in charge have been devoting all of their time to that investigation, hoping, as we all hope, that they will be able still further to reduce the rates of transportation for both passengers and freight. It is the most important investigation—and it was begun entirely upon initiative of the commission itself—that has ever been carried on.

Mr. DIAL. Mr. President——

Mr. CUMMINS. I yield to the Senator from South Carolina.

Mr. DIAL. Mr. President, I should like to ask the Senator does he not think that we would make more progress toward reducing rates if we would confer the authority now reposed in the Railway Wage Board on the Interstate Commerce Commission and let them get at the matter in a business way?

Mr. CUMMINS. I hesitate, Mr. President, to take up that question. There is a very strong movement in favor of doing that thing, and the principal movement in that direction, as I understand, is by the railroads. They want a union of those two functions of Government, and we will presently have to decide whether there ought to be a union of those two great powers; that is, the power to fix rates of transportation and the power to decide the disputes which arise between railroad companies and their employees. However, I would rather not enter upon an argument of that proposition at this time.

Mr. DIAL. I will not insist on an answer, but, so far as I am concerned, I should like to repeal all these laws and let the railroads go along like other institutions and run their roads on a common-sense basis.

Mr. CUMMINS. That is a view which is held by a great many people and by the roads especially.

Mr. WATSON of Indiana. Mr. President, I want to say that I share the opinion of the Senator from South Carolina so far as the Railway Wage Board is concerned. If I had my way about it, I would abolish the Railway Wage Board outright and not transfer its functions to any other body.

Mr. DIAL. I quite agree with that.

Mr. CUMMINS. And abolish the Interstate Commission, too?

Mr. WATSON of Indiana. I should not agree to that.

Mr. CUMMINS. I am just as anxious that the workingmen shall be protected in fair wages as I am that shippers shall be protected in fair rates; I think that one is just as necessary for the prosperity of the country as is the other.

Mr. WATSON of Indiana. There is no question about that.

Mr. CUMMINS. And I want it distinctly understood that, whoever may exercse the power, whether the Interstate Commerce Commission or the Railway Wage Board, I am not in favor of abolishing a tribunal to adjudicate disputes between the railroad companies and their employees. If the railroad companies had free rein at this time, and could cut the wages of their employees in two, as some people think they should do, I know that freght rates could be reduced very greatly; but I do not believe that the employees of the railroad companies, in view of the present situation, should be at the mercy of their employers so far as a reduction in wages is concerned.

Mr. ROBINSON. Mr. President, will the Senator from Iowa yield to me for a moment?

Mr. CUMMINS. Certainly.

Mr. ROBINSON. I do not concur in the opinion which has been expressed by the Senator from South Carolina [Mr. DIAL] and the Senator from Indiana [Mr. WATSON] that at this stage in our history we should repeal all legislation establishing regulatory authority and leave the railroads to run their business without any regulation whatsoever. I concur in what I understand to be the statement of the Senator from Iowa in this particular, that the best interests of this country require the preservation of the power and its exercise by tribunals to adjust controversies relating to rates and to fix rates and also to adjust controversies arising out of labor disputes; and I think no more retrogressive action could be taken or proposed than that suggested by the Senator from South Carolina and approved by the Senator from Indiana. I make this statement not because I regard it as pertinent to the subject under discussion but for fear that my failure to say anything about it might be construed into acquiescence.

Mr. DIAL. Mr. President——

Mr. CUMMINS. I yield to the Senator.

Mr. DIAL. I do not desire to enter into the discussion at this time. I merely want to remark that to have the rules governing the railroads in my section of the State, where we run one or two trains a day, the same as in other sections of the State, where they run hundreds of trains a day, is inconsistent with common sense and business, and some remedy should be provided.

Mr. CUMMINS. Mr. President, in all deference to the Senator from South Carolina, he may remember that that is a condition which was brought about during Federal control, and by the order of the directer general. The United States Labor Board is readjusting that situation just as rapidly as it can be done with fairness and justice to both railroads and employees.

[At this point Mr. CUMMINS yielded the floor for the day.]

Thursday, January 19, 1922.

Mr. CUMMINS. Mr. President, I regret very much that most of the Senators who are or ought to be very deeply interested in the subject we are discussing are finding it inconvenient to be present. This regret is not personal, because it makes no difference to me whether they are here or elsewhere. I am performing what I regard as a duty, and I must perform it under the existing circumstances and not under the conditions which I wish might prevail.

When we suspended the consideration of the bill yesterday I was presenting a phase of the subject which I think ought to be extremely interesting to those who are concerned in the movement now in progress throughout the United States having for its object the reduction of freight rates, and especially those who are concerned in the reduction of rates upon agricultural products, for presently they will be compelled, from my viewpoint, to vote upon the question whether they would rather reduce passenger rates 25 per cent to a limited class of people or whether they would prefer to give the Interstate Commerce Commission a fair opportunity to reduce freight rates.

I repeat the proposition stated yesterday. It is unwise to pass the bill now pending, because just at this time we ought not to put any obstacle in the way of the efforts of the Interstate Commerce Commission or the carriers to reduce freight rates. The passage of the pending measure as it is now before the Senate would just as surely arrest the progress of that movement as time is to go on.

I will state the proposition in a different way.

Mr. WALSH of Montana. Mr. President, will the Senator yield for an interruption?

Mr. CUMMINS. Certainly.

Mr. WALSH of Montana. I do not know that I understood the Senator correctly, but I understood him to state that Congress would be called upon to vote upon some measure looking to a reduction of the present exorbitant rates.

Mr. CUMMINS. Not at all. I said if the pending bill were passed reducing by 25 per cent the rate for passenger travel that the result would necessarily be considered by the Interstate Commerce Commission in passing upon the demand for

a reduction in freight rates. I am about to establish that; I think I can establish it to the satisfaction of every Senator who hears me.

Mr. WALSH of Montana. Of course, it is perfectly obvious that if the passenger rates are reduced as proposed, whatever reduction in revenues ensues from that source must be made up by the maintenance of high rates somewhere else or an increase of rates. There is no question about that. However, I understood the Senator to say that action was expected of Congress touching the matter of the existing exorbitant freight rates.

Mr. CUMMINS. The Senator misunderstood me. At least I did not mean to suggest anything of that kind.

Mr. WALSH of Montana. Let me inquire of the Senator whether it is proposed to submit to the Congress any legislation looking to a correction of that troublesome situation?

Mr. CUMMINS. It has been the policy of the United States for years to submit to an impartial, semijudicial body the question of the just and reasonable rates that ought to prevail throughout the United States, both for the carriage of passengers and the transportation of freight. The Interstate Commerce Commission is now and has been for a long time, for a year past and more, engaged in an investigation looking to a reduction of all rates, if it be possible to reduce them in view of conditions which now prevail.

I have not even imagined the possibility that Congress at this time or at any time would withdraw from the jurisdiction of the Interstate Commerce Commission the duty of fixing freight rates. For Congress to enter upon the task of adjusting the freight rates of the United States would be simply to publish its incapacity to deal with the subject.

Mr. WALSH of Montana. I can not think that anybody could doubt the accuracy of that proposition, but of course the Interstate Commerce Commission acts by virtue of the power delegated to it by Congress. It, of course, is always engaged in the duty of ascertaining whether rates may in justice be reduced; that is what it is there for and it is engaged in that duty; but rates have not been reduced in any substantial way. No one better than the Senator from Iowa knows of the onerous burden that industry suffers by reason of the existing rates.

Mr. CUMMINS. I do not agree with the Senator's last statement. On the contrary, freight rates in the last year have been reduced in a very substantial way, and they are being reduced from time to time. Just recently the commission has entered upon a further investigation to ascertain whether, in view of the revenues which the railroad companies have been receiving under existing rates, such rates may be still further reduced and yet preserve our transportation system.

Mr. WALSH of Montana. Just one other question. I understand the Committee on Interstate Commerce has likewise been considering this subject and has been conducting extensive investigations in reference to the matter.

Mr. CUMMINS. We have been engaged almost constantly since last May in taking testimony upon that question.

Mr. KELLOGG. That investigation, however, bears more particularly on the question as to whether or not further legislation is necessary, and not on the question as to whether we should reduce or fix any rates.

Mr. CUMMINS. Of course.

Mr. WALSH of Montana. So, the Senator would say that under existing law the industries of the country have got to depend upon the Interstate Commerce Commission for whatever relief they may obtain.

Mr. CUMMINS. The Senator from Minnesota [Mr. KELLOGG] has stated the situation correctly. The scope of our investigation has been twofold, in a sense; we are acting under a general resolution that commands us to ascertain whether the extraordinary expenses which the railroad companies report are just and fair, and whether there is any way in which we can legislate to reduce the expenses or costs of transportation. We are also, and we have been three months now, taking testimony upon bills which have been introduced by various Senators to amend the transportation act of 1920.

Mr. WALSH of Montana. Let me ask, then, if the committee will be able to report whether the very large expenditures which are now being incurred and which reduce the gross revenues of the railroads may be reduced?

Mr. CUMMINS. We shall be ready to report just as soon as we can finish taking the testimony upon the first resolution. We have closed the testimony upon the bills which have been introduced to amend the transportation act, and we are proceeding just as rapidly as possible to report upon those bills.

Mr. WALSH of Montana. Of course, the Senator from Iowa will understand that I address these inquiries to him because of the multitude of letters that come to Senators, including myself, inquiring when some kind of relief may be expected from the present deplorable condition.

Mr. CUMMINS. There is no doubt of the imperative demand—"imperative" in the sense of being emphatic—for the reduction of rates; but there is just as imperative a demand for the continuance of our transportation system; and I assume that neither Congress nor any other power will attempt to destroy our transportation system. In order that it be maintained it is necessary that its revenue as a whole shall be adequate. That is the question that we are considering in the committee.

Mr. DIAL. Mr. President——

Mr. CUMMINS. I yield to the Senator from South Carolina.

Mr. DIAL. I am deeply interested in the subject, and the question which I desire to ask the Senator from Iowa is merely for information. Am I correct in my recollection that Congress has never heretofore passed a law proposing to fix a passenger rate?

Mr. CUMMINS. That is my recollection. I do not know of any law which Congress has ever passed fixing either freight or passenger rates.

Mr. DIAL. Then, if we should pass this bill fixing such rates, we should be liable to be called upon to fix rates on all commodities?

Mr. CUMMINS. I think that would be a very natural consequence of the adoption of such policy upon the part of Congress.

Mr. DIAL. I myself had no recollection of Congress ever having gone that far.

Mr. CUMMINS. I think the Senator from South Carolina may assume that Congress has never undertaken to do that thing.

Mr. SHIELDS. Mr. President, it is a fact, though, is it not, that the States, within their jurisdiction, have frequently passed legislation fixing both passenger and freight rates?

Mr. CUMMINS. As my recollection goes, I think, beginning with 1872 or 1873, some of the States of the Union passed maximum tariff laws covering both freight and passenger service.

Mr. SHIELDS. And in the subsequent litigation in the several States it was held by the Federal courts that the fixing of railroad rates and charges was a legislative question, and the determination whether or not such rates and charges were confiscatory was a judicial question.

Mr. CUMMINS. That original attempt gave rise to so much litigation and so much dissatisfaction that very soon nearly all of the States abandoned the effort to fix freight rates by legislation or by statute, and created commissions. I think there are commissions now in every State in the Union, save possibly two, having authority to control and regulate and publish schedules relating to freight rates. Most of the commissions have no authority over passenger rates, although some of them have; but it is not necessary for me now, I think, to specify those States which have commissions with such authority and those which have not, for that is not material to this inquiry.

Mr. KELLOGG. Mr. President, will the Senator from Iowa yield?

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. I think the Senator will find that in a great majority of the States the power over both freight and passenger rates is given by the legislature to the State commission.

Mr. CUMMINS. I do not so recollect, but the Senator from Minnesota may be correct about that.

Mr. SHIELDS. I thought the Senator was making the point that the legislatures did not exercise the power themselves, but vested it in commissions. Of course, that could not be urged as due to a want of power in the legislative body, for whatever power they can delegate they can exercise themselves.

Mr. CUMMINS. Mr. President, I am not insisting that Congress has no power to establish freight rates or passenger rates. I agree that Congress, if it desired to do so and had sufficient information to do so, could fix every one of the millions of rates upon which transportation is now carried on. I am only saying that if it attempted to exercise that power the transportation of the United States would quickly fall into such confusion that the condition would be intolerable, and I think that the practice would not be persisted in very long. But I am only saying at the present time that if the Congress of the United States now determines that a certain class of its people shall be carried at 2½ cents a mile, the Interstate Commerce Commission, in considering what revenue the railroads ought to receive, must take into account the reduced revenues, if they shall be reduced by the fixing of the passenger rate at 2½ cents a mile, and adjust the freight rates accordingly, for it is fundamental that the railroad companies, if they are to be maintained, must have a revenue derived from the operation

of their properties that will be sufficient to maintain them. I repeat, therefore, that if by enacting this bill we take $5,000,000 or $50,000,000 or $100,000,000 from the revenues of the railroad companies, taken as a whole, then, if the existing revenues of the railroad companies are not more than sufficient to maintain them, it will be the absolute duty of the Interstate Commerce Commission to increase freight rates in order to meet the deficit so created. That must be obvious to the most casual examiner of this subject.

It becomes, therefore, I think, my logical duty to inquire what the effect of establishing a passenger rate of 2½ cents a mile for those who are able to buy the mileage books provided for in this bill will have upon the revenues of the railroad companies. The Senator from Arkansas has submitted the case very fairly. He has an opinion with respect to the effect of reducing passenger rates in which I may or may not concur, but all that I say with regard to that is that it should be a subject upon which the opinion of the Interstate Commerce Commission should be taken.

I am not going to assert what the outcome might be so far as increased travel is concerned. That is the very thing that the Interstate Commerce Commission has been considering for more than a year, and it has considered it in the most deliberate way, after the most extensive and exhaustive hearings, and it has fixed the rates accordingly. If it believes that the passenger rates can be reduced so as to increase the net income of the railroad companies, well and good; but I would rather—and I think Congress would rather—accept the enlightened and informed judgment of the Interstate Commerce Commission upon that question than the uninformed judgment of any Senator, however earnest and however studious he may be.

In order to ascertain as well as I could what would be the probable effect of the passage of this bill upon the revenues of the railroad companies, I submitted to the Interstate Commerce Commission an inquiry, and I have the answer of the commission before me. I do not intend to read all of it, because all of it is not material to the point I am now discussing; but part of it is very material. It is dated January 11, 1922, and this is what the commission says with regard to the point I am now making:

The commission has considered Senate bill No. 848—

That is the bill now before the Senate—

sent to Chairman McChord with your letter of January 3, and referred the matter to its legislative committee for reply. In response to your request this committee submits the following information:

The first question I asked was this:

First, an estimate of the effect upon the revenues of the carriers for the year 1922, based upon the experience of 1920 and 1921.

I continue to read:

The passenger revenue of steam roads included in the regular monthly reports amounted to $1,288,808,159 for the calendar year 1920. For 1921 the corresponding figure is estimated at $1,178,900,000 (estimated by increasing the actual figure for 10 months by 20 per cent). The average of the two years is $1,233,854,080. Of this $32,828,000 may be taken as the Pullman surcharge—

I pause to remark upon that statement that the bill now before us abolishes the Pullman surcharge in so far as transportation is sought upon the mileage books required by the bill. It will be important to remember that when I come to estimate the loss of revenue that would be brought about by the bill.

Continuing:

And $56,750,000 is estimated as commutation revenue, leaving $1,144,275,480 as passenger revenue derived from fares other than commutation and surcharge. It is, of course, impossible to say what part of the traveling public would avail themselves of the proposed mileage books.

And it is obvious that it is impossible to predict with certainty what part of the public would avail themselves of the privileges accorded by this bill. There are parts of the country, under the old system of issuing mileage books prevailing before the war or before Federal control, in which not more than 5 or 10 per cent of the travel was upon mileage books. There are other parts of the country where before the war 75 or 80 per cent of the travel was upon mileage books. In New England, for instance, which is at the present time in a more unfortunate condition from a revenue standpoint than any other part of the country—that is to say, her railroads are more nearly insolvent and unable to carry on their functions as they ought to be carried on than those of any other part of the country—I have been informed, and that information comes from a report of the Interstate Commerce Commission, that from 75 to 80 per cent of the travel was formerly upon mileage books; so that we can only estimate as best we can the proportion of the travel for which mileage books would be used.

Mr. KELLOGG. Mr. President——

Mr. CUMMINS. I yield to the Senator from Minnesota.

Mr. KELLOGG. As I remember, the rate for mileage books before the war was the same as the rate for a ticket.

Mr. CUMMINS. Practically so. There was no substantial difference under the old practice between the rate for mileage books and the ordinary rate. We got to the point before the war where a 2-cent rate was common, save in some of the Western States, and the mileage books in the main were issued at 2 cents. There was no real discrimination between the passenger who used a mileage book and the passenger who used a specific ticket between specific points, but there was convenience on the part of the user of the mileage book, because he was not compelled at every point and everywhere to buy his ticket. We now propose in this bill to make a difference of practically 1 cent per mile—a difference that never would be sustained in any court of the land, and, I frankly say, a difference that the Interstate Commerce Commission, if it exercised common and ordinary sense, never would allow, and a difference that we never have dreamed of in former times.

I proceed:

The average revenue per passenger-mile, after excluding commutation and surcharge revenue, is about 3.3 cents.

That is the point to which I called the attention of the Senator from Arkansas yesterday. While 3.6 cents is the established rate, the railroads actually receive, aside from commutation and surcharge revenue, 3.3 cents per mile.

A reduction to 2.5 cents is a reduction of 8 mills, or 24.2 per cent.

It is a reduction of more than that when you consider that the surcharge upon Pullman traffic is also abolished by this bill.

Mr. SMITH. Mr. President, does the Senator include in the 3.6 cents, which is said to be the average cost per mile for passenger travel, the items he has just mentioned? I asked Mr. Thom and the other witnesses in the hearing before the Interstate Commerce Committee what was the average first-class mileage rate, including the whole territory, and their reply, as I think will appear in the hearings, was 3.6 cents per mile.

Mr. CUMMINS. So it is; but the railroad companies do not get quite 3.6 cents per mile.

Mr. SMITH. The public pays 3.6 cents. I do not know who gets it, and I am not concerned about that just now; but what I want to get at is this: Did the Senator mean to say, in the statement he made a moment ago, that the surcharges on the Pullman traffic and the commutation rate do not go in to make up the amount earned by the railroads on their passenger fares?

Mr. CUMMINS. I have already read that part. They do go into the revenue, of course; but this table, for the purpose of ascertaining the ordinary charge per mile, deducts the $32,828,000 which is estimated as the Pullman surcharge.

Mr. SMITH. My impression is—I should have to look in the hearings to refresh my mind—that the 3.6 cents per mile did not take into consideration the surcharge on the Pullman traffic.

Mr. CUMMINS. It does not; but I am reducing here the amount of revenue received by the railroad companies from passenger traffic, and that, of course, includes the surcharge.

Mr. SMITH. Oh, yes; I did not understand it.

Mr. CUMMINS. (Reading:)

A reduction to 2.5 cents is a reduction of 8 mills, or 24.2 per cent. What this percentage of reduction would amount to if applied to various assumed proportions of the total travel affected by the mileage books is shown below.

Here is a table running all the way from 5 per cent to 25 per cent. I shall not read all of that table, for it is not necessary, although I shall ask leave to print it.

If we assume, taking the country over, that 25 per cent of the travel would be carried upon mileage books, then upon the average passenger traffic of the last two years the result would be a diminution in revenue of $69,200,000. If we add to the $69,200,000 a fair proportion of the Pullman surcharge, which would also be abolished by this bill, the fair result is that the revenue of the railroad companies would be reduced eighty or eighty-five million dollars a year through the application of the provisions of this bill.

I am not considering whether this reduction would result in such an increase in travel that the net income might be greater than heretofore simply for the reason that that is a question which has been before the Interstate Commerce Commission continuously since the passage of the transportation act—a question upon which that tribunal is infinitely better able to express an opinion than I am or than any other man, in my judgment, who may have occasion to study it casually. It looks at that question from every angle, from every standpoint, and fixes rates accordingly. It is one of the things which, according to the letter of the opinions rendered by the Interstate Commerce Commission, it has taken and must take into consideration.

Mr. President, if we are to accept the judgment of the Interstate Commerce Commission upon questions of that kind, are we prepared to reduce by legislation the passenger revenues of the railroad companies of the country to the extent of eighty or eighty-five million dollars annually?

That is the question we must finally decide by the votes we cast upon this bill.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. CAPPER in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I yield.

Mr. KING. Perhaps the suggestion I am about to make would with greater propriety have been submitted when the Senator from Arkansas [Mr. ROBINSON] was speaking. I confess I am very much disturbed over this proposed legislation and the results of it, and the precedent which it might constitute. As I understand, we have established the Interstate Commerce Commission and charged it with certain responsibilities. It has the right to initiate rates, and either to reduce or to increase rates; and it has the right, upon complaint being made, to investigate and to make findings and to carry those findings into effect.

If by legislation we say that they shall establish a rate which, as the Senator from Iowa states, will reduce the earnings approximately eighty or eighty-five million dollars, may we not by legislation make further declarations which would affect the earnings and consequently the value of the property, variously estimated at from twelve to twenty billion dollars? In other words, if we pass this act—and I have been very much in sympathy with it, and would like to support this measure if I could—is it not equivalent to saying that we have no confidence in the Interstate Commerce Commission and in its capacity to establish rates, to weigh the evidence pro and con, and to pronounce judgment? Are we not saying that we have not confidence in the Interstate Commerce Commission to pass upon this question? And if we say that, may we not be compelled by petitions from outside and from demands which may be made to pass other legislation saying that the freight rates shall be so and so, and so little by little whittle away the power of the Interstate Commerce Commission and reduce it to a mere executive body to put into operation through the railroads the mandates of Congress? Where will the end be? I would like to have the views of the Senator on that proposition.

Mr. ROBINSON. If the Senator from Iowa will permit me, the Interstate Commerce Commission has no power and can have no power which the Congress does not give it. I do not wish to interrupt the Senator from Iowa to again express my view respecting the subject, but I think if Congress has sufficient intelligence and information upon which to determine this question it can be no reflection on the Interstate Commerce Commission if Congress determines the matter directly.

Mr. CUMMINS. I do not know whether it would be construed as a reflection upon the individual members of the Interstate Commerce Commission or not, but it means that we ought to abolish the Interstate Commerce Commission. If Congress is to undertake to fix rates, there is no necessity for the Interstate Commerce Commission.

Suppose the Senator from Utah [Mr. KING] were himself convinced that the rate on wool from Salt Lake to Boston was too high, and he were to introduce a bill providing that the rate on wool from Salt Lake to Boston should hereafter be so many cents a pound or so many dollars per hundredweight. That is the exact parallel of this bill, especially if he were to enlarge it so as to take in all wool from the western country. The same thing is true of grain from Iowa, corn and wheat; the same thing is true of hogs and cattle; and if we are not to pursue the policy of continuing in the Interstate Commerce Commission the power to say what constitutes fair and reasonable rates, both passenger and freight, then there is no longer occasion for maintaining that tribunal. That is what I have been persistently insisting upon ever since this bill was laid before the Senate.

I return now to the proposition that if we reduce the revenues of the railroad companies by seventy, eighty, ninety, or a hundred million dollars, the amount depending upon uncertain quantities which we can not accurately estimate, the Interstate Commerce Commission will feel itself compelled to raise that revenue through increased rates on the commodities which are transported by these railroad companies, and concerning which its jurisdiction is undoubted.

I am not presenting this matter from the standpoint of the railroads. I do not know whether they are for or against this measure. I can conceive of a good many reasons why they should be for it; but I have never undertaken to ascertain the views of the railway officials with regard to it. They are not primarily interested in it. They are entitled to a certain revenue. No matter whether we say that they are entitled to a certain revenue or not, the Constitution protects them in the return of a certain revenue, and it is the duty of the Interstate Commerce Commission, under the present law and under any law which we have ever had upon the subject, to see that the rates are so adjusted that the roads receive a sufficient revenue to answer the demands of the Constitution, as well as to preserve our transportation system.

Now I beg the attention of the Senate to a showing of the operation of the railroad companies during the year 1921. Estimating the net operating income of the railroad companies for the month of December of last year, inasmuch as we have no positive and accurate knowledge upon that subject from reports made by the railroad companies—and I think the estimate I make is a liberal one—at $50,000,000, the net operating income of all the class I railroads, comprising about 235,000 miles, most of the other railroads having no net income at all, for the year 1921 was $612,853,560. If the railroads are of the fair value of $12,000,000,000, which is substantially the amount of the outstanding bonds of these railroads, the net income for the past year was 5 per cent upon that value. If the fair value of the railroads is $18,900,000,000, as estimated by the Interstate Commerce Commission for the purposes of applying the transportation act of 1920, then the net income for 1921 was a little more than 3 per cent. Mark you, when I speak of the net operatating income, I am speaking of the amount remaining with the railroad companies, taken as a whole, applicable to the payment of interest upon their obligations and dividends upon their stocks.

There is not a man in the world, I think, who has any knowledge of this subject, who would contend that 5 per cent upon a valuation of $12,000,000,000 was more than the railroad companies ought to be permitted to earn. Practically it enables the railroad companies, taken as a whole, to pay the interest upon their bonds, without any profit or reward to the stockholders of those corporations. It will be observed that I am treating the railroad companies as a whole.

Four-fifths of the railroad companies in the United States in number, not in mileage, have not during the last year earned the interest upon their bonded obligations, and I venture to say that nearly half of them have failed to earn their operating expenses. But there are some of the railroads more fortunately situated, both geographically and as to industrial conditions, which have been able to earn more than the average which I have stated.

But this is not the whole story. During the last year the railroad companies have failed to expend for the maintenance of their properties $200,000,000, which they should have expended. Our railroads at this moment are not up to standard, even the standard of prewar times, in a degree measured by the expenditure of $200,000,000, and some time, and that before very long, the railroad companies will be compelled to take from their earnings and expend that amount on the deferred maintenance of the present year.

I assume we are all interested in having an adequate railroad system. At the present moment, instead of having 5 per cent or 6 per cent of cars and locomotives in bad order and unfit for use, there are 16 or 17 per cent of the cars and the engines in this country in bad order, unfit to be used. Sometime they must make these repairs and these replacements rendered absolutely necessary by the use of the property.

If you will deduct from the $600,000,000 of net income of the present year the $200,000,000 which should have been expended but which was not expended as a part of the cost of operation, you will have $400,000,000 of net income, or substantially that; $400,000,000 of net income for a property considered as a whole worth somewhere from $14,000,000,000 to $18,900,000,000.

Mr. President, making proper deductions for deferred maintenance, the railroads of this country, taken as a whole, through their earnings for the year 1921, are $75,000,000 short of the amount needed to pay the interest upon their bonds.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. Certainly.

Mr. DIAL. Has the Senator the figures to show about how many new miles of railroad were constructed during the last year and how many miles were abandoned?

Mr. CUMMINS. I am only speaking from a most general recollection. There was practically no new mileage constructed during the past year. There were possibly three or four hundred miles abandoned during the last year.

Mr. DIAL. That was true for the preceding year or two or three years, was it not?

Mr. CUMMINS. Oh, yes.

Now, Mr. President, if we attempt to take off the millions, I care not how many—that is, it is only a matter of degree—if we take off fifty or sixty or seventy or eighty or ninety million dollars which were earned last year and which would not be earned the coming year for passenger service, what becomes of the duty of the Interstate Commerce Commission in the investigation that it is now carrying on to ascertain whether it can reduce the freight rates and enable the farmers of the country to reach market at a price that will enable them to sell their products at something like cost of production?

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Arkansas?

Mr. CUMMINS. Certainly.

Mr. ROBINSON. The Senator has stated that four-fifths of the railroads of the country in number have not earned operating expenses during the last year.

Mr. CUMMINS. Oh, no; I did not so state. I think the Senator misunderstood me.

Mr. ROBINSON. What was the Senator's statement?

Mr. CUMMINS. I said four-fifths in number have not earned enough to pay the interest upon their bonds, and many of them have not earned operating expenses.

Mr. ROBINSON. If that condition continues indefinitely, of course the roads will be compelled to suspend operations.

Mr. CUMMINS. Certainly.

Mr. ROBINSON. What is the remedy the Senator from Iowa proposes for that? Does the Senator think it can be accomplished and a remedy provided by an increase in the existing rates?

Mr. CUMMINS. No; I do not.

Mr. ROBINSON. Is the Senator of opinion that the present rates are at the exact level that will produce the maximum revenue?

Mr. CUMMINS. I do not know. The Senator from Arkansas does not know.

Mr. ROBINSON. I am convinced, however, that they are the rates which are diminishing revenue——

Mr. CUMMINS. Precisely.

Mr. ROBINSON. And that if the rates were judiciously reduced the revenue would be increased. I admit that I am not possessed of technical knowledge respecting that.

Mr. CUMMINS. Before the Senator leaves the Chamber I wish to argue the matter a little with him face to face, because he is one of the most reasonable men I have ever had anything to do with.

Mr. ROBINSON. I thank the Senator from Iowa.

Mr. CUMMINS. I do not know just what rates will produce the maximum revenue. The Interstate Commerce Commission has been endeavoring to ascertain that for a year, and it has adjusted rates accordingly. Under the present exigency, when it is clear to every reasonable man that the rates ought to be reduced to the point of even denying, if you please, any reward to all capital that may be invested in railroad companies, it is investigating the question of whether a reduction in rates will produce additional revenue—I mean additional net income, because additional revenue does not mean anything if the railroad companies must expend more in costs than the revenue received. The net income is the point at which we must finally arrive.

That is the very question which the Interstate Commerce Commission is now engaged in investigating. It is an exceedingly difficult question. It depends upon a survey of so many conditions that it is simply not possible for a Senator, who is engaged in a thousand other things, to reach any satisfactory conclusion upon it.

There have appeared before the Interstate Commerce Commission many distinguished men who have insisted and are insisting to the commission all the while that if the rates were reduced the increase in traffic would be sufficient to afford the railroad companies a greater revenue than they are now receiving. There is not a man of intelligence within the borders of the United States who will assert that the revenue of the railroad companies is now more than it ought to be.

There is not a lawyer in the United States who will assert that if the Interstate Commerce Commission did anything that reduced their revenues below the point at which they now stand the order of the commission would be sustained in any court. We only have to refer to the decisions of the Supreme Court of the United States, of which there are very many, in order to be assured that this particular revenue which I have mentioned is an insufficient revenue for the railroad companies, taken as a whole.

I am appealing to Senators not to undertake to abolish the Interstate Commerce Commission and substitute their own immature and incomplete judgment with regard to the effect which a reduction of rates will have upon the revenues of the carriers. I am insisting that if we reduce the revenues of the carriers by the amount that under any reckoning will be occasioned by issuing mileage books at 2½ cents a mile it must result either in arresting any further reduction in freight rates or in an increase in freight rates if the commission believes that by an increase any additional revenue can be secured.

I have been working for months giving substantially all my time to the one object of reducing freight rates, for nobody knows better than I do the disastrous consequences of these high freight rates in my own State and in all that part of the country from which I come.

The Senator from Arkansas said yesterday—and he was repeating an argument often used for the bill—that if traveling salesmen could go out at 2½ cents a mile they could sell commodities, whereas now they can not go out and they can not sell them. Does anybody believe that any salesman, however persuasive, would be able to sell to the farmers of Iowa things they are not compelled to buy? The people of my own State are passing through a period of the most stringent economy. They will not buy anything from anybody if they can possibly avoid it; and why? There are many reasons, and chief among those reasons is that because of the deflation in the prices of agricultural products they have not anything with which to buy. If some bill were introduced here which would increase the price of the things which the farmers of my State have to sell, so that they might be put in possession of a surplus with which to buy, they would purchase without any difficulty, no matter what the traveling salesman had to pay for his transportation.

I hope Senators will remember the analysis the Senator from Virginia gave us with regard to the cause of our hard times, the cause that crippled the ability of men of all occupations to buy, that deprived them of purchasing power, and I remark again that selling these mileage books at 2½ cents a mile will not increase the purchasing power of the man who ultimately must create the market for commodities throughout the country.

I would like to see the traveling men riding at 2½ cents a mile. I myself would like to ride at 2½ cents a mile. I think everybody who travels would be glad to see the cost of travel reduced.

Take the case of the ordinary man in my own State, who does not buy mileage books and never has and never will, but who travels occasionally from place to place, as he sits side by side with a traveling salesman who is riding at 2½ cents a mile, whereas he is paying 3.6 cents or 3.8 cents or 4 cents per mile, depending upon whether he is riding in a Pullman or not. I should like to know how I could meet him and explain to him why we have given to one class of people the preference which we propose to give under the terms of the pending bill. The explanation is impossible. There is no excuse for it.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. CUMMINS. Certainly.

Mr. LENROOT. The Senator, in the amendment which he offered, does, however, propose to vest in the Interstate Commerce Commission power to give that very preference.

Mr. CUMMINS. No. I beg the pardon of the Senator from Wisconsin.

Mr. LENROOT. He proposes to vest in them the power to compel the issuance of mileage books at a less rate than the person must pay who does not buy them.

Mr. CUMMINS. No.

Mr. LENROOT. Then I misunderstood the Senator's amendment.

Mr. CUMMINS. I propose to give the Interstate Commerce Commission authority to compel railroad companies to issue mileage books good for not more than 5,000 nor less than 1,000 miles at a just and reasonable rate. That is all. I can conceive of reasons which would justify some difference between the general rate and the mileage-book rate, because there is, I can easily see, some lessened cost of service when one buys 2,000 or 5,000 miles of transportation as against a man who buys 20 or 25 miles of transportation. But I do not pretend to know what that difference would be, if any. It must be supported by such evidence as will show that it is not a discrimination against the man who uses the ordinary ticket.

I am sorry the Senator from Wisconsin did not quite gather the full import of my amendment. That is the very point I want to avoid. I want the discrimination, if there shall be one, based upon sound, economic reason, and there are some reasons

that might influence the commission to issue a mileage book at a slightly less rate than the price of the ordinary ticket.

Mr. LENROOT. I understood the Senator to say it would be difficult for him to explain why a traveling man with a mileage book was permitted to ride at a less rate than one who did not have a mileage book. With the Senator's explanation it seems to me that result will still obtain; that he does contemplate that with this power reposed in the commission by his amendment the commission will have power to compel the sale of mileage books at a less rate than is charged the ordinary traveler who does not purchase them.

Mr. CUMMINS. I am assuming that men who ride on trains are ordinarily intelligent, and while they could easily perceive a justification for some difference in the rate, they would not be able to perceive a reason for a difference of 1 cent per mile in the rate.

It is exactly like moving freight in carload lots as distinguished from less than carload lots. The railroads move, and the Interstate Commerce Commission orders them to move, freight in carload lots at a cheaper rate per hundred pounds than the less than carload movement is carried for, but it must be a just and reasonable rate; it must be based upon, as I view it, the cost of the service in the two cases. So, Mr. President, I submit that it is the fair conclusion from the facts and conditions which surround us that if we pass this bill it will constitute a most serious obstacle in the way of a further reduction in freight rates.

I now desire to read another paragraph, possibly two paragraphs, of the letter from the Interstate Commerce Commission upon this subject. One of the questions contained in my letter to the Interstate Commerce Commission is as follows:

Fifth, your view as to the discrimination which results from the carriage of one person at 2.5 cents per mile and another at 3.6 cents per mile, with a surcharge for passengers using a Pullman car added. Obviously—

Says the commission—

there would be a discrimination, but whether unreasonable or unjust would depend upon the facts in each case. We have never held that mere discrepancies in the amounts charged constituted unjust discrimination, but have investigated cases involving alleged unjust discrimination to ascertain the circumstances and conditions under which the transportation was performed. If, as has been shown in some cases before us, it should appear that the passenger paying 2.5 cents a mile received substantially the same service as the passenger paying 3.6 cents a mile, plus Pullman surcharge, a case of unjust discrimination would be presented, in the absence of approval by the Congress.

Both the initial cost and the distance to be traversed would preclude the use of the 5,000-mile ticket by the ordinary person. Assuming that the transportation service performed is substantially the same as that furnished for the standard passenger fare, it would seem that the only basis for a distinction in price is the quantity of transportation purchased. If sound, this would, of course, warrant lower rates for large shippers than for their smaller competitors. The commission has, from the time it was created, opposed any rates based on what may be called the "wholesale" theory. In re Mileage Books (28 I. C. C., 318, 323) we called attention to the fact that, if it were not for the authorization in section 22 of the act, "it is debatable whether the concession from the regular fare made to the purchasers of mileage books would be lawful."

It may be appropriate to mention the fact that, while "mileage, excursion, or commutation passenger tickets" are grouped together in section 22, excursion and commutation fares are ordinarily used in a service which is distinct in many particulars from the regular passenger service.

The seventh suggestion which I propounded in my letter to the Interstate Commerce Commission is as follows:

Seventh, any other comment which the commission feels disposed to make.

The commission says in answer to that:

It may be proper to remark that in the past bills somewhat similar to this one have been referred to us for our views and we have expressed our disapproval of them, not only on the grounds indicated but on account of the inadvisability, as it seems to us, of fixing rates or fares by statute.

It has seemed to us that when reductions in fares were warranted, they should be made in such a way that all travelers could benefit by them. The carriers in New England are now before us with a request for some readjustment of divisions which will give them additional revenues. Much of the revenue of the New England roads is derived from passenger traffic. In Proposed Increase in New England (40 I. C. C., 421) we said, page 443:

"There is probably no part of the country where the sale of mileage books on a substantially lower basis per mile than regular one-way fares has resulted in such flagrant abuses, such unjust discriminations, and such impairment of railroad revenues as in New England."

The bill in effect creates a privileged or favored class into which no one may enter who has not $125 available for the purpose. Whatever reduction in cost of travel is thus effected would inure not to those of small means who need it most but to those with abundant moneys in hand who need it least. The mileage ticket sought, at a rate of 2.5 cents per mile, would enable the holder to travel over the Southern Pacific line in Arizona or Nevada, where the base rate is 4.8 cents per mile, or over other lines in the State where the base rate is still higher—

I ought to remark here that when I said that the general rate is 3.6 cents per mile in most of the States or in most of the travel of the country, there are three or four States in the western section of the country, States in which railroad construction is exceedingly expensive and where the cost of operation and maintenance is very large, in which the passenger rate is much higher than 3.6 cents per mile—

and in doing so to ride in Pullman cars without paying the so-called Pullman surcharge, which accrues to the rail carrier. His fellow passengers, sharing the same accommodations, would pay twice as much.

The bill does not declare the existing base fares to be unreasonable. It amends an act under which we have found them reasonable. But without any finding of that reasonableness which the act enjoins upon all rail carriers, it proposes to require them all to establish and maintain a much lower rate per mile for those who can afford to lay out $125 in order to secure it. It also provides that as the general rate of fare for the rest of the public is reduced from its present exceedingly high level, this special base shall be reduced in proportion, so that whatever happens the holders of these tickets shall always travel for less than anyone else.

I hope that Senators will remember that the bill, while it provides for modifications by the Interstate Commerce Commission upon application, yet whenever the base rate, the general level of passenger rates, is reduced it becomes the duty of the Interstate Commerce Commission to reduce likewise to the same extent the mileage-book rates which are provided for in the bill.

Mr. KELLOGG. Mr. President, will the Senator please have printed in full in the RECORD the letter which he has read, so that we may read it in the morning?

Mr. CUMMINS. I will be very glad to do that, and I ask permission that it may be printed in the RECORD as part of my remarks.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Without objection, it is so ordered.

The letter referred to is as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, January 11, 1922.

Hon. ALBERT B. CUMMINS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The commission has considered Senate bill No. 848, sent to Chairman McChord with your letter of January 3, and referred the matter to its legislative committee for reply. In response to your request this committee submits the following information:

"First, an estimate of the effect upon the revenues of the carriers for the year 1922, based upon the experience of 1920 and 1921."

The passenger revenue of steam roads included in the regular monthly reports amounted to $1,288,808,159 for the calendar year 1920. For 1921 the corresponding figure is estimated at $1,178,900,000 (estimated by increasing the actual figure for 10 months by 20 per cent). The average of the two years is $1,233,854,080. Of this, $32,828,600 may be taken as the Pullman surcharge and $56,750,000 is estimated as commutation revenue, leaving $1,144,275,480 as passenger revenue derived from fares other than commutation and surcharge. It is, of course, impossible to say what part of the traveling public would avail themselves of the proposed mileage books. The average revenue per passenger per mile, after excluding commutation and surcharge revenue, is about 3.3 cents. A reduction to 2.5 cents is a reduction of 8 mills or 24.2 per cent. What this percentage of reduction would amount to if applied to various assumed proportions of the total travel affected by the mileage books is shown below:

Proportion of $1,144,275,480 assumed to be affected.	Amount assumed to be affected.	24.2 per cent applied to figures in preceding column.
5 per cent	$57,213,774	$13,850,000
10 per cent	114,427,548	27,700,000
15 per cent	171,641,322	41,500,000
20 per cent	228,855,096	55,400,000
25 per cent	286,068,870	69,200,000

As against the possible losses shown in the last column of the preceding table, there would be the gain from new travel, if any, created by the reduced rates.

"Second, a table showing the passenger rates throughout the country, including the surcharge for passengers traveling in Pullman cars:

Average revenue per passenger per mile, including the surcharge, but excluding commutation traffic.

DISTRICT AND REGION FOR THE MONTH OF SEPTEMBER, 1921.

	Cents.
Eastern district:	
New England region	3.519
Great Lakes region	3.479
Ohio-Indiana-Allegheny region	3.330
Pocahontas region	3.500
Southern district	3.385
Western district:	
Northwestern region	3.448
Central western region	3.358
Southwestern region	3.398
United States	3.403

"Third, the validity and practicability of using the interchangeable tickets between points within a State."

There has always been considerable dispute as to whether or not Congress can prescribe, or authorize the commission to prescribe, the intrastate rates or fares of interstate carriers except when necessary in order to protect interstate commerce or persons or localities engaged in interstate commerce. Whatever may ultimately be held to be the

law on this score, the present law was framed, and has been interpreted, on the theory that it forbids interference with intrastate rates and fares which do not adversely affect interstate rates and fares. It seems very doubtful if the insertion of the provisions in the bill, without revision of the rest of the statute, will afford a valid basis for prescribing purely intrastate rates of interstate carriers.

"Fourth, is the provision authorizing the commission to 'increase or decrease such rate directly in proportion, as nearly as the commission deems practicable, to such alteration in such average rate level' workable?"

This provision would amount to prescribing a relationship between the mileage ticket and the average passenger fare. It seems probable that this provision could be carried out substantially as Congress intended in case other features of the bill are held valid. It is not clear whether the order of the commission modifying the rate of 2½ cents a mile is to be made after full hearing, or what passenger fares—i. e., standard, mileage, commutation, excursion—are to be considered in ascertaining the average level.

"Fifth, your view as to the discrimination which results from the carriage of one person at 2½ cents per mile and another at 3.6 cents per mile, with surcharge for passengers using a Pullman car added."

Obviously there would be a discrimination, but whether unreasonable or unjust would depend upon the facts in each case. We have never held that mere discrepancies in the amounts charged constituted unjust discrimination, but have investigated cases involving alleged unjust discrimination to ascertain the circumstances and conditions under which the transportation was performed. If, as has been shown in some cases before us, it should appear that the passenger paying 2½ cents a mile received substantially the same service as the passenger paying 3.6 cents a mile, plus Pullman surcharge, a case of unjust discrimination would be presented, in the absence of approval by the Congress.

Both the initial cost and the distance to be traversed would preclude the use of the 5,000-mile ticket by the ordinary person. Assuming that the transportation service performed is substantially the same as that furnished for the standard passenger fare, it would seem that the only basis for a distinction in price is the quantity of transportation purchased. If sound, this would, of course, warrant lower rates for large shippers than for their smaller competitors. The commission has, from the time it was created, opposed any rates based on what may be called the "wholesale" theory. In re Mileage Books (28 I. C. C., 318, 323), we called attention to the fact that if it were not for the authorization in section 22 of the act, "it is debatable whether the concession from the regular fare made to the purchasers of mileage books would be lawful."

It may be appropriate to mention the fact that, while "mileage, excursion, or commutation passenger tickets" are grouped together in section 22, excursion and commutation fares are ordinarily used in a service which is distinct in many particulars from the regular passenger service.

"Sixth, what additional accounting expense as between the railroad companies would be involved?

This can not be estimated with any accuracy, as it would depend upon some elements which are purely speculative.

"Seventh, any other comment which the commission feels disposed to make."

It may be proper to remark that in the past bills somewhat similar to this one have been referred to us for our views, and we have expressed our disapproval of them, not only on the grounds indicated but on account of the inadvisability, as it seems to us, of fixing rates or fares by statute.

It has seemed to us that when reductions in fares were warranted they should be made in such a way that all travelers could benefit by them. The carriers in New England are now before us with a request for some readjustment of divisions which will give them additional revenues. Much of the revenue of the New England roads is derived from passenger traffic. In proposed increases in New England (49 I. C. C., 421), we said, page 443:

"There is probably no part of the country where the sale of mileage books on a substantially lower basis per mile than regular one-way fares has resulted in such flagrant abuses, such unjust discriminations, and such impairment of railroad revenues as in New England."

The bill, in effect, creates a privileged or favored class into which no one may enter who has not $125 available for the purpose. Whatever reduction in cost of travel is thus effected would inure, not to those of small means, who need it most, but to those with abundant moneys in hand, who need it least. The mileage ticket sought at a rate of 2.5 cents per mile would enable the holder to travel over the Southern Pacific line in Arizona or Nevada, where the base rate is 4.8 cents per mile, or over other lines in the State where the base rate is still higher, and in doing so to ride in Pullman cars without paying the so-called Pullman surcharge, which accrues to the rail carrier. His fellow passengers, sharing the same accommodations, would pay twice as much.

The bill does not declare the existing base fares to be unreasonable. It amends an act under which we have found them reasonable. But, without any finding of that reasonableness which the act enjoins upon all rail carriers, it proposes to require them all to establish and maintain a much lower rate per mile for those who can afford to lay out $125 in order to secure it. It also provides that as the general rate of fare for the rest of the public is reduced from its present exceptionally high level this special base shall be reduced in proportion, so that, whatever happens, the holders of these tickets shall always travel for less than anyone else.

The bill disregards the fact that the President, through the director general, determined that a base rate lower than 3 cents per mile was too low and that the commission has since authorized 20 per cent increase in that base rate.

It further raises the question whether any rail carrier subject to the act could justify any base higher than 2.5 cents per mile for any passenger after this bill should become law.

The bill repeals portions of section 22 of the interstate commerce act, which provide for compliance with section 6 of that act in respect of the filing and publication of joint tariffs and which make applicable the penalties provided under section 10 of that act.

The bill lays its obligation to sell and honor these interchangeable mileage tickets upon "each common carrier by railroad, or partly by railroad and partly by water, within the continental United States, subject to this act," and thus upon common carriers which now publish no passenger tariffs and carry no passenger traffic.

The ticket may be issued and all the money collected by a carrier which does not participate in the transportation and is financially irresponsible.

These are some of the obvious defects of the bill.

In conclusion your attention is invited to Lake Shore, etc., Railway Co. *v.* Smith (173 U. S., 684), where the Supreme Court held that it was unconstitutional for the State of Michigan, after prescribing certain maximum fares, to require the sale of mileage tickets at a considerably lower rate per mile.

Very truly, yours,

JOHN J. ESCH.
(For Legislative Committee)
Commissioner.

Mr. CUMMINS. Now, Mr. President, briefly I desire to call attention to what actually has happened with regard to passenger travel. I believe it will be helpful if Senators will become familiar with the following figures relating to the passenger traffic:

In 1917 the number of passenger miles, as reported to the Interstate Commerce Commission, was 39,476,858,549. That means the number of miles which all the passengers carried by the railroad companies traveled; that is, the number of passengers carried by the railroad companies a single mile.

In 1918—and in the meantime passenger fares had risen to 3 cents per mile—the number of passenger miles was 42,676,579,199. That is an increase of more than 3,000,000,000 miles.

In 1919 the number had risen to 46,358,303,740.

In 1920, during 10 months of which the railroads were under private control and operation, the number of passenger miles had risen to 46,848,657,987.

In 1921, with the last two months estimated, the passenger miles had fallen to 38,675,228,000. I have no doubt that the decreased travel in 1921 was partially due to the increased passenger rates, but negligibly so. The increase in passenger rates was not the chief reason for the decrease in passenger travel. A collapse of business came in this country in the fall of 1920 and everything stopped. Business of all kinds diminished at an alarming and disastrous rate; and the people are not traveling so much, partly because some of those who formerly traveled can not afford to travel at all, but largely because there is no occasion for the journeys which they formerly made. Can you wonder why the farmers of my State are not traveling as they used to travel? It is not because of the passenger rates so much as it is because they can not sell what they produce for a price that reimburses them for the cost of production. Too few people want our corn and our hogs and our cattle; and the problem of America, as well as of the world, is first to restore the relation of commodities and prices, and, second, to restore the buying power of the world as well as of the United States.

In that readjustment prices will be reduced, passenger rates will be reduced, freight rates will be reduced; but it is so obvious that it is the duty of the Interstate Commerce Commission to reduce freight rates before they reduce passenger rates that it seems to be established the moment it is stated. All I am asking is that this matter be referred to the Interstate Commerce Commission with authority to require all railroads to issue interchangeable mileage books at a just rate, precisely as it has authority to establish freight rates, and that we shall not attempt to hamper and embarrass the commission in the performance of the most important work in which it has ever engaged.

Moreover, if the railroads are compelled to issue passenger tickets good for 5,000 miles, and even if the amendment which the Senator from Arkansas suggests be made, namely, making these tickets good only for interstate travel, instead of making them good between points within a State, how, without an elaborate plan, can any such provision be enforced?

Suppose a traveler with one of those tickets takes the train at Philadelphia. How is the conductor to tell whether he is going to use it upon an interstate journey or upon a State journey? Suppose he stops for a day at Harrisburg, and another day at Pittsburgh, and then goes on to Chicago, what will be the regulations which will surround the use of that ticket in Pennsylvania?

The bill as it is framed in that respect, even if it be modified as suggested by the Senator from Arkansas, is unworkable. If we issue a mileage book good only for interstate travel, we shall be compelled to surround that mileage book with the most elaborate system of rules and regulations in order to prevent its being used in intrastate travel instead of interstate travel. I suggest this as another reason why it is absolutely necessary to commit this question to the Interstate Commerce Commission, rather than to attempt to formulate for ourselves and in this way the regulations under which such tickets can be used.

Mr. President, I have consumed a great deal more time than I intended to, and I repeat a statement which I made a few moments ago:

I am not opposing this bill because I do not believe in this form of transportation; I am opposing it because I think it ought to be accomplished through the medium of the Interstate Commerce Commission rather than through direct legislation; and it ought to be accomplished, if at all, with due regard to its effect upon the transportation of commodities in which the people are primarily interested; and it ought to be accomplished upon a reasonable and fair basis, for the discrimination has been laid by testimony offered to the commission; and that body alone, so far as the present composition of our Government is concerned, is qualified to determine at what rate mileage books of the kind described in the amendment I have proposed should be issued.

I hope that it is not the purpose of Congress to depart from a long-established policy—a policy which, in my judgment, has served the people of this country with remarkable effect. I understand how difficult it is for the commission now to meet the wishes of all the people of the United States. We are passing through a period of adjustment. We are experiencing the consequences of the war, and even the Infinite One can not relieve us from all of those consequences. The amendment I have offered affords to this very worthy and esteemed class of our people all the relief to which they are fairly entitled, and I earnestly hope it will be adopted.

COMMITTEE SERVICE.

Mr. CURTIS. Mr. President, it is the desire on this side to adjourn before 4 o'clock; and I ask unanimous consent for the immediate consideration of the order, which I send to the desk. Then, if no one else desires to speak, I shall move an adjournment.

The PRESIDING OFFICER. The Secretary will read the proposed order.

The order was read, considered by unanimous consent, and agreed to, as follows:

Ordered, That the Senator from North Dakota [Mr. MCCUMBER] be excused from further service as chairman of the Committee on Pensions and assigned to the chairmanship of the Committee on Finance; and that the Senator from New Jersey [Mr. FRELINGHUYSEN] be excused from further service on the Committee on Military Affairs and assigned to service on the Committee on Finance.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. CURTIS. I understand that the Senator from Florida [Mr. TRAMMELL] desires to address the Senate. I wish he would arrange to stop a little before 4 o'clock, as we desire to adjourn about 10 minutes of 4.

Mr. TRAMMELL. I shall probably occupy only 5 or 10 minutes.

Mr. President, I send to the desk an amendment that I propose to the pending bill. The amendment proposes that the provisions of the bill shall apply to mileage books of 1,000 miles instead of 5,000 miles.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. On page 1, line 11, it is proposed to strike out the word "five," and in lieu thereof to insert the word "one."

Mr. TRAMMELL. Mr. President, I am heartily in sympathy with the object sought by this bill. I believe that there should be some reduction of the rates for passenger transportation, and that if that can be accomplished under the provisions of this measure we shall have performed a service worth while in the interest of the American traveling public. I do not believe, however, that it should be restricted to mileage books in denominations of 5,000 miles. If we only authorize mileage books for this amount we shall in a very large degree preclude from the benefits of this measure every one except big business concerns and people having ample means to invest as much as $125 at a time in a mileage book.

Prior to the abolishing of the mileage-book privilege, as we all know, the railroads maintained a policy of issuing mileage books in denominations of 1,000 miles or 2,000 or 5,000 miles.

Under a policy of that kind the average person doing any traveling of any consequence receives the benefit of the privilege of purchasing a mileage book at a reduced rate. I think that if we are going to reestablish this privilege of mileage books, we should not select a favored class, those who are carrying on extensive business, having their agents do extensive traveling, or those with ample means to buy mileage books, and extend the privilege to them only. That will be the inevitable consequence if the privilege is extended only to mileage books of 5,000 miles or more.

I submit the amendment with a view to restoring the policy that formerly existed under the voluntary operations of the railroads. I believe that it is a proper policy, and that the measure should be enacted; but if we are to enact a law of this character, then I believe that we should provide for mileage books in denominations of 1,000 miles or more, and not begin at 5,000 miles.

Quite a good deal has been said about leaving this matter to the discretion of the Interstate Commerce Commission. I see no reason why the Congress should longer go upon the idea that we must leave to the Interstate Commerce Commission the adjustment of all these problems. What is the history of the State railroad commissions in dealing with this question of passenger transportation? We found in a great many States that the railroad commission of the State did not prescribe as low a rate for passenger transportation as it seemed to the public that conditions justified. On account of the failure of these commissions in some instances—I do not say all of them—to take action providing for more reasonable transportation charges for the traveling public, the legislatures in a great many States have enacted laws prescribing specifically passenger rates. Among the cases that were quite noted in the South was the Alabama Rate case.

Take the condition in Alabama: The railroads, especially the Louisville & Nashville Railroad, had resisted and resisted an order of the railroad commission prescribing a rate of 2½ cents per mile. So long had the railroads, by first one delay and then another in the courts, defeated the railroad commission in its order for a reduction in the rates that the Alabama Legislature enacted a law prescribing a rate of 2½ cents a mile. That was contested in the courts, and the courts sustained the act and held that the legislative branch of the Government possessed the necessary power to prescribe these rates. The railroads contended that they were confiscatory. The court held, upon that point, that unless it prima facie appeared, upon the face of the measure itself, that the rates were confiscatory the railroads would have to give them a fair test and operate under them, and by operation establish they were confiscatory, before they could seek and procure relief of the court.

I am not familiar with the intricacies of the railroad transportation problems, but I know that in the minds of many trained, experienced, and able railroad officials there is an idea and a belief that a reasonable rate induces and encourages a greater volume of business, and that by reducing the rate the railroad does not only increase its income but, of course, contributes to the general prosperity of the patrons of the railroad.

I recall that some years ago in the State of Georgia the Central of Georgia, if I remember correctly, decided that although the railroad commission fixed a maximum rate of 3 cents a mile, that system would inaugurate a 2½ cents a mile rate, with a view to giving better rates to the public and with the belief that these more reasonable transportation charges would encourage a greater volume of business. The experience of the Central of Georgia thoroughly convinced the officials of that road that the policy was a wise one, as it resulted in a large increase in the volume of travel and brought a greater revenue to the corporation.

We had a similar experience in my own State. For a great many years the railroad commission had prescribed a maximum rate of 3 cents per mile. There was a public clamoring for a reduction in passenger rates. The railroads voluntarily reduced the rates to 2¾ cents per mile, stating that they would try out the policy of charging a smaller rate with the hope that it would stimulate business and increase the income of the railroads, and their experience was so satisfactory that never until the Government took over the railroads during the war did those railroads increase their rates again.

Mr. President, I believe that a more reasonable charge for passenger travel will result beneficially to the railroads, and most assuredly will result beneficially and helpfully to the traveling public, and I hope this measure will be enacted.

I believe, however, that the measure would be improved and that it would come nearer meeting the situation if the amendment which I have proposed should be agreed to. If this amendment should be adopted, then the privilege of a mileage book will apply to mileage books of 1,000 miles and larger amounts. Certainly the mileage-book privilege should be reestablished.

ADJOURNMENT.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Friday, January 20, 1922, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 19, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord, we would pause long enough to hear Thee say: "Thy sins be forgiven thee." Bless us with a fine discernment that we may not get our values confused or our standards lowered. May the spirit of truth invade our lives at every point. In the hour of perplexity help us with the consciousness that the weakness of God is stronger than the might of man, and that the more sweetly human we act the more thoroughly divine we are. To the sick give comfort; to the sorrowing give rest; to the doubting give trust; to the burdened give relief; and to us all give concentration of labor and consecration of spirit. We ask in the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its chief clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2799. An act to supplement and amend the act entitled "An act to incorporate the North River Bridge Co. and to authorize the construction of a bridge and approaches at New York City across the Hudson River, to regulate commerce in and over such bridge between the States of New York and New Jersey, and to establish such bridge a military and post road," approved July 11, 1890.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 30. A joint resolution to amend a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2708. An act to authorize the President to transfer certain medical supplies for the relief of the distressed and famine stricken people of Russia.

S. 2776. An act to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee as indicated below:

S. 2799. An act to supplement and amend the act entitled "An act to incorporate the North River Bridge Co. and to authorize the construction of a bridge and approaches at New York City across the Hudson River, to regulate commerce in and over such bridge between the States of New York and New Jersey, and to establish such bridge a military and post road," approved July 11, 1890; to the Committee on Interstate and Foreign Commerce.

REPORT OF JOINT COMMISSION OF AGRICULTURAL INQUIRY.

Mr. KIESS. Mr. Speaker, I call up from the Speaker's table House concurrent resolution 37, authorizing the printing of 50,000 additional copies of parts 1 and 2 of House Document No. 408, being the report of the Joint Commission of Agricultural Inquiry, with a Senate amendment thereto, and move to concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk reported the Senate amendment.

Mr. GARRETT of Tennessee. This is a technical mistake.

Mr. KIESS. It is changing the word "document" to the word "report." It was an error on the part of the House committee.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

CHANGE OF REFERENCE.

Mr. LANGLEY. Mr. Speaker, I renew my request made a day or two ago for a change of reference of the bill S. 5, to amend an act approved February 28, 1899, entitled "An act relative to the payment of claims for material and labor furnished for District of Columbia buildings," from the Committee on Public Buildings and Grounds to the Committee on the District of Columbia. It was at the suggestion of the gentleman from Wyoming [Mr. MONDELL] that I withdrew the request temporarily. It was manifestly an oversight that it was referred to our committee, as it clearly belongs to the Committee on the District of Columbia.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the bill S. 5 be rereferred from the Committee on Public Buildings and Grounds to the Committee on the District of Columbia. Is there objection?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 77, noes 7.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Indiana that the House resolve itself into the Committee of the Whole House on the state of the Union.

The question was taken; and there were—yeas 345, nays 1, answered "present" 1, not voting 83, as follows:

YEAS—345.

Ackerman	Copley	Haugen	McClintic
Almon	Coughlin	Hawes	McCormick
Anderson	Crago	Hawley	McDuffie
Andrew, Mass.	Cramton	Hayden	McKenzie
Andrews, Nebr.	Crisp	Herrick	McLaughlin, Mich.
Ansorge	Crowther	Hersey	McLaughlin, Nebr.
Anthony	Cullen	Hickey	McLaughlin, Pa.
Appleby	Dallinger	Hicks	McSwain
Arentz	Darrow	Hill	MacGregor
Aswell	Davis, Minn.	Hoch	Madden
Atkeson	Davis, Tenn.	Hooker	Magee
Bacharach	Deal	Houghton	Maloney
Bankhead	Denison	Huddleston	Mann
Barbour	Dickinson	Hudspeth	Mapes
Barkley	Dominick	Hukriede	Martin
Beck	Doughton	Hull	Mead
Begg	Dowell	Humphreys	Merritt
Bell	Drewry	Ireland	Michener
Benham	Dunbar	Jacoway	Miller
Bird	Dupré	Jefferis, Nebr.	Mills
Bixler	Dyer	Jeffers, Ala.	Millspaugh
Black	Edmonds	Johnson, Ky.	Mondell
Blakeney	Elliott	Johnson, Miss.	Montoya
Bland, Ind.	Ellis	Johnson, S. Dak.	Moore, Ill.
Bland, Va.	Evans	Johnson, Wash.	Moore, Ohio
Blanton	Fairfield	Jones, Pa.	Moore, Va.
Boies	Faust	Jones, Tex.	Moores, Ind.
Bowers	Favrot	Kearns	Morgan
Bowling	Fenn	Keller	Mott
Box	Fess	Kelley, Mich.	Murphy
Brand	Fields	Kennedy	Nelson, A. P.
Brennan	Fish	Ketcham	Newton, Mo.
Briggs	Fisher	Kiess	Nolan
Brooks, Ill.	Fitzgerald	Kincheloe	Norton
Brooks, Pa.	Focht	Kindred	O'Connor
Brown, Tenn.	Foster	King	Ogden
Buchanan	Frear	Kinkaid	Oldfield
Bulwinkle	Free	Kirkpatrick	Oliver
Burtness	Freeman	Kissel	Overstreet
Burton	French	Kleczka	Padgett
Butler	Frothingham	Kline, Pa.	Paige
Byrnes, S. C.	Fuller	Knutson	Park, Ga.
Byrns, Tenn.	Gahn	Kopp	Parker, N. J.
Cable	Gallivan	Kraus	Parker, N. Y.
Campbell, Kans.	Garner	Lampert	Parks, Ark.
Campbell, Pa.	Garrett, Tenn.	Lanham	Parrish
Cannon	Garrett, Tex.	Lankford	Patterson, Mo.
Carew	Gensman	Larsen, Ga.	Patterson, N. J.
Carter	Gernerd	Larson, Minn.	Perkins
Chalmers	Gilbert	Layton	Petersen
Chandler, N. Y.	Glynn	Lazaro	Porter
Chindblom	Goldsborough	Lea, Calif.	Purnell
Christopherson	Goodykoontz	Leatherwood	Radcliffe
Clague	Gorman	Lee, Ga.	Rainey, Ill.
Clouse	Graham, Ill.	Lee, N. Y.	Raker
Cockran	Graham, Pa.	Linthicum	Ramseyer
Codd	Green, Iowa	Little	Rankin
Cole, Iowa	Greene, Mass.	Logan	Ransley
Cole, Ohio	Greene, Vt.	London	Rayburn
Collier	Griest	Longworth	Reber
Collins	Griffin	Lowrey	Reece
Colton	Hadley	Lucc	Reed, N. Y.
Connell	Hardy, Colo.	Luhring	Reed, W. Va.
Cooper, Ohio	Hardy, Tex.	Lyon	Rhodes
Cooper, Wis.	Harrison	McArthur	Ricketts

Riddick	Sisson	Temple	Watson
Roach	Smith, Idaho	Ten Eyck	Weaver
Robertson	Smith, Mich.	Thomas	Wheeler
Robsion	Smithwick	Thompson	White, Kans.
Rodenberg	Snell	Tillman	White, Me.
Rogers	Speaks	Tilson	Williams
Rose	Sproul	Timberlake	Williamson
Rosenbloom	Stafford	Tincher	Wilson
Rossdale	Steagall	Tinkham	Winslow
Rouse	Stedman	Towner	Wise
Rucker	Stephens	Treadway	Wood, Ind.
Sanders, N. Y.	Stiness	Underhill	Woodruff
Sanders, Tex.	Stoll	Upshaw	Woods, Va.
Sandlin	Strong, Kans.	Vaile	Woodyard
Scott, Mich.	Strong, Pa.	Vare	Wright
Scott, Tenn.	Summers, Wash.	Vinson	Wurzbach
Sears	Swank	Voigt	Wyant
Shelton	Sweet	Volstead	Yates
Shreve	Swing	Walsh	Young
Siegel	Tague	Walters	
Sinclair	Taylor, Ark.	Ward, N. C.	
Sinnott	Taylor, N. J.	Wason	

NAYS—1.

Quin

ANSWERED "PRESENT"—1.

Langley

NOT VOTING—83.

Beedy	Echols	Lawrence	Ryan
Bond	Fairchild	Lehlbach	Sabath
Brinson	Fordney	Lineberger	Sanders, Ind.
Britten	Fulmer	McFadden	Schall
Browne, Wis.	Funk	McPherson	Shaw
Burdick	Gould	Mansfield	Slemp
Burke	Hammer	Michaelson	Snyder
Burroughs	Hays	Montague	Steenerson
Cantrill	Himes	Morin	Stevenson
Chandler, Okla.	Hogan	Mudd	Sullivan
Clark, Fla.	Husted	Nelson, J. M.	Sumners, Tex.
Clarke, N. Y.	Hutchinson	Newton, Minn.	Taylor, Colo.
Classon	James	O'Brien	Taylor, Tenn.
Connally, Tex.	Kahn	Olpp	Tyson
Connolly, Pa.	Kelly, Pa.	Osborne	Vestal
Curry	Kendall	Perlman	Volk
Dale	Kitchin	Pou	Ward, N. Y.
Dempsey	Kline, N. Y.	Pringey	Webster
Drane	Knight	Rainey, Ala.	Wingo
Driver	Kreider	Reavis	Zihlman
Dunn	Kunz	Riordan	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. LINEBERGER with Mr. KITCHIN.

Mr. KAHN with Mr. MONTAGUE.

Mr. MCPHERSON with Mr. RIORDAN.

Mr. OLPP with Mr. O'BRIEN.

Mr. HUTCHINSON with Mr. DRIVER.

Mr. SNYDER with Mr. STEVENSON.

Mr. KLINE of New York with Mr. WINGO.

Mr. BURKE with Mr. KUNZ.

Mr. DUNN with Mr. CONNALLY of Texas.

Mr. MORIN with Mr. SULLIVAN.

Mr. PERLMAN with Mr. TYSON.

Mr. ECHOLS with Mr. MANSFIELD.

Mr. VOLK with Mr. POU.

Mr. KNIGHT with Mr. HAMMER.

Mr. HOGAN with Mr. BRINSON.

Mr. CONNOLLY of Pennsylvania with Mr. SABATH.

Mr. OSBORNE with Mr. CANTRILL.

Mr. BEEDY with Mr. SUMNERS of Texas.

Mr. KREIDER with Mr. FULMER.

Mr. CHANDLER of Oklahoma with Mr. TAYLOR of Colorado.

Mr. LAWRENCE with Mr. RAINEY of Alabama.

Mr. LANGLEY. Mr. Speaker, I voted "yea," but I understand the gentleman from Florida [Mr. CLARK], with whom I am paired, is not present, and therefore I withdraw my vote and answer "present."

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9981, with Mr. TOWNER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the purpose of the consideration of the bill H. R. 9981, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9981) making appropriations for the Executive, and for sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1923, and for other purposes.

Mr. WOOD of Indiana. Mr. Chairman, I move that the first reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Indiana is recognized.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. I want to ask the gentleman what disposition he proposes to make of the time?

Mr. WOOD of Indiana. I will say to the gentleman from Tennessee that I have some four hours——

Mr. BYRNS of Tennessee. I was not speaking with reference to that, but more particularly with reference to the control of the time.

Mr. WOOD of Indiana. The time will be controlled by the gentleman from Virginia [Mr. HARRISON] on your side.

Mr. BYRNS of Tennessee. That is understood?

Mr. WOOD of Indiana. Yes.

The CHAIRMAN. The gentleman from Indiana [Mr. WOOD] is recognized for one hour.

Mr. WOOD of Indiana. Mr. Chairman, the bill now before us for consideration is known as an appropriation bill for the independent offices, under the new arrangement providing for the consideration of appropriation bills. It carries with it the appropriation for some 21 independent establishments. These establishments heretofore were provided for by appropriations, in the most part, through the legislative appropriation bill, some of them through the sundry civil bill, and some of them through the various deficiency bills.

The total estimate suggested to the committee by the budgetary in this bill amounts to $503,833,713. In addition to this, there is a permanent and indefinite appropriation amounting to $6,017,000. The amount recommended to be appropriated by your committee is $494,304,238. That is, $108,297,590 more than the total appropriations for these same activities for 1922, and it is $9,529,475 less than the amount requested in the estimates and recommended by the Budget. This excess of $108,297,590 is made up practically in its entirety by two items, one comprising $80,000,000 and odd for the Veterans' Bureau, the other comprising, in round numbers, $26,000,000 for the Shipping Board. When I reach those two activities I will explain more in detail the necessity for this increase. I will say now in passing that, in so far as this item that applies to the Shipping Board is concerned, it does not represent an increase, for the reason that if the recommendation made by your committee is carried out there will be nothing in this bill for reconditioning of vessels, where in the last bill providing for this service there was some $73,000,000 appropriated. But in this bill we are recommending $50,000,000 be appropriated for the purpose of paying off claims. These are not claims arising out of the operation of the Shipping Board at the present time.

They are claims that were created and consummated completely before the present administration had anything to do with the management of the Shipping Board, and this $50,000,000 is for the purpose of paying debts of the United States, and can not, in consequence, be legitimately considered as a part of the operating expense of the Shipping Board, and instead of its being an addition, if you will compare the appropriation for operating expenses this year with the same item of last year, it will show a saving in that item of a little more than $23,000,000.

Mr. SNELL. Does the gentleman want to yield for a question now or later?

Mr. WOOD of Indiana. I might as well yield now.

Mr. SNELL. Can you tell us something about the amount of the claims that are made or are being made on the Shipping Board, and how much we will have to arrange to appropriate for?

Mr. WOOD of Indiana. I will enter on that in just a minute. I wish to say in passing that there seems to be an erroneous idea with reference to the relations that the budgetary occupies to this Congress. And I think it well, so far as the public is concerned, that we make a declaration now as to the policy of the Congress with reference to the recommendations submitted by the Budget. In doing this, I wish to say that, in my opinion, the greatest agency for the economic administration of the Government that has been instituted since the formation of this Government is this new scheme of the Budget, but it does not do all of the things that the public seem to think it will do. It is not binding upon the Congress. It is purely advisory. It is an agency of the Congress, going into these various spending activities for the purpose of ascertaining as nearly as it can what their wants are and what the appropriation should be, in their judgment. The Congress should be thankful for that previous investigation, and I know are mindful that in their deliberations it can not be and should never be bound by its recommendations. To do this would be to surrender the right of the Congress of the United States to a subordinate agency.

Mr. TILSON. Mr. Chairman, will the gentleman yield there?

Mr. WOOD of Indiana. I yield.

Mr. TILSON. Is it not intended rather that it would be of a supervisory nature? Is it not an executive department that has to go over the estimates of the executive departments and determine whether or not they should be as they are, taking a broad view of all the executive departments rather than the single view of one?

Mr. WOOD of Indiana. That is correct. It has been the policy of the committee having this bill in charge—and I think it is the policy of the general committee—that unless there is an exceptional reason why we should make appropriations exceeding the amounts of the recommendations of the Budget, such appropriations should not be made. On the other hand, this committee having this bill in charge, and I think that every other subcommittee having appropriation bills in charge, will feel that they are perfectly free, acting upon the advice coming from the Budget, together with the additional advice that they may receive by reason of their public hearings and the testimony had before their committee, to make reductions in addition to the recommendations submitted by the Budget. We have done that in this bill to the amount of very nearly $10,000,000. In other words, the recommendations that we are submitting to you and asking you to confirm are very nearly $10,000,000 less than the recommendations submitted by the Budget.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. GREEN of Iowa. The gentleman a moment ago spoke about appropriating for the Shipping Board. I do not understand the provisions of the bill in that respect. On page 28 of the bill, in line 8, if the gentleman will kindly turn to that portion of the bill, the amount appropriated reads as follows:

(a) the amount on hand July 1, 1922; (b) $50,000,000.

How much was that amount on hand, and how is it now carried?

Mr. WOOD of Indiana. If the gentleman will permit, I will proceed now to discuss the Shipping Board. I will state to the gentlemen of the committee——

Mr. HOCH. Mr. Chairman, will the gentleman permit a general question?

Mr. WOOD of Indiana. Yes.

Mr. HOCH. The gentleman has stated that the committee has reduced the estimates of the Budget Bureau nearly $10,000,000. Can the gentleman state how much the Budget Bureau reduced the estimates submitted to it before transmitting those estimates?

Mr. WOOD of Indiana. No. They reduced the estimates submitted to them by the various activities comprised within this bill many hundreds of thousands of dollars. I do not think there is a single instance where they did not reduce the estimates presented to them by the heads of these various departments.

Mr. LAZARO. Mr. Chairman, will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes.

Mr. LAZARO. Will the gentleman mind telling the committee at this time on what items those reductions were made below the estimates?

Mr. WOOD of Indiana. If the gentleman will permit, that can be done better in the discussion under the five-minute rule. I will state, however, in passing, that we reduced the estimates of the Interstate Commerce Commission, and we reduced the Housing Corporation estimates, and we reduced the Shipping Board estimates. In fact, we made reductions, as you will see if you will read the report on this bill, in nearly every one of the activities that are considered in this measure.

Now, in regard to this Shipping Board. First, I wish to call your attention to the principal items that are carried in this bill by way of appropriations. We are first recommending $50,000,000 for operating expenses. Congress must take into consideration the fact that this is a business peculiar in itself. There is not another activity with which the United States Government is now engaged that can be compared with the Shipping Board. We are conducting the biggest business that was ever conducted upon the face of the earth. I would have you bear that in mind. The United States Steel Corporation and the Inland Steel Corporation are looked upon as being most gigantic individual businesses conducted by men. Yet they are insignificant as compared with the magnitude of this Shipping Board business. As I stated, we appropriated $50,000,000 for the purpose of conducting the business, to be added to what may come in by reason of the conduct of that business. Whether or not that $50,000,000 will be needed will be problematical, dependent, if you please, upon the carrying trade in the next fiscal year.

Mr. NEWTON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I do.

Mr. NEWTON of Missouri. I would like to know whether those ships that are being operated by the Shipping Board are yielding any profit to the Government?

Mr. WOOD of Indiana. They are not, except some passenger-carrying ships. There is not a ship line on the face of the earth to-day that is yielding a profit. There are but few great businesses in this country to-day that are yielding a profit. Men are keeping up their overhead, keeping their organizations intact, hoping that the time will speedily come when they can turn a loss account into a profit account; and that condition is not peculiar to the Shipping Board.

The Shipping Board in the conduct of this business is not peculiar except in so far as it is a governmental agency instead of a private agency, and its loss is probably due to the fact that the Government can not get anything done as cheaply as a private agency can. In that respect the loss may be comparatively greater than it otherwise would be in proportion to the size of the undertaking.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman discuss the expenses of the Shipping Board, or will the gentleman answer that later on?

Mr. WOOD of Indiana. Yes. As I was saying, your committee in making this provision of $50,000,000 for the conduct of the business of the Shipping Board for the next fiscal year based on our estimate on what is occurring now. This business for many, many months was conducted at a loss of more than $8,000,000 per month. That loss has been reduced now so that it is something over $3,000,000, running between $3,000,000 and $4,000,000. It may be a little greater; it may be a little less; we are hoping that it may be less during the next fiscal year. But we can take no chance if this business is to be conducted. They must have the money with which to conduct it. Estimating that the loss will not be greater than it now is, $50,000,000 will cover the possible deficiency under the earnings and receipts of that concern. If it were to continue as it is to-day there would be a little saving out of this $50,000,000, for it is running now practically at the rate of $4,000,000 per month loss, so that if that were carried out until the end of the fiscal year the loss through operation would amount to $48,000,000.

Now, then, we have recommended $50,000,000 for the purpose of paying claims, and I invite the closest scrutiny of the members of this committee to the hearings upon this very subject, in order that you may determine not only what is best for the Shipping Board but what is best for those who have these claims pending before the Shipping Board.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I yield to the gentleman from Michigan. I hope he will make his question as short as he can.

Mr. SMITH of Michigan. I have formed the impression in some way or other that the affairs of the Shipping Board are in such a confused condition that they are incapable of being audited.

Mr. WOOD of Indiana. If gentlemen will let me state this in my own way, I will come to all these things. I can not state it all in a minute. This big business affair is not susceptible of being covered in a few sentences. The fact of the business is that the Shipping Board was so badly managed that it has taken months and months to get even the information that I am trying in a very meager way to convey to you.

When I was interrupted I was talking about the $50,000,000 for the purpose of paying off claims. There are pending against the Shipping Board $240,000,000 worth of claims. Some of them are just and some of them are unjust. Some of these claims have been adjusted. As to some of them there has been no attempt at adjustment, and they are now pending in the Court of Claims, where they will have to take their course and be determined by the result of suits.

Mr. DAVIS of Tennessee. Will the gentleman yield at that point?

Mr. WOOD of Indiana. I yield to the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Is it not a fact that an appropriation of $40,000,000 for the settlement of such claims, made some two or three years ago, has never been exhausted, because there were not that many claims approved?

Mr. WOOD of Indiana. No; there never was anything appropriated for the settlement of claims against this Shipping

Board. This is the first time any attempt has been made of any appropriation for this board for the settlement of claims, according to my information. Here is the situation: The Shipping Board has organized within itself a claims commission for the purpose of informing those who are responsible of the exact condition concerning these claims.

As a consequence they have absolutely refused to settle those claims about which there is doubt or as to which the Shipping Board think they have a chance at least of reducing them. Many of these claims are perfectly plain on the face of them, are indisputable, and agreements have been arrived at through the mediation of this commission as to the amounts that are actually due on those claims. The claimants are scattered all over this country, and they represent almost every character of business. Many of these concerns are hanging on by their eyebrows to-day, and a few dollars to them at this time will be worth more in the keeping up of their business than two or three times that amount at the end of the disposition of these claims in the Court of Claims. There are about $140,000,000 of claims of this character about which there is no dispute, or little dispute, and upon which agreements may be arrived at, concerning which the claimants are willing to make concessions in order that they may have the immediate use of the money to which they are entitled in order that they may keep their business running. We think it is not only due the Government, in order that it may have the best possible advantage in settling these just claims, but it is also due the claimants themselves, in order that they may be saved from bankruptcy, that opportunity be afforded the Shipping Board to settle those claims that are undisputed. In consequence we are recommending the appropriation of $50,000,000 for this purpose. It came to us in a supplemental estimate at the suggestion of the President of the United States during the deliberations of your committee, and with $30,000,000 of that sum immediately available it is the opinion of the Shipping Board that more than three times the amount of $50,000,000 may be settled that should be settled, which will result in a saving of $100,000,000 to the Government, and result, if you please, in preventing the bankruptcy of many of the business concerns of the United States.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Iowa.

Mr. DOWELL. The $50,000,000 stated by the gentleman, however, does not entirely adjust these claims?

Mr. WOOD of Indiana. No.

Mr. DOWELL. There will be a further demand for further appropriations on these claims?

Mr. WOOD of Indiana. When the claims which are pending in the Court of Claims have been adjudicated, of course we will have to provide for their payment.

Mr. DOWELL. But does this $50,000,000 apply to any of those claims which are pending in the Court of Claims?

Mr. WOOD of Indiana. No; it does not.

Mr. DOWELL. But as I understand the gentleman, there are more than $50,000,000 of claims that are undisputed.

Mr. WOOD of Indiana. Yes; there are between $135,000,000 and $140,000,000 of those claims.

Mr. DOWELL. Then, as I understand it, the balance of that $140,000,000 is left unadjusted.

Mr. WOOD of Indiana. No; it is hoped that with this $50,000,000 they can wipe out $140,000,000 of claims.

Mr. DOWELL. Is it the expectation of the Appropriations Committee that this $50,000,000 will settle in toto the entire $140,000,000 to which he has referred?

Mr. WOOD of Indiana. Just as far as they can possibly settle them.

Mr. DOWELL. Is that the intention of the Committee on Appropriations, to adjust these claims by paying $50,000,000?

Mr. WOOD of Indiana. It is the intention of the committee, I will say to the gentleman from Iowa, to place in the hands of the Shipping Board this amount of money, giving them the discretion to settle valid claims concerning which reductions may be voluntarily made, and the Shipping Board claim that in this way more than $125,000,000 can be settled with $50,000,000.

Mr. CHINDBLOM. I think the gentleman from Iowa [Mr. DOWELL] got the impression that the gentleman from Indiana [Mr. WOOD] has information that there are $130,000,000 or $140,000,000 of undisputed claims. That is not so, of course?

Mr. DOWELL. That was my understanding of the gentleman's statement.

Mr. CHINDBLOM. The amounts are not undisputed. There is something due on all these claims, but the amount is subject to adjustment.

Mr. DOWELL. Then I misunderstood the gentleman from Indiana.

Mr. SNELL. Can the gentleman state in a very few words what is the general character of most of these large claims against the Shipping Board at the present time?

Mr. WOOD of Indiana. They are for shipbuilding material, they are for the building of ships, they are for the furnishing of supplies of all kinds, they are for almost every conceivable thing, ranging in amount from a few hundred dollars up to millions. I wish that the members of this Committee of the Whole would take the time to read the hearings submitted upon this Shipping Board proposition. This is the first time since the formation of the Shipping Board that this Congress has had anything that approached an intelligent survey of this wonderful establishment. There have been more than five directors of this Shipping Board since the inauguration of the Emergency Fleet Corporation. There has been confusion worse confounded from its inception down to about a year ago, when out of this chaos these gentlemen came and undertook to reduce it to order. Now they come and lay their cards on the table, and the head of each establishment within the Shipping Board has brought to your committee for your use all the facts and have presented them as nearly as they can gather them out of this confusion. If there is one of us that is not informed after this hearing, it is our fault and not the fault of the Shipping Board.

Mr. HUDSPETH. Will the gentleman yield?

Mr. WOOD of Indiana. I will yield to the gentleman from Texas.

Mr. HUDSPETH. As I understand the gentleman, it is the purpose to settle $140,000,000 of claims with $50,000,000, on account of the dire needs of the claimants. Is that the proposition?

Mr. WOOD of Indiana. That enters into it. I will say to the gentleman from Texas that that is one criticism that can be made against the United States Government, that we do not do right by our people. But in doing this thing we are going to save many of these men from bankruptcy. If we do not do it, as I say, many will have to go into bankruptcy. Here is the Shipping Board that is alive to the situation pending in this country, and they insist on the settlement of these claims. If they have no authority, they can not settle them, but if they have authority they may settle them. If they do not settle them, the only recourse for the claimants is to go into the Court of Claims and wend their weary way through that court.

Mr. HUDSPETH. If these are just claims, why not appropriate $140,000,000 and pay them off?

Mr. WOOD of Indiana. There are some subtractions, some adjustments, that may be had and some doubt about some of them, and if there is doubt the Government should have the benefit of the doubt. The men in charge of prudential affairs of the Government are charged with two responsibilities—the first, as agents of the Government, they must subserve the interest of the Government, and, second, they are the agents of the people and must subserve their interests. If we would say to this board, "Here is $140,000,000"—if we were to give them $140,000,000 carte blanche to pay the whole thing, the criticism would go on the other hand, and it would be said that if we let them go into the Court of Claims the amounts would be reduced.

Mr. DOWELL. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DOWELL. Would it not be better to have the claims adjusted before the appropriation is made? We would have a better opportunity to settle them by having this proposed statement of how much the claims are and have them adjusted and know just how much we are appropriating. Under this item they may appropriate $50,000,000 and it may settle only $50,000,000 worth of claims out of the $140,000,000 of claims and leave the balance unadjusted. Why should we not have the proposition of what it will amount to before we make the appropriation?

Mr. CHINDBLOM. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. I will.

Mr. CHINDBLOM. Let me say to the gentleman from Iowa that every lawyer who has attempted to settle claims knows that if the client has money he can make a settlement, but if the client has no money the claimant will not bother to go into an adjustment. If the Shipping Board has the money, it can call the claimant, sit down and discuss the claim, and reach a conclusion, but if the client knows that he has got to wait until some future time for Congress to make an appropriation, he is not going to make a settlement or adjustment.

Mr. DOWELL. Our experience with the Shipping Board is that they have been very easy in the payment of claims, irrespective of the justice.

Mr. CHINDBLOM. The fact is, until July of this year the Shipping Board that preceded the present board permitted the claims to accumulate and settled very few.

Mr. WOOD of Indiana. That is absolutely correct. It resolves itself down to this proposition. We have organized the Shipping Board with a certain purpose in view. They found a deplorable condition. They are trying the best they can to work their way out of it. They have suggested this as one of the possible ways out, and your committee has acquiesced after the fullest possible hearings—and I hope the gentleman will read the hearings, and I am sure if the gentleman from Iowa had been sitting with us he would have concluded that this is the best thing to do, not only for those immediately entitled to the money, but infinitely best for the Government. We must have a little faith. I know that much that has transpired has tended to destroy the faith in men who have had charge of this situation, but that was due to war conditions. We are coming back when the people must have confidence. If the hour comes in a time of peace when the people of the country have no confidence in our officers of government, then it is good-by to a republican form of government. Then it is good-by to the best Government ever formed for the best interests of men and women.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. DAVIS of Tennessee. It has been stated by all those familiar with the claims that many are wholly unfounded and many others grossly exaggerated. On that point I want to read from the statement of Mr. Lasker at the hearings. He said:

> In this connection may I state that, of course, it will not take anything like $219,000,000 to settle these claims. It is well known that a man or concern in making a claim against the Government adds in everything anybody else owes him and everything he owes anybody else. When that is all added up, he adds in the date for good measuse; then when he gets through with that he multiplies it by six, or whatever number occurs to him, and then you have his claim.

That will be found on page 904 of the hearings. Now, my observation in these matters is that there is more occasion for the Members of the House to be concerned about the interests of the Government than there is for the interests of the claimant. The chairman of the Shipping Board testified before the Merchant Marine Committee that under the authority previously given they were settling all claims upon which they could agree, and had settled numerous claims, and most of those that have not been settled—because they were settling out of the proceeds of operation, sale, and so forth—were claims of men who were unwilling to take what the authorities and the board thought was proper compensation. As the gentleman has suggested, they have the right to go into the Court of Claims in any event, and claims to the extent of $62,000,000 have already gone there, and those who remain on the outside, who are asking for more liberal legislation, are men whose claims are generally not based on any legal or contractual liability. I think that $50,000,000, in view of the testimony in this case, is too much to appropriate to settle the claims.

Mr. WOOD of Indiana. I think if the gentleman will read the hearings all the way through, he will change his opinion.

Mr. DAVIS of Tennessee. Oh, I have read the hearings.

Mr. WOOD of Indiana. If the gentleman has read those hearings entirely since he got them, then he did not sleep a wink last night, because he got them just yesterday evening. The gentleman can not have read them all. This is the proposition: It is either to do what the gentleman is suggesting, to bankrupt a whole lot of his people and mine, or else give the management of the Shipping Board a little bit of discretion and save these people from bankruptcy. If we throw all of these cases into the Court of Claims, they have a right to establish everything that they can get and, of course, will do that. On the other hand, these men would rather accept 50 cents on the dollar of what they know to be their right to-day than to wait 5 or 10 years to get it.

Mr. DAVIS of Tennessee. They ought to be paid every dollar justly and legally due them, and not 50 cents on the dollar.

Mr. WOOD of Indiana. How would the gentleman do it?

Mr. DAVIS of Tennessee. I would do it differently from the plan proposed here.

Mr. WOOD of Indiana. Yes; but how would he do it?

Mr. DAVIS of Tennessee. I would have a proper tribunal to adjudicate these matters and not let the men themselves determine what was to be paid them.

Mr. WOOD of Indiana. That is exactly what they have done, so that if the gentleman will read the hearings through he will find that he will be in entire accord with the board's plan. They have, for the very purpose of doing the thing the gentleman has suggested, established a claims commission. Let us suppose Mr. DAVIS is the attorney for the Shipping Board. Somebody comes with a claim. He, as attorney, is a partisan, because lawyers are always partisans in behalf of their clients. He formulates his opinion, actuated by what he thinks to be right. Through his partisanship, however, he sides possibly unjustly against the claimant. That the claimant may have exact justice and for the purpose of doing the thing the gentleman would like to have done, they have organized a claims commission composed of some of the most eminent lawyers in the country, selected by reason of their known experience and their desire to do what is right. They will say to the claimant, "Our man says that you are entitled to only so much. He may be wrong. You may be right. If you are willing to go before this claims commission and arbitrate this business, we will see if we can not arrive at a conclusion agreeable to all concerned." It is not binding on the Shipping Board without its additional approval, but it is in the nature of a judicial decision rendered by this claims commission. There never was a better attempt made to protect the interests of the Government and do justice to the claimant.

Mr. DAVIS of Tennessee. They have formed this commission of one lawyer.

Mr. WOOD of Indiana. Oh, that is a mistake. There are five, representing all kinds of experience, on this board.

Mr. DAVIS of Tennessee. They have three lawyers, but they are not on this claims commission. There is one lawyer and one shipping operator and one shipping contractor, and the one appointed to that position was the man who has been most active before the Merchant Marine Committee in trying to father these claims, some of which were admitted to be not legal liabilities, and then an accountant, and others. It is admitted by the testimony. The gentleman insists that I do not know what is in the testimony, but right on the question of how it is to be determined I want to read as follows from page 907:

> Experience has now proved that this system can be improved, because whereas all claims up to now have been looked upon as purely legal questions, we have gained some experience and find that they also involve matters of fact that can be arrived at very readily by people who understand the shipbuilding industry. We are therefore instituting certain changes in the original system. It was a hard matter to get good shipbuilding men two or three years ago, because the shipyards were pretty full then, but now you can get all the shipbuilders you want. They are virtually walking the streets. Therefore we are reforming our department and have selected a claims representative under whom will function with a committee consisting of a practical shipbuilder, a member of our legal department (because many of these controversies are purely legal), and a representative of the comptroller's department. Thus we have selected from our organization the proper people to handle and adjudicate all phases of disputes that may arise. If they can settle a claim with the claimant, they will do so; subject, however, to the approval of the Shipping Board.
>
> If they can not settle with the claimant, then, if the claimant will agree to go before the United States Shipping Board claims commission and abide by its decision, that will be done; but there, again, the finding must come before the Shipping Board for final action.

Mr. WOOD of Indiana. Does the gentleman not think it is pretty well safeguarded?

Mr. DAVIS of Tennessee. My point is that they are doing the very thing that this Congress refused in a bill we kicked out last session to permit them to do, and that is to settle these claims except upon a legal liability. Everyone of these men ought to be paid every cent owing to him according to law or to contract, and no authority has been given them to settle upon any other basis. They are proposing to go along, as is indicated here, and disregard the legal liability and permit these men to help settle their own claims.

Mr. WOOD of Indiana. Mr. Chairman, I wish now to call attention to some of the high-water marks in the Shipping Board business. There seems to be a confusion in respect to the Shipping Board and the Emergency Fleet Corporation. All of the things we hear so much about are practically foreign to the operation of the Shipping Board. It will be remembered that the Shipping Board was organized away back in 1915 or 1916. It is purely academic, as far as its duties are concerned, and advisory. When the war came on and we found ourselves without ships or shipping or anything of that character, the Emergency Fleet Corporation was organized within the Shipping Board, and the two things became confused, not only so far as the public mind is concerned but so far as the operation of the two activities were concerned, so much so that you could not tell which from t'other, and you could not arrive at any conclusion with reference to any transaction separating the Shipping Board from the Emergency Fleet Corporation. The result was that through the operation of the Shipping Board and the Emergency Fleet Corporation they expended prior to the 1st day of July last more than $3,000,000,000, and but few are aware, if any, on whom to place the responsibility for this enormous expenditure. When the present Shipping Board came in on the 1st day of July last they found it absolutely impossible to tell anything about the financial condition of the board. Shortly prior to that time we had before us the then director of the concern—they had had five directors, and the gentleman to

whom I refer had not been in but a short time—and also the auditor who had been there for a considerable time. The director was testifying that they were making so many million dollars a month in the operation of their ships, and the auditor, on the other hand, said that they were losing practically the same number of millions of dollars per month that this man said they were making, showing the utter unreliability of the whole outfit.

There had been no inventory of the property. There was no way of ascertaining, so far as the books were concerned, where they were at. The records were not only incomplete but in many instances had been destroyed, either by accident or otherwise. And this is the condition in which the present administration found itself. When the officers appeared in July, immediately after they took charge, they could not present us any picture at all with reference to the financial conditions of the board, but promised us if we would give them six months they would lay their cards on the table and present to the American people the existing condition. They presented that picture within the time stipulated The head of every one of these divisions has drawn his own picture, and never has there been a more complete exposition made of conditions existing than that made by these men And I am glad to say that you can read them and you will find they are not made in partisanship nor in partisan spirit, but because of the desire of those charged with this responsibility to get at the facts, so that they can clear out this jumble of waste and confusion, and without regard to who may be responsible for its original creation.

A whole lot will be said before we get through with this discussion with reference to the great amount of money it is taking to run this enterprise. It is taking an enormous amount of money; but remember this is an enormous business, the like of which we never contended with before. And we have not anything to compare it with. And that is the trouble with us. We do not know much in this world except by comparison. The biggest building is the biggest building that we have ever seen until we have seen another larger, and the biggest ship that we ever rode on is the biggest ship in our conception until we ride on some bigger ship. So this life is comparison from the cradle to the grave. And where we are at a loss now is because we have not anything with which to compare the magnitude of the transactions involved. This business extends in its operations, past and now, from the Philippine Islands to the jungles of Africa.

Thirty-nine foreign countries have within them operations controlled, past and now, by this Shipping Board. Way down on the far coast of Africa, where coal mines exist everywhere and where free coal is protruding from the ground, they built oil-tank stations at a fabulous cost, and not only for the construction of oil tanks, but spent fabulous amounts for conveying around the world oil to put in those tanks, showing how absolutely unacquainted they were with the situation, and how, if you please, they were disregardful, even after advice and notice that oil could not be used and that coal would be used. Yet they built oil tanks to supply coal-burning steamers.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I will yield.

Mr. BANKHEAD. My interest in this measure is based very largely on the fact that I am a member of the Committee on the Merchant Marine and Fisheries. We recognize the difficulties that the Shipping Board has had to deal with, I think. They have now idle about three-fourths of the ships the Government owns. The President in his recent message to the House intimated that at an early date he hoped to present to the Congress of the United States some proposed legislation that would help to solve this problem and the great loss to which we have been subjected by the operation of our ships. Can the gentleman tell us when the President will probably come to Congress with some remedial legislation to correct that situation?

Mr. WOOD of Indiana. I can not.

Mr. EDMONDS. If the gentleman will yield, I understand the Shipping Board intends to present to the President some methods, and the President intends to make his message somewhere around the 1st of February.

Mr. WOOD of Indiana. I do not know how many of us have any comprehension of what the result of all this is to be. One of two things must result: Out of this and out of this chaos must emerge a merchant marine for the United States, or else we must surrender the flag of America on the seas.

Whether it is worth while to go through all this travail and whether it is worth while to continue longer this extraordinary expense in the hope of establishing a merchant marine, is for this Congress to determine. It is the purpose, as I understand, of this administration to advise some scheme whereby an American merchant marine may be built. Never was there such an opportunity presented to the world before for the building of a merchant marine as now.

You will remember that before we got into this war the flag of the United States had disappeared from the seas. Through the emergency of the war and because of our own necessities, we built ships, and more ships, good, bad, and indifferent, until to-day we have the nucleus out of which we may establish a merchant marine. We can not longer excuse ourselves for not establishing a merchant marine, because it is going to take too much money to build the ships. We have the ships, and we have got to provide in some way whereby these ships that we have will be taken over by the private interests of this country and the Government get out of it. The Government has no business in it. And the present administration, or those in charge of the Shipping Board and its ramifications, will hail with the greatest delight the day when they can hand the ships over to private enterprises, and when the flag of the United States at the head of a merchant marine, dominated by private interests, the only interests worth while in this connection, will be established.

Mr. FAIRFIELD. Can the gentleman state what proportion of the ships are adapted to a merchant marine? What percentage of them?

Mr. WOOD of Indiana. We have about 1,400 ships that may be divided into three classes, A, B, and C. About one-fourth are first class; about one-fourth are between first and second class; and about one-half of the remaining are absolutely worthless.

Mr. BANKHEAD. Would the gentleman include the wooden ships in the latter class?

Mr. WOOD of Indiana. They are entirely in that class.

Mr. BANKHEAD. I agree with you about that.

Mr. EDMONDS. In the recent surveys it was found there were about five hundred of these ships that were ready and equal to anything going on the sea to-day.

Mr. FAIRFIELD. Will the gentleman yield further?

Mr. WOOD of Indiana. I yield.

Mr. FAIRFIELD. Of the total cost of the ships we have now, what value is there to the ships that are really adapted to the merchant marine?

Mr. WOOD of Indiana. What do you mean?

Mr. FAIRFIELD. What I mean is this: The ships cost around $3,000,000, I understand.

Mr. WOOD of Indiana. There is absolutely nothing to compare that with. We spent all the way from $170 and $200 up to $240 per gross ton for building them. The cost is now down to $35 per gross ton. There is no way of getting after that thing. I do not know of any possible way of going into it.

Here is the situation: We have about 11,000,000 marine tonnage; about 5,000,000 of that tonnage is composed of good ships. We have about 380 of these vessels that are plying on these trade routes to-day, most of them operating at a loss; but we have got to keep them up. We can not surrender them. The trouble with them—and that is one reason for our loss—is the fact that the trade routes established by the Shipping Board were entirely new. Now, if we are ever going to succeed in the establishing of a merchant marine, we have got not only to maintain but to increase the trade routes, so that the Shipping Board would be derelict in its duty unless it did, within the limits of prudence, keep these trade routes going, even if we are losing money. Now, every big transatlantic shipping concern is maintaining its trade routes at a loss, because they are hoping that when trade opens up they will get carrying enough to recoup their losses. If they abandon them they are in the same condition that we were in when the war broke out. We had no shipping business and we had no trade routes. So that it is essential that the operation of these various trade routes be continued until such time as we shall determine on a definite policy for the future. If we are not to establish an American merchant marine, that is one question. If we are going to establish an American merchant marine it is most essential that these trade routes be continued and maintained.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. The gentleman stated a moment ago that we had about 1,100,000 tons. The gentleman probably meant 11,000,000 tons?

Mr. WOOD of Indiana. That is what I meant.

Mr. BRIGGS. The Chairman of the Shipping Board made this statement on page 863:

> Of the 10,000,000 tons that we own, about 5,000,000 tons represents good commercial tonnage, comparable with any other tonnage in the world.

Mr. WOOD of Indiana. Yes. That is what I meant.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNELL. Will the gentleman incorporate in the extension of his remarks the actual trade routes pursued by the Shipping Board at the present time, the different ones?

Mr. WOOD of Indiana. You will find them very elaborately set forth in the hearings.

Mr. SNELL. Yes; but the average Member has not the time to go through all these things to get that information. If we can get it from the gentleman, it would be a great deal better. The gentleman spoke also about an inventory. Can the gentleman tell how much money is invested in the Shipping Board at the present time?

Mr. WOOD of Indiana. Well, yes. We have got assets to-day, not including the fleet, not including the ships—we have got assets, according to the inventory, amounting to $306,000,000, against which there are current liabilities of about $69,000,000.

Mr. SNELL. That does not include ships?

Mr. WOOD of Indiana. No.

Mr. SNELL. What is the majority of those assets?

Mr. WOOD of Indiana. A good many of those assets are pretty badly frozen, and they must be thawed out, if possible. Some are claims against the managing agents and some against transportation agents. But many of them are practically worthless.

Mr. SNELL. Can the gentleman tell us the amount of money now tied up in ships?

Mr. WOOD of Indiana. Oh, no; I can not. That must depend on appraisal.

Mr. SNELL. The gentleman spoke of the actual inventory.

Mr. DAVIS of Tennessee. I think the hearings show the amount actually spent as being $2,600,000,000.

Mr. SNELL. I would like to know what is the idea of the Shipping Board of the actual value to the United States of those assets at this time.

Mr. DICKINSON. The total actual assets available amount to $306,000,000, exclusive of ships.

Mr. WOOD of Indiana. Here is the trouble about the valuation of those ships. The valuation put upon them might be worth something, and then again it might not be worth but little. We have about 280 of these wooden ships that some people say are absolutely worthless, upon which we are spending a great deal of money merely for their custody. They have taken and sold 12 of those ships for $2,000 each to be salvaged, with a side contract for 50 per cent above cost of salvaging, as an experiment. I will show you later how much it is costing even to take care of these old hulls.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LAYTON. Does the gentleman know whether or not any ship line in the United States to-day is making a profit?

Mr. WOOD of Indiana. I understand that there is not a freight line in the United States to-day that is paying a profit. Some of the North Atlantic passenger-carrying lines are making a profit.

Mr. LAYTON. Is it not a fact that has been established—and I am merely quoting Mr. Hurley of the Shipping Board—that under the present laws of the United States governing the conduct of seamen upon our ships, and so forth, known as the La Follette navigation law, it costs the United States——

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HARRISON. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to continue his speech as long as he desires.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the time of the gentleman from Indiana be indefinitely extended. Is there objection?

Mr. MANN. There is no agreement as to the division of time?

Mr. WOOD of Indiana. There was an agreement as to the control but not as to the extent of the time.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LAYTON. Now I will renew my question, if the gentleman please. Is it not a fact that the present condition of the navigation laws of the United States is such that it costs for the United States for a 5,000-ton vessel to make a certain voyage $3,000, and that it costs an English ship to make the same voyage only $1,500, and for the same voyage and tonnage it costs the Jap ship only about $950?

Mr. WOOD of Indiana. The gentleman's figures are substantially correct.

Mr. LAYTON. They are practically correct?

Mr. WOOD of Indiana. Yes.

Mr. LAYTON. The point I wanted to get at was this: The gentleman was speaking about the establishment of an American merchant marine. Had we not better look this question of the establishment of an American merchant marine in the eye, and consider this, that we shall never have an American merchant marine except under one or other of these two distinct bases: One is that we grant a subsidy or donate money to the shipping lines, so as to make the cost of operation comparable with that of our rivals, or else have the Government take its hands off the shipping business entirely and let the shipping companies take their course and operate their vessels as they see fit.

Mr. WOOD of Indiana. We will never have a merchant marine in this country unless we do the things that other countries have done in order to have a merchant marine. There is not a merchant marine that exists on the face of the earth to-day except through a subsidy or through preferentials.

Mr. McKENZIE. What countries in the world pay subsidies to their freighters?

Mr. WOOD of Indiana. England has a system of preferentials that amounts to a great deal more than any subsidy; but I can not enter into that now. This is aside from this matter. England has a system of preferentials that beats any system of subsidies now in vogue.

Now, I hope I may be permitted to go on for a few minutes without interruption, so that I may continue my statement. I spoke a while ago about the scope of the activities of the Shipping Board. Its scope is as wide as the commerce of the world. These people contracted for ships. They took over ships. They took over shipyards and built new shipyards. They became shipbuilders. They were bankers. They were financiers, furnishing the money to all characters of combinations that desired to go into the shipbuilding business. They were general contractors. They were wholesale dealers in lumber. They were merchants. They were the owners of every character and conceivable kind of business. They owned forests that were measured by the thousands of acres. They were insurance companies, doing all character of maritime insurance business. They built and operated street railways, interurban railways, and other railroads. They built hotels. The largest hotel that was ever built by the hand of man was built by the Shipping Board. They owned entire towns, fitted up in a permanent way, with paved streets and all the appurtenances of a modern municipality.

Mr. SUMMERS of Washington. What was the hotel that the gentleman referred to as the largest ever built by the hand of man?

Mr. WOOD of Indiana. It was just outside of Philadelphia. It would accommodate more people than any other hotel that was ever built in the world. They built entire towns for the housing of their workmen. They built thousands of miles of paving, and water mains, gas mains, and sewer mains. They built moving-picture houses, hospitals, and all the necessaries of municipal life. They constructed and operated fuel-oil stations all over the world. They organized shipping agencies all over the world. They had recruiting stations all over the world. They built warehouses to take care of goods and supplies all over the world. They controlled the dry docks and the shipyards of the entire country.

The coming of the armistice found us in the possession of all this immense amount of property—ships, docks, shipyards, mines, forests, buildings, hotels, street railway lines, machinery of every character and description. This property was scattered all over the world, and the accounts and records of the corporation were so decentralized that it was utterly impossible to form any conclusion as to the financial situation. I want to give you one concrete example: A gentleman who felt that he owed the Shipping Board $200,000 and who wanted to get the thing behind him came down here to make settlement with them. They had to resort to more than 210 sources to search and find out the condition of the account existing between this man and the Shipping Board. As a result of the investigation that they made they determined that instead of the man owing them $200,000 they owed him $800,000. That is but one example out of thousands, showing you how utterly impossible it was to get any information that was worth while. There was a discrepancy of $47,000,000 between the Emergency Fleet Corporation and the accounts of the managing agencies.

Mr. JOHNSON of Mississippi. Suppose we should refuse this appropriation. Would not they have to go to the Court of Claims, where they could propound their claims and the Government could produce its testimony? And does not the gentleman think that would be the better way to handle them?

Mr. WOOD of Indiana. No; it would be the worst way in the world.

Mr. JOHNSON of Mississippi. I would like to have the gentleman tell us why.

Mr. WOOD of Indiana. I have tried for an hour to tell you why, and if I have not succeeded in doing it I can not do it now.

Mr. JOHNSON of Mississippi. I will yield to the gentleman further time.

Mr. WOOD of Indiana. I must use the balance of my time in explaining other features of this measure. Right here I want to call your attention to this managing-agent business. They seemed to make a specialty of selecting freaks for managing agents.

They took hair dressers out of hair-dressing parlors and made them managing agents for this great Emergency Fleet enterprise, and managing agents to buy cargoes to lade their ships with all the necessities for a crew. In some cases before they would land they would dump everything into the sea, so that they might buy another outfit at the place where they landed. This thing kept going on and on, so that out of this $3,000,000,000 wrung from the pockets of the taxpayers of this country it will never be possible to determine how much was legitimately spent and how much of it was utter waste.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GREEN of Iowa. I am sorry to interrupt the gentleman, but I am obliged to leave the Hall for the purpose of attending a committee hearing. I want, if possible, to get at somewhere near the amount that is appropriated by this bill for the Shipping Board. The bill does not state. How much does the gentleman think it gives?

Mr. WOOD of Indiana. I can tell the gentleman exactly how much is appropriated in this bill.

Mr. GREEN of Iowa. I do not know——

Mr. WOOD of Indiana. If the gentleman will listen to me I will tell him. There is $50,000,000 appropriated for the settlement of claims. There is $50,000,000 appropriated for operating expenses. There is asked an extension of the $55,000,000 that was granted in the last appropriation bill from collections that may be made. That is to extend over the fiscal year 1923. So that the appropriations carried by this bill amount to $100,000,000 with an authorization for the use of whatever may remain of that $55,000,000 after the close of this fiscal year and existing during the next fiscal year.

Mr. GREEN of Iowa. Oh, well, the gentleman knows that there are appropriations in this bill that are absolutely indefinite. You appropriate what is on hand July 1, 1922—how much would that amount to?

Mr. WOOD of Indiana. I can not tell.

Mr. GREEN of Iowa. That is one of the amounts segregated, the amount on hand July 1, 1922.

Mr. WOOD of Indiana. What that may be no man on this earth can tell.

Mr. GREEN of Iowa. But a moment ago the gentleman said he could tell.

Mr. WOOD of Indiana. I can tell when the 1st of July comes, but I can not anticipate the future, and the gentleman from Iowa can not either.

Mr. GREEN of Iowa. No; but what I wanted to get at was how much the gentleman thought was going to be expended.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. I want to say that it was stated that on the 1st of next July there would probably be a deficit of $11,000,000.

Mr. WOOD of Indiana. That is the purpose of appropriating the $50,000,000—to cover the deficit. We are putting $50,000,000 into a business, expecting that there is going to be a loss. Now, if there is no loss we will not spend the entire $50,000,000, but anticipating it, basing it on the months that have just transpired, it will amount to about $50,000,000.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. BYRNES of South Carolina. What the gentleman from Iowa refers to is the amount that may be received from operations during the next fiscal year, and then the amount on hand, whatever it may be.

Mr. GREEN of Iowa. Yes; those amounts that are utterly indefinite, and I am opposed to indefinite appropriations.

Mr. WOOD of Indiana. And so am I, but here we are; we have got to appropriate money for what would otherwise be a private establishment. It remains a private establishment engaged in active enterprise where they get money and pay out money and where they earn money and lose money. It would be impossible as a practical proposition for these men to take every dollar that they collect for the sale of a ticket or for carrying 50 tons of freight and turn it over to the Treasury of the United States. So it is impossible to keep that kind of a tab on these people as we do in other activities. I think we ought to get rid of it as quickly as we can.

Mr. GREEN of Iowa. As to that part, I agree with the gentleman.

Mr. WOOD of Indiana. The property was found in 750 different places, scattered to the four points of the earth. At Hog Island there were 125,000 different characters of property, comprising millions of units, and an inventory consisted of 11,000 typewritten sheets. Engaged in it were 300 Emergency Fleet employees and 2,500 checkers and typewriters, and they got the figures out in two months with 400,000 extensions. Now I call attention to the pay roll to show what the Shipping Board is trying to do. It is the most unenviable position that any man can have. It was as rotten as it could be when the present administration took hold of it, and it was worth any man's reputation to touch it. The number of employees on June 15, 1921, was 8,324. On December 31, 1921, six months after, it was 5,035, a reduction of more than 3,000 and a saving of $4,942,319 annually. In the comptroller's office, 1921, there were 3,086 people with an annual salary of $5,787,033. On December 31, 1921, the number had been reduced to 1,535, an annual roll of $3,832,000, or a reduction of $2,648,231.

Mr. LANGLEY. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LANGLEY. The gentleman says that the Shipping Board administration was rotten. I knew it was; but over here several of us would like to know in what respect it was rotten. Where was the rottenness? Does the gentleman intend to go more into the details in that assertion?

Mr. WOOD of Indiana. No; I would not have time to enter upon that, and I would not know where to stop if I did. If you gentlemen will read the hearings you can get a little bit of an idea as to where some of this money went and how it was wasted. I am not here for the purpose of criminating anybody connected with this thing. I believe that the greater portion of this was absolutely due to the disorganized condition of the whole thing and the improper managing of it. It was an emergency organization created during the war and was of colossal magnitude, extending all over the earth and into every hamlet.

Mr. LANGLEY. I agree with the gentleman's statement, but I was seeking to give the gentleman an opportunity to go more into the details if he wishes to do so.

Mr. WOOD of Indiana. Life is too short to go into that.

Mr. ROACH. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ROACH. It seems to me that the gentleman is giving the information that ought to answer the question of the gentleman from Kentucky.

Mr. LANGLEY. Yes; about one-half of 1 per cent of it.

Mr. KOPP. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KOPP. How much has the United States put into the Shipping Board; how much have they sunk?

Mr. WOOD of Indiana. About three and one-half billion dollars.

Mr. KELLEY of Michigan. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KELLEY of Michigan. The gentleman says three and a half billion dollars have been sunk. The gentleman does not mean that the whole three and a half billion dollars has been sunk?

Mr. WOOD of Indiana. I mean the United States has put in three and a quarter billion dollars. We have got whatever there is left.

Mr. KELLEY of Michigan. We have the ships, and 350 merchant vessels——

Mr. WOOD of Indiana. Yes; and our experience. [Laughter.]

Mr. FAIRFIELD. It is a fair presumption that the ships are worth about $250,000,000?

Mr. WOOD of Indiana. It would be just a guess with me. I do not want to make a guess on so important a matter.

Mr. EDMONDS. Mr. Chairman, if the gentleman from Indiana will permit, of course the gentleman understands that we have a great many different types of ships, and that they have all a different value on the market. If you take the market price to-day of an ordinary cargo ship, second rate, it is probably worth from $25 to $35 a ton. A good ship is worth from $40 to $50 a ton. Those are cargo ships. The value of a passenger ship depends entirely upon the equipment, on the kind of ship it is, the speed of the ship. Some of those ships that we have

built at a cost of probably $7,000,000 are worth $2,000,000 to-day. It would be, therefore, impossible for any man to make an accounting of these ships and say what their value is. They are valuable to the man who wants them and not to the man who does not want them. I should say that the value of the ships to-day is easily in the neighborhood of from $350,000,000 to $500,000,000.

Mr. DAVIS of Tennessee. Mr. Chairman, if the gentleman will permit, I want to ask the gentleman from Pennsylvania [Mr. EDMONDS] if it is not a fact that there is no sale for ships at this time, that there is no way of fixing any value, and that the values given are simply estimates?

Mr. WOOD of Indiana. Absolutely.

Mr. EDMONDS. The only thing that we have to base the value of a ship on to-day is the proceeds from sales. To-day the market is a little bit stronger than it was three months ago.

Mr. DAVIS of Tennessee. Practically none are being sold.

Mr. EDMONDS. None are being sold. I would like to say to the gentleman, so that he will understand, that the trouble here is that we have about 60,000,000 tons of ships in the world and have business for only about 35,000,000 tons. That statement is made in accordance with Lloyd's Annual Almanac, and I presume is based upon the word of British experts. As long as you have that excess tonnage, or until the business of the world can build up to the number of ships on hand, ships are not going to be very profitable property.

Mr. LANGLEY. If the gentleman will permit, my information is that you can not give those ships away that they have down there in the James River. I went on an inspection tour with Assistant Secretary Clifford. They have about 800 ships there, and about three-fourths of them are steel and the balance wood. They are rusting and rotting there in the water and the Government could not give them away.

Mr. WOOD of Indiana. They have sold 12 of those ships as an experiment, and are having them salvaged for the purpose of ascertaining what they can get out of them. In July, 1921, there were 275 of those wooden ships tied up. There were 186 employees on board to take care of them at an annual cost, with incidental expenses, amounting to $226,656. There are now 264 of those wooden vessels with a personnel reduced from 186 to 33, at a total annual expense reduced to $53,113, showing a reduction of more than 73 per cent, or $175,000 per annum. In July, 1921, there were 711 of these steel vessels laid up, with 4,557 employees on them, with an annual cost per vessel of $12,233. Now there are 1,029 vessels laid up, about 300 more, with total employees reduced to 3,421, an annual reduction amounting to approximately seven and one-half million dollars.

Mr. WHITE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. WHITE of Kansas. The gentleman will remember that the gentleman from Iowa, Mr. Good, former chairman of the Committee on Appropriations, suggested that if the Government needed a breakwater it might be well to fill those ships with stone and sink them, and the gentleman stated that 10 ships have been sold as an experiment. Can he state what they brought?

Mr. WOOD of Indiana. They are just going through the experimentation now. They are being broken up and salvaged.

Mr. WHITE of Kansas. Two thousand dollars as a basic price.

Mr. WOOD of Indiana. Yes; and they are to get one-half of the net over and above that amount.

Mr. WHITE of Kansas. In view of the fact that those ships never have been used, were never fit for use, and there is no probability of their being used, would the gentleman state whether it would not be the policy of economy to sell them at $2,000 each, if possible, rather than to maintain them at great expense?

Mr. WOOD of Indiana. Yes; I think it would, personally; but people differ about that, and some think there is some way of working some money out of them after shipping looks up. This is no time to try to sell ships of any character. There is no demand for them. Some of these ships are useful for a certain kind of carrying trade, if the opportunity arises for their use.

Mr. BYRNS of Tennessee. Is it not a fact that Mr. Lasker now takes the position that those ships ought not to be sold, but ought to be kept there in the James River?

Mr. WOOD of Indiana. He thinks they ought to be kept there until the experiment is determined. They once had them sold for $2,000 apiece, but they found that they were not within the provisions of the law and they had to cancel the contract.

Mr. BYRNS of Tennessee. Does he not go further than that? Does he not say that if these ships were sold they would likely be put into operation over on the Volga and the Danube Rivers and on other rivers in Europe and interfere with the sale of some of these steel ships that he wants to sell?

Mr. WOOD of Indiana. That is another thing they have to consider. They have to be mindful in selling this great amount of supplies that they do not by reason of the reduction in the price of the matter destroy not only their own best interests but also some of the interests of the people in like business. It is a wonderfully complex proposition, and there is not anything that it does not reach.

Mr. EDMONDS. I would like to say in answer to the gentleman from Kansas that the engineering department looked into the matter to see whether the ships could be used as breakwaters. They investigated the matter thoroughly and decided that it was not a practical thing.

Mr. WOOD of Indiana. Now, I wish to say in passing that when the present administration took charge of the affairs of this concern they found they were practically without any legal department. Nobody knew of the number of claims that were then existing or the amount of them. So one of the first things that was essential was to organize a legal department and take care of the legal transactions so incumbent upon this business. They appreciated the fact that there were hundreds of millions of dollars of claims filed and to be filed against them, some of them good, some of them absolutely worthless. They faced a great many of these suits that had already been started in the courts of this country, many in the admiralty courts, in which defaults had been taken against them and judgments had already been entered against them. And much of the time of this new organization was taken in presenting reasons why these defaults should be set aside, especially those saving the Government millions of dollars taken by default and judgments entered against it.

In addition, the law department received, as an inheritance from the past, a legacy of some 3,500 cases and claims against the Shipping Board, involving some $300,000,000, which must be defended or settled.

To-day, with a wholly inadequate staff, the law department of the United States Shipping Board Emergency Fleet Corporation is functioning on a systematic basis. It has been divided into four main divisions: First, the admiralty division; second, contracts, opinions, recoveries, and special assignments division; third, claims commission; fourth, litigation division.

The first-named group in New York should be increased by at least six trial lawyers and a chief admiralty counsel. At present 359 of the pending cases have been assigned to nine lawyers. There are, all told, approximately 1,000 cases in admiralty pending against the board in the New York district alone, involving claims of some $30,000,000.

In a general way the entire burden of conducting the vast current legal business of the Emergency Fleet Corporation falls upon the second division. As the board owns merchandise having value of $35,000,000, and plants worth $46,000,000 and some 1,400 steel vessels, and has been conducting an aggressive campaign to sell and dispose of this property as rapidly as possible, it is quite obvious that the attorneys in this division of the law department have a constant task of large proportions, exclusive of their other duties.

This division is keeping reasonably up to date with current work, and the board feels that in this section it has as efficient a law department as any law firm in the country.

The termination of hostilities by the armistice resulted eventually in a curtailment of the tremendous shipbuilding program then under way. Contracts involving the expenditure of hundreds of millions of dollars were canceled in whole or in part. This termination resulted in a great number of claims against the Shipping Board by shipbuilders and vendors of materials under such contracts. Their settlement has been assigned to the third division.

On July 1, 1921, there were approximately 1,000 claims left unsettled for a gross sum of approximately $135,000,000. On January 1 the legal division had entirely finished work on 270 cases, with 200 additional cases practically ready for final adjustment. These 270 cases, 81 of which were disposed of administratively and 189 of which have been presented to the commission, involve claims by the contractors of $8,178,643.72, and the settlements made and awards recommended in these cases actually amount to $2,270,652.89. The 200 additional cases can probably be settled for about $268,000.

In the litigation division there are 224 cases, exclusive of admiralty cases, pending against the Fleet Corporation in the United States courts and the State courts involving claims ag-

gregating $104,628,455.30. The United States district attorneys in the various States generally are in charge of these litigation cases of the Shipping Board, but general supervision of this litigation by Shipping Board counsel at Washington is not only of the greatest value to the district attorneys but it is a necessity.

Thus each division of the Shipping Board's law department is functioning on a systematic basis, despite the handicap of an inadequate staff, and the confused conditions which were in evidence on July 1, 1921, have been practically removed.

Now, at this juncture I wish to say that it has been discovered that through the inadequacy of the legal department under the old régime the country has been mulcted out of millions and millions of dollars by reason of the faulty contracts that were drawn in the legal department. Not that these men were dishonest; not that they had any design of defrauding the Government, but by reason of their coming in contact with the shrewd men who were making the contracts for the other side; they were overreached, and we are now suffering the consequence.

Much will be said during the course of this debate with reference to the amount of money that is being expended in this legal department. Again, I appeal to you to try to get your minds fixed upon the magnitude of this business. Try to bring it home to yourselves as nearly as you can, and imagine that you have got over $300,000,000 of lawsuits filed against you, all the way from Hawaii to the Philippine Islands, in the courts of admiralty, in the civil courts, in the United States courts, and that you are constantly being confronted with the biggest lawyers in the United States, whose salaries alone aggregate many hundreds of thousands of dollars a year.

If you were in such a condition, I dare say that you would want, in order that you might have the conscious feeling that your interests would be protected, to at least have some good lawyers, some men that have established a reputation, some men that have come in contact with the courts of this country where these cases are being tried. There must be a balance in all these things.

I appreciate the fact that back in my State and in your State, in some of the little towns and cities, there are probably men more erudite in the general practice of law than these practitioners in these large cities, who, by reason of their success in their practice, have amassed fortunes, and are receiving hundreds of thousands of dollars each year. But the Shipping Board can not go out and get these men in the country places and train them for this particular business. They must get those, as nearly as they can, who are in close proximity and in contact with the courts where these trials are to be had and where these cases arise, and can measure steel with the opponents on the other side; if in New York, with the men who have gained world-wide fame and success before the courts of admiralty and other courts there; likewise in St. Louis and Chicago and other places.

Much criticism was had at the time we had the deficiency bill up here because we were paying these men, some of them, as high as $15,000 a year. A limitation was put upon the amount that we might pay them, so that some of them could receive not more than $11,000 a year. The consequence has been that some of these men who came here have resigned their places and gone home. This legal department is in a most precarious position at this particular time, because of the magnitude of the claims that are pending against the Shipping Board, and because of the necessity of their immediate determination, not only to the litigants, but to the taxpayers of the United States.

Even though we may think, and even though we are justified in thinking, that many of these men are receiving more money than they could earn back in their local practice, this you should take into consideration—that their employment at best is only temporary. We have the word and assurance of Mr. Schlesinger, head of the legal department, in whom I have the greatest confidence because of the patriotic zeal and energy he is devoting to this work and who I know is making sacrifices to come here and is receiving only one-tenth of the amount he could receive in the concern with which he is connected, that if we have faith to continue this organization as he has it and give this amount of $50,000,000 for the settlement of these claims, by the 1st of January next he will reduce by more than one-half the expenditures of the legal department. I do not know a better investment. And I want to ask you do you want to take the responsibility of having it said that we have lost to the United States Government, by reason of lawsuits going against her, millions of dollars that might not have gone against her had her case and her facts been properly presented? I do not want to take the responsibility; you do not want to do it. I would rather err on the other side and say that, temporarily at least, we will appropriate more money than we feel these gentlemen, perhaps, could earn back in their private pursuits.

Now, gentlemen, I have taken more time than I should have taken in discussing this Shipping Board, but it strikes me that that is one of the most important matters that we have immediately to do with, and that the people of this country are making more inquiries about, and concerning which there is more misinformation than concerning any other activity which the Congress has to deal with, is this Shipping Board proposition. I hope, therefore, that gentlemen will avail themselves of the efforts that we have made to have these men give us the fullest possible explanation of the manner in which they have been conducting the business. Never in my experience, and I do not think in yours, has there been more complete detail of the operation of any business, large or small, than is presented by the hearings on the Shipping Board, and I invite your closest scrutiny to those hearings.

Now, there are a few other high points in this bill that I think you are interested in. Much has been said about the Housing Corporation and about the continuance of the Government hotels. There is a campaign going on here now, founded upon a false pretense, in my opinion, trying to dispose of and do away with the Government hotels down here in front of the Union Station. These Government hotels are a part of the Housing Corporation that was created, as you remember, during the existence of the war and for the purpose of taking care of the army of clerks made necessary by reason of the expansion of these various departments. There are 1,800 girls down there now. Some people would have these houses razed in order that we might add to the beautification of the city of Washington, and let these girls go where they may and seek as best they can to find a place to rest their heads.

We know what happened to them before these houses were built. We know that they were subjected not only to inconvenience, but absolutely, if you please, they were subjected to such conditions and treatment that none of us could approve, and in consequence these houses were built. There is a necessity for them now, for the profiteering is still wild in the city of Washington, and what would happen to these girls I do not know, if they had to go and seek shelter, if these houses were torn down. We do know that before these houses were built they had seven or eight in a room, charging each one of them $15 or $20 a month—rooms which the renters would have been glad to have rented by the month to a single person at that rate before this emergency arose.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield there?

Mr. WOOD of Indiana. Yes.

Mr. LANGLEY. I am chairman of the committee that has jurisdiction to some extent of that question, and I do not want to discuss it very much just now, but is it not a fact that the conditions now are somewhat different from what they were at the time the gentleman refers to, and are there not opportunities now of securing rooms elsewhere much better than there were then and at a less price?

Mr. WOOD of Indiana. It seems not. If you try to find an apartment, you are held up just as you were in 1920, and the same is true in the case of a private room. Until such time as the good people of the city of Washington feel that they can provide for the accommodation of these girls, where they can be at least decently treated at a moderate recompense, I am not going to vote for tearing down these buildings, even though they do mar the landscape.

Mr. HUDSPETH. The Government is not losing any money on them, is it?

Mr. WOOD of Indiana. No. On the contrary, it is making some money from them.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. Are we to understand that these buildings are to remain permanently?

Mr. LANGLEY. They were not built as permanent buildings.

Mr. WOOD of Indiana. Oh, no. I do not think, though, that the time has come when the Congress of the United States is justified in tearing them down, and I think we would be derelict to the people who come here from all over the United States, from our districts, if we were to let those people become the prey of the profiteers of Washington. [Applause.]

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LAZARO. The gentleman made the statement that there are 1,800 girls in those buildings and many thousands outside. Under the gentleman's statement are we not justified in extending the Ball bill?

Mr. WOOD of Indiana. Yes. We are justified in continuing it, and we shall make a great mistake if we do not continue it. [Applause.]

Mr. FESS. My concern is whether we are not going into the housing business here in Washington under Government expense and control. If we are holding these buildings because we can not find space for our employees, is not that the first step in entering upon this as a permanent policy?

Mr. WOOD of Indiana. I think not. I would be opposed to entering upon it as a permanent policy. It was originally an emergency proposition. The emergency has not yet subsided. I do not know when it will subside; possibly not until Congress takes drastic action to convince these people in Washington of the duty they owe to the public in making proper provision for the care of these girls.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield further?

Mr. WOOD of Indiana. Yes.

Mr. LANGLEY. I do not desire to put myself in the attitude of favoring the razing of these buildings, but I do want to bring out this point: That there are thousands and thousands of Government employees who are paying much more for their rooms and board than are these employees, and they are less conveniently located. Why should the Government favor one class of its employees is the point I want to make.

Mr. WOOD of Indiana. That is true.

Mr. LANGLEY. Yes; that is true.

Mr. WOOD of Indiana. That is evidenced by the fact that there is a waiting list at the Government hotel all the time. But suppose we take these buildings down. What is to become of these 1,800 people? Not only would those rooming now in other places suffer more intensely, but it would add to the suffering of each one of these 1,800.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SUMMERS of Washington. The Government dormitories, operated for the benefit of these girls, are operated at a loss or at a profit?

Mr. WOOD of Indiana. Without taking into consideration the original investment, so far as the operation alone is concerned, it is being operated at a profit, as I understand.

Mr. SUMMERS of Washington. That is all we need concern ourselves with now.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. CROWTHER. Do you know what they charge the inmates for their rooms and breakfast and dinners? I believe they get their luncheon down town.

Mr. WOOD of Indiana. About $40 or $45 per month.

Mr. CROWTHER. Is it not just as legitimate an expense as for us to charge for our keep downstairs in the restaurant?

Mr. WOOD of Indiana. Well, I will let the gentleman answer that question for himself. I want to call your attention to the fact that not only is this Government hotel being conducted in a way that I am informed is satisfactory to those who are patronizing it, but it is reducing expenses. They have voluntarily reduced their clerical wage some $5,000, and we encouraged them by reducing $5,000 ourselves. We did not propose that they should be any more economical than we are, and that reduction has been made. Likewise there is a reduction as far as the operation of the real Housing Corporation is concerned. We still own all over this country a lot of houses. Some of them are in process of disposition. Some of them have been sold and mortgages taken. As to some of them the buyers have failed to keep up their payments and suits are pending for mortgage foreclosures. As to some of them we are having trouble so far as the payment of taxes is concerned. As long as the title remains in the United States of course there is no obligation against the Government for the payment of taxes to the various municipalities in which these properties are located, but after sales are made and mortgages taken that question arises, and we have had some trouble about that, but I am happy to state that they are winding up those cases in a very satisfactory way.

Mr. EVANS. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Nebraska.

Mr. EVANS. Will the gentleman please state for the benefit of the committee what reduction has been made in the salary list of the Housing Corporation here in Washington as compared with the current law?

Mr. WOOD of Indiana. It is a lump-sum appropriation and there was a horizontal reduction made in the salaries of all the mechanics and employees of the Housing Corporation of $200 per person.

Mr. EVANS. Per annum?

Mr. WOOD of Indiana. Yes. Now, I want to call attention next to the Interstate Commerce Commission. For salaries and general expenses we recommend $2,150,000. This is a reduction of $50,000 as compared with 1922 and a reduction of $80,000 below the estimates submitted by the Budget. To the Valuation Division, which has been engaged in the valuation of railroad properties, we appropriate $1,300,000, which is $450,000 less than the appropriation for 1922, and $200,000 less than the approriation recommended by the Budget.

I wish to say with reference to this proposition that this valuation business that has been extended and reextended for the last seven or eight years, now bids fair to come to a close at some time in the near future. As far as field work is concerned it has been terminated. All of the activity of this division is now concentrated in the city of Washington, and we are told that so far as the general valuation is concerned it will be practically completed within a year.

Under the law as it is now constituted there will be a continuation of a certain portion of this work to keep current the valuation of the various railroads throughout the future, but it strikes us that by reason of the reduction in the cost of living expenses these gentlemen can make a substantial reduction out of their lump-sum appropriation, at least to the amount of $200,000 in the salary list of the employees they have.

We have the same idea with reference to the employees of the Interstate Commerce Commission itself. In order that we might have some understanding about that thing we called into consultation those at the head of the personnel and some of the commissioners of the Interstate Commerce Commission. This is what is now happening in the Interstate Commerce Commission, and as I understand will happen in some of the other divisions of the Government where the entire salary list is paid from a lump-sum appropriation. You will recall that during the debate upon the reclassification bill it was stated that the President has issued an executive order asking for an efficiency survey in the various bureaus and divisions of this Government. The Interstate Commerce Commission has adopted and is now putting into force and effect that Executive order whereby the salaries in that commission will be made up according to that efficiency survey as given by the Bureau of Efficiency. This will result in a saving to the United States Government. The exact amount is problematical, but we felt that they could be reduced at least $50,000, and the Valuation Division $200,000.

Mr. NEWTON of Minnesota. Can the gentleman inform the committee anything about what the probable expense will be of running the valuation work after the initial work has been completed?

Mr. WOOD of Indiana. No; I can not. It ought to be only nominal as compared with the great work that has been in progress. They say that when the valuation is completed it will not be difficult, and will not require a great outlay to keep up the valuations from year to year and keep them current, so that I think the expense will be practically negligible.

Mr. NEWTON of Minnesota. So that the force will be very materially reduced?

Mr. WOOD of Indiana. Yes; in fact we ought to get rid of practically all of them next year.

Now, I wish to call the attention of the committee to the Civil Service Commission. More especially am I interested in calling attention to the figures presented by that commission showing the number of employees that we have in the United States Government to-day. The total number in the District of Columbia on the 30th of November, 1921, the last date to which the figures were brought up, was 75,974, as against 39,481 in 1916. The table which I hold in my hand discloses how these employees are distributed among the various bureaus. It also shows the increase and the decrease. It will be interesting to you, I know, not only to be thus informed as to what seems to be the growth of the institutions that were in existence at the time we got into the war, but also the additions that came by reason of new activities, that are now continued, and in all probability will be continued in some number at least throughout all future time.

Mr. BRIGGS. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Texas.

Mr. BRIGGS. Does this number include only the employees in the District of Columbia, or does it include the field force?

Mr. WOOD of Indiana. The 75,974 includes only the District of Columbia.

Mr. FESS. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Ohio.

Mr. FESS. When we had the reclassification bill under consideration it was stated that we had 69,000 employees in the District of Columbia.

Mr. WOOD of Indiana. I think the gentleman is mistaken about that. We reduced them down to about that number, but a lot of them have been put back. This statement which I have comes directly from the Civil Service Commission, and I take it for granted that it is correct, and it shows that on the 30th day of November we had in the District of Columbia 75,974 employees. I have prepared these figures, showing you, in addition to the statement disclosed by the report of the Civil Service Commission, the number that came as a result of new activities growing out of the war.

Mr. LANGLEY. Before the gentleman proceeds to another subject, may I interrupt him? On page 5, lines 6, 7, and 8, I notice this language:

Provided, That the secretary of the Civil Service Commission shall be deemed an employee for the purposes of this act.

What does that mean?

Mr. WOOD of Indiana. The purpose of that is this: It was in the act of last year. That old gentleman down there by the name of Doyle—I venture to say that you have all run across him—has been connected with the Civil Service Commission ever since its creation. He told me that during the time that Theodore Roosevelt was a member of the commission they had to move out of one building into another, and they hauled all their effects in a hand cart. So he dates back from the beginning of things. This was put in for the reason that the Comptroller General held that he was not entitled to the bonus.

Mr. LANGLEY. On page 7 there is a provision for the examination of presidential postmasters, and so forth, $75,000. I want to ask the gentleman if he knows whether the future general manager of the movies agreed to that amount, or did he want a larger sum?

Mr. WOOD of Indiana. The future general manager of the movies did not have anything to do with it. Now, here is the point I was making. Here is the situation that presented itself to the Civil Service Commission. That commission, if it is to remain what the framers thought it should be, ought to have some of the best men in the country connected with it. Here is what is going on down there to-day: Pretty nearly all the civil-service list now has to pass the examination of the Civil Service Commission, technical men employed in all the technical branches of the Government, some receiving $5,000 and $6,000 a year. Whether they are qualified to pass is being determined by $1,200 clerks connected with the commission.

That is one reason why we propose that there shall be a rearrangement pending the reclassification when there may be some provision so that these employees will be given a compensation commensurate with the responsibility of their work. So, also, may this be said as to the examining into the qualifications of postmasters, about which so much has been said and will be said. That is a new duty thrown on the Civil Service Commission, and they tell me it has taken one-third of their time, and no wonder there is confusion and no wonder there is cause for dissatisfaction, because men without practical experience, a clerk at $1,200 is passing on the qualifications of men who occupy the position of postmaster where the salary ranges from $5,000 to $8,000.

Mr. LANGLEY. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LANGLEY. I want to ask the gentleman whether he thinks this additional duty should have been put on the Civil Service Commission?

Mr. WOOD of Indiana. That is academic. If I had my way, there are a lot of things connected with the Government that never would have been started.

Mr. LANGLEY. And according to my idea that is one of them.

Mr. ROACH. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ROACH. Does not the gentleman think that the appropriation of $75,000 for the examination of presidential postmasters might well be omitted?

Mr. WOOD of Indiana. Well, if the gentleman wants to try to get that through Congress he has the right to do it.

Mr. ROSE. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. ROSE. Can the gentleman account for the long delay experienced by all of us in getting reports on examinations made by the Civil Service Commission?

Mr. WOOD of Indiana. Well, I have had enough to do with my own business without sticking my nose into anybody else's, and so I do not know. [Laughter.] Now, I was calling attention to the clerical force that came here by virtue of the war, an entirely new force, which still remains. There are 1,039 employees of the Shipping Board and in the Railroad Administration 1,130. Special Hygiene, 16, and Tariff Commission, 91. Employees of the Compensation Commission, 76; the Federal Board for Vocational Education, 82; the Veterans' Bureau, 5,916, so that we have to-day in the Government 9,417 civil-service employees that were not in existence, or the activities that call for them now was not in existence, prior to the beginning of the war. Deduct that from the 75,974 and you will have 66,557 in the old departments that were in existence before the war. Subtracting from that 39,481 that we had at the time we entered the war, and it shows the increase in the departments on account of the operation of the war to be 27,076.

Now, I doubt if you are ever going to be able to get back to that number that we had before the war. In my opinion we never will go back. In the first place, there is the natural increase, the natural growth. There would have been a greater number now if we had never had a war, because of the natural growth. The history of the country shows that the inflation of service attendant upon every war and in the aftermath of the war has been more pronounced in the civil-service employees than in any other, so that the greatest effort we can make at reduction will be by reason of the closest scrutiny by Congress and through the administration of the Budget. That instrumentality has been responsible for a great reduction in this bill now pending before you and of the bills already considered and in those that are to follow. The country will never know or appreciate the full value of the services that are rendered unless they study the results as reflected in the appropriation bills.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. I understood the gentleman to state a moment ago that while a number of employees have been dropped, a number have been reemployed or restored. Will the gentleman tell us to what extent that has occurred and how that arrangement has been brought about?

Mr. WOOD of Indiana. Congress is responsible for it. Every time somebody comes in here and asks us for an increase in the appropriation for the Internal Revenue Department to further enforce the narcotic act or the prohibition act we fall over ourselves in making the appropriation. It has all been done for the purpose of hiring more men. The gentleman who has propounded the question voted for every one of these appropriations, and yet he stands here and criticizes because these things are being done. A general accounting officer told me within less than two months after he took his office he discharged, because of the fact that he thought he could get rid of them, some eighty-odd men employed in the various auditors' offices and that all but 10 per cent of them were reemployed immediately in other branches of the Treasury Department. It might be interesting to note that on the outside of the District of Columbia before we got into the war we had 397,722 employees, while on the 30th day of November last we had 518,267. Of this increase, 9,964 was by reason of agencies that did not exist before the war, and the net increase of 120,881 is in consequence of the increase that came during the war and that we have never been able to reduce below this number down to this time.

I wish now to call attention to another item or two. I invite attention particularly at this moment to a little appropriation, insignificant when compared with the other appropriations in this bill, but when we measure the administration of the appropriation it is found to be of some consequence, at least. I refer to the appropriation for the Fine Arts Commission. In 1910 the Fine Arts Commission was created, and its duties were set forth in the law which created it. The law provides that the President shall have authority to fill all vacancies, and so forth, and then—

It shall be the duty of such commission to advise upon the location of the statues, fountains, and monuments in the public squares, streets, and parks in the District of Columbia, and upon the selection of models for statues, fountains, and monuments erected under the authority of the United States, and upon the selection of artists for the execution of the same.

Out of that little nucleus those in this apparently insignificant little association, or activity, or whatever it may be called, whose purpose was to add to the adornment and the beautification of the city of Washington, through Executive order and the assumption of authority, has so extended its authority that they are to-day monarchs of all they survey. When I say "they" I refer more particularly to one man, who really is the Fine Arts Commission, who is not only dominating but domineering not only the business of this commission but sticking his nose into everybody's business, until he has become

a common, ordinary pest. I invite the attention of the committee to the hearings in this case in support of the assertion that I have made. There is absolutely nothing personal in this, so far as I am concerned, but it strikes me that when a man occupying the position that this man occupies abuses it as he has abused this the public should be informed with reference to his conduct.

The statute to which I have referred provides that there shall be no compensation paid these men, and only their expenses paid when attending meetings in the city of Washington. This particular gentleman would be entitled to no remuneration whatever, even expense money, because the United States Government is to-day paying him $3,000 a year for his full time as a member of the force in the Library of Congress, in the Division of Manuscripts. Yet he spends more than one-third of his time away from the duties for which the Government is paying him for full time, and the record discloses that fact. I have here a photostatic copy of the vouchers that he has submitted in proof of that fact. That is not the worst of it. These meetings that are required to be held in the city of Washington, for which compensation might be paid other members of the commission who come from outside, are not held in Washington, except occasionally. The records disclose that they are held either in New York or in some place else where they desire to journey. Every time he signed his name to one of these vouchers and has taken any portion of this expense money he has violated the law. He claims to be a resident of the city of Detroit, Mich. He has been here for years and years. He was a former secretary of a Senator from Michigan. According to his own disclosure he happened to be in the city of Detroit when he was appointed to the position that he holds in the Library. He took that position the next day after he got here, and yet he charged the trip from Detroit to Washington to the expense of the Fine Arts Commission.

Mr. BRIGGS. Mr. Chairman, will the gentleman mention the name of this Fine Arts Commission man?

Mr. WOOD of Indiana. His name is Charles Moore.

Mr. MANN. What was the last statement the gentleman made with reference to expense?

Mr. WOOD of Indiana. The last statement I made, and I reiterate it, because the facts warrant it, is this: When he came here to take his position as a member of the staff in the Library of Congress, he charged his expense money in coming from Detroit down here to the Fine Arts Commission.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. On another occasion he happened to be in Detroit, according to his statement, when he had notice there was going to be a meeting of the Fine Arts Commission in New York. He charged up to this Fine Arts expense fund his travel all the way from Detroit to New York and then back here again to Washington, which is a violation of the law. That is not the worst of it. One of the things that attracted our attention to this is that they sought to have this law so amended that there would not be any curb upon the amount of expense they might incur for their personal accommodation. There is not a single voucher in all this photostatic display where he did not violate the law with reference to the per diem expense account, or the amount allowed under the law. I yield to the gentleman from Kentucky.

Mr. LANGLEY. I noticed in reading the hearings that there was some question as to the date when Mr. Moore's appointment as chief of the division in the Library took effect. Did the gentleman inquire when that was?

Mr. WOOD of Indiana. I think it was on the 17th of August; I forget the exact date.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. How did all of those vouchers get by the comptroller?

Mr. WOOD of Indiana. I will tell you how. I examined these, and there is not a single item that sets forth anything on a voucher except traveling expenses on official business. By some hook or crook, I do not know, they have had the waivers attached to each one of these items, so that they do not have to be certified.

Mr. BANKHEAD. Does not that show negligence on the part of the comptroller's office?

Mr. WOOD of Indiana. Absolutely. But I do not think they could get by the present accounting officer.

Mr. MICHENER. You have stated these things about this man, and if they are true something should be done. Now, what would you advise other than bringing the matter to the attention of Congress for the mere purpose of talking?

Mr. WOOD of Indiana. I am calling to the attention of Congress that that man should not be permitted to stay where he is for 24 hours.

Mr. ROACH. Why has he not been removed?

Mr. WOOD of Indiana. I do not know. Perhaps it is true that this is the first time this malfeasance has been brought to the attention of the public, for it is inconceivable to my mind that this thing has been going on all these years. Except for the fact that these vouchers have the waivers attached, they would not have certified them. They went on the assumption that it was such a high connected affair that the gentleman would not do anything that was dishonorable, probably.

Mr. KING. Was not this the same Charles Moore that was secretary of the District of Columbia Committee and was secretary to Senator McMillan, and accompanied as a factotum Senator McMillan and others, who went abroad as an artistic aggregation on one of the finest junkets ever prepared and visited Paris and Florence and sampled all of the different kinds of fine arts? Is not this the man who made the vouchers and who claims to be an artist and never got any artistic ideas except what he got in such a way and now assumes to regulate everything in Washington? [Laughter.]

Mr. WOOD of Indiana. He went over to Europe about a year ago, and I do not know how many months he was gone away from his employment. He promised to give the Government, and took oath to give the Government, his full time. His answer was that he went over there to help the War Department to locate and beautify the cemeteries of our soldiers, when more than half of his time was spent entirely away from that business. The gentleman, however, did not charge that expense to this account. He spent $289, if my memory is correct, in a junketing trip out to the Yosemite National Park. I asked him what he did that for, and he said, "To look at the floor of the valley." I suggested to him that God Almighty put that floor there, and that his desecrating hand should never be permitted to touch it. [Laughter and applause.] I will tell you what we did. In order that this gentleman might at least know what the law is, we copied that portion of it and put it into this bill, providing how this appropriation should be spent, so that he would realize that he has not any right, if he stays there, to charge up this character of expense.

I will tell you another thing they did. The statute provides they can hire help. In the first place, they started out in a moderate way, and under the law Col. Sherrill, an officer of the Army, and his predecessors, as custodian of public buildings and grounds, was the real secretary, but the acting secretary is an employee. Col. Sherrill does not get anything, and of course does not know anything about this office. But in order that Mr. Moore may have somebody to travel with him every time he goes down to New York he takes this assistant secretary with him. They are not content to ride on an ordinary train, that an ordinary Congressman would ride on, but they travel on the Congressional Limited, and charge up the extra fare to the Government. He would not walk, if you please; he would not take a street car from the station. He always takes a taxi. There are taxi bills here for $8, $9, or $10, and when asked what they were for he said they were for the whole commission. And yet the law requires each one of these men to certify to his individual account.

But we put a limitation on the amount they could pay the secretary. We had the secretary before us. I think it would be your judgment that if we paid him $1,500 that would be a waste of money. We reduced the amount of this appropriation to $6,000, which will be ample if properly expended. I will tell you another thing he did. He got out about 150 reports, and spent $1,500 in getting them out. I think that is correct. He got out 75 and bound them in buckram for distribution among the elect at $50 and some odd each.

If you have not seen that thing, you ought to see it. It is a thing of beauty, even if it is not a joy forever. It has beautiful scenes from France and other places where he was hobnobbing, and incidentally it is a beautiful advertisement for the purchase of Mount Hamilton out here, which, in his dream-like fancy, he wants to establish as a botanic garden, but which God Almighty never intended to be anything except a haunt for ground hogs.

Mr. LANGLEY. Is it not a fact that the Government already owns here in the city abundant land for at least five botanic gardens, as fine as any civilized country in the world has?

Mr. WOOD of Indiana. Yes; but that would not conform with the idea of selling several hundred lots that are being priced and advertised for sale. The inducement seemed to be, for the sale of those lots, that the Congress of the United States has determined to locate a botanic garden at Mount Hamilton.

Mr. NEWTON of Minnesota. What salary does this artistic person receive?

Mr. WOOD of Indiana. He does not get anything, presumably, except his traveling expenses.

Mr. BRIGGS. Does the Fine Arts Commission employ this gentleman?

Mr. WOOD of Indiana. Here is what he does. He was one of the original members of this commission, and the law provides that they are appointed for a period of four years, or until their successors are appointed or have qualified.

As I understand it, he has been there ever since the thing was created in 1910, and it was created at his suggestion. And here is the worst thing about this business——

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BRIGGS. He is subject to removal at any time by the President, is he not?

Mr. WOOD of Indiana. He is.

Mr. DOWELL. Does the President appoint him?

Mr. LANGLEY. The Librarian of Congress appoints him, does he not?

Mr. WOOD of Indiana. No; he is appointed by the President.

Mr. LANGLEY. I mean to the position of chief of division in the Library.

Mr. WOOD of Indiana. Oh, yes.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KING. He is appointed for a period of four years.

Mr. DOWELL. Can the gentleman give the date of his appointment?

Mr. WOOD of Indiana. No. I was trying to find some notes that I have here that would throw light upon it.

Mr. MANN. Mr. Chairman, while the gentleman is looking it up will he yield to me for a suggestion?

Mr. WOOD of Indiana. Yes.

Mr. MANN. Is it not fair to say, however, about Mr. Moore that he was secretary of the Senate committee which prepared the report known as the McMillan plan, and he has been chairman of the Fine Arts Commission for a considerable time, and that since he prepared the McMillan plan and submitted it to Congress, without exception whenever Congress has provided for any improvement it has followed the recommendations of the McMillan plan quietly and servilely, and still continues to do so in every report that comes from the Committee on Appropriations?

Mr LANGLEY And yet Congress never approved of that plan.

Mr. WOOD of Indiana. The gentleman from Illinois is right about that thing, and the divers and sundry ways that he has of influencing us to do those things have always been a matter past my understanding.

Mr. MANN. Perhaps it can not be explained, but nevertheless it is a fact.

Mr. WOOD of Indiana. It is a fact.

Mr. KING. Of course, the designer of the McMillan plan was Daniel Hudson Burnham. Mr. Moore was not the designer of the McMillan plan, nor was Senator McMillan. Mr. Moore never did anything in regard to it except to write a history of Burnham's life, which has been sold.

Mr. MANN. I was here when the McMillan plan was submitted. My colleague from Illinois did not have the honor of being here then. What I said about it is true.

Mr. KING. Is it not a fact that the architect of the World's Fair was the real designer of the plan?

Mr. MANN. Oh, yes; he had something to do with it.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ANDREWS of Nebraska. On what pay roll is this man carried?

Mr. WOOD of Indiana. On the pay roll of the Library of Congress, and I understand he has to do with manuscripts.

Mr. ANDREWS of Nebraska. Then the Librarian of Congress is his executive officer and has the power of removal, has he not?

Mr. WOOD of Indiana. He has not the power of removing him from the Commission on the Fine Arts.

Mr. ANDREWS of Nebraska. Then, if he is certified and has drawn salary for time that he was not serving the Government, the Librarian of Congress has violated his duty also.

Mr. WOOD of Indiana. That may be true. Here is another thing that has happened here, and it shows one of the abuses that may be brought about through an Executive order. The functions provided in the statute originally for this man to perform were very simple, to pass upon monuments and models for monuments in the city of Washington. He has had Executive orders from every President from the date of his appointment down to and including the present President, and his duties have extended far beyond those proposed by the original statute; and, as I understand it, there can not be an Executive order, founded upon a law at least, that can be broader than the foundation upon which that Executive order is based. In consequence of those Executive orders you can not build a pigpen in the city of Washington to-day without violating one of these Executive orders, unless you get the consent of Mr. Moore.

Somebody is proposing to build a new hotel down here on New Jersey avenue, near the House Office Building; but these gentlemen not only gave them to understand that they must obtain their sanction, but they sent word to all the neighbors to come down and make such suggestions as they might have to make with respect to the construction of that building. We have inserted in the hearings a great many of those things with which they have been connected. I want to call your attention to a few of them, to show how far afield they have gone in their assumption of power. They have passed upon park lodges. They have passed upon the palisades of the Potomac. There is a rock there which they think ought not to be there, and they want it removed. [Laughter.]

They are passing on the National Botanic Garden. Their original duty, as I stated, was to pass upon monuments. They pass upon the Piney Branch playground or parkway. Children can not play unless they have a place to play in that is provided for by the Fine Arts Commission. [Laughter.] They pass upon the Meridian Hill Park design. They pass upon the park system of the District of Columbia. They pass upon the Knights of Columbus memorial, and they pass upon the Soldiers' Home, upon gilding the dome out there at the Soldiers' Home. They pass upon what the warrant officer's insignia shall be. A captain or a sergeant can not get up an insignia of his office without having the assent and the consent of the Fine Arts Commission. [Laughter.] Then they pass also upon street car extensions. Think of it, passing upon street car extensions in Washington! They pass upon the gold-star memorial at Des Moines. They pass upon the Frankford (Pa.) memorial design, and upon the *Titanic* memorial.

They pass upon ornaments for gravestones in the American cemeteries in France. They pass upon grading plans for Potomac Park and the laying out of playgrounds in the District of Columbia, and they pass upon the tuberculosis hospital in the District of Columbia and upon the Rock Creek Park projects and culverts. They pass upon the Missouri centennial coins and they have passed upon the Walter Reed Hospital extension. You can not build a hospital without getting the consent of the Fine Arts Commission. They passed upon the Dupont Monument. They pass upon designs for United States currency. They tell us that that bob-tailed buffalo bull on the nickel of the United States is a thing of artistic merit [laughter], and, finally, as another beautiful evidence of their artistic genius, they took and put Gen. Grant upon a pedestal down here in this hole below the Capitol, and they placed Grant with his back and his horse with his tail turned toward the Capitol. [Laughter.]

Mr. LANGLEY. He told me the reason that the Fine Arts Commission placed the statue facing in that direction was that Grant was always marching westward.

Mr. WOOD of Indiana. I do not know anything about that.

Mr. LANGLEY. Did not the Fine Arts Commission also approve the design for the peace dollar?

Mr. WOOD of Indiana. Yes.

Mr. MANN. Does not Mr. Moore insist that the Fine Arts Commission pass on these matters by direction of the President?

Mr. WOOD of Indiana. Through Executive order.

Mr. MANN. The President directs them.

Mr. WOOD of Indiana. Yes.

Mr. MANN. Is it any criticism of Mr. Moore that the Fine Arts Commission by direction of the President give their time to these matters without pay?

Mr. WOOD of Indiana. My criticism of the gentleman is that he has absolutely taken unto himself duties that were never intended, and has become so thoroughly obsessed with his own importance that he has made a farce of the whole thing. That is what he has done. He has gone far beyond the purview of the legitimate design of Congress in creating this thing.

Mr. MANN. Is it not a fact that when the Fine Arts Commission was created for the purpose indicated in the statute which the gentleman has quoted, President Roosevelt issued an order which was binding upon the executive departments of the Government, directing them to refer all matters of this sort to the Fine Arts Commission for their opinion?

Mr. WOOD of Indiana. Yes.

Mr. MANN. Is it not a fact that that order has continued in force ever since—under Presidents Roosevelt, Taft, and Wil-

son—and has frequently been extended? And is it any criticism of the Fine Arts Commission that, without expense to the Government, they do examine into these matters when the President has directed the executive officers to ask for their opinion?

Mr. WOOD of Indiana. This is my criticism, that this gentleman is never content with his present authority. So with each incoming President he makes it bigger, so that he is constantly and eternally taking upon himself, through Executive orders, things that never were intended at all; and he has gone so far as to say that he should have within his jurisdiction the control of these Capitol Grounds; that has been denied him; and he has even offered objections because the pigpen down at Occoquan was not put in the right place to add to the artistic beauty of that institution down there.

Mr. LANGLEY. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Kentucky.

Mr. LANGLEY. Frequent reference has been made to the McMillan plan. Has that ever been approved by Congress?

Mr. WOOD of Indiana. Of course it has not. He would have you believe, in these reports that he has sent out, that it is a part of the organic law of the country. The McMillan plan was originally the plan of L'Enfant. The design originated with L'Enfant, but it is just simply the dream of this man, absolutely impracticable of fulfillment. You would have to tear out everything down on Pennsylvania Avenue. You would have to tear out a thousand things that will remain there a thousand years before they are torn out.

Mr. SUMMERS of Washington. Does not the gentleman think it would be a good thing if a lot of those structures down on Pennsylvania Avenue were torn down?

Mr. WOOD of Indiana. Yes; but I will not discuss that.

Mr. SUMMERS of Washington. Does the gentleman know of any place where the sublime and the ridiculous are so much intermixed as in the city of Washington?

Mr. WOOD of Indiana. There is no doubt about that.

Mr. SUMMERS of Washington. And would it not be well for the Fine Arts Commission to continue its efforts in spite of the statement of the gentleman?

Mr. WOOD of Indiana. If you want to subscribe to this kind of thing, you can.

Mr. LANGLEY. Does not the gentleman think the Fine Arts Commission ought to remove the building at Fifteenth and H Streets NE., that stands conspicuously at the eastern terminus of that beautiful avenue—Maryland Avenue—a toilet room right in the middle of it—while the Capitol of the Nation is at the other end?

Mr. WOOD of Indiana. That is one thing that ought not to be. Maryland Avenue NE. is one of the prettiest streets in the city of Washington. At this end of it is the Capitol of the greatest Nation on earth, and at the other end of it, under the sanction of the Fine Arts Commission, is a toilet house in the middle of the street, not only unsightly but extremely dangerous. [Laughter.]

Mr. MICHENER. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman has stated all these things. What is his conclusion as to the remedy?

Mr. WOOD of Indiana. My remedy is to fire this man.

Mr. MICHENER. How will that be brought about?

Mr. LINTHICUM. I was motoring out Maryland Avenue with the gentleman from Virginia [Mr. MOORE], and we passed the building that the gentleman from Indiana has mentioned, and he said that was the end of a perfect way. [Laughter.]

Mr. WOOD of Indiana. I wish to call attention, if you please, to the Alien Property Custodian. When we got into the war one of the first things we did was to pass a law creating the Alien Property Custodian. Under that law it became the duty of the Alien Property Custodian to take into his charge all the property of alien enemies in this country or in any of our possessions. In consequence of that, property of the value of a little more than $400,000,000 was taken under his control. All of it, except about $9,000,000, is still in his custody and control. There are some 37 active trusts under his control and management. He is conducting almost every character of business throughout the United States. Of course, it is supposed that, so far as this business itself is concerned, it is conducted without expense to the United States Government, but we are entailing the expense of all that it is costing us to keep in existence the office of the Alien Property Custodian during the time he is supervising this other business and discharging the obligations of his trust.

Now, I know that it is the desire of the present administrator of this trust that the Congress of the United States prescribe some way whereby this thing can be wound up. I expect within the confines of the district of each man here there is some one that has his or her money tied up in the hands of the Alien Property Custodian, and it is resulting in very great hardship. I have some cases in my district. Now, there are two or three ways whereby this thing may be done. In the first place, we may confiscate the property. We would have a right to do that under the rules of war, perhaps even as modified by The Hague convention. But no one has ever conceived that we would confiscate it. We have millions of dollars of claims against Germany. Some have claimed that we should hold this property until those claims are liquidated, that we should hold it as an inducement for them to liquidate our claims.

But some method must of necessity be prescribed, and it is not to the credit of the United States that this thing should be longer delayed. For it is resulting in great hardship all over the country. The war is over, peace has been declared, and the countries with which we were at war have property in the hands of the Alien Property Custodian. One of the best ways to get back to peace is in practicing peace.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. WOOD of Indiana. Certainly.

Mr. FAIRFIELD. I am much interested in this statement of the gentleman. I have a constituent who has property in the hands of the Alien Custodian, and I want to know as to this trust. This man is the administrator of some legatees in Germany.

Mr. WOOD of Indiana. The law creating the trust prescribed that the property shall remain in the hands of the Alien Property Custodian until such time as the Congress of the United States prescribes a method for its disposition, so that the trustee has no choice about it at all.

Mr. ROACH. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. ROACH. The gentleman is on the committee and has made some investigation as to the department of the Alien Property Custodian. How long does the gentleman think it would take to thoroughly and systematically close up the affairs in that bureau and dispose of them?

Mr. WOOD of Indiana. It would take but a short length of time after a plan had been agreed upon.

Mr. ROACH. Does not the gentleman believe that such action should be taken immediately by Congress?

Mr. WOOD of Indiana. I think so. I think this present Congress before it adjourns should provide some way for disposing of this property.

Mr. ROACH. I fully agree with the gentleman.

Mr. WOOD of Indiana. Now, I want to call attention to another activity created by the last Congress and which is now functioning, and that is the General Accounting Office. The General Accounting Office is the direct agent of the Congress of the United States. It took the place of the Comptroller of the Treasury Department. The Comptroller of the Treasury Department from the creation of the office was not only dependent upon those over him but likewise on corresponding deputies at the heads of other establishments. For the first time since the creation of the Government we have an independent accounting officer.

He is not dependent upon any bureau or Cabinet officer or the head of any department. It is the duty of the general accounting officer to see that the moneys appropriated are properly expended and that nothing is vouchered unless it is for a proper expenditure of money. It is his duty to inquire into the operation of the various branches of the Government that he may advise Congress as to whether the conduct of their office is proper, in his opinion. From this much good has already come, and from it there is a possibility of getting away from the archaic practices so far as form and detail in many offices is concerned.

One of the first things this officer did was to do away with 80 out of 86 forms that had been in vogue and practice in the office for a long time. And the same archaic things that exist there are existing in many other places. The appropriation made in this bill is $380,000 more than the appropriation for the service last year. I want to tell you why. The appropriation last year was $675,000 less than the appropriation for 1921, and in regard to this increased appropriation the General Accounting Office is custodian and has in its possession all of the accounting papers pertaining to the service of every soldier that ever served in any war in this country clear back to the formation of it, including the service of every soldier in the World War.

The Veterans' Bureau can not get a complete history of the service of any man who served in the World War without coming to the General Accounting Office. There are millions and millions of unpaid and undetermined accounts, claims of soldiers of the Civil War. Somebody has started up the idea throughout the country that every boy who served in the Army has got an unpaid balance coming to him from the United States. Many of you Members have had letters about it. They are coming in by millions each month and require the activities of this office to determine whether or not there is any merit in them. Not one in 500 is found where there is anything due the soldier. In most cases where they have investigated they have found that the balance is due from the soldier to the United States Government.

Added to that is the present plan of paying interest on registered bonds. More than 4,000,000 checks come into the Treasury of the United States each quarter in payment of the interest upon these registered bonds. These are in a much muddled condition. The comptroller tells us that with this additional appropriation this can be gotten up to date and kept current, so that the records can be preserved for the future. The trouble is that many of them are practically worn out by usage, and with this amount of money these things can be preserved. Their value can not be calculated. There are still occasions to go back to inquire in respect to payments to those who served in the Revolutionary War and thousands of those who served in the Civil War.

There is another thing to which this office is subjected that should be remedied at the earliest possible moment, which would result in a saving of many thousands of dollars to the United States Government. The auditor's office to-day employs nearly 1,500 people in the city of Washington. They are scattered throughout 15 different buildings, in 15 different parts of the city.

The clerks are in small rooms, for the most part, seven or eight ordinarily, hardly ever more than a dozen in a room, each with a boss over them and some with a subboss. All of these activities should be housed in one building, properly fitted for this work, and the present comptroller tells us that if this were possible he could reduce the expense of the General Accounting Office by one-half. These records that I am speaking of are scattered in nine different buildings throughout the city of Washington; most of them are in basements. Some of the most valuable records, records that could not be reproduced at all if they were destroyed, are to-day stored in the basement under Poli's Theater.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ANDREWS of Nebraska. I call attention to the fact that there is a proposition pending before the House Committee on Public Buildings and Grounds to provide for this situation, and hearings will be held at a very early date and steps taken to correct the difficulties to which the gentleman has so forcefully referred.

Mr. WOOD of Indiana. I am very glad that that is true. What we ought to have, in my opinion, and I offer it only as a suggestion, are housing facilities for these activities, so that they could be gotten together, not only for the good of management, but for the economical reason that it would save thousands of dollars of expense to the Government.

Mr. ANDREWS of Nebraska. Will the gentleman permit a word of explanation there?

Mr. WOOD of Indiana. Yes.

Mr. ANDREWS of Nebraska. These offices were separate and distinct before the passage of the accounting act, and under the law they were left in the quarters then occupied and will probably remain there until some definite arrangement can be made to house them under one roof.

Mr. WOOD of Indiana. That ought to be done, and some provision ought to be made for the purpose of concentrating these records that I tell you are scattered about in the basements of various buildings. They ought to be placed somewhere where they will be secure, some place where it is fireproof. Now, gentlemen of the committee, I have hurriedly gone over this bill and have touched some of the high places where I felt you would be interested. I know that during the consideration of the five-minute rule there will be ample opportunity to further discuss them.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. Just as I came into the Chamber I heard the gentleman speak of the preservation of the records. Will not this Congress provide for the erection of an archives building for that purpose?

Mr. WOOD of Indiana. I do not know whether it will or not, but here is my idea about it: There are 1,400 people, as stated awhile ago, engaged in the various auditors' departments, now all under the control and supervision of the general accounting officer. They should all be together so that there could be one unit of supervision. According to the present accounting officer the expense could be reduced one-half if that were done, and then these records which are valuable to the discharge of the duty of the accounting office should be in that accounting office. They are scattered throughout nine different buildings in nine different parts of the town—in cellars, subways, and so forth—and if I were doing the thing which I think is most practicable, I would have the accounting office house these activities in one building for the purpose of taking care of them.

Mr. FESS. I was told recently by one in authority that in case a certain building—I think he named the Poli Theater Building—should burn, and the records stored there be destroyed, most of our evidences in the Land Office would be gone?

Mr. WOOD of Indiana. I just called attention to that fact. That is correct.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. WOOD of Indiana. Yes.

Mr. ANDREWS of Nebraska. The archives building would not be suitable at all for the documents and files belonging to the General Accounting Office. The nature of the archives building relates to matter entirely outside the question of accounting, and the law places the files of the accounting office under the jurisdiction of the Comptroller General and they must remain there. For that reason there must be a segregation so that the files of the General Accounting Office, which means the financial end of the Government on the debit and credit sides, for revenues and disbursements, will be by themselves under the direct management and control of the Comptroller General. Then, the records of the executive branches of the service are entirely outside of that, and for historical purposes. The two can not be lodged under one and the same management.

Mr. DUNBAR. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DUNBAR. The gentleman did not explain to us the proposed United States Veterans' Bureau appropriation.

Mr. WOOD of Indiana. I omitted that, and I am very glad the gentleman called attention to it. I desire to say a word or two with reference to the Veterans' Bureau.

Mr. DUNBAR. Will the gentleman pardon me if I ask a question before he commences?

Mr. WOOD of Indiana. Very well.

Mr. DUNBAR. I note that the appropriation for 1922 in regular, annual, and deficiency acts, and so forth, as submitted by the gentleman's committee, is $295,000,000, and that the estimate of the Secretary of the Treasury contained in this annual report is $438,000,000. How does the gentleman account for the difference?

Mr. WOOD of Indiana. I shall try as best I can to give the gentleman a summary of it. For expense of operation in the District of Columbia we recommended $25,815,942, which is $1,105,760 less than the amount requested in the Budget.

Mr. DUNBAR. The gentleman is dealing with 1923, and I am asking about 1922. I am asking about the difference for the year 1922, and the gentleman is explaining for the year 1923.

Mr. WOOD of Indiana. What about 1922?

Mr. DUNBAR. The appropriations for 1922 are $295,000,000. The Secretary of the Treasury estimates that you spent $438,000,000.

Mr. WOOD of Indiana. Well, I was going to give you the figures we have for this arrangement. The deduction we made on this amounts to $1,105,760. We recommend an appropriation of $160,000,000 for the compensation claims, which is $35,000,000 more than the amount appropriated in 1922. The decentralization cost, it is worth while to call to the attention of Congress, is $14,000,000 annually, and will continue to cost that amount as long as that decentralization exists. The vocational training allowance is $127,000,000 as against $105,000,000 for 1922.

The basic allowance for trainees at the present time is $115. That ranges all the way from $180 down to $80 that the United States Government is now paying for compensation. In addition, we are paying to the institution where he is receiving his education, his transportation, and for his tools and books, and

whatever else he may need. So that the total per month is $142. We have now about 22,000 of these trainees, and in the opinion of Col. Forbes that number will increase until we reach the peak, in 1924, when it is estimated that we will have 104,000 of these trainees. If that is correct, and if the rate of their tuition and compensation keeps up where it is now, figure for yourselves the amount of that increase from now on. We are also giving for this compensation $160,000,000, which is $35,000,000 more than the amount appropriated in 1922, for the compensation claims are constantly increasing. We are paying out now at the rate of about $12,000,000 a month in compensation claims. It is estimated that it will increase from month to month throughout this year, so that at about the last of the fiscal year 1923 we will be paying out between $13,000,000 or $14,000,000 a month in these compensation claims.

One of the things that I expect you gentlemen have heard about, but, if not, you will hear much about before this discussion is over, is concerning this vocational training. There are thousands and thousands of vocational trainees scattered all over this country, some of them in the institutions that are established for general educational purposes, some of them in private concerns, some of them in factories, and some of them in the various walks of life, each of them being permitted to select the place that he desires in which to fit himself for his future life pursuit.

It has been suggested that there should be a World War Veterans' university established, or a number of these established, and that the abandoned cantonments should be utilized for that purpose. There was never any legislation authorizing or warranting anything of that character, but under the general provisions of the Sweet bill it was assumed that this thing might be done, and in consequence the director undertook the establishment of an institution of this character and did establish it at Chillicothe, or Fort Sherman, Ohio.

Mr. WALSH. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. WALSH. Is there any authority of law for the establishment by the Director of the Veterans' Bureau of nautical schools for these veterans?

Mr. WOOD of Indiana. There is not.

Mr. WALSH. I noticed an item to the effect that the director is visiting several points along the Atlantic coast with the view of setting up such an institution.

Mr. WOOD of Indiana. That information came to me while we were fixing up this bill. Within a week I called him up and asked him whether he had any intention of establishing a nautical school. He said he had no intention of doing so at present; that all he was doing was gathering information looking to the advisability of doing it, and promised if he undertook that thing he would come to Congress and ask for authority. To my mind there was no authority for establishing this Camp Sherman institution; but it was established, and they have now some 300 students. They have a nicely assembled equipment, not only there, but brought in from all over the country, for the purpose of establishing a university for the purpose of all vocational training and teaching.

A great objection has been urged to that by a large number of soldiers of the Civil War, and they voiced their objections through a brief submitted to the committee and which was made a part of the minutes by Judge Marks, a judge in Cincinnati, Ohio, and who is an officer of one of these soldier activities. And one of the prime objections offered by him was a psychological objection. As you know, under the law these men must be at least 10 per cent incapacitated before they are entitled to receive national vocational training. This would result in the segregation of thousands who were diseased or incapacitated by wounds or otherwise in that camp. Those opposing this sort of a camp claim that their best interests could be subserved, not in segregating them together, but in scattering them in institutions throughout the country where they can come in contact with boys who are not afflicted or wounded, but who look on the sunny side of life. Another objection is because of the fact that everything is suggestive of the military. They go back to an old, abandoned military camp. They are subjected, more or less, to military discipline. They are provided for as they were provided for in the Army, so far as their sustenance is concerned, and in eating in the mess, and so forth. So that within the time they are preparing themselves they are imbued with the idea, until it becomes an obsession, that they are charges on the Government, and so that these institutions, instead of being educational institutions, would be more like old-soldiers' homes. These objections are made in arguments of those who are in favor of the establishment of these institutions. One of the other things that should be taken into consideration in that equation is this—that these would be but temporary at least. This training will be over in a very, very few years. So it looked the part of bad business to spend a lot of money to establish a thing that must be abandoned in a short space of time.

And another objection is that to establish a university, established as a university should be established, to teach the soldiers of this country as they should be taught is a matter of years of experience and can not be done in so short a time. Another objection is that the overhead of this institution would be incomparably more than the overhead of taking care of a like number of students at another place. It is estimated that there now it is costing $70 a month, where at other institutions it is not costing to exceed $20 a month. That is answered by the fact that if this is permitted to go on it will be cheaper in the end than the other institutions, because the overhead for 1,000 would be no greater than for 300. This is what we are going to do, and we are going to ask Congress to approve it. We do not want to take and strike this thing down if it is the success that its friends think it will be, but we do not want to go out and enlarge it unless we know that it will be a success; so we put a limitation upon it, providing that no other institution of this character should be established, and that the attendance at this institution should be limited to 1,000. That is 500 more than those who object to it thought should be there. That limitation was agreeable to Col. Forbes.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SMITH of Michigan. Would it not be better under the circumstances which the gentleman describes to make provision for this training in the colleges and schools that we already have?

Mr. WOOD of Indiana. That is what has been done heretofore. This work is increasing. But these students are being absorbed all around the country. To express my own opinion, I think it would have been better to have continued along that line.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. FESS. The promoters of that legislation never had in mind the idea of professional education. The education was to be vocational, and it was thought that two years at least would be the maximum time, because the wording of the law was that anyone who returned incapacitated to resume his customary work or incapacitated to take up any work without training should receive that training. It was never thought of taking up general education by the Government and building up universities. I think the committee is to be congratulated for putting its foot on that. I would like to know what we are being let into if we start this kind of an institution. As one interested in this legislation I have been very much chagrined to see the turn that it has taken. I think it is an expenditure of money that has not given us what we expected. The great newspapers of the country started out with glaring charges against vocational work on the ground that we were not teaching those who were worthy. We were then making an expenditure of $30,000,000, and I announced that if it was kept up we would spend $100,000,000 or more. I think the committee ought to be congratulated and supported by the House in trying to keep this within the range of the original purview of the law.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. My recollection and understanding of this matter is that the camp that the bureau has established in Ohio is not a university or an institution engaged in general educational work, but it is confined to trades and to place there men who have been disabled.

Mr. WOOD of Indiana. No. What is proposed is a university where they teach not only technical trades but scientific branches.

Mr. BYRNES of South Carolina. Is it not a fact that Col. Forbes said he did not intend to send boys there, but did intend to send them to general educational institutions in the country?

Mr. WOOD of Indiana. No. He does not say that. But this is one of the arguments in its behalf: That it would furnish an avenue for boys who could not be received in other places.

Mr. BYRNES of South Carolina. Yes; boys who could not be entered in other schools.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Is this training restricted to those who returned from the service incapacitated in some way?

Mr. WOOD of Indiana. Yes, sir.

Mr. WALSH. Is the gentleman sure of that?

Mr. WOOD of Indiana. Yes. He would have to be at least 10 per cent incapacitated in order to be entitled to admission. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, may I ask the gentleman from Indiana what his disposition is about running to-day? How long does he expect to run?

Mr. MANN. Does the gentleman from Virginia [Mr. HARRISON] desire to go on now? If not, I would like to go on myself.

Mr. WOOD of Indiana. If the gentleman from Virginia will permit, the gentleman from Illinois [Mr. MANN] wants a little time. I will yield to him 40 minutes.

Mr. HARRISON. All right.

Mr. BYRNS of Tennessee. I did not understand whether the gentleman from Indiana answered the question of my colleague from Tennessee. How long does he want to run?

Mr. WOOD of Indiana. I think we should get away by 5 o'clock. I am tired myself.

The CHAIRMAN. The Chair will recognize the gentleman from Illinois [Mr. MANN] for one hour.

Mr. MANN. Mr. Chairman, a few days ago my very great friend from Michigan, the chairman of the Committee on Ways and Means [Mr. FORDNEY], wandering in his mind around the country, located himself at Chicago and proceeded to do what very few citizens of our city would do, probably; he made a rather violent attack upon Marshall Field & Co., of Chicago, because they had exercised their right in expressing opposition to what is called the American valuation plan, so dear to the heart of the gentleman from Michigan.

I have always found myself that it was a very wise thing in making statements of facts to be sure of the facts, and when I predicate opinion upon facts I like to know the facts. The gentleman from Michigan, with some flourish and considerable dramatic effect, produced before the House a knife, and in connection with that made this statement:

A man whose name I will not mention saw an article by a large importing firm in Chicago opposing American valuation and later saw my reply thereto. He informed me that a friend of his had recently returned from Germany, where he had purchased a knife. That knife was purchased for 18 or 19 marks at retail in Germany. The exchange value of those marks that day was 9.6 cents in gold. That knife was made by the firm of J. A. Henckel, a manufacturer of high-grade cutlery in Germany.

Later on:

I went to the Secretary of the Treasury and asked him to give me a man whom I could send to Chicago to purchase some articles. That man purchased this knife and furnished me a sales slip at that same department store week before last, the same knife, and I have the sales slip—$5—sold by the same firm, the same knife, less valuable than the one sold in Germany a short time ago for 9.6 cents.

Later in the remarks of the gentleman from Michigan [Mr. FORDNEY], in answer to a question, he made this statement:

My God, man, where on this knife they have made a profit of 3,900 per cent, what sense would there be in increasing it?

I think every Member of the House who heard the speech received the impression, probably intended by the gentleman from Michigan, that the firm of Marshall Field & Co. had imported this knife and sold it at a profit of 3,900 per cent, or thereabouts.

In the course of the speech of the gentleman from Michigan [Mr. FORDNEY] he was interrupted by the gentleman from Kansas [Mr. TINCHER], who said:

On the subject of the American valuation, to take a specific instance, the chairman of the Committee on Ways and Means stated that a knife manufactured in Germany and sold there for 9.6 cents was imported to this country and sold by Marshall Field & Co., of Chicago, at retail for $5.

And later in the speech the gentleman from Kansas [Mr. TINCHER] again said:

As I understand, it would be something like a duty of 6 cents on this knife which they buy in Germany for a little over 9 cents, pay the 6 cents duty on, and then sell the knife in this country for $5.

Of course, I have no means personally of knowing whether the original statement that the man had bought this knife in Germany for 9.6 cents is true or not, though I question whether you can buy a good steel knife manufactured by Henckel & Co. in Germany or anywhere else so cheaply as that; but if it could be purchased at that price the firm of Marshall Field & Co. would have been very willing to pay a large commission to the man who could have furnished that firm the information. The knife that was purchased from Marshall Field & Co. was not imported by them from Germany. They bought it in this country from people who, I suppose, had imported it, and they paid more than 25 times the price which the gentleman from Michigan [Mr. FORDNEY] said the knife sold for in Germany. It would be advisable, as I say, to get facts before making statements or drawing conclusions. The firm of Marshall Field & Co. do not care to say the exact price which they paid for this knife, because that is a trade secret, though they did show me the bill for the knife, which bill they paid in purchasing it from a firm in New York City, and the price at which it was sold at retail by them was a fair price in comparison with the price which they paid for it. If the gentleman from Michigan [Mr. FORDNEY], or any other gentleman, can import such knives from Germany at the price named in the speech as the basis of the argument which was made, he can sell them to Marshall Field & Co. or to a great many other concerns in this country at a vast profit to himself. It was all pure bunk—that is what it was.

My friend from Michigan [Mr. FORDNEY] exhibited some soap which he called a cake of sandalwood bath soap, imported from England, and he gave the date of the entry, April 5, 1921. He gave the English selling price, the rate of duty, and the total net cost laid down, less transportation, which he said was 26 cents and a fraction, and that the retail selling price was 50 cents, and that the profit was 86 per cent. We have traced the entry, and it was not for bath soap at all and had no comparison with the soap which the gentleman referred to. The entry and the price under the entry were for an extra fine toilet soap, and the exhibit offered by the gentleman had nothing to do with the entry.

The gentleman from Michigan [Mr. FORDNEY] referred to some dotted swiss. He said:

The sixth exhibit is a dress fabric known as dotted swiss, and was imported from Switzerland. The seventh exhibit is a piece of dress fabric known as Japanese crêpe imported from Japan.

My friend from Michigan gave the date of the entry, the selling price abroad, the dutiable value, the amount of the duty, the total cost of the item laid down in this country, and the retail selling price, and of course he exhibited a wide difference between the cost in this country and the selling price. The only difficulty about it is that it has nothing to do with the facts in the case. The item of dotted swiss referred to in his exhibit, which we have been able to identify under the exhibit, was bought by Marshall Field & Co. for their 1922 business and has not yet been opened up, much less put on sale.

The item of Japanese crêpe referred to by the gentleman from Michigan was not imported by Marshall Field & Co., and had no relation to the entry, which they referred to, but was purchased by the firm of Marshall Field & Co. in New York City in white, and dyed to their specifications; so that in no event, if you had had the foreign selling price, would that have anything to do with the value when it was placed on sale here.

My friend from Michigan exhibited with a good deal of interest some pin cubes—cubes of pins. The pin cubes, Exhibits 11 and 12, which he referred to by the date of entry as having been entered October 18, 1921, have never yet been put on sale; so, of course, it was impossible for his friend, the customs officer in Chicago, to buy them, and he did not buy them. The pin cubes which were sold by Marshall Field & Co., and which were produced here by the gentleman from Michigan [Mr. FORDNEY] as having been purchased at the retail store of Marshall Field & Co., were from a purchase made either just prior to our entering the war or else more probably from shipments of September 27, 1920, and July 9, 1920, after the armistice. Of these goods the accumulated cost of the goods held at Rotterdam amounted to as much if not more than they were actually sold for. These pin cubes covered by shipments of September 27, 1920, and July 9, 1920, cost Marshall Field & Co. 4.7 cents a cube and 7 cents a cube, two kinds, both kinds being sold for 5 cents a cube, less than cost, notwithstanding the gentleman from Michigan [Mr. FORDNEY] in his statement estimated a profit of 175 per cent in one case and 110 per cent in the other case.

The small pin cubes which were produced here cost Marshall Field & Co., one kind 2.9 cents a cube, or a trifle less than 3 cents a cube, and the other 4.9 cents a cube, a trifle less than 5 cents a cube, and both kinds were sold for 2.5 cents a cube, at a loss.

At times when I have looked over some of these facts I have thought that the customs officer who did this business in Chicago—I am inclined to think not within the scope of his employment—was not very well selected. His judgment was not very good. If they propose to have American valuation based upon the judgment of men of that kind in making comparisons of values who can not get any closer than this customs officer came the Lord pity the country. [Applause.]

My friend from Michigan [Mr. FORDNEY] exhibited what was of great interest in the House, a number of human-hair nets. I think very few Members of the House make personal use of human-hair nets, but I noticed that every one was paying special attention to the subject, either because he knew something about it, or, if he did not, would like to learn. He gave the date of the entry of Exhibit 18 and stated that the increase or

profit would be 652 per cent. He said on Exhibit 19 the percentage of increase or profit would be 976 per cent, and on exhibit 20 the percentage of increase or profit would be 1,104 per cent. On Exhibit 21 he stated that the increase or profit would be 1,126 per cent.

Now, everybody will admit that even the lowest of these, 652 per cent profit, is a considerable profit for the sale of goods. It was unfortunate, however, that the facts as given by the gentleman from Michigan do not comport with the actual facts. I think the gentleman from Michigan made this statement:

These hair nets, Exhibits 18, 19, 20, and 21, were purchased by the customs examiner who passes on this class of merchandise, arriving in enormous quantities by registered parcel post from China. The four exhibits are positively identified by this examiner as being comparable in all respects with certain other similar woman's human-hair nets imported by the firm in question and covered by the entry of November 12, 1921.

He refers to these hair nets as identical or comparable with the hair nets imported by Marshall Field & Co. on November 12, 1921. The gentleman from Michigan, if I recollect correctly, said that his man paid 50 cents for hair nets. The hair nets covered by this importation have not been placed on sale anywhere. The hair nets of that grade are sold by Marshall Field & Co. two for a quarter for the ordinary colors, and 25 cents each for gray and white. They are sold all over the country at that price. In Chicago they sell them in the drug stores and all sorts of places at a standard price—not 50 cents apiece, as stated by the gentleman from Michigan, but two for a quarter for that grade of hair net.

These nets are imported in bulk by parcel post, sent to the workrooms of Marshall Field & Co., where they import them, and where each net is individually examined, graded, and put into an envelope. In these importations there are many classed as first class, others, a large proportion, as second and rejects.

After throwing out the seconds and the rejects the perfect nets are sold two for a quarter in the regular colors and 25 cents each for white and gray, notwithstanding the gentleman from Michigan stated that his man had purchased out of this importation nets and paid 50 cents for them. It was not true. What he did purchase was a large superquality net which sells in different grades from 35 cents to 40 cents. But those are not the nets described in the entry named by the gentleman from Michigan, and are not based on the prices named by the gentleman from Michigan.

Mr. Chairman, I ask to have read in my time the full statement by Marshall Field & Co.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

STATEMENT BY MARSHALL FIELD & CO.

On page 639 of the CONGRESSIONAL RECORD, December 21, 1921, Mr. FORDNEY makes the definite statement that Marshall Field & Co. had made a profit of 3,900 per cent on the sale of a knife purchased from J. A. Henckel in Germany for 9.6 cents, which knife was sold in our retail store for $5. Mr. FORDNEY submitted in evidence the knife in question.

We positively deny the accuracy of this statement.

The specific knife which sold in our retail store for $5 was bought by us in America and cost us more than twenty-five times the amount Mr. FORDNEY states was paid for it in Germany. We do not mention the exact cost, because we regard this information as a trade secret.

Mr. FORDNEY has repeatedly attacked us on the floor of the House and has been making speeches through the country, centering his attacks upon us and making the same statement with regard to the Henckel knife, which appears in the CONGRESSIONAL RECORD.

The Congressman arranged through the customs officials for the purchase of certain articles in our retail store and the identification of them with certain of our importations. The foreign values, duties, and estimated costs, together with our selling prices, were then transmitted to Congressman FORDNEY.

Following are quotations from his report with our answers:

The third exhibit is a cake of sandalwood bath soap imported from England:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, April 5, 1921.
English selling price, $0.20498 per cake.
Duty, 30 per cent ad valorem, $0.061494.
All nondutiable elements of cost appearing on invoice, $0.000931.
Total net laid-down cost, less transportation, $0.2674.
Retail selling price, $0.50.
Difference, $0.2326.
Percentage of increase, 86 per cent.

This sample was purchased by a customs examiner who passes on this class of merchandise, which arrives in substantial quantities from England. He positively identifies the exhibit as being identical with certain other sandalwood bath soap imported by the firm in question. This is the same article sold in a store in this city, December 14, at 50 cents.

The soap referred to by Mr. FORDNEY in this entry has never been on sale in our retail store. The soap covered by this entry is a toilet soap, not a bath soap, as described.

The sixth exhibit is a dress fabric known as dotted Swiss, and was imported from Switzerland:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, October 18, 1921.
Swiss selling price, $0.559912.
Dutiable value, $0.59453.
Duty 25 per cent ad valorem, plus 7 cents a pound, $0.15447.
Nondutiable elements of cost appearing on invoice, $0.00644.
Total net laid-down cost, excluding transportation, $0.720822.
Retail selling price, $2.
Difference, $1.279178.
Percentage of increase, 177 per cent.

The seventh exhibit is a piece of dress fabric known as Japanese crêpe, imported from Japan:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, October 17, 1921.
Japanese selling price, $0.16129 per yard.
Dutiable value, $0.17238.
Duty 15 per cent, $0.025857.
Nondutiable elements of cost appearing on invoice, $0.000739.
Total net laid-down cost, excluding transportation, $0.18788 per yard.
Retail selling price, $0.50 per yard.
Difference, $0.31212.
Percentage of increase, 166 per cent.

The exhibits of dress fabrics, which I have given as 6, 7, and 8, namely, dotted Swiss, Japanese crêpe, and embroidered organdie, were purchased by the customs examiner who passes on classes of merchandise indicated by the samples which arrive in Chicago in large quantities. The examiner positively identifies the samples as being comparable in all respects and identical in quality with other dress fabrics imported by the department store in question, and covered in the entries of October 17, 1921, and October 18, 1921, above mentioned.

The item of dotted Swiss referred to in Exhibit 6 as having been imported October 18, 1921, was bought for our spring, 1922, business and has not yet been opened up and put on sale.

The item of Japanese crêpe referred to as Exhibit 7 was not imported by ourselves, but was purchased in New York in the white and dyed to our specifications.

The Japanese crêpe, which we did import under the entry number referred to, is sold in our retail store at 35 cents and not at 50 cents, as stated.

Exhibit 11 is a cube of steel, glass-headed pins, imported from Germany:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, October 18, 1921.
German selling price, $0.015768 per cube.
Duty 15 per cent, $0.0023652.
Total net laid-down price, excluding transportation, $0.01813.
Retail selling price, $0.05.
Difference, $0.03187.
Percentage of increase, 175 per cent.
This article is sold in some stores at 10 cents, an increase of 350 per cent.

Exhibit 12 is a cube of steel, glass-headed pins of smaller size than Exhibit 11, imported from Germany:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, October 18, 1921.
German selling price, $0.010356 per cube.
Duty, 15 per cent, $0.001553.
Total net laid-down cost, excluding transportation, $0.0119.
Retail selling price, $0.025.
Difference, $0.0131.
Percentage of increase, 110 per cent.

Exhibits 11 and 12 were purchased by the customs examiner who passes on this class of merchandise. He positively identifies the samples as being identical with certain other pins imported by the firm in question and covered by the entry of October 18, 1921, above mentioned.

The pin cubes referred to as Exhibits 11 and 12 as having been entered October 18, 1921, have not been put on sale.

The pin cubes which were sold in our retail store were either from a purchase made just prior to our entering the war or shipments of September 27, 1920, and July 9, 1920. The accumulated cost on the goods held at Rotterdam amounted to as much, if not more, than they were actually sold for. The goods covered by shipments September 27, 1920, and July 9, 1920, cost, large cubes, 4.7 cents and 7 cents, respectively, and both sold for 5 cents each. The small cubes cost 2.9 cents and 4.9 cents, respectively, and both sold for 2½ cents each.

Exhibit 18 is a woman's human-hair net imported from China, size 12 by 28, double mesh:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, November 12, 1921.
Chinese selling price, $0.04768 per net.
Duty, 35 per cent, $0.016688.
Nondutiable elements of cost appearing on invoice, $0.00209.
Total net laid-down cost, $0.06645.
Retail selling price, $0.50.
Difference per net, $0.443355.
Percentage of increase, 652 per cent.

Exhibit 19 is also a hair net imported from China:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, November 12, 1921.
Chinese selling price, $0.032854.
Duty, 35 per cent, $0.0119989.
Nondutiable elements of cost appearing on invoice, $0.00158.
Total net laid-down cost, $0.046433.
Retail selling price, $0.50.
Difference, $0.453567.
Percentage of increase, 976 per cent.

Exhibit 20 is another hair net imported from China:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, November 12, 1921.
Chinese selling price, $0.020821.
Duty, 35 per cent, $0.0071135.
Nondutiable elements of cost appearing on invoice, $0.001634.
Total net laid-down cost, $0.029068.
Retail selling price, $0.35.
Difference, $0.320932.
Percentage of increase, 1,104 per cent.

Exhibit 21 is another hair net imported from China:

INFORMATION FROM INVOICE ACCOMPANYING IDENTICAL OR COMPARABLE MERCHANDISE.

Date of entry, November 12, 1921.
Chinese selling price, $0.0205723.
Duty, 35 per cent, $0.007003.
Nondutiable elements of cost appearing on invoice, $0.000958.
Total net laid-down cost, $0.028533.
Retail selling price, $0.35 per net.
Difference, $0.321467.
Percentage of increase, 1,126 per cent.

These hair nets, Exhibits 18, 19, 20, and 21, were purchased by the customs examiner who passes on this class of merchandise, arriving in enormous quantities by registered parcel post from China. The four exhibits are positively identified by this examiner as being comparable in all respects with certain other similar woman's human-hair nets imported by the firm in question and covered by the entry of November 12, 1921. The entry mentioned consisted entirely of woman's human-hair nets and covered 212,256 hair nets.

The cost of postage and of the tissue liner is included in the entered value, but the cost of an American envelope plus labor cost of inserting the net in the envelope is not included in the tabulation.

The hair nets, Exhibits 18, 19, 20, and 21, are referred to as identical or comparable with hair nets imported November 12, 1921.

The hair nets covered by this entry have not been placed on sale in our retail, but such nets in the perfect grade are sold two for 25 cents for the ordinary colors and at 25 cents each for gray and white.

These nets are imported in bulk and sent to our workroom, where each net is examined, graded, and put in an envelope. In each importation there is a large proportion of "seconds" and "rejects," and only the perfect grade is sold at the price of two for 25 cents in regular colors and 25 cents each for white and gray.

The nets referred to as purchased in our retail at 35 cents and 50 cents each are extra large superquality nets, purchased by us from dealers in this country and not our own importations.

Mr. FORDNEY, as a Government officer, has secured and made public records of our private transactions which have never been treated by a Government officer heretofore as other than strictly confidential.

That the American-valuation plan needs such gross misrepresentation of facts in order that it may be justified should be sufficient evidence that it is a measure that should not become a law.

It is against our policy to make public the volume or profits of our business, because there are no outside stockholding interests and all of our stock is held by people connected with the business.

In view of Congressman FORDNEY's charges we will, however, depart from our usual custom to say that in the year 1920 our total net sales were $183,600,000, and our net profit for the year after paying Federal taxes amounted to 2.39 cents upon each dollar's worth of sales.

The return on the capital engaged in the business for the year 1920 equaled only 6.3 per cent, or an amount not much in excess of a return on an investment in United States Government bonds.

As these figures are the result of our entire manufacturing, wholesale, and retail business, it might be interesting for you to know some figures for our retail business exclusively.

The average net profit for the years 1915 to 1920, inclusive, on each dollar's worth of sales made by our retail store after Federal taxes had been deducted was 4.00 cents.

Respectfully submitted.

MARSHALL FIELD & Co.,
By JOHN G. SHEDD, *President*.

Mr. MANN. Mr. Chairman, I think it is fair to call particular attention of the House to the statement just read, in view of the charge made by the gentleman from Michigan as to exorbitant profits, that the net profits of Marshall Field & Co. for the year 1920, the last year that it is made up to date, after paying the Federal taxes, amounted to less than 2.4 cents per dollar sales.

In the face of the charge made that this firm was exacting profit and were denominated by the gentleman from Michigan as profiteers to the extent of over 1,000 per cent, it is refreshing to get back to the earth and facts. Their profits were less than 2.4 cents on each dollar's worth of sales. And the total profit and return on the capital invested in the business was only 6.3 cents. Certainly not an exorbitant profit for that class of business.

In this connection, Mr. Chairman, I desire to have read in my time a telegram from Marshall Field & Co. and one from the Chicago Association of Commerce on the last proposition relating to the American valuation plan.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

CHICAGO, ILL., *January 16, 1922.*

Hon. JAMES R. MANN,
House of Representatives, Washington, D. C.:

Senator SMOOT's substitute of wholesale selling price in America of foreign or similar imported article for FORDNEY's American valuation plan, as reported in Chicago papers, would seem to make impossible a combination of American manufacturers to exclude foreign products by increasing duties thereon, but so far as we can judge from newspaper reports, substantially all other arguments against American valuation plan in Fordney bill are also applicable to this substitute plan. Wholesale selling prices in America for imported merchandise vary largely as between different cities; also it would be a difficult task, indeed, for anyone to determine accurately wholesale selling prices of many imported commodities in the same city, as prices often vary largely as between competitors in the same market. A great many importations of commodities are made by retailers and individuals which are not sold by wholesalers in America. What determines duties on such items? The determination of wholesale selling price would necessarily rest largely with employees of Treasury Department, which, we submit, gives Government employees entirely too much power for exercise of individual judgment and submits the import business to the same uncertainty in this respect that would obtain under American plan in Fordney bill. The proposed amendment will enable Congress to apparently levy a low percentage of customs duty, while, as a matter of actual fact, the protection accorded American manufacturers would be very much greater than the percentage figures in the bill would indicate. Much as we have studied the various proposals, we can not but feel that an item which cost $1 abroad upon which a duty of $1 must be paid in this country is protected just 100 per cent, and we believe that the people of this country are entitled to know that the protection is 100 per cent and not have their minds confused by calling it some other figure. We are not arguing whether duties should be 10 per cent or 1,000 per cent, but we insist that proposed departure from present basis of assessing duties on foreign cost or value is fundamentally wrong, will unnecessarily raise costs, and will deceive the public as to amount of protection accorded. By assessing duty on foreign cost or value, the importer can figure with some degree of certainty upon his landed cost and not be subjected to the whim, caprice, or elasticity of opinion of some Government employee to determine the wholesale selling price in America before he can figure amount of duty he must pay. A change in basis will lead to endless confusion and delay and will generally obstruct the free movement of commerce. We are manufacturers in America on a large scale, having manufacturing plants in seven States in the Union and in many lines, such as laces, curtains, nets, rugs, etc. We are competitive with foreign manufacturers. Our experience as manufacturer, retailer, wholesaler, importer advises against the change in the basis of assessing ad valorem duties.

MARSHALL FIELD & Co.

CHICAGO, ILL., *January 17, 1922.*

Hon. JAMES R. MANN,
House of Representatives, Washington, D. C.:

After considering the Smoot amendments this association emphatically reiterates its unalterable opposition to any provision in the new tariff law for assessment of duty based on selling prices in the United States. Such a law would inevitably result in confusion and delay to business, would disrupt present system, be impossible of equitable administration, and would confer intolerable inquisitorial powers upon customs officers in determining dutiable value. Impossible to fix selling prices as

to great majority of imported goods. Prices vary with every concern, locality, and condition of trade. The present most inopportune time to increase business uncertainty by drastic changes.

CHICAGO ASSOCIATION OF COMMERCE.

Mr. MANN. Mr. Chairman, the statement which I had read in my time is partly typewritten matter and partly quotations from the speech of the gentleman from Michigan [Mr. FORDNEY]. If it be printed all in one type in the RECORD it would be almost unintelligible. I therefore ask unanimous consent that the typewritten portion of the statement which was read in my time may be printed in the ordinary type of the RECORD, eight point.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the typewritten portion of the statement read in his time may be printed in the ordinary type of the RECORD. Is there objection?

There was no objection.

Mr. HARRISON. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, this so-called antilynching bill is one of the most drastic and most vicious measures that ever came before this body. Yet, if I thought it would stop lynchings, and at the same time prevent the awful causes of lynchings, without infringing on the rights of the States, doing violence to the Constitution, destroying the rights of our citizens, or unjustly penalizing innocent persons for the offenses of other people, I would consider giving it my support.

But I know it will not do that; it was not intended for that purpose. It is but a play to the Negro agitator for political effect, and it will not only fail to decrease the number of lynchings, or remedy the causes therefor, but it will encourage the Negro brutes in their attacks on the defenseless white women of the country. [Applause.]

As the gentleman from Tennessee [Mr. GARRETT] said, it ought to be called "A bill to encourage rape." That will be the result if it becomes the law. It will cost the lives of innocent white women and children throughout the South, if not throughout the entire country. You men from the North have never known what it means to live in a state of constant dread for the safety of your loved ones. Heretofore you have had little or no race question. But in the South it is different. The shadow of the Negro criminal constantly hangs, as Mr. GARRETT says, like the sword of Damocles over the head of every white woman in the South, and no one knows just when or where it is going to fall.

INSURING THE LIFE OF THE CRIMINAL.

The vicious Negroes will understand from this bill that they are protected in their crimes. They will see that by its terms they are assured of the protection of the Federal Government, and that if their crimes are so revolting as to invoke the wrath of an outraged community to such an extent that they rise up and take the life of the offender, then that community or county is to be fined in the sum of $10,000, to be paid to his family, no matter how atrocious his crime may have been. In other words, it insures the life of the Negro rapist for $10,000, to be paid to his family by the family and the neighbors of his victim.

Already this bill is producing results. Four assaults were committed on white women by Negro brutes during the first week of its consideration by this House. One of them took place in an apartment house in the city of Washington, right in the very shadow of the dome of this Capitol, another occurred in the State of Maryland less than 50 miles away. One occurred in Pittsburgh, Pa., and another in Hattiesburg, Miss., and how many others happened in other sections of the country God only knows.

I am not in favor of lynching, and never have been. I wish it were in my power to forever stamp it out. But there is only one way in which that can be done, and that is to remove the cause, to stop the awful crimes for which men are thus put to death. For no matter what the law is, so long as those outrages continue society will be occasionally shocked by outbreaks of mob violence. But this bill is not designed to prevent the cause of lynching, nor have its supporters uttered a single word against the commission of those horrible crimes of which lynchings are the logical results.

TYPICAL NEGRO OUTRAGES.

Several years ago a Negro brute entered a home, not very far from where I live, in which there were only two persons at the time, a mother and her daughter. The mother knew the moment she looked upon his savage countenance what his hellish designs were.

She rushed between him and his intended victim, met him at the door of her daughter's room, when he seized her, drew a razor, and cut her throat from ear to ear. She held the gaping wound with her hands and shrieked loud enough to warn her daughter to flee, and thereby saved her from a more terrible fate. When the men of that community gathered and looked upon that dead mother, who had laid down her life to save her daughter from this demon in human form, do you suppose they remained cool and collected and conducted themselves as rational men?

There has been something said in the course of this debate about the Negro that was put to death in Memphis, Tenn., two years ago. I do not know of any place where the Negroes have been treated with more consideration than they have in Memphis; nor do I know of a place where the people have done more to discountenance mob violence. Every newspaper, every minister of the gospel, and practically every other citizen had discouraged lynching in every possible way. Whenever a Negro attacked a white woman or committed some other horrible offense they said, "Let the law take its course." Things went from bad to worse, until one morning the whole community was shocked by one of the most horrible crimes ever committed by a human being.

A beautiful little girl about 13 or 14 years of age, who lived just on the outskirts of Memphis, was waylaid on her way to school by a Negro man who was more than 50 years old. He secluded himself at the only point on the road where this child had to pass out of sight of a dwelling house, and when she came along he seized her, dragged her into a secluded spot, outraged her, mutilated her little body beyond description, and then took his ax and chopped her head off, hid her head among some bushes, and then threw her little body into an old slough, and went on his way. When they captured him he confessed to the crime and told his captors where to find the remains. Is it reasonable to suppose that those people would remain cool under those circumstances?

In one town in the district which I have the honor to represent, several years ago, a little woman was standing before the mirror combing her hair, when she saw in its reflection the countenance of a black demon approaching stealthily from the rear. She knew at once what he meant. She reached and got her husband's pistol, but she was too weak to pull the trigger hard enough to make it fire. He saw from her trembling hand that she could not defend herself, and he walked up, took the weapon from her hand, choked her to insensibility, outraged her, and then took a razor, cut her throat, and left her weltering in her own blood in the parlor of her own home. I wonder what would have happened if this had occurred in your community. This was a married Negro, and when he went home he told his wife what he had done. A few days later he gave her a beating, and she told on him. He confessed, told just how he had committed the crime and where the razor and the pistol were to be found. What if this had been in East St. Louis? They would possibly be killing Negroes yet. [Laughter.]

I relate these three instances as illustrations of the conduct you are encouraging on the part of the criminal element of the Negro race by this iniquitous bill, and some of you by more iniquitous arguments.

YOUR TIME IS COMING.

You will say that these are isolated cases. But I can recall a large number of them that are just as revolting as these. A vast number of innocent white women are outraged by Negroes in the South every year, and now this evil is creeping into the North. Your time is coming; the Negroes are migrating to the North, and the day is not far distant when you will awake to a realization of the fact that you have a more serious race problem on your hands than the South has on hers.

I shall not attempt to discuss the constitutionality of this bill. That has already been done by some of the ablest lawyers in the House, and they have established its unconstitutionality beyond question. But what does the Constitution amount to with the demagogue who is bidding for Negro votes?

You will probably pass this measure, regardless of its unconstitutionality, but I want to warn you now that you are not dealing with a momentary question or tampering with any trivial affair. This is one phase of the greatest issue that ever confronted the American people—the eternal race question. Upon its proper solution may depend the peace, the happiness, the prosperity of the American people for all time to come. Upon its ultimate outcome may depend the destiny of this Republic. Upon its consequences may depend the life of American civilization.

It is an issue that is as old as man himself. Its history may be traced in the records of those nations whose monuments mark the path of time. For thousands of years it has arisen to vex the minds of statesmen and mar the progress of the human race.

It is the evil genius of our civilization, the sprig of poison ivy in the laurel wreath that crowns America's wonderful achievements.

It rent this Republic in civil feuds and drenched her soil in fraternal blood, and has kept our people divided by partisan strife and sectional feelings for more than a hundred years.

It constitutes the death's-head at the feast of international disarmament. Its sinister gaze is falling with slant-eyed racial envy upon the fairest portion of the Pacific coast, disturbing the tranquility of that great section, and has frightened the party in power into an almost ignominiously prodigal program of naval and military expenditures.

It is the greatest question of the age.

ONLY FOUR POSSIBLE SOLUTIONS.

It is one, Mr. Chairman, which will permit of only four possible solutions—amalgamation, extermination, deportation, and segregation.

Those four propositions cover all the ground and fill all the space. We must inevitably resort to one of them to arrive at a settlement. Which one shall it be?

AMALGAMATION.

Amalgamation, which means the intermarriage and intermixture of the two races, is too repulsive even for consideration. God forbid that the line of cleavage between the white man and the Negro in this country should ever be broken down! If it should be, then America, once proud America, would soon find herself sinking hopelessly into the implacable mire of mongrelism. She would drop from her exalted position as a world power, her boasted civilization would disappear, and she would ultimately become the vassal province of some civilized State.

NEGRO NOT THE EQUAL OF THE WHITE MAN.

The Negro is not the equal of the white man, and he never will be. It is just as impossible to reverse the laws of nature by acts of this Congress and lift the Negro through tens of thousands of years of civilization, education, and development, regenerate him, purge him of his weaknesses and his instincts, and endow him with Caucasian strength, traits, and characteristics, and make him the peer of the white man, as it would be to raise to the level of intelligent, patriotic statesmanship the misguided, fanatical, Negro-pandering demagogue who is always stirring this question up and advocating Negro equality.

Amalgamation is out of the question. If the white men of this country are not willing to take a permanent stand against such an evil, thank God, the white women of the Nation, the guardians of our racial purity, will take such a stand and maintain it against all odds.

We people in the South are not fighting this battle alone. But even if we were, you could never force Negro equality or Negro domination upon us, so long as the sun shines. As was once said by the immortal Henry W. Grady, we wrested that section from Negro rule when Federal drumbeats rolled nearer and Federal bayonets hedged closer about the ballot box of the South than it ever will again in this free Republic. [Applause.]

As time has passed away, the forces of white supremacy have been recruited by the additions of millions of the sober-minded patriotic men of the North, the East, and the West. The recent war taught the young men of those sections what the Negro really is, and you will find that a vast majority of those men who served in the rank and file of the American Army during that conflict and were subjected to contact with the Negro and had innumerable indignities imposed upon them and their comrades as a result of that contact—you will find that those boys are unqualifiedly in favor of maintaining white supremacy at all times and at all costs. Not only that, but the millions of white women who have been compelled to endure in silence this Negro scourge have been given the right to register their protests at the polls, and they are going to forever set the seal of their eternal condemnation upon those men who, as one woman recently expressed it, "attempt to foist this benign evil upon a thoughtless public." The white women of the North resent contact with the Negro almost or quite as much as do the white women of the South. I have seen them right here in this city, the wives of the very Congressmen who expect to vote for this iniquitous measure—I have seen the expressions of indignation and righteous resentment on their faces as they were trampled upon and pushed aside by the brutal Negroes in the street cars of Washington. The white women of the country are the ones who as a rule have suffered the indignities as a result of your misguided policy toward the Negro, and they are going to manifest their protest hereafter in no uncertain terms.

What has the Negro done for himself or for civilization to entitle him to equality with the white race? The only civilization he has ever imbibed was that imposed upon him by the white people of the South through the unfortunate institution of slavery—unfortunate for the white man; fortunate for the Negro.

For tens of thousands of years he roamed at will over the continent of Africa, the richest country of all the world, feasting upon his fellow man, and never even developed the art of agriculture to the extent of making his living out of the ground.

For countless ages he trod the sands of his native soil with diamonds beneath his feet and never even dreamed of the theory of values.

He saw the dawn of civilization and watched the pageant of the centuries pass without so much as manifesting a desire to participate in the progress.

He bowed beneath his master's whip at the building of the pyramids and watched succeeding civilizations rise and fall, and all he ever learned was to construct a rude shelter of bark and grass sufficient to shield his head from the beating rays of a tropical sun.

He remained in this savage state until he was brought to our shores and shown the light of civilization through the institution of slavery—the worst curse that ever befell the South, and the greatest blessing the Negro has ever known.

From the standpoint of the white man, slavery was a grievous fault, and grievously has Dixie answered it. For more than 50 years she has passed through the darkest shadow that ever fell across the white man's path. But, thank God, the light is at last beginning to break through the rifting clouds, and the South is rising like the phoenix from the ashes of her own destruction, the richest domain of this great Republic, and the greatest bulwark of Anglo-Saxon civilization on the Western Hemisphere. [Applause.]

The people of the South were not altogether responsible for the institution of slavery, nor will they pay the penalty alone. They bought those slaves from the people of the North, and the time has now come when you must join us in a proper solution of this question, or your section must pay its just reward. The agitators behind this bill, instead of aiding you in this work, or punishing the South for an offense of which she is not guilty, are merely complicating the situation, hastening your day of trouble, and commending the poisoned chalice to your own lips. The motive behind this agitation is social equality. That is what these Negro agitators want, and that they will never get, so long as our people maintain their self-respect and their sense of race pride.

A little more than a hundred years ago, the Negroes of Haiti threw off the yoke of bondage, took over the Government, and forced the white people of that country to submit to their domination. And what has been the result? The white people have disappeared, and the Negroes have lapsed into barbarism. A high-ranking officer in the Marine Corps testified before a Senate investigating committee recently, so I am reliably informed, that those savages are actually eating each other. And yet we find Members of the United States Congress, by their attitude on this bill, encouraging the Negroes in this country to rape indiscriminately the white women with whom they come in contact, and holding out to them the hope of immunity or reward.

Amalgamation is out of the question. For my part, I would rather know that our population would sink into the grave with the death of this generation, and that this continent would again become a howling wilderness, to be later settled up by the white races of other lands, than to see our people accept the Negroes on terms of social equality and our country go down to the future inhabited by a degraded mongrel race.

EXTERMINATION.

The next possible solution is extermination, which is too horrible to contemplate. It will only be resorted to if the fanaticism which this bill reflects continues to fan the flame of race hatred until the two races are driven to open warfare, as they were in East St. Louis, Chicago, and Springfield, Ill.

This agitation is not coming from the Negroes of the South. It is coming from the deluded Afro-Americans in and around Washington, Chicago, St. Louis, Boston, and other places where a few misguided people have led them to believe that they are merely sunburnt Yankees and entitled to be placed on equality with the white man.

At a recent meeting of more than 500 Negroes in this city it was stated by one of their leaders that his grievance was not against the Ku-Klux Klan but against the United States Government. He said:

The United States are the real Ku Klux, because they believe in white supremacy.

He said:

There are three ways to get even, namely, organization, boycott, and bullets. When we get money, we'll get guns.

He further said:

I serve notice on the United States Government that there is a black cloud arising from the South and South America, and a yellow cloud from back of the Ural Mountains that will unite to overthrow white supremacy. Everywhere—

He continued—

sentiment is rising against white supremacy.

One leading Washington Negro said at that meeting:

The white people's Government is tottering, and we must prepare our children to rule the white people.

Another one said he was "willing to lay down his life at any time to end white supremacy." That the Republican Party had made them promises they had never intended to keep. He also said the Republicans were in favor of white supremacy and urged the Negroes to vote the Socialist ticket. All of these Negroes who spoke at that meeting advocated intermarriage between the whites and blacks.

This information was given me by a newspaper reporter who attended that meeting, and he said these radical speeches were cheered to the echo by practically all the Negroes present.

This is the element of the Negro race that the advocates of this bill are consorting with and encouraging in their vicious designs. And if this feeling continues to grow, it will ultimately result in the extermination of the Negro race in America.

Understand, Mr. Chairman, this element does not comprise the great mass of the Negroes in the United States, or at least in the South. The relations between the white people and the Negroes in the South are about as pleasant as could be expected under the circumstances, and all we ask is that we be left alone. But these agitators have begun to invade that country and scatter their propaganda, as will appear from what took place in Arkansas two years ago and in Tulsa, Okla., last year.

The Negro is a tenant at sufferance wherever he comes in contact with the white man, and whenever their peaceful relations are disturbed the Negro disappears. He is no longer necessary to the economic prosperity of the South, and whenever this agitation progresses to where he is a menace to the safety of the community in which he resides he will be compelled to seek employment elsewhere. Where will he go? He will fill your northern cities, towns, and hamlets, until you will have a race problem compared with which ours in the South will shrink to insignificance. I predict that within less than 25 years from to-day some of the very districts whose Representatives are behind this bill will be crying aloud for help to rid them of this Negro scourge, and possibly be answered only by the "echo of their wailing cry."

DEPORTATION.

The next available solution is deportation, which is hardly feasible at this time, although it may be the ultimate solution. But it will be a long time, to say the least of it, before the people of this country, both white and black, will consent to a final separation. The question is before us now, and a solution less drastic must be found.

SEGREGATION.

That solution is segregation.

Segregation, or a separation of the races, is the only immediate reasonable, humane, sensible solution of this great question. We need to segregate the races not only socially but politically as well. The South has pursued this course, and compared with the number of Negroes we have there we have had comparatively few outbreaks of mob violence, such as characterized the riots in East St. Louis and other northern cities. Your figures, which were compiled by Negroes, show that Mississippi has lynched 373 people in 40 years. But you must remember that in that State we have more Negroes than whites, and we had more agitation on the part of the carpetbaggers during the days of reconstruction than almost any other State in the Union. But aside from that, our record is not half as bad as the records of some of the States whose Representatives are raising such a howl about our mistreating the "innocent" Negroes, and keeping so painfully silent about the innocent white women whom these brutes have outraged. If every one of the following 20 States had as many Negroes as Mississippi has, and had lynched as many in proportion to the number as the record shows they have lynched in the same length of time, their records, even according to the reports compiled by these Negroes, would be as follows: While Mississippi was lynching 373, Missouri would have lynched 538, Kansas 672, Minnesota 423, West Virginia 566, Iowa 674, Wisconsin 1,724, Wyoming 7,706, Washington 2,336, California 1,400, Colorado 2,199, Idaho 12,462, Illinois 1,833, Indiana 508, Montana 11,603, Nebraska 3,943, Nevada 11,877, New Mexico 10,094, North Dakota 4,924, Oregon 6,775, and South Dakota 18,694.

There ought to be a law in every State in the Union prohibiting intermarriage between the races, and they ought to be separated in all governmental activities, in the Army, in the Navy, in schools, and on street cars, railroad trains, and other common carriers. In those States where they have not enough Negroes to justify the railroads in carrying an extra coach, there ought to be a separate section set aside for them, or a separate section set aside for the white people.

There ought to be, and there must be, before this question is settled, a segregation law in every State, separating whites and Negroes in the residential sections of cities, towns, and municipalities. In the South we have done that. We are segregated by a common understanding. The Negro abides by it, for he knows it is best for himself as well as for the white man.

In the North you will be driven to this salutary recourse within the very near future, and the sooner you wake up and adopt it the better it will be for all concerned. One white woman in Indianapolis, Indiana, writing on the subject, says:

Civic organizations have sprung up all over Indianapolis formed for the purpose of self-protection against the Negro element, who are invading the white residence sections and thereby ruining the value of real estate for blocks around.

This is one of the great menaces with which you people are going to have to deal, and the longer you postpone the day of reckoning the more violent will be the readjustment, which is just as sure to come as the night follows the day.

In order to reach this solution, it may be necessary to repeal the fifteenth and modify the fourteenth amendments to the Constitution of the United States or adopt a new amendment giving the States the necessary power before these changes can be brought about. If such a change in our fundamental law is necessary to reach a righteous adjustment of the overshadowing issue of the age, then let us hasten to make the change.

Mr. Chairman, I have no antipathy for the Negro as a race; I have no prejudice against him because he is a Negro. I am a far better friend to him than any man who votes for this bill. But I understand him; I know his weaknesses, his shortcomings, and his limitations. I want to see him protected in the enjoyment of life, liberty, and the pursuit of happiness. And in order to protect him in those enjoyments and save him from the disastrous consequences of further misunderstandings with the white people of this country, in order to protect the white people against the contamination of an inferior race, in order to perpetuate the glories of this great Republic and reunite her in the bonds of fraternal love and mutual understanding, in order that her blessings may be showered on the generations yet unborn, I implore you men of the North to join with the men of the South in the only just and equitable solution of this great problem—a segregation of the two races. [Applause.]

Mr. HARRISON. Mr. Chairman, I yield to the gentleman from Texas [Mr. SANDERS].

Mr. SANDERS of Texas. Mr. Chairman, the time for debate on that nefarious bill known as the antilynching bill will soon be concluded. I have listened with interest to the arguments which have been made here both for and against the bill. Those who advocate the bill base their argument on the proposition that Congress has the right to enact this legislation under that clause in the fourteenth amendment to the Constitution of the United States which provides "that no State shall deny to any person within its jurisdiction the equal protection of the laws." Those of us who oppose this legislation have taken the position that this bill is unconstitutional even under that provision of the fourteenth amendment. During this discussion some very able arguments have been made against the constitutionality of this bill in which it has been clearly shown that the bill is unconstitutional. It would be unwise to enact it into law even if it was constitutional. Many cases have been cited by those opposed to this measure from the Supreme Court of the United States, among them being the United States *v.* Cruickshank (92 U. S. Rep., 554); the Slaughterhouse case (16 Wal., U. S., p. 81); United States *v.* Harris (106 West); Barbier *v.* Connolly (113 U. S., p. 13), in which case, the court speaking of the fourteenth amendment, said: "Neither the amendment, broad and comprehensive as it is, nor any other amendment was designed to interfere with the powers of the States, sometimes termed its 'police powers,' to prescribe regulations to promote the health, peace, morals, education, and good order of the people." It is clear that the inhibition in that particular clause of the fourteenth amendment is against the State denying the equal protection of the laws and not against the private citizens. Therefore it occurs to me that due regard for the Constitution will drive all from this part of the bill by reason of the decision of the Supreme Court of the United States in the case of Virginia *v.* Rives (100 U. S., 313), wherein the court says: "These provisions of the fourteenth amendment have reference to State action exclusively and not to any action of private individuals." In view of this decision, the advocates of this measure are left to only one proposition, Is the State responsible

for the wrongful acts of its public officials? In other words, Is the State liable for the torts of its officers?

This question is well decided in the case of Billings *v.* State (67 Pacific Reporter, p. 583), and cases therein cited. I quote from the decision, page 585:

Touching the liability of the State for the wrongful acts of its public officials, the Supreme Court of North Carolina, in Clodfelter *v.* State, said "that the doctrine of respondeat superior applicable to the relations of principal and agent created between other persons does not prevail against the sovereign in the necessary employment of public agents is too well settled upon authority and practice to admit controversy."

No Government—

Says Mr. Justice Miller—

has ever held itself liable to individuals for the malfeasance, laches, or unauthorized exercise of power by its officers and agents. (Gibbons *v.* U. S., 8 Wall., 269.)

And Judge Story declares in his work on agency (sec. 319):

The Government does not undertake to guarantee to any person the fidelity of any of the officers or agents whom it employs, since that would involve it in all its operations in endless embarrassments and difficulties and losses, which would be subversive of the public interests.

The language of Judge Story, quoted in the Clodfelter case above cited, is also quoted and approved by Mr. Justice Miller in Gibbons against United States. It is further stated in the opinion of the court in Gibbons against United States that—

The general principle which we have already stated as applicable to all Governments forbids, on a policy imposed by necessity, that they should hold themselves liable for the unauthorized wrongs inflicted by their officers on the citizen, though occurring while engaged in the discharge of official duties.

The constitution of the State of Tennessee provided that "suits may be brought against the State in such manner and in such courts as the legislature may by law direct." In determining the scope and effect of those provisions, the supreme court of that State, in Clark against State, expressed its view upon the subject as follows:

The constitutional and statutory provisions provide a remedy for any existing course of action, but do not change the relation between the State and the citizen so as to create any liability or responsibility on the part of the State. The relation of the State to the citizen is not one of contract which implies an undertaking upon good consideration on the part of the State that all the functions of government shall be duly performed, or that it will employ none but capable and faithful agents. If an officer or agent of the State commits an act to the injury of the citizen, it is an act beyond the scope of his agency, unauthorized by his principal, and the State is not liable therefor to the party injured.

This case is plain and direct in point and ought to satisfy the most skeptical, barring the gentleman from New York [Mr. ANSORGE], who wants to put it up to the Supreme Court anyway and make it repeat what it has already said, and then when it says it again he proposed to get a constitutional amendment; and the gentleman from New York [Mr. ANSORGE] will have as much difficulty in getting the people of the United States to adopt a constitutional amendment of that kind as he will have in getting passed the bill which he has introduced in this Congress which ought to be styled a bill to lynch the farmers, as he provides in said bill—H. R. 9666—to punish by fine not exceeding $5,000 "every person, whether a Member of Congress or otherwise, who shall engage in any such 'bloc,' and so forth. And also barring another gentleman from New York [Mr. FISH], who wants the bill passed because some Negroes were drafted in the war, and who says that he—

fails to follow the logic or the political tactics of my Republican colleagues who try to pretend that this legislation is not aimed at special sections of the South.

And there you are. We have been contending that this is urged here as a sectional matter, and some of the Republican Members have denied it, and now comes the gentleman from New York [Mr. FISH] and gives the secret away. However, I am persuaded that the bill, though unconstitutional, will pass, because the Republicans have made it a party issue and a sectional issue, and when blind partisanship is given unbridled reign one had as well shoot skyrockets into hell for the purposes of illumination as to further argue on the unconstitutionality of the bill. The passage of this bill will reflect no credit upon the administration. Whatever glory they get out of it, they are welcome to it. This bill will yet arise to plague the Republican Party. As stated by the gentleman from Nebraska [Mr. REAVIS], it is not only unconstitutional but some of its provisions "are immoral." Wrongdoing in political as well as in personal life is always followed with proper punishment. The Constitution of the United States was framed, not as a temporary matter, but for all time, and the problems of the South may yet become the problems of the North. Owing to economic and other conditions the Negroes are now drifting from the South to the North. No one defends lynching. We all believe in law and order, and that all crimes should be dealt with under the legal and orderly processes of government, and each of the States of the Union already has laws under which the crime of lynching may be punished, and this bill is the most dastardly invasion of State rights ever proposed in the American Congress. But not only have the States laws under which the crime of lynching may be punished but there is now ample provision in the Federal laws.

I have reference to sections 5508 and 5509 of the United States Statutes. Therefore this whole legislation is unnecessary, even if it were constitutional, and it becomes more evident that the bill was brought in for political effect and to cinch the Negro vote for the Republican Party. This purpose perhaps the bill will accomplish, but at the same time it will drive from the Republican Party thousands of white men and more white women who do not believe in social equality, who know that the white race is the superior race, and who know that the white race will now, as it has always done, dominate and control wherever it goes. If the Congress has the power to pass this bill, then it has the power to pass a law against all other penal offenses, including crap shooting. All powers not delegated to the Federal Government were reserved to the States, and recognition of the reserved rights of the States and the jurisdiction of the States over matters retained by them is essential to the successful operation of our system of government, and the further we remove power from the people the less interest will they feel in their responsibility as citizens. Common sense, reason, and judgment suggest that this bill is unconstitutional. It has been said that "law is the perfection of reason; it always intends to conform thereto, and that which is not reason is not law."

Section 2 of this bill provides "that if any State or governmental subdivision thereof fails to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage, such State shall be deemed to have denied to such person the equal protection of the laws of the State." That is an unreasonable and ridiculous provision. Under that provision the sheriff of any county might use every effort within his power to protect a prisoner from a mob, even giving his life in defense of the prisoner, and then if his efforts "failed," in the language of that provision, it would be deemed a denial to the prisoner of the equal protection of the law, and the county in which the lynching occurred would have to pay $10,000. I can not understand the workings of a man's mind who can persuade himself that that is reasonable or common sense. Section 3 of the bill provides—

that an officer who fails to use all reasonable efforts to prevent such person from being put to death shall be punished by imprisonment not exceeding five years or by a fine not exceeding $5,000, or both such fine and imprisonment.

What is "all reasonable efforts" anyway in contemplation of this insane passage? Who would have the office of sheriff with such a law as that hanging over him? It seems that the idea is to make the bill so drastic as to do away altogether with the officers of the State.

Section 5 of the bill provides:

That in any county where a person is put to death by a mob or riotous assemblage such county shall forfeit $10,000, which may be recovered for the use of the family, if any, of the person put to death; if he had no family, then to his dependent parents, if any; otherwise for the use of the United States.

While section 6 provides:

That in the event any person so put to death shall have been transported by such mob from one county to another during the time intervening between his capture and putting to death, each county in or through which he may have been transported shall be jointly and severally liable to pay the forfeiture herein provided.

Under these provisions a horrible crime might be committed in one county and a mob might seize the perpetrator of the crime and carry him in the dead hours of night across the county line into another county and put him to death, and notwithstanding the fact that not a person in the county where the lynching occurs knows anything about the crime or the lynching, such county must pay $10,000. This proposition is so ridiculous that it is useless to argue it. It destroys itself. Like vice, "to be hated," it needs "only to be seen." The incorporation of such provisions in the bill only demonstrates the depths of nonsense the infirmities of human nature will permit one to go. Taking the bill as a whole and considering that it was framed by man, I am wondering if Shakespeare was not looking down the corridors of time when he said, "That in the great drama of life man plays many parts." Some days ago a veteran newspaper man in my district made some observations on this bill, and I now submit them. This editorial is from the Rusk County News:

AN IGNOMINIOUS BILL.

The most ignominious bill since the force bill is the measure introduced in Congress to transfer mob cases to the Federal courts and to impose penalties upon the counties in which mobs may take place. In this way Congress seeks to punish the innocent for the crimes of the

guilty. No measure has ever been introduced in any legislative body in America that will, should it become a law, arouse the passions and race hatred to the extent of a law so foreign to justice and the impeachment of the principles that constitute the very foundation of this Government as this bill proposes to do. We have a law in every State for the punishment of mobs, and no one is pleading for a mitigation of the rigor of that law. We have laws for the punishment of murder, robbery, theft, and on down the line, including crime of every nature, and those laws are being violated daily. But the machinery for the punishment of those crimes is as perfect as human ingenuity and human wisdom can devise. What is the motive of singling out this crime and providing for its punishment by measures that would bring reproach and humiliation upon all the people of a section? It has its origin in the prejudices, passions, and hatred of a political faction which has never ceased to harrass and disturb the domestic affairs of a people who for more than 50 years have had to deal with the most delicate race problem of this or any other nation. In their fanatical zeal for a race over which they assume moral and political custodianship they would by this un-American bill destroy the last tie between the whites and the blacks of the South and create a condition that would be inconceivably hazardous for the peace and happiness of both races and make it difficult for the Negro ever to get justice in any court, either Federal or State. History furnishes no instance where legislation was enacted for the purpose of venting spleen and spite, legislation incompatible with the principles of right and justice, that it did not create an upright resistance, often resulting in war and revolution. This proposed law, so subversive of every principle of justice and good government, would array the people of the South against all the Negroes as a race, where formerly only the criminal was the object of vengeance, and it would ere long result in a condition that would make it intolerable for the two races to exist in the same country. This very thing which causes mobs has made it impossible for the Negroes to live in certain counties in the South, and if that bill is to become a law the feeling will soon become so intense over the dread of a whole county becoming involved in a Federal court and the fear of a county's property being confiscated to pay fines resulting from a crime back of the mob—the most atrocious of all crimes—that a separation of the two races will be imperative. On no hypothesis can the law be defended. The most bigoted idolizers of the Hamiltonian theory of government never dreamed of legislation half so vicious as this so-called anti-mob bill.

It would require but one case in which a lot of white men charged with mobbing a Negro for outraging a white woman under a law such as this to precipitate a clash. White men of the South will never stand for the confiscation of their property to pay to keep up a family, white or black, on account of the head of the family committing the blackest of all crimes. And rather than submit to a system which at any day might bring upon the law-abiding taxpayers a tyranny never approached in this country since the rebellion of our forefathers against the long list of unjust exactions imposed upon them by a soulless monarchy 3,000 miles away they will as the first step warn all Negroes that they must leave. There is not an intelligent, sensible Negro in all the South who will favor this law. All the good Negroes want is protection, and they know that as long as they obey the laws they are certain of that protection. They abhor the thought of a law that would molest them in their peaceful relations with the white people. They have sense enough to know that a law that will force the people charged with mobbing a man for a crime worse than murder away from home and tried in a Federal court will engender a state of feeling between the two races that will make it intolerable and impossible for them to live together. They know that a law of that kind would mean the deportation of the Negroes from the South. And they also know that their true friends are in the South; and these politicians of the North, who seem so solicitous of their welfare, are of all men the least concerned when it comes to legislation that will really give them relief from the infamous taxes that are imposed on all of us alike.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9981 and had come to no resolution thereon.

ENROLLED SENATE BILLS AND JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled bills and joint resolution of the following titles:

S. 1099. An act to amend section 2372 of the Revised Statutes;

S. 2133. An act adding lands to the State of Texas and ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico; and

S. J. Res. 124. Joint resolution to prohibit the exportation of arms or munitions of war from the United States to certain countries, and for other purposes.

LEAVES OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. WEBSTER, at the request of Mr. HADLEY, for three days, on account of illness.

To Mr. DRANE, for two days, on account of official business.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Friday, January 20, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

479. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Civil Service Commission of $100,000 for "Additional employees for the Civil Service Commission," as a substitute for the amount included under this title, for the purpose of instituting investigations and research as to the character, training, and experience of applicants for examination; also an estimate of $22,500 for "Salaries, Civil Service Commission," as a substitute for the estimate of $15,000 originally included under this head, for the purpose of increasing the salaries of the three commissioners from $5,000 to $7,500 per annum each (H. Doc. No. 157); to the Committee on Appropriations and ordered to be printed.

480. A communication from the President of the United States, transmitting proposed legislation modifying the limitation for the fiscal year 1922 as to the number of delivered sheets of checks, drafts, and miscellaneous work in the Bureau of Engraving and Printing (H. Doc. No. 158); to the Committee on Appropriations and ordered to be printed.

481. A communication from the President of the United States, transmitting a draft of proposed legislation authorizing the Federal Power Commission to expend not exceeding $5,000 of the original appropriation contained in the Federal water power act for the necessary printing and binding, and not exceeding $500 for law books, books of reference, and periodicals during the fiscal year 1923 (H. Doc. No. 159); to the Committee on Appropriations and ordered to be printed.

482. A letter from the Sergeant at Arms of the House of Representatives, transmitting a statement of receipts and disbursements of money through his hands December 1, 1920, to December 1, 1921, and a statement of property in his charge December 1, 1921; to the Committee on Accounts.

483. A letter from the Sergeant at Arms of the House of Representatives, transmitting list of property in his charge on the 1st day of December, 1920; to the Committee on Accounts.

484. A letter from the Acting Secretary of the Navy, transmitting a list of useless executive papers and documents in the files of the Navy Department (Bureau of Navigation and Engineering) to be disposed of; to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. SINNOTT: Committee on the Public Lands. H. R. 9633. A bill to extend the provisions of section 2305, Revised Statutes, and of the act of September 29, 1919, to those discharged from the military or naval service of the United States and subsequently awarded compensation or treated for wounds received or disability incurred in line of duty; without amendment (Rept. No. 577). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURTNESS: Committee on the Public Lands. S. 2468. An act providing for the sale and disposal of public lands within the area heretofore surveyed as Tenderfoot Lake, State of Wisconsin; without amendment (Rept. No. 579). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. SINNOTT: Committee on the Public Lands. H. R. 8358. A bill for the relief of Israel Butts; without amendment (Rept. No. 578). Referred to the Committee of the Whole House.

Mr. FROTHINGHAM: Committee on Military Affairs. H. R. 9047. A bill authorizing the Secretary of War to grant to the town of Winthrop, Mass., a perpetual right of way over approximately 755 square feet of the Fort Banks Military Reservation for the purpose of widening Revere Street; without amendment (Rept. No. 580). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CAMPBELL of Kansas: A bill (H. R. 9995) to declare the purpose of the people of the United States as to the political status of the people of Porto Rico, and to provide an autonomous government for the said island, creating the associated free State of Porto Rico; to the Committee on Insular Affairs.

By Mr. BOWERS: A bill (H. R. 9996) authorizing the erection of a public building at Philippi, W. Va.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 9997) authorizing the acquisition of a site and the erection thereon of a public building at Keyser, W. Va.; to the Committee on Public Buildings and Grounds.

By Mr. HILL: A bill (H. R. 9998) for the retirement of all enlisted men who have served honorably in the United States Army, in the grade then held, and with one-third pay and allowance; to the Committee on Military Affairs.

By Mr. STOLL: A bill (H. R. 9999) to prohibit the depositing for carriage in the mails of the United States any newspaper in which is published the name of person raped; to the Committee on the Post Office and Post Roads.

By Mr. WOOD of Indiana: A bill (H. R. 10000) authorizing a modification of the adopted project for Indiana Harbor, Ind.; to the Committee on Rivers and Harbors.

By Mr. THOMAS: A bill (H. R. 10001) for the relief of the suffering coal miners and their families in the States of Kentucky, West Virginia, Alabama, Ohio, and Pennsylvania; to the Committee on Mines and Mining.

By Mr. SINNOTT: A bill (H. R. 10002) to extend the provisions of section 2455, United States Revised Statutes, to the lands within the abandoned Fort Fetterman Military Reservation in the State of Wyoming; to the Committee on the Public Lands.

By Mr. GRAHAM of Illinois: A bill (H. R. 10003) to further amend and modify the war risk insurance act; to the Committee on Interstate and Foreign Commerce.

By Mr. WALSH: A bill (H. R. 10004) to punish transportation of stolen motion-picture films in interstate or foreign commerce; to the Committee on the Judiciary.

By Mr. CODD: A bill (H. R. 10005) to exempt ferryboats and the owners, masters, and agents thereof from payment for services of officers or employees of the United States in the examination of passengers and baggage; to the Committee on Ways and Means.

By Mr. MOORE of Illinois: A bill (H. R. 10006) for the purchase of a site for and the erection of a post-office building at Clinton, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. STEENERSON: A bill (H. R. 10007) for the relief of certain persons to whom, or their predecessors, patents were issued to public lands in the State of Minnesota under an erroneous survey made in 1876; to the Committee on the Public Lands.

By Mr. COOPER of Wisconsin: A bill (H. R. 10008) to provide for the purchase of a site and the erection of a public building thereon at Elkhorn, Walworth County, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. McDUFFIE: A bill (H. R. 10009) to authorize the State of Alabama, through its highway department, to construct and maintain a bridge across the Tombigbee River at or near Moscow landing, in the State of Alabama; to the Committee on Interstate and Foreign Commerce.

By Mr. WOODRUFF: A bill (H. R. 10010) conferring jurisdiction upon the Court of Claims to hear, consider, adjudicate, and render final judgment in claims that the Chippewa or the Ottawa and Chippewa Indians may have against the United States; to the Committee on Indian Affairs.

By Mr. BLAND of Virginia: Joint resolution (H. J. Res. 258) authorizing the Secretary of War to grant a permit to erect and maintain a hotel upon the Fort Monroe Military Reservation in Virginia; to the Committee on Military Affairs.

By Mr. GRAHAM of Illinois: Joint resolution (H. J. Res. 259) authorizing the pay of employees of the Government for legal holidays; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 260) authorizing the pay of employees for services rendered on November 11, 1921; to the Committee on the Judiciary.

By Mr. LONDON: Resolution (H. Res. 268) directing the Committee on Mines and Mining to investigate conditions prevailing in the coal-mining industry of the United States; to the Committee on Rules.

By Mr. MEAD: Memorial of the Legislature of the State of New York, urging the passage of Senate bill 745, amending the Judicial Code; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLTON: A bill (H. R. 10011) for the relief of the Uintah and White River Tribes of Ute Indians of Utah; to the Committee on Indian Affairs.

By Mr. FAVROT: A bill (H. R. 10012) authorizing and directing the Secretary of War to cause to be made a preliminary examination and survey of Bayou Lacombe in Louisiana; to the Committee on Rivers and Harbors.

By Mr. HERSEY: A bill (H. R. 10013) granting a pension to Olive A. Ham; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 10014) granting a pension to Lyman Waldron; to the Committee on Pensions.

By Mr. KIESS: A bill (H. R. 10015) granting a pension to Francis G. Babcock; to the Committee on Pensions.

By Mr. LUHRING: A bill (H. R. 10016) granting a pension to Jeff Clark; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 10017) granting a pension to Nellie McCarten; to the Committee on Pensions.

By Mr. McLAUGHLIN of Pennsylvania: A bill (H. R. 10018) granting an increase of pension to Delphine Darling; to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 10019) granting an increase of pension to Miranda A. Vance; to the Committee on Pensions.

By Mr. ROBSION: A bill (H. R. 10020) granting a pension to Elizabeth Vaughn; to the Committee on Invalid Pensions.

By Mr. SMITHWICK: A bill (H. R. 10021) granting an increase of pension to Sallie Hardwick; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 10022) for the relief of Eldredge & Mason, of Malone, N. Y.; to the Committee on Claims.

By Mr. WARD of New York: A bill (H. R. 10023) granting a pension to David Rosenberg; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3569. By Mr. KIESS: Petition of George Cook Post, No. 315, Grand Army of the Republic, of Wellsboro, Pa., urging the passage of the Morgan pension bill, etc.; to the Committee on Invalid Pensions.

3570. Also, petition of Dr. C. W. Huntington, of Williamsport, Pa., protesting against passage of House bill 9688; to the Committee on Ways and Means.

3571. By Mr. KISSEL: Petition of the Pennsylvania State Chamber of Commerce of Harrisburg, relative to certain legislation; to the Committee on Ways and Means.

3572. By Mr. KNIGHT: Petition of the Cuyahoga-Portage Chapter of the Daughters of the American Revolution, protesting against passage of Senate bill 274; to the Committee on the Public Lands.

3573. By Mr. McARTHUR: Petition of the city council of Portland, in the State of Oregon, urging conference by Great Britain, the Dominion of Canada, and Mexico in relation to the drug traffic; to the Committee on Foreign Affairs.

3574. By Mr. MEAD: Petition of the city council of Buffalo, urging passage of Senate bill 1807; to the Committee on Mines and Mining.

3575. By Mr. MILLER: Petition of sundry citizens of the State of Washington, requesting the repeal of the espionage act and all war-time legislation; to the Committee on the Judiciary.

3576. By Mr. SINCLAIR: Petition of citizens of Litchville and Coteau, N. Dak., asking for the revival of the United States Grain Corporation; also petition of the Fullerton Equity Elevator Co., of Fullerton, N. Dak., in support of legislation for stabilizing the prices of farm products; to the Committee on Agriculture.

3577. By Mr. WOODYARD: Memorial of the Huntington Trades and Labor Assembly, relative to raising revenues for soldiers' bonuses and asking for reduction in taxation; to the Committee on Ways and Means.

3578. By Mr. YATES: Petition of the National Inspection Co., of Chicago, by Mr. Joseph G. Hubbell, its manager, protesting against the Curry bill (H. R. 5694), the King bill (S. 2740), and the New bill (S. 2382), providing for the removal from the Department of Agriculture to the Department of the Interior of the Forest Service; to the Committee on Agriculture.

3579. Also, petition or memorial of the Sterne & Klein Co., of Chicago, Ill., urging passage of the McNary-Smith bill, providing for loans to settlers for the purpose of reclaiming arid lands; to the Committee on Irrigation and Reclamation of Arid Lands.

SENATE.

FRIDAY, *January 20, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, Thou art a good and gracious father to us. Notwithstanding the frailty of our nature and the mistakes we so frequently make, Thou dost pity us and help us, and Thou hast guaranteed unto us Thy guidance through the balance of life. Grant unto us this day the needed wisdom to perform every duty in Thy fear and for Thy glory. We ask in Christ Jesus' name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gooding	Lodge	Sheppard
Ball	Harreld	McKellar	Simmons
Borah	Harris	McNary	Smith
Broussard	Harrison	Moses	Spencer
Cameron	Heflin	Nelson	Sterling
Capper	Hitchcock	Newberry	Sutherland
Caraway	Johnson	Norris	Townsend
Colt	Jones, N. Mex.	Oddie	Trammell
Culberson	Jones, Wash.	Overman	Underwood
Cummins	Kellogg	Page	Wadsworth
Curtis	Kenyon	Phipps	Walsh, Mass.
Dial	King	Pittman	Walsh, Mont.
du Pont	Ladd	Poindexter	Warren
Fletcher	La Follette	Ransdell	Watson, Ind.
France	Lenroot	Robinson	

Mr. HARRIS. I wish to announce the absence of my colleague, the junior Senator from Georgia [Mr. WATSON], on official business.

Mr. WALSH of Massachusetts. The Senator from Rhode Island [Mr. GERRY] is absent on account of illness.

Mr. CURTIS. I was requested to announce the absence of the Senator from North Dakota [Mr. MCCUMBER], the Senator from Utah [Mr. SMOOT], the Senator from Vermont [Mr. DILLINGHAM], the Senator from Connecticut [Mr. MCLEAN], and the Senator from New York [Mr. CALDER] on business of the Senate.

I was also requested to announce the absence of the Senator from Kentucky [Mr. ERNST] because of illness in his family.

I wish also to announce that the Senator from Ohio [Mr. WILLIS] is necessarily detained.

The PRESIDENT pro tempore. Fifty-nine Senators have answered to their names. A quorum is present.

TRAVEL OF OFFICERS AND EMPLOYEES, WAR DEPARTMENT, 1921.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a statement showing in detail what officers or employees of the War Department who are paid from the appropriation made by the legislative, executive, and judicial appropriation act have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1921, etc., and the total expense to the United States charged in each case, which was referred to the Committee on Appropriations.

PETITIONS AND MEMORIALS.

Mr. TOWNSEND presented a resolution adopted by the Central Trades and Labor Council of Grand Rapids, Mich., favoring inclusion in the pending tariff bill of provision to protect the printing and lithographing industries in America from unfair competition with cheaply made European and Asiatic products and the levying of duties to be paid on the basis of the American dollar valuation instead of the low exchange rate of foreign money, which was referred to the Committee on Finance.

Mr. CAPPER presented resolutions adopted by the Society of American Foresters in convention at Toronto, Canada, December 28, 1921, protesting against the proposed transfer of the Forest Service from the Department of Agriculture to any other department; also favoring the making of an appropriation for demonstration, quarantine, and other forest-control work; and also the enactment of legislation establishing an adequate number of forest-experiment stations, etc., which were referred to the Committee on Public Lands and Surveys.

Mr. JOHNSON presented a letter in the nature of a petition of the board of directors of the Oakland (Calif.) Chamber of Commerce, praying that a sufficient Government appropriation be made for the immediate improvement of the harbor of Coos Bay, Oreg., which was referred to the Committee on Commerce.

MEMORIAL TITLES AND TABLETS.

Mr. WALSH of Montana, from the Committee on Naval Affairs, to which was referred the bill (H. R. 5013) to authorize the Secretary of the Navy to sanction the use of certain titles on tablets and other memorials, reported it with an amendment and submitted a report (No. 444) thereon.

ENROLLED BILLS PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on January 19, 1922, they had presented to the President of the United States enrolled bills of the following titles:

S. 2708. An act to authorize the President to transfer certain medical supplies for the relief of the distressed and famine-stricken people of Russia; and

S. 2776. An act to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERMAN:

A bill (S. 3040) to amend section 266, chapter 11, of the Judicial Code; to the Committee on the Judiciary.

By Mr. TOWNSEND:

A bill (S. 3041) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, No. 25,036, August 9, 1859; to the Committee on Post Offices and Post Roads.

A bill (S. 3042) providing two German cannons or fieldpieces for the town of Grand Haven, Mich.; to the Committee on Military Affairs.

A bill (S. 3043) granting an increase of pension to Joseph E. Dearborn (with accompanying papers); to the Committee on Pensions.

By Mr. POMERENE:

A bill (S. 3044) granting a pension to Charles L. Kent (with accompanying papers); to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 3045) for the relief of William B. Lancaster; to the Committee on Claims.

AMENDMENT OF TRANSPORTATION ACT OF 1920.

Mr. JONES of Washington submitted an amendment intended to be proposed by him to the bill (H. R. 8331) to amend the transportation act, 1920, and for other purposes, which was ordered to lie on the table and to be printed.

ADJUSTMENT OF FOREIGN LOANS.

Mr. SIMMONS submitted an amendment intended to be proposed by him to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, which was ordered to lie on the table and to be printed.

THE SHANTUNG QUESTION.

Mr. WALSH of Montana submitted a resolution (S. Res. 221), which was read as follows:

Whereas in an ultimatum dispatched by the Emperor of Japan to the Imperial German Government on August 15, 1914, which marks the entrance of the eastern empire in the World War, it is stated: "We consider it highly important and necessary in the present situation to take measures to remove the causes of all disturbance of the peace in the Far East. The Imperial Japanese Government sincerely believes it to be its duty to give advice to the Imperial German Government to carry out the following two propositions: First, to withdraw immediately from Japanese and Chinese waters the German men-of-war and armed vessels of all kinds; second, to deliver on a date not later than September 15 to the Imperial Japanese authorities, without condition or compensation, the entire leased territory of Kiaochow, with a view to the eventual restoration of the same to China"; and

Whereas on May 6, 1915, after the conquest of Shantung had been consummated by an Anglo-Japanese expeditionary force and the Japanese Army was in possession of Shantung districts greatly exceeding in extent the leased territory referred to in the ultimatum, the Secretary of State of the United States addressed to the Governments of Japan and China the following identic notes: "In view of the circumstances of the negotiations which have taken place or which are now pending between the Governments of China and of Japan and the agreements which have been reached as a result thereof, the Government of the United States has the honor to notify the Government of the Chinese Republic that it can not recognize any agreement or undertaking which has been entered into between the Governments of China and Japan impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy commonly known as the open-door policy"; an identical note being at the same time handed to the Japanese Government by the American embassy in Tokio; and

Whereas on August 24, 1915, Count Okuma, prime minister of Japan, cabled the American press the following message: "As premier of Japan I have stated, and I now again state to the people of America and of the world, that Japan has no desire to secure more territory, no thought of depriving China or any other peoples of anything which they now possess"; and

Whereas in October, 1919, the majority party of the United States Senate recorded its disapproval of the Shantung award and adopted the following reservation to the treaty of Versailles known as the Lodge amendment, from the fact that it was drawn up and presented by the Hon. HENRY CABOT LODGE, chairman of the Committee on Foreign Relations, one of the Members of this body now serving with the American delegation to the conference, which reads: "The United States withholds its assent to articles 156, 157, 158, and reserves full liberty of action with respect to any controversy which may arise under said articles between the Republic of China and the Empire of Japan"; and

Whereas in the course of the same debate the minority party of the Senate voted for a reservation to the treaty whose ratification they advocated which, offered by the Hon. KEY PITTMAN, a member of the Committee on Foreign Relations, provided "That in advising and consenting to the ratification of said treaty the United States understands that the German rights and interests renounced by Germany in favor of Japan under the provisions of articles 156, 157, and 158 of said treaty are to be returned by Japan to China at the termination of the present war by the adoption of this treaty, as provided in the exchanged notes between the Japanese and Chinese Governments under date of May 25, 1915"; and

Whereas on July 1, 1921, the Hon. Charles Evans Hughes, Secretary of State, addressed a note to the Hon. Alfred Sze, Chinese minister to the United States, in which he stated the position of the American Government in the following terms: "The Government of the United States never has associated itself with any arrangement which sought to establish any special rights in China which would abridge the rights of the subjects or citizens of other friendly States; and I am happy to assure you that it is the purpose of this Government neither to participate in nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests a superiority of rights with respect to commercial and economic development in designated regions of the territories of China"; and

Whereas the text of the invitation sent to the Government of China by the President of the United States under date of August 11, 1921, reads: "It is quite clear that there can be no final assurance of the peace of the world in the absence of the desire for peace, and the prospect of reduced armament is not a hopeful one unless this desire finds expression in a practical effort to remove causes of misunderstanding and to seek ground for agreement as to principles and their application. It is the earnest wish of this Government that through an interchange of views with the facilities afforded by a conference it may be possible to find a solution of Pacific and Far Eastern problems of unquestioned importance at this time"; and

Whereas the Hon. Charles Evans Hughes, Secretary of State, has in the course of his correspondence with Japan and the other powers signatories of the treaty of Versailles declared "There would be no valid or effective disposition of the overseas possessions of Germany now under consideration without the assent of the United States"; and

Whereas the arms conference, at which Far Eastern problems were to be discussed, has been assembled in the city of Washington since November 12 of last year, and although no plenary public sessions of the conference have been held since December 10, 1921, it is officially communicated that the Shantung retrocession has not been officially discussed, although informal conversations have from time to time been pursued by the Chinese and the Japanese plenipotentiaries, hitherto without result, as to the manner of restoring the occupied territory to its rightful owners in accordance with the terms of the Japanese declaration of war upon Germany; and

Whereas it is contemplated in the so-called four-power pact about to be submitted for ratification that controversies likely to give rise to war affecting the insular possessions or dominions of the powers signatory thereto in the Pacific shall be composed, if possible, by conferences between them; and

Whereas the said powers are all now represented at the said arms conference in session in the city of Washington: Now, therefore, be it

Resolved, That the President of the United States be requested to communicate to the United States Senate, if it is not incompatible with the public interest, what steps, if any, have been taken to give effect in substance as well as in form to the foregoing declarations and policies.

The PRESIDENT pro tempore. The resolution will be referred to the Committee on Foreign Relations.

Mr. WALSH of Montana. Mr. President, do I understand that any request was made for action on the resolution?

Mr. LODGE. Such request was not made.

The PRESIDENT pro tempore. There was no such request made, but the Chair referred the resolution to the Committee on Foreign Relations because the Chair believed that that was the proper committee to consider the resolution.

Mr. WALSH of Montana. I ask that the resolution may go over under the rule for the day, that it be printed, and lie on the table.

The PRESIDENT pro tempore. The Senator from Montana asks that the resolution lie over for one day. Therefore the order of reference will be rescinded, and the resolution will lie on the table.

Mr. HITCHCOCK. Will the resolution also be printed?

The PRESIDENT pro tempore. The resolution will lie on the table for a day and will be printed.

Mr. UNDERWOOD. Mr. President, I shall be glad to say a word now about the resolution which has been offered by the Senator from Montana [Mr. WALSH], which has gone over until to-morrow. The reason why I do not defer my remarks until to-morrow is because I am not sure that I shall then be present.

As I heard it read from the desk, the resolution recites the facts, so far as this country is concerned, in reference to its attitude concerning the occupation of Shantung by the Japanese Government after the territory was taken by force of arms from the Germans.

I wish to say that under the administration of Mr. Wilson and under the administration of President Harding our country has occupied a position in reference to this matter that can not be controverted. We have contended from the beginning that this territory of a right was the territory of China, and have offered our good offices on all occasions to try to secure the return of that territory to China.

The attitude of the American delegation at the conference now being held in Washington has been exactly in accord with the representations made by the Government of President Wilson and the Government of President Harding. The question has not been directly before the conference, and manifestly it can not come before the conference until it is settled between the Governments of China and Japan, because seven of the powers sitting in the conference are signatory to the treaty of Versailles, and, of course, can not deny the conclusions reached in that treaty with reference to this territory until an agreement is reached between China and Japan. Therefore, seven of the powers are unable to discuss the question as between Japan and China because they have already committed themselves by treaty.

It can not be taken up directly in the conference, but for many weeks the matter has been pending between the Governments of China and Japan in a conference of their delegates in Washington, and, although the American Government is not directly concerned and can not be directly concerned in that conference, the good offices of our Government have been exerted and the earnest desire of the American delegates to the conference has been constantly manifested in favor of working out an agreement by which the sovereignty of Shantung shall be returned to the Republic of China, and its territorial integrity preserved. A settlement has not as yet been reached, but the deliberations are now approaching very close to a settlement; and from the information I have I am hopeful that at a very early date a satisfactory settlement will be arrived at. As to the resolution, of course there can be no objection to calling on the President for the facts. On the other hand, the facts as existing to-day, outside of those recited in the resolution, which are historically correct, are resting in a negotiation between the Republic of China and the Empire of Japan.

I say this only because I am heartily in accord with the desire and sentiment expressed in the resolution offered by the Senator from Montana. I know that his purpose is to aid in accomplishing a result that will be beneficial to the Republic of China; and as I probably shall not be here in the morning when the resolution comes up for discussion, I wanted to make clear my attitude in reference to the matter and the attitude of the American delegates so far as this matter is concerned.

Mr. WALSH of Montana. Mr. President, it is my judgment that in all probability the purpose I had in introducing this resolution would not be forwarded by any protracted discussion of it in the Senate. I hoped that it would be promptly adopted by the Senate without any debate whatever. I know how likely discussions of these matters are to complicate and to make more difficult the problem that is before us; but I desire simply to say, in this connection, that I offered the resolution because it is currently reported that the conference now in session in this city is about to break up. Indeed, some time ago assurances were given that its work would be completed by the 15th of January. A later estimate says that the conference will be over by the 1st of February. One of its accomplishments is what is known as the four-power pact, which requires the Government of the United States, should it be ratified by the Senate, to participate in the adjustment and settlement of any of these controversies which unhappily exist between powerful nations in the Orient, and which might lead to war involving the insular possessions or dominions of any of the powers.

That a war between any of these powers would necessarily involve the insular possessions and dominions, no one can question; and, accordingly, it would then be necessary to assemble a conference of these four powers for the purpose of canvassing the various questions and disposing of them in an amicable way, if that result could be arrived at. These controversies do exist. They may eventually result in war. The powers joining in the four-power pact are now represented here, so that it would seem that this is the opportune time to take up these matters and endeavor to arrive at some composition of them.

I am very happy to be assured by the Senator from Alabama that there is an immediate prospect of their being amicably adjusted; but it can be very well understood that there would

be great hesitancy upon the part of the Senate in ratifying a treaty which would involve us in any way in the controversies that even now arise, and if they can be settled at the present time it would seem rather hopeless to look for a settlement of them at some future time when the powers shall assemble in accordance with the provisions of the four-power pact.

I did not desire to say anything further in connection with the matter, except to explain my purpose in offering the resolution.

Mr. UNDERWOOD. Mr. President, I want to say that I am in thorough accord with what the Senator has said. I feel that this is one of the most important questions from our standpoint that is here—I will not say before the Conference for the Limitation of Armament, because necessarily the question is not directly before the conference, for the reason that seven of the powers are committed by the treaty, and the matter must be worked out between the Republic of China and the Empire of Japan before the conference can do anything. If they can reach an agreement, then the other powers can come in and ratify it and stand upon it. I think one of the things that is delaying final action of the conference right now is the hope that the Shantung question will be settled, and that an agreement can be reached between China and Japan and ratified before the conference adjourns. That is one of the causes of delay.

I realize that it is true, as the Senator says, that if a settlement can be reached as to the issue in reference to Shantung it will have a very favorable effect on the other treaties that will be presented to the Senate, both in the country and in the Senate, and that it undoubtedly would be regarded as unfortunate if the conference were to adjourn without a settlement of this problem. As I have said, however, the problem is not before the conference; it can not be before the conference; and I can give my assurance to the Senator and the Senate that so far as the American delegation are concerned they are using every effort they legitimately and properly can to bring about a settlement along the lines suggested by the Senator from Montana.

Mr. LODGE. Mr. President, the Senator from Alabama has explained very fully and very accurately the exact situation. I only desire to say this in addition:

The attention of the American delegation and of the conference has been given to China and the questions involving China from the beginning, and the members of the conference have been working upon that subject in committee very steadily. Resolutions have been adopted and many points settled affecting China which will be extremely helpful to her; and those resolutions in regard to the integrity of China, both administrative and political, undoubtedly will be embodied in a treaty which will come before the Senate for ratification.

The difficulty with Shantung is that which the Senator from Alabama has pointed out: It is something with which the conference can not deal directly, because seven of the powers sitting at the table are signers of the treaty of Versailles, and would be obliged to adhere to their signatures and to their agreements in regard to the Shantung paragraph, which forms part of that treaty. What we all earnestly desire, and the purpose which the American delegation has had greatly at heart—that is, the settlement of Shantung, which is the most important question relating to China—can be reached only through negotiations between China and Japan. The good offices of the United States have been employed to bring about a settlement in that way; and, as the Senator from Alabama has said, it is the Shantung question which has caused most of the delay which we all find so unsatisfactory.

I do not suppose that all of the details of the negotiations between China and Japan have yet been laid before the President. I can only assure the Senator from Montana and the Senate that I feel, and the whole American delegation feels, just exactly as he does in regard to the importance of Shantung, and there is nothing that we have more at heart than the settlement of that question. We have been taking the only course we could toward its settlement. I hope it will not be necessary to debate the question in detail until the conference has concluded its work, and until we know, as I hope we shall know very soon, what we may expect from the negotiations between China and Japan.

Mr. JOHNSON. Mr. President, will the Senator yield just for a question?

Mr. LODGE. Certainly.

Mr. JOHNSON. The question is asked in order that there may be, as the Senator suggests, no debate upon this question until the conference has finally agreed upon its work.

Is the one insuperable obstacle to consideration by the conference of the Shantung matter, for instance, the Versailles treaty?

Mr. LODGE. The insuperable obstacle to taking the Shantung question before the conference is the fact that seven of the powers are already bound by the settlement of Versailles. Nothing would be done if it went before the conference.

Mr. JOHNSON. Does that apply to every determination that may have been made in the Versailles treaty—that the conference can not consider anything that has been agreed upon in the Versailles treaty?

Mr. LODGE. Oh, that has not been suggested at all. As a matter of fact, this is the only question as to which they are bound if it is forced upon them.

Mr. JOHNSON. They are only bound if they want to be, are they not?

Mr. LODGE. I take it that the seven powers that have signed the Versailles treaty would hesitate to break it if Japan appealed to them to stand by their signatures.

Mr. JOHNSON. They have the ability, of course, to consider the proposition; but they feel, as I understand, that because there has been a determination at Versailles they can not act in the matter until Japan shall have consented.

Mr. LODGE. We can act, and China can act, of course.

Mr. JOHNSON. I understood the position was that you could not act until——

Mr. LODGE. I do not say we can not act.

Mr. JOHNSON. I speak of the conference, in using the pronoun. The conference can not act until Japan agrees?

Mr. LODGE. If Japan takes a stand on the agreement of the Versailles conference, there are six other powers which are bound, of course, by the Versailles treaty.

Mr. JOHNSON. Do those six powers take the attitude that they can do nothing unless Japan agrees; or is that the attitude our delegates take?

Mr. LODGE. I have assumed that if it was brought into a plenary conference, an open conference, that would be the end of the Shantung question, because you can not have an agreement in the conference unless the conference agrees; it is not a matter of votes. Every power must agree in an international conference, and there are seven already bound on this matter.

Mr. JOHNSON. I do not want to be persistent or to continue to ask the Senator questions; the Senator has answered my question. But are we assuming that they desire to be bound, or do they take the position that they are bound, and will not consider an injustice that was done? That is the point of my inquiry.

Mr. LODGE. It is not for me to comment on their motives, or anything of that sort. I can only say if that question came up, there are six powers at least that can not, without breaking a treaty which they have signed, undertake to act.

Mr. JOHNSON. That is a perfectly logical conclusion of the Senator, of course; but in the light of what has transpired since the execution of the Versailles treaty, and because of the admitted fact of the wrong that was done China by that instrument, perhaps, if it were brought to the attention of these signatory powers, they might not raise the objection which the Senator is suggesting.

Mr. LODGE. Mr. President, I am very anxious to have Japan give up Shantung.

Mr. JOHNSON. I know that.

Mr. LODGE. I stand on the reservation which I offered in the Senate. My own judgment is that if a plenary conference is called upon to act upon that question without the assent of China and Japan, nothing will be done and Shantung will remain with Japan.

Mr. KING. Will the Senator permit a suggestion right there?

Mr. LODGE. Certanly.

Mr. KING. I venture to suggest that the matter has already been alluded to from time to time; that the seven powers, including Japan, having signed the Versailles treaty, and there being instrumentalities provided in the treaty for adjusting controversies which may arise, I feel that the matter to which the Senator from California has alluded may properly be brought before the tribunals of the League of Nations for adjudication, and I have no doubt that steps will be taken, if the matter is not adjusted here, to bring it before the tribunals to which I have referred.

Mr. BORAH. Suppose the matters were before the League of Nations; in how much better condition would they be?

Mr. JOHNSON. That is exactly the question, Mr. President. The situation would be presented that is presented by the Senator from Massachusetts. The signatory powers could not act, if it were brought before the league, any more than they could act now. If the reasoning be valid in the one instance, it is equally valid in the other.

Mr. KING. I do not want to intrude upon the Senator, but I do not assent at all to the position taken by the Senator from California. The machinery is provided by the League of Nations, and the organization of the League of Nations permits that matter to be brought up, and those who are bound by the treaty would aid in bringing the matter before the proper tribunal set up by the League of Nations.

Mr. BRANDEGEE and Mr. BORAH addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. LODGE. I yield first to the Senator from Connecticut.

Mr. BRANDEGEE. I was going to ask the Senator from Massachusetts if it was not perfectly evident, so as to admit of no argument, that if these seven powers have signed an agreement contained in the treaty of Versailles, that agreement can not be modified except by unanimous consent of all the signatories?

Mr. LODGE. Only by the treaty of Versailles?

Mr. BRANDEGEE. No; if seven powers have signed an agreement, a treaty at Versailles or elsewhere, that agreement can not be modified except by the unanimous consent of the parties who signed it.

Mr. LODGE. It can not be done, of course, unless Japan, one of the signatories, agrees to it.

Mr. BORAH. That would be true inside of the league, just the same as out of it.

Mr. LODGE. Absolutely.

Mr. BORAH. There is no necromantic power in the League of Nations which enables it to change treaties.

Mr. LODGE. None.

Mr. BORAH. Then you must have the consent of the signers the same as if there were no league. It has no powers to modify treaties.

Mr. UNDERWOOD. If the Senator will allow me to say one word, because this question is one we are very earnest about, and it is very important in world affairs, and is just approaching a settlement. Any delegation or governmental instrumentality which tried right now to throw this question into a plenary session, and force somebody's hand, would be throwing a monkey wrench into a piece of machinery which might affect the world very seriously, whereas I think if it is let alone for a short time it will work itself out fairly satisfactorily; at least, I have every reason to hope that it will and that a fairly reasonable settlement can be arrived at.

Mr. LODGE. That is the exact state of the case. The only method of bringing about a settlement of the Shantung question is that adopted, and I have very strong hopes, which I share with the Senator from Alabama, that this question, which has been long discussed between Japan and China, will be settled in a way which will be very satisfactory to the people of the United States. I do not think anything can be done now outside that will advance it.

TREASURY DEPARTMENT APPROPRIATIONS.

The PRESIDENT pro tempore. Morning business is closed.

Mr. WARREN. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill.

Mr. WARREN. Mr. President, the amendment now before the Senate is that respecting the Undersecretary of the Treasury Department.

The PRESIDENT pro tempore. The pending amendment will be stated.

The SECRETARY. The pending amendment is the first amendment reported by the Committee on Appropriations, on page 2, beginning in line 2, after the numerals "$12,000," to insert:

> Undersecretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall receive compensation at the rate of $7,500 per annum and shall perform such duties in the office of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed or such absence or sickness shall cease, $7,500.

Mr. McKELLAR. Mr. President, I desire to ask the Senator from Wyoming, the chairman of the committee, if he will not accept an amendment in lines 2 and 3 on page 2, striking out the words "Undersecretary of the Treasury" and substituting therefor the words "First Assistant Secretary of the Treasury."?

Mr. WARREN. Let me say to the Senator that that would involve a difficulty when we go into conference. As we have it now, it has already been provided by law, and it was put in in the House in that form, and if we should change it to the other phraseology it would make a complete change.

Mr. McKELLAR. That is precisely what I want to do; I wish to change the law. The Senator realizes that for the first 130 years of our history we were content, when we needed an assistant secretary of any department, to so describe him; but recently it seems to have gotten to be very popular to ape the nomenclature of a foreign country, substituting its terms in matters of offices for those we have stood by so long, and I do not think this change is a proper one.

I think we ought to stick to our well-known nomenclature in regard to officers, and I hope the Senator will accept my amendment; but I believe he has said he does not care to do so, and I offer the amendment.

Mr. OVERMAN. Will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. OVERMAN. I agree entirely with the Senator from Tennessee. I have fought this proposition for a good many years, and the statute passed by Congress which provided for it should never have been passed. This appropriation bill is only carrying out the law. I suggest to the Senator that if he introduces a separate bill, carrying out the idea he has in mind, I will help him to try to have it enacted into law.

This is an important subject. The first thing you know we will have an Undersecretary of Agriculture and undersecretaries in all the departments. This was only started to ape England when we passed the law providing for the Undersecretary of State, which I was opposed to at the time. Now we come to an Undersecretary of the Treasury, and I am opposed to that; but the law says there shall be such an office, and a salary has been provided for it. The way to change it is to amend the law, and I will help the Senator to get such an amendment through.

Mr. McKELLAR. What would be the effect if we should provide in this bill for a First Assistant Secretary of the Treasury, and fix his compensation at $7,500?

Mr. OVERMAN. I wish we could do it.

Mr. McKELLAR. That would by law repeal the former act, and we ought to repeal it.

Mr. OVERMAN. I think we ought to repeal it, but how are you going to repeal it that way?

Mr. McKELLAR. The only way that we can repeal it that I know of is in an appropriation bill.

Mr. OVERMAN. It would be in order to repeal it on this bill if the Senator from Wyoming would not object.

Mr. McKELLAR. It is unquestionably in order if the Senate will adopt it.

Mr. OVERMAN. It is subject to a point of order.

Mr. McKELLAR. No one has raised the point of order, and I hope it will not be raised.

Mr. POINDEXTER. I ask the Senator from Tennessee, if he has investigated it, whether the office of Undersecretary of the Treasury is established by existing law? Is there any law providing for such an office?

Mr. McKELLAR. I have not examined it. The chairman of the committee can tell us if that is the case, but it is my recollection that it was simply put into an appropriation bill precisely as this is about to be put in an appropriation bill.

Mr. POINDEXTER. The purpose I had in asking the question was to suggest to the Senator from Tennessee that it seems to me if there is no law establishing this office, then this amendment in an appropriation bill is subject to a point of order. I think the amendment in substance, probably, providing for some official there to perform these duties, is a meritorious one, and that this official is very much needed; but I am very much in sympathy with the suggestion of the Senator from Tennessee as to the absurdity of the United States abandoning our long-established precedents as to the titles of our officials and copying after any foreign country, when there is no more substantial reason for it than has been suggested here. It is very much in line, I may say, with the propaganda, strange as it may seem that there is propaganda, to abolish the singing of the Star-Spangled Banner in the United States, because it is said it might be offensive to some foreign countries; and that applies to many other movements of that kind. I am very much in sympathy with the Senator's statement, but I suggest to him that it might be subject to a point of order.

Mr. McKELLAR. I do not think it is subject to a point of order.

Mr. OVERMAN. I want to correct what I said before. I thought this office had been provided for by law.

Mr. McKELLAR. I think the Senator was mistaken.

Mr. OVERMAN. After going into it I find it was provided for on a deficiency appropriation bill.

Mr. McKELLAR. It was done on an appropriation bill, such as we have before us now.

Mr. OVERMAN. The Senator is correct. I have found out about it. I merely wanted to correct the statement I made a little while ago.

Mr. McKELLAR. I am obliged to the Senator. I wish to say, Mr. President, that I have no objection in the world to this office being created for the very excellent gentleman who is now holding it. Mr. Gilbert is one of the most efficient men in the Government service, I think, and I do not want to be put in the attitude of objecting on his account, but as an American I am objecting to this seeming aping of a foreign country in giving titles to our officials. It means nothing. It is just a silly proposition, in my judgment, one which ought not to be countenanced for a moment.

So far as the particular office is concerned, I would prefer, being an American, to be First Assistant Secretary of the Treasury to being Undersecretary of the Treasury. It may be that the name "Undersecretary" may carry some dignity with it in the minds of some people, but in the minds of the great body of the American people I believe it would not. We know what the duties of the office are, and it should be designated as we have done in the past.

Therefore, Mr. President, I move as an amendment, in lines 2 and 3, on page 2, to strike out "Undersecretary of the Treasury" and to substitute therefor "First Assistant Secretary of the Treasury."

Mr. FLETCHER. Mr. President, I suggest to the Senator that he is entirely mistaken when he supposes this is only an aping of a foreign country, and is meaningless. It is not meaningless at all. It is the creation of a new office. It is giving a new position. It is providing for an additional office in the Treasury Department, and I think it is altogether wrong. I believe we ought to confine these designations so that we will not have an additional office to those already in existence in that department.

Mr. McKELLAR. As I stated before, whether it is a new office or an old office, I have no objection to the payment of $7,500 to Mr. Gilbert, who is at present holding this office, whatever its name may be. I have no objection to that; but I do object to his being called "Undersecretary of the Treasury," and I hope upon reflection the chairman of the committee will accept the modification of the amendment which I have proposed.

Mr. WARREN. Mr. President, I can not accept that, because it will doubtless mean losing the item entirely. If the Senator wishes to strike it all out of the bill, he knows the way to do it, but it may involve in conference the proposition that we shall have to recede from it altogether. It is the current law. It is a law, it is true, that was enacted in an appropriation bill, but it was definite that this position should be that of Undersecretary, just the same as we have had an Undersecretary of State for some time. That law is effective, of course, until the 30th of June. I hope the amendment offered by the Senator from Tennessee will fail.

Mr. KING. Mr. President, may I inquire of the Senator whether or not when the law was passed creating the Undersecretary, and which, as I understand the Senator, expires on the 30th of June, there was repeal of the then existing law which provided for three or four assistant secretaries of the Treasury?

Mr. WARREN. There was no change made then in the law.

Mr. KING. May I inquire of the Senator whether the law as it then existed differentiated those secretaries and labeled one the first assistant and another the second assistant?

Mr. WARREN. It did not.

Mr. KING. They merely stood as so many Assistant Secretaries of the Treasury?

Mr. WARREN. Yes; as so many Assistant Secretaries of the Treasury.

Mr. KING. What is the necessity for changing? If the three provided for by law were insufficient to perform the duties incident to the work in the Treasury, why did we not create another office and call it "fourth assistant secretary," instead of creating an office and calling it "Undersecretary"?

Mr. WARREN. The Senator knows in all business matters that to have nearly a half dozen understudies, all of equal position, does not lead to as good government as it does to have, as we have had, a first assistant, second assistant, and so forth. That would provide for it, of course, but there are various duties that come to the Undersecretary, or whomever acts for the Secretary, differing somewhat from the usual duties of an Assistant Secretary. He has to be capable and able in the position to act as the Secretary would in case of the Secretary's illness, absence, or anything of that kind.

There is a line of duties covering the entire establishment that fall to the Undersecretary, whereas with the assistant secretaries one has charge of all building matters, another has charge of customs matters, and another has charge of another sort of affairs. It is better that each one should be well versed in the line of business that is in his care. But this position is supposed to go to some man who has worked his way up and understands all of the duties, and perhaps has been in all of those offices and is in a position to act as the Secretary.

As to the name, that is a matter not of my invention particularly, but it is inopportune to change it here and now. The Senator from Tennessee will admit, I trust, that a man is needed in the place to perform certain duties.

Mr. McKELLAR. Mr. President, I merely wish to say in reply that I am not familiar with what is needed in the Treasury Department, so I do not make any admissions about it. What I meant to say is that while Mr. Gilbert has been for quite a while acting as Assistant Secretary of the Treasury and has made a good officer, yet I can not for the life of me see how changing his title from Undersecretary to First Assistant Secretary will interfere in any way in the world with his duties or will interfere when the matter goes to conference, because it does not change anything in the committee amendment except the name of the officer.

I take it that the House would view it this way. The Senator would be in a better position to get the amendment creating this new office through if it were not described as Undersecretary, but were described in the good old-fashioned American way as First Assistant Secretary. It does seem to me the amendment ought to be adopted.

It is not an office established by law. It was established just as I propose to establish this. It is a statement on an appropriation bill. If we are going to establish a system of undersecretaries, it ought to be done by a special bill. It ought to be brought before this body and the other body of Congress and the President and let them all pass on it. We ought to have a system of modern English nomenclature, so far as my views are concerned, if we are going to establish it in that way.

Mr. SMITH. Mr. President——

Mr. KING. I yield to the Senator from South Carolina.

Mr. SMITH. May I make one suggestion in connection with what the Senator from Tennessee has said and what the chairman of the committee has said, to the effect that if we change it now it will probably be thrown out in conference and there will be no such office, and yet it is needed; therefore if we provide for it here and it is retained, we still have an Undersecretary from June of this year until June of 1923. When would we ever get rid of it, then, because the same argument would apply at that time that applies now?

The only way we can get rid of this, if it is objectionable to the Senate to have the terminology "Undersecretary," is right now not to make provision for an Undersecretary in this bill. In the deficiency bill we created this office and provided for it until the expiration of the fiscal year. If we do not provide for it, either by name or salary, in the next fiscal year, it ceases and that is the end of it. But if we perpetuate it on that ground that the chairman of the committee has suggested, then it becomes an endless chain that we will never break.

Mr. WARREN. Unless the word "hereafter" is put in this appropriation bill it will only apply for a year. An appropriation bill carries no perpetuation unless it is so specifically provided.

While I am on my feet, if the Senator from Utah will permit me——

Mr. KING. Certainly.

Mr. WARREN. There is another thing I wish to say. I consider myself something of an American, and I am not given to aping foreign countries or turning my back on a foreign country, whatever attack it may make. But I do not see any point in saying that we are aping foreign countries in giving this office the title of Undersecretary. Because it has been found successful in other countries, there is no reason why we should repudiate it here.

The man to whom the Senator from Tennessee alludes, Mr. Gilbert, who it seems everyone acknowledges is a very able and capable man, was appointed under the old Wilson administration as Assistant Secretary, the only place that could be fixed in the law then. I think it was only a few weeks perhaps before the termination of the former Secretary's term. With the incoming of the new Secretary he asked provision for this position, just as the State Department asked it, because, on account of the war and on account of all these matters that we have to conduct with foreign countries, relating to the foreign debts, and so forth, it is rather difficult for foreigners to distinguish among a group of assistant secretaries and difficult

for them to accredit to some one who may sign papers that importance that they do to the man who they know represents the Government of the United States, the Secretary himself.

The Undersecretary becomes more efficient in that position. I do not know that the man himself ever asked for it. I know that when the matter was brought before the committee there was no intention on the part of the committee to ape foreign countries. It is a mere matter of business. Our estimates come to us for the appropriation for this year. This item is estimated for as Undersecretary. Of course, to go outside of that name would take us outside of the estimates and throw it out, as I said before, in the matter of conference. If the Senator wishes to strike it out entirely, and if that is the wish of the Senate, I yield, of course, but I can not consent to accepting the amendment. I shall have to ask a vote on it.

Mr. KING. I am sure I do not understand the law as it is interpreted by the Senator from Wyoming, if I have correctly construed his observations. I have understood that any Secretary of a department, whether it be State, War, Navy, Interior, or any other department of the Government, might designate one of his assistants to discharge his duties ad interim. For instance, Secretary Fall is now absent from the city.

Mr. WARREN. There is no question about that. I never crossed that line at all.

Mr. KING. Secretary Fall is now absent from the city. Judge Finney is the First Assistant Secretary of the Interior. I am not sure whether that is his title; he may be Assistant Secretary of the Interior.

Mr. WARREN. I think the Senator may say his title is First Assistant Secretary, and he is a most efficient, high-class officer, who has grown up in the Interior Department, one might say.

Mr. KING. He is acting and discharging all the duties that would be discharged by Secretary Fall if he were here in the city. As I understand the law, the same applies to other departments, and we do not need to label a man Undersecretary in order to vest him with the authority which is conferred by law upon his superior, the Secretary of a given department of the Government. Secretary Mellon may designate among his various assistant secretaries Mr. Gilbert, a most efficient and capable man, to perform the duties which he himself performs, to sign his name, and other assistant secretaries could take no offense that the duties of the Secretary have been devolved upon Mr. Gilbert or any other person who may be designated.

It seems to me that we can with propriety continue the old system. It has grown up with our administrative departments and it has worked well. Obviously if we change in this department now other officials will insist that they receive the same title. Judge Finney could with propriety ask to be denominated Undersecretary of the Interior Department, and so with each department of the Government. It changes the entire system. It seems a discrimination that is unwarranted and that would be resented by officials of the various departments of the Government. The other departments would say, "Our work is just as important as that of the Treasury Department," and the First Assistant Secretary in the Interior Department or in the Post Office Department would say, "My work is just as important, calls for as many hours of labor, calls for as high a degree of ability, as the Undersecretary of State or the Undersecretary of the Treasury, and I insist that the law shall be amended and that I be named undersecretary," and so with each department of the Government.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. I desire to call attention to the fact that the only time the question has ever been brought up in a regular appropriation bill, as I recall, was in the Army reorganization bill where it was attempted to create the office of Undersecretary of War and that, as I recall, failed. All the other Secretaries that we have now are provided for in this roundabout way through appropriation bills which expire from year to year, and it is just a question of whether we want to continue them or not.

Mr. KING. It seems to me that if we are going to change the system we had better do it in a general bill and determine in which departments there shall be undersecretaries and indicate that the other departments shall not have undersecretaries. However, to single out this department now and give it an undersecretary seems to me to be unwarranted. It would be very bad legislation and set a very bad precedent.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. KING. I yield.

Mr. JONES of New Mexico. I should like to confirm the impression which the Senator from Utah has just expressed regarding the First Assistant Secretary of the Interior. There is an express provision conferring upon him almost identically the same powers which this bill seeks to confer upon the Undersecretary of the Treasury. My judgment is that the purpose of changing this title is simply to get a little more money for some assistant secretary without involving the question of the compensation of all of the assistant secretaries.

Mr. OVERMAN. And to get a little bigger title.

Mr. JONES of New Mexico. To get a bigger title and to differentiate them in some way so that they may say that they ought to have a little higher salary.

Mr. McKELLAR. Let us make this official First Assistant Secretary of the Treasury.

Mr. JONES of New Mexico. I agree with the Senator from Tennessee and the Senator from Utah, that there is no reason in the world for changing the designation. Let us confront the facts and realize just the purpose of this proposed legislation. It is to get a little more money for some assistant secretary; that is all there is to it. If this official is entitled to more money than is some other assistant secretary, let him have it; but if he is not do not let us pass the legislation in this way. It is simply a convenient method of differentiation regarding this particular office.

I wish also to say that if there is any assistant secretary in the Government service to-day who is entitled to have his compensation increased it is the First Assistant Secretary of the Interior. He not only has high administrative duties to perform but also very wide and important judicial functions to perform. This whole matter should be gone into. Personally, I feel that all the assistant secretaries ought to have more salary; they ought at least to receive sufficient compensation to enable them to live on their salary in the city of Washington.

Mr. KING. Mr. President, I am expressing no opinion as to the salaries which should be paid, but I do submit, as indicated by the remarks of my friend from New Mexico [Mr. JONES], that if we increase the compensation in one department we shall find it very difficult to refuse to grant like increases in other departments.

It is impossible to differentiate. I agree with what my friend from New Mexico has said concerning Judge Finney, the First Assistant Secretary of the Interior. In the first place, Judge Finney is a great lawyer, a man of fine ability, a man who for many years has devoted himself with the utmost assiduity and care to the tremendous responsibilities which have rested upon him. He worked himself up until he is now First Assistant Secretary in the Interior Department. He has important work there. He passes upon the titles to property which is worth millions of dollars. If we increase the compensation of the assistant secretary in any one department, it seems to me that we shall have to increase salaries in most, if not, all of the others. I express no opinion as to whether they should be increased, but before voting to increase any salaries I should want to inquire into the matter a little further, and see just how far this legislation which is now before us may lead.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Tennessee [Mr. McKELLAR] to the amendment of the committee.

Mr. HARRISON. Before we vote on this proposition, I desire to ask: Is it the intention of this provision to make the position referred to a permanent place?

Mr. WARREN. Mr. President, as I have before stated, appropriation bills carry appropriations merely for the ensuing fiscal year. As to whether this shall be made a permanent position depends, first, upon whether it may be estimated for hereafter; and, second, what may be the action of Congress hereafter.

Mr. HARRISON. The reason I asked the Senator the question—I know he is always candid and frank—is even though this appropriation bill does not contain the word "hereafter" and on its face this would not seem to be a permanent place, nevertheless the bill provides that the nomination shall come from the President to the Senate, that the officer shall be confirmed by the Senate, and that on the death, resignation, or sickness of the Secretary of the Treasury the Undersecretary shall perform the duties of the Secretary of the Treasury. So to all intents and purposes, it seems to me, and I am wondering if it does not seem to the Senator from Wyoming, that it is the intention to make this a permanent place, even though the word "hereafter" is not embraced in the language?

Mr. WARREN. The Senator from Mississippi has the same right to prognosticate as to the future as have I.

Mr. HARRISON. Yes.

Mr. WARREN. However, as the Senator from Mississippi knows, a system of classification has been under consideration and preparation for some time which will include all of these assistant secretaries.

I am ready to say that, in my opinion, the assistant secretaries, taken as a class, are receiving too little pay; and when I say that I say it with all respect for our ideas of economy.

When it is remembered what class of men it is necessary for us to have in these positions and that their salaries are now the same, perhaps, as they were 50 years ago—certainly they are the same as they were 30 years ago—I consider the salaries which they receive at present are entirely too low. They have, of course, very many times more work to do than they formerly had, and their costs and expenses of living are much more, especially when they have to live here in Washington, for all of us know what it means to live in Washington, so far as expenses are concerned.

Mr. HARRISON. Yes; I realize that.

Mr. WARREN. All these matters, I hope, will be taken up and considered during the next 12 months, and I trust that matters may be adjusted accordingly.

Mr. HARRISON. The Senator from Wyoming, however, has not as yet stated that, in his opinion, it is the intention to make the position involved in the pending amendment a permanent place?

Mr. WARREN. No.

Mr. HARRISON. Of course, we know that if the Secretary of the Treasury urges that it be made a permanent position, in all probability it will be made so; and it seems to me very much as though it is the opinion of the Secretary of the Treasury that it shall be made a permanent position. The item was included in the last deficiency bill and it is again included this year. It is also provided that the nomination of the officer shall be confirmed by the Senate.

Mr. McKELLAR. Mr. President, I ask that the amendment to the committee amendment may be stated before we vote upon it.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. In the committee amendment, on page 2, lines 2 and 3, it is proposed to strike out the word "Undersecretary" and in lieu thereof to insert "First Assistant Secretary."

Mr. McKELLAR and Mr. HARRISON asked for the yeas and nays, and they were ordered.

The Assistant Secretary proceeded to call the roll.

Mr. HARRISON (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. ELKINS]. I transfer that pair to the junior Senator from Rhode Island [Mr. GERRY] and vote "yea."

Mr. McKELLAR (when his name was called). I have a general pair with the senior Senator from Indiana [Mr. NEW], which I transfer to the senior Senator from Missouri [Mr. REED] and vote "yea."

Mr. RANSDELL (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON] and vote "yea."

The roll call was concluded.

Mr. DILLINGHAM. I inquire whether the Senator from Virginia [Mr. GLASS] has voted?

The PRESIDING OFFICER. The Chair is informed that the Senator from Virginia has not voted.

Mr. DILLINGHAM. I have a general pair with that Senator, which I transfer to the Senator from Pennsylvania [Mr. CROW] and vote "nay."

Mr. SMITH (after having voted in the affirmative). I inquire if the Senator from South Dakota [Mr. STERLING] has voted?

The PRESIDING OFFICER. That Senator, as the Chair is informed, has not voted.

Mr. SMITH. I have a pair with that Senator, which I transfer to the Senator from Mississippi [Mr. WILLIAMS] and allow my vote to stand.

Mr. KING (after having voted in the affirmative). I inquire if the senior Senator from North Dakota [Mr. McCUMBER] has voted?

The PRESIDING OFFICER. That Senator has not voted, as the Chair is advised.

Mr. KING. I have a general pair with the Senator from North Dakota. I transfer that pair to the junior Senator from Georgia [Mr. WATSON] and allow my vote to stand.

Mr. KELLOGG (after having voted in the negative). I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the Senator from New York [Mr. WADSWORTH] and allow my vote to stand.

Mr. HARRIS. I desire to announce that my colleague [Mr. WATSON of Georgia] is detained from the Senate on official business.

Mr. CURTIS. I am requested to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The junior Senator from Kentucky [Mr. ERNST] with the senior Senator from Kentucky [Mr. STANLEY];

The Senator from New Jersey [Mr. FRELINGHUYSEN] with the Senator from Montana [Mr. WALSH];

The Senator from Maine [Mr. HALE] with the Senator from Tennessee [Mr. SHIELDS];

The Senator from Illinois [Mr. McCORMICK] with the Senator from Wyoming [Mr. KENDRICK];

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 24, nays 29, as follows:

YEAS—24.

Ashurst	Heflin	McKellar	Sheppard
Caraway	Johnson	Overman	Smith
Dial	Jones, N. Mex.	Pittman	Swanson
Fletcher	King	Poindexter	Trammell
Harris	Ladd	Ransdell	Underwood
Harrison	La Follette	Robinson	Walsh, Mass.

NAYS—29.

Ball	Fernald	Lodge	Sutherland
Borah	France	McNary	Townsend
Brandegee	Harreld	Nicholson	Warren
Calder	Jones, Wash.	Norris	Watson, Ind.
Cameron	Kellogg	Oddie	Weller
Capper	Kenyon	Phipps	
Curtis	Keyes	Smoot	
Dillingham	Lenroot	Spencer	

NOT VOTING—43.

Broussard	Gerry	Myers	Shortridge
Bursum	Glass	Nelson	Simmons
Colt	Gooding	New	Stanfield
Crow	Hale	Newberry	Stanley
Culberson	Hitchcock	Norbeck	Sterling
Cummins	Kendrick	Owen	Wadsworth
du Pont	McCormick	Page	Walsh, Mont.
Edge	McCumber	Pepper	Watson, Ga.
Elkins	McKinley	Pomerene	Williams
Ernst	McLean	Reed	Willis
Frelinghuysen	Moses	Shields	

So Mr. McKELLAR'S amendment to the amendment reported by the committee was rejected.

Mr. KING. I reserve the right to call for a separate vote upon this item in the Senate.

The PRESIDING OFFICER. The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the committee on Appropriations was, on page 2, line 13, before the word "three," to strike out "assistant to the Secretary, $5,000," and in line 21, to change the total appropriation from "$70,760" to "$73,260," so as to read—

3 Assistant Secretaries, at $5,000 each; clerk to the Secretary, $3,000; executive clerk, $2,400; stenographer, $1,800; 3 private secretaries, 1 to each Assistant Secretary, at $1,800 each; Government actuary, under control of the Treasury, $4,000; clerks—2 of class 4, 3 of class 3, 2 of class 2, 1 of class 1; chief messenger, $1,100; 2 assistant chief messengers, at $1,000 each; messengers—3 at $900 each, 4 at $840 each; messenger boy, $600; in all, $73,260.

The amendment was agreed to.

Mr. WARREN. Mr. President, at this point I wish to ask unanimous consent that the clerks at the desk may correct all totals where there are changes in the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. KING. Mr. President, I should like to ask the chairman of the committee for a general statement, if he will be kind enough to give it to the Senate, as to whether the aggregate amount carried in the bill for employees in the Treasury Department is greater or less than for the current year. So far as I can see from the bill and from the report before us, there is no way of instituting a comparison between the appropriations for former years for the Treasury Department and the appropriations carried by this bill.

Mr. WARREN. As to that particular, the Senator will excuse me if I take a few seconds.

Mr. KING. Yes.

Mr. WARREN. I have the list here. The total was $1,588,480 last year where now it is $1,359,950—a matter of some $229,000 less than a year ago.

Mr. KING. Does that saving result from a curtailment of the number of employees?

Mr. WARREN. Yes.

Mr. KING. Or does it result largely from there being a smaller amount appropriated for fixtures, furniture, and so forth?

Mr. WARREN. It is almost entirely for fewer employees. The Senator, I think, can rest assured of the fact that no salaries have been raised in this bill; so that if there would be an increase anywhere—and increases are few, if any—it will not be in the matter of salaries.

Mr. KING. I am very glad to learn that the aggregate amount carried by the appropriation bill, as stated by the Senator, is smaller than last year.

Mr. WARREN. I desire to say to the Senator, who is always anxious, and should be, to look over these matters, that I have here the list as it came from the House, with all the items—the items of the year before, the items of this year, the difference in the estimates, the decreases and increases—and I will leave that with the Senator, so that he may examine it.

Mr. KING. I am very much obliged, Mr. President, because, as I have stated, the bill as it comes from the committee furnishes no guide by which we may determine those things.

Mr. WARREN. Oh, yes. Here is the Senate report, which I will also give to the Senator.

Mr. KING. I have a copy of the report and have read it very carefully, and I have read the hearings.

Mr. WARREN. It is entirely unnecessary to take all the items that were in that bill, because that report and this one, together, tell the whole story.

Mr. KING. No; the Senator is in error as to that, and he is usually accurate. He is in error in this respect only, that the bill as it came from the committee of the Senate and the report submitted by the committee do not institute comparisons between the appropriations for the various items in this bill and those in the bills of preceding years; and that is what I was about to state.

Mr. WARREN. Every change from the report that the Senator has in his hand is shown here.

Mr. KING. Perhaps the report which the Senator now has given me may enable one, by taking some little time, to institute a comparison between the appropriations here for various items and those carried in the bills for former years. May I ask the Senator, in the aggregate, how many less employees are provided for in this bill than in the former bill?

Mr. WARREN. That would take a summing up of all the departments, which would require looking through the list which I have given the Senator. Of course, the Senator knows that in the case of the employees under lump-sum appropriations—for instance, take the Interstate Commerce Commission—no list of them is furnished to us officially. Every two years and sometimes every year, perhaps even oftener at times, we have a list sent to the committee, which does not come through the Bureau of the Budget or the regular course, so that we may have some idea of the situation; but to state on a given date the exact number is rather difficult, because, as I say, of these lump-sum employees. I speak of the Interstate Commerce Commission only because its appropriation is one of the largest of the lump-sum appropriations.

Mr. KING. The Senator will recall that the number of employees in the District of Columbia before the war was approximately 37,000. According to the last information which I had, the number of employees exceeded 80,000. I was wondering if the committee had any information as to the number of reductions which have been made, and whether there is any promise of realization of the preelection promises of our Republican friends that there would be a reduction to substantially 40,000, bringing down the total nearly to the number that were employed here prior to the war.

Mr. WARREN. I dare say the Senator will not be able to quote any estimate of 40,000 from those who knew exactly what they were figuring on. Some loose remark to that effect may have been made.

Mr. KING. No; it came, as I recall, from the congressional committee of the Republican Party. I do not desire, however, to hold them to their preelection promises.

Mr. WARREN. I think that would be highly proper, though I did not see that statement, and I assume that the Senator is no more careful in looking out for what is said on the Republican side than I am.

Mr. KING. I think the Senator is more interested in finding the faults of the Democrats.

Mr. WARREN. In view of the progress of the country, it is probable that there never will be a recession to the numbers of the earlier days; but we have very materially decreased the numbers. For instance, in one department alone some 20,000 have been dismissed, and there has been a general lopping off. It is occurring from day to day, and, of course, at the end of the fiscal year still more will go; but from month to month the dismissal of employees is going on. The Senator will realize that as he watches the different appropriation bills from time to time. It can not be done in a minute; it can not be done in a month; it can not be done in many years, for that matter, because there are so many matters hanging over yet from the war that require settlement—for instance, the preparation and examination of all these many, many claims that amount to hundreds of millions of dollars. They require the attention of certain employees that are only, as the Senator realizes, for the special purpose. As to the regular line of clerical employment, that will be comparably fully as low, as I understand the figures—and I have been rather conversant with them for the last 30 years—as at the time of which the Senator speaks. When he speaks of the number—that is, when he speaks of 37,000—it depends a good deal upon who is reporting, and how he is reporting. For instance, a man will tell you about the Army, how many persons there are in the Army, and so forth, and you will put that down as a total. The question happens to occur to you: "Does that include the Medical Department?" "No; that does not include the Medical Department"; and so it is with other departments. There are employees who do not appear in the regular appropriation bills as we go along, except as represented in the lump sums, and there we find them by the frequent reports which we ask to have furnished us.

Mr. KING. There is very much that the Senator says to which I assent; and yet the number that I gave a few moments ago as approximately 37,000 before the war embraced substantially all within certain categories. Within the same categories the number of employees a few months ago was over 80,000. There has not been the reduction in the same categories that there should have been, and, in my opinion, a great many employees are being retained in the departments whose services ought to be discontinued. I sincerely hope that the vigilant Senator from Wyoming—and he is vigilant, and one who is pledged to economy—will continue his efforts in the direction of economy and in the reduction of the number of the personnel in the Government employ.

Mr. FLETCHER. Mr. President, just as a matter of correction of the RECORD, when the amendment offered by the Senator from Tennessee [Mr. MCKELLAR] to the first amendment proposed by the committee on page 2 was rejected, the Chair made some announcement which I gathered later was to the effect that "without objection the amendment of the committee is agreed to."

My attention was diverted at the time. What I want to have appear is that the Chair put the question on the amendment, so that it may appear that the amendment was agreed to, but I do not want it to appear as though it was agreed to without objection. In other words, the RECORD should show that the amendment proposed by the committee was agreed to, but not that it was agreed to without objection, because I object to that amendment, and I do not want it to appear as if it was agreed to by unanimous consent.

Mr. WALSH of Massachusetts. Mr. President, I think the Senator from Utah reserved the right to have the amendment to the amendment voted upon in the Senate. Am I correct?

Mr. KING. The Senator is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 3, line 3, to insert the word "Undersecretary" and a comma at the beginning of the line.

The amendment was agreed to.

The reading was continued to line 23, page 8.

Mr. KING. Mr. President, I want to inquire about one item to which my attention has been called. I am told that in one or two of the departments there are as many as 10 or 12 purchasing agencies. I noticed in this bill several provisions, as I recall, for purchasing agencies. I have understood that Gen. Dawes was bringing all of the purchasing agencies under one head. May I inquire if his labors have eventuated to such an extent that they have coordinated, and there is one purchasing or supply department for these various governmental departments?

Mr. WARREN. That has been done. Formerly the purchasing was done in each department by the department itself.

Mr. KING. And there would be several agencies in one department.

Mr. WARREN. When the war came on it was observed that the departments were bidding against each other, bidding up the prices. An attempt was made to collect them into one department, and practically that was done. When the war was over and an attempt, perhaps, was made to carry out the old system, the Budget officer halted that and has confined the purchases entirely to the general purchasing agency. We have also now a general supply department, which takes all of the furniture, all of the typewriters, and all of the other property of the Government, repairs and refinishes, disposes of the useless, and distributes the balance as wanted, of course keeping track and charging the departments with the proper amounts of money, but doing it in a businesslike way.

Mr. KING. What I wanted to find out was whether this general supply committee, provided for on page 8 in this bill, relates only to the Treasury Department, or do its activities extend to other departments?

Mr. WARREN. They have this coordination, which brings them all together. For instance, we have in the hearings held before the House committee the testimony of Mr. Jacques, who testified as to the establishing of the office of chief coordinator and said:

> It was established in the committee. They have no money. We are taking care of their telephones and expense for stationery, photostat, and mimeograph work and a great deal of general clerical work. It is costing the committee about $500 a month.
>
> The CHAIRMAN. Please tell us about the chief coordinator, how he functions.
>
> Mr. JACQUES. The chief coordinator was designated to coordinate the distribution of surplus material, supplies, and equipment, and perform certain other functions.

That is as to the supplies; it is done in the same way in regard to the purchases. Mr. Jacques continued:

> In the first place, there was created under his direction a Federal liquidation board, composed of one representative from each of the executive departments, and the superintendent of supplies was designated to represent the 29 independent establishments in the District of Columbia, to keep that board down to workable size. This board has located large accumulations of material—

And so forth.

That is the supply department. I have not turned to the other part of it, but the same thing applies to the purchasing activities. The wants of the different departments are brought to the coordinated department, and the purchases are all made through one agency.

Mr. KING. Let me see if I understand the Senator correctly. On page 8 provision is made for a general supply committee. What I am inquiring about is this: Is there to be a general supply committee for each department, or does the machinery created take care of all the departments in Washington?

Mr. WARREN. It is just as it states—a general supply committee.

Mr. FLETCHER. That refers to the Treasury Department?

Mr. WARREN. No; it applies to the entire Government. Of course, it is in the Treasury Department. It has to be in some department, and more naturally would be in the Treasury Department, because that is where the money comes from when the things are to be paid for.

Mr. FLETCHER. It is all under the head of the Treasury, and I would infer, unless the Senator has inquired into that——

Mr. WARREN. What would the Senator suggest? What department except the Treasury does the Senator think the Supply Department should be under?

Mr. FLETCHER. It is all right to put it under the Treasury Department, I take it, but it ought to appear clearly that the activities of this committee are not confined to the Treasury Department, but that it refers to all the departments of the Government, a consolidated supply committee for all of the departments.

Mr. WARREN. As we go along with the appropriations, the Senator will discover that there are no other supply provisions.

Mr. FLETCHER. The language is not clear. It simply provides for salaries of employees, office equipment, fuel, light, and so forth, "and other necessary expenses for carrying into effect the Executive order of December 3, 1918," $120,000. That, of course, is a very large sum, if this committee's activities are confined solely to the Treasury. If it takes in all of the departments of the Government, perhaps that would not be an excessive amount; but the bill itself does not indicate.

Mr. WARREN. The Senator would hardly expect an explanation of every appropriation, because if you only appropriate for the one, that in itself carries with it the explanation that it is the only one.

Mr. FLETCHER. That is quite true; but the hearings on the bill ought to indicate what this is for. If the Senator is clear that this work is to be done for all the departments, then I can see some reason for these large amounts; but if this committee is simply intended to serve the Treasury Department, it does look like an excessive amount for salaries of employees and others. The hearings, of course, would indicate what it was for. I do not see anything in the bill to indicate what their duties are.

The reading was resumed at line 24, page 8, and continued to line 14, page 11.

Mr. KING. Mr. President, it may seem an unimportant matter, but I inquire of the Senator if he does not regard it as unwise to fix the maximum which may be paid for machines, or for anything, such as is indicated here?

Mr. WARREN. I think if the Senator had had the experience we have had as to typewriters, he would see the necessity for it. Prices have been paid to the different men supplying machines which have seemed extravagant and I might almost say outrageous at times; so last year, to protect the Government, we provided that they should not exceed certain prices for certain machines. It also provides that this supply department shall take those used machines in exchange. If the Senator has a typewriter which is unfit for use, he turns it in and gets another in its place, and his machine is remade and goes to some other office and is used there.

Mr. KING. What I had in mind was that if you fix a maximum which may be paid, the maximum will be charged.

Mr. WARREN. The maximum that will be paid for typewriters is below what the Senator and I would have to pay, and they will only accept it from the Government because it is fixed in the law. The prices were cut down to the bone, and if the Senator thinks they ought to be cut further at some time, of course, it might be attempted, but we thought we were making it just as low as the machines could be built for. There is a list in the hearings which the Senator has in his hand which were held before the House committee.

Mr. KING. I was afraid that when there is stated in the law an amount which may be paid, that amount will be paid, and that becomes the minimum at which the article may be purchased.

Mr. WARREN. The Senator would be right, if that had been done in the usual careless way; but it was after weeks of consideration, and I am sure if the Senator will look the prices over he will be satisfied.

The hour of 2 o'clock having arrived, I ask the Senator in charge of the interchangeable mileage ticket bill if he wishes to proceed with it.

Mr. ROBINSON. It is the purpose of those interested in the unfinished business to proceed now for a time, at least, to the consideration of that bill, and as I intend to submit a request for unanimous consent to fix a time to vote upon the bill tomorrow, I therefore suggest the absence of a quorum.

The VICE PRESIDENT. Will the Senator withhold that for a moment?

Mr. ROBINSON. Certainly.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, Senate bill 848.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator do that with the view of presenting his unanimous-consent request now?

Mr. ROBINSON. Yes. I will submit the unanimous-consent request first, if the Chair desires. I ask unanimous consent that at not later than 3 o'clock to-morrow the Senate shall proceed to vote upon the bill S. 848 and all amendments that may be pending and all amendments that may be offered, without further debate, and that when the Senate concludes its labors today it shall take a recess until noon to-morrow.

Mr. JONES of Washington. Mr. President, I have noticed nearly every time we have a unanimous-consent agreement to close the consideration of a bill at a certain hour without any debate thereafter that important amendments come in or are presented, and we do not have any opportunity to discuss or consider them in any way. I have come to the conclusion that it is very unwise to make an agreement of that sort. I have no objection to an agreement that after 1 o'clock or 2 o'clock or 3 o'clock if any amendment shall be presented it may be de-

bated not exceeding five minutes by any Senator, but to allow amendments to be offered and no debate at all to be had I think is a very bad practice. I feel that I shall have to object to the request in the form in which it is presented.

Mr. ROBINSON. Very well; we will proceed with the consideration of the unfinished business.

The VICE PRESIDENT. The Senator does not desire the calling of a quorum at this time?

Mr. ROBINSON. Not at the present time.

Mr. McCUMBER. Mr. President, it was my intention to move to take up the funding bill this afternoon, because I understood that we were about ready to vote upon the measure before the Senate. I do not know whether there is any danger of any great delay, but I wish to give notice that I shall make the motion, at least, to take up the funding bill immediately after the disposition of the pending bill, and if that bill is not disposed of by to-morrow I shall move to take up the funding bill on Monday.

Mr. ROBINSON. Mr. President, I have little doubt that a vote can be reached some time to-morrow upon the pending bill and all amendments which have been offered or which may be offered. A little later in the day it is my intention to renew, in a somewhat modified form, the request I have made, after I have had an opportunity to confer with others who are particularly interested in the bill now before the Senate. I know that there are some Senators who desire to speak, but I think some time to-morrow we can easily conclude the consideration of the bill. I think we might proceed for the present with the consideration of the bill with that understanding.

Mr. CUMMINS. Mr. President, as one somewhat concerned in the consideration of the pending bill, I desire to say that I want to reach a vote upon it at the earliest possible moment. I am ready to vote at any time. If, however, there are amendments offered to the bill which are not germane to the subject embraced by the bill, it would be quite impossible, perhaps, to reach a conclusion to-morrow. I do not anticipate those amendments. The Senator from Arkansas knows what I have in mind, and if such amendments were offered to the bill as we both understand might be offered, then it would not be ready for disposition to-morrow or in the near future.

Mr. WARREN. Mr. President, will the Senator from Arkansas allow me a moment?

Mr. ROBINSON. Certainly.

Mr. WARREN. I wish to say, in connection with the bill before the Senate and the notice given by the Senator from North Dakota, that I have been striving for a week now to obtain consideration of the appropriation bill, and we have gotten fairly well started this morning.

Of course, the Senator from North Dakota knows the importance of getting these bills into conference to make way for others that are to follow. I hope there may be no contest between the appropriation bill, partly finished, and the funding bill, which I join the Senator in wishing to get before the Senate. Doubtless the Senator will expect me to finish the appropriation bill in time to give way and make the coast clear for his funding bill.

Mr. McCUMBER. I wish to say to the Senator that in giving this notice I have been acting in harmony with the plan adopted in conference by the Republicans to consider the bills in the order stated. The Senator from Wyoming was present at the conference, and I think understood that the intention was that we should follow the pending bill with the bill for funding the foreign obligations.

Mr. SMITH. Mr. President, as a member of the subcommittee appointed by the chairman of the Committee on Interstate Commerce to take the pending bill under consideration, I think it is my duty to have something to say in reference to it.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from South Carolina yield to the Senator from Utah?

Mr. SMITH. I yield to the Senator to submit the resolution he is about to present, provided it does not lead to any discussion.

FEDERAL FARM LAND BANK LOANS.

Mr. SMOOT. Mr. President, I am compelled to leave the Chamber to attend a meeting of the Finance Committee. I present a resolution of inquiry for certain information from the Federal Farm Loan Board, and ask for its immediate consideration.

The PRESIDING OFFICER. The Secretary will read the resolution for the information of the Senate.

The reading clerk read the resolution (S. Res. 222), as follows:

Resolved, That the Federal Farm Loan Board is hereby requested to furnish to the Senate, as soon as practicable, information as to whether any farmer, national farm loan association, or land bank agent has been compelled or requested to pay or has paid any commission, fee, or other charge not authorized under the provisions of the Federal farm loan act, approved July 17, 1916, as amended, in the securing or making of a loan under the provisions of such act, or has been compelled or requested to purchase or has purchased any stock in a joint-stock land bank at a price greater than the par value of such stock, together with the amount of any such commission, fee, or charge, and the price paid for any such stock.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. HARRISON. May I ask the object of the resolution?

Mr. SMOOT. I think the resolution frankly states the object of it. It proposes to ask the Federal Farm Loan Board whether in the borrowing of money any farmer has been compelled to pay a commission that is not authorized by law. I have heard, and a number of letters I have received indicate to me that there has been such a practice going on, and I want to ask the Federal Farm Loan Board if it is true.

Mr. POMERENE. Commissions paid to whom?

Mr. SMOOT. Paid to the bank lending the money. I want to find out whether it is true or not.

Mr. POMERENE. That is, the farm land bank?

Mr. SMOOT. Yes. I have 20 or more letters stating that in such cases it has occurred, and I want to know whether it is going on now, and if it is I want to have it stopped.

Mr. POMERENE. If that practice is going on we ought to know it.

The Senate by unanimous consent proceeded to consider the resolution.

Mr. HARRISON. Mr. President, may I ask the Senator, before the resolution is agreed to, a question with reference to the matter? I have had a great many letters, too, but the letters I have received are to the effect that applications have been made for loans, but they are unable to take care of those applications, saying there is no money on hand. Would the Senator object to an additional clause being inserted in his resolution asking for the amount of applications now on file, which they are unable to take care of?

Mr. SMOOT. None whatever. I have no objection to that. However, I do not wish the matter to lead to any discussion.

Mr. ROBINSON. Mr. President, in connection with the remarks just made by the Senator from Mississippi [Mr. HARRISON], I will state that I have information from the president of the farm land bank of the St. Louis district that there are now on file in that district applications yet to be determined and passed upon aggregating $17,000,000; that the farm land bank has been informed by the Federal Farm Loan Board that the amount allotted to that district for the next six months is only $7,000,000, and that for this reason the farm land bank at St. Louis is pursuing a policy of restricting applications and the consideration of the same.

The total amount that will be available, under the statement made to the farm land bank at St. Louis, for the current six months is less than one-half the amount called for by applications already on file. It is a situation very serious and important in its nature, and demands relief.

Mr. POMERENE. When the Senator from Arkansas speaks of restrictions, does he mean restrictions as to the amount of the loans?

Mr. ROBINSON. Yes. The total applications already on file aggregate $17,000,000. The amount of funds that will be available to meet the loans already applied for or hereafter to be applied for during the current six months is only $7,000,000, as the farm land bank at St. Louis has been informed by the Federal Farm Loan Board. So the farm land bank at St. Louis is refusing to receive applications and has been refusing to receive applications for loans for a period of some weeks or months.

Mr. SMOOT. With the adoption of the amendment suggested by the Senator from Mississippi, we will know whether they have the money on hand or not. I am perfectly willing to accept the amendment.

Mr. HARRISON. I move to add at the end of the resolution the following:

Also the number and amount of applications for loans now pending and the amount on hand with which to make the loans to meet the same.

Mr. HARRIS. I suggest that the Senator change it so as to make it by States.

Mr. SMITH. Mr. President, I have the floor, but as this matter is of such importance, I shall not insist on going ahead. I think the suggestion made by the Senator from Georgia [Mr. HARRIS] that the information be furnished by States is a good one.

Mr. SMOOT. That is, that the report shall be made by States?

Mr. HARRISON. Yes. Instead of making it the total amount let it read the total amount by States. Let it read this way:

Also the number and amount of applications by States for loans now pending and the amount on hand with which to make the loans to meet the same.

Mr. President, I have offered that suggestion, if the Senator from South Carolina will permit me, because I had information from one of the district land banks showing that they were not accepting any more applications because there was no more money on hand. I am not saying this in criticism of the Federal Farm Loan Board; I think they are doing the best possible, but I believe at this time every cent should be provided to take care of the legitimate loans, because they are rendering great assistance to the farmers of the country. If under the present law the Federal Farm Loan Board can not sell their bonds I am in favor of the Secretary of the Treasury advancing sufficient money to take care of the situation, and the Senate has already adopted such an amendment to a bill, but I do not believe there should be any trouble in selling those bonds at this time. I am fearful, however, that the board has not offered enough to take care of the situation.

Mr. POMERENE. Mr. President, just a little while ago I was told that many of the farm loan bonds were selling at a premium. If that be true, then it must follow that there is a very great demand for them, and I am at a little bit of a loss to know why sufficient bonds could not be sold to meet all of these demands?

Mr. SMOOT. The amendment offered by the Senator from Mississippi will bring out that information, and I think we ought to have it.

Mr. POMERENE. The only question I have in mind is as to whether the amendment is broad enough to include that information.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. It is proposed after the word "stock" and before the period to insert a comma and the following:

Also the number and amount of applications by States for loans now pending and the amount on hand with which to make the loans to meet the same.

Mr. SMOOT. That is all right.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Mississippi [Mr. HARRISON].

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

VISITORS TO NAVAL ACADEMY.

The VICE PRESIDENT. Pursuant to the provision of the act of Congress approved August 29, 1916, relative to the appointment of the Board of Visitors to the Naval Academy, the Chair appoints the Senator from Vermont [Mr. PAGE] ex officio member of the Board of Visitors on the part of the Senate, and the Senator from Maryland [Mr. FRANCE], the Senator from Colorado [Mr. NICHOLSON], the Senator from Nevada [Mr. PITTMAN], and the Senator from Utah [Mr. KING] members.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. SMITH. Mr. President, as I had stated when I yielded to the Senator from Utah [Mr. SMOOT], I was on the subcommittee. I am, of course, a member of the Committee on Interstate Commerce. I do not believe there has ever been a time in the history of the railroads of this country when the railroad business has been in so confused and chaotic condition as it now is. There seems to be absolutely no uniformity, no system. Some portions of the country are suffering by reason of local, through, and joint rates, while others, perhaps, are receiving a benefit; but in the meantime passenger and freight rates are so tremendously out of keeping with the decrease in the prices of commodities that they have become an intolerable burden.

Some of us would like very much to wait upon the arrival of the time when the Interstate Commerce Commission may call before it the representatives of the railroads and also the representatives of the producers and the manufacturers, and reach an agreement that would equalize and arrange these tariff charges. But in the meantime, in this hour of the greatest business depression we have perhaps ever seen in the history of this country, when bankruptcies and failures are increased and precipitated by virtue of the fact that transportation charges are so enormous that business and industry can not stand the burden, it does not suffice us to say that we have set up certain machinery and delegated certain powers, as we have done, and that it would be demoralizing to that machinery for us now to inject into it our opinion and our authority. The bill now pending to provide for the sale of mileage books ought to pass and become a law.

There is not a Senator here but knows that the price of the commodities of the country after they pass from the hands of the initial producer has added to it every incidental expense now imposed and whatever charge may be incurred in getting the commodity to the ultimate consumer. It would be bad enough if merely the incidental cost of transporting the commodity from the producer, through the various mutations to the consumer, were added, but everyone who has studied the facts knows that every additional initial cost is multiplied in the transition from the producer to the consumer. If we take the increase in the freight rates resulting from the order of the Director General of Railroads under Government administration and the subsequent increase, we may multiply that by two in order to ascertain the additional burden which has been laid upon the ultimate consumer. So the $2,000,000,000 in increased freight rates in this country which were authorized during and subsequent to the Government control represent a tax burden of something like $4,000,000,000 which has been imposed upon the people over and above the prewar rates.

It may be claimed that such an increased burden may have been justified during the period of the war when we could not stop to adjust these matters in their proper economic relations, and that the prices of commodities at that time were raised very largely as compared to the prewar prices; but since the war has ended, within a twelvemonth, the market price of the produce which makes up the freight of this country has dropped to a level as low as or lower than the prewar prices, while the freight and passenger rates still maintain their war-time and subsequent war-time level.

Mr. KELLOGG. Will the Senator yield to me?

Mr. SMITH. I will.

Mr. KELLOGG. But the increase in the operating expenses of the railroads has absorbed all that, and more too, has it not?

Mr. SMITH. It is contended that operating expenses have absorbed it, and I admit that to be approximately true; it was approximately true, as shown by a table which was submitted to me just before my chairmanship of the Committee on Interstate Commerce expired, which indicated that the net increase of income by virtue of the increased rate and the net increase in operating expenses about balanced each other; but the Senator from Minnesota must remember that at that time all material and labor were at the war level. I will cite him an instance now to show that that condition does not now obtain. At that time ties, which enter into the upkeep of the roads, were selling at from $1 to $1.20 a tie, while to-day they are being sold in the market at around 35 and 40 cents a tie, representing a decrease of something over 50 per cent in that one item.

Steel has gone down; construction material, the cost of living, and all the items which enter into railroad construction have gone down, and yet the price of freight and passenger carriage remains at the ultimate level which was reached not only during the war but which has been added to since the war.

Mr. POMERENE. Mr. President, is the Senator certain of his statement in so far as it relates to the price of steel rails? He said steel had gone down. I ask the question, if the Senator will pardon me, for this reason, that when one of the railway executives—I think Mr. Kruttschnitt—was before our committee some months ago I called his attention to the fact that the price of steel had gone down. He said that was true of shapes and certain forms of structural steel, but was not true of steel rails, and the steel mills said they could not reduce the price of rails. I am simply interested in knowing what the fact is.

Mr. SMITH. I believe I recall the query put by the Senator from Ohio to Mr. Kruttschnitt when he was before our committee; and I digress here——

Mr. POMERENE. I think the price of steel rails ought to be reduced.

Mr. SMITH. That is what I am coming to. I digress here to enforce my argument by the suggestion of the Senator from Ohio. Those industries which could not by artificial combination support themselves at the level reached during the war and subsequent thereto have been mercilessly sacrificed, while those which could help themselves did help themselves and are continuing to help themselves, as the railroads are helping themselves, while the general public is the "goat," and must

wait upon some arbitration somewhere in order to obtain relief. We are their representatives, and we know—there is not a Senator on this floor who does not know—that an average rate of 3.6 cents per mile is not justified or justifiable in view of the present cost of living, the distressed conditions of the people, and the economic and social necessities for travel amongst the people.

I will go still further, Mr. President, and say that it was an unjust imposition upon those who travel in sleeping cars and use sleeping-car accommodations to put a supertax of 50 per cent on the regular passenger rate because it was considered that such cars were occupied and patronized by those who were best able to pay, and therefore the burden would fall upon those who, because of their means, were more likely to be able to meet it. Everybody knows that a sleeping car now is just as much a necessity to the traveling public as is the day coach.

Mr. CUMMINS. Mr. President——

Mr. SMITH. I yield.

Mr. CUMMINS. The Senator will correct me if I am wrong, but I desire to ask him a question. Is it not true that the original application of the railroad companies for an increase of revenue, which was made very soon—within a month or a month and a half—after the passage of the transportation act, did not include any increase in passenger rates?

Mr. SMITH. I think that is correct.

Mr. CUMMINS. When the Labor Board, in July, 1920, passed upon the dispute which had arisen before Federal control terminated it increased the labor cost of the operation of the railroads about $650,000,000 a year, and it was in view of that increase of the labor cost, ordered by the Labor Board, that the Interstate Commerce Commission approved the increase of passenger rates from 3 cents a mile to the point at which they now stand. If the Senator challenges the wisdom or the justice of the increase in wages ordered by the Labor Board, I can easily understand his objection to the increase in passenger rates, but I am not prepared to say that that increase was not justified.

The cost of living had reached its peak about the 1st of July, 1920, and not only was that true of the supplies which we all must have in order to live, but it was true of all the supplies which a railroad was compelled to buy in order to maintain itself. We did not reach the peak of the cost of living or the cost of commodities until about the 1st of July or the 1st of September, 1920.

Mr. SMITH. Mr. President, I understand that the findings of the Labor Board increased the expenses of the railroads in approximately the sums to which the Senator has called attention; but I maintain that the revenues of the roads, as the Senator from Arkansas [Mr. ROBINSON] so well said yesterday, would be greatly enhanced, the net return would be greater, if the freight and passenger rates were put at a point where the people could use the roads with something like profit to themselves, and not simply when driven by necessity and forced to suffer a loss in their use. It simply means that only those things are going to market at present that realize a profit after there is subtracted from the price for which they are sold the cost of the carriage, and that only those travel for pleasure who are so abundantly wealthy as to enable them to go. The balance go because necessity forces them to go; so that the law of increasing and diminishing returns has exemplified itself in the present plight of the railroads.

In addition to that, while neither the Senator nor I, perhaps, are in a position to state dogmatically, it is a reasonable inference that the $600,000,000 additional that will be paid to labor has been more than discounted by the cheapening of the material and the necessary expenses that the railroads must incur. If those things did not adequately cover it, a proper lowering of passenger and freight rates and the additional tonnage that would result would supplement and more than meet the additional cost of labor.

I for one am not going to stand upon the floor of this Chamber and say that I shall inveigh against any adequate wage paid to the people who hold the throttle, who punch the tickets, and who fabricate the material that goes into our roads. I believe that a careful study of that question will show that the cost to the public is not the tremendous cost of labor, but the cost of the tremendous stock issues and other expenses that could be very well reduced if those in high places were willing to meet the American public upon the basis of ordinary returns for service rendered; but they are not.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from South Carolina yield to the Senator from Minnesota?

Mr. SMITH. I yield to the Senator.

Mr. KELLOGG. Would not the Senator consider the Pennsylvania, the Chicago & North Western, the Northern Pacific, the Great Northern, and the Chicago, Milwaukee & St. Paul as standard, first-class railroads?

Mr. SMITH. I have not as intimate a knowledge of certain ones that the Senator names as I have of the Pennsylvania. I think the Pennsylvania is.

Mr. KELLOGG. The others are equally good with the Pennsylvania. Does the Senator know that not one of them earned its interest last year, to say nothing about the stock of which the Senator speaks?

Mr. SMITH. Is the Senator prepared to say that the extremely high rates of freight and passenger fares do not contribute to that condition?

Mr. KELLOGG. I am not. I say the freight rates and passenger rates are too high; but when the Senator speaks about the dividends on watered stock, not one of these lines began to earn its interest last year, and they also reduced their operating expenses very greatly.

Mr. SMITH. Mr. President, I am fully aware of the fact that complaint has come up, and I am not going here and now to enter into a discussion of the specific figures that have been furnished all the members of the committee as to the return upon the investment, the additional cost, and so forth. I am going just now to address myself to the one fact that taking the market price of a great many of our staple products the markets are absolutely shut to them, not because the difference between the cost of production and what they would bring at the market would not leave something of a profit, but because the freight to the market eats up the profit and makes it unprofitable for producers to continue even in this deplorable condition of affairs.

The American people know that it is practically impossible to-day to embark with any prospect of success in any kind of an enterprise that depends upon a market at any appreciable distance from the place of production, for the reason that though there is a difference between the cost of production and the market price, when the freight is subtracted there is no profit left. Shall we who have this matter in charge sit here and wait upon the slow process in specific cases where we know the conditions are absolutely wrong until the Interstate Commerce Commission and all the parties in interest shall have thrashed out the matter in hearings, and then an order shall be issued, when perhaps the life and death of some of the best producing institutions in this country is hanging in the balance and will be decided within six months?

I hope the proposition of the Senator from Arkansas [Mr. ROBINSON] and the bill introduced by the Senator from Indiana [Mr. WATSON] will become law, because it will go on record as a specific announcement from the Senate that we not only believe theoretically what we are saying to our constituents, that there should be a reduction in passenger rates, but that we have given proof of the sincerity of our declarations by the passage of this bill.

I listened with great interest to what the Senator from Iowa [Mr. CUMMINS] said yesterday, and there was force in what he had to say in reference to the effect of the passage of this bill in reducing the net total income of the roads, which, as he said, would jeopardize the operation of the roads, and therefore other places would have to be found where the amount subtracted in this way might be added, thus increasing the burden on others who must utilize the roads. That is going upon the assumption that the present rate is both the maximum and the minimum; that it marks the exact point where increasing and diminishing returns meet; that you will get the maximum out of 3.6 cents, and you would suffer loss below it and loss above it—above it by decreasing travel and below it by not increasing it sufficiently to make up for the difference in the rate. My contention is that it is not merely a question of the traveling men of the country, but that if you will make the denomination of these mileage books not 5,000 miles but 2,000 miles and then fix the tariff, the increased travel on the roads will more than offset any loss that might be incurred by virtue of the reduction.

Mr. CUMMINS. Mr. President——

Mr. SMITH. I yield to the Senator from Iowa.

Mr. CUMMINS. The position which I attempted to announce yesterday was this: I am not qualified to express an opinion upon the point just stated by the Senator from South Carolina. There are 11 men who constitute the Interstate Commerce Commission. They have given the subject constant study with all the aids which can possibly be summoned to enlighten their judgment. They think, obviously, that a decrease in the passenger rates would not increase the net income of the railroads from passenger service.

I would rather accept their judgment upon that question than to rely upon my own; and, if the Senator will accept it in the spirit in which I state it, I would rather rely upon their judgment on that point than upon the judgment of the Senator from South Carolina or any other Senator or any other Member of Congress.

It is for that reason, and that reason alone, that I am opposing the passage of this bill in its present form. I believe that it is a question which ought to be decided from time to time by the Interstate Commerce Commission, and not by Congress. In other words, I think the Interstate Commerce Commission is better qualified than Congress is to say what the rates, both passenger and freight, should be, in order to do justice at once to the people of the country and to the railroads of the country. We have never tried to do it before, and I am hoping that we will not attempt it at this time.

Mr. SMITH. Mr. President, of course just at this time it is not so much a question of judgment on some particular technical matter as it is a matter of fair inference to any intelligent man upon the mere face of it. The prewar passenger rate was approximately uniformly 2 cents a mile. It is now 3.6 cents a mile. The purchasing power of the dollar before the war was about on a parity with that, or reasonably close to it, as a justifiable fare. The purchasing power of the dollar now is as great or greater than it was previous to the war; and yet, with practically identically the same railroad mileage that we had before, with practically no additional expense except the yearly overhead charges, we are met with an increase of 66⅔ per cent in passenger rates, and it is still maintained that if the volume of travel were at the maximum that is no more than sufficient to meet the expenses of the roads.

Mr. CUMMINS. Mr. President, the Senator will not forget, I am sure, in making that comparison, that the dollar is just as much depreciated in the hands of the railroad companies as it is in the hands of the ordinary individual. It buys a great deal less than it formerly did. That is the reason, I assume, it was found necessary to increase the rates. When the railroad company comes to buy steel its dollar is not worth half as much as it was before. When it comes to pay for labor the dollar is not worth more than half as much as it was before, and therefore it must have more dollars.

Mr. SMITH. The Senator has the cart before the horse.

Mr. CUMMINS. No.

Mr. SMITH. The tariff on a passenger is now 66⅔ per cent higher than it was previous to the war. That is a fixed thing that the railroad gets in the form of a dollar. It gets 66⅔ cents more in every dollar than it got before the war, and yet it buys for perhaps 50 cents less.

Mr. CUMMINS. On the contrary, the Senator from South Carolina may have had the cart before the horse. When the railroad company has its dollar it must do something with it.

Mr. SMITH. Yes.

Mr. CUMMINS. It must either buy supplies, buy labor, pay dividends, or pay interest upon bonds. When it comes to buy labor—if I may use that expression, which I very much dislike—the dollar which it receives does not purchase more than one-half as many hours of labor as it did before. When it comes to buying steel it does not buy more than three-fourths as much steel as it did before; yet it must have the same number of pounds of steel and the same number of hours of labor that it required before. It is quite mysterious to me how it can be suggested that the individual must have more in order to live than he had before, but that a corporation, a railroad company, can get along with less than it had before.

Mr. SMITH. Mr. President, the point I was making, just taking the aggregate, is that it is admitted that the actual revenues of the railroads, if the same tonnage which obtained previous to the war were to obtain now, with the increase of freight and passenger rates, would be something in excess of or approximating $3,000,000,000 more than they received for the same service before. Granting that you pay labor more and that steel is approximately at the war prices——

Mr. CUMMINS. Oh, no; steel is not at approximately the war prices now. It is a great deal higher.

Mr. SMITH. Than during the war?

Mr. CUMMINS. It is less than it was in the summer of 1920. The price has fallen very considerably; but it has not reached the prewar price.

Mr. SMITH. I did not say it had.

Mr. ROBINSON. Nothing else, substantially, has done that.

Mr. SMITH. No; nothing else has.

Mr. CUMMINS. Certainly not. Nothing has reached the prewar prices, except agricultural products, substantially.

Mr. SMITH. There are other things which have gone down considerably. There are different forms of manufactured articles which have gone down. I will not stop now to enumerate them, but the Senator can find a list of them by reference to any trade journal. But you are still getting, as a total revenue to the railroads, something approximating $3,000,000,000 more than for the same service rendered to the public previous to the war. I will have something to say about the cost of steel and the cost of labor before I have finished.

I do not know that any of us here would contend that in the question of wages, those who are skilled, who have grown up with and made possible the splendid transportation system of this country, should not be adequately paid for the labor performed; but even admitting that labor costs more, that is only one item in the general charge against the roads, and yet we are called upon to pay rates, passenger and freight, which would approximate something in excess of $3,000,000,000 more than we had to pay for the same service before the war, and we have less to pay it with than we had before the war. That is the situation.

Mr. CUMMINS. I agree with that general statement; we are passing through a period of very great adversity. I understand that. But putting aside the guaranty, which was not an operating revenue, the propriety of which I have always doubted, putting aside that guaranty for the first six months after the 1st of March, 1920, the railroads earned nothing in 1920, taken as a whole. They paid out for maintenance and operation all that they took in. As I recollect it, the utmost that anybody has ever claimed they earned from operating revenues as a net income during the year 1920 was $60,000,000. That is what happened to the railroads in 1920. The railroads had the benefits during four months of this increase in freight rates and the increase in passenger fares, namely, from the 1st of September, 1920, to the end of the year.

In 1921, after paying the cost of operation and maintenance, the railroads had remaining for distribution, either as interest upon bonds or as dividends upon stock, $600,000,000. The Senator does not think that is more than they ought to have had, I am sure. I can not conceive of our railroad system existing even with that revenue.

Is it contended that the revenues of the railroad companies are too large and that they ought to be reduced? That is a question which I have not heard suggested here. Possibly there are men—but I am sure the author of this bill does not agree with them—who believe that the revenues of the railroads, taken as a whole, are more than they ought to be. Now, we propose to reduce by this bill the revenues from passenger service, according to my estimate, about seventy-five or eighty or ninety million dollars. Of course, that is only an estimate; Senators can use any estimate they like on it. The position of the Senator from South Carolina is, as I understand it, not that we ought to reduce the revenues of the railroad companies, but that if we decrease the transportation rate, either the passenger rate or the freight rate, the net income of the railroad companies, instead of being reduced, will be increased. That is the Senator's contention, and my contention is that the Interstate Commerce Commission ought to be permitted to determine that dispute between the railroad companies and the shippers, and that is a question which can not be fairly and intelligently determined by the Congress of the United States. That is the whole controversy.

Mr. SMITH. Mr. President, I know my statement will not sound like good business, but I have tried to observe the rules which must govern the ultimate control of our business enterprises. I was listening to the Senator when he said that the revenues of the roads ought to be adequate. That is true, if we are going to keep up our railroad system and furnish the people with adequate transportation. But I do maintain—and I do not mean it as a general policy—that it is a false doctrine and a pernicious one that we must take certain institutions in this country and, during the time of stress, bankruptcy, suicides, and failures, see that they maintain their incomes though the people themselves are bled white and sacrificed.

We come here and contend that our bankers must have 7 and 8 per cent, while the people are clamoring for the circulating medium in order to live at all.

We come here and clamor that the railroads must make 6 per cent or higher, no matter if those who are producing the food and clothing and the different forms of production in this country are becoming bankrupt, and are being ruined. Why should not the railroads, if this be an emergency—and we are now attempting to emerge—the stockholders and the bondholders, the owners of the roads, share with the patrons of the roads the burdens of the time of depression, and allow a reasonable rate on freight and passengers, even though they do not make profits sufficient to add betterments and get better equipment? Let each take the other's hand, and let them pass

through this American Gethsemane until we get our feet on the ground. But it seems that every organized industry must have its pound of flesh, even though the victim bleeds to death.

Mr. CUMMINS. That is a sound individual proposition, but does the Senator think that the railroads earned too much in 1920? They earned practically nothing.

Mr. SMITH. This is the point; did they earn nothing by virtue of the fact that freight and passenger traffic was not adequate, or was it incidental to the high rate on freight and the high rate in passenger travel and the demoralized condition of the people in reference to industry?

Mr. CUMMINS. They moved more freight in 1920 than the railroads ever moved before in the history of the United States. They carried more passengers in 1920 than they ever carried before in the entire history of railroads. The difficulty was not in the volume of traffic; the difficulty was in the cost of operation and maintenance. I am not here insisting upon an adequate revenue for the railroads. We will not get an adequate revenue for the railroads for years and years to come, in my opinion.

The Senator from South Carolina is a good lawyer and I am sure he will affirm what I say. There is a good deal of difference between men voluntarily consenting to do business for nothing and the Government compelling them to do business for nothing. We can not compel any man to part with his property without just compensation or to give his service without just compensation. Whatever might be the best policy for the railroads themselves to pursue, the Senator from South Carolina knows that we can not compel them to render their service without just compensation.

Mr. SMITH. I recognize that.

Mr. CUMMINS. The Supreme Court of the United States has said, over and over again, that so far as the Government is concerned the railroads must have a fair return upon the fair value of their property. We can not compel them to transport either freight or passengers save at such a rate as will yield that fair return. I know the Senator from South Carolina will distinguish between what men ought voluntarily to do and what the Government can compel them to do.

Mr. SMITH. I recognize the force of that argument, Mr. President. I also recognize the responsibility upon us, as the makers of the law, to do the very thing which the Senator from Iowa has indicated, to give them a fair and a just return for the service rendered the public.

We have no way except through the report of the Interstate Commerce Commission, based upon information furnished to them by the roads, to know just what are their net earnings. The year 1920 was perhaps unique in that it was the culmination of what were bad conditions preceding. It was abnormal. However, since I, in the committee, heard the reports of the roads as to tonnage and passenger traffic under the increased rates and the net returns, I have been skeptical as to the expenditures that were entered in their balance sheets.

I recognize that in this demoralized condition, coming from Government control into private control, rearranging their car service, getting the matter all straightened out as to the use of their terminals and the expenses incidental to readjustment, all that might have been properly charged against the carrier service to the American public. But the time has arrived now when if we do not take some action such as is contemplated by the proposed measure the period of readjustment will be interminable.

I believe that the psychological effect, aside from the beneficial effect, of the passage of this measure will be to accelerate the adjustment of this controversy between the public and the railroads.

The rates that are being charged are outrageous. Just to refer to something I said the other day in the course of the speech of the Senator from Arkansas, previous to the war a drawing room from Lynchburg, S. C., to Washington cost about $9.50. I do not state the figure definitely, but that approximates it. With the Government tax now eliminated and the surtax alone charged, a drawing room from Lynchburg, S. C., to Washington, D. C., last week cost $19.50 or more.

Mr. ROBINSON. More than twice as much.

Mr. SMITH. Yes; more than twice the former price. A seat in a Pullman car, just the enjoyment of that accommodation, is practically double the former price.

I desire to call attention to one thing the railroads have been allowed to do under the ruling of the Interstate Commerce Commission that no man can justify. They have their roads divided into sections and you pay one price on that section of road, a given number of miles, regardless of how far you actually travel. As an illustration: From Florence, S. C., to the capital city, Columbia, is about 80 miles. That is a section of road. You pay for the accommodation plus the surtax 81 cents. From Florence to my country home, Lynchburg, is 19 miles. You pay 81 cents for that distance. From Florence to Timmonsville is 10 miles and the charge is 81 cents. From Florence to any intermediate station you pay 81 cents.

Now we are supposed to live where the charge is adequately proportionate to the goods received, and yet a man boarding the train at Florence, taking advantage of the safety and the convenience and the luxury of a Pullman car, and riding 10 miles, pays as much as if he rode 80 miles.

Mr. CUMMINS. May I suggest that that is not unusual? It is a general thing. I think there is a statute in South Carolina—if not a statute, an order of the State commission—which requires a man to pay 10 cents if he rides but 1 mile in any kind of a car, although the rate is only 3 or 3.6 cents per mile.

Mr. SMITH. There is such a thing as an irreducible minimum. That we all agree to, but that works no hardship. However, no one would stand here, after you get up to where the amount is appreciable and pretty difficult to earn, and say that there was any justification for charging a man as much for 9 miles as for 81 miles.

Mr. CUMMINS. I am not an expert with regard to the distribution of passenger rates of that kind, and I do not know just where the line ought to be drawn.

Mr. ROBINSON. Does the Senator think the illustration given by the Senator from South Carolina requires expert knowledge?

Mr. SMITH. I think not. I think I can answer that for the Senator from Iowa.

Mr. CUMMINS. I am not prepared to say that a charge of that kind is wrong. I do not know where the line should be drawn. There is always a charge that is disproportionate to the distance traveled if the distance be short. Everybody knows that. It was so before the war, not just as the Senator from South Carolina has stated; but there was a disparity as we all know. Just where the line should be drawn I do not know, and I do not think anybody can tell.

Mr. SMITH. We know that the smallest denomination in our ordinary currency is one cent. That was the irreducible minimum, in our estimation, in our currency. Other nations have less than that, and perhaps some have a greater. But we are all agreed that if anything is worth anything at all it is worth one cent. We may all agree that to ride 1 mile is worth 10 cents, but it is the cumulative thing that is disastrous. We are justified in a small thing like that in fixing a minimum, but to charge as much for riding 10 miles as for riding 81 miles can not be justified. If I had prepared myself on this particular point I could have shown that for longer distances the same disparity obtains.

In my own State that situation prevails. I placed in the RECORD some time ago an incident of a carload of pulp wood shipped from a little station to Sumter, in my State, a distance of about 13 miles. It was a carload of cordwood intended to be shipped to the pulp mills. According to the figures given—and while I speak now from memory, I think I am approximately correct—the freight charge from that little village to Sumter, a distance of 13 miles, was $90. From my own home town to Sumter, a distance of 19 miles, the freight charge was $120. I think the man was to receive for the pulp wood delivered something like $30; so he had the privilege of handing over to the railroad about three times the price of his wood and paying them something to boot for carrying it.

Those are the kinds of things that people suffer from in this chaotic condition. Those are the things that are paralyzing business. The business men of the country are becoming dangerously calloused and indifferent. Men have had hope destroyed. They have looked and waited and longed for some indication of a break in the intolerable conditions they have been called upon to face. There have been chaotic conditions in Europe and chaotic conditions in America, and yet I maintain that here in America, despite the unfortunate conditions that exist in Europe, there was no rhyme nor reason for the American people to be broken and ruined and demoralized and bankrupted because they could not sell their surplus products in Europe. We had in this country sufficient currency and enough produce to permit the processes of trade and commerce to proceed in their completeness and to be sustained by an adequate circulation, so that there was no necessity for the fallacious view that the producers would have to be broken or bankrupted because they could not sell their surplus in Europe. We have gold enough in the Treasury now to issue to the suffering producers of the country credit sufficient to maintain their domestic market and give them a profit, and yet because

of the condition of the foreign market they must go bankrupt and be ruined while we insist upon maintaining a splendid basis of credit.

Mr. ROBINSON. Mr. President, will the Senator yield for a question and a statement?

Mr. SMITH. Certainly.

Mr. ROBINSON. On yesterday the Senator from Iowa argued at great length that the net revenues derived by the railroads from present rates are inadequate to enable the railroads to meet even the interest on their bonds. If the present rates are just and reasonable and no increase in revenues can be accomplished by their reduction, how, then, can the railroads ever be provided with revenues adequate to meet the interest on their outstanding obligations? How can we hope that either freight or passenger rates will ever be reduced?

Mr. SMITH. That is the inescapable logic of the argument. If at the present level of freight and passenger charges we can not reduce them without jeopardizing even the interest on their bonded indebtedness and their fixed obligations, what hope is there for the American public that they will ever be reduced to the point where business can function as it should function?

Mr. ROBINSON. The inevitable conclusion, if the Senator will permit me, is that if the public is ever to have relief it must come through a judicious and reasonable and rational reduction of rates.

Mr. SMITH. Certainly.

Mr. CUMMINS. Mr. President——

Mr. SMITH. I yield to the Senator from Iowa.

Mr. CUMMINS. The Senator from Arkansas assumes, and his views are approved by the Senator from South Carolina, that all that is the trouble with the world is either a high passenger rate or a high freight rate——

Mr. ROBINSON. Oh, Mr. President!

Mr. CUMMINS. That there is nothing else the matter in the world.

Mr. SMITH. The Senator does not wish to make that kind of a statement, surely.

Mr. CUMMINS. It is precisely the conclusion to be drawn from the statement made by the Senator from Arkansas.

Mr. ROBINSON. Oh, very well!

Mr. CUMMINS. That is, it is the conclusion that I draw.

Mr. ROBINSON. If the Senator is content with that statement, I will say that it carries its own answer and refutation.

Mr. CUMMINS. Precisely, and if the Senator from Arkansas is content with his statement, it carries its own answer. The world is sick with a great variety of diseases, and high freight rates and high passenger rates may be one of those diseases. I think they do very materially affect the condition of the railroads and of the country.

Mr. ROBINSON. Will the Senator from Iowa yield for a question?

Mr. CUMMINS. I do not have the floor.

Mr. SMITH. I yield to the Senator from Arkansas.

Mr. ROBINSON. I would like to ask the Senator from Iowa if he thinks it is possible to restore vitality and prosperity to American business without a reduction of rates, particularly freight rates?

Mr. CUMMINS. I do. That question is answered.

Mr. ROBINSON. Oh, the Senator then thinks that the maintenance of the present rates is justified?

Mr. SMITH. May I ask the Senator from Iowa, as he has answered categorically the question of the Senator from Arkansas, how can that be? I would like to have the Senator answer what he thinks would bring about a restoration of business without a reduction of those rates? I will yield in my time for the Senator to answer.

Mr. CUMMINS. If I were to undertake at this time and under these circumstances to state what I believe is wrong with the world and what I think are the necessary remedies to be applied for a restoration of our old-time prosperity, it would require much more time than I think ought to be given to this particular subject.

Mr. SMITH. But I thought, perhaps, as the Senator answered so readily, he had in mind the high points and that in a minute or two he might give us those high points.

Mr. CUMMINS. Suppose the price of corn were $1 a bushel or $1.50 a bushel, our farmers would not lack prosperity on account of high freight rates.

Mr. SMITH. That is good. The Senator has started right.

Mr. CUMMINS. What will make corn worth $1.50 a bushel?

Mr. SMITH. That is the idea.

Mr. CUMMINS. Answer me that.

Mr. SMITH. I will be glad to have the Senator answer that.

Mr. CUMMINS. Freight rates have nothing to do with making corn worth $1.50 a bushel.

Mr. SMITH. But they have a good deal to do——

Mr. CUMMINS. Just a moment. Freight rates have a good deal to do with the amount which the farmer receives from the price paid for his corn.

Mr. ROBINSON. Does not that restrict——

Mr. CUMMINS. Wait a moment. If the farmer could sell his product at $1.50 a bushel in my State he would be prosperous even though he paid the present freight rates.

Mr. ROBINSON. Yes.

Mr. SMITH. I grant that.

Mr. ROBINSON. But if the farmer has to pay the entire or approximate amount of the proceeds of his corn or other products for freight in order to reach the market there can be no prosperity to him.

Mr. CUMMINS. Of course, there can not be.

Mr. ROBINSON. While potatoes, for example, as I said the other day——

Mr. CUMMINS. I thought the Senator from South Carolina [Mr. SMITH] asked me to state what I thought would restore prosperity to the people of the country.

Mr. ROBINSON. I merely wanted——

Mr. CUMMINS. I am not willing to accept the answer of the Senator from Arkansas, though I have no doubt he will ultimately give one.

Mr. ROBINSON. I think my statement emphasizes the fact that I am not willing to accept the answer of the Senator from Iowa.

Mr. CUMMINS. Certainly; that is the most natural thing in the world. If corn were worth $1.50 a bushel——

Mr. SMITH. What, in the Senator's opinion, will put corn back to that price?

Mr. CUMMINS. Just a moment. The present low price of corn is brought about because there are a great many people who do not want to buy corn.

Mr. SMITH. People who do not want to buy or can not buy corn?

Mr. CUMMINS. There are not enough people able to consume the corn which we produce.

Mr. SMITH. Why?

Mr. ROBINSON. Will the Senator allow me to ask a question?

Mr. CUMMINS. Not until I answer the one just asked by the Senator from South Carolina.

Mr. ROBINSON. I wanted to ask the Senator from Iowa in that connection if he does not know that there are hundreds and thousands of people in the United States and that there are millions of people in the world who are anxious to buy corn at a reasonable price, if it can be transported to them at a reasonable price?

Mr. CUMMINS. No; that is not accurate. There are tens of thousands and hundreds of thousands of people who would like to buy corn if they had the money with which to buy it, of course, but they have not the money with which to buy it, and, therefore, the corn which we produce in my State—a very large volume of production, 450,000,000 bushels; as much or more than we ever produced before in the history of the State—finds no market.

The reason it finds no market is because the people are not wanting to buy that much corn. Some of them do not want to buy it for one cause and some for another.

High freight rates in the United States do not produce the trouble in Russia; high freight rates in the United States do not disturb the situation in Germany; high freight rates in the United States do not cause the suffering and starvation in Poland.

Mr. SMITH. Mr. President, if the Senator from Iowa will allow me, let us stay in America. I do not want to go over to Russia in this matter.

Mr. CUMMINS. We can not stay entirely in America when we are considering what is wrong with the world and why prices and commodities and wages do not bear the proper relation to each other.

Mr. SMITH. But to get right down to the matter specifically, will the Senator tell me what is the present freight rate on corn from his State to his general market as compared to the prewar freight rate?

Mr. CUMMINS. It is not quite twice as much. The general freight rates in this country have from the beginning of the war until the present time been increased about 66 per cent, as the Senator from South Carolina has over and over again stated.

The high freight rates are burdensome, of course. They are burdensome just as high wages are burdensome; they are burdensome just as the high price of prints and of silks and of steel and of every other commodity which rose in price during

the war is burdensome. It will require a long time, in my judgment, again to restore the relations between these things which existed before the World War, but we shall gradually do it. To suggest that the high freight rates and the high passenger rates are the cause of all the evils with which we are now afflicted, or of all the suffering which we now experience, is to close our eyes to countless evidences of misadjustment and maladjustment not only throughout our own country but throughout the world. I want to see freight rates go down, but I want the system of transportation which we have built up maintained at the same time. If it is not maintained there will be no possibility of restoring prosperity.

Our system of transportation must be maintained, either through the contributions of those who ride upon our trains or of those who ship upon our railroads, or it must be maintained by the Treasury of the United States. We are passing now through the period of experiment. I do not know whether we can maintain our system of transportation or not; I am afflicted with very grave doubt upon that question; if we can not, there is but one thing to do and that is for the Government of the United States to take over our system of transportation and conduct it in the way in which it thinks will best serve the welfare and the interest of the whole people, and pay whatever is necessary to be paid from the Treasury of the United States, recruited, as the Treasury is constantly recruited, by taxation. That is the real question which we will have to decide before very long.

I am not prepared to say that within a few years it will be necessary for the Government to take over and to own and to operate all our transportation facilities, although it may be. I am fighting against that end, but just such movements as the one initiated in this bill are to me indications that we intend eventually to pass on to Government ownership and Government operation, for, if the Congress of the United States ever enters upon the work, generally speaking, of regulating freight rates and regulating passenger rates, then I hope that very speedily the Government will undertake the further obligation of owning and operating all our transportation facilities.

Mr. SMITH. Mr. President, so far as the tendency of this bill toward Government ownership is concerned, I have no misgiving. The Interstate Commerce Commission is simply a body possessing the delegated powers of this body——

Mr. ROBINSON. And the responsibility is on Congress.

Mr. SMITH. Yes; and the responsibility of whatever the Interstate Commerce Commission may do rests on us, for they are our representatives in a delegated capacity. So that argument has no force with me.

Mr. CARAWAY. Mr. President, may I interrupt the Senator for a brief statement?

Mr. SMITH. I yield.

Mr. CARAWAY. I was impressed with the rather one-sided view, if I may be permitted to use that expression without offense, of the Senator from Iowa when he undertook to diagnose the ills from which we suffer. Everybody is now contending, for instance, that there is a shortage of homes, of roofs to shelter our people. In my own particular State we produce lumber, and yet, because the freight rates will not permit them to ship it, the mills are now burning in their furnaces lumber that would sell in the market to-day at as high a price as $24 a thousand. They are burning enough material in the sawmills of this country now to build homes for 100,000 people. Good building material, building material that formerly commanded a fair price in the market, can not be shipped at all because the railroad charges eat it up. I know of a branch railroad in my State, nearly 100 miles long, whose principal industry was hauling hardwood products, which has practically been forced into bankruptcy because the price of freight on the materials that it formerly shipped has been so boosted that they can not be carried at all, and the mills, as I have said, are burning in their furnaces lumber that formerly commanded a good price.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. ROBINSON. They are not only burning lumber in the South, but they are burning corn in the West.

Mr. SMITH. Mr. President, there is not any use to attempt to beg the question or to seek to find any other excuse or any other reason, for the fact is that the stagnation in our business is mainly due to prohibitive freight rates. I am glad the Senator from Arkansas [Mr. CARAWAY] mentioned lumber. Let us take it as an illustration. From my State just a few months ago a carload of lumber, I understand, was shipped either to Philadelphia or New York—I do not remember now to which city the consignment was shipped. The price paid delivered let us say was $32 a thousand feet, while the freight was approximately $22. Is that justifiable? Is it justifiable that on a given kind of lumber—and I am merely approximating the figures, but the relativity of the figures that I am giving is maintained although the exact amounts may not be those recorded—selling for $32 a thousand feet delivered, $22 a thousand should be charged for freight? Is it conceivable that all the operations from the time that nature produced the tree, including the effort of the man who sawed it down, the team that hauled it to the mill, the men who erected the sawmill and fabricated the engines, and all the other forms of activity involved in the transformation of energy and manipulation of the machinery essential to get that log on the bed and saw it into lumber, and put it aboard a car were worth but one-third of what it was worth to haul it by an engine from Florence, S. C., to Philadelphia? Yet it is said that freight rates having nothing to do with discouraging and prohibiting industry, although corn, ton for ton, is selling in the Dakotas for less than coal, and 5,000,000 people out of a job, idle and starving, are walking the streets in America begging for bread.

The Senator from Iowa stated that the Senator from Arkansas and the Senator from South Carolina charged this condition up to the high freight rates. No; but in the carrying on of commerce transportation is one of the essential factors, and we have got to remedy the evils that exist in that factor, and remedy them at once.

Mr. WATSON of Indiana. Mr. President, will the Senator allow me to ask him a question?

Mr. SMITH. Yes.

Mr. WATSON of Indiana. How does the Senator propose to bring about a reduction in railroad rates?

Mr. SMITH. I will use an illustration. I think one of the best things that could possibly be done would be for Congress, which has the power over the Interstate Commerce Commission, to direct that body to lower freight rates a certain percentage, that percentage to be governed very largely by the current of the average cost of material now as compared to the time when the rates were increased.

Mr. WATSON of Indiana. If the railroads earned nothing, and we reduce the rates, what is to become of the railroads?

Mr. SMITH. The railroads would be in no worse fix than the public is in now, because if the rates are maintained as they are now the economic and commercial condition of this country is going to go from bad to worse.

Let me say to the Senator from Indiana, that when I talk about the conditions that are acute now, that are destroying men now, I am met with this: "Oh, you just keep your shirt on. You just wait. These things will all adjust themselves in the future. Give us time and we will work out a plan sometime. We have not discovered it so far, but we will yet."

A man suffering from cancer goes to a doctor, or a man suffering from some other disease that is killing him right now. The doctor says, "Just keep your shirt on. After you are dead and gone perhaps we will find something that will be a specific for that disease"; but he wants something to help him now, and he can not wait until science has discovered some way to cure the disease.

Mr. WATSON of Indiana. I do not want the Senator to break in until I finish my line of questions. If the year before the Adamson law was passed railroad wages amounted to $1,400,000,000 a year, and last year they amounted to $3,700,000,000—an increase of over $2,000,000,000 in wages alone—how does the Senator expect to reduce operating expenses without a reduction of wages?

Mr. SMITH. The question is this——

Mr. WATSON of Indiana. No; how does the Senator expect to do that?

Mr. SMITH. I would begin to analyze the whole scale of the pay that is given to those who operate our railroads. We have assumed that though the railroads are privately owned, we have a right to say how much they shall earn. If we have a right to fix the hours of labor and the wages, why have we not a right to indicate what shall be the revenue to meet certain excessive charges along other lines?

The Senator is trying to get me to say that I believe that the wages paid ought to be arbitrarily reduced and the hours of labor increased. When it comes to the men who operate our railroads, who take all the risks—for it is a hazardous line of employment, even in the roundhouses, and on the railroads it is hard and menial work—I am not going to say that their wages ought to be reduced. I believe that the wages paid are just and adequate. I believe that the amount received by the roads on freight and passenger traffic is out of all line with what they could earn, even now, with the present tonnage, if they would reduce their freight and passenger rates to a level sufficient to invite commerce and to invite travel.

Mr. CUMMINS. Mr. President, may I ask a question there?

Mr. WATSON of Indiana. Let the Senator ask his question, and then I will ask another one.

Mr. CUMMINS. No; I will wait until the Senator has finished.

Mr. SMITH. Just let me ask the Senator a question. His party is in power, and I infer from the question the Senator asked me that he thinks that ought to be done. The Senator's party certainly have power to repeal the Adamson law if they think that is one of the causes of the present condition.

Mr. WATSON of Indiana. If I had my way about it, I would repeal the Adamson law. There is not any question about that.

Mr. CUMMINS. The Adamson law is repealed, in effect.

Mr. WATSON of Indiana. But the Adamson law is a dead issue, so far as that is concerned, because it does not operate. I will tell the Senator my remedy, so far as that part of it is concerned, in just a word.

We have a Railway Labor Board to regulate wages. We have an Interstate Commerce Commission to regulate rates. That is to say, we have two agencies dealing with the same instrumentality, but in reality with no point of contact between the two; and yet, when we get down to the basic facts of the matter, the Railway Labor Board, while having jurisdiction over the subject of wages, in reality can compel certain rates to be put into effect, because when they fix wages the Interstate Commerce Commission must make rates that will meet those wages. It has seemed to me that there ought to be some cooperation between the two bodies.

Mr. KING. Mr. President, if the Senator will yield, some of us insisted when the Cummins-Esch bill was before us that the power to fix wages should be placed in the hands of the Interstate Commerce Commission, for the reasons that are now being stated in the suggestions of the Senator from Indiana.

Mr. WATSON of Indiana. I have not any doubt about that, and have not had.

Mr. McKELLAR. Mr. President, the Senator from Indiana voted against that proposition, and voted for the Esch-Cummins bill, and voted against the proposition just stated by the Senator from Utah, when he wanted to put it in, which the Senator now says is the correct idea.

Mr. WATSON of Indiana. Yes; but this was the situation at that time: When the Esch-Cummins bill passed the Senate that board was differently constituted from the way it is constituted now. We had five men, all appointed by the President, representing the general public. The House, however, amended the bill. They wanted three members representing labor exclusively, three representing management exclusively, and three representing the public exclusively.

Mr. McKELLAR. The Senator voted for that. When the bill came in from the conference, the Senator voted for that.

Mr. WATSON of Indiana. I voted for that because it was that or nothing. Now, listen to me: The Senator understands how these legislative exigencies arise.

Mr. McKELLAR. Yes, I do; and I see how Senators change.

Mr. WATSON of Indiana. Certainly. When conference reports are made the Senator knows very well that they can not be changed in order to alter one feature of a bill. The result is that when a controversy comes before the Railway Labor Board you have three advocates representing labor, you have three advocates representing management, and you have three judges. You have six lawyers on your board and three judges.

Mr. McKELLAR. It is not our board. It is the Senator's board, because the Senator's party created it.

Mr. WATSON of Indiana. The Senator now wants to get into politics about that.

Mr. McKELLAR. But the Senator is calling it our board, and it is not our board.

Mr. WATSON of Indiana. I understand all about that. We were responsible for the legislation, of course——

Mr. McKELLAR. Why, surely.

Mr. WATSON of Indiana. And I accept the responsibility.

Mr. CARAWAY. Do not talk about the Adamson law, then.

Mr. SMITH. Mr. President——

Mr. WATSON of Indiana. Hold on a minute.

Mr. SMITH. I yield, under orders. [Laughter.]

Mr. WATSON of Indiana. Will the Senator yield until I get through?

Mr. SMITH. Yes, I will; under orders.

Mr. WATSON of Indiana. What I wanted to see done was to get the two instrumentalities cooperating, working side by side, so that at a given time, having previously arranged that wages might be reduced a certain per cent, immediately afterwards rates could be reduced correspondingly, the whole thing having been studied out in advance, and the men on the railroads who are doing the railroad work themselves would have shared in the benefits of the reduction. I do not believe that it is possible to reduce railroad rates in the United States without a reduction in the wages paid.

Mr. McKELLAR. Will the Senator permit me to call his attention to the fact that the board of which he is now complaining has already reduced wages, but the commission which he is upholding has not reduced rates?

Mr. CUMMINS. That last remark is hardly accurate.

Mr. WATSON of Indiana. Why, it has reduced rates in over 5,000 cases.

Mr. McKELLAR. Oh, it may have equalized rates, but it has not reduced freight rates, as we all know. Let us not blind ourselves to the facts. We know that freight rates have gone up over 100 per cent and in many cases 200 per cent, and that substantially there has been no reduction; but we know that the same board of which the Senator is now complaining has voted a reduction in the wages of labor.

Mr. WATSON of Indiana. Of 12 per cent.

Mr. McKELLAR. If we could get a 12 per cent reduction in freight rates, we would feel that we had done something.

Mr. WATSON of Indiana. Yes; I have not any doubt about that.

Mr. CUMMINS. You have it, and more.

Mr. WATSON of Indiana. Yes; and more than that. It is useless for the Senator to stand up here and say: "Oh, all we have to do is just to wave a wand and reduce freight rates." That does not settle the problem. We have got to permit the railroads to secure enough revenue to run and pay their expenses, or the whole thing will collapse. How does my friend from South Carolina expect to assist the business of the country by breaking up the railroads, simply because other people are broken up?

Mr. SMITH. Mr. President, the Senator from Indiana can not infer from what I have said that we are going to break up the railroads.

Mr. WATSON of Indiana. But the Senator said a moment ago that other people were broken, and that there was distress throughout the country, and that there was no reason why the railroads should not come into the same condition.

Mr. SMITH. No; I said there was no reason why the railroads should not contribute to the relief of the distress that exists throughout the country.

Mr. WATSON of Indiana. Precisely; and yet in 1920 they did not earn a dollar. How are you going to get below nothing?

Mr. McKELLAR. If the Senator will permit me just a moment, I should like to say that in my judgment the fact that they did not earn anything was in large measure due to the rates that were received, which were out of all proportion, and such as to stop business. If the Congress would direct or permit the Interstate Commerce Commission to reduce rates, the volume of business of the railroads would be increased to such an extent that their net revenues must inevitably be greater than they are now. We all know that that is true. If you increase the volume of business of the railroads, you are going to have prosperous railroads; and without an increased volume of business you can not have prosperity.

Mr. CUMMINS. As I remarked a few minutes ago, the volume of business, both freight and passenger, in the year of which the Senator from Tennessee is speaking, was greater than in any other year in the history of the United States.

Mr. SMITH. Mr. President, all the arguments finally resolve themselves into this proposition that confronts the American people, and we here must answer it: Either the price of the material that the people are producing must rise to a point where they can pay the present freight rates and show a profit, or the freight rates must come down to a point where the present level of prices will allow the people to do business. It is an inescapable logical situation at which we have arrived.

You must bring transportation and commodities to a point where the market price received will show a profit, or business will cease; and it has well-nigh ceased throughout the country. I, for one, am going to take the risk, if it is a risk, of voting for this bill as amended, or voting for it without amendment, on the ground that this will be at least a tangible evidence that those whom the people have charged with the responsibility of taking care of these affairs have taken cognizance of their distressed condition, and are going to do something to relieve it.

Mr. CUMMINS. Mr. President, I should like to ask a question of the Senator from South Carolina.

Mr. SMITH. I yield.

Mr. CUMMINS. Would the Senator from South Carolina be willing to vote for a bill which would fix the wages of engineers, of firemen, of trainmen, of switchmen, and of all the other employees of the railroad companies?

Mr. SMITH. Mr. President, not being a great constitutional lawyer I will risk a suggestion made to me, that in the first

place I could hide behind the answer that the Constitution would not let me do it.

Mr. CUMMINS. I am not speaking of constitutional power.

Mr. SMITH. I would never vote for any law that would fix the value of a man's personal effort, but I will vote for a law which will fix interest on money and on things which the public uses.

Mr. CUMMINS. If we in Congress attempt to fix by a direct vote the revenues of the railroads, we must in some way by a direct vote attempt to fix the expenses of the railroads. We can not deal with one subject without at the same time dealing with the other, it seems to me.

Mr. SMITH. I understand you run up against that human equation in this proposition, that here is a man, and you can not treat him and the service he renders and the faithfulness of his work as you can a yard of calico or a pound of steel. But we can, in common sense and reason, begin now and make a tentative effort to bring down this intolerable, towering freight rate, and give the people to understand that we are earnestly trying and will ultimately succeed. We are not in swaddling clothes, and we are not infants. We can find a way by which adequate transportation can be furnished the people at a reasonable cost, and it is our duty to begin now, and I am going to begin to-day.

Mr. DIAL. Mr. President, I would like to ask the Senator if there is any foundation for the assertion that the Interstate Commerce Commissoin and the Labor Board both proceed with a little too great deliberation in these important matters?

Mr. SMITH. I am not prepared to answer, Mr. President, what the cause of this delay is. I do state that it is a crime for us to find no way by which the general public can be relieved, while certain privileged classes are enjoying the high tide that reached and leaped over us during the war. Everything is deflated, everything is put down upon a basis of bankruptcy, while certain interests are still maintaining the incomes and the prices obtaining during the war, and I for one, though I do not belong to the majority party, using the best judgment I have, am going to vote and work for those things which will at least give some measure of relief to those upon whom the burden rests to furnish the bread and the meat and the clothing and the materials which the American people depend upon.

Mr. CARAWAY. Following the suggestion of the junior Senator from South Carolina [Mr. DIAL], does it not impress the Senator that it takes so much less time to raise the rates than to lower them, that sometimes the people's patience is a little bit tried?

Mr. SMITH. Surely.

Mr. CARAWAY. They can raise them almost overnight, and then it takes years to find out that it is just to lower them.

Mr. SMITH. That is a fact. Mr. President, I have taken a longer time than I should have taken. I have voiced my feeling about this matter. I, together with others, am a victim of this unfortunate condition, and the American people are not going to tolerate us sitting down and saying, "We know that the freight rates are so high that you can not ship with any profit, but we must maintain a good income to the railroads." "What about me, producing the stuff that is making the railroads possible?" "You will have to take your chances; that is all. Just do the best you can."

Mr. CARAWAY. Before the Senator sits down let me just call his attention to a statement that was made here the other day, that what are known as packer cattle, full-grown cows, were shipped from one of the Western States—I am rather inclined to think it was Montana or Wyoming—down to Dallas, Tex.—full-grown cows—and after they paid the freight charges they brought the owners of the cattle 54 cents a head; in other words, the railroad companies got everything but 54 cents for a full-grown cow, 3 or 4 years old.

Mr. SMITH. Of course, every patriotic American citizen ought to be willing to go into bankruptcy, if necessary, to make the railroads a profit. He is not in business for the purpose of making himself a profit, but for maintaining the transportation system, and the sooner we learn that the better for us.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the following order be entered.

The VICE PRESIDENT. The Secretary will read the request.

The ASSISTANT SECRETARY. The Senator from Arkansas asks unanimous consent that, at not later than 5 o'clock p. m. on the calendar day, Saturday, January 21, 1922, the Senate shall proceed to vote, without further debate, on the bill S. 848 and on all amendments thereto that may be pending or that may be offered. No amendment not germane to the bill shall be considered, and after the hour of 3 o'clock p. m. on said day no amendment shall be offered, and no Senator shall speak more than once or longer than five minutes on the bill or any amendment thereto.

Mr. MCNARY. Mr. President, I am not sure that I am going to object, but I can not see the necessity of fixing the hour as late as 5 o'clock on Saturday afternoon. I would make it 2 o'clock, or at the latest 3, and we can meet earlier.

Mr. ROBINSON. Mr. President, while the Senator from Oregon was out of the Chamber I submitted a request for consent that a final vote be taken at not later than 3 o'clock, and it was objected to. However, I think the hour for a final vote may be moved forward, and I will modify the request.

Mr. WALSH of Massachusetts. I suggest that the Senator change the hour for a final vote from 5 to 3, and the hour when debate shall be limited from 3 to 1.

Mr. ROBINSON. I accept that suggestion. I will modify the request so that it will read as follows:

That at not later than 3 o'clock p. m. on the calendar day, Saturday, January 21, 1922, the Senate shall proceed to vote, without further debate, on the bill S. 848 and on all amendments thereto that may be pending or that may be offered. No amendment not germane to the bill shall be considered; and after the hour of 1 o'clock p. m. on said day no amendment shall be offered and no Senator shall speak more than once or longer than five minutes on the bill or any amendment thereto. That the Senate, when it recesses to-day, shall take a recess until 11 o'clock a. m. to-morrow.

Mr. WARREN. What is the hour fixed for a vote?

Mr. ROBINSON. Three o'clock. I think it entirely probable, I will say to the Senator from Wyoming, that under this agreement a vote may be reached earlier.

Mr. WARREN. Is not the Senator willing, as he asks to have an earlier hour for meeting, to put that forward and make it 2 o'clock?

Mr. ROBINSON. I am willing to do so if the Senate will agree to it. I will make it read that at not later than 2 o'clock a vote shall be taken. That will give three hours for debate. I submit it in that form.

Mr. JONES of Washington. Mr. President, as I understand the request, it really prohibits the offering of any amendment after 1 o'clock and gives two hours during which any amendments which may be pending or offered at 1 o'clock can be considered. That to a great extent meets the objection I made to the other request. I think that will probably give ample time for the consideration of amendments. I do not know whether one hour would give ample time or not. There might be half a dozen amendments pending at 1 o'clock.

Mr. ROBINSON. At the suggestion of Senators about me, including the Senator from Iowa [Mr. CUMMINS], I have moved back the hour from 1 o'clock to 12 o'clock, so as to give two hours, between 12 and 2 o'clock, for the discussion and disposition of amendments which may be pending.

Mr. JONES of Washington. I will not make any objection to that, although I would rather no time were fixed for the final vote on the bill.

Mr. ROBINSON. I will ask to have the order entered in this form:

That at not later than 2 o'clock p. m., on the calendar day Saturday, January 21, 1922, the Senate shall proceed to vote, without further debate, on the bill S. 848 and on all amendments thereto that may be pending or that may be offered. No amendment not germane to the bill shall be considered, and after the hour of 12 o'clock p. m. on said day no amendment shall be offered, and no Senator shall speak more than once or longer than five minutes on the bill or any amendment thereto. That the Senate, when it recesses to-day, shall take a recess until 11 o'clock a. m. to-morrow.

The VICE PRESIDENT. The Senator from Arkansas asks that the Senate enter into a unanimous-consent agreement, upon which it is necessary to call the roll. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Harris	McNary	Sheppard
Bursum	Harrison	Moses	Simmons
Capper	Johnson	Newberry	Smith
Caraway	Jones, N. Mex.	Nicholson	Swanson
Cummins	Jones, Wash.	Norris	Trammell
Curtis	Kellogg	Overman	Walsh, Mass.
Dial	Kenyon	Poindexter	Warren
Fernald	Ladd	Pomerene	Watson, Ind.
Harreld	McKellar	Robinson	Williams

Mr. HARRIS. I desire to announce the absence of my colleague [Mr. WATSON] on official business.

The VICE PRESIDENT. Thirty-six Senators having answered to their names, a quorum is not present. The Secretary will call the roll of absentees.

The Assistant Secretary called the names of the absent Senators and Mr. LA FOLLETTE, Mr. NELSON, Mr. ODDIE, Mr. PHIPPS, Mr. SHIELDS, Mr. SUTHERLAND, and Mr. WALSH of Montana answered to their names when called.

Mr. BROUSSARD, Mr. CAMERON, Mr. WELLER, Mr. SPENCER, Mr. PAGE, Mr. HEFLIN, Mr. GOODING, Mr. OWEN, Mr. FLETCHER, and Mr. STANFIELD entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-three Senators have answered to their names. There is a quorum present.

Mr. POINDEXTER. Mr. President, the pending bill——

The VICE PRESIDENT. The question is on entering into the unanimous-consent agreement.

Mr. CURTIS. Let it be reported.

Mr. POINDEXTER. Withholding my consent to the agreement, it will only take me a moment for what I have to say.

Mr. CURTIS. That might require the calling of the roll again to ascertain if a quorum is present. We have just had the roll called, and if the Senator would just as soon wait until we have entered into the unanimous consent it would avoid another call of the roll.

Mr. POINDEXTER. I prefer to proceed now. I shall only take a moment. I do not think it will involve the calling of the roll again. I do not know what the request for unanimous consent is.

Mr. President, the pending bill provides for the issuing of interchangeable, nontransferrable 5,000-mile tickets to be sold at the rate of 2½ cents a mile, and it contains a provision that the Interstate Commerce Commission—

shall modify the rate established by this paragraph whenever, in its opinion, there is, after this paragraph takes effect, a substantial alteration in the average rate level for the transportation of persons by such carriers throughout the country as a whole, so as to increase or decrease such rate directly in proportion, as nearly as the commission deems practicable, to such alteration in such average rate level.

It is objected that the bill is class legislation in the interest of traveling men, or commercial travelers, as they are called. I fail to see on what that objection is based, inasmuch as these special-rate mileage tickets are purchasable by anybody who chooses to take advantage of them. It is to be universal in its operation.

It is said, however, that in effect, by reason of the fact that men whose business requires them to spend a great portion of their time in traveling would be the ones who would utilize the privileges conferred by this act, it would operate to give them a lower rate of transportation than is given to other people, and consequently it would be unjust discrimination and violative of what ought to be the fundamental rule of rate making.

Mr. President, the complete answer to that objection is that at the present time, under the present rates and under the present regulations of the Interstate Commerce Commission and under the law, the railroads are selling special railroad tickets with special terms and special provisions at a lower rate than 2½ cents a mile. My attention was called to one form of ticket that may be bought by anybody who may choose to take the trip, and I have no doubt there are many other routes covered by tickets of the same kind.

An all-year-round tourist ticket is sold, say, at Chicago upon a route beginning at Chicago, thence to Minneapolis, from there to Butte, thence to Seattle, to Sacramento, to San Francisco, to Los Angeles, to El Paso, to New Orleans, to Memphis, and back to Chicago, a total distance of 6,719 miles. This ticket is sold for the total sum of $162.39. The ticket is good for nine months and the rate per mile is 2.4 cents, which is a lower rate than that which is provided for in the pending measure.

It is not objected to as being discriminatory in favor of any class or as favoring or giving a privilege to any particular class to utilize the ticket or as giving a lower rate of transportation to any one class of people against another. Anyone who wants to take a tourist trip and wants to engage in that kind of travel has the opportunity to buy tickets at that rate, and the same identical price applies to it as would apply to the 5,000-mile ticket of universal interchangeable character provided for in the bill.

From the standpoint of the business of the country and of the railroads themselves, it is estimated that the enactment of this measure would lead immediately to the receipt by the railroad companies of a vast sum of money, variously estimated at from $50,000,000 to $100,000,000. Nobody can tell how much it would be, but it would be a very large sum which the railroads would immediately receive in advance for transportation provided for through the medium of these tickets. The advantage to the railroads of that realization in cash for their potential and future service can readily be seen. It is obvious to everybody.

There is another aspect of the bill to which I wish to call attention, and that is the incentive it would give to increased travel by men engaging in travel for business purposes and for the purpose of putting goods upon the market. It would create new business, increase transportation in the country, and consequently benefit the railroads as well as those engaged in industry. So it seems to me that the objections which are made to the bill are completely answered by the existing practices of the roads and by the perfectly obvious beneficial result which would come to the roads from the addition of this particular class of tickets to those which are already on sale.

I am very much in favor of the measure as it is. I regard it as an extremely meritorious measure.

It is said by a great many people that Congress is not in any situation to fix a passenger rate, because it has not the requisite knowledge. The only knowledge that we have is the experience and the practice of the country. I have cited an instance, already in practice, of a rate even lower than that provided in the bill, which is given to the purchasers of certain kinds of tickets. So we can assume that as a standard by which we can be guided in authorizing under somewhat similar conditions the wholesale disposal of transportation and the fixing of a rate which by comparison we can say is perfectly reasonable as tested out by the practice and experience of the transportation companies.

The VICE PRESIDENT. The proposed unanimous-consent agreement will be read as modified.

The Assistant Secretary read as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that at not later than 2 o'clock p. m., on the calendar day of Saturday, January 21, 1922, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill S. 848, to amend section 22 of the interstate commerce act, permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes, through the regular parliamentary stages to its final disposition; that no amendment not germane shall be considered, and that after the hour of 12 o'clock m. on said calendar day no amendment shall be offered and no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto; and, further, that when the Senate concludes the business of this day it will take a recess until 11 o'clock a. m. to-morrow.

The VICE PRESIDENT. The question is on entering into the unanimous-consent agreement proposed by the Senator from Arkansas [Mr. ROBINSON]. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. MCKELLAR. Mr. President, I am glad this bill is under consideration by the Senate and hope that it is going to be passed. I hope that this bill as reported by the committee will be passed, rather than the so-called Cummins substitute, which I shall refer to hereafter. I wish now to call the attention of the Senate to the fact that as early as May, 1919, I introduced a bill of similar character for the issuance of mileage books. I ask permission to insert that bill in my remarks without reading.

The VICE PRESIDENT. Without objection, permission is granted.

The bill referred to is as follows:

A bill (S. 60) authorizing the Director General of Railroads to establish a system of mileage books.

Be it enacted, etc., That the Director General of Railroads be, and he is hereby, authorized and empowered to fix and establish a system of mileage books at a rate not exceeding 20 per cent less than the rates already fixed for the use of commercial travelers and others habitually using the railroads.

Mr. MCKELLAR. Since that date, May 20, 1919, I have introduced a number of bills and amendments seeking to bring about the issuance of mileage books along the same lines as the bill now before us. It will be recalled when the tax bill was under consideration in November I introduced the following amendment:

Amendment intended to be proposed by Mr. MCKELLAR to the bill (H. R. 8245) to reduce and equalize taxation, to amend and simplify the revenue act of 1918, and for other purposes, viz: On page 171, after line 25, insert the following:

"Section 22 of the interstate commerce act is amended by inserting '(1)' after the section number at the beginning of such section and by striking out all after the first proviso of such section and inserting at the end of such section two new paragraphs to read as follows:

"(2) Each common carrier by railroad, or partly by railroad and partly by water, within the continental United States subject to this act, shall issue interchangeable nontransferable 2,000-mile tickets (including the privilege of carrying baggage free to the amount of 100 pounds), to be sold at the rate of 2½ cents a mile, for transportation of persons on any lines of such carrier or any other such carrier, without regard as to whether the points of origin and destination for any single journey are within the same State, provided such carrier is engaged in interstate commerce. The commission, by order, (a) may initiate and establish such classifications, regulations, and practices relating to such tickets, (b) may make such regulation as it deems necessary for the enforcement of the provisions of this paragraph, and (c) shall modify the rate established by this paragraph whenever in its opinion there is, after this paragraph takes effect, a substantial alteration in the average rate level for the transportation of persons by such carriers throughout the country as a whole, so as to increase or decrease such rate directly in proportion, as nearly as the commission deems practicable, to such alteration in such average rate level and without regard to section 15a

of the interstate commerce act, as amended by section 422 of the transportation act approved February 28, 1920. Any ticket unused in whole or in part at the time of any such modification may be redeemed at the same rate per mile as that for which it was purchased. No common carrier shall demand, collect, or receive greater or less compensation for the transportation of persons or baggage under any such 2,000-mile ticket than that required by the provisions of this paragraph or any order of the commission issued thereunder or refuse to accept any such ticket for the transportation of persons as provided in this paragraph.

"(3) If any provision of paragraph (2) or the application thereof to any person or circumstance is held invalid, the validity of the remainder of such paragraph and the application of such provision to other persons and circumstances shall not be affected thereby, and no tax shall be imposed upon mileage tickets issued under this paragraph."

Mr. President, it will be seen that the foregoing amendment is substantially the same as the present Watson bill reported out by the Senate Committee on Interstate Commerce. Indeed, as I recall, I simply offered Senator WATSON's bill. At that time a motion was made to lay my amendment on the table and our good friends on the other side, including Senator WATSON, voted to lay the amendment on the table. It was the same amendment that they have since reported favorably to the Senate. I congratulate Senator WATSON and our friends on the other side generally on their change of mind and on reporting out the bill of the Senate, and I hope they will now pass this long-delayed and beneficial measure. Their change of heart on this subject of mileage books is very pronounced, and I hope it will be maintained until this measure is safely passed. I hope they will not agree to the Cummins substitute. The Interstate Commerce Committee, of course, knows my consistent and active efforts for more than two years to get an amendment reported out of that committee. I have no pride of authorship about it. I simply believed the legislation ought to be enacted, and I am, of course, greatly pleased at the present prospect of its passage.

Mr. President, there are several defects in the present bill which ought to be corrected. There are several amendments which ought to be agreed to. One is that tickets issued should be 1,000-mile instead of 5,000-mile tickets. The provision in Senator CUMMINS's substitute on the subject of not less than 1,000 miles nor more than 5,000 miles is all right. Of course, there should be an amendment as to the unused portion of the books. They should be redeemable, and I can see no reason why the books should not be transferable.

These amendments will certainly aid in increasing travel, and I believe they are to the best interest of the railroads and the public. One thousand mile tickets were the kind which were usually issued by railroad companies when such transportation was available before the World War, and I believe it would be wise to require the issuance of such tickets now.

Mr. President, the necessity of this legislation, it would seem to me, would be obvious to anyone. It is claimed that the Interstate Commerce Commission should be left alone to remedy the situation that everybody knows exists. On the other hand, it is claimed that the commission—and I believe that a portion of the commission claims itself—that it has not the legal authority to direct that mileage books be sold. I have serious doubt about the authority myself. At all events, it can not hurt to give them the authority. Nor can it hurt to give specific directions about it. It seems to me, from the statements made here on the floor, that the commission is divided about evenly on the wisdom of directing mileage books to be issued. If that is the situation, there could be no reason why Congress could not express its views, especially when the situation is as obvious as it is.

We are not seeking, Mr. President, to put any new or untried policy upon the railroads. We are simply readopting that wise policy that the railroads themselves had followed for many years prior to Government control. If it had not been a wise policy, they would have themselves done away with it. If it had not been profitable, they would not have used it. If it had not been to their best interests, they would not have operated under it. For this reason, therefore, the system ought to be reestablished as one that has been tried and found good. In the next place, it is in another respect obviously for the best interest of the railroads. The undisputed proof is that business firms have had greatly to decrease their number of commercial travelers because of the excessive rates. Now, when we remember that every commercial traveler in this country is not only a traveler for the particular business which employs him, but is a business getter for the railroads as well, we must see the importance to the railroads themselves of adding to the number of commercial travelers in this country. Every time a drummer sells a bill of goods for his house he also sells transportation to the railroads. Not only his own transportation but transportation for the goods which he sells. In other words, if we had to-day three times as many traveling men on the road as there are, and they sold three times as many goods as they do to-day, the railroads would get substantially three times as much business to haul from that source as they do now. Every drummer in the United States is a drummer for the railroads also. Under these circumstances it seems to me a wholly misguided self-interest on the part of railroads when they do not welcome the sale of mileage books.

Mr. President, of course, the sale of these tickets will greatly advantage the public. The enormous cost of travel must necessarily keep many from traveling that would travel, and under well-known economic rules we know that railroads depend for their prosperity upon the volume of business done rather than upon the height of the rate. These books will unquestionably bring about an increase in travel, and for the same overhead greater revenues could be made from a lower passenger rate. This was demonstrated yesterday in the figures presented by the Senator from Arkansas [Mr. ROBINSON]. In addition, Mr. President, the sale of these books will immediately put the railroads in possession of a large amount of cash which they admittedly need at this time.

Mr. President, the passage of this bill and the sale of these mileage books will greatly benefit the business of the country. The business of the country is at a low ebb. Business men are doubtful of the future. Their taxes are high, their tariff duties are high, all out of proportion to the amount of business they are doing. We should get back on a reasonable basis. We should get back to a condition of affairs that will make them safe in enlarging and extending their business. The more traveling men we can put upon the roads the more we do for the business of the country and the more we do for the railroads. There is an imperative demand all over the country for this decrease of rates.

Mr. President, we have tried the enormously high rates, and neither the railroads nor the business public have prospered. Let us try these rates and at the same time see its effect on business and its effect on the railroads. No one wishes to handicap the railroads. We want to see them prosper. We want to see them make much more money than they have in the past. I would like to see every railroad in the country prosper, but I believe the policy they are now attempting of holding on to these enormous rates brought about by the war is a suicidal policy and one that they should not continue.

Mr. President, the Senator from Iowa [Mr. CUMMINS] a while ago said in the year 1920 the railroads had the largest volume of business ever handled by them. That may be true, but the volume of business should increase steadily, and this legislation will cause it to increase. When it is increased, the net revenues of the railroads, in my judgment, coming from passenger travel at 2½ cents a mile will be larger than the net revenues which are now received from the 3.6 cents per mile. If it had not been to the best interest of the railroads to operate under a mileage-book system, manifestly they would not have done so when the matter was all in their hands. They found it profitable or they would not have engaged in it.

Mr. President, I digress here long enough to ask the Senator from Arkansas [Mr. ROBINSON], who is jointly interested in the bill, if he would not agree to an amendment to make the mileage books which are to be sold under the provisions of this proposed act good for not exceeding 5,000 and for not less than 1,000 miles?

Mr. ROBINSON. I would be glad to accept an amendment, so far as I am concerned, making the minimum 2,000 miles; but I hardly think we ought to make it 1,000 miles, under the facts as they have developed during the discussion.

Mr. MCKELLAR. Well, Mr. President, at the proper time, if an amendment reducing the minimum to 1,000 miles, as was the case before the war, is not offered I shall myself offer one of that character.

Mr. President, just a word about freight rates. We all know there is something the matter with business. It is at an extremely low ebb. In my own judgment, one of the things—I do not think it is the only thing—that is the matter with business is that freight rates are so high as to shut off business. Not only do the present high rates curtail business but in many instances farmers, manufacturers, and other producers are unable to ship their products at all because of the excessive freight rates which absolutely destroy business. I think it would be unfair to say that a reduction in rates, either passenger or freight rates, or both, would be a cure-all for all we are suffering. I do not think so, but I do think nothing would stimulate the business of the country more than a reduction of rates. The reduction of passenger rates would stimulate business because business houses could then send out their drummers to sell their goods in the various markets, and when drummers are active they not only increase the business of the firms they

represent but they also increase the earnings of the railroads, because, as I have previously stated, every drummer is a drummer for the railroads as well as for his own house.

Now, as to freight rates, there have been many illustrations offered to show their blighting effect upon business. We know that in many instances business has been practically stopped because of freight rates. In many instances freight rates are so high that they amount to sums greater than those for which the products themselves sell. Something must be done to remedy such a condition. It seems to me that we should make a start, and the bill now under consideration asking passenger rates will constitute such a start. So let us try it.

It is argued that we can not reduce freight and passenger rates as long as wages are so high. We all know that the Railroad Labor Board has reduced the rates of railroad wages 12 per cent. In addition to this, the cost of railroad materials has greatly depreciated, and yet there has been no substantial reduction in rates. While there have been reductions in individual cases, as stated by the Senator from Iowa, there have probably been increases in as many or more cases. I know there have been considerable increases in rates on transportation for road materials.

Now, Mr. President, I wish to say that I have no kind of antipathy toward the railroads. I know how important they are in building up and maintaining commerce and trade of this country. I want them to be successful. If they are prosperous, the country will be prosperous. I want them to have every right and privilege. I would benefit them rather than injure them.

I would build them up rather than tear them down, but I believe they have been operating for some time under a mistaken policy. They have departed from the policy of basing their rates on what the traffic will bear and they are making a system of rates as high as they can pile them. The result is that they have not been as successful as they were before. They are not progressing as they should. They are not increasing their business. They are not earning dividends as they should. They are not keeping pace with their opportunities. We should do something for their benefit, and I believe the passage of the pending bill and the passage of a bill directing the Interstate Commerce Commission to reduce freight rates—not a tremendous reduction, coming all at once, but a substantial and gradual reduction—will do more to restore prosperity in this country than any other act of Congress we could pass. I say this not only for the benefit of the general public who use the railroads but quite as much for the railroads themselves. They have raised rates so high as to injure themselves and the country. We ought to reduce the rates in such a way as to restore the business of the country and bring about the prosperity of the railroads themselves. We can not make a better start than by enacting the bill as reported out by the committee with the amendments I have suggested.

Mr. President, I desire to offer another suggestion. It has been stated that the bill is unconstitutional. The Supreme Court by a divided vote held such a view in the Michigan Central Railroad case, One hundred and seventy-third United States. My understanding of course is, since that decision was made by our court the Supreme Court has modified its views very greatly, and that under such modified opinion of the Supreme Court this bill is constitutional, and I believe it to be constitutional.

Mr. POMERENE. Mr. President, will the Senator give the reference to the opinion?

Mr. McKELLAR. I refer to the decision in the case of the Pennsylvania Railroad Co. *v.* Towers (245 U. S., p. 6). I will be glad to submit the volume to the Senator.

If it is a constitutional measure, and I think it is, let us try it. Let us see what can be done. We have tried the high rates under the Esch-Cummins law, and the railroads have not prospered and the country has not prospered. Let us try decreased rates and see if they will not increase the volume of business for the railroads and the prosperity of the country. I think it is as little as we can do. If we are mistaken about it, the Congress can correct it; but I, for one, believe we will not only aid the railroads but the public to a tremendous degree.

Mr. President, one other word about the Cummins substitute. I do not believe that the passage of the Cummins substitute will relieve the situation. It may or it may not. It would possibly be better than nothing, but it would simply be a direction to the Interstate Commerce Commission to examine into the matter. It could hardly be called an expression of opinion by the Congress. I hope the substitute may not be agreed to, but the bill as reported out, with amendments as suggested by me, may pass.

PROPOSED FEDERAL RESERVE FOREIGN BANK.

Mr. OWEN. Mr. President and gentlemen of the Senate, I again call the attention of my colleagues, and especially of my Republican colleagues, and appeal to them to consider the proposal I submitted January 4, Senate bill 2915. Action on this subject promptly is of vital importance to our foreign commerce. It offers an important means to restore the value of our agricultural and manufactured commodities, to relieve our industrial depression, to engage our unemployed labor, to stimulate the industrial activities of Europe, to enable Europe to buy our commodities, to assist Europe to repay us the loans we made to England, France, Italy, Rumania, Belgium, and Russia.

The bill proposes to give Europe the wonderful benefits which we receive and enjoy from the wise and sound principles of the Federal reserve act and the enormous gold supply we have built up under that system; that there shall be established a Federal reserve foreign bank for European operations, with $500,000,000 gold capital, owned by our 12 Federal reserve banks, with power to issue $2,500,000,000 in bank notes—denominations, $1, $5, $10, $20, $50, $100, $1,000, and $10,000—to be issued against 100 per cent sound short-term bankers' bills, secured by 100 per cent of staple, merchantable, insured commodities, title covered by documents, with a 20 per cent gold reserve for redemption purposes, redeemable in gold at London, Paris, and Berlin by member banks only; that such bank should lend such currency notes against such bankers' bills, and thus furnish the people for till money and pocket money, and to the banks of Europe $2,500,000,000 of gold bank notes as a currency with which to measure business contracts and afford a stable measure of value in buying, selling, and contracting for the manufacture and delivery of commodities.

The most vital financial need of Europe is a dependable, stable international currency as a medium of exchange. America alone at this time is able to furnish such a currency, as America alone has the gold. We alone have the available gold.

We have 35 per cent gold reserves, against $1,784,000,000 of deposits of member banks, equal to $634,400,000, which is idle, useless, and unproductive, because the deposits can not, except in case of an occasional bankruptcy, be withdrawn under the statute, and could be paid in reserve notes even if the deposits of an insolvent bank were withdrawn. We can use $500,000,000 of this unproductive gold and still leave the Federal reserve notes with 100 per cent of gold for redemption purposes.

The Bank of England during the Great War, although the bulwark of Great Britain's financial structure, got down to 8 per cent reserve without creating any financial disturbance.

It will be very profitable. These loans of $2,500,000,000 of bank notes would approximately pay 3 per cent, or $75,000,000. gold annually, and expand the service to the extent of European requirements.

The one great overwhelming need of Europe *is a money equal in value to gold*, and *as stable as gold*, in the pockets of the people, in the *tills of the merchants, manufacturers, business men, and bankers.*

Buyers and sellers with a fluctuating currency are terribly handicapped. The buyer finds the mark buys less in commodities as the mark falls in value, so that his money is losing value all the time. The seller finds his commodities bring marks of less gold value as the mark falls. When he tries to save himself by raising the price in terms of marks it is to his disadvantage in selling. When he receives the marks for his goods, before he can buy new commodities the mark has again fallen in gold value. He suffers both ways. Measuring contracts by a fluctuating currency is like measuring silk cloth with a rubber yardstick; like selling oil by the can without defining the size of the can; buying coal by the bucket without knowing the size of the bucket.

It is chaos, hopeless confusion. Under such conditions the manufacturer, merchant, and business man is almost paralyzed. Productive activities and profitable commerce are well-nigh impossible. The greatest duty of statesmen is to promote the profitable employment of the people, to furnish them facilities in sound currency and credits, to remove obstructions to commerce and production, make raw materials accessible, promote transportation.

European business men would rejoice to have the use of this gold currency.

It would tend to immediately stabilize contracts and credits, stimulate production and employment.

It would tend to stabilize exchange.

It would greatly assist Germany to meet its reparation bills in gold payments, and thus help France, Belgium, Great Britain, and Italy.

It would help to make the gold dollar the standard measure of international contracts.

It would make the United States the greatest and most useful servant of mankind, and entitle America to the increased respect of the whole world.

It will enable Europe to create the commodities needed to pay America $1,500,000,000 of debts and interest thereon.

It will preserve the gold standard and prevent Europe going permanently to a paper-money basis.

It will increase the demand for gold for monetary use in Europe, where such demand has largely ceased to the disadvantage of our excess hoarded gold and its purchasing power.

It will be profitable and earn a minimum of $75,000,000 per annum.

It will stimulate our foreign commerce or exports and imports.

It will tend to raise the prices of our export products, to increase the employment and the wages of labor in the United States, and relieve our present industrial depression.

Foreign nations alone can place their currencies on a gold par basis. If they conclude to do that, they must balance their budgets, be economical, by taxes take up their surplus currency, and arrange a plan by which debtors will pay their debts or bonds on the gold basis of value, so that the debtor, whether a citizen or a nation, shall only pay the gold value originally advanced by the creditor. On this basis Governments would only tax their people to the extent of what the Government got in terms of gold when they sold their bonds. There must be some equitable adjustment between the debtors and creditors in Europe, between the bondholders and the taxpayers of Europe. It can be done, but it is a matter exclusively in the hands of the statesmen of the several countries involved.

We can nevertheless furnish them with a gold-secured currency and with credits, and this assistance to Europe I urge upon you.

We should agree to merge the interest on the European national debts to our Government into the principal of the debt for the next 5 or 10 years.

We should put the interest at the prewar rate, 3 per cent.

We should extend the time for paying the principal for from 30 to 50 years.

We should help them with our gold and give them a gold-commodity secured currency and the credits that would be easily afforded through the proposed Federal reserve foreign bank.

When we extend the payment of the European War debts to 30 or 50 years now we should do the same thing in the United States and extend the payment of the United States war bonds for a like period.

I ask permission to insert in the RECORD a letter from John F. Shafroth to accompany my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the Denver Post of Jan. 15, 1922.]

SHAFROTH SUGGESTS PLAN TO SOLVE INTERNATIONAL PROBLEMS OF PAPER MONEY—FORMER COLORADO SENATOR URGES HARDING TO SEND REPRESENTATIVES OF UNITED STATES GOVERNMENT TO INTERNATIONAL ECONOMIC CONFERENCE IN GENOA.

A plan to get rid of the irredeemable paper currencies in foreign nations, which he blames largely for the present high cost of living, is suggested by former United States Senator John F. Shafroth, of Denver, in a letter sent Saturday to President Harding.

Mr. Shafroth recently spent several months in Europe, making an exhaustive study of financial conditions there. In placing the result of his observations before the President, he expresses the hope that the United States will send its Secretary of State, Secretary of the Treasury, and Comptroller of the Currency to the international economic conference called to meet in Genoa. His letter to the President follows:

DENVER, COLO., *January 14, 1922.*

President WARREN G. HARDING,
White House, Washington, D. C.

MY DEAR MR. PRESIDENT: I have recently returned from a six-months' trip to Europe. I noticed in the press a few days ago that the supreme council of the allied nations has called an international economic conference to meet in Genoa, Italy. I hope you will accept the invitation extended to the United States, and that our delegates will consist of the Secretary of State, the Secretary of the Treasury, and the Comptroller of the Currency. They surely can be trusted not to lead us into deep waters.

Allow me to suggest why an international conference upon the subject is of great importance to the people of the United States.

First. Many nations of Europe have issued so much irredeemable paper currency that it is very difficult for our merchants or manufacturers to have commercial transactions with their business men.

MANY NATIONS ISSUE CURRENCY.

Irredeemable paper currencies have been issued by the following nations, for the following amounts, measured in American dollars at normal rates:

France	$7, 160, 000, 000
Italy	4, 110, 000, 000
Austria	19, 100, 000, 000
Hungary	4, 500, 000, 000
Belgium	$1, 180, 000, 000
Czechoslovakia	2, 260, 000, 000
Germany	24, 300, 000, 000
Poland	36, 414, 000, 000
Rumania	2, 384, 000, 000

Bolshevik government of Russia, 5,750,000,000,000 rubles.

Other nations have issued irredeemable paper money for less amounts.

The exchange rates of these currencies with the United States dollar, and with the currencies of each other, are constantly changing, which makes it hazardous to enter into contracts for the purchase or sale of goods and products, even when payment is to be made therefor within 30 or 60 days. I was in Vienna for two weeks and a half and during that time the Austrian crown fell 50 per cent in exchange for American dollars. For the foreign merchant to contract for American goods in American dollars is hazardous to him, because he does not know how much of the irredeemable currency he will have to give in order to obtain the dollars with which to pay for the goods when they arrive. It, therefore, becomes perilous both to American and foreign merchants to contract with each other, especially as to goods to be manufactured and delivered in the future. Hazardous undertakings discourage trade, or at least require large profits, which ultimately must come out of the consumer. Consequently, it is of great moment to Americans to have stability in the value of foreign moneys. Without it our foreign trade will be greatly impaired.

Second, while our foreign trade under present conditions is hampered, yet the losses arising therefrom are insignificant compared to other losses that result from such irredeemable currencies.

Why is the American citizen personally interested in the kind of a currency a European nation may have? It is because these irredeemable paper currencies affect the price of everything he buys whether American or foreign made. How?

According to the Gresham law, two legal tender moneys of different value can not circulate in the same country. The cheaper will always drive out the dearer money. If a man has the option of paying his debts in legal tender money of less value, he will always avail himself of that privilege, and hence the cheaper money becomes the sole circulating medium of that country. In accordance with that principle, gold either in the form of coins or of paper money redeemable in gold, has gone out of circulation in nearly all the nations of Europe. This has decreased the demand for gold, decreased its purchasing power throughout the world, and, consequently, increased the price of everything that gold buys.

GOLD STANDARD USED BEFORE WAR.

In 1914 nearly all the European countries were upon the gold standard, each making demands upon gold for a circulating medium and for monetary redemption purposes. They did fully one-half of the commercial business of the world. The principal use of gold is for monetary purposes—the use for the arts and payment of international balances being comparatively small. By these foreign nations issuing legal tender irredeemable paper currencies, the demand for gold has been greatly diminished. It is this condition more than any other which has produced the high cost of living in the United States.

It is a fundamental principle of political economy that the price of commodities—the demand remaining the same—varies in the inverse ratio of their production; that is, if the production is great the price is proportionately low, and if the production is small the price is correspondingly high.

The price of commodities also varies with the demand therefor, other things remaining the same; the price increasing if the demand is great and decreasing if the demand is small. All recognize these principles when applied to a single commodity. They are also applicable to gold, but as gold is the standard by which all commodities are measured, its increase or decrease in value can not be expressed in its own units, but only in the increased or decreased quantity of things the units will buy, which is manifested in a general rise or fall in prices. Therefore, when all prices rise, it means that there is an increase in the supply of or decrease in the demand for that which measures the price of all things. During the past eight years the annual production of gold has decreased, hence the increased price of things gold will buy is due to the decreased demand for gold caused by European nations substituting irredeemable paper money for their gold currencies or currencies redeemable in gold. By reason thereof gold has become cheap; it buys less, and hence prices are higher. The principle of demand and supply is always operating on each commodity and also on the standard which measures all commodities, and hence prices are affected by each at the same time.

While profiteering affects to some extent the price of some commodities, and prosecutions may curtail the practice, and such prosecutions should be pursued with vigor, yet the result will be small compared to that which will be obtained by increasing the demand for gold.

DECREASED GOLD DEMAND INCREASES LIVING COST.

As the high cost of living in the United States has been produced to a large extent by the decreased demand of the world for gold, it becomes of the highest importance for us to use our influence to restore that demand for gold which existed in the world at the outbreak of the war in 1914. Without the restoration of such demand, normal times can not come.

How can this be accomplished?

By each of such nations agreeing to enact a law, providing that all taxes can be paid partly in gold and partly in the irredeemable paper currency, making the part payable in gold sufficient only to pay the expenses of a most economical administration, and making the remainder of the taxes payable in the irredeemable paper currency, which when paid into the Treasury can be destroyed. It is estimated there is now in the treasuries and banks of the countries of Europe, which have irredeemable paper currencies, gold of the value of $2,022,000,000, and much more that is in hiding, which latter will be drawn out for monetary uses as soon as such a law is enacted, and some demand for gold will immediately arise.

It is also necessary that each of such nations shall enact a law providing that a debtor can discharge his obligation by paying the gold value of his debt at the time it was contracted. Otherwise, he would be compelled to pay many times that which he received. For instance, the Italian citizen who borrowed 100,000 lire when the lira was worth only one-fourth of its normal value, would, when it is brought to its normal value, be compelled to pay that amount in gold; that is, four times the value of that which he borrowed, which would be unconscionable. This law would produce equity between the debtor and creditor. The gold value of what the debtor borrowed was what he received at the time

the obligation was incurred, and that is what the creditor parted with in making the loan.

The gold value of the irredeemable currencies at all times can be ascertained from the money quotations of the principal bourse or treasury department of each nation.

Our Government has the confidence and respect of all the nations and our reasonable suggestions would be welcomed.

If some plan to get rid of these irredeemable paper currencies is not worked out, bankruptcy and ruin of such nations are likely to follow, with the accompaniments, repudiation and anarchy, and at least much of the high cost of living will continue in the United States many years.

Yours, truly, JOHN F. SHAFROTH.

PROSPECT HILL CEMETERY, DISTRICT OF COLUMBIA.

Mr. BALL. I ask unanimous consent for the immediate consideration of House bill 7601, to amend an act incorporating Prospect Hill Cemetery, and for other purposes.

Mr. CURTIS. Let the bill be read.

The PRESIDING OFFICER (Mr. STANFIELD in the chair). The Secretary will read the bill.

The reading clerk read the bill, as follows:

Be it enacted, etc., That wherever the words "members of the German Evangelical Society" occur in the original act of incorporation entitled "An act to incorporate the proprietors of Prospect Hill Cemetery," approved June 13, 1860 (12 Stat., 32), they shall be interpreted and construed to mean and shall signify the proprietors of lots in said cemetery.

That the affairs, business, and property of said corporation shall be under the direction, control, and management of a board of seven trustees, any five of whom shall constitute a quorum with full authority to act, which board of trustees shall be elected annually by the proprietors of lots in said cemetery, and the trustees shall elect and appoint from their own board a president, a secretary, and a treasurer; also appoint all necessary officers and agents and fix their duties and compensation, and make such by-laws, rules, and regulations as they may deem proper for conducting the affairs of the corporation for the government of lot holders and visitors to the cemetery. The board of trustees shall have authority to fill temporary vacancies occurring in their board and shall hold their offices until their successors are elected and qualified.

SEC. 2. That the annual meeting of the proprietors of lots shall be held in the District of Columbia the second Tuesday of March of each and every year, the place and hour of assembling to be specified in a public notice previously given by the board of trustees, and at such meeting there shall be at least 15 lot proprietors in order to constitute a quorum to transact business. In the election of the trustees at such meeting each lot proprietor shall be entitled to one vote. Said corporation is authorized and empowered to sell any part of said cemetery grounds not used for burial purposes, and particularly that land situate west of North Capitol Street, and invest the proceeds thereof for the care, maintenance, and improvement of said cemetery, and without the purchaser being required to see to the application of the purchase money.

SEC. 3. That the said act of Congress approved June 13, 1860 (12 Stat., 32) and the subsequent acts of Congress approved August 5, 1890 (26 Stat., 299), and February 28, 1907 (34 Stat., 1008–1009), so far as they are inconsistent with the provisions of this act, are hereby amended so as to authorize and empower the sale of the land hereinbefore provided.

Mr. CURTIS. Mr. President, may I ask the Senator if that is one of the abandoned cemeteries in the city here?

Mr. BALL. No. This part of the land never has been used as a cemetery. The land was bought in 1858, and the society was incorporated in 1860. Later North Capitol Street cut off a part of the land, leaving a part to the west of the street.

Mr. CURTIS. May I ask the Senator whether the part that is covered by this bill is now subject to taxation?

Mr. BALL. No; it is not.

Mr. CURTIS. Would this bill make it subject to taxation?

Mr. BALL. This bill would make the part to which the bill refers subject to taxation, yielding about $4,000 a year.

Mr. CURTIS. I have no objection to its consideration.

Mr. BALL. Further than that, Mr. President, I am informed that at least 100 houses will be built on this tract between now and next summer if it is released. The owners have no right now to sell it for anything but burial purposes, and they have no right to bury anybody in it, owing to certain laws passed since North Capitol Street was extended, so it is necessarily idle, with no taxation.

The PRESIDING OFFICER. Is there objection to the consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. BALL. Mr. President, I ask to have printed in the RECORD in this connection the letter which I send to the desk.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *December 22, 1921.*

HON. LEWIS HEISLER BALL,
United States Senate.

DEAR SIR: I take the privilege of addressing you to give you some data in reference to H. R. 7601 for the relief of the Prospect Hill Cemetery Association.

About 25 years ago, when North Capitol Street was opened through the grounds of this cemetery, a parcel of land fell off west of this street. This ground, which is now outside of the cemetery proper and has never been and never can be used for burial purposes, we desire to sell in order to get some revenue out of it. The proceeds from the sale are to be used solely for the improvement and maintenance of the cemetery (and no other uses).

As our charter now stands, it allows us to sell for burial purposes only. This abandoned ground has been lying waste for the past 25 years, not bringing the cemetery association or the District one cent of revenue, whereas if improved it would probably produce yearly from three to four thousand dollars to the District in taxes.

Originally the ground for this cemetery was purchased in 1858 by a society known as the German Evangelical Society. This society, fostering benevolent and religious tendencies, disbanded about 30 years ago, and the sole ownership and control of the cemetery was by decree of the court put in the hands of the lot holders. We therefore desire to have the words "German Evangelical Society" eliminated from our original charter.

This cemetery is nonsectarian, is a fraternal affair in which every lot holder has equal rights in its property and control, and I may add is the resting place of over 100 veterans of the Civil War.

Thanking you for the interest you take in this matter, I remain,

Very respectfully,

WM. STIEBELING,
President Prospect Hill Cemetery.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. CAPPER. Mr. President, I sympathize with the purpose that this bill aims to carry out. I believe that passenger as well as freight rates are too high; but I agree with the senior Senator from Iowa [Mr. CUMMINS] that Congress should exercise its power by delegating the authority to issue mileage books to the Interstate Commerce Commission. I think the proposition of the Senator from Iowa is incontrovertible, that if Congress should enact this measure without the amendment proposed by him the result would be that the Interstate Commerce Commission would have to take into account the reduction in revenues that such a change in the passenger rates would bring about before it could pass upon the question of a reduction in freight rates. The result then would be a delay in the determination of the matter of freight-rate reduction, which, in my judgment, is a far more important matter.

Indeed, Mr. President, I believe that an early and sweeping reduction in freight rates, not alone on farm products but on lumber and other building materials, coal, and a great number of manufactured products, is imperative if we are to have a revival of business activity in this country. Unquestionably greater economic benefit to this country just at this time lies in lower freight charges rather than lower passenger rates. The present exorbitant freight rates are a bar to the restoration of prosperity. I believe the passage of this bill without the amendment proposed by the Senator from Iowa would delay the Interstate Commerce Commission in passing upon pending applications for a reduction in freight rates. Let us direct the Interstate Commerce Commission to require the railroads to issue mileage books at a fair reduction below the fare for single-trip tickets, so that the commission can pass upon this matter just as soon as it has determined the more important question of a reduction of freight rates. By adopting this course we shall hasten rather than delay action on the proposed freight-rate reduction, and at the same time we will give the Interstate Commerce Commission the needed authority to deal with the mileage-book question.

Let me repeat, Mr. President, that the country's most urgent domestic issue at this moment is relief from high rail rates on lumber, building material, coal, grain, live stock, and many other commodities. Manufacturing, commercial, and agricultural organizations all over the country have forwarded to Congress within the last few weeks urgent appeals for relief. For a year or more high rail rates have stood most in the way of national recovery. Now they are more than blocking the way to recovery—they are destroying the very factors that create business and that produce national prosperity—and this situation is growing worse instead of better. Derangement of the fuel situation now constitutes a menace to the entire country. Consumers are waiting expectantly for lower freight rates. We are informed in the newspapers to-day by the National Coal Association that freight charges on coal have increased as much as 200 per cent since 1914, and that the present average cost of transporting a ton of coal from the mines to the consumer is $2.74, while the price of the product itself at the mine is $2.14. The 1921 building season passed with no resumption of sorely needed home building, freight charges having absorbed price reductions.

Last summer and fall many farm, orchard, and garden products rotted or wasted where they grew, because it did not pay to ship them. This destruction and waste will be enormously augmented if in the coming season there is no mitigation of these adverse rail conditions. Between low prices—the lowest in 10 years, says the Department of Agriculture—high rail rates

and little credit, the Nation's live-stock industry already has received such a blow that it will take years to restore this wrecked provider of our meat. In all of the producing States it is common knowledge that the farmers lost money on every bushel of wheat they harvested last year, as well as on their hay and on nearly every other crop; and one of the chief reasons was that they were compelled to pay high shipping charges. That the burden of the conduct of the railroads should fall so heavily and unequally on the farmer is not just.

It is true that reductions have been made on wheat, corn, oats, and certain classes of live stock; but agricultural freights generally are still at least 50 per cent above the prewar basis, whereas practically all farm products are selling below the prewar basis.

I learn from the International Harvester Co. that their freight bill on the material that goes into a binder amounts to $35, for a power hay press $95, for a thrashing machine $200, and before the finished article reaches the farmer's field the freight from factory to him must be added. The total would be unbelievable if we did not know the facts. When we consider that it takes about 6 tons of raw material to make 1 ton of finished steel, and about 3 tons of raw steel to make 1 ton of farm machinery, we can see that on the item of steel alone the freight charges must amount to a big item.

I could go on indefinitely and in detail presenting alarming instances in confirmation of the damage being wrought throughout the country, and its increasingly serious effect on all interests; but the facts are known to everyone. The simple explanation for the presence of this emergency is that the present high rates were fixed when war-time prices were at their peak, when nearly all prices and values were swollen. Commodity prices have long ago come down, and are steadily declining. We must admit that the railroads are not making their usual dividends; but can we say they ever will be able to better their condition by insisting on rates that in many instances virtually are prohibitive? And will the people much longer overlook the fact that at a time when every other business had to reduce its charges these high rates, amounting to a tax upon the country of one and one-half billions annually, were put into effect and have remained in effect for a year and a half, with reductions in comparatively few cases?

Mr. President, the railroads are entitled to a fair return on their investment. Doubless further reductions in the cost of operation must be brought about if we are to have lower rates and at the same time fair returns to the carriers; but the high rail rates have got to come down. The country knows it, and so do the railway heads. Circumstances finally will compel it. The sooner they come down the better for the country and for the roads.

LOANS TO FOREIGN GOVERNMENTS.

Mr. HARRIS. Mr. President, in December I asked consideration of Senate resolution 195, and on the request of the Senator from Kansas [Mr. CURTIS] and also on the request of the chairman of the Finance Committee I let it go over. I ask that it be considered now.

The VICE PRESIDENT. The Senator from Georgia asks unanimous consent that there be taken from the table Senate resolution 195, which the Secretary will read for the information of the Senate.

The Assistant Secretary read the resolution, as follows:

Whereas the payment of the financial obligations owing by foreign Governments to the United States as a result of the war with Germany directly involves matters of utmost national and international importance; and

Whereas Governments and individuals will be materially assisted in the ultimate solution of the many problems confronting them growing out of and related to the payment of such obligations by an expression of the policy of the Senate of the United States of America in relation to such payments: Therefore be it

Resolved, That it is hereby declared to be the sense of the Senate that the Government of the United States will be unable to agree to or accept the cancellation or discharge of such obligations, or any part of them, without payment.

Mr. CURTIS. Mr. President, personally I do not intend to object to the consideration of the resolution, as I understand it has been submitted to the chairman of the Committee on Finance, and he has no objection to it; but I should not object to it for the reason that in House bill 8762, which has been reported by the Finance Committee, I find the following provision, which is virtually the resolving part of the resolution:

That this act shall not be construed to authorize the exchange of the bonds or other obligations of any foreign Government for those of any other foreign Government, or cancellation of any part of such indebtedness except through payment thereof.

Mr. KELLOGG. Mr. President, I think the resolution ought to be submitted to the chairman of the Foreign Relations Committee under the circumstances, and I would like to have it lie over until to-morrow, so that the chairman of the Foreign Relations Committee may see it. I do not know that I shall have any objection to the resolution, but I do think he ought to be consulted about it, as it expresses a national policy. He is now engaged in a great conference, and I really think it ought to be brought to his attention.

Mr. CURTIS. If the Senator from Georgia will withhold the resolution until to-morrow, I will try to see the senior Senator from Massachusetts before the Senate meets to-morrow.

Mr. HARRIS. I will be very glad to do that.

Mr. JONES of Washington. Mr. President, while I think I am heartily in favor of the resolution, it does seem to me that on a matter of such importance, meaning so much to the countries of the world, we ought to treat it in a little more dignified way, and the resolution ought to be referred to one of the committees of the Senate and reported by it to the Senate, and then acted upon.

As I said, I am heartily in favor of it, as I heard it read; yet we do owe something to the other countries, and I think that a matter of such tremendous importance ought to be treated in a very dignified way.

Mr. SIMMONS. Mr. President, I do not see in this matter anything which would require consideration by the Committee on Foreign Relations. It is a mere restatement, so to speak, of a provision in the funding bill, which has heretofore been reported to the Senate. It may be said to be a declaration of policy, but, at the same time, it is a declaration about a policy with regard to which I do not understand there is the slightest division in this Chamber, and there ought not to be in the country.

Mr. KING. Mr. President, in view of the fact that we have a bill pending which deals with the subject of the foreign debts and authorizes refunding, what is the necessity of our making any declaration at all? During the consideration of that bill there is bound to be discussion, and by the passage of that bill, if it shall pass—and I have no doubt that it will pass, with or without amendment—we will put ourselves on record as to the policy which should be pursued relative to the funding of our foreign indebtedness.

Speaking for myself upon a question of this character, when there is a bill pending and which will be passed within a day or two, making a broad and general declaration, I do not think that we should pass a resolution of this kind.

Mr. SIMMONS. Mr. President, I do not desire to discuss the policy of the matter. I simply rose for the purpose of saying that, so far as I was concerned as a member of the Finance Committee, which reported a bill making a similar declaration, I have no objection to the resolution. I understood from a conversation I had with the chairman of the Finance Committee that he has no objection to it. I do not see that it is necessary to pass it; I do not know that it is; but I do not think it is objectionable. On the contrary, I think the sooner we let the Governments which are indebted to us understand that their debts are not to be forgiven, or to be reduced, the better.

Mr. POMERENE. Mr. President, the resolution seeks to declare the policy of the Government with respect to credits belonging to the Government aggregating $10,000,000,000. We have a rule of the Senate which requires such matters to go to one of the regular committees for hearing and report. I am one of those who believe that this debt should not be forgiven, but I am very clearly of the opinion that we ought not to adopt any such resolution as this without having the benefit of suggestions from a proper committee and without full and free discussion on the floor of the Senate, and for this reason I shall object to its further consideration at this time. I think it ought to be referred to a committee.

Mr. HARRIS. Mr. President, I was just about to rise to ask permission to withdraw the resolution; but I want to say that out of courtesy to the other side of the Chamber, who are in charge of the Government at this time, and at the request of the leaders on the other side I have not pressed this matter. The chairman and some other members of the Finance Committee have discussed it to a certain extent, although the resolution was on the table. I want the Senator from Washington [Mr. JONES], for whom I have such high regard, to know that I have not tried to hurry the consideration of the resolution, but, on the other hand, out of consideration for the wishes of the leaders on his side of the Chamber this matter has been held up. I thought it had been considered.

Mr. JONES of Washington. I did not intend, of course, to reflect upon the Senator from Georgia. I was engaged in conversation, and I thought the resolution had just been presented to the Senate. I did not know it had been presented before. I know the Senator from Georgia would not desire to do anything improper, and I did not intend to reflect upon

him in any way. I merely thought that it was a matter of such great importance that it ought to go to a committee and be reported upon by a committee, either favorably or unfavorably. As I said before, I am in favor, as the Senator from Ohio [Mr. POMERENE] is, of no part of the debt being remitted.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. KELLOGG. Mr. President, I wish to make some remarks upon the pending bill.

Mr. CURTIS. I would like to have the Senator recognized, so that he can proceed in the morning, and after having obtained the floor that he yield to me in order that we may have an executive session.

The VICE PRESIDENT. The Chair recognizes the Senator from Minnesota.

Mr. KELLOGG. I yield to the Senator from Kansas.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock p. m.), under the unanimous-consent agreement previously entered into, the Senate took a recess until to-morrow, Saturday, January 21, 1922, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate January 20, 1922.

REGISTER OF THE TREASURY.

Hon. Harley V. Speelman, of Marietta, Ohio, to be Register of the Treasury, in place of Hon. William S. Elliott, resigned.

UNITED STATES ATTORNEY.

Elliott Northcott, of West Virginia, to be United States attorney, southern district of West Virginia, vice Leonidas H. Kelly, whose term has expired.

REGISTERS OF THE LAND OFFICE.

Fred A. Motz, of Helena, Mont., to be register of the land office at Helena, Mont., vice Joseph Oker, resigned.

Joseph Lytle, of Newcastle, Wyo., to be register of the land office at Newcastle, Wyo., vice Carl H. Massie, whose term will expire March 7, 1922.

RECEIVER OF PUBLIC MONEYS.

Matthew C. Roberts, of Sundance, Wyo., to be receiver of public moneys at Newcastle, Wyo., vice Charles R. Yeoman, whose term will expire March 7, 1922.

COAST AND GEODETIC SURVEY.

The following deck officers in the Coast and Geodetic Survey for appointment to the position of aid, with relative rank of ensign in the Navy:

George Henry Everest, of New York, vice Joseph M. Smook, resigned.

Daniel Edward Whelan, jr., of Massachusetts, vice R. F. A. Studds, promoted.

POSTMASTERS.

CALIFORNIA.

Eugene C. Graham to be postmaster at Moorpark, Calif. Office became presidential October 1, 1920.

Nellie K. Cushing to be postmaster at Martinez, Calif., in place of J. J. Anderson. Incumbent's commission expired August 25, 1920.

ILLINOIS.

Herbert L. Rawlins to be postmaster at Thomson, Ill. Office became presidential April 1, 1921.

Lewis D. Leach to be postmaster at Bridgeport, Ill., in place of C. M. Lewis. Incumbent's commission expired August 1, 1921.

Henry M. Fritscher to be postmaster at Dieterich, Ill., in place of A. M. Field. Incumbent's commission expired January 8, 1921.

Leonard Ott to be postmaster at Prophetstown, Ill., in place of William McNeill. Incumbent's commission expired September 11, 1921.

MAINE.

Charles J. Bragdon to be postmaster at Gardiner, Me., in place of W. R. Frost, resigned.

MINNESOTA.

Charles Strebel to be postmaster at Arlington, Minn., in place of A. E. Fisher. Incumbent's commission expired August 7, 1921.

MISSOURI.

Luther P. Dove to be postmaster at Cabool, Mo., in place of A. J. McKinney. Incumbent's commission expired June 23, 1920.

Edward C. DeField to be postmaster at East Prairie, Mo., in place of Delmer Pool, resigned.

Edwin K. Lett to be postmaster at Marquand, Mo. Office became presidential April 1, 1921.

Grace E. Kirkbride to be postmaster at Ravenwood, Mo. Office became presidential April 1, 1921.

MONTANA.

Jessie M. Tripp to be postmaster at Gardiner, Mont. Office became presidential October 1, 1920.

NEW YORK.

John G. Maddock to be postmaster at Larchmont, N. Y., in place of G. P. Forbes, resigned.

Daniel P. Townsend to be postmaster at Port Chester, N. Y., in place of A. F. Burke. Incumbent's commission expired March 22, 1920.

NORTH CAROLINA.

John K. Brock to be postmaster at Trenton, N. C. Office became presidential April 1, 1921.

Estelle Green to be postmaster at Spruce Pine, N. C., in place of J. M. Peterson, resigned.

Samuel B. Edwards to be postmaster at Tryon, N. C., in place of W. H. Stearns. Incumbent's commission expired July 21, 1921.

OHIO.

Richard Hagel to be postmaster at Gypsum, Ohio. Office became presidential January 1, 1921.

George P. Phillips to be postmaster at Fayette, Ohio, in place of C. E. Yost. Incumbent's commission expires January 31, 1922.

OREGON.

Ronald E. Esson to be postmaster at Sandy, Oreg. Office became presidential July 1, 1921.

Stephen A. Easterday to be postmaster at Clatskanie, Oreg., in place of S. A. Easterday. Incumbent's commission expired September 7, 1920.

Ronald G. White to be postmaster at Falls City, Oreg., in place of I. C. Mehrling. Incumbent's commission expired July 21, 1921.

Frank B. Hamlin to be postmaster at Springfield, Oreg., in place of H. M. Stewart. Incumbent's commission expired July 21, 1921.

Edgar B. Watters to be postmaster at Stayton, Oreg., in place of E. D. Alexander. Incumbent's commission expired June 29, 1920.

PENNSYLVANIA.

William K. Speer to be postmaster at Harrisville, Pa., in place of D. J. Kyle. Incumbent's commission expired August 17, 1921.

George H. Mull to be postmaster at Knox, Pa., in place of G. B. Richardson. Incumbent's commission expired August 7, 1921.

William G. Biddison to be postmaster at Malvern, Pa., in place of T. C. Scott. Incumbent's commission expired August 7, 1921.

Harry Zanders to be postmaster at Mauch Chunk, Pa., in place of W. C. Kreider. Incumbent's commission expired August 7, 1921.

Charles W. Steese to be postmaster at Mifflinburg, Pa., in place of S. B. Miller, removed.

Wilberforce Schweyer to be postmaster at Mifflintown, Pa., in place of J. F. Patterson. Incumbent's commission expired August 7, 1921.

Harry Z. Wampole to be postmaster at Telford, Pa., in place of O. F. Wolf, resigned.

Dayton W. Mills to be postmaster at Ulster, Pa., in place of M. E. Davidson. Incumbent's commission expired March 16, 1921.

Max A. Crain to be postmaster at Winburne, Pa., in place of M. A. Crain. Incumbent's commission expired August 7, 1921.

RHODE ISLAND.

Luke J. Ward to be postmaster at Wickford, R. I., in place of W. R. Congdon, deceased.

SOUTH CAROLINA.

John B. Bagnal to be postmaster at Ellenton, S. C. Office became presidential April 1, 1921.

Henry R. Williams to be postmaster at Hardeeville, S. C. Office became presidential January 1, 1921.

David S. Pitman to be postmaster at Nichols, S. C. Office became presidential January 1, 1921.

Edward W. Shull to be postmaster at New Brookland, S. C., in place of E. W. Shull. Incumbent's commission expired August 10, 1921.

SOUTH DAKOTA.

Lyman J. Bates to be postmaster at Lake Preston, S. Dak., in place of Mary Brennan. Incumbent's commission expired July 21, 1921.

TENNESSEE.

Robert O. Bell to be postmaster at Chapel Hill, Tenn. Office became presidential July 1, 1920.

Lucile Brown to be postmaster at Connersville, Tenn. Office became presidential January 1, 1921.

Ollie L. Davis to be postmaster at Gates, Tenn. Office became presidential January 1, 1921.

Myrtle Rodgers to be postmaster at White Bluffs, Tenn. Office became presidential April 1, 1921.

TEXAS.

Elmer B. McCully to be postmaster at Paint Rock, Tex. Office became presidential April 1, 1920.

Lillie Brown to be postmaster at Ralls, Tex., in place of Alice Brown. Incumbent's commission expired December 20, 1920.

VIRGINIA.

Leo H. Beach to be postmaster at Camp Humphreys, Va. Office became presidential January 1, 1921.

WEST VIRGINIA.

Harry F. Cunningham to be postmaster at Grant Town, W. Va. Office became presidential July 1, 1921.

Clay A. Wilcox to be postmaster at Piedmont, W. Va., in place of T. W. Gocke, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 20, 1922.

REGISTERS OF THE LAND OFFICE.

Eber Melvin Steninger to be register of the land office at Elko, Nev.

Theodore Moen to be register of the land office at Williston, N. Dak.

POSTMASTERS.

COLORADO.

Francis M. Wheeler, Campo.

LOUISIANA.

Noemie R. Mysing, Arabi.
Tina Collins, Bastrop.
Marguerite L. Tatum, Gibsland.
Samuel M. Plonsky, Washington.

NEW YORK.

Chester M. Bartlett, Albion.
John C. Dickey, Mount Morris.
Earl V. Jenks, Perry.
Frank Foggin, Staten Island.

NORTH CAROLINA.

James L. Davenport, Jamesville.
Lindsay H. Michael, Weaverville.

NORTH DAKOTA.

Ruth C. Whiteaker, Alamo.
John E. Carley, Amenia,
John W. Vogel, Coal Harbor.
William E. Wright, Dunseith.
Ada E. Olson, Fingal.
Arthur B. McLaughlin, Hope.
Helen J. Beaty, Manning.
Leif O. Fjeld, Mayville.
Mamie Peterson, Montpelier.
Allan A. Rowatt, Rolette.
William E. Burhans, Sentinel Butte.
Milton T. Hefty, Walcott.
Thaddeus C. Michael, Willow City.

OHIO.

Christopher C. Graham, Buchtel.
Daisy F. Bader, Buckeye Lake.
Homer E. Graham, Holloway.
Gailord A. Case, Loudonville.

PENNSYLVANIA.

Charles E. Pass, Harrisburg.

SOUTH CAROLINA.

Lawrence A. Cox, Simpsonville.

TENNESSEE.

Alf. C. Williams, Cumberland Gap.

UTAH.

Ewell C. Bowen, Hiawatha.
Anna M. Long, Marysvale.

WASHINGTON.

James M. Vernon, Everett.

WEST VIRGINIA.

Gilbert W. Smith, Middlebourne.

HOUSE OF REPRESENTATIVES.

FRIDAY, *January 20, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, Thou dost bind us to Thee with the bands of unfailing love. Truly Thou art the pledge of all our joys and the surety of all our hopes. Renew the strength of our wills and blend them all with Thine. In rest and in labor consider us, dear Lord. Reclaim us from any ways of error that the purpose of Thy righteous laws may be fulfilled. In full accord with Thy plans may we always be. For Thy name's sake and for the welfare of our country enable us to spend our days patiently, faithfully, and unselfishly. O extend Thy protecting arm toward us and make our paths secure. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

WITHDRAWAL OF PAPERS.

Mr. MERRITT, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of George Rutherford, H. R. 15677, Sixty-sixth Congress, third session, no adverse report having been made thereon.

Also, to withdraw from the files of the House, without leaving copies, the papers in the case of Charles A. Frid, H. R. 15702, Sixty-sixth Congress, third session, no adverse report having been made thereon.

REFERENCE OF PRESIDENT'S MESSAGE—ST. LAWRENCE PROJECT.

The SPEAKER. A few days ago, when the President transmitted the report of the International Joint Commission relative to the improvement of the St. Lawrence River and navigation from the Great Lakes to the sea, the Chair asked leave to withhold reference because he had been notified by some Members of the House that they desired to be heard upon it.

The Committee on Foreign Affairs, the Committee on Interstate and Foreign Commerce, and the Committee on Rivers and Harbors each claimed that the report, and any bills that follow it, should be referred to their respective committee. The Chair had an informal hearing, in which members of each committee appeared, and very ably, and greatly to the assistance of the Chair, argued the question, and also filed briefs giving the precedents. The Chair has given consideration to it, and admits that the question is delicate and not easy to decide, because there are precedents for each of the committees.

The Committee on Foreign Affairs argues, and justly, that it involves a treaty, involves an international commission, and that those questions belong to that committee. The Committee on Interstate and Foreign Commerce argues, and justly, that it involves a canal, involves the creation and transmission of power, which subjects belong to them. The Committee on Rivers and Harbors argues, and justly, that it involves an improvement of the navigation of the St. Lawrence River and of the harbors upon the Lakes, and in consequence belongs to their committee. And each committee has abundant authority and precedent for its claim. Inasmuch as each committee can show precedents and reasons which, if they stood alone, would compel the reference of the subject to that committee, the Chair has endeavored to determine what was the main, underlying, dominant motive and feature of the project and be governed by that in the reference.

The Chair has concluded, after careful consideration, that the weight of argument and of precedents is in favor of the Committee on Interstate and Foreign Commerce, because, it seems to the Chair, a main and dominant feature of the subject

is the great Welland Canal, and that of itself would come under the jurisdiction of the Interstate and Foreign Commerce Committee. To be sure, it is in Canadian territory, and will be built by the Canadians, but proportional compensation for it must be arranged, directly or indirectly, by the United States. The creation and transmission of power is also one of the great, dominant features, and that, too, belongs to the same committee. It seems to the Chair that those two features are so important and predominant as to give the strongest claim to that committee. While, of course, the whole purpose of the project is commerce, the House can at any time determine by vote what committee it shall go to. The Chair has taken this unusual action of stating, briefly, the ground of his reference, because of the unusual interest and the elaborate argument that was made by the different committees. The Chair refers it to the Committee on Interstate and Foreign Commerce.

Mr. DEMPSEY. Mr. Speaker, when would be a proper time to move for reference?

The SPEAKER. Any morning after the reading of the Journal. The Chair thinks it ought to be done with the mutual knowledge of the committees, of course.

Mr. DEMPSEY. Might we not set it down for to-morrow morning?

The SPEAKER. The Chair would be perfectly willing to have it to-morrow morning, or any morning on which the representatives of the different committees might agree.

Mr. DEMPSEY. In view of the fact that there is a decision, does the Speaker think there might be debate on the question of reference? I know that under the rule it is not debatable, and it is also very rarely that a decision is announced. In fact, I know of no precedent for the announcement of a decision, but in view of there having been a decision announced adverse to the committee which I have the honor to represent and adverse to the Committee on Foreign Affairs, I think it might be for the benefit of the House to have a debate on the question.

The SPEAKER. The Chair thinks it would be very appropriate that the House should grant unanimous consent for an argument.

Mr. WALSH. And the gentleman's motion can only be made by direction of the committee seeking the change of reference.

Mr. DEMPSEY. That can be procured in the meantime, I have no doubt, and will conform to that rule.

Mr. GARRETT of Tennessee. I have not the rule before me, but my recollection is that the rule applies only to bills. Of course, this is a message. Whether by reasoning the same rule would apply to a message, I am not prepared to say.

The SPEAKER. The rule says all bills, resolutions, and documents come under the rule.

Mr. DEMPSEY. What is the question?

Mr. GARRETT of Tennessee. I was merely suggesting that my recollection was that the rule only mentioned bills that might be referred by motion, but the Speaker has just read the rule and says it refers to bills, resolutions, and documents. I was raising the question whether it would apply to a message.

Mr. DEMPSEY. There is both a bill and a report here.

The SPEAKER. The Chair would refer any bill or resolution on the same subject to the same committee, subject to whatever the House might decide.

Mr. SMITH of Michigan. What became of the request of the gentleman from New York [Mr. DEMPSEY] for a hearing to-morrow morning?

The SPEAKER. The Chair did not understand that the gentleman made a motion. The Chair thinks it should be made with the knowledge of the different committees.

Mr. MERRITT. Mr. Speaker, the chairman of the Committee on Interstate and Foreign Commerce is not here, and as no rights will be lost, I suggest the matter be held over to next week, until the matter can be considered.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 2994. An act to revive and reenact the act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917.

The message also announced that the Vice President had appointed Mr. POINDEXTER and Mr. SWANSON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Bureau of Navigation and Engineering.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 2994. An act to revive and reenact the act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917; to the Committee on Interstate and Foreign Commerce.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, before going into Committee of the Whole House on the state of the Union, I would like to see, if possible, if we can agree upon a time for general debate on the pending measure.

Mr. HARRISON. Mr. Speaker, the gentleman from Indiana consumed about four hours yesterday. I consumed of the time allotted to me about half an hour. How much time does the gentleman want on his side?

Mr. WOOD of Indiana. Counting the time that we occupied yesterday, I think if we had an hour we could get through all right.

Mr. HARRISON. An additional hour?

Mr. WOOD of Indiana. If we could agree to four hours and a half on a side, and include the time already occupied, it would be all right.

Mr. BYRNS of Tennessee. How much time was consumed yesterday on each side?

Mr. WOOD of Indiana. We consumed 3 hours and 44 minutes on our side and you consumed 28 minutes on your side.

Mr. HARRISON. Four hours more would suit me.

Mr. WOOD of Indiana. Mr. Speaker, I ask unanimous consent that the general debate on the independent offices bill be limited to nine hours, half of the time to be controlled by the gentleman from Virginia and the other half to be controlled by myself, and that in the computation of that time the time that was consumed in general debate yesterday be counted.

The SPEAKER. The gentleman from Indiana asks unanimous consent that general debate on the appropriation bill for independent offices be limited to nine hours in all, including the time already occupied, and half of the whole time to be consumed by himself and half by the gentleman from Virginia [Mr. HARRISON]. Is there objection?

Mr. GARNER. Let me ask the gentleman a question. You do not anticipate that you can get through with this bill this week?

Mr. WOOD of Indiana. I am in hopes that we shall get through to-morrow. We will if we can.

The SPEAKER. The Chair put the question, understanding that the 9 hours included the 4½ hours already consumed.

Mr. WOOD of Indiana. That is correct.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks on the antilynching bill.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks on the antilynching bill. Is there objection?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, known as the independent offices bill.

The SPEAKER. The gentleman from Indiana moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981. The question is on agreeing to that motion.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for tellers on that vote.

The SPEAKER. The gentleman from Tennessee asks for tellers.

Tellers were ordered, and the Speaker appointed Mr. GARRETT of Tennessee and Mr. WOOD of Indiana to act as tellers.

The House divided, and the tellers reported—ayes 92, noes 0.

So the motion was agreed to.

The SPEAKER. The gentleman from Iowa [Mr. TOWNER] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, the independent offices appropriation bill, with Mr. TOWNER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1923, and for other purposes

The CHAIRMAN. The gentleman from Virginia [Mr. HARRISON] is recognized.

Mr. HARRISON. Mr. Chairman, the gentleman from Indiana [Mr. WOOD], the chairman of the subcommittee, has made such a thorough study of the appropriations carried in this bill and has made such a full and complete statement of the character and the nature of the bill that little need be added by way of explanation.

A number of governmental activities are taken care of. Nineteen in all. First, the Executive; second, the Alien Property Custodian; third, the Bureau of Efficiency; fourth, the Civil Service Commission; fifth, the Commission of Fine Arts, about which we heard something yesterday; sixth, the Employees' Compensation Commission; seventh, the Federal Power Commission; eighth, the Federal Trade Commission; ninth, the General Accounting Office; tenth, the United States Housing Corporation; eleventh, the Interstate Commerce Commission; twelfth, the National Advisory Committee for Aeronautics; thirteenth, the Railroad Labor Board; fourteenth, the Smithsonian Institution; fifteenth, the State, War, and Navy Departments buildings; sixteenth, the Tariff Commission; seventeenth, the United States Geographic Board; eighteenth, the United States Shipping Board; and nineteenth, the United States Veterans' Bureau.

Some of these governmental activities carry merely the ordinary appropriation and need but little notice. Thus in the first, the Executive, which provides for the payment of the salaries of the President and his official household and of the Vice President and for the care of the Executive Mansion and grounds, a small increase of $15,000 over last year seems within reason. The seventh, the Federal Power Commission, carries a permanent appropriation. My time is too limited to notice the General Accounting Office, National Advisory Committee for Aeronautics, the Smithsonian Institution, State, War, and Navy buildings, Tariff Commission, United States Geographic Board, or the Commission of Fine Arts. Much matter of interest is connected with all of them.

The second activity—the Alien Property Custodian—is one of the very important Government activities. It has charge of most important property rights. Millions of dollars of property seized during the war are still held by the Government awaiting proper legislation for restoration to their owners. The Government, as trustee, is engaged in the prosecution of many varied enterprises. This ought not to be continued an hour longer than necessary. The prolongation of the seizure beyond necessity is robbery. I understand legislation is necessary, and the Appropriations Committee is without jurisdiction. Most of the expense is paid out of the trust funds, but these heavy expenses and losses are inflicted oftentimes on innocent people.

The eighth, the Federal Trade Commission, and tenth, the United States Housing Corporation, are governmental agencies of great importance to the people of this country. The Interstate Commerce Commission had its duties largely increased by reason of the Esch-Cummins bill.

Mr. BLACK. Mr. Chairman, will the gentleman yield right there for a question?

Mr. HARRISON. Yes.

Mr. BLACK. In reading the hearings I see that it is contemplated that the valuation work that has been in progress for several years on the part of the Interstate Commerce Commission will probably be completed at the end of 1924. It occurs to me that it is a very desirable thing to have this valuation completed at the very earliest possible date, and I was wondering if the gentleman's committee had gone into that question of whether or not it would be possible, for example, by increasing the appropriation for 1923, to have this valuation work wound up during the year 1923?

Mr. HARRISON. Our understanding was that they required that time on account of the magnitude of the work.

Mr. BLACK. It may be that the work is so organized that it would not be possible. I did not know whether the committee had gone into that feature or not.

Mr. HARRISON. I do not know that any special inquiry was made along that line, but the Interstate Commerce Commission gave us the information that they were doing the work as rapidly as practicable.

Mr. BLACK. I notice that the hearings state that it would probably be completed in the year 1924, but it was not made clear in those hearings as to whether it could be expedited or not. I wanted to get some information on that.

Mr. HARRISON. I do not know as to that particular fact.

Mr. MOORE of Virginia. Before the gentleman passes on to another subject, may I ask the gentleman what the hearings show with reference to the progress that has been made in the valuation work? It is said that not a single road has so far been finally valued; that there have been only tentative valuations; and that those tentative valuations apply to only about 100 roads. Now, that being the rate of speed, it seems to me we may assume the completion of the work may run beyond 1924. The question is whether the results will be of any great value that are presented to the Congress or the country at that time.

Mr. HARRISON. I could not speak specifically on that question. In several States the State authorities, I believe, regard with some suspicion this national valuation as hostile to State valuations for taxation purposes, but I do not recall the hearings sufficiently at the present time to speak definitely in regard to the inquiry of the gentleman from Virginia.

The Civil Service Commission asked for increased salaries and increased appropriations, and it seems to me that they have made out a very good case; but a very novel situation exists in regard to the Civil Service Commission that I do not think ought to be permitted. They draw 200 of their employees from the other departments. When we make up the appropriations for the Civil Service Commission we inquire into the necessity for the amounts to be appropriated for their official force, and for some unexplained reason—I do not know why—the appropriations are always less by 200 employees than the number required by the Civil Service Commission. The result is that they draw employees from the other departments of the Government who are paid for out of the appropriations made for the other departments.

In other words, when the committee examine into the necessities of the War Department or the Treasury Department they make appropriations for the force supposed to be necessary for that department, and when the committee come to inquire into the necessities of the Civil Service Commission they inquire what appropriations should be made for the employees of that branch of the Government service, but for some reason or other they make this extra appropriation to these other departments so as to enable them to detail to the Civil Service Commission some 200 of their employees. The Alien Property Custodian has under his jurisdiction 11 employees paid out of the appropriation that is made for his bureau, and the only service they render is in connection with the Civil Service Commission. They are paid out of the funds appropriated for the Alien Property Custodian. He has control of them, and for some unexplained reason they are detailed to the Civil Service Commission. It does seem to me that this is an entirely wrong principle on which to proceed. The Civil Service Commission have no proper control of these detailed employees. The subcommittees investigating into the necessities of the various departments of the Government have no information upon which to make the appropriations, because these employees are used for entirely different purposes than the ones appropriated for.

I may say that the Labor Board, which fixes the compensation of railroad employees, is a Government activity of great importance. After the war had been concluded this Labor Board increased the wages paid to railroad employees in this country by $600,000,000 over the wage schedules of the war period. I understand they have now reduced that amount by $400,000,000, so that the wages paid to railroad employees are now $200,000,000 in excess of the wages that were paid during the war.

There are in this bill two very important activities that in my judgment overshadow all others. One of these is the Veterans' Bureau and the other is the Shipping Board.

Yesterday the gentleman from Indiana [Mr. WOOD] spent a great deal of time discussing the Shipping Board, and I understood him to say that he considered that to be one of the greatest business organizations in this country. I do not know how great a business organization it is, but it is one of the greatest burdens this Government has ever had imposed upon it. Functionary after functionary of the present Shipping Board and the Emergency Fleet Corporation appeared as witnesses at the hearings. The burden of their testimony was criticisms of the work of the old board and extravagant laudations of the new.

If the functionaries of the old board should be called we would probably have the picture reversed, and in the end be as wise as we are now. We have heard the functionaries of the new Shipping Board and their commendation of themselves, and their criticism of the old board are about all the information we have concerning the activities of the Shipping Board.

Mr. JOHNSON of Mississippi. Will the gentleman yield for a question?

Mr. HARRISON. Yes.

Mr. JOHNSON of Mississippi. I have read the hearings, and I find that Mr. Lasker appeared before your subcommittee and asked for $50,000,000, and further on in his statement he said he did not know whether they would need $50,000,000 or not, but that was his guess. I wish to ask the gentleman, why did the subcommittee report an appropriation of $50,000,000?

Mr. HARRISON. He said he needed that sum in order that he might have the necessary financial backing.

Mr. JOHNSON of Mississippi. Further on he stated that he did not know that he would need it.

Mr. HARRISON. I think his idea is that he proposes to use this $50,000,000 in the operating expenses. Of course, if he makes more money in the operation of the ships than he now expects to make, he will not need all the $50,000,000.

Mr. JOHNSON of Mississippi. May I suggest that further on he states that they are losing $4,000,000 a month?

Mr. HARRISON. Four and a half million a month, I understand.

Mr. JOHNSON of Mississippi. I should like to ask the gentleman how he is going to make anything if he is going in the hole four and a half million dollars a month?

Mr. HARRISON. As I say, this Shipping Board presents the greatest case of a white elephant that this Government, or any other, has ever undertaken to deal with. When the members of the Shipping Board were before the Committee on Appropriations last August there was one thing on which they dwelt with more particularity than anything else in criticism of the old Shipping Board, and that was the contracts known as the M. O. 4 contracts. I believe every man who has given consideration to these contracts denounces them as entirely vicious. They are based on the same principle that was used in what were known as the cost-plus contracts in construction work. The agents who are paid to operate these ships receive 5 per cent commission on receipts out and 2½ per cent of the receipts coming in, so that it is to the interest of these operating agents to secure the largest amounts of receipts that they can without regard to the burdens they impose. These contracts were denounced by the present Shipping Board as late as last August, and it was the information of the members of the Appropriations Committee that this board intended to end those contracts. Instead of doing so we find that nearly every ship is now being operated by the Shipping Board under one of these M. O. 4 contracts. There are 400 ships now being operated by the Shipping Board under these contracts, and they are being operated at a heavy loss. I understand that the Shipping Board say that they have taken precautions to see that there shall be no abuses of these contracts, but that is not the point.

The principle is that the men who manage these ships receive their pay in proportion to the amount of receipts, without regard to the expenses incurred in securing those receipts. An instance was given where one of these ships was turned back to get some more freight after it had gone to sea, and the expense of turning back was far greater than the remuneration received from the freight; but it is to the interest of these agents to increase the receipts without regard to the expenses borne by the ships, which are borne in fact by the Government. These contracts have been denounced on this floor on both sides of the aisle. They have been denounced in the public press. They have been condemned by public opinion as being an utterly improper method of making contracts for Government operation.

Mr. MANN. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. MANN. Do they get a percentage on the expenses or only a percentage on the receipts?

Mr. HARRISON. I think they get it on the receipts—that is my understanding—without regard to expenses. Their idea is to swell the receipts without regard to the expense. I asked that direct question of the Shipping Board people at the hearing, whether the contract was not in principle exactly like the 5 per cent cost-plus contract.

Mr. OLIVER. Will the gentleman permit me to read a statement by the gentleman from Illinois [Mr. MADDEN] when the bill was up before the House last August?

Mr. HARRISON. Certainly.

Mr. OLIVER (reading):

The ships are operated under what is called an M. O. 4 and an M. O. 3 contract. That means a managing operator's contract. The contract provides that the Government of the United States shall expend all the money to operate the ship, to keep it in repair, to pay its port charges, to pay any damages, to pay the men, and that the operating manager is to receive 5 per cent of the gross receipts. It does not make much difference whether these accounts are ever audited or not, because there can be no possibility of profit to the Government of the United States on that kind of a contract. There has been great loss in the operation of the ships. It is estimated that that loss amounts for last year to $200,000,000.

Mr. HARRISON. We find these contracts in operation to-day just as they were, with some modifications, which I do not think are material, when they were subject to criticism.

Mr. EDMONDS. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. EDMONDS. There are not as many M. O. 4 contracts to-day as formerly.

Mr. HARRISON. They are all running under M. O. 4 contracts.

Mr. EDMONDS. There are quite a few boat charters.

Mr. HARRISON. If there are any that are not running under those contracts, it is because we do not have as many ships.

Mr. MADDEN. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. MADDEN. There is this modification that has taken place—the Stevedore's Co. has been abolished; that was a company owned by the operating managers. That work is being done by the Shipping Board, so that there is that saving. Another thing that has been done is that instead of $1.25 a day per man for food they only allow them 80 cents, and there are several other modifications.

Mr. HARRISON. Yes; there are several modifications, but the principle is still there, and the principle is vicious.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. HARRISON. I will.

Mr. SMITH of Michigan. What would be the result if we abrogated these contracts?

Mr. HARRISON. Why can not they operate them and pay the managers a salary? And I take it that an operating agent would prefer having a fixed salary rather than a commission. When he operates under a commission contract he can be depended upon to bring about conditions that will remunerate him and give secondary consideration only to the losses he imposes on the Government.

There was an audit as of July 1, 1921, and after charging all of the assets of this concern at a fair market value, and after debiting a charge of $42,000,000 for still further depreciation of the value of the assets by a possible forced sale, without giving the Government a single dollar of credit for any ship afloat, and charging against the Government every possible liability, there is a large balance in favor of the Government amounting to some three or four hundred million dollars. And yet, under the operations of these contracts, the board has four and a half million dollars a month loss, which will consume the balance which now stands in favor of the Government.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. HARDY of Texas. Has the gentleman investigated the receipts and expenditures of the Panama Ship Co., which does not operate under an M. O. contract but employs a captain on each ship and runs the line itself? Has the gentleman investigated the results of that operation?

Mr. HARRISON. No; there are concerns operated by private individuals that have operated at a profit, but it has been stated before the subcommittee that the operations by the Government of these 400 ships as they are now operated will necessarily be at a loss.

Mr. HARDY of Texas. The gentleman understands that the Panama Steamship Co. is a Government-owned line.

Mr. HARRISON. I do not know.

Mr. MADDEN. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. MADDEN. There will be a loss of $50,000,000 a year, but the operations only create a loss of $1,000,000 a month, whereas the other $3,000,000 is to a very large extent for maintaining the ships that are tied up at the docks, and that loss will be incurred whether you have any ships running or not.

Mr. HARRISON. Why should it be? And in answer to the gentleman from Illinois [Mr. MADDEN] I want to call the attention of the House to the enormous overhead burden that imposes a loss on the taxpayers even if every boat were tied to the dock. It is impossible in my limited time to expose in every detail the riotous extravagance that produces such a result,

but a few illustrations must suffice. The present board proposes to spend $900,000 alone for advertisements. They have an advertising agent receiving under the old board $4,000 salary, and he winds up in the new board at a salary of $9,500. In November last, and since, a successor has been receiving $10,000 a year. This enormous annual outlay of $900,000 is in excess of every advertising scheme of private companies. It is $900,000 a year, simply in advertising the running of these ships which are necessarily being run at a loss by the Government.

But that is not all. I have here the actual list of officials and their salaries, where the salaries are over $3,000, that I think ought to go into the RECORD, and I ask leave to incorporate it as a part of my remarks.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to print in the RECORD the matter indicated. Is there objection?

There was no objection.

Mr. HARRISON. Here are two men that receive a salary of $35,000 a year. There is not a man in the employ of the Government that receives anything like such a salary. Here is another man that receives $30,000 a year.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. CLARKE of New York. Was it brought out in the hearings that this same man who was receiving $35,000 a year has for the last 10 years averaged earning over $100,000 a year?

Mr. HARRISON. I do not care what his average earnings were. The question is whether the Government is going to pay anybody $35,000 a year.

Mr. CLARKE of New York. Oh, will the gentleman please respond to my question?

Mr. HARRISON. I do not recall. What I object to is this salary list. I do not think we have to go to these high-priced men, who spend the money of the people in extravagant salaries in that way.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield again?

Mr. HARRISON. It is out of all proportion to every salary list ever presented to Congress before. I yield to the gentleman.

Mr. CLARKE of New York. Does the gentleman not think, in view of the experience we have had in the past with the cheaper men, that it is a good deal better to try the experiment of buying the best brains that we can get for the operation of these activities?

Mr. HARRISON. I do not know what the experience has been, except the testimony of these gentlemen.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. DAVIS of Tennessee. Right in that connection, all three of these high-priced experts were connected with the Shipping Board and the Emergency Fleet Corporation under previous administrations, when all of these things occurred that so much criticism is directed against, and all at less salary.

Mr. HARRISON. The gentleman will find that the employees that I speak of were employees under the old Shipping Board, and are transferred to the new Shipping Board at an increase in the salary list.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. KINCHELOE. The hearings during the last session of Congress divulged the fact that one lawyer was drawing $9,500 a year on the pay roll of the Shipping Board whose only duties were to lobby before the Merchant Marine and Fisheries Committee of the House for additional appropriations. I am wondering whether that gentleman is still on the pay roll or not.

Mr. HARRISON. What is his name?

Mr. KINCHELOE. I do not know.

Mr. MANN. Mr. Chairman, considering the fact that the Merchant Marine and Fisheries Committee has no jurisdiction over appropriations, does not the gentleman from Kentucky think that is a rather violent statement to make?

Mr. KINCHELOE. I am talking about what occurred in the last session of Congress.

Mr. MANN. I know what the case was. The gentleman is in error about the facts.

Mr. EDMONDS. That man is not in the employ of the Shipping Board. The gentleman refers to Mr. Dean, I presume?

Mr. KINCHELOE. I am talking about what developed in the last session of Congress, which showed that one lawyer was on the salary list of the Shipping Board at $9,500 a year, and he admitted in the hearings that about the only thing he did was to consult with the Merchant Marine and Fisheries Committee.

Mr. EDMONDS. The gentleman is speaking of Mr. Gaines. Mr. Gaines is not employed by the Shipping Board to come up here at the present time and lobby before Congress.

Mr. KINCHELOE. I was wondering whether he was still there. One other question I want to ask, and that is whether one ex-Senator is still on the pay roll of the Shipping Board at a salary of $5,000 a year? I refer to former Senator Sutherland, of Utah. It was disclosed in the discussion at the last session of Congress that his duties were to advise the advisor of the Shipping Board.

Mr. HARRISON. There are plenty of them here at enormous salaries. Here are two others at $25,000. There are two at $35,000 and one at $30,000, and that does not include the seven men who are commissioners of the board, who receive $12,000 a year.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. McKENZIE. Are these high-priced men connected with the shipping end of the proposition, or are they lawyers?

Mr. HARRISON. These men represent the Shipping Board and the Emergency Fleet Corporation.

Mr. McKENZIE. And have had experience in navigation?

Mr. HARRISON. I do not know what they have had experience in.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. EDMONDS. These three men the gentleman is speaking of are employed by the Emergency Fleet Corporation. They are operating men; they were not employed by the Shipping Board.

Mr. HARRISON. I could turn to the hearings and show exactly what they do.

Mr. EDMONDS. They were not employed by the Shipping Board when they were employed by this last board; they were in private occupations. These three men have worked to produce results, and in the gentleman's opinion have they produced results?

Mr. HARRISON. I can not say. As I say, we have only the testimony of these gentlemen about what they have done. If we go according to their testimony, they have done a most glorious amount of work.

Mr. EDMONDS. A reduction in the losses on ships from $1,896,000 in July to $654,000 in November is certainly some work.

Mr. HARRISON. It may be.

Mr. DAVIS of Tennessee. The very report that the gentleman has shows that in May before they took charge the net operating loss was $1,705,000 and in June it was $6,500,000, and they took charge in June, and then in July it was $6,000,000 and over, and so it runs right along.

Mr. EDMONDS. No, no; the operating loss is $1,896,000.

Mr. DAVIS of Tennessee. I will show the gentleman right there, under the head "operating loss," is $6,000,000, $5,000,000, $6,000,000 and over, and they are asking for $50,000,000 for the year ending in 1923, and right in that connection they have reduced the number of ships in operation from 836 to 390, and have only decreased the expense of operation from approximately $6,000,000 to $4,000,000.

Mr. EDMONDS. If the gentleman will permit, the gentleman is only talking about the loss in operation, including the loss of laying up, which you would have anyway. The loss in operation in July was $1,896,000—that is, the excess of expenses over operation costs—and in November $654,000, one-third of what it was in July. Of course there is a less number of ships operating.

Mr. DAVIS of Tennessee. Of course it is divided, and in each instance the figures given represent the net operating loss previous to the time they took charge and what it is now; and they have decreased the number of ships in operation more than one-half and have only decreased the cost by 33⅓ per cent.

Mr. EDMONDS. The gentleman's statement, of course, covers the laying up of the ships. I do not think that is fair to consider, because they would have to be paid if you had them all laid up.

Mr. DAVIS of Tennessee. Does the gentleman think it is anything like as expensive to lay up a ship as it is to operate it when they are all losing money?

Mr. EDMONDS. It so shows.

Mr. DAVIS of Tennessee. That is the reason they laid them up—to save money.

Mr. EDMONDS. The overhead is just the same, because you have the ships to take care of.

Mr. DAVIS of Tennessee. It ought not to be.

Mr. HARRISON. I notice in the RECORD that Mr. Lasker paid a very high compliment to the employees of the old Shipping Board.

He says:

It is only fair to acknowledge that the completion is due very largely to the enthusiastic cooperation of the old officers and employees of the Fleet Corporation. They deserve high commendation, for they work early and late, Sundays and holidays.

This is somewhat preliminary to what I desire to call attention to. Here we have these high-priced men, seven commissioners at $12,000; we have these six men, two of whom receive $35,000, one $30,000, and two $25,000. Now, it seems to me that if we employ high-class men of that character, we ought to be relieved to some extent of the enormous burden of the money given to the lawyers in this concern. There is paid to the attorneys of this board over $600,000. They get $15,000 a year, seven of them. The others get $10,000, $11,000, and $7,500. Here is a list of the employees, including the attorneys, of 682 people, all over $3,000 a year.

Mr. MOORE of Virginia. May I ask the gentleman this question? The summary on the first page of the statement you hold in your hand seems to show there are between 80 and 90 employees of the Shipping Board that receive at least $7,500 a year or more than that. Is not that a fact?

Mr. HARRISON. That is true.

Mr. MOORE of Virginia. Is there anything parallel to that in our history in connection with the salaries paid by the Government of the United States?

Mr. HARRISON. There is not anything that approaches it. I believe the ordinary run of our citizens in this country, when they read this salary list, will be shocked.

Mr. CONNELL. Will you kindly state how many attorneys are employed by the board and the aggregate of their salaries?

Mr. HARRISON. There are about 78 employed, and the amount paid them is over $600,000.

Mr. CONNELL. Seventy-eight attorneys?

Mr. HARRISON. Yes.

Mr. CONNELL. Thank you.

Mr. McKENZIE. Does the gentleman know whether or not in their list of employees they have messengers drawing salaries of $3,000 a year, but covered under a different name? Is that true?

Mr. HARRISON. I would not say as to that.

Mr. MOORE of Virginia. As the gentleman proceeds, I would like him to clear up my lack of information, by discussing the question as to whether or not the cases handled by the attorneys of the Shipping Board are of such an unusually intricate character as to require the employment of attorneys of highly unusual ability and experience, or whether they are cases that depend on the development of facts and can easily be handled by average lawyers—lawyers like many of us here.

Mr. HARRISON. I have the views of the chairman of our subcommittee here when he was interrogating as to the attorney list in another branch of the service, and I think there is a great deal of force in what he there says:

> Mr. WOOD. You could have gone out here in the country and secured a good lawyer for $3,500, and I suspect he would be as good or a better lawyer than this man is. The man who knows more about the general practice of law is the lawyer in the little county seat and not the man who comes from the big cities, because they specialize and do not know anything about the law except as to their particular specialty. The best practitioners in this country and the most noted lawyers in the world to-day are the country practitioners.

The question is the point of view by which you look at what a man is worth. The head of this establishment is a distinguished lawyer from Chicago, and he has the idea that nobody has any real information unless he hails from Chicago. They are very apt to coincide with him sometimes on this floor. But perhaps that may not be the proper criterion. He is a lawyer that makes a large income from his practice, and he considers that a man who does not make $100,000 a year is perhaps a very inferior lawyer. And that probably explains his idea that he must have this whole legal department permeated by men drawing enormous salaries. This bill increases the right of the board to yet further employ attorneys to the number of seven, and this means seven additional attorneys at salaries of $15,000 to $20,000. They have a claims commission of five men, which they are trying to utilize as a substitute for the Court of Claims, to which they pay over $12,000 each a year. We have a Court of Claims, composed of five eminent lawyers, who receive salaries of about $8,000 each. Why this substitute of five judges with $12,000 each? Such substitute has no function except to endeavor to get claimants to agree to some sort of an adjustment, and they pay them over $12,000 apiece a year.

Mr. HUSTED. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. HUSTED. Do these lawyers to which you refer—I think you said there were 78 of them—devote their time exclusively to the work of the Shipping Board, or do they engage in other practice?

Mr. HARRISON. I am not certain as to that.

Mr. WASON. They devote their entire time to the Shipping Board.

Mr. GALLIVAN. I would like to know what the answer was.

Mr. HARRISON. The gentleman from New Hampshire said they devoted their entire time to the Shipping Board.

Mr. GALLIVAN. The gentleman from New Hampshire wants to stand on that statement?

Mr. WASON. It is in the record as printed.

Mr. HARRISON. The Shipping Board ignores the Court of Claims with its high-priced substitute, which in fact is no substitute, and ignores with its long string of high-priced attorneys the Department of Justice. The taxpayers will naturally inquire, What do we have a Department of Justice for? Why should we have a Department of Justice, whose business it is to look after the legal interests of this Government? The Attorney General of this Government draws only $12,000 a year. Perhaps that is the reason the Shipping Board thinks he is not qualified to represent the Government.

Mr. GALLIVAN. Will the gentleman yield right there?

Mr. HARRISON. Yes.

Mr. GALLIVAN. Is it not a matter of fact that the three wonderfully priced lawyers on this Shipping Board, who, according to the gentleman from New Hampshire, devote all their time and all their brain power to the work of the Shipping Board, have, no one of them, as yet severed their connection with the law firms with which they were formerly affiliated, but they are as yet members of those particular law firms with which they were affiliated before getting these big-priced jobs in the Shipping Board?

Mr. HARRISON. The gentleman from New Hampshire can answer that question.

The point I make is that if it should be held in order—and I hope it will be and that this House will adopt it—we should turn over the legal business of this department to that department which has charge of the legal business of the Government. It is the only way, it seems to me, by which we can prevent improper salaries from being paid for legal services. These men have no limitations placed upon them. They can employ whom they please. They can employ at such salaries as they please, with the sole limitation that 13 of them shall not exceed $11,000 each. I do not know what these new attorneys authorized under this bill will draw, but we authorize seven additional ones. We had already authorized six. Now, we authorize seven additional ones, to be employed at the rate of more than $11,000.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. JOHNSON of Mississippi. Is that in addition to the 78 already employed?

Mr. HARRISON. Yes. Seven additional at more than $11,000 each. There is no limitation as to amount. The gentleman at the head of the legal department informs us that he thinks he can get a responsible attorney to represent us in New York at $20,000, but there is no limitation other than that they shall not employ over seven of them in addition to the six now drawing more than $11,000. What I contend for is the fact that the legal business of this Government should be in the hands of the Attorney General.

Mr. JOHNSON of Mississippi. It is in the hands of pirates now in that respect.

Mr. HARRISON. The Attorney General is the man to whom the people should look to protect the interests of this Government in all its legal lines.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. EDMONDS. Can the gentleman inform me what the general counsel gets now, Mr. Schlesinger?

Mr. HARRISON. He gets $10,000 a year.

Mr. EDMONDS. Mr. Schlesinger gets $10,000 a year?

Mr. HARRISON. Yes. He employs a whole lot of them, and a lot of them get more salary than he gets himself. I think one said he worked for $24 for a whole year. I understand that is what he charges. But I myself prefer to have men paid their proper compensation. I do not want any $24 men or any $1 men. I want men who are paid a proper compensation to represent this Government, and only a proper compensation, and not these extravagant sums.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. KINCHELOE. Is there any organic law of Congress that creates this legal division of the Shipping Board?

Mr. HARRISON. No. These people are a law to themselves.

Mr. EDMONDS. The Jones Shipping Act allows them to form this legal division.

Mr. HARRISON. I say they are a law unto themselves. The statute that creates them gives them the authority, and it

is only limited by the appropriation bill. This is the only place where we can limit it.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. HARRISON. Yes.

Mr. HUSTED. Can the gentleman give us an idea of the number of suits pending before the Shipping Board and the amount involved in the litigation?

Mr. HARRISON. It is said that $300,000,000 is involved. But at the same time that they tell us about the $300,000,000, they say if we give them $55,000,000 they will settle the bill.

Mr. DUNBAR. Are the salaries that the Government pays to its attorneys in the gentleman's judgment in excess of the fees paid by those who bring suits against the Government?

Mr. HARRISON. Yes. I say they are enormously in excess, because of those 500 suits that are pending now in the various courts I assume there is not a lawyer concerned in any of them who gets as much as $11,000 a year.

Mr. DUNBAR. Has it not been the gentleman's experience that the fees paid the lawyers are the most excessive of any sums of money received by any class of citizens for services?

Mr. HARRISON. I do not know as to that. I never got anything that I thought was excessive, and I am a lawyer. [Laughter.]

Mr. DUNBAR. I want to say to the gentleman that I believe that the high cost of living is largely due to two facts: One the excessive fees received by lawyers everywhere, and the second, by the appreciation in the value of real estate in cities. [Laughter.]

Mr. HARRISON. My experience is that the lawyers are the ones that suffer most by the high cost of living.

Mr. MOORE of Virginia. I would like to ask the gentleman this question: Does he not think it reasonable to assume that most of the lawyers employed against the Government take their cases on a contingent basis?

Mr. HARRISON. Of course. I would not be surprised.

Mr. MOORE of Virginia. You have not found on investigation that any of the counsel on the other side, representing the Shipping Board, have made contracts of that character?

Mr. HARRISON. Oh, no.

Mr. MANN. They would be glad to.

Mr. DUNBAR. The gentleman has admitted that the lawyers who represent the litigants take the cases on a percentage basis?

Mr. HARRISON. No; I have not admitted it. I have not the faintest idea about it.

Mr. DUNBAR. The gentleman has practically admitted it.

Mr. HARRISON. My colleague [Mr. MOORE] asked me if I thought that was the way, and I said I would not be surprised.

Mr. OLIVER. Mr. Chairman, will the gentleman permit me, in connection with the inquiry relative to the pay of the attorneys, to read a statement read last year by the gentleman from Illinois [Mr. MADDEN] in reference to this subject? It seems that the House gave general approval to the views of Mr. MADDEN announced at that time. Mr. MADDEN, on page 4925 of the RECORD of August 12, 1921, said, referring to the Shipping Board:

> These men came to us and said they had employed high-priced lawyers; that they had turned over cases that were important to distinguished law firms without fixing the limit of cost for the trial of the cases.
>
> Your committee thought that would be very unwise and uncertain. We wanted to know the cost. We called up the Attorney General and asked what was to be the policy of the Attorney General's office in the matter of the employment of special counsel. He said his office had a regulation under which no man or firm could be employed whose compensation in a given case, no matter how important it is, could exceed the salary of the Attorney General in a given year. [Applause.] And he said, too, that if there was any month in the year when these people were not actively employed on the work, one-twelfth of the annual compensation would be deducted. So we put a proviso in this bill that the Attorney General shall pass upon all employment of attorneys and special counsel for the Shipping Board, and so we are assured that they will not get any more than the compensation fixed by the Attorney General's own office, no matter what the records of the hearings may show.

Now, that seems to have been the unanimous opinion at that time as to the wise course of procedure.

Mr. HARRISON. They lifted the pay for seven additional attorneys.

Mr. GRAHAM of Illinois. Was that approved by the Attorney General?

Mr. HARRISON. No; the Attorney General has not anything to do with this business, as I understand.

Mr. MANN. Does this carry a provision that these salaries must be approved by the Attorney General?

Mr. HARRISON. I do not think the salaries must be approved. I think he must approve the persons who are employed. I do not think the Attorney General has anything to do with the salaries.

Mr. MANN. I was under the impression that the law provides for that now, and that the present bill provides for it. I may be mistaken.

Mr. GRAHAM of Illinois. I think there was some such proviso put on the last bill.

Mr. HARRISON. There was such a proviso, but my impression is that it was limited entirely to the employment of the lawyers.

Mr. OLIVER. There was a proviso put on by the House, but in conference the House yielded to an amendment put on by the Senate, in which they were permitted to employ a certain number, I think six, whose salaries should exceed the limitation that we fixed in the House.

Mr. GRAHAM of Illinois. I knew that limitation was here when we were discussing the bill on the floor, because I remember the discussion quite well.

Mr. HARRISON. In the hearings before the committee they did not seem to think it was necessary to have the approval of the Attorney General.

Mr. HUSTED. Will the gentleman yield for a question?

Mr. HARRISON. Yes.

Mr. HUSTED. I agree with the gentleman that this litigation could be more economically and more efficiently conducted by the legal department of the Government. I believe it should be under the Attorney General, but I think there is something to be said for the amounts of the salaries paid. This is very largely admiralty litigation, in which the lawyers are more highly paid them in ordinary practice. These cases involve enormous amounts of money. The Government is opposed by lawyers of great ability who command large fees, and if the interests of the Government are to be properly protected we must have very able counsel, and I do not believe you can get counsel for less than $7,500 a year who are qualified to defend the Government properly in these suits; but I do agree with the gentleman that the business could be better conducted under the legal department of the Government. I think the Attorney General should have charge of it.

The CHAIRMAN. The gentleman from Virginia [Mr. HARRISON] has consumed one hour.

Mr. HARRISON. I yield to myself 10 minutes more.

Mr. MANN. Will the gentleman permit an interruption?

Mr. HARRISON. Certainly.

Mr. MANN. The present bill carries the provision which I said I thought it did, and which some members of the committee said it did not, that all of these contracts for the employment of attorneys shall be approved by the Attorney General of the United States. That is the existing law.

Mr. HARRISON. So far as I can find there has been no idea that the Attorney General had the right to fix the compensation.

Mr. GALLIVAN. Will the gentleman from Virginia yield so that I can ask the gentleman from Illinois a question?

Mr. HARRISON. Yes.

Mr. GALLIVAN. Does that refer to counsel on the pay rolls of the Government, or does it refer to counsel in special cases?

Mr. MANN. I will give my friend from Massachusetts, who is a member of the committee, this information about the bill which his committee reported.

Mr. GALLIVAN. And from which I dissented as to this matter.

Mr. MANN. Then he ought to have known what was in it, if he dissented. The bill says "regular or special" contracts must be approved by the Attorney General. That is the existing law. I am not saying that the contracts ought not to be approved; but that is the situation.

Mr. JOHNSON of Mississippi. In answer to the suggestion of the gentleman from New York [Mr. HUSTED] a few moments ago, I will say that one of the "eminent counsel" whom they have employed was a second lieutenant in the adjutant general's office drawing $1,800 a year, and that he is now drawing $10,000 a year.

Mr. GRAHAM of Illinois. In view of what the gentleman from Illinois [Mr. MANN] has said, have these special attorneys been approved by the Attorney General?

Mr. HARRISON. I think it appears from the hearings that they have.

Mr. GRAHAM of Illinois. Have these additional six men been put on yet?

Mr. HARRISON. No; they have just got the authority. It appears from the hearings that the Attorney General has approved their employment, but I think that what is applicable to this case is applicable to all these bureaus. There are a number of attorneys employed in the business of the Alien Prop-

erty Custodian. There are a number of attorneys employed in the Veterans' Bureau. There are a number of attorneys employed in every one of these agencies, and I believe it would be a great step in the direction of economy and a wise provision to require the Attorney General to take charge of all this legal business.

Mr. GRAHAM of Illinois. Will the gentleman yield for a suggestion?

Mr. HARRISON. Yes.

Mr. GRAHAM of Illinois. I agree with the gentleman that the law department of the Government ought to have charge of this, but the gentleman knows, and we all know, that if we should do that we would have to enlarge greatly the personnel of the Attorney General's Department.

Mr. HARRISON. We can do that.

Mr. GRAHAM of Illinois. We would have to do it at once.

Mr. HARRISON. We have the authority here.

Mr. GRAHAM of Illinois. I know, but in my dealings with the office of the Attorney General I have found that every man down there seems to be crowded to death with matters pressing upon him at this time. You can hardly get anybody's attention there on an ordinary matter.

Mr. HARRISON. If we should take one-sixth of the $600,000 that we give to these attorneys in this department alone and give it to the Attorney General's office, I believe we could provide for the attorneys.

Mr. GRAHAM of Illinois. I think so, too.

Mr. HARRISON. Then why not do it? Everybody has perfect confidence in the administration of the law in the department that is regularly charged with that duty. We have here simply the statements of the lawyers who are interested in the litigations, coming in and fixing their own fees for their own services at these enormous prices.

Mr. EDMONDS. There is one thing that the gentleman forgets. Of course, the Attorney General's office is not fit to deal with admiralty cases.

Mr. HARRISON. We can authorize the Attorney General to employ admiralty lawyers.

Mr. EDMONDS. You have got to get good admiralty lawyers, because most of these cases are admiralty cases.

Mr. HARRISON. Not all of them.

Mr. EDMONDS. I want to call the gentleman's attention to the fact that one man left the department then getting $8,500 a year and is now getting $50,000 a year in New York.

Mr. HARRISON. Yes; and a great many men left the Internal Revenue Department and are now getting big salaries.

Mr. HUDSPETH. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. HUDSPETH. I do not like to divert the gentleman from his line of argument, but I understand he has 10 minutes more. I would like to ask the gentleman this question: I see that under the Federal Trade Commission you allow $855,000. My information is that Mr. Dawes, of the Budget, asks for $955,000. I want to ask the gentleman why there was this cut of $100,000?

Mr. HARRISON. We investigated, and felt that they could get along with that sum.

Mr. HUDSPETH. I want to call attention to the fact that since this recommendation was made under the Ladd resolution they have imposed additional duties on the Federal Trade Commission to investigate the Grain Corporation, the Furniture Trust, and several other things. So I want to ask why you cut the appropriation for the Federal Trade Commission, which has been giving valuable information to the country concerning the inner workings of our friends, the packers? Why did you cut this sum of $100,000 when they have had these additional duties put upon them?

Mr. HARRISON. I voted for every cut because no matter if they have had extra duties put upon them they have sufficient funds now.

Mr. HUDSPETH. In view of the fact that Mr. Dawes recommended $955,000.

Mr. HARRISON. I believe that all these commissions and activities in the past have received very liberal appropriations.

Mr. HUDSPETH. The gentleman did not vote blindly to cut this appropriation?

Mr. HARRISON. No; we went over them step by step, item by item.

Mr. CLARKE of New York. Will the gentleman yield for me to answer the gentleman from Texas?

Mr. HARRISON. Yes.

Mr. CLARKE of New York. I think the committee has done a good thing in limiting the appropriation for the Federal Trade Commission. It is claimed that they did so much in investigation in regard to the packers, but I happen to be on the committee and I heard these statements, and it was clearly shown that the Federal Trade Commission placed in the hands of a foreign Government all the secrets of the packers at a time when the result was most perilous to this country.

Mr. JONES of Texas. Will the gentleman yield?

Mr. HARRISON. Yes.

Mr. JONES of Texas. Does not the gentleman think it would be well to take some of the money paid these high-priced attorneys and transfer it to the Federal Trade Commission?

Mr. HARRISON. As I understand it, the appropriations are ample to take care of the Federal Trade Commission.

Mr. JONES of Texas. What is the average salary being paid to these attorneys?

Mr. HARRISON. I should say about $650,000 to 78 attorneys.

Mr. JONES of Texas. Then the average is about $8,000.

Mr. HARRISON. A little over $8,000.

Mr. JONES of Texas. The average salary paid to the Federal Trade Commission is about $3,200.

Mr. HARRISON. What I am criticizing is that the salaries are out of all proportion to the salaries of any other bureau, and that when there is the greatest depression in agricultural sections of the country that ever was known.

Mr. HUDSPETH. Let me ask the gentleman this: Is it not the policy of the committee to cut the appropriations and hamstring the Federal Trade Commission so that it can not function, and finally abolish it altogether?

Mr. HARRISON. It is not my intention, and if there is anything of that kind being developed I do not know it.

Mr. HUDSPETH. Is not that the policy of the committee? The gentleman may not follow the committee.

Mr. HARRISON. I have seen no such indication. I think the members of the subcommittee went into these matters with a great deal of fairness and with an attempt to reach an economical result.

Now, I did intend to go into further details but I have promised time to other gentlemen, and I wish to call attention to the fact that these enormous appropriations of salaries and overhead costs are imposed on this country when the people of this country can not stand it. I represent an agricultural section, and I never in my life have known such depression. I have never seen the time when the farmers were so straitened as they are at this time. Gentlemen from industrial sections tell me that there is great depression in the industrial enterprises in this country. Here is an agency that might aid in the industrial life, an agency that might carry the farmers' products across the seas to peoples that wish to purchase them; an agency that might mean much to the factory and the mine, but, as now operated, burdened with overhead charges, instead of bringing relief to stagnant trade and the distressed conditions of the people adds enormously to the burdens of the taxpayers, and is a mere feeding trough for attorneys and functionaries of all kinds and descriptions.

We want a merchant marine to carry our trade upon the seas and bring prosperity to our shores. I have no doubt but that this agency, properly operated, can give us this. [Applause.]

The following is the salary list referred to:

SUMMARY.

United States Shipping Board and Emergency Fleet Corporation combined—number of employees and present salary.

2	$35,000
1	30,000
2	25,000
7 (commissioners and chairman)	12,000
15	11,000
1	10,800
19	10,000
1	9,500
7	9,000
8	8,500
2	8,000
2	7,800
29	7,500
1	7,200
1	7,000
7	6,500
49	6,000
1	5,600
5	5,500
5	5,400
43	5,000
18	4,800
46	4,500
61	4,200
8	4,140
18	4,000
79	3,900
142	3,600
6	3,500
74	3,300
1	3,180
1	3,120

The list.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$35,000.				
Love, W. J., vice president	$35,000	$35,000	July 21, 1921	New York.
Smull, J. B., vice president	35,000	35,000	July 11, 1921	Do.
$30,000.				
Kimball, H. S., vice president	30,000	30,000	Sept. 23, 1921	Connecticut.
$25,000.				
Frey, A. J., vice president	25,000	8,500	May 1, 1918	District of Columbia.
Mack, A. F., New York, district manager.	25,000	25,000	Sept. 1, 1921	New Jersey.
$12,000.				
Shipping Board:				
Benson, W. S., commissioner	12,000	12,000	June 13, 1921	Georgia.
Chamberlain, G. E., commissioner.	12,000	12,000	.....do.....	Oregon.
Lasker, Albert D., chairman	12,000	12,000	.....do.....	Illinois.
Lissner, Meyer, commissioner	12,000	12,000	June 16, 1921	California.
O'Conner, T. V., commissioner	12,000	12,000	June 15, 1921	New York.
Plummer, E. C., commissioner	12,000	12,000	June 14, 1921	Maine.
Thompson, F. I., commissioner	12,000	12,000	June 13, 1921	Alabama.
$11,000.				
Emergency Fleet Corporation:				
Allison, E. M., jr., special counsel.	11,000	11,000	July 11, 1921	Utah.
Bullitt, Wm. M., special counsel.	11,000	11,000	July 21, 1921	Kentucky.
Carpenter, A. P., Division of Collections.	11,000	11,000	Nov. 8, 1921	New York.
Dobyns, F., special counsel	11,000	11,000	July 29, 1921	Illinois.
Fairbanks, Jos., special counsel	11,000	11,000	July 18, 1921	Vermont.
Freund, S. H. E., special counsel.	11,000	11,000	Aug. 8, 1921	New York.
Henry, Sydney, commissioner-manager.	11,000	11,000	Sept. 22, 1921	Maryland.
Johnson, E. R., special expert	11,000	11,000	Nov. 1, 1921	District of Columbia.
Leslie, Wm., special expert	11,000	11,000	Dec. 1, 1921	Do.
Meals, W. D., chairman	11,000	11,000	July 29, 1921	Ohio.
Parker, C. G., special counsel	11,000	11,000	July 18, 1921	New Jersey.
Smith, N. A., assistant general counsel.	11,000	11,000	July 14, 1921	Do.
Teele, A. W., member claims commission.	11,000	11,000	July 29, 1921	Massachusetts.
Ward, H. M., special counsel	11,000	11,000	Aug. 1, 1921	Connecticut.
Wood, F. W., member claims commission.	11,000	11,000	July 29, 1921	Maryland.
$10,800.				
Emergency Fleet Corporation:				
Bull, Wm. L., allotment	10,800	6,500	Aug. 2, 1921	Do.
$10,000.				
Shipping Board:				
Schlesinger, Elmer, general counsel.	10,000	10,000	June 21, 1921	Illinois.
Sollitt, Ralph V., special expert	10,000	10,000	Aug. 15, 1921	Indiana.
Cox, D. H., special expert	10,000	10,000	Nov. 1, 1921	District of Columbia.
Emergency Fleet Corporation:				
Adamson, T., assistant to general comptroller.	10,000	7,500	Apr. 9, 1919	New York.
Aron, H. G., special counsel	10,000	4,000	May 10, 1919	Do.
Beecher, N. B., special counsel	10,000	10,000	July 28, 1921	Florida.
Cronin, H. J., deputy general comptroller.	10,000	10,000	Dec. 1, 1920	New Jersey.
Evans, L. B., special counsel	10,000	[1] 3,000	May 4, 1920	District of Columbia.
Frazer, J. R., assistant counsel	10,000	10,000	Aug. 8, 1921	Ohio.
Freedman, A., special counsel	10,000	10,000	.....do.....	Do.
Graef, A. W., assistant counsel	10,000	10,000	July 6, 1921	New York.
Keene, W. B., traffic manager	10,000	6,000	Feb. 1, 1919	Do.
Laws, B. J., assistant counsel	10,000	10,000	July 7, 1921	District of Columbia.
McKeon, W., deputy general comptroller.	10,000	3,600	May 28, 1917	New York.
Ringwood, R. J., manager operations department.	10,000	10,000	Aug. 3, 1921	California.
Robinson, J. A., manager allocation department.	10,000	10,000	Aug. 8, 1921	New York.
Talbert, James, assistant counsel claims section.	10,000	5,000	Apr. 14, 1919	Missouri.
New York—				
Malkin, M., manager	10,000	10,000	Aug. 1, 1921	New York.
San Francisco—				
Relyea, F. W., district director.	10,000	10,000	Oct. 24, 1921	Do.
$9,500.				
Emergency Fleet Corporation:				
Gaines, J. H., assistant counsel	9,500	9,500	July 28, 1921	West Virginia.

[1] One-half time.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$9,000.				
Emergency Fleet Corporation:				
Claussen, M. B., advertising manager.	$9,000	$9,000	Nov. 16, 1921	New York.
Jones, G. M., specifications expert.	9,000	9,000	Nov. 21, 1921	Ohio.
Van Fossan, E. H., assistant counsel.	9,000	9,000	Oct. 4, 1921	Do.
Philadelphia—				
Nichols, G. K., supervising local manager.	9,000	4,000	Oct. 17, 1917	Massachusetts.
Pitts, Thos. D., assistant manager.	9,000	3,600	May 1, 1918	Maryland.
New York—				
Bailey, J. E., assistant manager.	9,000	9,000	Sept. 7, 1921	New York.
New Orleans—				
Santa Cruz, G. J., district director.	9,000	3,000	Mar. 1, 1919	Alabama.
$8,500.				
Shipping Board:				
Brenton, Jasper Y., assistant counsel.	8,500	8,500	June 16, 1921	Pennsylvania.
Emergency Fleet Corporation:				
Long, Harry, assistant counsel	8,500	8,500	June 1, 1921	Indiana.
Skinnder, H. D., claims attorney.	8,500	5,000	Apr. 25, 1919	Maryland.
Tirrell, Geo. L., member wage reimbursement commission.	8,500	5,000	June 15, 1918	New York.
Wright, E. T., member wage reimbursement commission.	8,500	4,500	Mar. 16, 1918	Illinois.
Baltimore—				
Martin, Jos. T., supervising local manager.	8,500	10,000	Nov. 1, 1918	Maryland.
New York—				
Brown, W. T., assistant to manager.	8,500	10,000	Oct. 15, 1920	Pennsylvania.
Eason, J. J., supervising local manager.	8,500	5,500	Mar. 25, 1919	New York.
$8,000.				
Emergency Fleet Corporation:				
Frieser, F. G., hardware expert and importer.	8,000	8,000	Aug. 9, 1921	New Jersey.
Philadelphia—				
Contee, A., assistant manager.	8,000	5,000	May 1, 1917	District of Columbia.
$7,800.				
Emergency Fleet Corporation:				
Tucker, F. I., manager plants division.	7,800	7,800	Oct. 11, 1921	Massachusetts.
Walsh, F. H., manager, material sales.	7,800	7,800	Sept. 12, 1921	Do.
$7,500.				
Shipping Board:				
Snider, Gelu R., admiralty counsel.	7,500	2,400	Apr. 10, 1919	Washington.
Emergency Fleet Corporation:				
Apgar, L. W., general computing accountant.	7,500	7,500	Jan. 1, 1921	Kansas.
Bookwalter, C. S., assistant manager.	7,500	5,300	Sept. 26, 1917	Illinois.
Bowen, M. W., manager	7,500	4,000	Feb. 1, 1919	Virginia.
Brewster, K., assistant counsel	7,500	7,500	Oct. 21, 1918	Massachusetts.
Clear, T. L., treasurer	7,500	7,500	Nov. 1, 1921	Illinois.
Colvin, G., assistant counsel	7,500	7,500	July 21, 1921	New York.
Fetzer, Jno. E., assistant counsel.	7,500	7,500	July 12, 1921	Do.
Fielding, H. T., assistant to general comptroller.	7,500	5,000	Dec. 4, 1919	New Jersey.
Goldsmith, G., assistant counsel.	7,500	7,500	July 8, 1921	Ohio.
Jay, E. C., manager	7,500	7,500	Oct. 16, 1921	Massachusetts.
Jones, R. F., assistant counsel	7,500	7,500	July 20, 1921	New Jersey.
Kline, R. E., special assistant to director.	7,500	3,600	Sept. 24, 1917	Ohio.
Leonard, L., special examiner	7,500	7,500	June 27, 1921	Pennsylvania.
Lloyd, G. P., assistant counsel	7,500	7,500	July 22, 1921	New Jersey.
Merrill, W. T., special representative.	7,500	7,500	Aug. 3, 1921	Do.
New, T. Ed., assistant treasurer.	7,500	3,000	Dec. 10, 1917	Virginia.
Philbin, J. H., manager	7,500	5,000	Dec. 1, 1919	Maryland.
Saint, H. Y., staff assistant	7,500	6,000	May 21, 1919	Washington.
Shepherd, E. A., accountant, general comptroller.	7,500	7,500	Oct. 4, 1921	New Jersey.
Stone, C. P., staff assistant in charge.	7,500	5,000	May 1, 1919	California.
Philadelphia—				
Boullion, A. B., technical assistant.	7,500	6,000	Feb. 28, 1918	Washington.
New York—				
Barber, Benn, counsel	7,500	5,000	Apr. 28, 1919	New York.
Ellis, T. H., consulting engineer.	7,500	7,500	Jan. 29, 1919	New Jersey.
Gray, H. M., admiralty attorney.	7,500	7,500	Oct. 16, 1921	New York.
Watkins, R. M., operating manager.	7,500	5,000	Sept. 19, 1921	New Jersey.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$7,500—Continued.				
Emergency Fleet Corporation—Continued.				
Norfolk—				
Griffith, W. E., district director.	$7,500	$7,200	Nov. 10, 1917	Virginia.
San Francisco—				
Chisholm, W., district manager.	7,500	6,000	Sept. 1, 1917	California.
Semmes, R. T., district director.	7,500	7,500	Jan. 1, 1921	Washington.
$7,200.				
Fleet Corporation:				
Ogden, B. K., director of insurance	7,200	2,750	Nov. 12, 1917	New Jersey.
$7,000.				
Emergency Fleet Corporation:				
Philadelphia—				
Stull, Jos. S., assistant to assistant manager	7,000	6,000	July 12, 1920	Do.
$6,500.				
Emergency Fleet Corporation:				
Anderson, Y. C. M., assistant counsel.	6,500	5,000	Apr. 23, 1919	Pennsylvania.
Edmonds, D. S., assistant counsel.	6,500	3,000	June 17, 1918	Do.
Schmidt, Ed. H., assistant director.	6,500	6,500	Apr. 18, 1921	Indiana.
Philadelphia—				
Moses, H. D., assistant in in charge (W. S. C.).	6,500	4,000	Sept. 5, 1918	Pennsylvania.
New York—				
Wells, G. H., traffic manager.	6,500	6,500	Aug. 9, 1921	New York.
Norfolk—				
Blair, G. F., district manager.	6,500	4,200	Aug. 20, 1919	Oregon.
Marshall, C. H., district director.	6,500	2,400	May 14, 1919	California
$6,000.				
Shipping Board:				
Van Middlesworth, L., special expert	6,000	3,000	Mar. 17, 1919	New Jersey.
Emergency Fleet Corporation:				
Bailey, R. H., assistant vice president.	6,000	1,400	Apr. 5, 1917	District of Columbia.
Dean, R., special representative.	6,000	6,000	Oct. 5, 1921	New York.
Denby, Chas., special investigator.	6,000	6,000	Nov. 7, 1921	Indiana.
Fox, R. E, special representative.	6,000	6,000	Oct. 13, 1921	New York.
Fries, E. F., special representative.	6,000	6,000	Oct. 12, 1921	Pennsylvania.
Gaines, J. M., special representative.	6,000	6,000	Oct. 26, 1921	New York.
Gendron, U. G., section head	6,000	1,000	May 15, 1917	Massachusetts.
Hallett, R. H., assistant counsel.	6,000	6,000	July 13, 1921	Do.
Hughes, Chas., district comptroller.	6,000	2,400	Feb. 20, 1918	New Jersey.
Jenkins, J. C., assistant to director.	6,000	1,000	Apr. 4, 1918	New York.
Jones, Lake, district counsel	6,000	6,000	Oct. 1, 1921	Florida.
McNulta, H. C., special representative.	6,000	6,000	July 1, 1920	Illinois.
Mallory, C. K., manager dry dock division.	6,000	6,000	Nov. 10, 1921	New York.
Morrison, A. S., head of claims bureau.	6,000	4,000	Oct. 11, 1919	Do.
Nottingham, W. W., assistant counsel.	6,000	3,000	Aug. 11, 1919	District of Columbia.
Phelan, J. A., senior examiner.	6,000	3,900	May 1, 1919	Oklahoma.
Rutter, L. R., inspector	6,000	6,000	Sept. 1, 1921	Illinois.
Sabina, Wm. T., assistant counsel.	6,000	4,000	July 8, 1918	New York.
Taylor, C. R., senior accountant.	6,000	6,000	Sept. 2, 1919	Virginia.
Thomas, R. C., senior examiner.	6,000	6,000	July 1, 1920	Maryland.
Watkins, Malcum, assistant to general comptroller.	6,000	6,000	Oct. 11, 1921	Oregon.
Watson, E. L., special representative.	6,000	6,000	Nov. 1, 1921	New York.
Baltimore—				
Anderson, D. G., local manager.	6,000	3,000	Oct. 11, 1917	Maryland.
Tingle, W. W., district director.	6,000	3,600	Jan. 15, 1918	Do.
Philadelphia—				
Bollenbeck, W. J., Executive assistant.	6,000	3,000	Aug. 1, 1918	Wisconsin.
Gately, J. E., district director.	6,000	3,000	Nov. 1, 1917	Pennsylvania.
Grogan, F. W., assistant to local manager.	6,000	5,000	Sept. 24, 1917	Do.
Higgins, Ho ard C., supervising local manager.	6,000	6,000	Aug. 22, 1921	New York.
Paynter, A. J., district comptroller.	6,000	1,500	Nov. 14, 1917	Pennsylvania.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$6,000—Continued.				
Emergency Fleet Corporation—Continued.				
Philadelphia—Continued.				
Sanders, J., jr., authorized representative.	$6,000	$7,500	Apr. 21, 1919	Pennsylvania.
Towers, Wm., manager	6,000	5,000	July 6, 1920	District of Columbia.
New York—				
Brennan, E. A., executive assistant.	6,000	6,000	Sept. 12, 1921	New Jersey.
Gillette, Geo. F., accounting engineer.	6,000	6,000	Nov. 14, 1921	New York.
Kennedy, Wm. M., chief estimator.	6,000	6,000	Jan. 15, 1921	Maryland.
McCormack, Jas., assistant counsel.	6,000	4,000	Mar. 10, 1919	New York.
Menkel, A. M., assistant counsel.	6,000	6,000	Oct. 16, 1921	Do.
Prior, L. N., naval architect.	6,000	6,000	July 20, 1921	Florida.
Romaine, R. B., assistant counsel.	6,000	6,000	Oct. 10, 1921	New Jersey.
Taylor, H. B., chief turbine engineer.	6,000	3,000	May 2, 1919	New York.
Walsh, F., manager branch office.	6,000	6,000	Mar. 16, 1919	Do.
White, J. K., assistant counsel.	6,000	6,000	Nov. 1, 1921	Do.
Boston—				
McGregor, Alex, district manager.	6,000	2,400	Oct. 30, 1917	Washington.
New Orleans—				
Ames, F. E., supervising local manager.	6,000	4,500	Nov. 7, 1920	California.
San Francisco—				
Brandt, F. J., district comptroller.	6,000	1,600	May 6, 1918	Maryland.
Dwyer, J. J., district counsel.	6,000	6,000	Oct. 26, 1921	Washington.
George, C. H., district comptroller.	6,000	3,600	Aug. 16, 1918	California.
Kincaid, W., operator manager.	6,000	3,000	Sept. 30, 1918	Do.
Kennedy, J. L., district comptroller.	6,000	2,100	Mar. 1, 1918	Oregon.
$5,600.				
Wright, H. P., assistant manager sales.	5,600	5,600	Oct. 21, 1921	District of Columbia.
$5,500.				
Emergency Fleet Corporation:				
Morrison, D. S., chief accountant.	5,500	2,000	Apr. 16, 1918	Do.
Overstreet, R. H., assistant to assistant to general comptroller.	5,500	2,400	Apr. 15, 1918	Oregon.
Sutherland, H., head passenger.	5,500	5,500	Sept. 1, 1921	New York.
Sutphen, V. M., credit manager.	5,500	4,000	Aug. 5, 1918	New Jersey.
Philadelphia—				
Worden, F. B., technical assistant.	5,500	1,600	Oct. 22, 1917	New York.
$5,400.				
Emergency Fleet Corporation:				
New York—				
Jacob, R., jr., inspector in charge.	5,400	3,000	Feb. 10, 1919	Do.
Dyer, R. S. H., assistant counsel.	5,400	4,000	Mar. 10, 1918	Massachusetts.
Jacobsen, E. B., assistant counsel.	5,400	5,400	July 28, 1919	New York.
Lester, A. J., senior examiner.	5,400	2,400	Oct. 15, 1917	Canada.
Lasier, E. L., material engineer.	5,400	3,000	Feb. 10, 1919	New York.
$5,000.				
Shipping Board:				
Smith, Clifford W., secretary	5,000	5,000	July 11, 1921	Michigan.
Wells, Geo. E., assistant commissioner.	5,000	5,000	June 11, 1919	District of Columbia.
Emergency Fleet Corporation:				
Berg, Peter, assistant manager	5,000	3,000	Nov. 8, 1917	Pennsylvania.
Brown, O. N., secretary claims committee.	5,000	5,000	July 29, 1921	District of Columbia.
Childs, C. E., assistant personnel officer.	5,000	5,000	July 5, 1921	Ohio.
Conybeare, G. R., assistant counsel.	5,000	4,000	Sept. 23, 1919	New York.
Cravey, Geo. C., assistant commissioner.	5,000	1,200	Apr. 15, 1918	Florida.
Davis, C. B., attorney	5,000	5,000	Sept. 19, 1921	New York.
Fenton, J. W., head sales section.	5,000	3,600	June 17, 1918	Pennsylvania.
Fiuninger, N. C., head audits and accounts.	5,000	1,600	Dec. 26, 1917	Do.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$5,000—Continued.				
Emergency Fleet Corporation—Con.				
Garges, A. B., section head....	$5,000	$1,200	Feb. 18, 1918	District of Columbia.
Hoffman, J. M., section head..	5,000	2,400	Dec. 30, 1919	New York.
Jackson, A. G., head S. A. Br..	5,000	[1] 2,100	Feb. 8, 1919	Georgia.
Keefe, D. J., special representative.	5,000	5,000	Aug. 3, 1921	Illinois.
Keenan, J. J., special assistant.	5,000	2,000	Apr. 21, 1919	New Jersey.
McIntosh, J. W., special representative.	5,000	5,000	Nov. 9, 1921	District of Columbia.
Murtaugh, T. E., senior examiner.	5,000	5,000	Oct. 1, 1921	New York.
O'Brien, E. G., chief auditor...	5,000	3,000	Feb. 25, 1919	Do.
Ostrye, P. J., senior accountant	5,000	5,000	Aug. 26, 1921	Ohio.
Powers, Caleb, assistant counsel.	5,000	5,000	Aug. 16, 1921	Kentucky.
Spurway, H. J., senior examiner.	5,000	5,000	Oct. 19, 1920	Illinois.
Weil, Isaac, assistant to comptroller.	5,000	5,000	Oct. 11, 1921	Pennsylvania.
Wells, H. M., assistant treasurer.	5,000	5,000	Oct. 6, 1921	Utah.
Wood, H. P., assistant counsel.	5,000	5,000	Aug. 15, 1921	New York.
Wright, Robt. R., assistant counsel.	5,000	5,000	Oct. 17, 1921	Ohio.
Philadelphia—				
Brelsford, Harry E., engineer.	5,000	4,200	June 9, 1919	New Jersey.
Faus, H. W., senior engineer.	5,000	3,000	Nov. 12, 1917	New York.
Yeomans, Clifton, head charges and extras.	5,000	4,000	May 21, 1918	Pennsylvania.
New York—				
Egerton, W. A., staff assistant.	5,000	5,000	Oct. 7, 1921	West Virginia.
Elis, A. D., local manager.	5,000	4,200	Oct. 20, 1919	New York.
Gentles, Frank, section head.	5,000	2,160	July 2, 1917	District of Columbia.
Harper, W. R., inspector..	5,000	5,000	Mar. 26, 1918	New York.
Hume, R. S., assistant counsel.	5,000	5,000	E. O. D.....	Do.
Hunter, J., admiralty attorney.	5,000	5,000	Oct. 11, 1921	Do.
MacDonald, E., inspector.	5,000	3,900	Nov. 1, 1920	Do.
Walsh, Domonic, port supervising engineer.	5,000	2,500	May 7, 1918.	New Jersey.
Woods, A. D., senior engineer.	5,000	4,500	Sept. 23, 1918	Connecticut.
Norfolk—				
Mausshardt, E. C., assistant district manager.	5,000	4,000	Jan. 1, 1919	Virginia.
New Orleans—				
Davison, E. L., district agent, Mobile.	5,000	5,000	Sept. 16, 1920	Louisiana.
Devereaux, H. J., senior examiner.	5,000	5,000	Sept. 1, 1920	Illinois.
San Francisco—				
Baird, T. G., district director.	5,000	1,800	Jan. 9, 1919	Oregon.
Crichton, J. W., district agent.	5,000	2,700	Mar. 16, 1918	Do.
Gnagey, P. H., district auditor.	5,000	1,620	July 1, 1917	Washington.
$4,800.				
Emergency Fleet Corporation:				
Andrews, J., assistant to traffic manager.	4,800	3,000	Oct. 6, 1919	New York.
Anewalt, H. P., head of allocation section.	4,800	[1] 2,100	Jan. 20, 1919	California.
Buckley, M. J., assistant manager.	4,800	4,800	Apr. 24, 1921	Do.
Buhrman, H. G., assistant section head.	4,800	1,500	Feb. 21, 1918	Illinois.
Creyke, Geoffrey, executive assistant.	4,800	2,800	Jan. 7, 1918	District of Columbia.
Day, J. H. A., assistant gen. agt. and fore. (Manl.).	4,800	4,800	June 1, 1920	New Jersey.
Duggan, J. R., senior examiner.	4,800	4,800	Oct. 28, 1921	Massachusetts.
Eggleston, J. A., section head	4,800	4,800	Feb. 11, 1919	New Jersey.
Ellenberger, I. W., senior accountant.	4,800	4,800	Sept. 8, 1919	Ohio.
Hawkins, E. W., examiner assistant.	4,800	2,400	Feb. 15, 1917	Pennsylvania.
McEroy, W. D., special representative.	4,800	4,800	Oct. 28, 1921	Illinois.
McLane, A., jr., head Far East branch.	4,800	1,200	Jan. 7, 1919	New York.
MacConachie, G. O., assistant to general manager.	4,800	4,800	Sept. 12, 1921	Delaware.
Talbot, G. M., consulting fuel engineer.	4,800	2,400	Jan. 11, 1919	Missouri.
Watson, A. S., special representative.	4,800	4,800	Oct. 6, 1921	New York.
Williams, R. G., special representative.	4,800	4,800	Oct. 22, 1920	Maryland.
New York—				
Pierce, S. W., trade supervisor.	4,800	4,000	June 1, 1919	New York.
San Francisco—				
Ferguson, J. W., executive assistant.	4,800	3,000	Mar. 13, 1918	California.

[1] And subsistence.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$4,500.				
Emergency Fleet Corporation:				
Anderson, C. J., assistant chief accountant.	$4,500	$1,200	Feb. 1, 1918	District of Columbia.
Bratt, E. O., section head.....	4,500	2,400	Mar. 1, 1918	Pennsylvania.
Clark, L. C., assistant personnel officer, reconciliation, chief of branch.	4,500	3,600	July 1, 1920	
Conway, F. R., attorney.....	4,500	4,500	Oct. 18, 1920	Washington.
Coogan, W. J., special representative.	4,500	1,800	Mar. 25, 1918	New York.
Gerkin, C. J., attorney.....	4,500	3,000	May 18, 1920	District of Columbia.
Hay, Thos. P., manager.....	4,500	4,500	Apr. 16, 1921	Alabama.
Joyce, Thos. H., district auditor.	4,500	4,500	Aug. 1, 1920	Illinois.
Knox, Paul W., assistant counsel.	4,500	3,000	Aug. 27, 1919	Pennsylvania.
Landsale, A. L., office manager.	4,500	4,500	Sept. 3, 1921	District of Columbia.
Murphy, F. L., assistant branch head.	4,500	4,500	Jan. 1, 1919	California.
O'Keefe, J., head sales section..	4,500	4,500	Nov. 1, 1921	Pennsylvania.
Williams, G. F., special sales representative.	4,500	2,100	Feb. 1, 1918	Massachusetts.
Witt, H. A., special assistant..	4,500	4,500	Mar. 1, 1921	Pennsylvania.
Baltimore—				
Hornsby, J. W., marine superintendent.	4,500	2,400	June 15, 1919	Maryland.
Philadelphia—				
Cornell, Eugene, auditor...	4,500	2,100	Apr. 16, 1918	Rhode Island.
Gawood, S. P. S., senior engineer.	4,500	4,000	July 8, 1918	New Jersey.
Haines, W. J., assistant manager.	4,500	3,000	Aug. 8, 1918	Maryland.
Maynard, Geo. E., senior navigation architect.	4,500	3,600	Feb. 24, 1919	North Carolina.
O'Neil, F. G., senior engineer.	4,500	4,500	Feb. 5, 1921	Pennsylvania.
Powers, R. B., marine superintendent.	4,500	4,200	Dec. 19, 1919	New York.
Smith, R. A., assistant to naval architect.	4,500	2,100	Jan. 8, 1917	Ohio.
Taylor, J. B., senior engineer.	4,500	2,640	June 1, 1917	Pennsylvania.
New York—				
Arcelli, Mark, port superintending engineer.	4,500	3,900	Oct. 25, 1920	New York.
Davis, M. C., port superintending engineer.	4,500	4,500	Nov. 1, 1920	South Carolina.
Groff, C. B., senior engineer.	4,500	4,500	Sept. 16, 1920	New Jersey.
Hayes, W. T., assistant port engineer.	4,500	4,200	Apr. 26, 1920	New York.
Lytle, Geo., section head..	4,500	3,900	Feb. 13, 1919	New Jersey.
McGovern, J. W., manager P. & W.	4,500	1,800	Oct. 10, 1918	District of Columbia.
McRae, John R., chief inspector.	4,500	4,500	Aug. 16, 1921	Louisiana.
Manter, H., port superintendent.	4,500	3,600	May 16, 1919	New Jersey.
Meiners, W. W., surgeon...	4,500	4,000	Dec. 27, 1918	New York.
Rowen, J. B., port superintending engineer.	4,500	3,300	Sept. 16, 1920	New Jersey.
Boston—				
Coholan, J., marine superintendent.	4,500	4,200	Dec. 15, 1919	Massachusetts.
Norfolk—				
Bent, J. W., estimator.....	4,500	3,000	Dec. 1, 1919	California.
Helvering, E. G., supervising inspector.	4,500	3,600	Apr. 9, 1918	Virginia.
New Orleans—				
Dillingham, H. R., district director M. S.	4,500	3,600	June 17, 1918	New York.
Weems, R. E., district agent, Galveston.	4,500	3,000	Mar. 1, 1919	Alabama.
San Francisco—				
Bullock, J., legal manager..	4,500	3,000	May 27, 1918	Washington.
Chapman, R. J., assistant director-manager.	4,500	2,400	May 21, 1917	California.
Dyer, R. L., assistant district manager.	4,500	4,200	Mar. 29, 1918	Maryland.
Gunzel, R. H., local manager.	4,500	4,000	Dec. 15, 1918	California.
Lintner, A. R., senior architect.	4,500	3,000	.....	Washington.
Maxwell, G. R., senior engineer.	4,500	2,400	Oct. 1, 1917	New York.
Sheerer, H. M., senior examiner.	4,500	3,000	Aug. 11, 1917	Iowa.
Snow, M., assistant district counsel.	4,500	3,000	June 21, 1919	Oregon.
$4,200.				
Shipping Board:				
James, J. P., assistant secretary.	4,200	3,200	Apr. 14, 1919	California.
Emergency Fleet Corporation:				
Allen, W. W., foreign agent to general agent.	4,200	2,100	Sept. 2, 1919	Pennsylvania.
Barton, J. B., executive assistant.	4,200	1,200	Sept. 1, 1917	Utah.
Cassell, C. G., special examiner.	4,200	4,200	Oct. 10, 1921	New Jersey.
Gehan, J. F., head claims.....	4,200	2,250	Jan. 16, 1919	Minnesota.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$4,200—Continued.				
Emergency Fleet Corporation—Continued.				
Hoagland, S. G., senior accountant.	$4,200	$4,200	Sept. 1,1921	New Jersey.
Honsick, J. A., auditor	4,200	3,900	Dec. 18,1919	Ohio.
Knight, Chas., section head	4,200	3,600	Aug. 18,1921	Pennsylvania.
Martin, B. Y., branch head	4,200	1,500	Feb. 24,1919	District of Columbia.
Shepard, J. O., executive assistant.	4,200	3,000	May 1,1918	New York.
Strasser, R. H., senior examiner.	4,200	3,000	May 2,1918	Pennsylvania.
Vaughon, J. E., traveling auditor.	4,200	3,900	May 10,1920	Georgia.
Waugh, L. A., special auditor	4,200	2,400	July 30,1919	Pennsylvania.
Willits, W. P., sales representative.	4,200	4,200	Mar. 11,1921	New York.
Baltimore—				
Hutchins, J. S., port engineer.	4,200	4,500	July 21,1919	Maryland.
Philadelphia—				
Anderson, G. F., steam machinery inspector.	4,200	4,000	Jan. 2,1919	California.
Burch, Wm. H., operating manager.	4,200	4,200	Apr. 1,1921	New Jersey.
Canaga, G. B., steam engineer.	4,200	2,500	Feb. 16,1918	Ohio.
Glenn, H. D., steam hull inspector.	4,200	4,000	Feb. 3,1919	California.
Killin, E. C., senior examiner.	4,200	2,619	Oct. 27,1917	Massachusetts.
McConnell, W. G., senior estimator.	4,200	4,200	May 1,1919	New Hampshire.
Noyes, A. R., staff assistant.	4,200	1,000	Oct. 10,1917	District of Columbia.
Oppelt, E. A., inspector in charge.	4,200	2,100	Oct. 19,1917	Pennsylvania.
Sanford, L. R., senior examiner.	4,200	3,000	Nov. 13,1917	Illinois.
New York—				
Dubois, Wm., engine inspector.	4,200	3,000	Aug. 1,1918	New Hampshire.
Finn, James, engine inspector.	4,200	3,900	May 19,1919	New York.
Foster, L. G., staff assistant.	4,200	2,100	June 10,1918	Do.
Gibson, John, engine inspector.	4,200	4,200	Mar. 29,1920	Washington.
Gregory, R. H., port steward.	4,200	2,400	June 1,1918	California.
Griffin, D., surveyor	4,200	3,000	Mar. 7,1918	New Jersey.
Henning, P. J., inspector	4,200	3,900	Oct. 1,1920	Massachusetts.
Jewett, M. M., examiner	4,200	2,400	Sept. 1,1917	Maine.
Jollie, Wm., engine inspector.	4,200	3,000	Feb. 5,1918	New York.
Mathison, T., assistant port superintendent.	4,200	3,600	Mar. 16,1919	Do.
Moran, P. C., machine estimator.	4,200	4,200	Jan. 17,1921	Pennsylvania.
Mount, W. C., district inspector.	4,200	1,800	May 15,1918	New Jersey.
Pender, B. D., section head.	4,200	3,900	Dec. 1,1919	Pennsylvania.
Platt, N. E., assistant port manager.	4,200	3,600	Sept. 22,1921	New York.
Pollock, John, engine inspector.	4,200	3,900	June 26,1919	Do.
Rakestraw, L. M., assistant to manager.	4,200	3,900	Aug. 23,1919	Delaware.
Sanford, W. D., manager	4,200	4,200	Sept. 6,1921	New Jersey.
Sayles, F. E., turbine inspector.	4,200	3,900	June 1,1919	New York.
Sinclair, James, assistant trade supervisor.	4,200	3,000	Dec. 16,1919	California.
Smith, W. H., engine inspector.	4,200	3,900	Aug. 1,1919	New York.
Sorenson, S. K., inspector	4,200	4,200	Jan. 1,1921	California.
Walker, G. M., assistant turbine engineer.	4,200	2,400	July 8,1918	Illinois.
Watson, James, engine inspector.	4,200	3,900	Dec. 16,1918	New York.
Norfolk—				
Barnard, W. D., port engineer.	4,200	2,700	Jan. 3,1919	Virginia.
Johnson, S. K., local manager.	4,200	4,200	Apr. 21,1920	Georgia.
Munro, T. G., local manager.	4,200	3,900	Nov. 17,1919	California.
Young, O. J., marine superintendent.	4,200	3,600	Jan. 24,1919	Virginia.
New Orleans—				
Brown, N. P., assistant in charge of lumber.	4,200	3,000	Aug. 1,1918	Mississippi.
Lange, T. F., assistant in charge of sales.	4,200	4,200	Aug. 1,1920	New York.
Miller, A. K., senior engineer.	4,200	4,200	May 27,1920	Massachusetts.
Powell, H. M., supervising storekeeper.	4,200	5,000	Oct. 25,1919	Texas.
Ravens, Arthur, marine superintendent.	4,200	4,000	Mar. 17,1919	California.
Thompson, H. J., port engineer.	4,200	3,600	Aug. 1,1919	Louisiana.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$4,200—Continued.				
Emergency Fleet Corporation—Continued.				
San Francisco—				
Minor, W. M., traffic manager.	$4,200	$2,100	Mar. 1,1919	California.
Pape, F. E., local manager.	4,200	6,000	Mar. 15,1918	Oregon.
Richardson, C. F., district auditor.	4,200	2,400	Feb. 10,1919	Do.
Smith, F. F., port superintendent.	4,200	3,000	Sept. 1,1918	Do.
$4,140.				
Emergency Fleet Corporation:				
Philadelphia—				
Betts, David H., senior perf. eng.	4,140	1,140	Aug. 2,1920	Pennsylvania.
Binnie, J. W., senior perf. eng.	4,140	4,140	July 26,1920	Do.
Brooks, Auvrey V., senior perf. eng.	4,140	4,140	Feb. 11,1921	Do.
Brown, C. R., senior perf. eng.	4,140	4,140	July 13,1920	Michigan.
Chandler, C. E., senior perf. eng.	4,140	4,140	....do.....	Pennsylvania.
Sidnam, C. H., senior perf. eng.	4,140	4,140	Dec. 6,1920	Do.
Staub, Geo. F., senior perf. eng.	4,140	4,140	July 22,1920	Do.
San Francisco—				
Skinner, G. M., senior machine inspector.	4,140	2,400	Aug. 30,1918	California.
$4,000.				
Shipping Board:				
Manghum, H. E., commerce attorney.	4,000	1,200	May 11,1917	Oregon.
Emergency Fleet Corporation:				
Bandard, Jas. B., traveling auditor.	4,000	4,000	July 1,1919	District of Columbia.
Brown, H. S., senior examiner	4,000	2,400	Dec. 16,1918	Virginia.
Dunehoo, R. P., assistant counsel.	4,000	3,000	May 16,1919	Pennsylvania.
Dufield, J. W., senior examiner	4,000	2,400	June 23,1919	Do.
Fulton, C. C., senior examiner	4,000	4,000	Sept. 12,1921	District of Columbia.
Goodacre, S. A., second accountant.	4,000	4,000	Oct. 21,1921	Washington.
Jones, Horace T., senior examiner.	4,000	4,000	Nov. 10,1921	California.
Keating, J. F., traveling auditor.	4,000	3,000	Jan. 16,1919	New York.
Lederer, A. M., assistant counsel.	4,000	4,000	Oct. 24,1921	Do.
McShea, R. A., traveling auditor.	4,000	1,980	Sept. 12,1919	Pennsylvania.
Maull, H. C., special assistant to comptroller.	4,000	4,000	Oct. 11,1921	Do.
Munson, F. L., auditor	4,000	2,000	Feb. 1,1919	District of Columbia.
Parmelee, L. D., senior accountant.	4,000	4,000	Sept. 1,1921	New York.
Perkins, T. E., assistant chief auditor.	4,000	2,000	Feb. 7,1919	Georgia.
Rudden, P. T., senior accountant.	4,000	4,000	Sept. 1,1921	New York.
Stevens, L. M., senior accountant.	4,000	4,000	Nov. 9,1921	Pennsylvania.
Tallman, R. F., assistant department of operations.	4,000	3,000	Nov. 6,1918	Illinois.
Ward, J. B., assistant auditor	4,000	4,000	Dec. 9,1918	Alabama.
White, H., senior accountant	4,000	4,000	Sept. 1,1921	Connecticut.
Williams, A. J., chief clerk, legal division.	4,000	1,000	Mar. 4,1918	Pennsylvania.
Philadelphia—				
Hicken, H. E., senior examiner.	4,000	3,600	Sept. 12,1918	Massachusetts.
Jefferson, C. J., senior engineer.	4,000	3,600	May 5,1919	New Jersey.
Postel, F. A., senior examiner.	4,000	1,800	July 23,1917	Iowa.
Ward, Geo. B., senior estimator.	4,000	6,000	Aug. 18,1917	Ohio.
New York—				
McLoughlin, J. F., assistant counsel.	4,000	4,000	June 1,1920	New York.
Maher, P. J., head claims section.	4,000	1,800	Apr. 1,1919	Pennsylvania.
Morrissey, W. A., manager.	4,000	1,680	June 28,1919	Massachusetts.
Stetson, A. H., assistant counsel.	4,000	1,920	Apr. 15,1920	Do.
Stoddard, R. C., assistant manager.	4,000	3,000	Aug. 1,1921	New York.
Track, F. A., senior estimator.	4,000	3,600	Nov. 21,1918	Do.
Walker, J. E., common-law attorney.	4,000	4,000	Oct. 11,1921	Illinois.
Norfolk—				
Greenwood, J. L., traffic manager.	4,000	3,000	Feb. 24,1919	
Malone, H. G., manager operator.	4,000	2,280	Sept. 6,1918	Virginia.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$4,000—Continued.				
Emergency Fleet Corporation—Continued.				
San Francisco—				
Caney, R. D., assistant district manager.	$4,000	$2,400	Mar. 21, 1918	New York.
Dupuy, F. S., local manager.	4,000	2,820	Oct. 28, 1918	California.
Mohns, W., executive assistant.	4,000	2,700	Dec. 13, 1918	Do.
$3,900.				
Emergency Fleet Corporation:				
Boal, A. M., attorney	3,900	2,000	Sept. 15, 1919	Massachusetts.
Brown, F. T., branch head	3,900	2,100	Jan. 26, 1918	Pennsylvania.
Brubaker, L. A., senior examiner.	3,900	2,160	Mar. 5, 1919	Do.
Cowen, C. P., office manager	3,900	2,200	Nov. 1, 1918	Illinois.
Crimmins, J. P., senior examiner.	3,900	2,580	July 24, 1918	Pennsylvania.
DeGoosh, A. U., assistant counsel.	3,900	3,000	July 5, 1918	Massachusetts.
Fitch, Wm. R., attorney	3,900	1,500	Mar. 15, 1917	District of Columbia.
Fitzgerald, E. J., assistant treasurer.	3,900	1,500	Nov. 26, 1917	Michigan.
Hessler, G. A., senior accountant.	3,900	3,900	Aug. 24, 1920	Pennsylvania.
Kutnewsky, Walter, assistant manager.	3,900	3,000	Oct. 18, 1919	Washington.
Macy, A. W., senior examiner.	3,900	2,400	Apr. 20, 1918	New Jersey.
Peck, C., administrative assistant.	3,900	3,000	July 18, 1918	Pennsylvania.
Woods, H. S., senior examiner.	3,900	3,900	May 10, 1918	Connecticut.
Wylie, B. R., executive assistant.	3,900	1,800	Mar. 11, 1918	New Jersey.
Baltimore—				
McKay, William, inspector.	3,900	3,600	June 1, 1919	Maryland.
Young, Geo. B., inspector.	3,900	3,600	Mar. 16, 1919	Do.
Philadelphia—				
Anderson, G. J., senior machinery inspector.	3,900	3,900	Aug. 24, 1921	Virginia.
Ayres, H. W., senior machinery inspector.	3,900	3,600	Jan. 27, 1919	Pennsylvania.
Campbell, Frank, senior estimator.	3,900	3,900	Oct. 11, 1920	Do.
Corbet, A. R., senior architect.	3,900	2,500	Nov. 6, 1917	Connecticut.
Dodge, J. L., staff assistant.	3,900	3,600	Mar. 20, 1918	New York.
Guest, L. C., district auditor.	3,900	1,800	July 29, 1918	New Jersey.
Hasefus, W., senior machinery inspector.	3,900	3,015	Mar. 16, 1919	New York.
Hitchner, L. M., supervising auditor.	3,900	1,500	Jan. 10, 1918	Pennsylvania.
MacDonald, James, senior machinery inspector,	3,900	3,000	Feb. 1, 1919	Do.
Schweppe, W. H., executive officer.	3,900	3,900	Nov. 14, 1921	Michigan.
Shoe, W. B., senior engineer.	3,900	3,600	July 1, 1918	Massachusetts.
Tarr, Chas. F., assistant port engineer.	3,900	3,900	June 7, 1921	Do.
New York—				
Brown, T. E., senior engineer.	3,900	3,000	Apr. 21, 1919	New York.
Cobb, S. H., inspector	3,900	2,760	Aug. 5, 1918	Do.
Cosgrove, D., turbine inspector.	3,900	3,720	Mar. 16, 1919	Do.
Crocker, P. K., trade supervisor.	3,900	3,000	Oct. 15, 1919	Do.
Doran, W. A., turbine inspector.	3,900	3,600	May 3, 1919	Do.
Drum, R. M., inspector	3,900	3,000	Nov. 23, 1917	New Jersey.
Eason, J. T., special representative.	3,900	3,000	July 29, 1918	Georgia.
Gilmore, E. J., confidential secretary.	3,900	1,500	Aug. 14, 1918	New York.
Hesly, F. D., engineer inspector.	3,900	3,000	May 19, 1919	New Jersey.
Horn, M. E., inspector	3,900	2,820	Oct. 28, 1918	New York.
Hughes, C. H., senior engineer.	3,900	3,000	May 1, 1918	Do.
McCall, M. J., senior accountant.	3,900	3,600	Mar. 26, 1919	New Jersey.
McCann, Geo. E., disbursing officer.	3,900	2,400	Jan. 2, 1919	New York.
McDermott, E. F., assistant head.	3,900	3,000	June 15, 1918	Pennsylvania.
McKeown, J. A., engineer inspector.	3,900	3,900	Jan. 6, 1920	Hawaii.
Martin, P. P., district accountant.	3,900	1,400	Nov. 1, 1917	New Jersey.
Sanders, A. E., assistant claims and insurance.	3,900	3,600	Feb. 13, 1918	New York.
Sompayrac, E. D., examiner.	3,900	3,000	July 1, 1918	Do.
Sutherland, W. S., inspector.	3,900	3,900	Aug. 22, 1921	New Jersey.
Tanner, N. D., staff assistant.	3,900	1,000	May 17, 1917	District of Columbia.
Turner, C. L., turbine inspector.	3,900	3,900	Nov. 12, 1919	New Jersey.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$3,900—Continued.				
Emergency Fleet Corporation—Continued.				
New York—Continued.				
Waddington, W., inspector	$3,900	$3,000	Dec. 1, 1920	Pennsylvania.
Wassell, John, engineer inspector.	3,900	3,720	Mar. 16, 1919	New Jersey.
Wilson, R., chief draftsman	3,900	3,900	Jan. 10, 1921	New Hampshire.
Wilson, T. C., inspector	3,900	3,900	Feb. 21, 1921	New York.
Boston—				
Duley, G. E., acting assistant district manager.	3,900	3,300	Apr. 1, 1920	Massachusetts.
Dodge, J. M., local manager, Halifax.	3,900	2,500	July 17, 1918	Maine.
Norfolk—				
Adams, W., inspector	3,900	3,000	Mar. 29, 1919	New York.
Eldredge, D. C., assistant port engineer.	3,900	3,900	May 17, 1920	Virginia.
Fairbanks, W. T., inspector.	3,900	3,600	Mar. 8, 1919	Do.
George, L. B., inspector	3,900	3,900	Apr. 1, 1921	Do.
Gordon, O. M., inspector	3,900	3,900	Jan. 7, 1920	Do.
McComb, T. C., inspector	3,900	3,600	Feb. 16, 1920	Do.
Paddison, O. H., inspector.	3,900	3,600	Sept. 16, 1919	North Carolina.
Snow, H. P., port captain	3,900	3,000	July 11, 1918	Virginia.
Taylor, F. B., local manager.	3,900	3,600	May 28, 1921	Georgia.
New Orleans—				
Cunningham, J. L., senior machinery inspector.	3,900	3,600	June 27, 1919	Louisiana.
Gaston, J. H., senior machinery inspector.	3,900	3,000	June 1, 1918	California.
McGarry, S. T., senior machinery inspector.	3,900	3,000	June 4, 1919	Louisiana.
Merrill, H. A., marine superintendent.	3,900	3,600	Jan. 1, 1920	Texas.
Miller, Geo. K., local manager, Mobile.	3,900	2,550	Mar. 26, 1919	Alabama.
Spedden, T. R., district officer.	3,900	2,400	Dec. 18, 1918	Maryland.
San Francisco—				
Christee, H. J., superintendent hull inspection.	3,900	3,000	Feb. 2, 1918	California.
Gano, W. B., executive assistant.	3,900	2,400	Nov. 11, 1918	Michigan.
Garrett, G. L., district auditor.	3,900	1,800	May 5, 1919	New York.
Lacey, E. R., senior machinery inspector.	3,900	3,300	Jan. 1, 1919	Washington.
Reid, J. A., district examiner.	3,900	2,400	Sept. 26, 1918	New York.
Richard, J. S., senior machinery inspector.	3,900	3,000	Feb. 19, 1918	Do.
Seaton, E. J., turbine inspector.	3,900	3,900	Dec. 13, 1919	Do.
Taylor, S. J., senior hull inspector.	3,900	2,400	Mar. 19, 1918	California.
Witherspoon, C. A., senior engineer.	3,900	2,160	Mar. 21, 1919	Oregon.
$3,600.				
Shipping Board:				
Maxwell, L. W., special expert.	3,600	2,400	Mar. 5, 1919	New York.
Banzhof, C. E., traveling auditor.	3,600	3,600	Jan. 16, 1920	Do.
Barnes, F. G. P., senior examiner.	3,600	3,600	Aug. 27, 1919	Connecticut.
Beatie, W. A., special assistant general counsel	3,600	3,600	Oct. 10, 1921	New York.
Berry, W. L., attorney	3,600	3,600	Aug. 9, 1920	Tennessee.
Bolton, H. B., section head	3,600	2,500	Apr. 27, 1918	Wisconsin.
Bowell, J. W., senior accountant.	3,600	2,400	Feb. 10, 1919	Indiana.
Carroll, F. M., branch head	3,600	3,600	June 8, 1921	Pennsylvania.
Cluley, H. D., senior examiner.	3,600	2,400	May 21, 1919	Do.
Coleman, A., examiner assistant.	3,600	3,600	Sept. 1, 1921	California.
Davidson, W. F., senior engineer.	3,600	3,600	Aug. 1, 1919	Pennsylvania.
Deibert, A. H., assistant counsel.	3,600	3,600	Aug. 18, 1921	Do.
Devereus, G. F., senior examiner.	3,600	1,600	Mar. 26, 1918	Rhode Island.
Disbrow, W. H., traveling auditor.	3,600	3,600	July 6, 1920	Pennsylvania.
Dodge, S. E., traveling auditor.	3,600	3,600	Nov. 20, 1920	Ohio.
Drury, J. A., assistant auditor.	3,600	2,000	Jan. 13, 1919	District of Columbia.
Eckman, J. L., section head	3,600	[1] 2,100	Jan. 21, 1919	New Jersey.
Faherty, John, chief personnel office.	3,600	3,600	Oct. 24, 1921	Delaware.
Fell, Edgar, attorney	3,600	2,400	June 1, 1920	Maryland.
Francis, L. W., senior engineer.	3,600	3,600	Aug. 13, 1919	Pennsylvania.
Frederick, E. H., senior examiner.	3,600	3,600	July 16, 1921	Do.
Garth, Victoria M., section head, claims.	3,600	1,500	Apr. 9, 1918	New York.
Greeley, W. L., senior examiner.	3,600	3,600	May 11, 1920	Illinois.
Hyder, J. L., assistant manager.	3,600	3,600	July 23, 1918	Massachusetts.

[1] And subsistence.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$3,600—Continued.				
Shipping Board—Continued.				
Johnstone, D. I., senior accountant.	$3,600	$2,500	July 8, 1919	New Jersey.
Kirsch, Wm. U., senior accountant.	3,600	1,800	Sept. 23, 1918	New York.
Lamb, Paul C., head fuel section.	3,600	2,700	Nov. 17, 1919	North Carolina.
Lisson, A. N., senior accountant.	3,600	3,600	Nov. 10, 1921	New York.
McDaniels, C. H., traveling auditor.	3,600	2,100	Jan. 2, 1919	Georgia.
Massey, J., attorney	3,600	1,500	May 26, 1917	Oklahoma.
Mercury, —, assistant collection department.	3,600	2,700	Feb. 2, 1920	Massachusetts.
Miller, D. C., branch head	3,600	3,600	July 15, 1920	Iowa.
Mitchell, F. E., traveling auditor.	3,600	3,000	Aug. 2, 1920	New York.
Monty, Wm., attorney	3,600	2,400	Oct. 7, 1918	Vermont.
Morse, Geo. H., senior engineer	3,600	3,000	June 1, 1918	Michigan.
Mudd, Thomas, senior accountant.	3,600	2,400	Feb. 5, 1919	Maryland.
O'Reilly, E. N., senior examiner.	3,600	1,200	Oct. 29, 1917	Rhode Island.
Parker, L. H., senior engineer	3,600	3,000	May 12, 1919	Pennsylvania.
Peacock, Samuel, senior examiner.	3,600	2,100	Jan. 20, 1919	District of Columbia.
Porter, J. O., senior examiner	3,600	2,400	Dec. 8, 1919	Massachusetts.
Quinton, A. B., assistant to director.	3,600	3,600	Feb. 17, 1921	Kansas.
Reilly, J. J., travel auditor	3,600	2,400	July 1, 1919	New York.
Scannell, J. J., extra assistant	3,600	2,000	Oct. 4, 1917	Massachusetts.
Schneider, C. L., assistant to manager.	3,600	3,600	Sept. 16, 1919	Pennsylvania.
Sharkey, J. E., senior examiner	3,600	1,200	Dec. 1, 1917	New York.
Soast, W. J., assistant	3,600	2,400	May 19, 1919	Pennsylvania.
Spaulding, J. E., senior examiner.	3,600	1,500	July 9, 1917	District of Columbia.
Springer, C. L., senior examiner.	3,600	1,500	Oct. 22, 1917	Do.
Sullivan, P. A., section head	3,600	1,560	Nov. 16, 1917	Do.
Swartz, L. E., travel auditor	3,600	1,800	May 27, 1918	New York.
Baltimore—				
Clarke, E. W., senior engineer.	3,600	3,600	Feb. 18, 1919	Maryland.
Dupont, Oscar F., assistant port manager.	3,600	3,600	Mar. 1, 1920	Do.
Freeze, V. J., manager traffic department.	3,600	3,600	Oct. 1, 1920	Do.
McGann, M. H., inspector.	3,600	3,600	June 23, 1919	Virginia.
Reed, C. W., manager operating department.	3,600	2,700	Feb. 2, 1919	New York.
Smith, W. L., assistant port captain.	3,600	3,600	Mar. 24, 1920	Massachusetts.
Thornton, C. M., chief clerk	3,600	1,500	Feb. 1, 1918	Maryland.
Walter, Jos. G., machinery inspector.	3,600	3,600	Jan. 6, 1919	Do.
Philadelphia—				
Baldwin, E. F., assistant in charge.	3,600	3,600	Sept. 22, 1921	Ohio.
Calligan, Wm. R., inspector in charge.	3,600	2,700	Jan. 28, 1919	Pennsylvania.
Deolin, Edw. A., inspector in charge.	3,600	2,400	Mar. 20, 1918	New York.
Kiesler, W. C., disbursing officer.	3,600	1,800	Mar. 14, 1919	New Jersey.
Loney, H. M., jr., executive assistant.	3,600	2,100	May 23, 1918	Pennsylvania.
Maginnis, W. S., senior engineer.	3,600	3,600	Jan. 25, 1921	Do.
Martin, Geo. W., staff assistant.	3,600	1,600	June 25, 1917	Iowa.
Silver, W. A., manager	3,600	3,600	Mar. 1, 1920	Pennsylvania.
Smith, W. C., senior examiner.	3,600	1,500	July 7, 1917	Do.
VanNostrand, H. C., senior engineer.	3,600	3,300	Apr. 10, 1919	New York.
Wahlquist, O., senior examiner.	3,600	1,800	Aug. 10, 1917	Pennsylvania.
Welsh, J. T., senior engineer.	3,600	2,100	Apr. 15, 1918	Wisconsin.
New York—				
Barnwell, A. S., assistant port captain.	3,600	3,600	June 16, 1919	Florida.
Bassarear, N. K., assistant port captain.	3,600	4,200	Sept. 13, 1920	New York.
Belbin, W. E., assistant port engineer.	3,600	3,600	May 23, 1921	Do.
Brierley, D. S., turbine inspector.	3,600	3,600	Aug. 22, 1921	Maine.
Burnside, D. L., chief clerk	3,600	2,500	Jan. 1, 1919	New York.
Clinton, J. F., turbine inspector.	3,600	3,600	Sept. 6, 1921	Massachusetts.
DeMerritt, L. M., constructing engineer.	3,600	3,600	May 19, 1919	Maryland.
DeVillafraica, R., chief clerk.	3,600	3,000	July 7, 1919	New York.
Dolbeare, W. G., assistant port engineer.	3,600	4,200	May 10, 1920	Connecticut.
Dombrowski, B. L., assistant turbine engineer.	3,600	3,600	Oct. 6, 1920	New York.
Embree, E. E., confidential secretary.	3,600	2,000	June 23, 1919	New Jersey.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$3,600—Continued.				
Shipping Board—Continued.				
New York—Continued.				
Fitzgerald, M. J., superintendent P. and W.	$3,600	$1,800	June 3, 1918	New Jersey.
Frayne, W. D., inspector	3,600	2,400	Mar. 24, 1919	New York.
Hart, H. D., inspector	3,600	3,000	Nov. 1, 1920	California.
Harris, L. C., assistant port engineer.	3,600	3,900	Aug. 14, 1919	New Jersey.
Henderson, H. F., assistant manager.	3,600	1,560	Aug. 6, 1919	West Virginia.
Kearney, J. J., section head.	3,600	2,400	May 16, 1918	New York.
Kerr, M., assistant port engineer.	3,600	3,600	July 8, 1921	Do.
Leighton, H. P., charge of laid-up ships.	3,600	3,600	Oct. 16, 1921	Do.
Lenox, J. W., inspector	3,600	2,400	May 20, 1918	Do.
Letts, F. W., assistant port engineer.	3,600	4,200	May 10, 1920	Do.
Longfellow, A., admiralty attorney.	3,600	3,600	Oct. 11, 1921	Do.
Low, D. A., inspector	3,600	2,760	Oct. 26, 1917	Do.
Mehan, L. A., contract inspector.	3,600	3,000	Mar. 10, 1919	Rhode Island.
Oliver, J. A., engineering inspector.	3,600	3,600	May 12, 1920	New York.
Parker, J. G., assistant port captain.	3,600	4,200	Oct. 14, 1920	Do.
Pendleton, R. R., assistant to port captain.	3,600	3,600	Jan. 17, 1921	Do.
Sneed, Hughes, constructing engineer.	3,600	3,600	May 29, 1919	Maryland.
Sniffen, F. E., section head.	3,600	3,000	July 5, 1919	New York.
Stevens, E. A., senior engineer.	3,600	4,000	Jan. 24, 1918	New Jersey.
Stewart, J. R., assistant counsel.	3,600	3,600	Oct. 13, 1920	New York.
Taylor, D. A., supervising auditor.	3,600	2,400	Dec. 14, 1917	New Jersey.
Tennison, W. E., engine inspector.	3,600	3,600	Oct. 22, 1920	New York.
Torrence, R. E., building superintendent.	3,600	3,600	Oct. 26, 1921	New Jersey.
Warren, C. H., assistant to port captain.	3,600	3,600	Apr. 13, 1921	Do.
Webster, S. A., turbine inspector.	3,600	3,600	Sept. 1, 1921	Do.
Willis, T. B., turbine inspector.	3,600	2,200	Feb. 18, 1918	Pennsylvania.
Worrell, M. L., scout captain.	3,600	3,600	Sept. 7, 1920	Virginia.
Yarus, G. W., chief fuel inspector.	3,600	2,400	July 15, 1919	Do.
Boston—				
Dickey, M. M., inspector	3,600	3,300	Mar. 12, 1919	California.
Hoddon, Robert, inspector.	3,600	3,000	Mar. 13, 1919	Rhode Island.
King, L. M., local manager, Portland.	3,600	3,000	Dec. 8, 1919	Massachusetts.
Leavitt, E. S., district traffic manager.	3,600	2,000	May 1, 1918	Do.
O'Ehrle, G. A., local manager, Providence.	3,600	2,340	Sept. 18, 1918	Rhode Island.
Pillsbury, E. H., pier superintendent.	3,600	3,600	Oct. 7, 1921	Massachusetts.
Norfolk—				
Booker, P. T., port steward.	3,600	2,250	July 16, 1918	New York.
Kent, H. F., manager operations department.	3,600	3,600	Oct. 15, 1921	Pennsylvania.
Latimer, F. P., confidential secretary.	3,600	3,600	Mar. 16, 1921	Georgia.
MacDonald, C. H., attorney.	3,600	3,600	Oct. 20, 1920	Massachusetts.
Masengell, F. W., manager P. and S.	3,600	2,400	Nov. 1, 1919	Virginia.
McFarland, M. V., inspector.	3,600	3,600	Sept. 3, 1919	Do.
Milbury, C. E., inspector	3,600	3,600	Aug. 29, 1921	New York.
Mousley, F., radio supervisor.	3,600	2,400	Dec. 26, 1919	Pennsylvania.
Rose, E. G., turbine inspector.	3,600	3,600	May 3, 1920	Massachusetts.
Warren, E. D., inspector	3,600	2,100	Mar. 19, 1918	North Carolina.
New Orleans—				
Brown, F. R. C., local manager, Galveston.	3,600	3,300	Jan. 6, 1920	Texas.
Cobb, Guy W., inspector S. and M.	3,600	3,000	May 6, 1919	New York.
Crenshaw, F. W., superintendent.	3,600	3,600	Mar. 2, 1921	Alabama.
Delacroix, C. C., machinery inspector.	3,600	2,550	Feb. 15, 1919	Louisiana.
Mallyn, Charles, machinery inspector.	3,600	2,700	Apr. 4, 1919	Do.
Myers, Guy A., machinery inspector.	3,600	2,400	Dec. 30, 1918	Do.
Tourne, Jos. C., machinery inspector.	3,600	3,600	Oct. 1, 1920	Do.
Wallace, D. G., port engineer.	3,600	(1)	Feb. 1, 1921	New York.

[1] $229.75 per month.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$3,600—Continued.				
Shipping Board—Continued.				
San Francisco—				
Barbour, F. F., supervising auditor.	$3,600	$2,400	Aug. 12, 1918	Massachusetts.
Hill, G. H., branch head	3,600	2,160	July 14, 1919	Pennsylvania.
Johnson, C. E., district accountant.	3,600	2,100	Apr. 22, 1918	California.
Meherin, C. J., district officer.	3,600	2,600	May 21, 1917	Do.
Remsburg, E. E., agent	3,600	3,600	Oct. 12, 1921	Do.
Smith, J. S., port captain	3,600	4,200	June 16, 1920	Washington.
Tally, J. J., senior engineer	3,600	2,820	Oct. 28, 1918	Nevada.
Townsend, K., machinery inspector.	3,600	3,000	July 7, 1919	California.
Tinker, C. T., supervising auditor.	3,600	2,100	Jan. 7, 1918	Do.
$3,500.				
Emergency Fleet Corporation:				
Conover, A. V., special representative.	3,500	3,500	Oct. 27, 1921	New Jersey.
Gongwer, E. A., auditor	3,500	3,500	Jan. 20, 1920	Indiana.
Perce, L. W., senior examiner	3,500	3,500	July 29, 1919	Maryland.
Philadelphia—				
McConaghy, R. A., senior examiner.	3,500	3,000	Jan. 1, 1919	Pennsylvania.
New York—				
Madigan, T. H., assistant counsel.	3,500	3,500	Aug. 20, 1921	Massachusetts.
New York—				
Steele, A. L., jr., bureau auditor.	3,500	3,000	Apr. 1, 1919	New Jersey.
$3,300.				
Emergency Fleet Corporation:				
Baldwin, B. G., supervising auditor.	3,300	1,200	Dec. 17, 1917	Tennessee.
Castonguay, W. B., senior examiner.	3,300	2,040	Feb. 2, 1919	Connecticut.
Craft, A. J., accountant	3,300	2,160	Feb. 24, 1919	Pennsylvania.
Curtin, J. F., accountant	3,300	2,400	Aug. 16, 1919	New York.
Dyas, E. C., resident senior auditor.	3,300	2,100	July 18, 1918	Alabama.
Eckman, R. L., examiner	3,300	1,380	Dec. 7, 1919	Texas.
Eldridge, F. J., district examiner.	3,300	2,400	May 5, 1919	Louisiana.
Fallon, F. A., senior accountant.	3,300	3,300	May 1, 1920	New York.
Fendrich, Chas. W., accountant.	3,300	1,200	Feb. 16, 1918	Indiana.
Griesner, J. A., accountant	3,300	2,100	July 9, 1919	New York.
Harford, V. T., supervising auditor.	3,300	1,200	Mar. 15, 1918	District of Columbia.
Jermon, H. D., senior examiner.	3,300	1,500	Jan. 7, 1918	Pennsylvania.
Jones, Wm. L., engineer	3,300	2,340	Aug. 2, 1918	New Jersey.
Joyce, E. P., senior resident auditor.	3,300	1,500	Apr. 18, 1918	Louisiana.
Marshall, W. L., assistant, headquarters.	3,300	1,800	Nov. 5, 1917	Indiana.
Read, F. G., examiner	3,300	3,000	May 13, 1919	Pennsylvania.
Sharp, A. B., accountant	3,300	3,000	Sept. 8, 1919	Michigan.
Stelle, H. E., accountant	3,300	1,600	Mar. 11, 1918	New Jersey.
Stevenson, Geo. A., engineer	3,300	3,000	July 7, 1919	Michigan.
Warner, C. E., examiner	3,300	2,100	Apr. 10, 1918	New York.
Wemple, Fred J., examiner	3,300	3,300	June 24, 1920	Illinois.
Willard, G. A., senior resident auditor.	3,300	3,300	Mar. 22, 1920	Do.
Willcox, J. B., traveling auditor.	3,300	4,000	Aug. 1, 1919	New Jersey.
Winquist, R. W., assistant secretary.	3,300	2,400	May 20, 1919	Illinois.
Baltimore—				
George, A. E., senior examiner.	3,300	3,000	Feb. 17, 1919	Maryland.
Hopkins, R. W., chief fuel inspector.	3,300	2,750	May 1, 1920	District of Columbia.
O'Keefe, J. C., hull inspector.	3,300	1,980	Oct. 16, 1917	Maryland.
Robinson, G. C., machinery inspector.	3,300	2,100	Jan. 1, 1918	Do.
Smith, Charles W., hull inspector.	3,300	1,980	Apr. 1, 1918	Do.
New York—				
Bloomburg, John T., assistant local auditor.	3,300	2,400	Aug. 12, 1918	Illinois.
Bromiley, Albert, sales representative.	3,300	2,400	June 4, 1918	Pennsylvania.
Gale, Geo. L., senior resident auditor.	3,300	2,400	May 16, 1918	Connecticut.
Havens, R. de W., engineer	3,300	3,000	June 23, 1919	Do.
Kelly, N. S., senior resident auditor.	3,300	3,000	Feb. 1, 1919	Pennsylvania.
Leonard, Wm. J., staff assistant in charge.	3,300	1,800	Oct. 22, 1917	Delaware.
Max, Frank J., local auditor.	3,300	1,800	July 25, 1918	Pennsylvania.
McCollum, C. S., head roads unit.	3,300	2,100	June 17, 1918	Do.
Valentine, Willard, senior resident auditor.	3,300	1,800	Oct. 22, 1917	Do.

The list—Continued.

Name and title.	Present salary.	Entrance salary.	Date appointed.	State.
$3,300—Continued.				
Emergency Fleet Corporation—Continued.				
New York—Continued.				
Wellbrock, Geo. M., senior resident auditor.	$3,300	$1,800	Nov. 1, 1917	New York.
Wennerholm, F., representative.	3,300	3,300	Feb. 5, 1921	Pennsylvania.
Woolf, J. A., engineer	3,300	3,000	Jan. 13, 1919	New York.
Collins, D. C., bureau chief	3,300	2,620	Dec. 10, 1918	Do.
Cottier, J. F., assistant building superintendent.	3,300	3,000	Feb. 2, 1920	Do.
Craig, V. H., assistant confidential secretary.	3,300	3,000	Feb. 16, 1919	District of Columbia.
Cunningham, C. J., head material section.	3,300	1,500	July 18, 1918	New York.
Ducasse, E. A., senior resident auditor.	3,300	2,700	May 15, 1919	Do.
Fazer, A. L., senior examiner.	3,300	1,800	July 15, 1918	Do.
McGlennon, W. J., head vessel-moving section.	3,300	2,400	June 19, 1919	New Jersey.
McLaughlin, A. L., senior resident auditor.	3,300	3,000	July 11, 1919	District of Columbia.
Mardsen, V. R., senior draftsman.	3,300	3,300	Nov. 26, 1920	Delaware.
Phillip, H. R., district personnel officer.	3,300	1,560	Mar. 18, 1919	New Jersey.
Pitzer, C. F., machinery inspector.	3,300	2,400	July 7, 1918	New York.
Strachan, R. D., tonnage inspector.	3,300	3,000	June 1, 1919	Do.
Boston—				
Fanning, H. B., accountant.	3,300	1,200	Mar. 7, 1918	Massachusetts.
Hoyt, C. S., supervising auditor.	3,300	1,500	Oct. 21, 1918	Do.
Jackson, Merton, inspector.	3,300	3,000	May 1, 1920	Do.
Norfolk—				
Price, V. H., inspector	3,300	3,300	Aug. 4, 1921	Georgia.
New Orleans—				
Graves, R. O., machinery inspector.	3,300	3,000	July 5, 1921	California.
Keenan, J. F., district personnel officer.	3,300	1,200	Mar. 12, 1918	New York.
Prendergast, R. P., machinery inspector.	3,300	3,000	July 24, 1918	Texas.
Schock, E. N., machinery inspector.	3,300	3,300	Jan. 1, 1920	Alabama.
Sullivan, Thomas J., fuel inspector.	3,300	3,300	Mar. 1, 1921	Connecticut.
San Francisco—				
Dranga, J. O., district disbursing officer.	3,300	2,200	Jan. 21, 1918	California.
Gray, T. R., engineer	3,300	2,700	July 16, 1919	Do.
Hauson, H. C., examiner	3,300	2,400	Oct. 15, 1917	Washington.
Hooks, G., traveling inspector.	3,300	3,000	Jan. 19, 1919	California.
Johnson, J. P., district accountant.	3,300	2,400	Mar. 5, 1919	Oregon.
Koch, S. P., examiner	3,300	2,700	July 16, 1919	Washington.
MacHale, H. T., supervising auditor.	3,300	2,100	Dec. 16, 1918	California.
McDonald, G. R., engineer	3,300	2,700	June 10, 1918	Do.
Meisenbach, D. T., assistant district director.	3,300	2,160	Nov. 16, 1919	Illinois.
Nevinss, S. B., engineer	3,300	2,400	Apr. 29, 1918	California.
Rogers, G. S., senior resident auditor.	3,300	3,000	May 19, 1919	Do.
Smith, T. H., senior resident auditor.	3,300	2,400	May 20, 1918	Massachusetts.
$3,180.				
Emergency Fleet Corporation:				
Hotzman, Fred, traveling auditor.	3,180	2,500	May 12, 1919	Pennsylvania.
$3,120.				
Emergency Fleet Corporation:				
Philadelphia—				
Vaughn, E. M., accountant	3,120	3,120	Dec. 17, 1920	Do.

NOTE 1.—This does not include seven additional attorneys provided for in the bill at salaries of fifteen or twenty thousand dollars each.

NOTE 2.—Salary increases are not fully noted. Advertising manager gets $10,000 and not $9,000 as given herein.

Mr. BYRNS of Tennessee. Mr. Chairman, under the new budgetary plan of procedure in presenting appropriation bills the pending bill carries appropriations for all independent offices under the Government. It carries $494,301,018. It appropriates money for the Alien Property Custodian, the Civil Service Commission, the Veterans' Bureau, the Shipping Board, and numerous other important activities, and to my mind is one of the most important appropriation bills that will be considered by Congress.

It is my purpose in the limited time I have at my disposal to discuss but one appropriation carried in this bill, and that

relates to the Shipping Board. I would be glad, of course, to discuss some of the other appropriations, but I have not the time.

This bill carries for the Shipping Board for the fiscal year 1923 an appropriation of $100,459,000, $50,000,000 of which, as was explained by the gentleman from Indiana [Mr. WOOD] yesterday, is to be devoted to the payment of claims, and another $50,000,000 to the operation of the ships and to the business of the Emergency Fleet Corporation. The $459,000 relates to the expenses of the United States Shipping Board, including the salaries of the members of the board. That is not all that the bill carries. It provides for the use of the balance on hand June 30, 1922, the receipts from operations during the fiscal year, and carries an indefinite appropriation as follows:

(d) Fifty-five million dollars from moneys collected from mortgages, leases, accounts and bills receivable other than those arising from current operations, and from moneys collected from the sale of ships, plants, material, securities, and other assets prior to July 1, 1923, less such portion of said $55,000,000 which shall have been collected during the fiscal year 1922 under the provisions of an act entitled "An act making appropriation for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes," approved March 4, 1921.

In other words, the appropriation made for the current fiscal year gives to the Shipping Board the right to trench upon not exceeding $55,000,000 which may be collected from sales and mortgages and other obligations, to which I have just referred. It is stated that it is expected that by July 1 possibly $20,000,000 to $25,000,000 will be collected from those sources and will be applied to the appropriations of the current year. That will leave certainly $30,000,000, and perhaps more, which, if collected during 1923, may be applied to the fiscal year 1923. Just how much we do not know. As gentlemen know, I have consistently for several years opposed that sort of appropriation. I do not think that it is good business to appropriate indefinite, unascertained sums. I think that the proper way to make appropriations is to appropriate a definite and exact sum for the particular activity for which you are appropriating and to provide that any money that may be collected from any source by any particular Government activity shall be covered into the Treasury as miscellaneous receipts. It is only in that way that Congress and the people can really understand what these activities are expending from year to year. Certainly no one has denounced indefinite appropriations in stronger terms than the present chairman of the Shipping Board, Mr. Lasker. If gentlemen will recall, in his hearings on the deficiency appropriation bill in July last, he appealed to the committee and the Congress to repeal that portion of the appropriation which gave to the Shipping Board the right to use these indefinite amounts. He said that it made for waste. He said that it made for inefficiency. He said that it was a temptation to those in power to dispose of the assets of the Government at possibly a reduced cost, or a less cost, than ought to be obtained in order to get the money necessary to carry on their work. He appealed to Congress in those hearings to repeal that portion of the appropriation for this year and to give the Shipping Board a direct appropriation for whatever amount Congress felt was necessary to carry on its operations during this fiscal year.

That was not done at that time because Congress had already made the appropriation, but I was somewhat surprised when I read these hearings and when the bill was considered in full committee to learn that the subcommittee had proposed exactly the kind of appropriation which was so very much condemned by Mr. Lasker, and the full committee has so reported it to the House. More than that, we are doing it in this instance at his especial request, because there came from the Shipping Board a request to the committee to permit the Shipping Board to use whatever unexpended balances there may be of the $55,000,000 during the year 1923.

Another thing which shows this form of appropriation to be wrong in principle is the fact that we are here confronted with estimates for the Shipping Board for the fiscal year 1923 of $100,000,000. That is all that the Book of Estimates shows. The country has been told that the Shipping Board needs for the next fiscal year only the $100,000,000, which is being directly appropriated, and yet, if this bill passes as it is proposed here, we will be in the act of appropriating possibly $30,000,000 more than the estimates call for and the country has been told the Shipping Board and the Emergency Fleet Corporation will need for the next fiscal year. If we are going to keep correct balances and books as to these activities, I insist that the splendid beginning which the Committee on Appropriations and which Congress made with reference to making direct appropriations and covering in these collections as miscellaneous receipts should be continued in this bill as well as in all the other bills of Congress, and when the time comes I propose to move to strike that particular indefinite appropriation from the bill.

We have heard a great deal of criticism of the Shipping Board, not only during this discussion but in all previous discussions, practically ever since the Shipping Board was organized. One can take these hearings and he will find that hardly a witness appears before the committee who did not either directly or indirectly criticize former boards. While he was particular to disclaim any intention of criticizing any predecessor, yet there is running through the entire hearings a criticism of the past administration of this board, a criticism of those who had charge of its administration in the past years, and my friend from Indiana [Mr. WOOD] yesterday could not deny himself the privilege of criticizing the past administration of the Shipping Board. He said that the administration of the past board had been rotten, and that the present board had put it on an efficient basis. What are the facts? What has this new board, which has been in power for more than six months, done to change the administration of the past board? I have before me a statement that was issued by Mr. Lasker to the press last night. I have read it, and in that statement I find that he takes credit for only two things, or possibly three. He takes credit, in the first place, for the fact that the Appropriations Committee has allowed every dollar for which the Shipping Board has asked. Then he takes credit for the fact that he has built up, as he says, a perfect technical organization which did not exist in the Shipping Board prior to his taking charge. We know what kind of an organization he has built up. That has been explained to you very fully by the gentleman from Virginia [Mr. HARRISON]. Mr. Lasker has built up a certain organization by employing men of high salaries, two of them drawing $35,000 a year, another one $30,000 a year, and two of them $25,000 a year, and dozens and scores of them at $10,000 and $11,000 a year. He further takes credit for the fact that he has had an inventory made of the assets of the Shipping Board. And yet we know he had this done by a special accounting firm at an expense of hundreds of thousand of dollars.

Those are the only credits that the chairman of the Shipping Board claims for what he has done in the last six months. What change has there been made in the administration which my friend from Indiana [Mr. WOOD] denounced yesterday as rotten? As was suggested a while ago, a part of that administration were the very same three high operatives who are employed now at an aggregate salary of $95,000 a year. They were a part for a time of the administration of the past board and, of course, are responsible for some of the administration of that board. Have they changed the M. O. 4 contract which Mr. Lasker denounced in August as being actually vicious, making, as he said, for not only inefficiency but for utter and entire waste of Government money? If I had the time, I could refer you to the hearings, where Mr. Lasker denounced that form of contract as vicious and as showing utter incapacity upon the part of those who made it.

He was followed by Mr. Smull, a man drawing $35,000 a year under the present administration, who likewise denounced that form of contract. He made the statement that there were three things that could be done. He said they could go to a bareboat charter, which was impossible on account of the present condition of the shipping trade; that they could make a contract on a partnership basis, whereby operators would agree to share a part of the expenses, or they could continue the present form of contract. He said it was his purpose, and Mr. Lasker corroborated him, to do away with these M. O. 4 contracts. He said if he could not do that he proposed to tie up these ships rather than to continue them.

Have they done that? They are operating under the same contract to-day that was put into effect by the old Shipping Board. More than 327 ships are being operated in various ports of the world under this same M. O. 4 contract. It is said that they have put in some improvements; that they are keeping closer check upon it and making a closer survey of the expenses, and so on. I dare say if you would ask the members of the old board they would tell you that they had a close surveillance of the old contracts. And I cite this to show that in spite of the promises and boasts that have been made in the papers of what would be done immediately upon the appointment of a new Shipping Board, not a single change, in so far as the operation of these ships is concerned, has been made, but we are pursuing the same old policy under the same old contracts established by the old Shipping Board, which my friend from Indiana says was rotten.

Now, my friend from Indiana [Mr. WOOD] forgot that, as a matter of fact, until the present Shipping Board was appointed there had been no Shipping Board for practically an entire year. You gentlemen will recall that the Jones-Edmonds shipping act was passed some time in June, 1920. President Wilson appointed some time thereafter members of the board, but the

Senate of the United States, with a Republican majority at the time, saw fit not to confirm the nominations sent in, preferring to wait until a Republican President should be inaugurated, so that he could make the appointments. I am not criticizing that so much, but I say that under the circumstances gentlemen ought not on this floor to criticize a board which really during all that time had no real authority to act, because they were not actually confirmed. You gentlemen will remember that from March 4 until the time of the appointment of this new Shipping Board, a period of three or four months, we did not have a single member on that board. Admiral Benson, a member and chairman of the old board, was requested by the President to act as his special agent, and took charge of the Shipping Board and its operations as best he could under his limited and uncertain authority.

The gentleman from Indiana says there was a great deal of confusion in the past administration; that there were no records kept, and that that has been corrected under the present administration. Well, we all know that there was a great deal of confusion during the years of the war. We know that money was spent for ships and in the construction of ships, in order to bring about early completion, that no one would have thought of spending in peace times. We know that we were told by Mr. Lasker in the hearings on the deficiency bill that actually during the period of the war, and purposely, many of the sailings of these vessels were kept from the record in order not to give our enemy information as to where our ships were going and with what they were loaded, on account of the fear that they might be submarined. We were told that for that reason there were 6,000 voyages out of the 9,000 that had not been fully accounted for. I do not know whether they have been accounted for up to this time or not. As I read these hearings I find there is no definite, positive statement made that all of those voyages have been accounted for by the present administration. If I am mistaken as to that, I will be glad to be corrected.

There has been another change in the administration. We now have an Emergency Fleet Corporation, not run by the Shipping Board, but the chairman of the board has constituted himself, as he had a right to do, chairman of the board of trustees of the Emergency Fleet Corporation. Then he has appointed six high-salaried vice presidents, among them these three operators to whom I have referred, who with him constitute the board of trustees, and are charged with the duty and responsibility of operating our fleet.

We all know that the board of trustees really operates that fleet, and the hearings disclose, in my judgment, reading between the lines, that the Shipping Board has absolutely nothing to do with the policy of operating the fleet. I do not know that that is bad policy, but I do say this, that if we are going to practice economy and if that is the proper policy, then the Committee on the Merchant Marine and Fisheries ought to bring in legislation abolishing this Shipping Board and provide for one man, and give him a salary that is commensurate with his duties and responsibility, and do away with these other six members to whom we are paying $12,000 a year each.

Now, much has been said in regard to the high salaries that are being paid, and I dare say that in all the history of this Nation there has never been an activity of this Government operating under a lump sum which has shown so little regard for the Treasury as has the present Shipping Board on the question of fixing salaries. I have told you that there were two who were drawing $35,000 a year each, and, as was stated awhile ago, these two same gentlemen were formerly with the Shipping Board and Emergency Fleet Corporation at less than $10,000 a year salary, if my recollection is correct. There is 1 at $30,000; there are 2 at $25,000; 7 commissioners at $12,000; there are 15 at $11,000, 8 of whom are attorneys; there is 1 at $10,800; there are 19 at $10,000, 9 of whom are attorneys; there is 1 at $9,500 who is an attorney; there are 7 at $9,000, 1 of whom is an attorney; there are 8 at $8,500, 2 of whom are attorneys; there are 2 at $8,000; there are 2 at $7,800; there are 29 at $7,500, 6 of whom are attorneys; there is 1 at $7,200; there is 1 at $7,000; there are 7 at $6,500; there are 49 at $6,000, 9 of whom are attorneys; there is 1 at $5,600; 5 at $5,500; 7 at $5,400, 1 of whom is an attorney; there are 43 at $5,000, 7 of whom are attorneys; 18 at $4,800; 46 at $4,500, 3 of whom are attorneys; 61 at $4,200; 8 at $4,140; 18 at $4,000, 8 of whom are attorneys; 79 at $3,900, 3 of whom are attorneys; 142 at $3,600, 9 of whom are attorneys; 6 at $3,500, 1 of whom is an attorney; and 74 at $3,300, besides a horde of employees at $3,000 and less.

I say to you, gentlemen, that there never was in the history of Congress such a salary roll as that presented to Congress, and yet that is the salary roll that the Chief of the Shipping Board, Mr. Lasker, approves, and that is the salary roll that he intends to continue during the fiscal year 1922-23 under this appropriation.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GRAHAM of Illinois. Was there any attempt made by the Committee on Appropriations to place any limitation in this act on the number of people who receive that kind of salaries?

Mr. BYRNS of Tennessee. There is a limitation in the bill referring to attorneys. That is the limitation which provides that the Attorney General must first approve the contracts made for special and regular attorneys.

Mr. GRAHAM of Illinois. Is that the only limitation that was suggested in the committee?

Mr. HARRISON. There is a limitation as to the number that can be employed at over $11,000 each.

Mr. BYRNS of Tennessee. Yes. There is a limitation in this bill that there shall be not exceeding 13 employees above $11,000 each. The present law provides that there shall not be over 6 at $11,000.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. CAMPBELL of Kansas. What do these high-salaried people do, so many of them, to justify the Committee on Appropriations in bringing a bill in here without additional limitations?

Mr. BYRNS of Tennessee. The gentleman has asked a question that I would like to yield to somebody to answer, because I must confess to the gentleman that I have no answer for it. My own position is that these salaries are all out of reason. I know that it is said you have to pay big salaries to get men of broad qualifications, but that is the old plea and the old claim that is made to Congress about every appropriation and every salary that is ever proposed.

Mr. CAMPBELL of Kansas. Was anything developed in the hearings showing the salaries paid to executive officers, men in charge of private concerns?

Mr. BYRNS of Tennessee. Not in these hearings.

Mr. CAMPBELL of Kansas. For instance, what salary is a man by the name of Frankland drawing, who is chairman of the board of directors or managing officer of some large shipping concern?

Mr. BYRNS of Tennessee. I am not able to give the gentleman that information.

Now, it is said that these salaries are justified as to the attorneys because these claims aggregate $300,000,000, and that the Government, of course, should have the very best legal talent possible to compete with those who represent the claimants. But we all know, gentlemen, that the Government can not undertake to compete with claimants who have these great big claims in the payment of fees to attorneys. All of these claims involve, I think, only questions of fact.

I dare say there are few real legal problems involved in these claims—all the legal problems have been settled in some way or other by previous decisions of the courts. After all, they are simply claims filed for the cancellation of contracts and other matters growing out of the operations of the Emergency Fleet Corporation, which involve purely questions of fact. In the salaries of attorneys in the Department of Justice for the transaction of its business, involving as it does the enforcement of the antitrust law and new laws passed by Congress, and all sorts of difficult legal problems, no one has ever suggested paying to those attorneys salaries such as are being paid by the Shipping Board for their corps of attorneys.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. And it is perfectly obvious that the questions they have to settle are new and vastly more important and difficult than those that come before the attorneys of the Shipping Board.

Mr. BYRNS of Tennessee. The gentleman is correct. That is what I was trying to say, that the questions coming before the attorneys of the Department of Justice are, many of them, new ones, involving new constructions and interpretations of law, and yet no one has ever proposed to pay those attorneys anything like the salaries that are being paid by the Shipping Board. The committee, if it had followed the request and the recommendation of the general counsel of the Shipping Board, would have allowed over $100,000 more, and I am not so certain that he will not use the $100,000 in employing more attorneys, because while there is a limitation upon employing more than 13 at $11,000, there is no limitation as to the number of

attorneys whom he can employ in the prosecution of these claims.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. KINCHELOE. Has the gentleman's committee, under the law, the right to segregate these appropriations for the Shipping Board?

Mr. BYRNS of Tennessee. They could be segregated in any way Congress chooses to segregate them.

Mr. KINCHELOE. Has your committee now the power to do that?

Mr. BYRNS of Tennessee. I know of no law that would prevent it.

Mr. KINCHELOE. Then the Committee on Appropriations could withhold these salaries, could they?

Mr. BYRNS of Tennessee. Congress can either withhold the salaries or fix the salaries, if it chooses. But here is something which the gentleman should consider. Here are about 3,500 cases. It is absolutely impossible for Congress to designate just how many attorneys shall be employed to look into those cases. It is absolutely impossible for Congress to fix the salary of every attorney that is employed. We must in the end, or at least to some extent, trust those——

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. May I have 10 minutes more?

Mr. HARRISON. I yield to the gentleman 10 minutes more.

Mr. BYRNS of Tennessee. We must to some extent trust those who are in charge of the administration, and the point of my criticism is that those in charge of the present administration of the Shipping Board have shown absolutely no inclination whatever to conserve the public money, but they are building up a great personnel down there at high salaries, taking these men at the instance of attorneys in New York and in Chicago and other places and putting them in there on salaries out of all proportion to those paid for more important and difficult work. It is shown in these hearings that some of these attorneys in 1917 and as late as 1919 were drawing only $1,500 a year. Yet they are now drawing $3,600 and $3,900 a year. Some of them have been in the practice of law only two or three years, and yet they are put on at $3,600 and $3,900 and even $6,500. Some of them have had no experience to speak of in the practice of the law, and yet they are being put on at these high salaries.

Mr. WALSH. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman from Massachusetts.

Mr. WALSH. Is it not the expectation that the employment of this large number of attorneys will result in clearing up and terminating these claims in question that have been pending there for several years?

Mr. HARRISON. This appropriation is for the year beginning July 1, 1923, so that it is not expected that they will clear them up this year.

Mr. WALSH. That is true.

Mr. BYRNS of Tennessee. It is expected that if this $50,000,000 is allowed for the settlement of claims, they will be able to reduce the attorney personnel after the next fiscal year possibly one-half. The gentleman, of course, can see that that can be done very readily, because as they settle these claims they will need fewer attorneys.

Mr. WALSH. Will the gentleman yield further?

Mr. BYRNS of Tennessee. I yield to the gentleman from Massachusetts.

Mr. WALSH. The gentleman stated that there never was in the history of the Congress such a pay roll as has been submitted by the Shipping Board. Does the gentleman mean in the salaries paid or in the number of the employees?

Mr. BYRNS of Tennessee. I was referring to the salaries paid. There is not an activity of this Government that is paying anything like the salaries that are being paid by the present Shipping Board. We know that the old administration did not do it. I am not here to defend the old Shipping Board. There were many criticisms that were made of that board to which I gave assent, but the old Shipping Board never built up anything like the organization that has been built up by this present Shipping Board within the last six months, and, as appears from the hearings, absolutely nothing has been done up to this time which changes the policy of the administration as it was conducted under the old board, either with reference to the operation of ships or with reference to the payment of these claims, except to employ high-salaried men.

Mr. EDMONDS. The gentleman will admit though that the present Shipping Board have reduced their employee force about 5,000, and they have reduced their pay roll by a little over $4,000,000.

Mr. BYRNS of Tennessee. I think they have reduced the number of their employees a little over 3,000.

Mr. EDMONDS. And the pay roll about $4,000,000.

Mr. BYRNS of Tennessee. I forget the amount of the pay roll; but the gentleman will recall that that reduction has come about largely by the tying up of ships. They have tied up more than half the ships which were in operation on July 1, 1921; and naturally, of course, the large operating force on those ships has been cut down.

Mr. EDMONDS. I agree with the gentleman, but the office force has been reduced.

Mr. BYRNS of Tennessee. Not to that extent.

Mr. EDMONDS. Yes; to that extent; because I have the report from the office to show that. The operation of ships is outside of that.

Mr. BYRNS of Tennessee. My understanding is that the reduction in force has come largely from the tying up of ships.

Mr. EDMONDS. The gentleman will find that there has been a reduction in the office force which has reduced the pay rolls $4,000,000. The operation of ships is entirely outside of that.

Mr. MANN. The laying up of a ship operated under an M. O. 4 contract would not reduce the number of employees of the department.

Mr. BYRNS of Tennessee. Yes; it would.

Mr. MANN. Not the operating end of it, anyhow.

Mr. BYRNS of Tennessee. Not the operating end of it, I agree with the gentleman; but it would necessarily reduce the force here.

Mr. MANN. It would permit them to reduce.

Mr. BYRNS of Tennessee. Because they would not have anything like the number of voyage accounts and such things to look after.

Mr. DICKINSON. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman from Iowa.

Mr. DICKINSON. No other department of the Government has had such a problem, involving the amounts of money or the intricate transactions that this department has had to work out.

Mr. BYRNS of Tennessee. That may be true, but I do not think we are going to relieve the situation by undertaking to match the salaries of the attorneys employed by the Government with those paid by claimants or litigants. I can not for the life of me understand how it is possible to say that we are going to get any better service out of some of these men, who now get $7,500 or $11,000, which is the limit with the exception of two or three, by allowing seven additional at $15,000 or over, as is proposed in this bill, especially when it appears, and the testimony shows, that dozens of them were drawing only $1,500 or $2,000 two and three years ago, as the gentleman will remember.

Mr. DICKINSON. That was when they entered the service, four years ago.

Mr. OLIVER. Will the gentleman yield for a moment?

Mr. BYRNS of Tennessee. I will yield if I have the time. There is another subject I want to discuss.

Mr. OLIVER. A number of inquiries have been directed to the gentleman by lawyers in the House, and I think it would be very helpful to the lawyers who are considering this pay schedule for the lawyers of the Shipping Board if they will read pages 1038 and 1039, where is set forth the character of the litigations which they say they have to handle. I believe that the lawyers of the House will agree with me that the cases that are there cited as the exceptional cases, involving intricate questions of admiralty law and other law, will appear to be not very difficult of solution. I simply refer any lawyer in the House to the reading of a page and a half of the statement of these exceptional cases that they think offer such difficult problems to solve.

Mr. STAFFORD. Will the gentleman yield for a question?

Mr. BYRNS of Tennessee. Yes.

Mr. STAFFORD. Perhaps the gentleman has had more time to investigate the hearings as to the Shipping Board than I have. Can he explain why the claims section of the War Department, dealing with war claims, have virtually finished their work, whereas the claims section of the Shipping Board seem to have left their work in about the same condition as it was in former years?

Mr. DICKINSON. They have not had any authority to settle the claims.

Mr. BYRNS of Tennessee. The difficulty about that is this: In the first place, if they had the authority they did not have the money with which to settle them. While some claims have been settled these $300,000,000 of claims are now pressing, involving 3,500 actions in the courts, and are just now coming on

for trial and consideration by the courts. I am sorrry that I have not time to discuss this matter further.

There is another matter that I want to discuss and that is the enormous expense that is being indulged in in advertising. The chairman of the Shipping Board is the owner of the Lord & Thomas Advertising Agency at Chicago and has made a tremendous success of it and made a great fortune out of that business, but he has what would appear to me, a mere layman, to be an exaggerated view of the importance of spending large sums of money by way of advertising. It seems to me it is beyond all reason to spend the sum of $900,000 for the purpose of advertising for passenger ships alone, especially when we have an advertising section within the Shipping Board headed by Mr. Clausson, who, by the way, I understand, was the publicity agent of the Hamburg-American Line, a German organization, before we entered the war, and who is drawing $9,000 a year on the Shipping Board, and other employees drawing salaries aggregating $27,500, in addition to a publicity agent drawing $6,000 a year. I am informed that definite charges were made to the Attorney General's office that Mr. Lasker had ignored a resolution adopted by the Shipping Board which called upon him to present a country-wide survey on advertising made by 134 of the leading advertising agents of America representing every State in the Union; and that he entered into a contract with the Gunlach Advertising Agency at Chicago, and proposed that Gunlach take into his organization a man named Carey, who would furnish the capital to enable him to carry on the contract. I have been informed that this $900,000 has been allocated to this advertising agent, Gunlach, or the Gunlach Advertising Agency, of Chicago, Ill. Who Mr. Gunlach is I do not know. My information is that prior to the allocation of this great amount and the contract authorizing him to expend $900,000 he had a comparatively small advertising agency in the city of Chicago which dealt particularly with mail-order houses, and was more particularly engaged in sending out boiler-plate matter to the country newspapers, and that he had a small, insignificant office in the city of New York. But after this contract was made he opened very sumptuous offices in the city of New York.

My information is—it does not appear from the hearings, because, I regret to say the hearings do not go particularly into the way the money is to be expended—but my information is that the Gunlack Advertising Agency is to get from 10 to 15 per cent commission for the advertising, which would amount to over $100,000, and in addition to that 5 per cent is to be paid for discount for cash; that the Shipping Board has turned over to the agency in advance $100,000 with which they paid cash for the advertising. It is estimated that the 5 per cent will amount to $50,000, which, it should be noted, is earned by paying cash with Government money. In addition to that he is given the privilege of making his own art work, which costs very little but on which he will get a commission of 10 per cent. I can understand, if these facts are true, how that agency, which was a small agency and which will make between $200,000 and $300,000 out of the $900,000, can provide sumptuous offices in New York and also in Chicago. But the unexplained mystery is why such a small and hitherto unknown advertising agency was ever selected or why such large commissions are to be paid.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. WOOD of Indiana. The gentleman does not care to do Mr. Lasker or anybody else an injustice?

Mr. BYRNS of Tennessee. Of course not.

Mr. WOOD of Indiana. The statement the gentleman makes is based on an article published in the New York World. I have the facts in reference to the amount of money and the facts with reference to the advertising agency, and I wish to say that I have a statement from Mr. Lasker, which I will read into the RECORD at the proper time, which says that every statement made in the article referred to is absolutely false—a lie made out of whole cloth. The amount of advertising that was placed through the Gunlack service for six months after December 31 was $125,505.40—that is, they placed that amount of advertising, and the amount received for placing it was $18,825.

Mr. BYRNS of Tennessee. What we are interested to know is what the contract is in the future. My understanding of the article to which the gentleman refers is that under the contract Gunlack is to have the entire charge of the advertising on the part of the Shipping Board. It is stated in the hearings that it is proposed to expend $900,000 for that purpose. I regret to say that the hearings do not show how it is to be expended.

Mr. WOOD of Indiana. If the gentleman will read the hearings on that subject he will find how they are to expend it and how they are to check up on it.

Mr. BYRNS of Tennessee. I have read the hearings; the subject is discussed on pages 933 to 937, inclusive, and 1152; but there is nothing to show how it is to be expended. Mr. Lasker is singularly silent about the Gunlack advertising agency. He does not even mention it.

Mr. WOOD of Indiana. They say that the article in the World is false from the beginning to end, and I will place in the RECORD the exact facts in relation to the Gunlack contract.

Mr. WALSH. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. WALSH. Does the advertising include the preparation of statements that are typewritten and mimeographed and issued to newspapers? Does that come under the title of advertising?

Mr. BYRNS of Tennessee. I do not know. I take it that those may be prepared by the publicity agent, who is drawing $6,000 a year, and Mr. Claussen, who is getting $9,000 a year, because if they do not do that I can not understand just what they do for the Shipping Board. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. TILSON having taken the chair as Speaker pro tempore, a message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

INDEPENDENT OFFICES APPROPRIATION BILL.

The committee resumed its session.

Mr. HARRISON. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

Mr. GALLIVAN. Mr. Chairman, I regret exceedingly that constant and necessary attendance upon another subcommittee of the main Committee on Appropriations, namely, the subcommittee in charge of the preparation of the appropriations for the legislative establishment, for a full week past has prevented me from giving as much time and attention to this bill as perhaps I ought to have given, and the gentleman from Illinois [Mr. MANN] who criticized me for dissenting from an appropriation about which he thought I did not know as much as I ought to know was correct in his criticism. When I tell him that I have been working in another subcommittee of my full committee day and night for a week perhaps he will understand that I can not be in two places at one time.

Mr. MANN. Oh, I hope the gentleman will permit me to say that I had no intention of ever criticizing the gentleman, whom I greatly admire.

Mr. GALLIVAN. Mr. Chairman, because I have been working on another appropriation bill, which will be reported within 48 hours, I have not had an opportunity, as I have said, to pay as much attention to the Shipping Board and the Emergency Fleet Corporation as I wanted to. May I say to the Members of the House present that I hold no brief and never held any brief for the old Shipping Board? I was a member of the committee which had charge of their appropriations, and I always agreed with the then chairman of the committee, the gentleman from Iowa, Mr. Good, in his criticisms of the old Shipping Board. I do not believe he ever overstepped the mark, and I am not prepared to say that the gentleman from Indiana [Mr. WOOD] overstepped the mark yesterday when he said that the old Shipping Board had left behind it a condition of rottenness almost indescribable.

But I know enough about the new Shipping Board to say that I would not give them a dollar if it were within my sole power; that I would find some way to close up the whole rotten outfit, despite the gentleman from Chicago, the new chairman, Mr. Lasker, who stands in a position of preeminence and poses, as he has posed from the day he came to Washington, as the man who is going to "shake a magic wand" to change conditions which, as described by the gentleman from Indiana, were always conditions of rottenness. If gentlemen will read the hearings and the boastings of the new chairman of the Shipping Board, as he took up one department after another and put his witness on the stand, to undergo the splendid cross-examination of my friend from Indiana [Mr. WOOD], they will find that Mr. Lasker always praised the new find which he had discovered as the head of this department or the head of that department; and yet, if you put your nose close enough into the whole matter you will find also where under the old Shipping Board men were getting $2,500 a year in minor jobs, under this outfit they are getting $7,500 a year in major jobs.

When I said a moment ago to the gentleman from New Hampshire [Mr. WASON] something about the $35,000 men, I did not mean to say that they were lawyers. They are supposed to be shipping experts, but it should be remembered that we had $20,000 and $25,000 lawyers brought in here over a year ago, but their salaries were reduced to $11,000 a year. Despite the

claim that they are supposed to earn $100,000 a year and $150,000 a year at home, they stayed on the job here, even though the salaries were reduced to $11,000 a year.

My colleague from Massachusetts [Mr. WALSH] asked the gentleman from Tennessee [Mr. BYRNS], as the latter was closing, whether or not certain press matter—I think he referred to it as that—was paid for out of the advertising appropriation of $900,000 which has been most properly criticized, and to which I intend, if I have the time, to pay my respects before I finish. I do not know, nor does the gentleman from Tennessee know. I find that they have a division of information in the Shipping Board, but whether or not it is a part of this advertising publicity outfit as yet I have been unable to discover.

The division of information is a very important division; very important. It keeps the country posted on where the hundreds of millions of dollars that are appropriated for by this bill are being expended, and I suppose it is established and is being carried on to ease the minds of the anxious taxpayers who may be worried about whether or not their money is being properly expended. I hold in my hand, on the official paper of the United States Shipping Board, a most important pronunciamento from the division of information of the United States Shipping Board.

Mr. Chairman, 107,000,000 people, with bated breath and open ear and worried eye, waited for this information for weeks, and at last, after the official of the Shipping Board had revised the original copy which he had sent to the press on Tuesday of this week, he issued orders that this copy should be released, so that from the Atlantic to the Pacific the worried taxpayer would know what the Shipping Board is doing with the hundreds of millions of dollars—and I refer to the new Shipping Board, the chairman of which has found a magic wand. Here, gentlemen, is this important communication issued officially from the division of information.

(Division of Information. Room 2904, Navy Building. Phone Main 5201, branch 1719. United States Shipping Board, Washington. Revised copy, 1–16–22.)

Over in the left-hand corner appears evidently the name of the man who wrote this, "Murtaugh." On the other side of the sheet of paper, opposite the name, heavily typewritten and underscored is the magic word "society." Now permit me to read this important pronunciamento which the division of information, with some of this $900,000 I dare say, gave to the country on that eventful day, for we are informed that it was to be released on Tuesday, January 17, 1922.

Former Solicitor General and Mrs. William Marshall Bullitt, of Louisville, Ky., entertained a company of 44 guests at their residence, 1717 I Street NW., last night, in honor of the Chief Justice and Mrs. Taft. Ophelia roses and budlea were profusely used in carrying out the general scheme of pink and white decorations that prevailed. Seldom has a more brilliant assemblage of women and men been seen in Washington. [Laughter.] The gathering represented not only some of the most distinguished women in Washington and other cities but also the leaders of the American bar in all sections of the country.

Now comes a bit of information which I particularly wish you to distinctly mark:

Mr. and Mrs. Bullitt gave the dinner in appreciation of the many courtesies that were shown them while Chief Justice Taft was President of the United States.

How the taxpayers of the country must have been relieved when they learned that fact. [Laughter.]

To continue:

The guests included the Chief Justice and Mrs. Taft; the Secretary of State and Mrs. Hughes; the Attorney General, Mr. Daugherty; Mrs. Marshall Field; Senator GEORGE WHARTON PEPPER and Mrs. Pepper, of Philadelphia; former Attorney General and Mrs. George W. Wickersham, of New York; former Solicitor General and Mrs. Lawrence Maxwell, of Cincinnati; Mr. John Barton Payne, of Chicago; Mrs. Truxton Beale, Washington, D. C.; Mr. and Mrs. Paul D. Cravath, of New York; Mr. and Mrs. Richard Lindabury, of Newark; Mr. and Mrs. Henry S. Priest, of St. Louis; Mr. and Mrs. Andrew Squire, of Cleveland; Mr. and Mrs. C. A. Severance, of St. Paul; Mr. and Mrs. Levy Mayer, of Chicago; Mr. and Mrs. Silas H. Strawn, of Chicago; Mr. and Mrs. Walker D. Hines, of New York; Mr. and Mrs. James Byrne, of New York; Mr. Allan McCulloh, of New York; Mme. Hauge, Washington, D. C.; Mr. J. M. Hartfield, of New York; Mrs. King Carley, Washington, D. C.—

And at last I find a man from my own town—

Mr. Frederick P. Fish, of Boston—

A very fine gentleman, by the way.

Let me continue with the list, so that all may be included:

Miss Mabel Boardman, Washington, D. C.; Mr. J. G. Milburn, of New York; and Mrs. George Vanderbilt, Washington, D. C.

Now, gentlemen, that is on the official paper of the Shipping Board, issued by the Division of Information, especially revised. Mr. Bullitt is one of the high-salaried attorneys. I do not believe for a single moment that any man in that press gallery went up to the Division of Information looking for that sort of stuff. If he did, he might have gotten an original copy; but he never went up to get a revised copy. I have looked up the pay rolls to find out who this man Murtaugh is, and I find that he is rated as a senior examiner at $5,000 a year, and was appointed in November, 1921. Whether he is a senior examiner of Ophelia roses and budlea I have not been able as yet to determine. [Laughter.] If he is an authority on carrying out to perfection the scheme of pink and white decorations at pink tea parties, then I say more power to him. [Laughter.] But what in the name of all that is good and holy do we want him in the Shipping Board for?

I want to say to my friend from Massachusetts [Mr. WALSH] that he made a very proper inquiry when he wanted to know if that is why we are giving them $900,000 for advertising and publicity. To-day I received a letter from one of the most prominent men in my own city, Mr. J. Linfield Damon, jr., protesting against this extravagant expenditure of $900,000 in advertising travel to foreign countries. He says:

The spending of public money for such a purpose, when the entire country is groaning under burdens of overtaxation, is unfair and unjust to every taxpayer throughout the Nation.

What will he say when he learns that a part of that sum of $900,000 is spent in advertising "Ophelia"?

Now, Mr. Chairman, I wish I had time to tell this House something about the jockeying and the criss-crossing which has been going on in connection with the reconditioning of the *Leviathan* by this new outfit. Over a year ago they asked for bids for this work, and there were, I think, about two real bids submitted, one by the Todd Shipbuilding Co., which was for $10,000,000, approximately, and one by the Boston Navy Yard, or, rather, an estimate, for $8,000,000—$2,000,000 under what the private shipbuilding outfit was willing to undertake the job. Nothing came of it, because the private shipbuilding interests would not permit this thing to be done in a Government establishment. Why were the private interests opposed to having this work done by Government employees? The Shipping Board and the Emergency Fleet Corporation and the Navy Department in all human probability had more than enough material to contribute to the equipment and the reconditioning of this ship, and this expense would have been saved to the Government. So in all probability most of the expense would have been for labor. The Boston Navy Yard, as I have said, made a bid $2,000,000 less than the bid of the private company and was the lowest bidder. But nothing came of it. The Massachusetts Members of this Congress, Senators and Representatives, for a year have struggled, and the mayor of my city and the mayors of the cities surrounding Boston have struggled to get this outfit, this wonderful Shipping Board, to be on the level with the men in the Navy Department, whether in Massachusetts or elsewhere, and give them an opportunity to bid for the reconditioning of this ship. But the private shipbuilding interests have this outfit by the throat, as they had the other crowd. They refused to let the Boston Navy Yard or any other navy yard make a bid when bids were asked for in December.

Now, remember, gentlemen, if I am partial as to my own city, I have good reason. We have the only dry dock on the Atlantic coast in Boston where this ship can be conditioned. I read in the evidence that in all probability, while I am talking, the contract has been awarded to the Newport News Shipbuilding Co., and I read that Mr. Powell, of the Emergency Ship Fleet, was asked as to what dry dock they would have to use; when asked if they had one in Newport News, he replied, "No; in all probability we will have to send her to Boston, unless the Newport dock can take care of her." He knows that the Boston Dry Dock is the only one that the *Leviathan* can set herself comfortably in. Yet because these private interests got together, and, I am afraid, influenced men in the activities of the Government in this hour who are not connected with the Shipping Board, the navy-yard men, the skilled organizations which have done their bit in their way during the World War, and who are being kicked out by the hundreds every day and every night from our navy yards, these private organizations have gotten together and have stopped the Boston Navy Yard, and every other navy yard, from being permitted to submit an estimate, because they knew that the navy yards would be the lowest bidders. And I am extremely sorry that Secretary Denby permitted himself to be made the cat's-paw for the private interests. They have "passed the buck" to Denby, and you will be told later on by some apologist for this Shipping Board that the Navy chiefs did not want to undertake such a big job.

Secretary Denby wrote a letter, which is printed on page 1163 of the records of these hearings, in which he explains why the navy yards could not, perhaps, meet the requirements. As a matter of fact, he did not know the situation at all. What do you think the employees of the Boston Navy Yard did, gentlemen? Within a month, when the answers were made that the Boston Navy Yard could not recondition the *Leviathan* within

the bid, those employees agreed to set aside every month out of their wages a certain percentage of every man's salary in the navy yard and have it as a sinking fund to meet any overcharge that might come because they had exceeded their original bid, if such a thing should happen. They have done everything humanly possible to try to get the *Leviathan* into the proper place, the only dry dock where she can fit in; they wanted to save the Government $2,000,000 and keep their organization together. The men have been willing to make every sacrifice possible, but they have been spurned by Lasker and company.

Now, Mr. Chairman, I have not, as I said before, had the opportunity that I wanted in which to prepare a few remarks on this appropriation. I dissented from the entire appropriation, and if I get an opportunity I shall vote against giving one dollar for the Shipping Board or for the Emergency Fleet Corporation until they come here with clean hands, and I hope that in so doing I shall not deprive the readers of the society news in the Washington papers of hereafter learning more about Ophelia roses and budleas. [Laughter and applause.]

Mr. HARRISON. Mr. Chairman, I yield 30 minutes to the gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen, in a discussion of our prodigious merchant marine problem perhaps it is not amiss to refer briefly to our shipping history. Beginning with colonial times, through the period of 1812, on through the golden era of the twenties, thirties, and forties, when the American clippers were the pride of the sea, on through the fifties, and down to the Civil War, this country was a shipbuilding, ship-owning, ship-sailing, and ship-loving Nation.

The 1921 report of the United States Commissioner of Navigation gives in detail the United States imports and exports and the amounts carried in American vessels and in foreign vessels from 1821 to 1921. I shall not weary you by quoting from this report in dollars or tonnage, but I do call your attention to the percentage of United States imports and exports carried in American bottoms in certain years scattered over the last century, as follows:

Per cent in American vessels.

1821	88.7
1826	92.5
1830	89.9
1835	84.5
1840	83.3
1846	81.7
1850	72.5
1855	75.6
1860	66.5
1870	35.6
1875	26.2
1880	17.4
1890	12.5
1900	9.3
1910	8.7
1914	9.7
1916	16.3
1917	18.6
1919	27.8
1920	42.7
1921	39.8

The percentage of our imports and exports carried in American ships, especially Shipping Board vessels, rapidly declined during 1921. For instance, in December, 1920, 66 per cent of our imports were carried in American vessels and only 34 per cent in foreign vessels, whereas in July, 1921, only 46 per cent of our imports were carried in American vessels and 54 per cent in foreign vessels. The decline from then on was still greater.

The question is often asked as to the reason for the decline in the American merchant marine and the percentage of our imports and exports carried in American vessels as evidenced by the figures just quoted. Different theories have been advanced. Bates's American Navigation discusses this question. Chairman Lasker recognizes the high character and reliability of this work by quoting from it at length in a report prepared at his instance. I wish to quote from an extract from the said Bates's American Navigation, carried in the said Lasker report, where, in a discussion of the reasons for the decline of American shipping, Mr. Bates says:

A most effective cause for the decline was the protective tariff, which stimulating American manufacturers had induced capital to enter that field. The protected shipping industry naturally suffered for lack of capital. The price of shipbuilding materials was naturally increased by the tariff. Steel plates in 1903 were selling for $41.40 in America, $25.50 in England, and $30.23 in Germany. * * *

The tariff has restricted the number and amount of cargoes that American ships could bring from foreign ports. That condition will always be present in the face of a high tariff. The price of labor has also been higher in the United States, but the testimony introduced before various commissions would indicate that the increased cost of manning an American vessel has been greatly exaggerated, amounting to not more than 10 per cent.

In this connection it is important to bear in mind that the cost of manning an American cargo vessel does not exceed 10 per cent of the total cost of operation; many authorities place it as low as 5 per cent. Consequently, the difference between the total cost of the operation of an American vessel and the cost of the operation of a foreign vessel does not exceed 1 per cent.

In corroboration of the correctness of the explanation of "a most effective cause for the decline" of our American shipping thus given by Mr. Bates—which is quoted, apparently with approval, by Chairman Lasker—your attention is called to the significant fact that the golden era of the American merchant marine was prior to the advent of a high protective tariff, and that American shipping declined as the tariff duties increased, until under the operation of the Payne-Aldrich tariff law the percentage of our imports and exports carried in American vessels dropped to the low record figure of 8.7. Under the operation of the Underwood tariff law the percentage of our imports and exports carried in American vessels jumped to 16.3 in 1916, the year before we entered the war, and rapidly increased thereafter in the manner before explained, until the enactment of the Fordney emergency tariff bill, after which our imports and exports, as well as the percentage carried in American vessels, rapidly declined. It is also a noteworthy fact that while our shipping was gradually but surely slipping away from us under the destructive operation of an increasingly high protective tariff our shipping was being taken over chiefly by free-trade England, whose world business and merchant fleet were increasing by leaps and bounds.

I do not wish to be understood as contending that high protective tariff duties were the sole cause of the decline in American shipping, but, as Mr. Bates states, it certainly was "a most effective cause for the decline." It was undoubtedly the chief cause.

In spite of such a showing, it is the policy of the present administration to raise the tariff wall still higher and higher, those qualified to speak claiming that the pending tariff bill would increase tariff duties on an average of 50 per cent more than any preceding tariff legislation. Perhaps in the light of such a policy, Chairman Lasker and his high-paid experts, after nearly eight months' investigation and study of the problem, assert that the only solution of our merchant-marine problem is a ship subsidy, and Chairman Lasker states that President Harding will soon make such a recommendation to Congress.

I have shown the situation of the American merchant marine at the time we became involved in the World War. The situation then confronting us and the manner in which it was met are graphically described by Charles Piez, formerly head of the United States Shipping Board Emergency Fleet Corporation and a prominent Republican, who in a letter to Hon. JOSEPH WALSH, chairman of the select congressional committee appointed to investigate Shipping Board operations, stated in part:

The task delegated by the President of the United States to the Fleet Corporation under authority granted him in the emergency shipping fund provision of the urgent deficiencies appropriation act was to build ships to meet the necessities of the Government during the war.

TASK WAS TO BUILD SHIPS FASTER THAN SUBMARINES COULD SINK THEM.

It was a war assignment, not a peace undertaking. We had to build ships faster than the submarine could sink them. That was our job, a job performed against heavy odds, under intense pressure.

SINKING BY SUBMARINES FAR OUTSTRIPPED WORLD CONSTRUCTION OF SHIPS.

Submarine sinkings averaged 750,000 tons per month, English output 200,000 tons per month, and the output of American yards from July 1 to December 31, 1917, was but 49 vessels of 301,000 tons.

In other words, at the rate they were being sunk, it would be only a few months until the allied shipping would be sunk, because at that time there were only 43,000,000 tons of world shipping, and only a little over half of it belonged to the Allies. Mr. Piez continues:

In the first six months of 1918 our production rose to 169 vessels of 1,086,000 tons, and in the two months before the armistice we delivered 148 ships of 769,000 tons, or at the rate of 4,600,000 tons per year, eight times the output of the preceding year. And we had to create our own yards and facilities to do it.

The Fleet Corporation delivered 479 vessels of over 2,750,000 tons before the armistice, and had in the wet basins and on the ways in various stages of completion over five and one-half million tons of shipping on Armistice Day. The corporation can not be charged with lack of accomplishment.

The war was costing us thousands of precious lives and $50,000,000 per day. It was a time when ship output alone counted, and when refinements of accounting details and record keeping had to be subordinated to the main purpose.

Now, the primary purpose, as is admitted, of this vast ship construction was as a war emergency measure. In other words, it was for the transportation of our troops and supplies. Ac-

cording to the testimony of Mr. Love, one of Chairman Lasker's experts, at the hearings on this bill:

We transported overseas 2,104,230 of our troops, of which 951,803 were transported across in American bottoms, and of the 2,057,269 brought home, 1,765,379 were brought home in American vessels.

Of course, in addition to our troops, a tremendous amount of supplies for our troops and the Allies were transported overseas, and likewise a large amount of equipment and supplies were brought back in our ships—

Our construction outdistanced the German submarine destruction. Consequently the primary purpose was attained; that is, of meeting the military situation with which we were confronted.

As a result of this enormous ship construction, intended primarily to meet a very serious war emergency, we now find ourselves in possession of a very large merchant fleet. After deducting vessels which have been sold, according to the testimony of Chairman Lasker, we now have 1,724 ships, of 11,287,125 deadweight tons. Deducting 264 wood and composite vessels, 10 concrete vessels, and 2 ex-German sailors, leaves us 1,448 steel vessels of 10,248,394 deadweight tons. The net amount of money that has been available for the Shipping Board under appropriations and allotments since its inception to July 1, 1921, is $3,306,310,576.98. The cost of our fleet on July 1, 1921, was $2,409,563,669.53.

This, of course, does not include the American privately owned tonnage, the seagoing tonnage of which amounts to about 2,300,000 tons additional.

While immediately preceding the World War the American seagoing tonnage constituted a small percentage of the world tonnage, yet we now have more than one-fourth of the world tonnage. We have three-fourths as much tonnage as Great Britain, and a greater tonnage than the combined tonnage of the five nations possessing the largest tonnage next to Great Britain and the United States, to wit, Japan, France, Italy, Norway, and Holland.

In his 1921 report the Commissioner of Navigation describes the growth of the American merchant marine in the following language:

In 1907 the United States had less than 10 per cent of the world's steel tonnage; in 1914 we had still less than 10 per cent, while at present, through our vast war expenditures, we have 26 per cent of the world's steel tonnage and 27 per cent of the world's total tonnage. In a word, the tonnage under the American flag is adequate to conduct not only 50 per cent of our commerce, as it did last year, but over 75 per cent of the foreign commerce of the United States and the coasting trade.

There has been interminable criticism of the former Shipping Board and Emergency Fleet Corporation with respect to this enormous ship construction program and also with regard to the operation of the fleet subsequent to the war. Such criticism has been freely and recklessly indulged in in this debate. It has been freely indulged in by Chairman Lasker ever since he was appointed chairman of the Shipping Board, both in the hearings and in the public press. Nobody familiar with the facts will deny that there were mistakes and that there was necessarily great waste, but it is only fair to take into consideration the conditions under which they were operating. I have already quoted from Mr. Charles Piez, a very prominent Republican, who was president of the Emergency Fleet Corporation during a large period of the construction program and who, according to press reports, was offered the chairmanship of the present Shipping Board by President Harding. By reason of the persistent criticisms of the same character as those repeated in this debate and repeated ad nauseum by Chairman Lasker, I wish to again call attention to the fact that a resolution was passed through the last House providing for the appointment of a select committee on Shipping Board operations, which committee was appointed by Speaker GILLETT and consisted of four Republicans and two Democrats, of which the able gentleman from Massachusetts [Mr. WALSH] was made chairman. At great expense this committee conducted extensive investigations, extending from the Atlantic to the Pacific. After the most thorough investigations that committee made a unanimous report to this House last March. Among other things this report in its conclusions (pp. 24–25) states:

It must be remembered that the Shipping Board in dealing with the war emergency was confronted with many difficulties. The program of construction, as well as operation, was gigantic. It involved an expenditure of more than three and a half billion dollars, a sum greater than any expended by any corporation in a similar period of time. Many of the officials and board members were without experience in either shipbuilding or operation. No adequate organization existed at the beginning. A complete organization to carry out its large program had to be created. There was a shortage of shipbuilding skill as well as shipbuilding facilities. The need for ships was imperative and constantly increased during the combat period.

Of necessity, under these conditions and when time was of the very essence of the problem, waste and extravagance resulted. However, the committee has found no evidence to prove that dishonest or fraudulent motives actuated any members of the Shipping Board or any member of the board of trustees of the Emergency Fleet Corporation.

There has been waste and inefficiency and lack of coordination in the tremendous operations of this Government agency. The reason or justification given for this is the stress under the war emergency. No one will deny that there was a great emergency; that time was the most vital factor.

Considering the program as a whole, the accomplishments in the number of ships constructed, the tonnage secured, and the time within which the ships were completed and delivered constitute the most remarkable achievement in shipbuilding that the world has ever seen.

However, that investigation and report has not deterred the "muck rakers" in the least.

In spite of his persistent criticism and efforts to excuse his own inability and failure, even Chairman Lasker at the hearings on this bill was bound to recognize the prodigious problem confronting the former Shipping Board and the difficulties under whch it labored in the following language:

There was a time during the progress of the Great War when the Central Powers threatened strangulation of the world's oceanic lines of trade. Sinkings of cargo boats by enemy submarines, both in the Atlantic and in the Mediterranean, were of almost daily occurrence. To repair this damage and to keep open channels of transportation for foodstuffs, men, and military supplies the imperative need of the Allies was for ships, more ships, and again more ships.

To meet this great need the Shipping Board undertook the largest and most intensive shipbuilding program in the history of the world. The producing capacity of all shipyards was contracted for and additional shipbuilding facilities were planned and erected on an enormous scale. An unprecedented number of steel ships was ordered to be built, and when it appeared impossible to produce steel vessels in sufficient time to avert disaster to the cause of the Allies, contracts were let also for the construction of wood ships, and experiments were ventured in concrete construction. The construction program was in full sway, and the industries of the country were pouring their output into the seaport cities for fabrication and assembly into ships when the armistice came.

Following the armistice, the Shipping Board had on its hands vast quantities of materials and equipment located in numerous cities throughout the United States, which had been intended for ship construction. Its principal function was now liquidation rather than construction.

Besides, whatever mistakes were made were largely Republican mistakes, because those enormous contracts and expenditures were largely made by or under the supervision of prominent Republicans, such as Gen. George W. Goethals, Charles M. Schwab, and Charles Piez, who at different times were at the head of the work, and of J. H. Rossiter, Director of Operations, and including the three marvelous and highly paid experts who are now at the helm. Of course, President Wilson could not give his personal attention to the problem of quickly constructing ships to meet the war emergency. He called into the work men who had national reputations as ship-construction experts, financiers, and organizers. Displaying that broad, nonpartisan spirit which he manifested in all matters pertaining to the war emergency, it happened that he called into this Shipping Board work more Republicans than he did Democrats. If the Democratic administration made mistakes, it was in the appointment of Republicans, and as to that Republicans are estopped from complaining.

Now, after they had entered upon that shipbuilding program what was the result in the amount of tonnage that was carried in American vessels? Remember that in the year before the war it had been reduced to 8.7 per cent of our American exports and imports. In 1920 we carried 42.7 per cent of American imports and exports in our own vessels.

A good deal has been said about the character of the ships that were constructed. Ever since he was appointed Mr. Lasker himself has been denouncing and decrying the very property which he has been delegated to sell for the Government. He has made his reputation and his money in the advertising business, but I dare say he did not succeed by decrying and denouncing the articles that he was advertising to be sold. But he has pursued that course from the very beginning with respect to our Shipping Board vessels.

I am going to quote another very prominent Republican, a gentleman who is familiar with the subject, a gentleman who would not only have no interest in boosting the ships but who, if acting in his personal interest, would be interested in denouncing them.

I refer to James A. Farrell, who is president of the United States Steel Corporation, and whose company is in the ship construction and ship operating business, and which will furnish most of the steel for future ship construction. Certainly he has no interest, as I said, in boosting this enormous steel tonnage which we now own, that comes in competition with ships that otherwise his shipyards could construct. What does he say about it? In an address that he delivered at Cleveland, Ohio, last May, referring to our Shipping Board vessels, he said:

The steel ships were well constructed and, with few exceptions, compare favorably with the work of the best builders in any country. While we may only surmise what will ultimately become of the wooden ships which were built as a result of the dictates of military necessity,

and in response to the appeal from our associates for ships, and more ships, the fact remains that our steel ships are fine examples of the skill of American mechanics.

He says this is true with only a few exceptions. Mr. Lasker now says about half of them are first class.

Furthermore, about the cost of them you have heard a great deal said. What does Mr. Farrell say about that?

The claim is made, and justly, that the cost of American ships must reasonably approximate the costs of their competitors, and that capital charges must be substantially equalized with those of our competitors. The fact remains that while a considerable number of ships built abroad have been sold under stress of necessity at less than half the cost of reproduction, as in the case of ex-enemy ships sold by Great Britain, the great bulk of the world's tonnage built during the war fairly approximates the average cost of our own fleet.

That in spite of the supposed difference in wages and other costs of construction. I am calling as witnesses on these propositions members of the very party from which these criticisms come.

They talk a good deal about the reduction of expenditures and about the reforms that are being wrought. In that connection, and in regard to what was done and what was not done by the old Shipping Board, I want again to call attention to the fact that we were without any confirmed Shipping Board from June, 1920, until March 4, 1921, and from March 4 until the following June we had absolutely no Shipping Board whatever. That was certainly not the fault of the minority. We did not refuse to confirm the board appointed by President Wilson, and we did not wait four months after March 4, 1921, to appoint a new board. Under those conditions, with the Shipping Board without a head, absolutely rudderless, what else could we expect? And it was during this period, when we had no Shipping Board, that most of the loss of operations and other expenses occurred that they now criticize.

In explaining the difficulties confronting him, Chairman Lasker declared at the hearings on this bill:

Mr. Chairman and gentlemen of the committee, while the members of the Shipping Board feel that we have made vast and unbelievable progress in the reorganization of the board and Fleet Corporation as we have now set them up, I can not too strongly emphasize that we want nothing that we say or represent to be interpreted as remotely insinuating on our part that mistakes and errors are not being constantly made under our administration. In an enterprise so vast, and one that, coming out of the womb of the war, as a war measure, had to be changed into a peace-time operation, it will require a long period of patient, able, and unstinted administrative effort to bring about normal conditions and normal procedure such as exist in old-established organizations.

However, Chairman Lasker and the present board did not take charge until nearly three years after the armistice. How much greater must have been the difficulties during and immediately after the war? Yet what was the record of operations of the old Shipping Board prior to the enactment of the merchant marine act of 1920, which required the appointment and confirmation of a new Shipping Board, as compared to the record made since the present board took charge? In the report on the merchant marine bill, submitted to the Senate by Chairman JONES of Washington, from the Committee on Commerce, it is shown that the net profit derived from the operation of Shipping Board vessels, from the beginning of such operations to March 31, 1920, was $132,783,781.29. The merchant marine act, which required the appointment and confirmation of a new Shipping Board, became a law June 5, 1920.

The bill under consideration carries an appropriation of $50,000,000 to cover losses for the year ending June 30, 1923. What a vast improvement is being made under the present management!

As I say, they talk about saving. Let us see how much we are saving. This bill that we are considering carries an appropriation of $26,500,000 more than the 1922 appropriation, and in addition it provides for the use of an unexpended balance, and also carries an authorization to spend $55,000,000 out of sales. Three years after the war they are increasing the expenditures of this board.

Another thing in that connection: Although the amount of this year's appropriation is $26,500,000 more than last year, yet last year's appropriations included $25,000,000 for construction, and this bill does not carry a dollar for construction, because the construction program is practically completed. In other words, with the construction ended and various other activities ended, they are increasing the appropriations and they are also increasing the personnel, as has been fully shown by others.

They have been increasing salaries until 67 officials in the Shipping Board and Emergency Fleet Corporation are receiving larger salaries than Senators, Congressmen, and United States district judges, and 29 additional are receiving salaries equal to those received by said officials. I want to know if that is not retrenchment and economy with a vengeance? They ought to be saving. Why do I say that? On January 1, 1921, we were operating 836 Shipping Board vessels, and I believe Mr. Lasker claims that when he took charge 674 were then being operated. They have laid up ships until we now have only 390 all told in operation, and he said in the hearings that he naturally laid off the ones that were losing the most and retained the ones with the best prospects. In other words, although they have reduced the ships in operation by more than half, yet they are still increasing the appropriations. They can make all the distinctions and refinements that they want to, but the fact remains and their own report shows that this bill carries $26,500,000 more than last year's appropriation, in addition to the unexpended balance and the authorization to use $55,000,000 from sales, and also they are relieved of the obligation to the Navy. As I say, this bill does not carry anything for construction, which all the previous bills carried, even last year's bill carrying $25,000,000 for that purpose; and I am not going to criticize them for laying off the ships that they have laid off.

I think perhaps they are pursuing the right policy in that respect. However, I do say this, and no man can deny it, that they ought to reduce costs very materially. But how has it resulted? It has not resulted in any saving in appropriations, but it has done this. I want you to listen to this:

The Department of Commerce recently made the rather depressing announcement that American ships are carrying a decreasing percentage of our export and import trade, the Shipping Board vessels making the worse showing.

I have here the exact figures, set out month by month, showing that which is stated in substance in the preceding sentences, and which is more specifically summarized in a recent article in the Annalist, as follows:

Foreign ships are rapidly regaining control of our import trade. In July, 1920, they carried only 36 per cent of the total, while in July, 1921, they carried 54 per cent. During the same period American independent vessels increased their tonnage from 32 to 36 per cent, while the Shipping Board lost 22 per cent. The Shipping Board vessels handled only 86,788 tons of imports, 10 per cent of the total, in July, 1921, a record low figure, and only one-sixth of the total carried in July, 1920.

I myself asked Chairman Lasker what he had to say in respect to that situation—that is, that the Shipping Board vessels have very materially lost their proportionate percentage of business since he took charge, and the foreign vessels are carrying a larger percentage of our imports and exports and at the same time the private American vessels were increasing their percentage of our imports and exports carried. He very candidly replied that there was not enough business, he did not think, to make it profitable for both the private American vessels and the Shipping Board vessels, so they pulled off the Shipping Board vessels in order to give the business to the private vessels. It seems that they get some of it and the foreign vessels get a good deal of it. In other words—and that is the chief trouble about the whole situation and has been from the beginning—that those in charge of our Shipping Board affairs have never at any time regarded the American taxpayer; they are not regarding him now.

They are regarding the American taxpayer less than ever before; they are very much concerned about the private shipping interests, and so am I to a certain extent, but whenever there is a choice between the private shipping interests and the public interests they resolve it in favor of the private interests and boldly announce it as their policy. We can not get this thing properly solved as long as that situation obtains. The so-called experts, those controlling the affairs and operations of this board, are men taken from competitive interests, many of whom it is reported still retain their connection with private interests. Now, to whom do they owe allegiance? All we can judge of is from the way they act and by the way they talk.

Mr. WASON. Will the gentleman yield?

Mr. DAVIS of Tennessee. For a question.

Mr. WASON. Can the gentleman suggest to us the name of some person connected with the Shipping Board now that has not severed his connection with private interests?

Mr. DAVIS of Tennessee. It has been stated repeatedly, and so far as I have seen never denied, that two of the experts come within that class.

Mr. WASON. What experts does the gentleman refer to?

Mr. DAVIS of Tennessee. I do not for the moment recall which ones, but there are three of them.

Mr. WASON. Will the gentleman look it up and put their names in his remarks?

Mr. DAVIS of Tennessee. Yes; the experts are Messrs. Frey, Smull, and Love. I do not know which ones, but it was charged in debate before, and it has been stated in the press and never denied to my knowledge. It was asked last July in the hearings whether there was any requirement when these high-priced experts were employed that they should sever their private con-

nections, and it was stated that there was no requirement or agreement to that effect.

Mr. WASON. I asked that very question of these three gentlemen and they denied any interest in private concerns; said they had severed them before they came into their present position.

Mr. DAVIS of Tennessee. If that is the fact, I am glad to know it and stand corrected. This is the first time that it has ever been denied to my knowledge. It has been stated in the press at different times and on the floor that the contrary was true. Be that as it may, the fact remains that according to reliable and undenied newspaper reports these three experts were selected for Chairman Lasker by the American Steamship Owners' Association and the United States Ship Operators' Association and that Chairman Lasker is reported to have publicly announced that he will be guided by the advice of the officials of the above-named associations. Furthermore, all that has been said and done by the present administration indicates a deep and abiding concern for private shipping interests rather than the interests of the Government and the taxpayers.

Now, I insist that whatever criticism may be directed against the old board which operated under war conditions and conditions subsisting immediately after the war, thus far no improvement has been made either in the management of the Shipping Board or the operations of the vessels or as to the solution of the problem. Mr. Lasker throughout his testimony and likewise in the press tells us time and again that the only solution is a ship subsidy; that the only way we can sell the ships is to provide a subsidy; that even if we will sell the ships at a nominal price we must guarantee that they can operate at a profit by the Government making up the difference. Well, I suppose you could sell most anything on similar conditions, but it is better to give away our ships and lose every dollar we have got in them than to commit the Government to a permanent ship-subsidy proposition which would cost us many times what we would get for our ships.

Back in the golden era of American shipping it was not maintained by any ship subsidy. When we come to discuss that question, as I suppose we will sooner or later, I expect to have considerable to say about it. However, the point I am now making is that, after he has been chairman of the Shipping Board for six months, Chairman Lasker practically admits that he can not put our merchant marine on a successful basis, and the only alternative is for the Government to step in and pay the difference between the cost of operations and a profit. That is what the private shippers have been seeking for years, but Chairman Lasker is the first high Government official to boldly champion their cause since the days of Mark Hanna.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. HARRISON. I yield to the gentleman five minutes more.

Mr. DAVIS of Tennessee. Now, why do I say that there has been no reform? Reference has already been made to the fact that they even have not changed the character of the operating contracts, which were so severely condemned by Chairman Lasker and other Republicans.

Here is what Chairman Lasker said in the hearings last July about those M. O. 4 contracts:

> The contract is the most shameful piece of chicane, inefficiency, and of looting the Public Treasury that the human mind can devise.

That is what Mr. Lasker said six months ago, and then on August 19 last he gave out a statement that was carried on that day by the Associated Press in the following article:

> "BARE BOAT" PLAN ADOPTED BY LASKER—MAKES BENSON'S SYSTEM NEW POLICY OF SHIPPING BOARD TO SAVE NATION'S MONEY—GOVERNMENT WAS A LOSER—UNDER OPERATORS' AGREEMENT PROFIT WAS MADE AT NO TIME EXCEPT WHEN RATES WERE HIGH.
>
> [By the Associated Press.]
>
> Decision to substitute a "bare boat" charter for the system under which practically all Shipping Board vessels are now operated was announced last night by Chairman Lasker after a conference with President Harding. Instead of the boats being turned over to operators on a 5 per cent commission basis, it is the board's intention to adopt a uniform charter, under which the vessels will be leased on a tonnage basis, the lessee assuming the same risks of profit or loss as he would under the routine commercial charter.
>
> INAUGURATED BY BENSON.
>
> Under the charter now employed, known as the managing operator's agreement, Mr. Lasker explained, both the Government and the operator profited when traffic was plentiful and rates high, but only the Government lost when there was a surplus of tonnage, causing a decline in rates below the point where they would meet operating expenses.
>
> Admiral Benson, shortly before he resigned from the chairmanship, inaugurated the "bare boat" charter in a few cases with a view, he then announced, of enabling the new board to determine whether it was desirable to substitute this as a policy for the operating agreement.
>
> The Shipping Board has ordered a survey made as a basis for working out details of the new rental plan.
>
> Those having charge of the work were instructed to submit their report within 30 days, but it was emphasized by Mr. Lasker yesterday that no general cancellation of existing charters would be made. Rather, he said, the board would attempt to put the change into effect gradually, in order that the least injury possible would be done to the interests of operators.

Please note in the concluding sentence of said article Chairman Lasker's characteristically deep solicitude for the private operators, even though they were operating under contracts which Chairman Lasker had publicly denounced as "the most shameful piece of chicane, inefficiency, and of looting the Public Treasury that the human mind can devise," and contracts which Chairman Lasker had a legal right to terminate any day he saw proper, according to his own admission. This is simply one of innumerable evidences of his expressed indifference to the public interests.

It was last August that this great advertiser advertised to the world that they were going to reform this iniquitous situation as to operating contracts, but after he and his experts have been in office for more than six months, in the recent hearings he and Mr. Smull admit that they have not changed those contracts one particle—no; have not changed a single contract. They have discontinued a lot, but they have not changed a single contract. They are still operating 327 ships under the M. O. 4 contracts. They have gotten rid of all of the little fellows and have left the business in the hands of a few operators, but they have not changed this contract which Chairman Lasker described in the language which I have quoted.

What other great reforms have we had? There was much criticism of the old board because of its expenditures for advertising. In the heyday of the old Shipping Board, when they were operating 836 ships, the highest amount they ever expended for advertising was $936,000 in one year. How much reform has there been by the present board? The present bill carries over $1,450,000 for advertising, although they are operating less than half as many ships. Operating less than half as many ships, they have increased the advertising bill from $936,000 to $1,450,000. That is another one of their great reforms.

I wish I had time to discuss this claims proposition. The bill carries $50,000,000 for the payment of claims, and if I had time I believe I could convince you from the record and the hearings that they do not propose to make those settlements upon any legal or even business basis. They did away with the legal boards that were to determine those matters, and now they have set up a commission only one of whom is a lawyer, two of whom are shipbuilders, and so forth. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. HARRISON. Mr. Chairman, I yield now to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HARRISON. Mr. Chairman, I now yield 10 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND of Virginia. Mr. Chairman and gentlemen of the committee, if Mr. GALLIVAN and the other Members of the Massachusetts delegation have been unable to obtain the *Leviathan* contract for the Boston Navy Yard, I am satisfied that no one else need try to accomplish that result. Those men are diligent, zealous, and faithful at all times in the representation of their constituents. They have done everything possible. I can not, however, agree with the criticism which Mr. GALLIVAN has made of the distinguished Secretary of the Navy, Mr. Denby. Mr. Denby's letter shows that he is considering the best interests of his country. The gentleman from Massachusetts thinks that by this time the contract shall have been awarded to the Newport News Shipbuilding & Dry Dock Co. for the reconditioning of the *Leviathan*. That plant is in my district, and I sincerely trust that the gentleman from Massachusetts is correct. There are no stronger reasons that could be offered for this action of the Shipping Board nor for the refusal of the Secretary to approve an award to the Boston Navy Yard, than are contained in the very able letter of the Secretary of the Navy. He says:

> A bid by a private firm is a guaranty of the performance of the work at a price named and within a time stipulated.

What do the hearings show? That there must be a bid on which you can pin your faith when the work is finished. The testimony of Mr. J. W. Powell, president of the United States Shipping Board Emergency Fleet Corporation, shows that in reconditioning work of this kind until the work shall have opened up, it is absolutely impossible to tell to what result the work will lead or how much extra work will have to be done in order to complete the contract. Mr. Powell said:

> From the character of this work there must be very considerable risk in connection with its performance. In spite of all the care that has been taken in drawing up these specifications, as the work opens up,

there will be things developed that the man who stood on the outside and made the estimate could not see. When this happens to a private concern it has taken that risk, and will have to pay for doing the work. When it happened at a navy yard, the navy yard would spend the money necessary and we would pay whatever it cost. My best judgment is that because of the fact that the navy yards are not used to doing this character of work, and because of the vastness of this particular undertaking, the navy yard could very easily underestimate the cost by as much as $2,000,000.

Mr. Chairman, an estimate on the part of the navy yard is an estimate pure and simple.

If the estimate falls short, then the Government must provide the money in some subsequent appropriation. If, however, a private contractor, as in this case, fails to perform his work, he must pay for it. His bond must make it good. If extra work develops, he must perform it. Mr. Powell says that the Newport News yard is as good as the Bank of England or the Treasury Department of the United States. He is right. Just in this connection let me say that the Newport News Shipbuilding & Dry Dock Co. has never asked me to help to secure this contract for them. I have been told and I believe that they will lose money, but they are making the bid to help their men and as a simple business means of keeping together a perfect organization, which has been established through a number of years. In the transition period which disarmament brings upon us and while work upon a navy has ceased they wish to hold this organization and to provide work for men who have been with them in busier days. They hope to keep this plant together. They have faith in the future. They believe, as I do, that in Hampton Roads we have a potential port, unexcelled on the Atlantic coast, and that the time will come when its proper proportion of foreign commerce will make it equal to New York itself, and probably its superior. They know that their geographical location will enable them then to take advantage of that situation.

Mr. Lasker, chairman of the United States Shipping Board, says that any contract which this shipbuilding concern makes will be as good as any commitment that the Government makes.

Returning to Mr. Denby's reasons for refusing the request of the navy yard, he says:

> A bid by a navy yard is the estimated cost of the work. If work is awarded a navy yard after an estimate, the actual cost of the work is charged, whether same be greater than or less than the estimated cost. Estimates ordinarily run fairly close, say within about 10 per cent; but in a big reconditioning job where the actual amount of work necessary can only be revealed after opening up work and uncovering all defects, it is difficult to make an estimate that will fall within 10 per cent of the actual cost.
>
> Furthermore, the stipulated time for the performance of work for other departments of the Government must always be subject to the condition that urgent naval work shall take precedence, even if such precedence causes failure to perform the other Government departments' work within the time stipulated.
>
> As the total cost of reconditioning the *Leviathan* will probably run somewhere between $6,000,000 and $8,000,000, it will be seen that an estimate submitted by a navy yard would not give the Shipping Board the exact information which they desire as to cost and time of performance of this work. The necessity for economy is so great that the authorities of the Shipping Board do not feel that they could take the chance of overrunning the estimated cost by possibly $500,000 or $600,000. They must have a guaranteed total expenditure.
>
> In addition to the above uncertainties which surround the submission of estimates by a navy yard and their acceptance by the Shipping Board, the department finds that at the present time the status of work at navy yards is such that it would not be advantageous to undertake the reconditioning of the *Leviathan* at a navy yard.

The difficulty of estimating with accuracy is shown by the fact that between the bids of the Newport News Shipbuilding & Dry Dock Co. for the reconditioning of this work and the next higher bid there was a margin, I understand, of about $1,000,000. This difficulty, as well as the difficulty of performing work of this character on a mere estimate, will appear when it is known that between the maximum and the minimum bids for the materials and supplies required for this work there was a margin of $2,000,000. Time is another important factor. Mr. Powell, representing the Shipping Board, says that it is essential that they shall have this ship in service in time to go on her run in March, 1923, and that the contract with a private contractor will provide heavy penalties for delay. I am informed that the penalty will amount to $1,000 a day for delay in delivery beyond the stipulated time. On the other hand, Mr. Denby says that it is impossible to estimate when the work could be finished in the navy yards, because other Government work would have precedence.

He says that if a battleship should be disabled it must be given priority. As a result, when this ship might be most valuable in the transatlantic service, she might still remain in the yard. If the work is done in a navy yard there will be no damages recoverable; if the work is done by the private company, I understand there will be a demurrage of $1,000 a day. Mr. Powell says:

> If she was delayed so that she missed the months of April and May we would lose an enormous amount of revenue. That is our spring season. You have got to know in advance to make your arrangements for your passengers, and we might very well lose by that ship being a few months late in delivery perhaps $2,000,000 in revenue.

As to the necessity of reconditioning the *Leviathan* I have no question. The evidence is that she is costing $44,000 a month in cash at a dock, which might itself bring in $18,000, or an entire cost to the Government of $62,000 per month.

The hearings show that the transatlantic passenger liners are the only liners that are being operated by the Shipping Board satisfactorily. They have been run practically full all the time. As far as can be foreseen this condition is going to continue. The hearings show that based on filling, on the average, one-third of her total passenger-carrying capacity there would be earned an annual net profit of $800,000. Of course, these results are problematical, but that is true of every business venture. The only conclusion that can be reached at the present for future guidance is that based upon the experience of the past. If at the present time these large passenger liners are being operated at a profit it is reasonable to suppose that a vessel of this type will be operated at a profit in the future.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLAND of Virginia. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. UNDERHILL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the Victory Memorial.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. HARRISON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. TAGUE].

Mr. TAGUE. Mr. Chairman and gentlemen of the committee, as this debate proceeds it certainly develops one very prominent fact: That a great and growing evil exists in this Government which should be corrected. This evil has existed for a great many years and, since I have been a Member of this House, it has been continually growing worse. It lies in the method pursued by the heads of departments in seeking appropriations from Congress. The Congress awards those appropriations under certain conditions, but as soon as the appropriations are made available the heads of the departments proceed to spend the money as they please, and then come back to Congress without even any defense for the manner in which the money has been expended. During the debates they send their representatives here, who sit in the galleries and smile at the Members of Congress who are honestly trying to save money for the Government.

Now, Mr. Chairman, I intend to discuss this bill only in one particular feature, namely the repair of the ships which are controlled by the Shipping Board. Concerning this there has been a great deal of justifiable criticism. Two years ago on this floor I presented a resolution asking for an investigation as to the manner in which the *Leviathan* was to be reconditioned. I told this House that a combination existed, and that no concerns except those that were within the favor of the International Mercantile Marine would be permitted to bid upon repairs on that ship. The Speaker appointed a committee on investigation headed by my colleague from Massachusetts [Mr. WALSH], and that committee went to New York, and conducted an investigation, with the result that every charge that we made was verified. And the board refused to recondition the ship under the conditions named.

Now, the Shipping Board is here asking for money to recondition this ship again, and the criticism has been made by the Members of this House that citizens of this country, skilled workmen of many years' experience, are not to be permitted to work upon these ships, but that men who are not citizens of the country, employed by private shipyards, who during the war held up this country for fabulous pay, are going to be permitted to do this work. We have no criticism, I say it to my colleagues, of any shipyard that is bidding upon this work. All we ask is that workmen in the United States navy yards be given an opportunity to present estimates for doing work upon Government ships, under the same conditions as are permitted to private shipyards.

Before these bids were made or were asked for, I called upon the head of the Emergency Fleet Corporation, Mr. Powell, and requested that the navy yards be given permission to put in estimates on this work, and Mr. Powell told me that he could not permit it. I then called upon the Assistant Secretary of the Navy and appealed in the name of the workmen of the

navy yards, who are being put out of employment, with the navy yard lying idle at tremendous expense to the Government, to allow these estimates to be made. He held that the law would not permit the Navy Department to make a bid, nor would the Shipping Board accept an estimate.

Thereupon the mayor of the city of Boston came here, and with him and my colleagues from Massachusetts, I called upon the head of the Emergency Fleet Corporation, but we were not even allowed the courtesy of meeting him to discuss this question. He was too busy to see us. But the mayor of Boston was not too busy to travel 500 miles in order to assist in securing work for men who were walking the streets of Boston.

I wrote to the President of the United States on the 4th of January, but received no reply. I wrote him another letter on the 9th day of January, and on the 11th he replied that he had taken this matter up with others and had already come to the conclusion that this work should not be done by the navy yard.

Now, what are the facts? Two years ago Admiral Benson, then head of the Shipping Board, upon my suggestion asked the navy yards of this country to put in estimates on this work. I had claimed there was a combination among shipbuilders to the effect that one concern would get this ship, and when the bids were opened that concern alone had bid about $10,000,000 for this work. The estimates of the Charlestown Navy Yard were $8,000,000, accompanied by a guaranty. To-day the bids are reopened, and the hearings will show what concerns offered them. They had been divided among several private concerns, and the lowest bid for reconditioning that ship to-day is but little more than $8,000,000, or practically the same amount of money that was asked for by the navy yard at Boston when work was being done at war-time prices. We have guaranteed to the Shipping Board that this work will be done by the Boston Navy Yard at a cost to the Government of $1,000,000 less than it can be done by private shipyards. Moreover, the men of the navy yard at Boston stand ready to give the Government any guaranty it wishes. The chamber of commerce has offered to put up any substantial guaranty that the Shipping Board may desire. The mayor of Boston and the mayor elect of Boston have been here and have presented similar guaranties. What more does the Shipping Board want. Here is a saving of $1,000,000. Must it be waived aside to satisfy the private shipbuilders of this country, who in the hearings held in New York by the special committee testified that there is not a harbor on the Atlantic coast that had a dock large enough to receive this ship?

This vessel draws 37 feet of water. She weighs 52,000 tons. We say to the Shipping Board that we will take her right up to the navy yard, not to the dry dock alone, but right up into the navy-yard docks, and condition her there; and when this is done we will, within 10 minutes, take her right into the great dry dock owned by the United States Government and there complete the entire work upon her.

Mr. Chairman, the bids put in are $8,200,000. The record of the hearing shows, under the testimony of Mr. Powell, that they are going to pay $627,000 for taking the ship from the Newport News Shipbuilding Co. to the Boston Dry Dock for completion. It shows, too, that they are going to pay out $650,000 for watchmen, an expense which is absolutely unnecessary, because the navy yard maintains a watchmen's crew at the navy yard at all times. It shows further that there will be an expenditure of $225,000 for inspection. If the work were done by the Government, this inspection cost would be eliminated, as an inspection crew is always maintained at the Boston Navy Yard. Let me add further that the Government will be obliged to give to the private shipbuilding interests the use of her dock if the work is to be performed by private enterprise.

One man, Mr. Ferguson, who testified at the hearing was a gentleman connected with the Newport News Shipbuilding Co. A year or two ago he testified that there was only one dock on the Atlantic coast that could take this ship, and that was at Boston. It is a rather significant thing that this same Mr. Ferguson, now a member of the United States Shipping Board claims department, who testified that the ship would have to be brought to Boston to be reconditioned, is now endeavoring to have the work done by the Newport News Shipbuilding Co., notwithstanding his testimony that Boston was the only place equipped for the work.

Now, Mr. Chairman, this talk in the Shipping Board of no guaranty of the work being given by the Boston Navy Yard is all tommyrot and bosh. During the war and since the Navy Department in all its yards has done work for the Shipping Board, and on every occasion but one—and that was the fault of the Shipping Board—it has not only completed the work within the estimates but has saved the Government millions of dollars and, moreover, performed better work. Though millions have thus been saved—and the Shipping Board know it—they come, nevertheless, before the Committee on Appropriations and say they can not really depend upon the men in the navy yards to do this work, because they have never been accustomed to work of this character. It is ridiculous and nonsensical for intelligent men to say to the people of this country that men who have been shipbuilders all their lives can not recondition this ship.

Mr. Chairman, since the day this ship was taken into the custody of the United States Government it has been practically in the control of a British-controlled shipping concern—the International Mercantile Marine—which is now receiving from the United States Shipping Board $15,000 for nothing more than the supervision of this ship while she is tied to the dock doing nothing. This is simply a gift coming out of the United States Treasury. While engaged in this gratuitous performance I ask you, What are you going to do with the idle workmen of the navy yard who are walking the streets of Boston to-day? What is going to become of the navy yard, that great Government institution in which millions of dollars are invested? I maintain, Mr. Chairman, that where there is an institution maintained by the people's money and equipped to perform the Government work, that work should be done in that institution.

Mr. Chairman, let this ship be reconditioned at Boston and we will guarantee to save the Government at least $1,000,000 on the bids, and, in addition, we can save $1,452,000 in the transportation of this ship to the dry dock from Newport News, together with the watchmen and inspection fees, and the other incidental expenses. Is not this amount worth saving? If not, Mr. Chairman, then all this talk of Congress during this session in behalf of economy is vain and idle, and, furthermore, the time of the chairman of the Committee on Appropriations and his colleagues, working as they do to save a million dollars here and a million there, has been in a large measure wasted if this amendment to save $1,000,000, if not $2,500,000 of the people's money, is rejected. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TAGUE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GALLIVAN. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WASON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. DALLINGER].

The CHAIRMAN. The gentleman from Massachusetts is recognized for 10 minutes.

Mr. DALLINGER. Mr. Chairman, I desire to read, for the information of the House, an amendment which I propose to offer to this bill on page 28, line 25, namely, after the word "available" insert the following new paragraph:

No part of any sum appropriated by this act or now available shall be used for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing unless it can be so purchased, acquired, repaired, or reconditioned for a sum less than such purchase, acquirement, repair, or reconditioning can be made or done in a Government-owned establishment.

It is an amendment that I fail to see how any Member of this House who has at heart the interest of the taxpayers and the people can refuse to vote for. It simply provides that the existing facilities of the Government already provided and paid for by the taxpayers of the country shall be used, provided any of these things can be done absolutely cheaper in these Government-owned establishments than they can be done by private concerns.

Mr. HARRISON. Mr. Chairman, will the gentleman yield to me?

Mr. DALLINGER. I am very sorry that I have not the time. Now, Mr. Chairman, we have a man connected with our Government at the present time, a most interesting character and a man of great ability, who has been doing a great work. I refer to Gen. Dawes, chief of the Bureau of the Budget. Since he has occupied that position he has found evidences everywhere of enormous waste of the public money; department after department advertising for new bids for supplies of various kinds at high prices when some other department of the Government has quantities of those same supplies on hand that no one apparently knew that the Government possessed.

Mr. Chairman, we have in this country navy yards and arsenals thoroughly equipped with machinery and supplies of all

kinds in which the people of the United States have invested vast sums of money—probably hundreds of millions of dollars. The upkeep and carrying on of these arsenals and navy yards is now being paid for out of the regular appropriations of this Government. We have in Boston, as has been referred to already, the only dry dock that is large enough to dock a vessel of the size of the *Leviathan*. It was originally constructed by the State of Massachusetts at great expense for the purpose of docking some of these great German steamers. It was purchased by the Federal Government and now belongs to that Government. We also have a thoroughly equipped navy yard at Boston in the immediate vicinity of this great dock, and I submit that as long as that navy yard is maintained and all the upkeep and the overhead charges are paid for out of the regular naval appropriation, and practically all the material necessary for the reconditioning of the *Leviathan* and of these other ships is already in the possession either of the Navy Department or the Shipping Board, the *Leviathan* or any other vessel of similar size can be reconditioned at Boston to-day for 65 per cent of what any private corporation can afford to attempt to do the work for, for the simple reason that a very large part of the expense is already being paid for by the taxpayers of this country, and the only additional expense to the Government would be the additional labor that would have to be employed. All the expert mechanics, machinists, and supervisors of construction are already there. They have to be kept on the pay roll if the Boston Navy Yard is going to function at all, and I venture to say that if an amendment of this kind is put upon this bill—which I want to inform the Members of the House is almost identical with an amendment that we placed upon the Army reorganization bill and which now applies to the arsenals of this country—you can save upon this vessel alone $2,000,000 of the people's money. If this amendment, which is in order under the Holman rule, is adopted, the next step will be for Gen. Dawes to do what he did in the case of the arsenals, viz, issue an executive order requiring that the navy yards be allowed to bid upon all work contemplated by any department of the Federal Government.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. I am very sorry I have not the time. Then if you could have an independent investigation by the Bureau of the Budget of just what the Government could save by having the *Leviathan* or any other Government vessel reconditioned at Boston or at any other Government navy yard, you would accomplish a great saving of expense to the Treasury of the United States. Now, the facts are, Mr. Chairman, that the Navy Department does not care for this work. The reason is easy to understand. When these naval officers who have the supervision of such work at navy yards are assigned to shore duty it is looked upon as more or less of a vacation. They naturally do not desire to have any work put upon them that they can avoid, particularly if that work is not strictly naval work. If the *Leviathan* comes to the Boston Navy Yard, they will be obliged to do a great deal more work than they are doing now. Their salaries go on just the same whether anything is done at the Boston Navy Yard or not, and the Navy does not want to be bothered with this work for another department. Such an attitude is perfectly natural and easily understood. On the other hand, the Shipping Board have shown time and time again that they prefer to have their work done in private shipyards. Neither of these agencies consider the matter from the broad standpoint of the possible saving to the Treasury of the United States. If, however, an amendment of this kind is adopted and an Executive order issued requiring all departments to allow the navy yards to submit estimates, and Gen. Dawes or some of his subordinates have the opportunity to investigate the matter and ascertain the proper kind of an estimate that should be made in order to save the Government money, I venture to say that you can save on the *Leviathan* alone at least $2,000,000 of the people's money. Moreover, if you fail to pass such an amendment as I have suggested, the reconditioning of the *Mount Vernon* and a lot of other boats that the Shipping Board have will be given out to private shipyards that are organized for profit, whose employees are largely aliens who were slackers during the war, and who, while our boys were fighting in the trenches for $33 a month, were getting $75 or $100 a week.

Now, Mr. Chairman, I sincerely trust that when this matter comes up under the five-minute rule and this amendment is offered, the Members of the House will give this matter careful consideration and adopt this amendment which will result in a tremendous saving to the Treasury of the United States.

Mr. HARDY of Texas. Will the gentleman yield for just one question?

Mr. DALLINGER. Certainly.

Mr. HARDY of Texas. I will ask the gentleman if it is not a fact that the Government shipyards were refused the privilege of bidding on these ships?

Mr. DALLINGER. That is one of the mysteries. Formerly the navy yards were allowed to bid on Government work of this kind. The bid of the Boston Navy Yard before was $2,000,000 less than that of any private shipyard. At that time the private shipyards did not want to be bothered with this work. They were perfectly willing that it should go to the Boston Navy Yard. At that time none of the bids were accepted. Now, for some unknown reason the navy yards are not allowed to bid on this work.

Mr. GRIFFIN. Will the gentleman yield?

Mr. DALLINGER. I yield to the gentleman from New York.

Mr. GRIFFIN. The gentleman stated that the Boston Navy Yard was the only one capable of docking the *Leviathan*. Mr. Powell, on page 1165 of the hearings, says that the vessel would have to be docked either at the Norfolk Navy Yard or the Boston Navy Yard. Does the gentleman know whether the Norfolk Navy Yard is adequate or not?

Mr. DALLINGER. I understand it is practically admitted that the Boston dry dock is the only one that is large enough to take care of the *Leviathan* comfortably; and as my colleague from Massachusetts [Mr. TAGUE] pointed out, in the estimate of $8,000,000 for reconditioning the *Leviathan* one of the items is $650,000 for taking the *Leviathan* up to Boston to be docked.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARRISON. Mr. Chairman, I yield five minutes to the Resident Commissioner from the Philippines [Mr. GABALDON].

Mr. KIESS. And we yield him five minutes also.

The CHAIRMAN. The Resident Commissioner from the Philippines is recognized for 10 minutes.

Mr. GABALDON. Mr. Chairman and gentlemen of the Congress, I deeply appreciate your courtesy in allowing me an opportunity at this time, when Philippine affairs are not before the House, to discuss a question that is of urgent and of the utmost importance to the people that I represent.

This courtesy on the part of the House is only in keeping with a multitude of others that have been shown me since I have been among you. The longer I am with you the more respect and affection I have for this body. You always aim to be fair, you are always courteous, and you are always willing and anxious to hear both sides of a question before you take action. I shall always remember my presence here as the most pleasurable experience of my life. No matter what your ultimate decision is relative to questions affecting my country, I shall never say, I can never justly say, that you did not give me every opportunity to be heard.

As you all know by now, I stand at all times for the immediate independence of my countrymen. I know you are too patriotic yourselves, and too broad minded, to believe that in aspiring to independence I am showing lack of appreciation of the honor of membership in this body. You would be doing me a great injustice to so believe. My observation of the conduct of this House, my sensing of the patriotism that ennobles and inspires you as you legislate for this great country, fills me with patriotism for my own land and makes me wish for the legislators of my country the same opportunities for patriotic service that you possess. In aspiring to independence it is not that we love America less but that our aspiration for independence is as dear to us as life itself.

I hold that human beings are entitled to all the self-respect they can possibly obtain from life, and that no intelligent and patriotic people can obtain the maximum of self-respect and happiness while being governed against their will by an alien race, no matter how benevolent the overlordship may possibly be. To get my feelings, gentlemen of the House, imagine a foreign flag to-day flying over this Capitol in which you sit. No matter how benevolent the policies it might stand for, would you be, could you be, happy?

I pray you not to do us the injustice of misunderstanding our motive in petitioning you for complete independence; we do not challenge the benevolence of your intentions, but are merely yearning for that freedom which is inherent to every self-respecting people.

NO BITTERNESS TOWARD AMERICA.

We want our independence, but we are not knocking at the doors of Congress with any bitterness in our hearts. We realize that a great service has been rendered us by the United States in assisting us to prepare ourselves for independence. If we must remain under the tutelage of some other nation, even against our will, we would prefer that country to be the United States. But we almost unanimously prefer our independence

to being under even so great and altruistic a Nation as yours. This is not a slight to America; it is a compliment to both peoples, you and us. As soon as the United States soldiers became intrenched in the Philippine Islands schools were set up everywhere, and one of the textbooks used from the first day of American occupation was the history of the United States. How could it be expected that our young men could read the Declaration of Independence and study the history of this great country and not be inspired by the words of Washington, Jefferson, Patrick Henry, and Abraham Lincoln? We would be a people undeserving of the blessings of liberty if under America's teaching we did not aspire to emulate your example of government of the people, for the people, and by the people. To prove to us, as the United States has succeeded in doing, that independence is the greatest blessing of mankind, that it is the one thing that every patriotic citizen is justified in dying to obtain, and then to deny us that independence would surely be a cruel accomplishment.

WOOD-FORBES REPORT EVADES REAL ISSUE.

My special purpose in rising to-day is to discuss certain features of the report of the Wood-Forbes mission, which body was sent to the Philippines by President Harding to investigate and report on conditions there.

The recommendations made by the mission are unsatisfactory to my people. We can neither agree to them or accept them. We can reach no other conclusion than that the object of the investigators was to find excuses for delaying independence instead of to fulfill the promise of independence upon the establishment of a stable government contained in the Jones law of 1916.

We can only feel that in deciding upon our fitness for independence the members of the mission set an arbitrary qualification that no government on earth can now or ever will be able to meet. If we must wait until we are 100 per cent efficient, which is seemingly the standard the mission would require of us, our prospects are hopeless. I will later insert the editorial opinion of many American newspapers which fully uphold our contention that the mission has set a qualification for us that the United States itself does not approach. I will take up the various recommendations of the mission in detail later in my remarks.

My answer to the Wood-Forbes report is to demand anew, and with more emphasis than ever before, the immediate granting of independence to the 10,500,000 inhabitants of the Philippine Islands. I insist that this is the only logical and righteous answer the Filipino people can make to this report, because it does not contain a single justifiable reason for America to longer postpone the keeping of its solemn pledge to us. The Jones law promised us independence upon one condition, the establishment of a stable government. "Stable government" was to be the one and only condition precedent. No other condition or attainment or virtue was to be required. I submit, therefore, that the Wood-Forbes report could have justified the further delaying of independence only by proving that we have not yet established the specified stable government. We to-day have such a stable government. The report absolutely failed to disprove this fact. As the mission could not successfully meet the real issue involved, it proceeded to ignore it.

The report is a clever but unworthy attempt to change the issue from that of stable government to a multitude of other conditions not required by Congress. If this can be done, then independence can be denied to Filipinos forever. But Congress never intended that independence should be denied us by such subterfuge.

What is a stable government? Does it imply a government 100 per cent efficient? Not at all. Furthermore, it implies nothing indefinite. In the dictionary of the American State Department "stable government" has just as definite a meaning as the words white or black. The United States for nearly a century and a half in all cases in which she has recognized the independence of a country or the establishment of a new government has held that the words "stable government" mean a government elected by the peaceful suffrages of the people, supported by the people, capable of maintaining order and of fulfilling its international obligations. Unquestionably we have a government that will meet this test. And having such a stable government, we ask for immediate and complete independence.

TO-DAY IS PROPITIOUS TIME TO GRANT INDEPENDENCE.

There are two additional and new developments in the Philippine situation which make the time opportune for action by the American Congress. One of these developments is the signing of the four-power treaty. If this treaty means what it is represented to mean, and there is not the slightest reason to believe otherwise, it means that the four great powers have joined to prevent further encroachments in the Pacific.

This means the elimination of the Japanese bugaboo as an important factor in the Philippine independence question. Many Americans have been assuring us for years that they would favor our independence were they not afraid that Japan would gobble us up. Even the Wood-Forbes report declared the United States would not be justified in "leaving the islands a prey to any powerful nation coveting their rich soil and potential commercial advantages."

The four-power treaty puts the quietus on this argument. For the United States to now take this attitude would be to belittle the efficacy of its own handiwork, the new treaty, and to show lack of confidence in its new allies. The treaty is an assurance that if the United States sets up a Philippine republic as the first Christian democracy in the Far East, it will be safe, inasmuch as the four greatest nations on earth will be guaranteeing its integrity.

But should there be the slightest apprehension on this score, it will now be a comparatively easy matter for the United States to induce its allies, Japan, Great Britain, and France, to sign a special Philippine republic neutrality agreement. There is every reason to believe these nations would sign such an agreement if asked to do so by the United States. No one of these nations could afford to refuse to sign and thus so early risk the world's unfavorable conclusions as to its good faith respecting the new treaty or its honorable intentions toward the Philippines.

The second important reason why right now is the propitious time for the United States to grant independence is this: The Nacionalista Party, the party overwhelmingly in the majority in the Philippines, has just recently adopted a platform in favor of independence without protection. One of the chief arguments has been that the Filipinos did not want real independence, but only independence with protection. It was argued by many large American newspapers that the United States could not think of granting Philippine independence with protection. The Wood-Forbes report declared "we find a general failure [among Filipinos] to appreciate the fact that independence under the protection of another nation is not true independence," and that the United States could not retain responsibility without authority.

The leaders of the Filipino people have never considered either of the two above arguments as being a bar to a solution of the Philippine problem. In the first place, Filipinos have no especial fear of Japan, because Philippine independence, in our opinion, is not inimical to Japan. The Japanese are now free to come to the Philippines, but there are less than 13,000 in the islands, even according to the Wood-Forbes report, and our own official figures reveal not many more than half this number.

Although Japan is almost at our door, there are only one-ninth as many Japanese in the entire Philippine Archipelago as in California alone, and California is far removed from Japan. The explanation of this is that the Japanese do not thrive in the Philippines because of our tropical climate. There are not a few observers who profess to believe that Japan views the Philippines while an American possession as a distinct menace to her from a military standpoint, and that the American flag in the Philippines will bring the Japanese soldiers to our shores far quicker than the flag of a Philippine republic. Suppose the unexpected would happen and that the United States and Japan should go to war. The Philippines would immediately become the bloody battle ground, for the United States could not prevent the Japanese from gaining possession of the islands at the outbreak of such a war. The contest would then be centered in the islands, and by the time it would be concluded the Philippines would be likely to be little more than a shambles. On the other hand, if we have our independence, Japan would have no reason to molest us in case of war, because we would not be American territory and a Philippine republic would be no menace to Japan. If we are granted our independence we will endeavor to deal honorably with our neighbor—Japan—just as with all other countries, and we will then view the future with confidence in humanity. In any event, we would be taking no more chance with independence without protection than we are taking now.

The CHAIRMAN. The time of the gentleman from the Philippines has expired.

Mr. HARRISON. Mr. Chairman, I yield to the gentleman five minutes more.

Mr. BLANTON. Mr. Chairman, I think the gentleman should have an audience and I make the point of no quorum.

The CHAIRMAN. The gentleman from Texas makes the point of no quorum and the Chair will count.

Mr. BLANTON. Mr. Chairman, I withdraw the point of no quorum.

Mr. GABALDON. But even granting there was danger of Japanese aggression, it has been completely removed by the four-power treaty.

We have always taken the position we would be glad to receive independence, either with or without protection, just as it pleased the United States. The recent agitation in the United States and the declarations of the Wood-Forbes report on independence with protection has resulted in the Filipino people uniting on a policy of independence without protection. At the Nacionalista convention, at which the "independence-without-protection" plank was adopted, Manuel L. Quezon, Filipino leader and president of the Philippine Senate, said:

The time has come for the Filipino people through the Nacionalista Party to make a clear, frank, and unequivocal expression on the question of independence—complete and absolute independence. We do not want or need her protection. It is unworthy of a people who clamor for independence to ask help or protection or compassion. There are no enemies to fear, no ambitious nations waiting to grab us. Independence of the Philippines will be recognized not only by Europe but also by the nations of the Orient.

The party took issue with the recent recommendation of Secretary of War Weeks and Gov. Gen. Wood to the legislature that the provincial government "get out of business and stay out." The convention adopted a resolution declaring in favor of government participation in business, giving as the reason for this policy the hesitancy of private capital to enter into the business field here.

FOUR RECOMMENDATIONS, ALL REACTIONARY.

The Wood-Forbes report contains four recommendations. I have too much confidence in President Harding to believe he will recommend that Congress should enact the necessary law to carry them out. The recommendations are autocratic, militaristic, and reactionary, not compatible with American history, American institutions, or the teachings of America's great men of the past.

In this connection, I wish to direct the attention of the House to the fact that as recently as August 25, 1921, President Quezon, of the Philippine Senate, had a long and highly satisfactory interview with President Harding at the White House. On that occasion President Harding declared "very emphatically that in no case would a backward policy be pursued" in Philippine affairs. There can be no misunderstanding as to the assurance given Mr. Quezon, because at the close of the interview President Harding personally O. K'd the quoted words, which were part of a statement the Philippine Senate president had prepared for the press. As all four of the recommendations of the Wood-Forbes report embrace a "backward policy," I feel sure the President will not approve them. I will consider the four recommendations in the order in which they are made in the report:

1. We recommend that the present general status of the Philippine Islands continue until the people have had time to absorb and thoroughly master the powers already in their hands.

The last previous Governor General of the Philippines, who served in that capacity for seven years, and was therefore at least as well qualified to judge conditions as the members of the mission, officially recommended to Congress and the President of the United States "independence now." Delayed independence is certainly a step backward from a position of "independence now." Not only that, but the language of this recommendation does not hold out to the Filipinos any hope for independence at any time.

2. We recommend that the responsible representative of the United States, the Governor General, have authority commensurate with the responsibilities of his position. In case of failure to secure the necessary corrective action by the Philippine Legislature, we recommend that Congress declare null and void legislation which has been enacted diminishing, limiting, or dividing the authority granted the Governor General under act No. 240 of the Sixty-fourth Congress, known as the Jones bill.

This recommendation, if carried out, would deprive the Filipino people of important participation in their local government. It is a step backward, and would therefore be a serious violation of President Harding's promise of "no backward policies."

3. We recommend that in case of a deadlock between the Governor General and the Philippine Senate in the confirmation of appointments that the President of the United States be authorized to make and render the final decision.

This is simply another step in the dispossessing of the people of the Philippine Islands of that measure of self-government which they now enjoy. It is a part of the general plan outlined in the report of turning the wheels of Philippine government in a direction opposite from progress.

4. We recommend that under no circumstances should the American Government permit to be established in the Philippine Islands a situation which would leave the United States in a position of responsibility without authority.

On the other hand, is the principle that "governments derive their just powers from the consent of the governed" to be entirely ignored by the American Governor General in the Philippines?

It is not the fault of the Filipinos that the American flag flies over our land, for they resisted American sovereignty for more than two years, until finally forced to yield to superior arms.

The Filipino people have repeatedly asked to be allowed to assume full responsibility as well as full authority.

Under recommendation No. 4 the United States could justitfy "taxation without representation," but not with honor to itself or without reducing the immortal Declaration of Independence to a mere scrap of paper. And I know that this great Nation is not ready to do that.

REPORT ADMITS CHRISTIAN FILIPINOS WANT INDEPENDENCE.

I desire now to take up in detail some of the general conclusions and recommendations of the report. One of the conclusions was:

We find everywhere among the Christian Filipinos the desire for independence, generally under the protection of the United States. The non-Christians and the Americans are for continuance of American control.

Many American newspapers have commented on this statement as favorable to the Filipino aspirations for independence. I will quote two of many comments that have come to my observation:

[From the Dallas (Tex.) News.]

WHAT'S THE ANSWER?

What inference are we to draw from the fact that the Christian Filipinos (9,350,240) want us to get out and the pagans (540,054) all want us to stay?

[From the Paterson (N. J.) Press-Guardian.]

GEN. WOOD'S REPORT.

Gen. Wood's report contains the following notable statement: "We find everywhere among the Christian Filipinos (9,350,240) the desire for independence. * * * The non-Christians (1,000,480) and Americans (6,931) are for continuance of American control."

This is a surprising situation. It would naturally be expected that the educated, property-owning, and commercial classes would favor American control as providing greater safety, while the less intelligent classes would more generally respond to sentiment based on the love of liberty which is found among all peoples, whatever their stage of civilization.

Plainly, the educated Filipinos have confidence in their ability to govern the islands.

Other findings of the mission which have brought forth much criticism by the American press are:

"We find that the government is not reasonably free from those underlying causes which result in the destruction of government.

"We find there is a disquieting lack of confidence in the administration of justice, to an extent which constitutes a menace to the stability of government."

The New York World and the Springfield (Mass.) Republican answer these statements in the following editorials:

[From the New York World.]

THEY MIGHT CONSULT MR. TAFT.

It is necessary in reading the report of Gen. Leonard Wood and W. Cameron Forbes on the Philippines to keep in mind that it is a backward country, where the enlightened ideas of America make slow growth. Among other unfavorable opinions they say:

"We find there is a disquieting lack of confidence in the administration of justice, to an extent which constitutes a menace to the stability of the government."

Only a few days ago Mr. Forbes, who has just returned from the Far East, in speaking of the Philippines, said:

"One of the principal things we found was that justice was not satisfactorily administered. The delay in getting decisions is very bad. There are a variety of causes—not enough judges and not always the right kind of judges. We found something like 50,000 pending cases, including those in the municipal courts. We shall have to do something drastic to meet that situation."

What would Gen. Wood and Mr. Forbes have to say if in the course of their investigation they had come upon a case in the Manila courts where two men arrested on the charge of larceny had appeared for trial 72 times, always to discover that the prosecution was too busy to proceed with their trial? It was in New York City that this happened, and in dismissing the bail bonds of the two men Judge Mulqueen in general sessions commented that he had never heard of a more ridiculous travesty on justice.

Some years ago an American of distinction, who, like Mr. Forbes, had been Governor General of the Philippines, later President of the United States, and is to-day Chief Justice of the United States Supreme Court, spoke most unfavorably of the administration of justice in the United States. William H. Taft was well qualified to pass judgment in the matter. In his reflection, which had no ulterior political purpose, on the maladministration of justice, legal delays and disadvantages suffered by poorer litigants he was unsparing.

Conditions in the Philippines are probably no worse than in the United States generally or New York City locally, but Mr. Forbes, fresh from the insular possessions of the United States in the Far East, has decided that "we shall have to do something drastic to meet that situation" in the Philippines. In the meantime, what are we doing at home to correct abuses long known and long tolerated?

[From the Springfield (Mass.) Republican.]

THE WOOD-FORBES REPORT.

The conclusions of the Wood-Forbes Commission concerning conditions in the Philippine Islands are unexpectedly favorable to Filipino nationalist aspirations. True, these investigators advise that independence be postponed until the people "have had time to absorb and thoroughly master the power already in their hands," but it is significant that the report does not declare them incapable of self-government or even unfit for it within a decent period of tutelage.

"We find the people happy, peaceful, and in the main prosperous," the investigators report. That is a good deal to say of any subject or quasi-subject people. The Irish may be prosperous, but they are neither happy nor peaceful. If after some five years of the nearly autonomous government set up by the Jones law, signed by President Wilson, the Filipinos are all three—happy, peaceful, and prosperous—that law can not have been so bad as its critics have asserted.

If it were said of America by some foreign visitors:

"Many Americans have shown marked capacity for government service and the young generation is full of promise; the civil service laws have in the main been honestly administered, but there is a marked deterioration due to the injection of politics."

If that were said of our country, no one would be inclined to dispute it. The fact that the same thing is now said of the Filipinos does not amount to a very crushing indictment. In view of criticisms of the administration of criminal justice in this country by a certain celebrated committee of which Mr. Hughes was a member, and of Chief Justice Taft's criticisms before he returned to the bench, it need not alarm one exceedingly to read of the Philippines that "there is a disquieting lack of confidence in the administration of justice, to an extent which constitutes a menace to the stability of the government." The Filipino lynching record does not compare with our own.

Nor is the subjoined extract a very damning indictment of Filipino native administration, in view of the fact that the governor of Illinois is now out on bail and that our State supreme court is about to try our second Massachusetts district attorney within a year for malfeasance in office:

"We find that a reasonable proportion of officials and employees are men of good character and ability and reasonably faithful to the trust imposed upon them, but that the efficiency of the public services has fallen off and that they are now relatively inefficient, due to lack of inspections and to the too rapid transfer of control to officials who have not had the necessary time for proper training."

Gen. Wood and Mr. Forbes have obviously tried to be scrupulously fair and to forget their prepossessions against Filipino nationalism and the administration of Gov. Gen. Harrison. They merit congratulations. From their own testimony it seems a fair conclusion that the present powers of self-government which the natives enjoy should not be curtailed.

PHILIPPINES ONCE HAD A REPUBLIC.

The report of the mission would have the reader infer the Filipinos have always been a subject people. In fact, the exact words on this subject are: "In considering the question of granting independence to the Philippine Islands it is of interest to note that they have always been a dependent group under the influence of a stronger power."

I claim that this statement is historically untrue. The whole world knows that at the time of the Filipino revolution in 1898 the Filipinos had a republic with a constitution that compared very favorably with that of the United States. We had practically already won our independence from Spain when the Americans arrived.

FRANCIS BURTON HARRISON STILL DEAR TO FILIPINOS.

The report by innuendo criticizes the administration of Francis Burton Harrison, who was the American Governor General of the Philippine Islands for seven and a half years. No greater honor could befall me as a representative of the 10,500,000 inhabitants of the Philippine Islands than to be the Filipino to report to the Congress of the United States that Francis Burton Harrison has the reputation of being the most American American official that ever served in the islands. When Mr. Harrison went to the Philippines there was a very strained relationship between Filipinos and Americans. The present cordial attitude of Filipinos toward America is due more to the administration of Mr. Harrison than any other one cause. By his gentlemanly conduct, his integrity, his efficiency, his human sympathy, and last but not least by his genuine Americanism, Gov. Harrison won the love and confidence of the Filipino people not only for himself but for the United States of America. His policies were: The Philippines for the Filipinos; teach the Filipinos to do things for themselves, self-determination, and the principle that governments derive their just powers from the consent of the governed. I can say with pride to Francis Burton Harrison that his long service to the Filipino people is not unappreciated simply because he has left our shores, perhaps never to return. We have not forgotten him. He has made himself immortal to the Philippine nation. [Applause.]

DR. GUY POTTER BENTON ON FILIPINO CHARACTER.

I wish to allude also to another American who is rapidly winning the confidence of the Filipino people, Dr. Guy Potter Benton, former president of the University of Vermont, and now president of the University of the Philippines. Dr. Benton, upon concluding a year's administration of our university, has signed up for 10 years. In his recent inaugural address, speaking of Filipino character, he said:

For 30 years I have had association with great crowds of young people, and I am able to testify, on the bases of experience and observation, that I have never come in contact with a brighter, better, more eager, industrious, or promising company of young men and women than the 4,000 who to-day compose the student body of the University of the Philippines. The Filipino as a race are not "born short," either morally or mentally, and I wish I might give my words the voice of thunder and the wings of lightning to refute this vile slander against a people of proven character and ability, so that the reputation might echo and reecho with convincing finality the world around.

AN APPEAL TO THE HEART OF AMERICA.

Again, referring to the report of the mission, in concluding, allow me to say:

In behalf of the people of the Philippine Islands, inheritors of centuries of struggle for liberty, I, one of those whom they have designated to speak for them, enter my most solemn protest against the report of the Wood-Forbes mission.

With all earnestness, in all sobriety of thought and purpose, with all the respect and honor due from us to the great American Nation, our benefactor, I protest against that report, because it is inaccurate, unfair, misleading, unrighteous, uninformed, and unenlightened.

I protest against the conclusion it sometimes expresses and sometimes insinuates that the people of the Philippine Islands are not fitted for self-government. I deny that conclusion and repudiate it. I point to the overwhelming and unanswerable refutation of that conclusion contained in the records and facts of the last five years. Five years ago the government of the Philippine Islands passed into the hands of the people thereof. For these five years they have administered it. They have with their own selections filled all but three of the high offices in the island government. Their legislature, elected by their suffrage, has made all the laws that have been made. Their officers, chosen in accordance with their will, have directed and controlled all public affairs. I submit that this test is sufficient. I submit that it annihilates the disparaging intimations contained in this report. And I submit that facts, records, statistics, and observation will establish to any impartial tribunal that the government so conducted in the Philippine Islands compares favorably with the government of any other democracy anywhere in this world for the same period.

But I protest again that this report disingenuously and unfairly evades the real issue. The Filipinos have demonstrated their capacity for self-government by governing themselves, but that is not and can not be the question now. In the covenant entered into on August 29, 1916, between the people of the United States and the people of the Philippine Islands the people of the United States pledged themselves to grant independence to the Philippine Islands "as soon as a stable government can be established therein." The stable government has been established; it has been subjected to five years of trial; the fact that it is stable has been daily demonstrated and is not questioned. The real issue, the only issue, the plain, direct question from which, people of America, this report seeks to divert your attention, is whether the United States will or will not fulfill its sacred obligations. We have done our part; we have fulfilled to the letter our share of the terms of the contract. People of America, will you fulfill yours?

Great and powerful interests that derive a profit from the existing status seek to becloud the issue and deceive you into committing an act of bad faith and staining the proud American name with the blot of a broken promise. It is this power that furnishes the chief strength to the opposition to our just request; it is this power alone that rejoices in this report. We earnestly beg you, people of America, our good friends and sympathizers, not to be misled by it. For ourselves we thrust it aside as irrelevant and immaterial and beg the serious heed of the American Nation to the faith that this report impugns and dishonors. Americans, we seek the liberty your forefathers won to you. We declare to you on our solemn word of honor, in that plain fashion of man to man you justly prefer and practice, that the Philippine people will never accept anything else. We declare to you that we love liberty with the same love that you have for it. We declare on our honor and faith and by the cause your own magnificent history has sanctified that we utterly reject the insinuation that you are willing to become the oppressors of a nation striving to be free. We say to you that we long for our country's independence and we ask for it at your hands. And we say to you that anything else is as irksome to us as it would be to you. In the name of your own liberty, we ask you to break our bonds and to break them now.

IMPORTANT ARTICLE BY MANUEL L. QUEZON.

I desire to include in my remarks for preservation in the files of the CONGRESSIONAL RECORD an important article on Philippine independence by Manuel L. Quezon, president of the Philippine Senate, who is known personally to most of the Members of the House.

AMERICA'S PLEDGE TO THE PHILIPPINES.

[By Manuel L. Quezon, president of the Philippine Senate. Reprinted from Asia Magazine.]

From the beginning of the American occupation the Filipino people have been assured by the highest representatives of the American Nation that the fixed purpose of the United States was the ultimate independence of the islands. In August, 1916, Congress gave formal statement of that purpose in the Jones Act, which solemnly pledged the faith of the people of the United States to set the people of the Philippine Islands free as soon as they should prove their right to independence by the establishment of a stable government. The question is, then, have they succeeded in establishing such a government?

The Jones Act gave the Filipinos a very large share in their own government. It placed all of the important executive and administrative offices in the islands, with the exception of the governor generalship, the vice governor generalship, and the auditorship in the hands of native Filipinos. It created a popularly elected legislature, to which was committed the control of all the affairs of the island peoples, excepting only their relations with foreign countries and a few matters affecting their relations with the United States. Every member of this legislature is a native Filipino.

For five years the government of the Philippines has been, in practically all respects, native. Men chosen by the will of the people, deliberately and freely expressed, have administered public offices, provincial, municipal, and national. Though mistakes have been made by the Philippine government, as mistakes have been made by other more experienced governments, it can safely be said that the people of the islands have managed their affairs wisely and patriotically. Public order has been effectively maintained. Means of communication have been improved and extended. Facilities for public education have been increased. Measures for sanitation and health have been put into effect. The finances of the government have been managed under native direction as ably and successfully as they ever have been managed. Indeed, one great improvement in the handing of government finances has been made during the Filipino administration—the adoption of a budget system, similar to that which has only recently been put into effect for the United States. Under this system the secretary of finance (a Filipino) prepares, in consultation with the heads of other departments (who, with the exception of the secretary of public instruction, are also Filipinos), the budget for the coming fiscal year, including estimates of revenues and expenditures of the government. This budget is submitted by the secretary of finance to the legislature for consideration and action. Though the legislature retains the power to accept, reject, or entirely ignore the budget as submitted, in practice it has never appropriated anything for purposes not recommended by the secretary of finance. Thus, the "pork barrel" has been completely done away with in the Philippines.

In spite of reports to the contrary that have appeared in newspapers in the United States, the Philippine government is sound financially. For several years, at the end of every fiscal year, there has been a surplus in the insular treasury. In no case has the yearly expense of the government exceeded its revenue. That the Philippine government has been embarrassed this year to the extent of having been compelled to reduce its expenses is due not to bad financing on the part of the government itself, but to the losses suffered by the Philippine National Bank and to the tying up of the bank's funds in nonliquid securities. The Philippine National Bank is the government's depository, and the majority of its stock is owned by the government. It has, accordingly, been to the interest of the government to help the bank out of its rather difficult situation by withdrawing government deposits as slowly as possible. What happened to the Philippine National Bank was not any worse than what has happened to banks in the United States and in other countries. It has not been necessary to decree a moratorium in the Philippines. The Philippine bank has suffered as a result of the general business depression that has followed the war. It is true that some of its losses were due to mismanagement, but the officials of the Philippine government have long since corrected this evil by appointing as manager of the bank a competent banker from the United States.

Though the business depression that marked the passing of the abnormal conditions attendant upon the Great War has been world wide, it has perhaps affected the Philippines rather more than some other regions, because the staple products of the islands were subject to a greatly stimulated war demand which abruptly ceased with peace. Hemp, for instance, and coconut oil and sugar, of which the Philippines produce large quantities, fell in market value far below the lowest point reached under normal conditions. But business in the islands is steadily improving, and I can not help thinking that a country which has successfully passed through a crisis such as the one the Philippines has just weathered has proved that it has not only a stable but a manifestly capable government.

Many of those who are opposed to Philippine freedom say that for the United States to withdraw from the islands would be, virtually, to give them over to Japan. That possibility does not worry the people of the Philippines a bit. They believe that, even if Japan has designs upon the islands, she is wise enough to know that for her to take them over after they had been granted independence by the United States would do her more harm than good. Japan is suspected in many quarters of being an aggressive and unscrupulous conquering power, and the Japanese people, aware of this fact, are anxious to prove to the world that they are unjustly accused. They realize that nothing Japan could do would justify that suspicion more than interference with an independent Philippine republic established by the United States. Such action would be resented by Great Britain, France, and other powers with colonies in the Orient, as well as by the United States, not only because of its disregard of international law, but because of its menace to Far Eastern peace.

There are a few people who frankly advocate the reversal of the policies enunciated in the Jones Act. They say that since a Congress is empowered to amend or repeal any law enacted by its predecessor, the promise of independence contained in the act can properly be rejected. Legally, they are right. Every Congress repeals and amends statutes that have been outgrown, but when a pronouncement by one Congress affects the interests of another people, who have accepted it as a pledge of faith, no subsequent Congress can repudiate it without placing the United States in the category with nations that disregard their treaty compacts. The effect of such a step upon the Filipinos would be to alienate their good will and good faith, which, after all, are the best assets the United States has in the Far East. From whatever point of view the possession of the Philippines by the United States may be considered, the good will of the people is of paramount importance. Commercially the Philippines will be profitable to the United States only so long as the people of the islands are willing to cooperate with American enterprises and consume American products. Strategically, the islands will be a source of strength only so long as the loyalty of their inhabitants can be depended upon. If the United States should hold the Philippines against the will of the population, they would surely prove a liability instead of an asset. On the other hand, an independent Philippine government would be grateful to America; it would continue in its existing economic relationship with the United States to the mutual benefit of both parties concerned; it would grant to the United States the coaling stations required for maintaining a strategic position in the Pacific. In short, the Filipinos could be relied upon to express their friendship in tangible form.

I do not believe that there will ever be the slightest serious move on the part of the United States toward departure from the plain terms of the Jones Act. I think that the American people will abide by their promise to grant Philippine independence. The time to fulfill that promise has arrived. There has been established in the Philippines a stable government of and by and for Filipinos. The Filipino people have their hearts set on independence. Faithfully and completely they have carried out their part of the contract embodied in the Jones Act. They ask America to carry out its part. The Philippine question is a question of ethics and not of policy, a question of conscience and not of expediency.

Mr. WASON. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. WILLIAMSON].

Mr. WILLIAMSON. Mr. Chairman and gentlemen of the House, after listening to the able defense by the gentleman from Illinois of Marshall Field & Co., and the eloquence that has been expended on behalf of Boston Harbor, it might not be out of place to digress for a little while on behalf of our ex-service men.

A great deal has been said from time to time upon the floor of this House with reference to the treatment received by the sick and disabled veterans of the World War.

That there were just grounds for complaint can not be doubted. It was not so much that Congress had not provided the necessary funds as a failure on the part of administrative agencies to function. Congress has made ample provision, and if any of our disabled are suffering, it is not because we have not provided necessary funds. Since the reorganization of the various bureaus having to do with the welfare of the disabled ex-service men was effected, however, there has been a very marked improvement in the service.

While the efficiency of the bureau is not all that was hoped for by its sponsors, the services rendered are such that comparatively few complaints are now being registered by ex-service men—at least from my district. The promptness and efficiency of the congressional division is particularly gratifying. It is only necessary to furnish the necessary proof and data in any meritorious case to secure quick action by the bureau.

But while we have done much for the sick and disabled, we have done nothing to adjust the economic loss sustained by those who entered the service. Nearly all donned the uniform gladly. They did their bit. Their patriotism and valor measured up to the best traditions of their country. Many of them gained imperishable fame, but paid for it the last great price. Their bodies now slumber under the green sod of France. Others, equally brave, did their full share upon bloody battle fields to stay the onward march of imperial greed, cruelty, and force. They turned the tide of the Great War and forever blasted the hopes and ambitions of autocratic power.

Civilization and free government owe them much. We as a people owe them more. Shall we forget them now that all danger is past? Shall we rest in the security that they have bought with their sacrifices and refuse to repay them at least a part of the heavy losses they sustained? We can never pay them adequately for dangers encountered or sufferings endured, but we can make good at least a fair average of the actual financial loss sustained by each of them. No more is asked; no less should be granted.

It is not that I have been pressed by ex-service men to take up the cudgels on their behalf, for I have not received to exceed a half dozen letters or requests from them to support an adjusted compensation bill. Two of my own brothers were in the service. One of them enlisted at 18 and served for many months in France. Neither one has so much as mentioned additional compensation to me, though both sustained financial loss. I am personally acquainted with many others in my district who sustained losses as a result of being taken from their farms and business. In many cases such losses run into thousands. Some of these have as yet been unable to become reestablished. To them adjusted compensation would come as a godsend.

The proposed Fordney compensation bill, H. R. 1, which has been pending in this House since the opening day of the last session, can in no sense be considered as providing for a gratuity, but is a belated acknowledgment of what we owe its beneficiaries. The sooner it is routed out of the committee and put upon its passage the quicker we shall do simple justice to our ex-service men.

But it is said that to do this is to cheapen the patriotism of the men and to put a price upon devotion to country. Did not those who remained at home owe as much to their country as those who were drafted? Can anyone give a good reason why those who served in the defense of our liberties should give their time at a comparative pittance, while those of military age who remained at their jobs received high wages and good salaries for an 8-hour day?

It seems to me no convincing reason can be given. True, every man owes it to his country to serve it in time of need, but the country owes it to him to adjust his economic loss so far as possible.

I am convinced that this is the view of the great majority of the American people. Certain it is that wherever the question of a bonus has been submitted to the voters of the several States that it has carried by most decisive majorities. No less than 13 States have made provision for cash payments to their men, but this does not relieve the National Government of its obligation.

It seems to be generally admitted both in Government circles and in Congress that something should be done to adjust the financial loss sustained by our ex-service men as a result of being taken from their accustomed occupations and put into the Army, but objection is raised because of the strain it will place upon the National Treasury. No one who is at all familiar with the difficulty of raising the necessary revenues can ignore the force of this objection, but the mere fact that it presents a most difficult problem is no reason why we should longer delay consideration of the compensation bill.

The cutting down of the Army and Navy as a result of the peace conference should effect vast economies. The War Department now holds reserve equipment for an Army of 150,000 men, aggregating in value some $5,500,000,000, or $36,000 worth of materials for every soldier now in the standing Army. At least half of this should be declared surplus and sold. This alone would go a long way in providing the necessary funds for the first payments. Not only would it bring in needed cash, but large savings would be effected in the matter of storage and supervision. To meet future installments it is entirely feasible to increase the estate tax, and the revenue from this source should be expressly reserved for the benefit of the soldiers' compensation fund.

Our foreign loans, aggregating about $11,000,000,000 for principal and interest, should be funded at the earliest possible date. The interest from this huge sum alone would more than care for the installments of the soldiers' adjusted compensation. It is no argument to say that our foreign debtors are too poor to pay. No effort has been made to collect. If France could pay her men as adjusted compensation $233.58 apiece; Great Britain from $140 for privates to $7,290 for major generals, and Italy from $369.92 to $852.42 for major generals, with war debts vastly larger than our own, then they can pay us interest as it accumulates if the Government insists. Difficulties in the way of financing the payment of the soldiers' proposed adjusted compensation is by no means insuperable, and the time has come when we should take action upon the compensation bill, which has so long slumbered in the archives of the Ways and Means Committee. [Applause.]

Not only this, gentlemen of the House, but I do not believe that we should permit the Senate of the United States to take the initiative in the passage of this bill. [Applause.] I believe that we, as Members of the House, who are familiar with the handicap suffered by our ex-service men, owe it to them to take the initiative. The bill ought to be reported out and put on its passage without any further delay. [Applause.]

Mr. WASON. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. NEWTON].

Mr. NEWTON of Missouri. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NEWTON of Missouri. Mr. Chairman, the bill which the House has under consideration contains the following provision:

For expenses of the Alien Property Custodian authorized by the act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended, $370,000.

The moneys appropriated by this bill do not become available until July 1 next. This bill authorizes an appropriation for the support of the Alien Property Custodian's office for the fiscal year ending June 30, 1923. It contemplates that that office shall be in operation four years and eight months after the signing of the armistice. The act of October 6, 1917, also contains the following provision:

After the end of the war any claim of an enemy or of an ally of an enemy of any money or other property received and held by the Alien Property Custodian or deposited in the United States Treasury shall be settled as Congress shall direct.

More than three years have elapsed since the end of the war, and yet Congress has enacted no general law authorizing the return of property held by the Alien Property Custodian. Certain claims of alien enemies, who have been able to wield sufficient influence, have been favored with special legislation authorizing the custodian to restore their property, while others, whose claims were far more meritorious, have been ignored by this Congress.

Under the provisions of the act approved October 6, 1917, the custodian seized and took over property belonging to alien enemies amounting to approximately $900,000,000. According to a statement made by the Alien Property Custodian before the Committee on Appropriations on the 20th day of December last, there still remains in his possession $418,727,969.30. He states further that of this amount $29,094,164 belongs to Americans.

Some cases of trusts held by him have been called to my attention which to my mind constitute glaring examples of injustice. There is an unfortunate fellow in St. Louis, who is sick and without funds, while the Alien Property Custodian here in Washington is still holding approximately $12,000 which constitutes all of his resources. He was an able chemist, living in Vienna. In 1901 an industrial concern in St. Louis brought him to this country. He liked the country, and after a few years concluded to become an American citizen and make this country his home. He made his declaration in due form and received his first papers. Later on he married. By frugal and industrious habits he accumulated and invested his money in American property. His old mother lived in Vienna. He wanted her to meet and to know his wife.

In 1914 he applied for and received a vacation from his employer. He took his wife and went to Vienna and was caught in the whirlpool of the World War, which made it impossible for him to return home. After much difficulty he succeeded in escaping military service, which would have compelled him to fight against this country. As soon as the war was over and he could procure a passport he returned to this country, his home, for the purpose of completing his citizenship and pursuing his endeavors. And now, more than three years after the armistice, the custodian still holds his property, not because of any disposition on the part of the custodian to retain the same but because Congress has neglected and failed to authorize the return of this property to its owner.

Mr. ROACH. Will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. ROACH. I have this kind of a case in my district. A boy was befriended in Germany years ago. He came to this country, became an American citizen, married, raised a good family, and accumulated considerable property. He died during the war. In his will he left $10,000 for those who befriended him in childhood in Germany. The Alien Property Custodian seized the money and is still holding it here in Washington, while the beneficiaries for whom the deceased had left the money are in Germany in want. I can see no excuse for this Government continuing to hold property of this kind and thus preventing it from being delivered to those for whom it was left.

Mr. NEWTON of Missouri. I know another case of a professor who held a chair of history and economics in Lombard College at Galesburg, Ill. By rigid economy he had saved funds, which he invested in this country. In due time he made his declaration to become an American citizen and received his first papers. The president of the college and the educators associated with him have testified to his character and refinement. Early in 1914 his father, who lived in Germany, died. His mother, who was old, had difficulty in settling the estate. During the summer vacation of the college that year he went back to see his mother in the old country and to aid her in straightening out her affairs. He had been there only a few days when war was declared, and his return home was thus rendered impossible. The president of the college advised me that his chair was left vacant and that his place was filled with great difficulty. The custodian seized and took over all of his property. As soon as the war was over he sought to come back to this country, but the State Department refused to visé his passport on the ground that he was an alien enemy, and not until a few weeks ago did the department concede to grant such a visé. He is still in Germany, without funds, while the Alien Property Custodian, now more than three years after the armistice was signed, is still holding his property here in Washington.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. COOPER of Wisconsin. Why do they not turn it back to him?

Mr. NEWTON of Missouri. Because Congress has not given the custodian the authority to do so.

Mr. COOPER of Wisconsin. I had one turned over to-day, and the check was sent to-day.

Mr. NEWTON of Missouri. Yes; but the gentleman will find that the facts in his case were different. The department holds that residence and first papers in this country are of no avail; that a native of Germany or Austria, who has not completed his citizenship, has the status of an alien enemy, and under the law, as now in force, the custodian has no authority to release his property. I could relate innumerable cases similar to those described.

I appealed to the Alien Property Custodian recently in behalf of the Lombard College professor. He replied that in view of the facts presented in this case, under the law, he was unable to act favorably upon the claim. He concluded his letter as follows:

> The status of the property of alien enemies held by this office will depend upon future legislation of Congress, and until Congress passes such legislation I am unable to take action in these matters.

In my judgment, the custodian's interpretation of the law is correct. He has no authority to act and will have no authority to act until such authority is conferred by legislation enacted by this Congress. And how long, I wonder, will Congress continue to delay the performing of a duty which justice and fair dealing demand?

The only pretext which we had for seizing alien property was that the property might be used as a resource to aid our enemies in the conflict, and under the exigencies of war we seized it to prevent this, and now, more than three years after the conflict is over and after our enemies have been vanquished, after a treaty has been signed and peace proclaimed, we are still holding on to this property, and no effort is being made to return it.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Missouri. Yes.

Mr. STAFFORD. Is not this the first case in any war where the Government appropriated the property of aliens domiciled in the country and deprived them of its use during the war?

Mr. NEWTON of Missouri. As far as I know, it is; and the worst of it is the property still held by the custodian involves 32,226 separate trusts. There are a number of trusts, like the German Lloyd Steamship Co., which amount to millions of dollars. On the other hand, there are thousands of trusts involving only a few hundred dollars, which belong to people who are in dire need, while more than three years after the war has ceased we continue to hold their property under a pretext of a war necessity.

As I stated before, the custodian seized alien property amounting to approximately $900,000,000. Approximately $500,000,000 of that property has been returned to the owners who were specially favored by legislation enacted by Congress. Who was this favored class? The most despicable of all the Germans and the one charged with the grossest violation of our hospitality was Count von Bernstorff, the German ambassador. A rich American woman forfeited her American citizenship and married him as a matter of choice. Innumerable other American heiresses spurned American young men and married German titles. We have ignored the claims of innumerable people in Germany, who thought enough of this country to invest their savings here and who are now in dire want and distress, while we have authorized the custodian to turn over to Mrs. von Bernstorff a million dollars, and we have released many millions more to supply luxuries to German counts and barons made rich by marrying American wealth. For one, I assert without reserve that I would infinitely prefer to release money to a German woman who did not have an opportunity to marry an American boy than to return funds to these rich women who, as a matter of choice, abandoned their country and forfeited their citizenship in order to marry a title in Germany. [Applause.]

There are those in this country who are bold enough to assert that the property still held by the custodian should be confiscated and that the proceeds should be used to satisfy the claims of our nationals against the Government of Germany. I do not believe, however, that there is any considerable number among us who would be willing to thus prostitute our national honor. On the 2d day of April, 1917, the eve of the declaration of war, the President in a message personally delivered to Congress used these words:

> We are glad, now that we can see the facts with no veil of false pretense about them, to fight thus for the ultimate peace of the world and for the liberation of its people, the German people included.

On that same day the President, while speaking to Congress, further said:

> We have no quarrel with the German people. We have no feeling toward them but one of sympathy and friendship. It was not upon their impulse that their Government entered into this war. It was not with their previous knowledge or approval. It was a war determined upon, as wars used to be determined upon in the old unhappy days, when peoples were nowhere consulted by their rulers, and wars were provoked and waged in the interest of dynasties or a little group of ambitious men who were accustomed to use their fellow men as pawns and tools.

Thus did the President proclaim the friendship and sympathy of this Government for the plain people of Germany. We declared then that we were not fighting the people of Germany, that we were fighting the Kaiser and the Hohenzollerns and the military leaders who had oppressed the plain people of that country. We caused these declarations to be printed in the German language and to be scattered by airplanes over the German trenches. The German armies were still in France and Belgium, far beyond the German frontier. The soldiers who were drafted from the ranks of the German people believed in our proffered friendship; they mutinied; they broke the morale of the German Army; they drove the Kaiser from the fatherland; they overthrew the military government and set up a Republic, and now, three years after the conflict is ended, when the blood has had time to cool, there are those among us who are bold enough and selfish enough to propose that we confiscate the property of the plain people of that country, who trusted us even in war; who were not consulted about starting the war; who had no control over its conduct; who had no power to stop it, and it is proposed to confiscate that property to pay damages resulting from depredations committed by rulers and military leaders who have been overthrown and banished. If there is honor left in this country, confiscation will not be considered.

Our nationals have claims against the German Government many of which are just and which should be paid, but why have these claims not been presented? Why were they not presented at the Versailles conference? Why were they not allowed and provided for in the treaty between the United States and Germany, which was negotiated and was ratified last year? Why do we not present them to the German Government now? But it is contended that we must hold the property of these nationals, who were helpless to prevent or control the war, in order to coerce Germany into paying our claims. Not only would such a course be indefensible in dealing with helpless and irresponsible claimants, and a breach of faith in the friendship we proffered, but it is totally unnecessary, and it would be utterly ineffective in enforcing such claims.

Mr. STAFFORD. Is it not in violation of the fundamental principles that no country can confiscate the private property of an alien who is located within its boundaries?

Mr. NEWTON of Missouri. That is absolutely true. If this Government is to enforce its claims against Germany, it must do it by economical pressure. Germany is seeking and must have a market here. Suppose that when the claims of our nationals have been allowed our Government says to the Government of Germany, "Until these claims have been paid, goods manufactured in Germany will not be received into the ports of the United States." In that event how long do you think it would be before every American claim would be paid in full?

This question means infinitely more than justice and fair dealings to the nationals whose property we hold. It involves the very honor of our Government. We have proclaimed among the nations of the earth that the terms of treaties are sacred, and that nations who have honor will observe them. We condemn Germany because we said that she entered into treaties and broke them. A treaty dealing with this very subject existed between this country and Germany at the time the war began. I know it has been argued that the war broke all treaties, but let us see whether or not this contention is true. Article 23 of the treaty in force between the United States and Germany at the time the war began reads as follows:

> If war should arise between the two contracting parties, the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs, and may depart freely, carrying off all their effects, and without molestation or hindrance; and all women and children, scholars of every faculty, cultivators of the earth, artisans, manufacturers, and fishermen, unarmed and inhabiting unfortified towns, villages, or places, and, in general, all others whose occupations are for the common subsistence and benefit of mankind, shall not be molested in their persons, nor shall their houses or goods be burnt or otherwise destroyed, nor their fields wasted by the armed force of the enemy, in whose power by the events of the war they may happen to fall; but if anything is necessary to be taken from them for the use of such armed force, the same shall be paid for at a reasonable price.

The views of our Government relative to the treaty provision which I have just read are set forth in a memorandum prepared for Senator Martin by the State Department. This memorandum was dated March 7, 1918, practically one year after the war began, and contained the following provision:

As a general rule treaties of amity and commerce, such as this one is, will be discontinued or terminated by war between the contracting parties, except as to articles specially provided for the continuation of war. As article 23, above quoted, contemplates a state of war, it is regarded as in force between the United States and Germany.

Not only did our State Department concede, after the war had been in progress for one year, that the treaty provision between the United States and Germany, dealing with the treatment of nationals in enemy countries and with the property owned by them, had remained in full force during the war, but the language of the treaty provision itself shows clearly that it was intended to apply only in the event war should arise between such countries. Note the language:

If war should arise between two contracting parties, the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs, and may depart freely, carrying off all their effects without molestation or hindrance.

If any Member of this House can reconcile that provision with a suggestion that we confiscate any of the property now held by the custodian, I should be delighted to have him do so. Note the further language:

All others whose occupations are for the common subsistence and benefit of mankind shall not be molested in their persons, nor shall their houses or goods be burnt or otherwise destroyed, nor their fields wasted by the armed force of the enemy in whose power by the event of war they may happen to fall. But if anything is necessary to be taken from them for the use of such armed force, the same shall be paid for at a reasonable price.

If any Member of this House thinks he can reconcile our conduct in dealing with alien property with the plain meaning of this language, I should be delighted to have him attempt to do so. With that solemn treaty entered into by us we scorned Germany and accused her of breaking treaties, and now more than three years after hostilities have ceased we are holding on to property belonging to German nationals, who had no control over the war, and we even find that there are some among us who are bold enough to talk of confiscation.

I have learned from various sources that the custodian, even now, more than three years after hostilities have ceased, after a treaty has been signed and a proclamation of peace issued, is still demanding the possession of property of German nationals wherever he can find it. I do not question his right or his duty to do this under the law, but to my mind the fact that this authority is still vested in him at this late date is a serious indictment against the neglect and failure of Congress to enact proper legislation dealing with this subject.

Every American has thrilled with pride at the idealism and altruism proclaimed by our American representatives and by our often repeated assertions as to the sacred regard in which we hold international treaties. I have read to you the treaty provision in force between the United States and Germany relating to the property rights of the nationals of the two countries. You are fully aware of the conduct of our Government in dealing with the property rights of the nationals of Germany. What has been Germany's conduct under that treaty provision? I am advised by the State Department that that department is in receipt of a report from the German alien property custodian, issued in February, 1921, and covering the period from May 1, 1917, to January 31, 1921, and that this report shows that the German custodian actually seized and took over American property in Germany amounting to only 118,703,100 marks, or approximately $30,000,000, and that the German custodian took over property only nominally, by merely booking the same, amounting to 339,452,330 marks, or to approximately $80,000,000. On July 21 last I was advised by the State Department that it had been informed that on January 11, 1920, the German Government had passed an ordinance authorizing the release of some of the property under the control of the custodian, and that under date of June 21, 1921, the department was advised that the German Government had announced its decision to release all of the remaining sequestrated American property, and that requests for the release of American property should be addressed to the information office of the alien property custodian in Berlin. I am also advised that the properties of the International Harvester Co., the National Cash Register Co., and of numerous other companies, which had branch offices located in Germany, were preserved and protected by the German alien property custodian, and that they were restored to their owners in a condition fully as good as when the war began. I am also advised that the German alien property custodian preserved all the various trusts held by him intact, except only in cases where the property was perishable. I regret that this statement can not be truthfully made regarding the conduct of the office of our Alien Property Custodian.

The ideals expressed by our President as to our purposes in entering the war aroused the pride of every true patriotic American. On April 2, 1917, the President in a message which he personally delivered to Congress used the following words:

We ask no indemnity for ourselves, no material compensation for the suffering we shall freely make. We are but one of the champions of the rights of mankind. We shall be satisfied when these rights have been made as secure as the faith and freedom of nations can make them.

Our American representatives proclaimed these lofty ideals for America at the Versailles conference, and so altruistic were they in their negotiations that they made no effort, so far as I am advised, to present American claims or to request Germany to make any provision to reimburse American nationals for damages suffered by them as a result of the depredations of Germany's military rulers who were conducting the war; and yet, while America's representatives were thus maintaining their ideals in France after hostilities had ceased, the American Alien Property Custodian was selling out, at a great sacrifice, the property of nationals of Germany who had had enough faith in this country to invest their savings here. I am advised that among the property seized and later sold at a sacrifice by the custodian were investments made in this country by citizens of Germany who made such investments in years prior to the war at the instance and solicitations of American consuls representing this country in Germany, who were endeavoring by inducing German capital to bring German inventions to this country to develop industries here.

What event in the history of this country did more to develop our industry than the advent of the Bosch magneto and Diesel engine? While the President and our American delegation were proclaiming our lofty ideals at Versailles, our custodian of alien property was engaged in selling 4,000 chemical and other patents belonging to German nationals for the munificent sum of $250,000. What has done more to develop chemistry and medical science in this country than the inventions and patents which were brought here from Germany? What has done more to relieve suffering humanity than salvarsan? The only known dependable remedy for that scourge of humanity which not only ruins the health and destroys the life of its victims, but carries its blight to innocent posterity. No one can estimate the obligation we owe to the German scientist who discovered this remedy.

The salvarsan patent was not perishable, it was not necessary for the custodian to sell it in order to protect the trust of its owner, and yet it was sold, and the custodian, whose duty it was, as trustee, to protect the property rights of the unfortunate nationals of our alien enemies, sold that patent among the 4,000 that he sold, and, if I am correctly informed, he left in the possession of his successor, to recompense the inventor, the sum of $60, which it has been suggested should be confiscated.

Mr. COOPER of Wisconsin. What was it worth?

Mr. NEWTON of Missouri. Why, a doctor gets more than that amount for treating one person. I am told that the patent is worth at least $5,000,000.

Mr. COOPER of Wisconsin. Who were the purchasers?

Mr. NEWTON of Missouri. I do not know as to that. But it looks to me as though there was a nigger in the woodpile somewhere.

It was Francis P. Garvan, a dollar a year man, a great patriot serving his country as Alien Property Custodian, who, while the President and the American delegation were at Versailles, sold out all the German chemical patents to the Chemical Foundation (Inc.), a Delaware corporation, and as soon as he had deprived the owners of the property which it was his duty as trustee to preserve and protect, he resigned as Alien Property Custodian and became the president of the Chemical Foundation. It is even asserted that he was both Alien Property Custodian and president of the Chemical Foundation at the same time for a period of one year, after which he ceased to perform his patriotic service as custodian and devoted his entire time to the Chemical Foundation. This transaction may have been regular, but I think any fair-minded man will admit that it invites strong suspicion. Lest we should deprive some one of credit to whom it is due, we must not forget that much of the management of the custodian's office, which I have described, was under the direction of A. Mitchell Palmer, later Attorney General, and now said to be of counsel to the Chemical Foundation. Palmer and Garvan in law were custodians whose duty it was to administer, protect, and preserve the trusts which were placed in their hands. In the

conduct of their office, however, they were neither custodians nor trustees, they were auctioneers. [Applause.]

Think of the inconsistency of our position. The only excuse we had for seizing the property of German nationals in this country was to prevent that property from being used to aid our enemies in the conduct of the war. The conflict was ended and our enemies were vanquished more than three years ago. Our allies, England, France, and Italy, have been carrying on an extensive commerce with Germany and Austria. The commerce of the United States with Germany during the last fiscal year amounted to more than $460,000,000, and is increasing every month to an extent which is alarming. We are paying for goods from Germany in this country in amounts that are astonishing and in quantities that are endangering the industrial conditions in this country. More than that, we are encouraging our people to raise millions of dollars through charitable contributions to feed the distressed and hungry people of central Europe, and yet we are holding $418,000,000 of property belonging to the people of Germany under a pretext which only a war emergency can justify; we are holding assets which belong to the same distressed people that our American nationals are feeding through means of charity.

The courts of this country have uniformly held that there are only two purposes intended by the act creating the office of Alien Property Custodian: First, the prevention of the use of alien property by the enemy during the conflict, and, second, to preserve property located in this country which the owner of such property could not preserve because of the state of war. Neither of these purposes longer exists.

Mr. DICKINSON. Will the gentleman inform us whether any bill to regulate this matter has been introduced by himself or anyone else?

Mr. NEWTON of Missouri. Yes; on July 9 last I introduced a bill into this House providing for the winding up of the affairs of the custodian's office by fulfilling the trusts and restoring the property still in his possession to its rightful owners. That bill was referred to the Committee on Interstate and Foreign Commerce. I have been after the chairman of that committee in an effort to get a hearing, but thus far I have been unable to get any promise and but little encouragement as to when or whether such a hearing will be held.

Mr. DICKINSON. You ought to have some more fellows after him.

Mr. NEWTON of Missouri. I assure the gentleman from Iowa that I will welcome the help of any Member of this House, and I feel that the conduct of this country in dealing with this property involves our national honor. In fact, it is my firm conviction that the conduct of the Alien Property Custodian and his methods of dealing with the trusts, which it was his duty to protect and preserve, will go down into history as the dark spot in our conduct of the war.

In conclusion permit me to say that it does not come with good grace for us to stand up and condemn the Germans for violating their treaties while we, in the face of our treaty and our pledge of friendship to the people of Germany, continue to hold on to this property. I hope that the Members of this Congress will demand of the Committee on Interstate and Foreign Commerce an immediate consideration of this subject and the speedy report and passage of a bill which will permit us, as far as we may, to right the wrongs already done and to return this property to its rightful owners in a legal and orderly way.

During a conflict following the War of the Revolution our Government seized property belonging to British nationals. I trust with all my heart that the sentiment expressed by Alexander Hamilton relative to that property will be the sentiment of this House and of this country:

> No powers of language at my command can express the abhorrence I feel at the idea of violating the properties of individuals, which, in an authorized intercourse, in time of peace, has been confided to the faith of our Government and laws, on account of controversies between nation and nation.

[Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

Mr. BLANTON. Mr. Chairman, I will withhold my point. The gentleman from Virginia [Mr. DEAL] wishes to make a request. I withhold it for a moment.

The CHAIRMAN. The gentleman from Indiana [Mr. WOOD] moves that the committee do now rise.

Mr. WOOD of Indiana. I will withhold my motion.

Mr. DEAL. Mr. Chairman and gentlemen, it has been stated, I believe, on the floor here that the Boston Navy Yard is the only navy yard on the Atlantic coast large enough to take the *Leviathan*. It has also been stated that it will cost $1,000,000 or thereabouts to take the *Leviathan* from the Newport News Shipbuilding & Dry Dock Co. back to Boston.

I wish to state for the information of the House that there is at Norfolk a Government shipyard which has a dry dock 1,000 feet long, and that there is 40 feet of water in the channel leading up to that dock, and that there is 40 feet of water on the mudsills of that dock, and we can take the ship from Newport News to Norfolk, a distance of 12 miles, if it is advisable, for docking and save this expense of carrying it from New York down to Newport News and back to Boston at an expense of $1,000,000.

Mr. TAGUE. Mr. Chairman, will the gentleman yield? Is it not a fact also that the Norfolk Navy Yard is not permitted to bid on this work?

The CHAIRMAN. The gentleman from Indiana [Mr. WOOD] moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes, had come to no resolution thereon.

VETO MESSAGE—MASONIC MUTUAL RELIEF ASSOCIATION OF THE DISTRICT OF COLUMBIA.

The SPEAKER laid before the House a veto message from the President, which was read by the Clerk, as follows:

To the HOUSE OF REPRESENTATIVES:

I am returning herewith H. R. 6380, entitled "An act to amend an act entitled 'An act to incorporate the Masonic Mutual Relief Association of the District of Columbia,' approved March 3, 1869, as amended," without my approval.

If the act were to promote the fraternal service as it purports, it would be discriminatory and unfair to the Masonic order, which is an established institution dating from the beginning of our national life, which permits no service in its name for profit.

It is not conceivable that an organization is purely fraternal and benevolent which provides for a reserve fund required by law in the regulation of ordinary life-insurance companies, though the act stipulates a classification which exempts the association from Federal taxation. If it is desirable to have such a provision for fraternal insurance and the operation of benevolent institutions, there should be provision for compliance with the regulations of the superintendent of insurance and the limitation to any specific fraternity ought to be removed. Moreover, just consideration of our fraternal activities might well require the sanction of any fraternal order whose name is employed.

WARREN G. HARDING.

THE WHITE HOUSE, *January 20, 1922.*

Mr. MONDELL. Mr. Speaker, I move that the President's message be printed and referred to the Committee on the District of Columbia.

The SPEAKER. The gentleman from Wyoming moves that the message be printed and referred to the Committee on the District of Columbia.

The motion was agreed to.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following joint resolution:

H. J. Res. 30. Joint resolution to amend a joint resolution entitled "Joint resolution giving to discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920.

LEAVES OF ABSENCE.

By unanimous consent leaves of absence were granted—

To Mr. OGDEN, indefinitely, on account of serious illness in his family.

To Mr. HAMMER, for one week, on account of sickness in his family.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 54 minutes p. m.) the House adjourned until Saturday, January 21, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

485. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting statement showing what officers and employees of the War Department who are paid from the appropriation made by the legislative, executive, and judicial appropriation act have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1921, was taken from the Speaker's table and referred to the Committee on Expenditures in the War Department.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII—

Mr. FOCHT: Committee on the District of Columbia. S. 2265. An act to regulate marine insurance in the District of Columbia, and for other purposes; without amendment (Rept. No. 582). Referred to the Committee of the Whole House on the state of the Union.

Mr. BARBOUR: Committee on the Public Lands. H. R. 7452. A bill to add certain lands to the Sequoia National Park, Calif., and to change the name of said park to the Roosevelt-Sequoia National Park; with amendments (Rept. No. 583). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII—

Mr. FULLER: Committee on Invalid Pensions. H. R. 10025. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; without amendment (Rept. No. 581). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MOORE of Illinois: A bill (H. R. 10024) to provide for additional ground and to double the floor space of the post-office building at Champaign, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. FULLER: A bill (H. R. 10025) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; committed to the Committee of the Whole House and ordered to be printed.

Also, a bill (H. R. 10026) granting pensions to certain widows and former widows of veterans of the Civil War; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 10027) to prohibit commissioned officers of the Army, Navy, Marine Corps, and Coast Guard from accepting other employment, and for other purposes; to the Committee on Military Affairs.

By Mr. GREEN of Iowa: A bill (H. R. 10028) for the concentration of distilled spirits in bonded warehouses, and for other purposes; to the Committee on Ways and Means.

By Mr. CLAGUE: A bill (H. R. 10029) to amend the act of March 4, 1917, for the restoration of the annuities of the Medawakanton and Wahpakoota (Santee) Bands of Sioux Indians; to the Committee on Indian Affairs.

By Mr. BLAND of Indiana: A bill (H. R. 10030) to promote safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to provide for the inspection of the bridges and tracks of such common carriers, providing for the appointment of inspectors, prescribing their powers and duties, and providing penalties; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS of Illinois: A bill (H. R. 10031) to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows, dependent parents, and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increases of pensions in certain cases; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 10032) authorizing removal of certain timber and improvements from Camp Lewis Military Reservation in the State of Washington; to the Committee on Military Affairs.

By Mr. TEN EYCK: A bill (H. R. 10033) to amend Public act No. 215, Sixty-sixth Congress (S. 1690), entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Reform in the Civil Service.

By Mr. FITZGERALD: A bill (H. R. 10034) creating the District of Columbia insurance fund for the benefit of employees injured and the dependents of employees killed in employments, providing for the administration of such fund by the United States Employees' Compensation Commission, and making an appropriation therefor; to the Committee on the District of Columbia.

By Mr. KAHN: Joint resolution (H. J. Res. 261) for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

By Mr. CHALMERS: Joint resolution (H. J. Res. 262) providing for the establishment of an international board to have jurisdiction of the construction, operation, and control of the improvement of the Great Lakes-St. Lawrence waterway; to the Committee on Interstate and Foreign Commerce.

By Mr. JEFFERIS of Nebraska: Resolution (H. Res. 269) to appoint Crawford Kennedy assistant department messenger; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS of Illinois: A bill (H. R. 10035) granting a pension to Jacob Staley; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 10036) granting an increase of pension to John W. Harris; to the Committee on Pensions.

By Mr. LARSON of Minnesota: A bill (H. R. 10037) granting an increase of pension to Walter H. Ogden; to the Committee on Pensions.

By Mr. LONGWORTH: A bill (H. R. 10038) for the relief of Maggie Schweninger Vaughn; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 10039) granting an increase of pension to Florence C. Williston; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 10040) granting a pension to Catherine Smith; to the Committee on Invalid Pensions.

By Mr. MONDELL: A bill (H. R. 10041) for the relief of certain ex-service men; to the Committee on the Public Lands.

By Mr. PATTERSON of Missouri: A bill (H. R. 10042) for the relief of Alexander Surrell; to the Committee on Military Affairs.

By Mr. PERKINS: A bill (H. R. 10043) granting an increase of pension to James B. Romaine; to the Committee on Pensions.

By Mr. RHODES: A bill (H. R. 10044) granting an increase of pension to Sarah McEwen; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 10045) granting a pension to Sarah M. Cleveland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10046) granting a pension to Mary E. Little; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10047) for the relief of Frances Martin; to the Committee on War Claims.

By Mr. ROBSION: A bill (H. R. 10048) granting an increase of pension to Annie Brewer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10049) granting an increase of pension to Benjamin F. Johnson; to the Committee on Pensions.

By Mr. TINCHER: A bill (H. R. 10050) granting a pension to Edward W. Coberly; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 10051) granting a pension to Lillie E. Trego; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3580. By the SPEAKER (by request): Copy of a resolution passed by the common council of the city of La Crosse, Wis., relative to wines and beer; to the Committee on the Judiciary.

3581. By Mr. ANSORGE: Petition of the Waterway League of America, opposing the acceptance of the report of Joint International Commission on the St. Lawrence River project; to the Committee on Interstate and Foreign Commerce.

3582. Also, petition of the New York Clothing Trade Association, urging the elimination of the proposed double duty on importation of raw wool; to the Committee on Ways and Means.

3583. By Mr. BARBOUR: Petition of the members of the Progress Club of Stevens Point, Wis., urging the passage of the Roosevelt-Sequoia National Park bill (H. R. 7452); to the Committee on the Public Lands.

3584. By Mr. GALLIVAN: Petition of the Department of Massachusetts, Veterans of Foreign Wars of the United States, John L. MacDonald, State commander, urging the assignment of the U. S. S. *Leviathan* to the Boston Navy Yard for reconditioning; to the Committee on the Merchant Marine and Fisheries.

3585. By Mr. KAHN: Petitions of 1,225 citizens and residents of St. Louis, Washington, and Franklin Counties, Mo., in favor of the modification of the Volstead law on prohibition, so as to allow the manufacture and sale of light wines and beer; to the Committee on the Judiciary.

3586. Also, petitions of 246 citizens and residents of St. Louis, Washington, and Franklin Counties, Mo., in favor of the modification of the Volstead law on prohibition, so as to allow the manufacture and sale of light wines and beer; to the Committee on the Judiciary.

3587. By Mr. KINDRED: Resolutions adopted by the Society of American Foresters at Toronto, Canada, on December 28, 1921, relative to the protection of forests, etc.; to the Committee on Agriculture.

3588. By Mr. KING: Petition from Mrs. E. C. Shields and 25 other citizens of Lewistown, Ill., urging passage of House resolution 244; to the Committee on Foreign Affairs.

3589. By Mr. KISSEL: Petition of Bush-Sulzer Bros. and the Diesel Engine Co., of St. Louis, Mo., relative to engines and motor ships; to the Committee on the Merchant Marine and Fisheries.

3590. By Mr. MERRITT: Papers to accompany House bill 551, for the relief of Charles A. Frid; to the Committe on Military Affairs.

3591. Also, papers to accompany House bill 5393, for the relief of George Rutherford; to the Committee on Military Affairs.

3592. By Mr. RIDDICK: Petition of farmers of Raymond, Myers, Carlyle, Wibaux, Culbertson, Fergus County, and Dodson, all in the State of Montana, urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3593. Also, petition of farmers of Sioux Pass, Mont., for revival of the United States Grain Corporation; to the Committee on Agriculture.

3594. By Mr. WATSON: Resolutions passed at a mass meeting on January 13, 1922, under the auspices of the Women's Economic Club and the Women's International League for Peace and Freedom; to the Committee on Military Affairs.

SENATE.

SATURDAY, *January 21, 1922.*

(Legislative day of Friday, January 20, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Harris	Nelson	Sheppard
Cameron	Harrison	Newberry	Simmons
Capper	Heflin	Nicholson	Smith
Caraway	Johnson	Norris	Sutherland
Colt	Jones, N. Mex.	Oddie	Swanson
Cummins	Jones, Wash.	Overman	Trammell
Curtis	Kellogg	Page	Walsh, Mont.
Dial	Keyes	Phipps	Watson, Ga.
du Pont	Ladd	Poindexter	Willis
Fernald	McKellar	Pomerene	
Gooding	McNary	Ransdell	
Hale	Moses	Robinson	

The VICE PRESIDENT. Forty-five Senators have answered to their names. A quorum is not present. The Secretary will call the roll of absentees.

The reading clerk called the names of the absent Senators, and the following Senators answered to their names when called:

Bursum	Lenroot	Townsend	Watson, Ind.

The following Senators entered the Chamber and answered to their names:

Ashurst	Culberson	King	Warren
Brandegee	Fletcher	Pittman	Williams
Broussard	Harreld	Walsh, Mass.	

Mr. CURTIS. I was requested to announce that the Senator from North Dakota [Mr. MCCUMBER], the Senator from Utah [Mr. SMOOT], the Senator from Vermont [Mr. DILLINGHAM], the Senator from New York [Mr. CALDER], the Senator from New Jersey [Mr. FRELINGHUYSEN], and the Senator from Connecticut [Mr. MCLEAN] are delayed on official business.

The VICE PRESIDENT. Sixty Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATES, POST OFFICE DEPARTMENT, 1923 (S. DOC. NO. 118).

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting estimates of appropriation for the Post Office Department for the fiscal year 1923, supplemental to the estimates transmitted in the Budget—pneumatic-tube service, $534,747; Post Office inspectors, salaries, 1923, $235,000; Post Office inspectors, traveling expenses, 1923, $87,600; manufacture of stamped envelopes and newspaper wrappers, 1923, $585,000; indemnities, domestic mail, 1923, $635,000; total, $2,077,347—together with a letter from the Director of the Bureau of the Budget relative thereto, which, with the accompanying papers, was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

PETITIONS.

The VICE PRESIDENT laid before the Senate a communication from the Baltimore Quarterly Meeting of Friends (Orthodox), dated January 14, 1922, expressing hearty appreciation of the action of the President in recommending, and of Congress in approving, the appropriation of $20,000,000 for the relief of the suffering people in Russia, which was ordered to lie on the table.

Mr. LADD presented 20 petitions of sundry citizens of Edmore and vicinity, Pekin, McVille, Newburg, Antler, Coulee, Sherwood, Glenburn, Landa, Kramer, Souris, Plaza, Buxton, Oriska, Taylor, Wing, Fessenden, Maddock, and Brocket, all in the State of North Dakota, praying for the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which were referred to the Committee on Agriculture and Forestry.

REPORTS OF THE COMMITTEE ON MILITARY AFFAIRS.

Mr. SUTHERLAND, from the Committee on Military Affairs, to which was referred the bill (S. 2035) to amend section 3 of the act entitled "An act authorizing the Secretary of War to furnish free transportation and subsistence from Europe and Siberia to the United States for certain destitute discharged soldiers and their wives and children," approved June 30, 1921, and for other purposes, reported it without amendment and submitted a report (No. 445) thereon.

Mr. LENROOT, from the Committee on Military Affairs, to which was referred the bill (S. 2380) for the relief of Henry P. Collins, alias Patrick Collins, reported it without amendment and submitted a report (No. 446) thereon.

Mr. LENROOT. From the Committee on Military Affairs I report back adversely the bill (S. 2654) for the relief of Almond S. Root, and I ask that it be placed on the calendar.

The VICE PRESIDENT. The bill will be placed on the calendar, with the adverse report of the committee.

OLYMPIC FOREST RESERVE—CHANGE OF REFERENCE.

Mr. JONES of Washington. The bill (S. 1776) authorizing the adjustment of the boundaries of the Olympic National Forest, in the State of Washington, and for other purposes, was referred to the Committee on Agriculture and Forestry. I find that the Public Lands Committee has always been dealing with measures of this kind. I have spoken with the chairman of the Committee on Agriculture and Forestry, and he has no objection to a rereference of the bill. So I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of the bill and that the same be referred to the Committee on Public Lands and Surveys.

The VICE PRESIDENT. Without objection, it is so ordered.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILLIS:

A bill (S. 3046) to donate the gates at the head of West Executive Avenue, in the city of Washington, D. C., to the Hayes Memorial Museum, Fremont, Ohio; to the Committee on Military Affairs.

By Mr. TOWNSEND:

A bill (S. 3047) conferring jurisdiction upon the Court of Claims to hear, consider, adjudicate, and render final judgment in claims that the Chippewa or the Ottawa and Chippewa Indians may have against the United States; to the Committee on Indian Affairs.

By Mr. McKELLAR:

A bill (S. 3048) for the relief of L. D. Riddell and George W. Hardin, trustees of Milligan College, Tenn. (with accompanying papers); to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 3049) to survey and locate a military and post road from St. Louis, Mo., to Puget Sound, Wash., and for other purposes; to the Committee on Military Affairs.

By Mr. SMOOT:

A bill (S. 3050) to extend the provisions of section 2455, United States Revised Statutes, to the lands within the Fort Fetterman abandoned military reservation, in the State of Wyoming; to the Committee on Public Lands and Surveys.

REPORT OF JOINT COMMISSION OF AGRICULTURAL INQUIRY.

The VICE PRESIDENT. The Chair lays before the Senate part 2 of the report of the Joint Commission of Agricultural Inquiry in regard to credits.

Mr. LENROOT. This is the second section of the report of the Joint Commission of Agricultural Inquiry. Inasmuch as it relates to the subject of credits, I ask that it be referred to the Committee on Banking and Currency.

The VICE PRESIDENT. Without objection, it will be so referred.

Mr. LENROOT. As to the first section of the report, I think that part 1 of the report lies on the table and has never been referred. I ask that it be referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. It will be so referred.

Mr. SHEPPARD. I desire to ask a question of the Senator from Wisconsin in this connection. Will the two sections of the report be embodied in a document, so that Senators may have an opportunity to read the report?

Mr. LENROOT. By concurrent resolution already passed by both Houses, 50,000 copies have been ordered printed, and the report will be available.

Mr. SHEPPARD. The report containing both sections?

Mr. LENROOT. Yes; both sections.

Mr. President, the report which has just been made recommends definite legislation, and the commission have prepared a bill covering their recommendations. I introduce the bill and ask that it be referred to the Committee on Banking and Currency.

The bill (S. 3051) to amend the Federal farm loan act by establishing a farm credits department in each Federal land bank was read twice by its title and referred to the Committee on Banking and Currency.

ANGLO-JAPANESE ALLIANCE AND FRANCO-JAPANESE ALLIANCE (S. DOC. NO. 117).

Mr. MOSES. I ask unanimous consent to present for printing in the RECORD in eight-point type and as a Senate document two documents, one being the Anglo-Japanese alliance signed at London, July 15, 1911, which alliance is to be abrogated by the four-power pact now being formulated by the Disarmament Conference, and the second document the Franco-Japanese alliance entered into June 10, 1907, and concerning the fate of which we have no information.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The documents referred to are as follows:

Agreement between the United Kingdom and Japan, signed at London July 13, 1911.

PREAMBLE.

The Government of Great Britain and the Government of Japan, having in view the important changes which have taken place in the situation since the conclusion of the Anglo-Japanese agreement of the 12th August, 1905, and believing that a revision of that agreement responding to such changes would contribute to general stability and repose, having agreed upon the following stipulations to replace the agreement above mentioned, such stipulations having the same object as the said agreement, namely:

(a) The consolidation and maintenance of the general peace in the regions of eastern Asia and of India;

(b) The preservation of the common interests of all powers in China by insuring the independence and integrity of the Chinese Empire and the principle of equal opportunities for the commerce and industry of all nations in China;

(c) The maintenance of the territorial rights of the high contracting parties in the regions of eastern Asia and of India, and the defense of their special interests in the said regions.

ARTICLE I.

It is agreed that whenever, in the opinion of either Great Britain or Japan, any of the rights and interests referred to in the preamble of this agreement are in jeopardy, the two Governments will communicate with one another fully and frankly, and will consider in common the measures which should be taken to safeguard those menaced rights or interests.

ARTICLE II.

If by reason of unprovoked attack or aggressive action, wherever arising, on the part of any power or powers, either high contracting party should be involved in war in defense of its territorial rights or special interests mentioned in the preamble of this agreement, the other high contracting party will at once come to the assistance of its ally, and will conduct the war in common, and make peace in mutual agreement with it.

ARTICLE III.

The high contracting parties agree that neither of them will, without consulting the other, enter into separate arrangements with another power to the prejudice of the objects described in the preamble of this agreement.

ARTICLE IV.

Should either high contracting party conclude a treaty of general arbitration with a third power, it is agreed that nothing in this agreement shall entail upon such contracting party an obligation to go to war with the power with whom such treaty of arbitration is in force.

ARTICLE V.

The conditions under which armed assistance shall be afforded by either power to the other in the circumstances mentioned in the present agreement, and the means by which such assistance is to be made available, will be arranged by the naval and military authorities of the high contracting parties, who will from time to time consult one another fully and freely upon all questions of mutual interest.

ARTICLE VI.

The present agreement shall come into effect immediately after the date of its signature, and remain in force for 10 years from that date.

In case neither of the high contracting parties should have notified 12 months before the expiration of the said 10 years the intention of terminating it, it shall remain binding until the expiration of one year from the day on which either of the high contracting parties shall have denounced it. But if, when the date fixed for its expiration arrives, either ally is actually engaged in war, the alliance shall, ipso facto, continue until peace is concluded.

In faith whereof the undersigned, duly authorized by their respective Governments, have signed this agreement, and have affixed thereto their seals.

Done in duplicate at London, the 13th day of July, 1911.

E. GREY,
His Britannic Majesty's Principal Secretary of State for Foreign Affairs.

TAKAAKI KATO,
Ambassador Extraordinary and Plenipotentiary of His Majesty the Emperor of Japan at the Court of St. James.

FRANCE AND JAPAN.

Agreement in regard to the Continent of Asia, June 10, 1907.

[Translation from the French text as printed in Traites et Conventions, p. 376. Printed also in Foreign Relations, 1907, p. 754; American International Law Journal, supplement, 1910, p. 313; Hertslet, p. 618.]

The Government of His Majesty the Emperor of Japan and the Government of the French Republic, animated by the desire to strengthen the relations of amity existing between them and to remove from those relations all cause of misunderstanding for the future, have decided to conclude the following agreement:

"The Governments of Japan and France, being agreed to respect the independence and integrity of China, as well as the principle of equal treatment in that country for the commerce and subjects or citizens (i. e., ressortissants) of all nations, and having a special interest in having order and a pacific state of things guaranteed, especially in the regions of the Chinese Empire adjacent to the territories where they have the rights of sovereignty, protection, or occupation, engage to support each other for assuring the peace and security in those regions, with a view to maintaining the respective situation and the territorial rights of the two contracting parties in the continent of Asia."

In witness whereof, the undersigned, His Excellency Monsieur Kurino, ambassador extraordinary and plenipotentiary of His Majesty, the Emperor of Japan, to the President of the French Republic, and His Excellency Monsieur Stephen Pichon, senator, minister for foreign affairs, authorized by their re-

spective Governments, have signed this agreement and have affixed thereto their seals.

Done at Paris, the 10th of June, 1907.

[L. S.] S. KURINO.
[L. S.] S. PICHON.

Simultaneously with the conclusion of this agreement was signed a declaration, of which the following is the translation:

DECLARATION REGARDING MUTUAL MOST-FAVORED-NATION TREATMENT AS BETWEEN JAPAN AND FRENCH INDO-CHINA, JUNE 10, 1907.

The two Governments of Japan and France, while reserving the negotiations for the conclusion of a convention of commerce in regard to the relations between Japan and French Indo-China, agree as follows:

The treatment of the most favored nation shall be accorded to the officers and subjects of Japan in French Indo-China in all that concerns their persons and the protection of their property, and the same treatment shall be applied to the subjects and protéges of French Indo-China in the Empire of Japan until the expiration of the treaty of commerce and navigation signed between Japan and France on the 4th of August, 1896.

Paris, the 10th of June, 1907.

[L. S.] S. KURINO.
[L. S.] S. PICHON.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 20, 1922, the President had approved and signed the bill (S. 2708) to authorize the President to transfer certain medical supplies for the relief of the distressed and famine-stricken people of Russia.

INTERCHANGEABLE MILEAGE TICKETS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 848) to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

Mr. KELLOGG obtained the floor.

Mr. ROBINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Arkansas?

Mr. ROBINSON. I desire to make a brief statement.

Mr. KELLOGG. I yield to the Senator in order that he may make a statement.

Mr. ROBINSON. Mr. President, under the unanimous-consent order entered into yesterday no amendments to the pending bill may be offered after the hour of 12 o'clock arrives. I think Senators should be afforded an opportunity to offer amendments. I desire to submit an amendment to the amendment of the Senator from Iowa [Mr. CUMMINS], which I ask the Secretary to state.

The VICE PRESIDENT. The amendment intended to be proposed by the Senator from Arkansas to the amendment of the Senator from Iowa will be stated.

The READING CLERK. In the amendment offered by the Senator from Iowa, on page 1, line 6, it is proposed to strike out the word "empowered" and to insert in lieu thereof the word "directed."

Mr. ROBINSON. Mr. President, with the indulgence of the Senator from Minnesota [Mr. KELLOGG], I shall claim the attention of the Senate for a few moments. I have proposed an amendment to the amendment of the Senator from Iowa [Mr. CUMMINS] striking out the word "empowered," in line 6, on page 1, and inserting the word "directed."

Under the amendment of the Senator from Iowa as it now stands authority is given the Interstate Commerce Commission to require the railroads to issue mileage books, and the commission is left to determine the rate at which the books shall be issued. Under the pending bill railroads are required to issue mileage books at a rate of 2½ cents per mile, the commission being authorized to readjust or to change the rate at any time it may find it necessary so to do.

It has been suggested that the adoption of the amendment which I have offered to the amendment of the Senator from Iowa will render that amendment much less objectionable but not entirely satisfactory to the proponents of the bill. Under the bill which the Senate is now considering the rate of 2½ cents a mile is to go into effect upon the passage of the bill, unless its enforcement be enjoined by a court of competent jurisdiction upon the complaint of the carrier alleging that the rate is confiscatory; that, under the Constitution of the United States, it constitutes a denial of due process of law.

In this connection I desire to say in regard to the constitutional question which has been raised that I think the pending bill may readily be distinguished from the law, which was held unconstitutional in the Michigan case. If the correct construction of the Michigan case is that no distinction may be made as between wholesale and retail sales of transportation, then the constitutional objection would, in my opinion, apply as much to the amendment which the Senator from Iowa has offered as to the bill which is now presented. Congress can not empower the commission to perform any act which the Congress itself may not do.

I do not think, however, that a proper application of the decision in the case of the Lake Shore Railway Co. against Smith, in One hundred and seventy-third United States, which was quoted from by the Senator from Iowa, can have the effect of precluding the constitutionality of this act. In my opinion, the true application of the decision is that in the particular case tested under the Michigan statute the rate was held confiscatory and to be an unreasonable and unjust regulation. My opinion is that the legal question to be determined upon the passage of this proposed act is whether the rate fixed by Congress is confiscatory, unfair, unreasonable, and unjust, and is a proper exercise of the legislative power. Mr. President, in so far as I am concerned, I shall somewhat reluctantly accept the Cummins amendment if the amendment which I have proposed to that amendment be agreed to by the Senate.

It has been stated during the course of the debate that the objection to relegating the matter to the Interstate Commerce Commission grows in part out of the fact that delay will result. I myself have felt that that is a material and a substantial objection. On the other hand, the power of the commission to readjust the rate which is fixed in the bill is recognized by the bill itself, and there is no purpose on the part of any advocate of the bill to change that provision; so, after the passage of the bill, if it should become a law, upon the application of any carrier alleging that the rate fixed in the law is too low, the commission could hear and determine the question and readjust the rate. In the meantime, in all probability, if the carriers elected to do so, they could, by order of a court of competent jurisdiction, enjoin the enforcement of the 2½-cent rate until the question of its validity might be determined. So, in my opinion, with the modfication of the Cummins amendment which I have suggested, there is not enough left in the controversy to justify the Senate in prolonging the contest.

Mr. POMERENE. Mr. President, will the Senator yield for a question?

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. POMERENE. I want to direct the question which I am about to ask both to the pending bill and to the amendment, and before asking the question I want to make a brief statement, if I may.

I think, of course, Senators concede that what might be a reasonable rate in one section of the country, let us say western Ohio, Indiana, Illinois, and Iowa, might not be a reasonable rate in the intermountain regions. I was told on yesterday by one of the Senators from Colorado that the rate in the intermountain regions ran from 3 cents per mile up to almost 5 cents per mile. I have not the exact figures; but, assuming such rates to be reasonable in the intermountain regions, then it must follow that the rate of 2½ cents per mile, if adopted, would be confiscatory.

My question is this: Assume that either the original bill or the substitute offered by the Senator from Iowa is enacted into law, would it be within the power of the commission to say that the proposed mileage books could be used in one section of the country and not be required in another, if they should find that the rate might be confiscatory in one section and not in another? In other words, would either of these measures, if adopted, give to the commission that latitude and allow them to establish one rate in one section and another rate in another section?

Mr. CUMMINS. Mr. President——

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. CUMMINS. The rate fixed by the Interstate Commerce Commission for passenger travel is 3.6 cents per mile. As I said on yesterday, that rate applies to every State in the Union except three, the three exceptions being Arizona, Utah, and Nevada. In Arizona the rate fixed by the commission is 4.8 cents, in Utah it is 4.8 cents, and in Nevada it is the same. I have assumed—and I have no doubt that it is the true construction of the amendment I have offered—that suitable rules and regulations can be made that will provide for the use of the mileage books which might be issued in these three States. Mark you, the amendment which I have proposed does not make the mileage books good for intrastate travel, and I understand the Senator from Arkansas intends to offer an amendment, if we shall ever come to a vote, striking out that feature of the bill introduced by the Senator from Indiana.

for I think none of us want directly to prescribe rates for intrastate travel.

Mr. POMERENE. Mr. President, may I make a suggestion?

The VICE PRESIDENT. Does the Senator from Arkansas yield further to the Senator from Ohio?

Mr. ROBINSON. I yield.

Mr. POMERENE. The amendment offered by the Senator from Iowa provides that the interchangeable mileage books shall be "good for interstate passenger carriage upon the passenger trains of any and all other carriers by rail." That being an affirmative provision of the bill, I feared that whatever rule might be adopted would have to be consistent with the provisions of the bill which would require these interchangeable tickets to be used on all roads. That is my difficulty.

Mr. CUMMINS. The bill also provides that the commission shall prescribe the rate at which the books shall be issued and that the rate shall be fair and just and reasonable.

Mr. POMERENE. Yes; but that means the same rate, I take it.

Mr. CUMMINS. I do not think that is a necessary construction of the amendment at least.

Mr. POMERENE. My thought about it was this, and this is what I feared with both bills—that if the Interstate Commerce Commission saw fit either to raise or to lower this rate they would have to raise it or lower it in the same proportion throughout the entire country.

Mr. CUMMINS. That is true of the bill that is before the Senate. It is not true, in my opinion, of the amendment or substitute.

Mr. POMERENE. I am afraid the same objection lies to both. I hope I am wrong about it.

Mr. KELLOGG. Mr. President, I yielded to the Senator from Arkansas to make a statement, and I want to give him all the time necessary. I only wish to say that there is a very short time left. I do not want to interfere with the statement, but I would rather Senators would not get into a general discussion.

Mr. ROBINSON. In reply to the question of the Senator from Ohio [Mr. POMERENE], I think the language of the amendment, giving the Interstate Commerce Commission liberal authority to make rules and regulations for the execution of the act and to determine its application, would perhaps cover the point that he has raised. I want to direct my remarks, however, in the brief time for which I feel justified in claiming the further attention of the Senate, to other propositions.

I have said that I thought the true constitutional question involved is whether the legislative rate is confiscatory, and that if the bill should pass the burden of proof would be upon the complaining carrier to establish that fact. If the Cummins amendment, as modified by my amendment thereto, is agreed to, the commission will be directed to require the issuance of mileage books, but will have authority to fix whatever rate the commission finds to be just and reasonable. If the bill passes, as I have already explained, the authority of the commission in that particular is limited to a readjustment of the rates in order to coordinate them with other rates in force, and avoid injustice and undue discrimination. This case, as I have already said, is easily distinguishable from the Michigan case. Upon that point I shall detain the Senate only a moment or two.

In the Michigan case the statute authorized the issuance of books in blocks of 1,000 miles, made them good for two years, provided that the family of the purchaser might use them, and made the books redeemable. Under this bill the limitation is 5,000 miles, although I have repeatedly said that I think that it ought to be reduced to 2,000 miles. The books are to be good for only one year, can be used only by the purchaser, and are nonredeemable. In the Michigan case the charter of the railroad company authorized it to exact 3 cents per mile as a passenger rate, and while there are expressions in the opinion in the Lake Shore case which might form the basis of an argument that the decision goes much further than I assert that it does, in my opinion the gist of the decision is that the rate in the Michigan case was unreasonable and unjust because it was confiscatory and unduly discriminatory, and the courts have repeatedly declined to expand the doctrine of that case. They have announced that it is their purpose not to do so.

Statutes and municipal ordinances requiring street railways and railroads to carry school children and soldiers at half fare have been uniformly held constitutional, on other grounds, however, than that involved in the decision in the Lake Shore case. It must be apparent that if an act requiring school children or soldiers to be transported at half the maximum passenger fare does not constitute a violation of the due-process clause of the Constitution such an act as this could readily stand the constitutional test.

I have said, and I repeat, that in my opinion, if the amendment that I have suggested to the Cummins amendment is agreed to, the difference that will then exist between the two propositions would not justify the proponents of the bill in further contesting the adoption of the Cummins amendment, especially in view of the risk the friends of the bill would take in having the Cummins amendment as originally proposed adopted by the Senate.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. The Senator from Minnesota.

Mr. TOWNSEND. Mr. President——

Mr. KELLOGG. I yield to any Senator who wishes to introduce an amendment.

Mr. TOWNSEND. I desire to offer the amendment which I send to the desk in case the amendment of the Senator from Iowa [Mr. CUMMINS] does not prevail.

Mr. HARRIS. I offer an amendment to the bill, which I send to the desk.

Mr. POMERENE. Mr. President, may I ask, in view of the fact that these amendments must all be voted upon, that they be read at the desk as they are presented.

The VICE PRESIDENT. The amendments will be stated for the information of the Senate.

The READING CLERK. The Senator from Michigan [Mr. TOWNSEND] proposes the following amendment:

Amend said bill by striking out from lines 3 and 4, on page 2 of the bill as printed, the comma following the word "carrier" in said line 3, and the words "without regard as to whether the points of origin and destination for any single journey are within the same State."

The ASSISTANT SECRETARY. The Senator from Georgia [Mr. HARRIS] proposes the following:

That two years after the passage of this act it shall be unlawful for a common carrier to use a passenger car in any train used in whole or in part for the transportation of passengers for hire unless such car is constructed of steel, and that the use in passenger trains of wooden cars between or in front of steel cars is prohibited.

Mr. CUMMINS. I give notice that I shall raise a point of order upon that amendment.

Mr. KELLOGG. Mr. President, I had intended to discuss this bill thoroughly, but the time allowed for discussion is so short that I shall confine my remarks principally to one feature.

Do I understand that the Senator from Iowa [Mr. CUMMINS] is willing to accept the amendment of the Senator from Arkansas [Mr. ROBINSON]? If so, it will make some difference in my remarks.

Mr. CUMMINS. Mr. President, I am willing to accept the amendment offered by the Senator from Arkansas; and, if I may be permitted, I will state in a word why I am willing to modify my substitute in that way.

My objection to the bill under consideration, as so often stated, is that we ought not to withdraw from the Interstate Commerce Commission the power we have given that body to fix fair and reasonable rates, and we are not qualified to do that work. I am in sympathy with the desire of many people that there shall be interchangeable mileage tickets, and therefore I regard the amendment as substantially in accord with the principles I have urged; and I intend to accept it so far as I can.

Mr. KELLOGG. Mr. President, I shall not undertake to discuss the constitutional question involved in this bill, but it is perfectly evident to anyone that at least it is a very serious question. In my opinion, the law as introduced is unconstitutional; but the acceptance of the amendment by the Senator from Iowa [Mr. CUMMINS] will render it unnecessary to discuss that question, because the question can be raised before the commission, and raised on the enforcement of an order, without tying up all the rates in the country, as would be necessary if an injunction were brought against the enforcement of the law itself. Then we would have no law.

I am heartily in favor of the bill as finally agreed to by the Senator from Arkansas and the Senator from Iowa, for the reason, among others, that the commission now has not the power to require a uniform mileage book. I shall state only one reason. I am not going into the general argument. I have not the time.

When we conferred upon the commission the power to make joint passenger and freight rates and routes, we provided, by section 4, that—

In establishing any such through route the commission shall not * * * require any carrier by railroad, without its consent, to embrace in such route substantially less than the entire length of its railroad and of any intermediate railroad operated in conjunction and under a common management or control therewith which lies between the termini of such proposed through route, unless such inclusion of lines would make the through route unreasonably long—

And so forth. So the commission could not to-day require a completely interchangeable mileage book, and that is a com-

plete answer to the claim that the commission have neglected to consider and take up the subject.

Suppose a mileage book were to be made over the Union Pacific Railroad from Omaha to Ogden. The Union Pacific could object to the mileage book reaching Ogden by way of the Denver & Rio Grande. It is perfectly reasonable, in making a joint freight route, that that should be a provision of the law, because the carload of freight does not need to stop off at any intermediate station. In passenger rates I think the mileage book must be uniform all over the United States, so far as requiring all railroads to honor it is concerned, if it is going to be of any benefit to the traveling public.

I am heartily in favor of such a mileage book. I believe that it will be a great convenience to the traveling public. There are objections, of course, to issuing a 5,000-mile mileage book for a cent a mile less than the general public has to pay. It would be in the interest of a class of people who are able to buy the ticket; but I shall not stop to discuss that question, because it is not involved in the amendment which the Senator from Arkansas has made to the amendment of the Senator from Iowa.

Mr. President, one word more upon this general subject.

The commission have not neglected to consider passenger rates. Immediately after the commission made the reduction of from 12 to 16 per cent in grain, grain products, and hay in December, it made an order of its own motion and started in on an investigation of all passenger and freight rates in order to determine whether the high rates of freight and passengers were justified in view of the general commercial and economic conditions. That investigation involves the very question which has been argued upon this floor, and the contention made—in which I think there is much weight and reason—that the present high rates are discouraging transportation and business.

I know that the commission believed, when they made the reduction in the rate on farm products from 12 to 16 per cent, that such was the case. There have also been reductions in the rates on various other articles of about 10 per cent, and more than 500 reductions have been made over the country in the rates on different commodities and articles, because the general percentage of the rise in rates all over the country threw them out of line. You can not raise and lower all the rates in the country on a percentage basis without throwing them so out of line that one community will be discriminated against, or one individual industry will be discriminated against, in favor of another. It can not be done wthout that result. I might say that that is the best illustration of why Congress should not enter into the details of fixing rates.

Mr. President, I have been somewhat familiar with the rate question ever since the Granger cases of 1873, 1874, and 1875. It is true that the first laws passed fixing rates were passed by the States, but it was soon found that the fixing of rates involved questions of discrimination between communities and sections of the country, and between industries; involved the question of how much certain traffic could stand; involved so many elements that must be technically studied by a commission that it was necessary to create commissions, and nearly all the States have created commissions. I wish to say that Minnesota was one of the first States to create such a commission; my colleague will bear me out. I think we created our commission in 1891 and gave it authority to fix rates, and that authority has been exercised ever since. The authority thus given to commissions over the country has been of very great benefit.

Then Congress came along and established the Interstate Commerce Commission in 1887, and some time later, in 1902 or 1904, I have forgotten which, we gave the commission power to fix rates, both passenger and freight.

Mr. President, I do not object to the mileage-book proposition. I want to accomplish its authorization in the constitutional and most efficient way. I believe it to be absolutely impossible for Congress to enter into the subject of itself fixing rates.

Let me illustrate. I think the discussion of this bill within the last few days has illustrated the absolute impossibility of it being done without a careful study and technical knowledge. During the very able speeches of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Iowa [Mr. CUMMINS] there never were over 15 Senators, and most of the time not over 6 or 8 Senators, on the floor listening to them.

Mr. ROBINSON. Mr. President, the Senator might observe with equal propriety that not exceeding that number is present to hear his own remarks.

Mr. KELLOGG. I was going to remark that I do not claim to attract any more Senators than the very able and distinguished Senator from Arkansas and the Senator from Iowa, but the subject of fixing rates over this country is very technical and requires an extensive study of economic conditions, questions of discrimination, and questions of what the traffic will bear; for I say that to-day it is a serious question whether traffic in many articles will bear these rates, especially those on lumber, coal, and farm products; I mean the large staple products.

Let me illustrate: Take the question of merchandise. I do not mean heavy merchandise; I mean dry goods. Really, it does not make much difference what the rate is on some of those articles, but on stock, grain, coal, and lumber the rates are so high to-day as to be a tremendous burden upon the public.

But, Senators, that is a question which ought to be settled by the Interstate Commerce Commission. We ought to give them the power on this question of mileage books, and I have no objection to giving them a direction.

Mr. President, ought we to depart now from a policy which has been established in this country since 1888; from a policy which the Congress has frequently refused to depart from; from a policy which was adopted by the States of laying down the general rules and committing the details of rates to the Interstate Commerce Commission and to the commissions of the various States?

Let me illustrate. When the Director General made his order for a 25 per cent increase in rates all over the country it was made, of course, in a hurry, without investigation by the Interstate Commerce Commission or any technical body. Immediately it was found that when those rates were raised a percentage they were greatly out of line with each other, not only as between communities but as between commodities.

What does discrimination mean? A half cent a hundred pounds on heavy products between competing communities may control the traffic. There are questions as to what the raw material in bulk should pay as compared with the manufactured article, and when you add 25 per cent to a light merchandise rate it does not amount to much. When you add it to the rate on cattle, coal, and lumber, great commodities, it amounts to a great deal.

A 25 per cent increase in a local rate which is higher on account of the short haul, as compared with a 25 per cent rate on a through haul reaching 2,000 miles over the country, throws one absolutely and entirely out of line with the other, and the commission found in a very short time, Mr. President, that the Director General's order had so thrown the rates of this country out of line that the commission had to go to work under the order of the Director General and remodel many of the rates of the country in order that one community would not be discriminated against in favor of another.

Does anyone believe that if a bill was introduced in the Senate to increase the rate on one commodity it would ever get through the Senate without Senators tacking onto it or discussing practically every commodity of the United States and every rate in the United States? The Congress could not go over the subject in three months.

Mr. President, there are actually thousands of changes in rates every year, because of changes in commercial, economic, and competitive conditions in the country, and especially has that been true since the percentage raise which was made by the Director General and the percentage raise which was made by the Interstate Commerce Commission. The Interstate Commerce Commission did to some extent apply temporarily a percentage raise on a great many articles, but not on all. They did that because the law required them to increase rates within a certain length of time, and immediately they went to work, and they have informed me that a great deal of their time has been taken going through individual cases, and my recollection is that between 500 and 1,000 reductions in rates on commodities and articles throughout the country have been made within the last six months in order that the rates should not be excessive and should not be discriminatory as between communities, individuals, enterprises, businesses, and commodities.

I realize that at best the question is a difficult one. I believe, however, that the most crying need to-day is for a reduction in farm products, in building materials, including coal and lumber, which are necessary, of course, not only to building but to manufacturing throughout the country. I believe that the first thing which should be done by the commission—although they are considering, and should consider, the passenger rates at the same time—is to relieve the business interests, the farmers, the manufacturers, and the builders of the great burden placed upon them by these rates, and that must of necessity involve an examination of the incomes of the roads. It must also involve an examination of what steps have been taken, and are being taken, for the reduction of operating expenses.

I am glad to say that the operating expenses last year were very greatly reduced over 1920. The reports of the Interstate

Commerce Commission for the years 1920 and 1921 show that 93.59 cents of every dollar received in 1920 by the railroads was paid out for operating expenses. In 1921 only 82.67 cents of every dollar was paid out for operating expenses. That shows a gratifying reduction, but the reduction in operating expenses must go further. I can not, in the time I have, discuss the details of that.

I am very glad that the Senator from Arkansas and the Senator from Iowa have agreed on a form of amendment, and I shall heartily support it.

Mr. DIAL. Mr. President, I, too, am glad that an agreement has been reached upon this amendment. There is no question that both freight rates and passenger rates are too high. The real question is the proper way to get at the problem. The bill in its original form, to my mind, would entail a great deal of uncertainty, and perhaps would prove a very dangerous precedent for us to establish. Therefore I am glad an agreement has been reached upon an apparently satisfactory solution of it.

The objection I have to the present method, however, is as to the slowness with which the Interstate Commerce Commission acts. I am very much persuaded to believe that our governmental agencies spend too much time in investigation. It has been something like two years since the Government turned the railroads back to the private owners, and it would seem to me that sufficient time has elapsed in which to have gotten the situation more nearly back to normal.

It is my impression that those representing the ownership of the railroads, and perhaps certain other elements in the country, have been harboring the idea of Government ownership. So far as I am concerned, and so far as my vote can affect the matter, I want those people and anyone else in the United States who may have any such lingering idea to dismiss it from their minds, because we do not want Government ownership in business any more in this country and, so far as my vote will help to prevent it, will not have it.

The Interstate Commerce Commission is composed of 11 members. I rather incline to the belief that it is a little cumbersome as a body, although I know they have a great deal of work to do. I am very much in favor of smaller bodies, and a little more rapidity of action. They could well pattern after a man down in my county, Jim Harris. Jim is a fine fellow, but always in a hurry. His motto is, "Go ahead and do something, even if you do it wrong." I rather believe that some of our governmental agencies could profit, in part at least, by following Jim's advice, to "go ahead and do something."

When we sit down now to make a study of these matters, the mass of figures that is presented is such as to cause us to become bewildered, and we hardly know what to do. I presume everyone in the United States over 15 years of age outside of Congress knows the reason why passenger and freight rates are not reduced.

The VICE PRESIDENT. The Senator will suspend a moment. The hour of 12 o'clock having arrived, the unanimous-consent agreement goes into effect, which provides that no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto. The pending amendment is that offered by the Senator from Florida [Mr. TRAMMELL].

Mr. DIAL. I will hasten along. I had forgotten about the time limit.

I am a little bit afraid that the Congress will stumble around for another year or two, and we will only then discover the reason why we do not reduce the rates, but I still have a little hope in that direction.

We have two boards or governmental agencies in control of this matter, one the Interstate Commerce Commission and the other the Labor Board. I am delighted that I fought the Esch-Cummins bill with all the power that was in me. I had been in the Senate only a few months, was a "baby" Senator, but I had the temerity to make a few remarks against that bill and have been proud of them every day since.

The idea of creating a Labor Board to fix wages and at the same time giving the Interstate Commerce Commission power to fix rates was contrary to all business principles, from my viewpoint.

Not only that, but the idea of a Labor Board, composed of three men representing labor, three men representing the railroads, and three men representing the public, was absolutely wrong. That is letting the parties involved, the plaintiff and the defendant, as it were, sit as members of the jury. We never get anywhere with an arrangement of that kind.

I am in hope that the Interstate Commerce Commission will get right down to business and revise a whole lot of our railroad laws. What the Congress should do is to repeal the Labor Board act and, if we need any such agency, give that authority to the Interstate Commerce Commission, and then if the 11 members of the Interstate Commerce Commission can not take care of that work, reduce the number to five and perhaps they can do it then; or we could repeal that authority altogether.

We must get back to a business basis. There are rules and regulations governing the railroads of the country that are absolutely inconsistent with present conditions. So far as the men who operate the trains are concerned, I believe they should have good pay, extra good pay, but there are many railroad employees, common labor on the railroads, enjoying two or three times the amount of pay that is given for similar work in the same territory in other lines of business.

I believe that the best interests of the railroads and the best interests of the country generally require that the railroads be permited to employ their own help in their own way. They should be unrestricted. Their hands should be untied and free in order that they may negotiate themselves with their own people. It is absolutely inconsistent with efficiency and good business, in my opinion, to have labor and capital antagonistic. They should get together; talk their problems over. I believe they can make better terms and get along better, not only in their own interest but in the interest of the public, if we untie their hands in this respect. Let them work and live in harmony, taking an interest in each other's welfare. Rates must come down else all industry will continue to languish to the injury of everyone.

The VICE PRESIDENT. The Senator's time has expired.

Mr. TRAMMELL. Mr. President, I believe the bill presented by the committee should be preferred by the Senate to the substitute proposed by the Senator from Iowa. The substitute will no doubt, in the first place, result in a long-drawn-out delay before any action is taken by the Interstate Commerce Commission. By the time the commission gives due notice, carries on formal hearings, and then reaches a decision, I prophesy this, that it will be one year at least before we will get any action upon the part of the Interstate Commerce Commission looking to any relief whatever.

Even when that relief finally does come it is very uncertain whether it will be of any real benefit in the way of a reduction of passenger rates. I am more inclined to the opinion that it will not result in any benefit or any relief to the traveling public. I doubt seriously if the Interstate Commerce Commission will require any reduction. They will probably issue an order that mileage tickets, as a matter of convenience, shall be issued at a rate similar to that charged for the ordinary ticket.

We have upon the statute books at the present time a provision giving a guaranteed earning to the railroads of at least 5½ per cent; that is, they have the privilege of earning sufficient to result in their having a net return of 5½ per cent. With that provision still upon the statute books, which a number of us have urged should be repealed, the Interstate Commerce Commission probably would have its hands tied by legislative enactment, even if it desired to make the reduction.

I think the time has come——

Mr. POMERENE. Mr. President——

Mr. TRAMMELL I have only five minutes. I wish to be courteous, but I only have five minutes and can not yield.

I think the time has come when Congress should express itself upon the subject emphatically, and that we should enact the measure now pending providing for the issuance of mileage books at 2½ cents a mile, and that we should not adopt any substitute measure which in all probability would defeat the purpose of the public having any such relief as proposed by the bill having the approval of the committee.

I proposed an amendment to make the mileage tickets for 1,000 miles instead of 5,000 miles, believing that if we place the amount of mileage at 5,000 it will be a discrimination very largely against those who are not of sufficient financial means and who do not do sufficient traveling to purchase a 5,000-mile book. Of course, a 5,000-mile book is better than none at all, and I heartily favor this if we can not get the mileage reduced to 1,000 miles, or, say, 2,000.

The policy of having mileage tickets from 1,000 to 5,000 miles is recognized in the substitute offered by the Senator from Iowa. His substitute provides that the mileage ticket shall be from 1,000 to 5,000 miles. When the railroads formerly sold mileage books they also sold them in books of 1,000 miles. I hope my amendment will be adopted, so that if the Senate in its wisdom sees proper to accept the committee bill instead of the substitute offered by the Senator from Iowa, we will then have a provision that requires the issuance of mileage books of 1,000 miles and in a larger amount of mileage.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Florida.

Mr. CUMMINS. I ask that the pending amendment be stated.

The VICE PRESIDENT. It will be stated.

The ASSISTANT SECRETARY. In the reported bill, on page 1, line 4, after the word "nontransferable," it is proposed to strike out "five" and insert "one," so it will read "shall issue interchangeable nontransferable 1,000-mile tickets.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment is that proposed by the Senator from Michigan [Mr. TOWNSEND], which the Secretary will report.

The ASSISTANT SECRETARY. Amend the bill by striking from lines 2, 3, and 4, on page 2, the comma after the word "carrier" and the words "without regard as to whether the points of origin and destination for any single journey or within the same State."

The amendment was agreed to.

The VICE PRESIDENT. The next amendment is that offered by the Senator from Georgia [Mr. HARRIS].

Mr. POMERENE. Mr. President, I am very glad that the Senator from Iowa [Mr. CUMMINS], who is the chairman of the Interstate Commerce Committee, and the Senator from Arkansas [Mr. ROBINSON] have reconciled their differences so far as the substitute amendment is concerned. I wish to say that in the form in which the bill was presented originally I would feel compelled to vote against it.

The distinguished Senator from South Carolina [Mr. SMITH], in opening his address on yesterday, spoke of the chaotic condition of the railroads and of substantially everything pertaining to them. The bill as it is presented here would make conditions even more chaotic, viewing them from the financial standpoint. It may or may not be that the Interstate Commerce Commission is not functioning properly. I have very great respect for the commission and I have very great sympathy for them in the great burden of work that is placed upon them. That burden was increased tenfold by the actions of the Directors General of Railroads during Government operation and control.

If this bill as it was originally presented is to pass, then we shall have the Interstate Commerce Commission functioning upon the subject of rates, and we shall have the Congress of the United States trying to deprive them of a part of their powers and legislating with respect to rates, when I am quite sure no Senator thus far has indicated that he is clear in his own mind that many of the railroads could continue to operate if this bill were to pass.

I am in sympathy with the general proposition that all rates, passenger and freight, should go down, but I am not prepared to say that I have sufficient knowledge to decide whether 2½ cents per mile is a sufficient rate in Florida or in the plains of the interior of the country, or is sufficient in the intermountain regions. A rate which might permit the roads of the Middle West to prosper would impoverish the roads of the intermountain regions. Are we to become so reckless in our Federal legislation that we shall care nothing for the railroads in the mountain regions? Those sections are a part of this country, just the same as Ohio and Indiana and Illinois and Iowa are a part of it. I want to get a maximum of efficiency from the roads, and I want them to be reasonably encouraged.

Senators, I do not believe we appreciate what we are doing when it is attempted to provide by legislative act that one rate shall apply to all the railroads wherever they may be. If this bill shall pass, then to-morrow or the next day some one will want a special rate for watermelons, another man for cabbage, and another man for brick. I have felt all the while that many of the existing rail rates have discouraged shipments. Let me give an illustration.

The VICE PRESIDENT. The Senator's time has expired.

Mr. POMERENE. I submit.

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia [Mr. HARRIS], which will be stated.

The ASSISTANT SECRETARY. At the end of the bill it is proposed to add a new subdivision, as follows:

(4) That two years after the passage of this act it shall be unlawful for a common carrier to use a passenger car in any train used in whole or in part for the transportation of passengers for hire unless such car is constructed of steel and that the use in passenger trains of wooden cars between or in front of steel cars is prohibited.

Mr. CUMMINS. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state the point of order.

Mr. CUMMINS. The unanimous-consent agreement under which we are acting provides as follows:

That no amendment not germane shall be considered.

The amendment proposed by the Senator from Georgia is not germane to the subject matter of the bill under consideration. When we all agreed to submit to the limitation provided in the agreement, this part of the agreement was inserted for the very reason that it was known that if every amendment possible under the general rules of the Senate were to be submitted it would be impossible to consider such amendments and debate them within the time fixed by the agreement.

The VICE PRESIDENT. Does the Senator from Georgia contest the point of order?

Mr. HARRIS. Mr. President, I am not so familiar with parliamentary rules as are other Senators; but if a provision relative to the character of passenger cars which may be used is not germane to legislation proposing to fix passenger rates, then I can not understand why that is not so. In this connection I desire to call the attention of the Senate to the last annual report of the Interstate Commerce Commission. I read from their recommendations to Congress as follows:

That the use of steel cars in passenger-train service be required, and that the use in passenger trains of wooden cars between or in front of steel cars be prohibited.

Mr. President, the Interstate Commerce Commission are more familiar with the railroads and the finances of the railroads than is anyone else. They are certainly in a position to know the necessity for the recommendations which they make and whether or not the financial condition of the roads is such as to enable them to arrange to substitute steel cars for the the wooden cars which may now be in use.

My amendment provides that the requirement as to steel cars shall take effect two years from the date of the passage of the act. When Congress compelled the adoption of automatic car couplers it was found that some of the roads were not financially able to install them and that some of the roads could not meet the requirement for other reasons; so the time for their compliance was extended. If some of the roads are not in such financial condition that they can provide steel cars within two years, Congress can extend the time within which they shall do so. Congress has always been reasonable in reference to such matters, and the railroads, I may add, have always had plenty of friends in Congress.

Mr. President, while it is important that we should reduce passenger fares, we should also not delay longer giving protection to the lives of passengers and employees. Experience shows that accidents to passengers and employees in steel cars are much less than in wooden cars.

The VICE PRESIDENT. The Chair is ready to rule on the point of order, and rules that the amendment offered by the Senator from Georgia is not germane. Therefore, the point of order raised by the Senator from Iowa is well taken. The question now recurs on the amendment in the nature of a substitute offered by the Senator from Iowa.

Mr. TRAMMELL. I move to reconsider the vote by which the amendment offered by the Senator from Michigan [Mr. TOWNSEND] was adopted.

The VICE PRESIDENT. The question is on the motion of the Senator from Florida that the Senate reconsider the vote by which the amendment offered by the Senator from Michigan was adopted. The Secretary will state the amendment.

The ASSISTANT SECRETARY. On motion of the Senator from Michigan [Mr. TOWNSEND] the Senate, as in Committee of the Whole, struck out of the bill as reported on page 2, lines 3, 4, and 5, the words "without regard as to whether the points of origin and destination for any single journey are within the same State."

Mr. TRAMMELL. Mr. President, I was under some misapprehension when that amendment was proposed; in fact, I did not quite understand its reading from the desk. If the proposed benefits under this measure are to be participated in or realized at all by commercial travelers whose travels are exclusively within a particular State or largely so, then, with the provision stricken out, as proposed by the amendment of the Senator from Michigan [Mr. TOWNSEND], they will not enjoy the privileges proposed to be extended to commercial travelers and others under the original bill.

Of course I know there is some constitutional question involved as to whether or not under the law the Interstate Commerce Commission, if this bill is enacted, could issue an order that would require the sale of mileage books for use by local travelers within a State; and it is doubtless on account of that constitutional question that the amendment was proposed; but I believe, Mr. President, that the bill should be allowed to stand as originally drafted, and then subsequently the question may be settled and determined as to whether or not the privilege of the use of mileage books will be extended to include intrastate travel in the respective States.

The original bill provided that mileage books should be issued regardless of whether the point of origin and destination were within the State where the ticket was sold. With that provision stricken out, when the Interstate Commerce Commission comes to issue rules and regulations for the enforcement of the law we know of course that there will be no opportunity or chance whatever for commercial travelers representing firms within a given State and confining their travels within that State and for the citizens of a given State traveling within that State to participate in the benefits of the law.

I hope that the amendment will be reconsidered and that the bill will be allowed to stand as it originally came from the committee. Then this question may be subsequently determined, and, if possible, traveling salesmen whose labors are restricted within the borders of a particular State and the traveling public whose travels are largely within a particular State may obtain some benefit under the bill. If the amendment stands as adopted, there is no question that they will receive no benefit whatever under this measure. I desire for the bill to retain the provision under which the people of my State—commercial salesmen or others—may have the privilege of obtaining mileage tickets that can be used in traveling within Florida. The amendment of the Senator from Michigan strikes this paragraph from the bill. I am opposed to his amendment. It should be reconsidered and defeated.

Mr. ROBINSON. Mr. President, it is to be hoped, if the Cummins amendment as amended is agreed to by the Senate and passes the body at the other end of the Capitol and becomes law, that the mileage or mileage scrip books which will be issued under the direction of the Interstate Commerce Commission may obviate the difficulties which manifestly exist in an effort upon the part of Congress to prescribe a rate to be fixed according to which mileage or mileage scrip books may be issued and may be made applicable to journeys entirely intrastate.

It is true, as suggested by the Senator from Florida, that the friends of this bill, including the legislative representatives of some of the commercial travelers' associations interested in its passage, regard the provision of the bill which has been stricken out by the amendment of the Senator from Michigan as of such doubtful validity that they approve of the elimination of that language, although we all realize that it may occasion inconvenience to those who are to become the beneficiaries of the proposed legislation if the pending bill should become law; but I think, in view of all the circumstances, that the action of the Senate in adopting the Townsend amendment is justified, and I shall reluctantly vote against the motion to reconsider.

The VICE PRESIDENT. The question is on the motion of the Senator from Florida to reconsider the vote by which the amendment offered by the Senator from Michigan [Mr. TOWNSEND] was agreed to.

The motion to reconsider was rejected.

Mr. CUMMINS. I renew now my parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. CUMMINS. Has the amendment which I have proposed by way of a substitute been modified in accordance with the suggestion or amendment offered by the Senator from Arkansas? I am willing to accept that amendment and modify the amendment which I have offered accordingly.

The VICE PRESIDENT. The Secretary will state the modification of the amendment offered by the Senator from Iowa.

The ASSISTANT SECRETARY. In the amendment proposed by the Senator from Iowa, on page 1, line 6, after the word "is," it is proposed to strike out "empowered" and to insert "directed," so as to read:

> The commission is directed to require, after notice and hearing, each carrier by rail subject to this act to issue at such offices as may be prescribed by the commission joint interchangeable mileage tickets—

And so forth.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. CUMMINS] in the nature of a substitute, as modified. [Putting the question.]

Mr. TRAMMELL. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment as modified was agreed to.

Mr. NELSON. Mr. President, it has been my lot to see the beginning and the evolution of all the legislation that has been passed to regulate and control railroad transportation. I was a Member of the House in 1887 when the first interstate commerce act was enacted. That law gave relief in one direction only. It aimed to prevent discriminations, but it left the commission entirely without any power to regulate rates. In 1906 we first equipped the Interstate Commerce Commission with the right to fix rates, and that rule has continued until the present day; but in the last railroad law we injected a new condition. Before that it was in all cases left to the discretion of the Interstate Commerce Commission to fix the rate, governed only by the rule of what was just and reasonable. In the last railroad law a new rule was enacted—not, as many supposed, a guaranty of rates, but practically a direction to the Interstate Commerce Commission that they must be governed by the 6 per cent profit rule; that is, they must make such rates that the carrier would secure a return of at least 6 per cent.

Mr. President, that rule by itself, under present conditions, works unjustly.

Mr. POMERENE. Mr. President, may I suggest to the Senator that that rule expires by its own limitation on March 1.

Mr. NELSON. I am glad it does. I want to call attention to that now. That is the only attempt of which I know in the law to aid capital in securing an income. I venture to say that there is not a farmer in this country, if you take into account his overhead expenses, his depreciation, and small wages for himself and his family, who has earned the operating expenses of his farm in the last year; and there is nothing in the interstate commerce law that states or even intimates that the Interstate Commerce Commission shall give consideration to those facts.

Mr. President, the one great relief that is needed by the American people to-day is the reduction of transportation rates in respect to the products and necessities of the agricultural interests of this country. Unless relief is given in that direction, most of the relief that we attempt to give by legislation will be a failure. If the capitalists and the manufacturers and the railroad magnates could realize how our farmers are handicapped and ground down to-day by these high rates, they would surely be ready to give us relief.

I realize that one great handicap and drawback, and the worst of all, in reference to the reduction of railroad rates, is the high cost of living. The railroad men are still insisting upon war-time wages; and until there is a reduction in those wages, until railroad wages come down to more reasonable levels, it is hard to get the reduction in railroad rates that we ought to have.

If there is any one thing that is needed at this moment, it is a reduction in railroad rates on agricultural products, coal, and lumber. I sincerely trust that the Interstate Commerce Commission will take up that question and dispose of it as speedily as possible. Unless our agricultural interests can be put on their feet again and given an opportunity to regain their old-time prosperity, we shall never have prosperity in this country as we had it in the days before the war.

I sincerely trust that the Interstate Commerce Commission will speed up in this matter and not dilly-dally as they did with the last 10 or 12 per cent reduction that they made. My recollection is that they made a reduction of 10 per cent and then held it up after they had made the order for more than a month, God knows for what.

The VICE PRESIDENT. The time of the Senator from Minnesota has expired. The bill will be reported to the Senate as amended.

The bill was reported to the Senate as amended.

Mr. LENROOT. Mr. President, just a word before the vote is taken with reference to the remarks just made by the Senator from Minnesota [Mr. NELSON]. The Senator has stated this, but I wish to emphasize it:

Referring to the provision of the present law with regard to a 5½ or 6 per cent return, while it has been stated throughout the country that it operates as a guaranty to the railroads of that return, of course every Senator in this Chamber knows that it was not a guaranty; but, as the Senator from Iowa [Mr. CUMMINS] stated yesterday, even upon a valuation of $12,000,000,000 the returns of the railroads during the past year have not been more than 5 per cent, or have fallen short of the 5½ or 6 per cent directed. If the condition of the country had remained as it existed at the time this law was passed, the railroads would have been entitled to have the same return that this law directed the Interstate Commerce Commission in fixing rates to give them if there had not been a word on the subject in the law, because under the Constitution of the United States a railroad is entitled to a reasonable return upon the actual value of the property devoted to transportation uses, and at that time there was no man in the United States who could urge that 5½ or 6 per cent was an unreasonable return; but conditions have changed. I agree with the Senator from Minnesota that under existing conditions, where the farmer, the manufacturer, and, in fact, nearly everybody in the United States, has to suffer losses, or a very low return, there is no reason why the owners of railroad properties ought not to bear

their share of the burden of this financial depression. This direction expires on the 1st day of March, as has been stated, and after that time it will no longer be in the law.

Now, just a word in reference to the pending bill.

I have long been interested in the subject of securing interchangeable mileage books. I have introduced a bill upon the subject; but I am satisfied that under existing conditions the compromise that has been reached is the best that can be obtained. Under it, if the House will agree, it is assured that interchangeable mileage books will be issued, will be compelled by the Interstate Commerce Commission to be issued, and at a substantial reduction, because there can be a substantial reduction without loss of revenue from the existing single-fare rates.

The VICE PRESIDENT. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 22 of the act entitled "An act to regulate commerce," approved February 4, 1887, as amended, is hereby amended by inserting "(1)" after the section number at the beginning of such section and by adding to the section two new paragraphs, as follows, to wit:

"(2) The commission is directed to require, after notice and hearing, each carrier by rail, subject to this act, to issue at such offices as may be prescribed by the commission joint interchangeable mileage tickets at a just and reasonable rate per mile, good for interstate passenger carriage upon the passenger trains of any and all other carriers by rail subject to this act. Such tickets may be required to be issued for any distance not exceeding 5,000 miles nor less than 1,000 miles. Before making any order requiring the issuance of any such tickets the commission shall make and publish such reasonable rules and regulations for their issuance and use as in its judgment the public interest demands; and especially it shall prescribe whether such tickets are transferable or nontransferable, and if the latter, what identification may be required; and especially, also to what baggage privileges the lawful holders of such tickets are entitled.

"(3) Any carrier which, through the act of any agent or employee, willfully refuses to issue or accept any such ticket demanded or presented under the lawful requirements of this act, or willfully refuses to conform to the rules and regulations lawfully made and published by the commission hereunder, or any person who shall willfully offer for carriage any such ticket contrary to the said rules and regulations shall be deemed guilty of a misdemeanor, and upon conviction shall be fined not to exceed $1,000."

The title was amended so as to read: "A bill to amend section 22 of the act entitled 'An act to regulate commerce,' approved February 4, 1887, as amended."

TREASURY DEPARTMENT APPROPRIATIONS.

Mr. WARREN. I move that the Senate resume the consideration of House bill 9724, the Treasury Department appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes.

The reading of the bill was resumed, beginning on line 9 of page 12, and the reading clerk read to the bottom of page 13.

Mr. WARREN. Mr. President, I observe that the Senator from Utah [Mr. KING] is now in the Chamber, and I recall that just before the bill was laid aside yesterday the Senator asked a question with regard to the reduction of the number of employees in the departments.

Mr. KING. In the Treasury Department.

Mr. WARREN. The question was a general one, because the Senator spoke of 37,000, and so forth.

Mr. KING. Yes.

Mr. WARREN. I stated that at the moment I might not be fully informed, but I thought we had reduced the number in one department, meaning the War Department, some 20,000 or so. I have looked up the facts this morning; and I find that in the case of the War Department, where, for instance, on Armistice Day there were 37,403 employees in the department and in the field, on the 19th day of January there were 5,863. So that in the War Department, here in Washington and in the field, the reduction has been slightly over 84 per cent.

Mr. KING. Mr. President, the Senator will recall that before the war the War Department did not have 5,000 clerks; and when the War Department was swelled until there were 4,000,000 men or more in the service, and there were hundreds of camps and billions of dollars' worth of property which was in the custody of employees of the Government who were in the War Department, obviously the number would be greatly increased. It was promised that when the property was sold there would be very great reductions.

Mr. WARREN. Let me say to the Senator that there will be further reductions. I am reporting only the progress thus far. The responsibilities of the War Department because of the war are still very large. For instance, one branch of the War Department is going over war claims. It is reconsidering claims, some of which have been already settled, and where there is evidence of fraud or mistake they are reopened. In one case, I remember, where we collected nearly $200,000, there was a fault in material that was furnished on the part of the contractors, and a pursuit of that firm brought about the settlement. There are nearly 500 men employed there. That branch of the department will almost go out of existence in a short time, probably.

Mr. KING. I notice in one part of this bill, I am not sure of the page, provision is made for caring for a large amount of material. We have been trying for years, as the Senator knows, to get rid of this material, and, as I recall, although we passed peremptory statutes directing the sale of the enormous war supplies, the War Department seems to have failed to discharge its duty, and failed to carry out the mandates of the Congress. I am not sure how far they are now carrying out the wishes of Congress, but more than three years after the war we still have, I am advised, hundreds of millions of dollars worth of surplus supplies.

Mr. WARREN. There is a great deal of property, but it is being disposed of continually, and some delay is essential in order that we may get the best prices for the property. The percentage of the prices in most lines has been very large. Of course in the case of landed property, cantonments, and so forth, the loss has been extremely heavy, but in the matter of the commodities which are movable the percentage has been, considering all the circumstances, large, partly due to the fact of their taking advantage of the market and not undertaking to slaughter. It will be closed out in due time.

Mr. KING. Of course the Senator knows that if there had been reasonable diligence in disposing of the commodities and supplies left over immediately following the war the Government would have saved tens of millions of dollars in expenses, and could have sold the commodities and the supplies for hundreds of millions of dollars more than will be received. I think the former administration was at fault in failing to prosecute with diligence the sale of this property.

The reading of the bill was continued to line 14, page 14, in the items under the heading "Public debt service."

Mr. KING. Mr. President, I am unable to understand why so much is required—$3,700,000—for clerk hire for that rather small division of the Treasury Department—the public debt service. Of course I have not had the advantage of reading all the testimony that was taken by the committee.

Mr. WARREN. I hardly think the Senator wants to minimize that department.

Mr. KING. It is important, of course.

Mr. WARREN. We have something like twenty-odd billions of securities out, and many of them have to be exchanged. For instance, last year there was $4,560,000 appropriated for that service. This year they estimated $4,000,000, and we have given them $3,700,000.

Mr. KING. It seems to me that is entirely too much, Mr. President. I do not like this provision, either, which says that the Secretary of the Treasury may employ as many as he may deem necessary. There seems to be no restriction on the number or on the compensation to be allowed.

Mr. WARREN. The amount of money is restricted.

Mr. KING. He may utilize the entire fund and hire as many as he pleases up to the amount of $3,700,000. The Senator knows that deficits are often brought in when the appropriations made by Congress for a given purpose are exceeded.

Mr. WARREN. Very seldom in connection with this service. Another thing, as the Senator will see as we go further along, the salaries are restricted. They can go to only $1,800.

The reading of the bill was continued to line 19, page 18, the last paragraph read being as follows:

For collecting the revenue from customs, including not exceeding $200,000 for the detection and prevention of frauds upon the customs revenue, $11,300,000.

Mr. KING. May I inquire of the Senator how much is carried in the bill for the enforcement of law and for the detection of violations of law? I notice this item, $11,300,000. Then I presume there is a very large sum appropriated for the enforcement of various laws, including the Volstead Act. Does the Senator know what the aggregate is?

Mr. WARREN. This is probably the largest single item, and this is $250,000 less than the estimate, and is the same as last year's appropriation for this purpose, although the responsibilities of the Customs Service are almost bound to be greater. As to the whisky part of it, if the Senator means that, the prohibition enforcement, there is proposed to be appropriated about $10,000,000 altogether; but the committee amendments,

if adopted, will reduce that some hundreds of thousands of dollars, but less than a million. It will be probably in the neighborhood of $9,000,000, even should the amendments be adopted.

Mr. KING. Does the Senator think that $11,300,000 is necessary for the enforcement of the law? The Senator will remember that the amount collected will be less for the coming year than during the past year. The machinery is presumed to be very much less in volume and in character than heretofore. It seems to me there would be a gradual reduction in this tremendous amount for detecting fraud and for enforcing the law.

Mr. WARREN. The Senator's argument is good along one line, but there are other lines which cross it. In the first place, I scarcely think there will be money enough. We are dependent, in the estimates made this year, very largely upon collections of taxes. In the last appropriation bill we added 600 inspectors; we had a large number before, and I think they have collected some hundreds of millions of dollars. I have seen it stated that they estimate that they propose to collect as high as three or four hundred millions more. They are now working, as I have very regrettable knowledge, having heard from them on the year 1917. Then there are the years 1918, 1919, 1920, and 1921 yet to be inspected, and that will take some of the money. While the Senator may say in his remarks that he would wish it otherwise, yet I imagine that in his heart he will not feel so bad when he considers that there will probably be a tariff enacted within the next 12 months which will require some attention. But I hardly believe that the appropriations are asked for with that in view. They are based upon the duties as they are now.

Mr. KING. The Senator knows there has been a very large army of inspectors and employees in the past who have been making investigations of the income-tax returns.

Mr. WARREN. Not so large in that branch of the service, when you come to consider the vast amount of business they have to handle. We have been very wickedly slow in giving them the appropriations they have asked for, and the number of men they have asked for. I remember as long as four or five years ago, we provided for a thousand less examiners. They have had perhaps only a hundred or less, and we have held back. At the time when we gave them these 600 there were more asked for, and I think to-day the estimate will show that they still require more. But it has been the opinion of the committee that with what operatives they have, if they speed them up to the limit, they can make all proper examinations.

Mr. KING. Does the Senator know whether or not these new men who will be put on will be under the Civil Service?

Mr. WARREN. They will be.

Mr. KING. This is not, then, merely a plan for the purpose of filling a number of positions with politicians?

Mr. WARREN. It is not. I wish to say that even in the prohibition enforcement work they started to divide in the matter, and it was necessary, of course, in prohibition cases to have some who were near to the men in charge, as we always do with Cabinet officers—allow them to have one or two near them as their own particular secretaries.

There has been an order just issued releasing perhaps one or two out of 40 or 50 that may be from any given State, but there is not the faintest suspicion of the matter of political preference in it. It is merely so they can have experts along lines that are not very easily examined by the Civil Service Commission in their examinations.

Mr. KING. May I inquire of the Senator whether the bill contemplates that additional collection districts will be created?

Mr. WARREN. Not to my knowledge.

Mr. KING. There is no estimate, then, for additional districts. The Senator knows that an effort has been made along that line.

Mr. WARREN. I think it would require legislation for that. I believe they now have the full complement they are allowed by law.

The reading clerk continued the reading of the bill.

The next amendment was, on page 19, line 3, to increase the appropriation for compensation in lieu of moieties in certain cases under the customs laws from $10,000 to $50,000.

The amendment was agreed to.

The next amendment was, under the head "Bureau of the Budget," on page 19, line 5, after the words "Director, $10,000," to insert the following proviso:

Provided, That section 2 of the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes, approved July 31, 1894, shall not be construed as having application to retired officers of the Army, Navy, Marine Corps, or Coast Guard who may be appointed to the offices created by section 207 of the Budget and accounting act, 1921, approved June 10, 1921, within the meaning of precluding payment to such officers of the difference in pay prescribed for such offices and their retired pay.

Mr. KING. Mr. President, may I inquire of the Senator from Wyoming if it is the object of this amendment to enable the Budget branch of the service to employ officers of the Army or Navy or Marine Corps?

Mr. WARREN. It is in order that an officer of the Army, Navy, or Marine Corps could retire and, if employed in this position, instead of drawing $10,000, he would draw the difference between his retired pay and the $10,000. It is a matter of economy. It is necessary to introduce the amendment in order to cover that point.

Mr. KING. It is not for the purpose of enabling officers who because of physical or mental defects have been retired to be put into the service of the Government at advanced pay?

Mr. WARREN. Oh, no; not at all. I will state to the Senator the present condition of things. I think the papers have demonstrated it sufficiently so that I may say that the present Budget officer took the place at great personal loss himself and under an agreement to keep it one year. We have a man trained for that character of service, who has a lifetime training, formerly one of the paymasters of the Army, a man who has demonstrated unusual ability in the War Department in the settling and handling of claims.

If the President should desire to appoint that man and he wishes to retire, the President can retire him because he has served years enough to entitle him to retirement, and this is for the purpose of enabling the President to appoint him to take up this work if he so desires. There is no reason why he should not have the same pay altogether that others would have, as he is a very experienced and able man. I do not mean that the language is personal in its terms, because the President can take any man out of the Navy or Army or Marine Corps who may be fitted for the purpose.

The PRESIDING OFFICER (Mr. LENROOT in the chair). The question is on agreeing to the amendment.

The amendment was agreed to.

The reading clerk continued the reading of the bill to the bottom of page 20, the end of the item relating to the Federal Farm Loan Bureau.

Mr. HARRISON. Mr. President, may I ask the chairman of the committee if there is any reduction at all in this item?

Mr. WARREN. I will say to the Senator that that entire item and all referring to the Federal Farm Loan Bureau is the present law. The appropriations are the same as heretofore.

Mr. HARRISON. I have not examined it. Does it include officers throughout the country?

Mr. WARREN. Oh, no; those are institutions entirely separate and apart from the Farm Loan Bureau. While the Washington office in a way controls them, yet they are like the Federal reserve banks in the different places.

Mr. HARRISON. They pay their own help?

Mr. WARREN. Entirely. The capital is loaned and the business is handled entirely by the branches.

The reading clerk continued the reading of the bill.

The next amendment was, on page 25, line 12, to reduce the appropriation for salaries and expenses of collectors of internal revenue, deputy collectors, gaugers, storekeepers, and storekeeper-gaugers, clerks, messengers, and janitors in internal-revenue offices, rent of offices outside of the District of Columbia, telephone service, etc., from $4,288,000 to $4,000,000, and to add the following proviso:

Provided, That upon application of the owner or upon the initiation of the commissioner and under regulations prescribed by the Commissioner of Internal Revenue, distilled spirits may be removed from any internal-revenue bonded warehouse to any other such warehouse, and may be bottled in bond in any such warehouse before or after payment of the tax, and the commissioner shall prescribe the form and penal sums of bond covering distilled spirits in internal-revenue bonded warehouse and in transit between such warehouses.

Mr. KING. Mr. President, I confess that I am not very familiar with this matter, but I offer an amendment rather in behalf of another Senator, who is more familiar with it, than in my own behalf. I move to amend the amendment by inserting on page 25, line 13, after the word "That," the words "for purpose of concentration"; and as a necessary part of the amendment the words "application of the owner or upon" in line 13 should be stricken out, so that it will read:

That for purpose of concentration upon the initiation of the commissioner—

And so forth.

Mr. WARREN. I am willing to accept that amendment.

The PRESIDING OFFICER. The Senator from Utah offers the following amendment to the committee amendment, which will be stated.

The READING CLERK. On page 25, line 13, strike out the words "application of the owner or upon" and insert in lieu thereof the words "for purpose of concentration."

The amendment to the amendment was agreed to.

Mr. KING. I submit another amendment to the committee amendment. In line 16, after the words "internal revenue," I move to insert the word "distillery," so it would read:

Distilled spirits may be removed from any internal-revenue distillery—

And so forth.

Mr. WARREN. I would not be able to accept that amendment. That will perhaps prevent the concentration that we desire. I will ask the Senator not to press that, as I could not accept it.

Mr. KING. Would not the Senator be willing to accept it and let it go to conference, so that, with full information which may be obtained in the meantime, the conferees would then be able to dispose of it in a way that would be entirely just to the Government and to all individuals? There seems to be a controversy, I admit.

Mr. WARREN. It is a matter which the committee has examined very thoroughly. I would not be authorized to accept the proposed amendment, because the committee was not willing to accept it, for no other reason than that we would thus in a way undertake to defeat in one part what we attempt to accomplish in another part. It would require then the accumulation only in distilleries. There are very large quantities involved. We have bonded warehouses which are owned and handled entirely by the United States and which would be under the same surveillance as the distilleries. However, the distilleries were not constructed with the intention of accumulating great quantities of liquors for storage. Hence we would be unable to accumulate these whiskies in the quantities that it is now intended, in order to cut off this tremendous expense for guards.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Washington?

Mr. KING. I yield.

Mr. JONES of Washington. I want to suggest also to the Senator that the committee went into this matter pretty fully. We had before us briefs in favor of the amendment and the representatives of persons who own from 75 to 85 per cent of these liquors through warehouse receipts, and so on. The principal effect, as I see it, of this amendment will be to continue the monopoly which the distillers have upon the bottling of the liquor. The testimony goes to show that their charges are very exorbitant in that respect, and the committee did not feel that we ought to continue the monopoly that they apparently have under the law, under which they can charge practically anything they wish for the bottling of the liquors.

Mr. KING. Mr. President, I am as much opposed as any Senator can be to monopolies.

Mr. JONES of Washington. I knew that, and that is the reason I made the suggestion which I have to the Senator.

Mr. KING. Mr. President, I have always opposed monopolies and combinations in restraint of trade, and since coming to the Senate have frequently denounced trusts and combinations which I believed to be operating in the United States. I would not knowingly support any proposition which looked toward a monopoly, and the amendment which I have offered, as I am advised, is not intended to create or foster a monopoly. Permit me to state that the question under discussion is terra incognita to me. I have only a superficial knowledge of existing laws relative to bonded warehouses, distilleries, and questions relating to the withdrawal of liquors therefrom. I am offering this amendment because I understood that a Senator who is compelled to be absent desired to have it presented for the consideration of the Senate.

Undoubtedly there are two sides to the question, but in fairness to both sides and out of consideration for the absent Senator I have offered the amendment just submitted. I am advised that this amendment deals with a matter which is not considered of importance by those who are earnestly in favor of enforcing existing laws. In other words, the amendment does not weaken present laws and affects only the interests of the owners of liquors now in warehouses and distilleries. Whatever controversy there is is between distillers who have the custody and possession of liquors owned by others and such owners as desire to remove the same to other warehouses.

As I understand, it is in the interest of law enforcement to concentrate in as few places as possible the liquors now on hand in the distilleries and warehouses. If most of the liquors are in distilleries, it would seem that they should remain there until they are bottled ready for sale. At any rate, if they are removed to various warehouses and scattered and diffused throughout the country, it is claimed that there is greater danger of theft and evasions of the law than if the liquors remained in the present distilleries and were there bottled ready for withdrawal under the provisions of existing statute. However, as stated, I know but little about this question, and can not express any fixed conviction as to what is the best course to pursue.

Mr. WARREN. Mr. President, I will say to the Senator from Utah that I presume we are in possession of all the information which is available in reference to the matter. We gave audience to all those who wished to address the committee on the question; we held the matter open for two weeks; and the committee rejected the proposition.

Mr. KING. My understanding is that those who are interested in the amendment which I have just suggested did not have full opportunity—and I am not saying that the committee denied them a hearing—to be heard, but, perhaps, that was the result of misunderstanding.

Mr. WARREN. I think it was because the witness who desired to make a statement with reference to the matter was himself too busy, for he submitted a brief in reference to the subject at the time, although when other witnesses were being examined he was invited to come before the committee if he desired to do so.

Although it may not be strictly apropos, one of the briefs which were presented to the committee was prepared against the bill which has been introduced in the other House. However, as to the main question, I do not think that any witness or anyone who desired to testify will accuse the committee of having been otherwise than considerate of their wishes.

Mr. SHIELDS. Mr. President——

Mr. KING. I yield to the Senator from Tennessee.

Mr. SHIELDS. The Senator from Utah indicates his lack of familiarity with the facts concerning this matter.

Mr. KING. What I have stated is based upon information conveyed to me. I have made no personal examination, and have only such general interest in this matter as any Senator would have.

Mr. SHIELDS. I am not very much more informed than is the Senator in reference to the subject, but I received a letter this morning from a very highly reputable firm, who were formerly wholesale distillers of whisky in Memphis, Tenn., a very old house, in whose statements I have absolute confidence. The writer of the letter gives me some of the details of the situation, and states that the charges of the present bonded warehouse are four times what they formerly were; that they are taking advantage of the situation and absolutely ruining the men who still have some money invested in whiskies and who are awaiting an opportunity for a proper, legal disposition of them. Furthermore, liquor is not so safe in the private warehouses as it would be in Government warehouses. Fraudulent withdrawals of liquor have occurred largely because of the lack of Government protection. According to the statement of the letter to which I refer, this is a very beneficial provision, and I hope it may be retained in the bill.

Mr. KING. May I inquire of the Senator from Tennessee what is the fact in reference to the liquors which are in the warehouses of distillers? Are they not protected just as much as if they were in Government warehouses?

Mr. SHIELDS. I am not familiar with that matter; and I do not know whether or not the Government maintains guards at such warehouses.

Mr. JONES of Washington. Will the Senator allow me to say a word?

Mr. KING. Yes.

Mr. JONES of Washington. It is stated by those who claim to have investigated the matter and who claim to know, that there has not been a single theft from the Government warehouses; that all of the thefts of record have been from the warehouses of distillers.

Mr. KING. This, of course, is general legislation, and my information is that the subject is now receiving consideration in the other House; that a bill is there being considered—known as the Green bill—which deals with the entire subject of taxation of liquors, the manner of their storage, and the method by which they may be withdrawn from warehouses and sold. It deals with the liquors in distilleries as well as that in all classes of warehouses. The bill treats the entire matter as if it was an original proposition, while we are now proposing to change existing law and to engraft on an appropriation bill provisions which modify existing statutes.

Mr. WARREN. If the Senator will permit me to make a suggestion right there, I desire to say that the Senator keeps himself well advised as to these matters, and I think can have no possible difference with the committee about this subject. This item is in the nature of a reduction of an appropriation. While we never have specifically adopted the Holman rule, which is the rule in the other House, this item would come in under that kind of a rule, which, I think, perhaps would be a

good rule to be adopted by the Senate, in accordance with which we might consider items, even though they may carry certain legislation, if thereby expenses may be reduced.

I have only to say, not as an excuse for, but as the reason for our considering a provision like this which borders upon legislation, that it saves large expenses. It is not the intention of the committee, and certainly it is not the intention of the chairman of the committee, to invade the territory of legislation any further than is strictly necessary in recommending these appropriations. In fact, it is our intention not to invade the domain of legislation at all except when it becomes permissible, because there are excellent reasons for doing so.

Mr. KING. If it is economy which the Senator from Wyoming seeks, and I pay tribute to his desire for economy, I suggest to him a recommendation which was submitted by one who is familiar with this subject. His position was that in view of the fact that the great bulk of liquors are now in the possession of distillers and in their warehouses—and thus concentration is substantially accomplished—the Government should require the distillers and all others holding liquors in storage to give to the Government bonds in large amounts conditioned upon the secure keeping of the liquor and the prevention of its being withdrawn except in conformity with law. The suggestion was further made that if the present custodians were charged with the responsibility of securely keeping the liquors the Government would be relieved of the cost, which is very great. This plan contemplated that the Government would make frequent inspections to see that the liquor was secure and that there were no withdrawals except in the manner provided by law. A statute could be passed which would impose severe penalties for failing to properly care for the liquors thus impounded—statutes containing penal provisions; and, at the same time, the bonds executed, conditioned upon the observance of the law and the security of the liquors, could also contain such provisions as to make the monetary liability very great.

At the present time the Government, as I understand, has to pay to guard the liquor in warehouses and in distilleries. I express no opinion as to the wisdom of this course, but it has been recommended, as I have been advised, by some who are deeply interested in the enforcement of the law and would not support any proposition which in any manner relaxed rules and regulations formulated to prevent the illicit sale of intoxicating liquors.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Washington?

Mr. KING. I yield.

Mr. JONES of Washington. I have not looked up the law with reference to the proposition the Senator has just presented. I think there is some law on the statute books along those lines, but just how far it goes I do not know. However, I desired to interrupt the Senator to say, in regard to his suggestion, that there is a bill pending in the other body covering this same subject; that a few days ago I examined the Green bill, to which he has referred, and, although I have not a copy of it at hand at the present moment, it is a bill that levies taxes of various kinds and specifies the rates under certain conditions. It is a bill embodying four or five pages, and contains provisions very different from those now under consideration in the pending bill. I think it embodies one provision practically similar to the provision now before us, but the Green bill is very much broader, and goes into the matter of levying taxes, and all that sort of thing.

The committee proceeded on the theory largely that this proposition is germane to this bill in that it tends to affect the appropriation by way of reducing expenses, and so on. I believe that under the rules of the Senate it is very proper, if it be thought necessary, to submit to the Senate the question of germaneness. I merely wish to add that we believe it will involve a considerable economy and will save the Government possibly several hundred thousand dollars.

Mr. KING. Mr. President, I should like to read from a memorandum which I have a few words on the subject of these amendments.

The effect of this insertion—

That is, the amendment that is now before us—

is to concentrate in distilleries, and to restrict bottling in bond to distillery bonded warehouses under the terms of the existing statute with respect to the bottling of distilled spirits in bond, being the bottling in bond act of March 3, 1897.

These amendments will prevent indiscriminate removals in bond, the entire operation being subject to the management of the Commissioner of Internal Revenue. They will prevent indiscriminate bottling of distilled spirits in bond at general bonded warehouses, where all kinds of liquors and other merchandise are mixed in storage, and without making sweeping changes in general statutes will enable the Commissioner of Internal Revenue to order and supervise removals of distilled spirits in bond for the purpose of economical concentration and reduced expense of supervision.

As I have said, my knowledge of this matter is limited, but it seems to me that the argument suggested possesses merit. I commend it to the committee and to the Senate.

The PRESIDING OFFICER. Does the Senator from Utah offer the amendment?

Mr. KING. I do.

The PRESIDING OFFICER. The Senator from Utah offers an amendment, which the Secretary will state.

The READING CLERK. On page 25, in line 16, after the words "internal revenue," it is proposed to insert the word "distillery."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

Mr. WILLIAMS. Mr. President, if I understand this amendment, it may all be reduced to a sentence. If the amendment shall be adopted, all the bottling in bond will be done in distillers' warehouses and not in any other sort of warehouse.

As to the claim that liquor is subject to theft and depredation in other warehouses, there is nothing in it. The whisky in Government warehouses is not stored indiscriminately with other things; it is stored in a separate place, doubly locked and barred with guards over it, and hitherto such depredation as has taken place has taken place in distillers' warehouses.

The distillers control the distillers' warehouses and the charges for bottling. It is claimed they are charging entirely too much. Whether that claim be true or not is another matter; but it would seem that the evidence shows it to be true. However, Mr. President, something between 75 and 85 per cent, as the Senator from Washington said, of all this liquor is owned, not by distillers but by banks and trust companies and various people with whom the certificates have been deposited as collateral security or into whose hands the liquor has come by way of foreclosure. To leave the distillers a monopoly of the entire bottling-in-bond business, to permit them to charge the present exorbitant prices, and to refuse to allow bottling in bond to go on in other Government warehouses not under the control and managament of the distillers and subject to their charges, seems to me to be a rather indefensible proposition.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. WILLIAMS. Yes.

Mr. KING. I suggest to the Senator that if it is desirable to concentrate these liquors in as few warehouses as possible—and I am advised that is conceded by all—and a large portion of them are now in the warehouses of distillers, and it is charged that they constitute a monopoly and that their charges are exorbitant, it occurs to me that the Government would have the power to fix reasonable charges for bottling and storage. This course would prevent any monopoly and would prevent the liquors being scattered throughout the land and stored in a multitude of warehouses.

Mr. WILLIAMS. Mr. President, that would make the legislation subject to just the objection that the Senator was attempting to make a moment ago. It would be new legislation.

Mr. KING. The Senator misunderstands me. I am not making that objection at all.

Mr. WILLIAMS. It would be an objection, nevertheless. It would be new legislation.

Mr. KING. The same as this.

Mr. WILLIAMS. This is new le[illegible]ation only in one sense; not in that sense.

Mr. President, I want to make one point quite plain, and that is that as far as loss from theft or other depredation is concerned, or from unlawful removal, it would be greater and has been greater in the distillers' warehouses, bonded warehouses, than in the others.

Every man knows that at present the only way in which any of this liquor can be disposed of in bonded warehouses is after it is bottled. The physicians will not prescribe it except as bottled, and the druggists neither will nor can sell it except as bottled. If we are going to leave the bottling business entirely in the hands of the distillers they will control the bottling business, and these men owning 75 per cent or 80 per cent of the certificates entitling them to ownership, or which would have entitled them to ownership and disposition without prohibition, are left helpless, and they can not sell what they own to the druggists nor upon physicians' prescriptions. If the sole object of the legislation were to concentrate this liquor, it would be very much better to take it all out of the distillers' warehouses altogether, and put it in the other Government warehouses—much better.

Mr. KING. Except for the reason that it is in the distilleries now.

Mr. WILLIAMS. Except that it is there now; but if the Senator says the object was to concentrate it, that requires removal anyhow, and concentration at some other place; and if that removal is contemplated at all, it would be better to remove it from the distillers' warehouses and cut off the distillers entirely from the management.

It seems to me that the amendment—while that, of course, is not its intention—can have but one effect, and that is to perpetuate a quasi monopoly which is not of much good to anybody except the man who collects the fee for bottling.

Mr. KING. If this amendment would have that effect, I should regard it as very objectionable. As I said to the Senator from Washington a few moments ago, perhaps no Senator, at least since I have been here, has inveighed as much against monopolies and trusts and combines as I have; and if the result of this amendment would be to create a monopoly, I should be very much opposed to it.

Mr. WILLIAMS. Or to continue it.

Mr. KING. Or to continue a monopoly. I suggest, however, for the consideration of the members of the committee that if the object is concentration—and I am told by those who desire the enforcement of the Volstead Act, as I desire it to be enforced, that concentration is desirable—it is easier to prevent the unlawful disposition of liquors if the stock on hand is in a few places and can be carefully guarded and inspected. If that is desirable, then it occurs to me that if the greater part of the liquors are now in the warehouses of the distillers, legislation would be wise that left them there, but subjected the distillers to rather drastic regulations with respect to bottling, costs of storage, and particularly guarding and protecting the same. In this manner any possible monopoly could be prevented and the owners of the liquors could be fully protected. I agree that it would be unjust and unfair for distillers who have the liquors of others in their possession to charge unconscionable prices for bottling or for storage; but that could be regulated by the Government.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. KING. I yield.

Mr. WILLIAMS. When this liquor was deposited it was the property of the distiller, it belonged to the distiller, and therefore very naturally it went to the distillery warehouses. Since that time the property in it has passed, to the tune of 75 to 85 per cent, to other people from whom the distiller borrowed money. So long as the distillers paid the prices of bottling their own liquor among themselves, and the warehouse got the money, and the individual distiller paid it, it was not such a horrible thing in its practical operation as it is now, when the interest of the owners of 85 per cent of the product is affected. It seems to me it is perfectly right to give everybody the opportunity to have the liquor bottled, and perfectly right to let them bottle it wherever it happens to be, whether in a distiller's warehouse or in another Government bonded warehouse. That is all that this legislation does. What the Senator's amendment would do would be to enforce its bottling in bond only in distillers' warehouses.

Mr. JONES of Washington. Mr. President, right in that connection I wish to suggest to the Senator that under the language of the amendment as it is submitted by the committee this liquor could be bottled and it could be concentrated in distillery warehouses. It is left to the discretion of the Commissioner of Internal Revenue, but if the Senator's amendment is adopted, then it can only be sent to the distillery warehouses. The amendment submitted by the committee is broad in its scope, leaving the discretion to the Commissioner of Internal Revenue. If he finds it advisable to concentrate part of this in a warehouse, he can do it under this amendment, but if he thinks it is not advisable to do that, then he can put it in the others; but under the Senator's amendment he is absolutely limited to the distillery warehouses.

Mr. FLETCHER. Mr. President, may I interrupt the Senator? In that case the inevitable effect is to create a monopoly in the hands of the distillers.

Mr. JONES of Washington. Absolutely.

Mr. FLETCHER. They can charge what they please.

Mr. JONES of Washington. Yes.

Mr. FLETCHER. I think that is very clear.

Mr. KING. Mr. President, as stated, I have no interest in this matter, and but limited information concerning it.

I have submitted the amendment, at the request of others, in the absence of a Senator, for the consideration of the Senate. My only interest is to see that the question is fairly presented and that both sides of the matter may be fairly considered. I am, of course, interested in seeing the law enforced. Under the eighteenth amendment authority to deal with the manufacture and sale of intoxicating liquors for beverage purposes is committed to the Federal Government. Congress, pursuant to this granted authority, has enacted the Volstead Act, and I am in favor of enforcing that act. I favor ample appropriations for the purpose of carrying out the provisions of the law.

If the amendments which I have suggested at the request of others are in the interest of the proper enforcement of the law and are consonant with justice and the property rights of those concerned, they should be adopted. If not, they should be rejected.

The first amendment, it is conceded, is desirable from every standpoint. It is conceded, as I am told, by those who are most zealous in seeking the enforcement of the Volstead Act that it is desirable to concentrate these liquors in as few warehouses as possible. It occurred to me that if these liquors, or a large part of them, are now in distilleries, it would be in the interest of the enforcement of the Volstead Act to retain the liquors there until they are withdrawn pursuant to law, and such a course would not injure those who own the liquors. It is known that in removing liquors from warehouses and in taking them throughout the country and depositing them in other warehouses the risks resulting from theft and loss are very much greater than if they remain in secure warehouses. If the objection to their being retained in the distilleries is that the distillers are charging extortionate prices for storage and bottling, then Congress can very quickly regulate that matter by appropriate law. It can authorize the Internal Revenue Department to promulgate such reasonable rules and regulations respecting bottling, storage, and so forth, as would prevent any form of monopoly or any injustice to the owners of the liquors.

Mr. President, I have submitted the amendment to the Senate, and shall content myself with asking for a vote.

Mr. WILLIAMS. Mr. President, just one word. The suggestion is made by those seeking to change the committee amendment that the stuff would be safer from depredation in the distillers' warehouses than in the other Government bonded warehouses. I want to read a statement which I believe to be true—it is true as far as I have been able to verify it—in connection with that suggestion. It is to this effect:

> This suggestion is wholly untrue. The whisky so stored—

That is, in the other Government warehouses, not the distillers' warehouses—

> is in compartments wholly apart from all other merchandise. The walls are of brick or concrete; the windows are barred; the doors are of double iron, and only the representatives of the Government have keys.

Only the representatives of the Government. No distiller has any keys there, and therefore there can not be any underground complicity between the distiller's key and a man who wants to take the whisky out of the warehouse. So it is safer in the other Government warehouses than it is in the distillers' warehouses.

The PRESIDING OFFICER. The question is upon the amendment proposed by the Senator from Utah [Mr. KING] to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is upon agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. KING. Mr. President, may I inquire of the Senator from Wyoming whether he would be willing, as I am compelled to leave the Chamber in a moment, to refer to an item on page 47, to which I desire to call the attention of the Senate?

Mr. WARREN. I shall be glad to accommodate the Senator.

Mr. KING. It reads:

> National archives building: For site of building, including $25,000 for technical services, $500,000.

I oppose that item, Mr. President, and I am anxious to know whether the committee is going to press it. The Senator will remember that when the matter was up for consideration a year ago the Senator from Alabama [Mr. UNDERWOOD] opposed the proposition then pending to utilize two parcels of ground on either side of Ohio Avenue, and then bridge the Avenue, practically thus closing the Avenue. He insisted that the Government had ample ground of its own in other places, and I think he made most convincing arguments. Indeed, they were so convincing that the Senate accepted his view.

I have been told by a great number of persons, some in Government employ and some outside, who are familiar with the subject, that the Government has ample ground of its own more suitable for this archives building than the place which

I am told some persons have in view. We all desire that the Government shall have an archives building. There is no controversy over that matter; but I am opposed to expending $500,000 to enrich some real estate men, and to help the owners of some part of the town where they have real estate, when the Government itself has ample ground suitable for this building.

Mr. WARREN. Mr. President, I will say to the Senator that as to the locality which was under consideration a year ago, to which the Senator from Alabama objected, there is no intention to use that site. It is used for another purpose. This provision for an archives building is an old provision of law. We are in very close circumstances about it. Even with all the temporary buildings the Government has, and in spite of all the care we are exercising, we are paying hundreds of thousands of dollars yearly for rent. By providing this archives building, and taking out of the great buildings, like the State, War, and Navy Building, and equally good buildings, tons and tons of the archives and papers, and permitting the rooms which are occupied by that material to be used by the officers and clerks, we will save all of this rental.

I do not know that one-half of the $500,000 would be used. The proposition is to put it where those representing the Government can provide a suitable site. As the Senator said, you might say the Government has land enough to build a town of archives buildings, but in a great many places where the Government owns property there are little pieces, lots and parts of lots and blocks, which belong to individuals, and they must be purchased or condemned, and, as I understand it, it is proposed in this case to use land which would probably cost, if we had to buy it, two or three or four times that amount of money, but we would buy only that which would complete the lots and blocks sought to be used, and not have to close the thoroughfares of the city. As the Senator knows, there are some blocks, so called, in the city, which are four times the size of some other blocks. I hope the Senator will not oppose this. We may lose it in conference, but it certainly is of great importance, and we would like to have it included.

Mr. FLETCHER. May I ask if the committee has in mind a definite location for the building contemplated by this appropriation?

Mr. WARREN. There is, in general terms, one contemplated. Of course, the Senator knows that it is a little injudicious to speak of sites in view when an appropriation of this kind is being made.

Mr. FLETCHER. I realize that.

Mr. WARREN. But it is now contemplated to put the building at a point which I am sure will be entirely satisfactory to both the Senator from Florida and the Senator from Utah.

Mr. FLETCHER. It looks like a pity to spend $500,000 for a site if we already have the ground and can utilize our own land.

Mr. WARREN. If the Senator would examine these sites, as I, with some others, have done, he would discover we are rather restricted within the radius of convenience as to some pieces we would have to obtain. If we put this at the outside limits of our ownership, of course a great deal of transportation would be required, clerks going back and forth, taking their time. So that has to be considered, together with the other facilities and the expenses of running it.

Mr. FLETCHER. I recall the discussion when the Senator from Alabama opposed a certain definite tract, and I remember favoring that at the time. I understand the Senator to say now that that is out of the question?

Mr. WARREN. It is not under consideration in any way.

Mr. FLETCHER. It is being used for some other purpose?

Mr. WARREN. Yes.

Mr. FLETCHER. I think at that time it was said there were some temporary buildings on it, but that it was expected those temporary buildings would be removed and that the site would be available by the time we were ready to proceed with this building. I thought that site was a very well-chosen place and would be convenient to all the departments.

Mr. KING. Mr. President, I send to the desk a letter on this general subject which I would like to have read without the signature. If Senators desire, they may have the signature.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

THE NEW WILLARD,
Washington, D. C., January 17, 1922.

The Hon. WILLIAM H. KING.
Senate Office Building, Washington, D. C.

DEAR SIR: I venture to write you in reference to the proposed archives building site covered by a committee amendment to the Treasury appropriation bill. I was in a discussion of this matter with some District engineers, and as an outsider as well as an engineer, interested in town planning in the West, I beg to submit some comments on the matter.

It appears that 15 or 20 years ago the triangular area between Pennsylvania Avenue and the Mall was planned out in detail for future Government buildings by a commission, and in 1908 a start was made by the purchase of the blocks on Fifteenth Street to be used under the plan for the State, Justice, and Commerce Departments, squares Nos. 226 to 230, together with the inclosed streets. In 1913, an archives building being needed, a commission reported the designation by the Secretary of the Treasury of the blocks between Twelfth and Thirteenth, B and C Streets, consisting of squares 294, 295, and the portion of Ohio Avenue between them, in accord with the general plan. The purchase of this site is now contemplated.

Before 1913 there was no doubt little objection to this site; Ohio Avenue was paved with grass-grown cobbles and Washington's traffic problem was in its infancy. The elimination of Ohio Avenue would make the buildings more regularly rectangular and would save some purchase money. To-day there is a material change in two respects: First, in the unexpected expansion of certain departments; and, second, in the even less-expected increase of street traffic.

As originally planned, the State Department was to have a new building on lower Fifteenth Street, leaving the State, War, and Navy Building to the military branches, but as a result of the war the War and Navy Departments withdrew, and the State Department is occupying, and will no doubt indefinitely occupy, the entire building. In view of the modern complexity of our foreign relations, it seems that its present quarters opposite the White House offices will be always its logical location. In consequence the block allocated to the State Department will eventually be used for other purposes.

Washington is, of course, fortunately equipped as regards broad streets and avenues, but its one-sided growth toward the northwest and the increase in automobile traffic (which the youth of to-day will see trebled) have produced great congestion in the business center of the city, with a maximum density in vehicles per minute on Pennsylvania Avenue from Fifteenth to Seventh Streets. The residential center of gravity is steadily moving northwest, while industrial development is southeastward, below the Mall and east of Fourteenth Street. In consequence, the avenues from northwest to southeast bear the heavy burden, while those from southwest to northeast, like New Hampshire, Rhode Island, and New York, are comparatively lightly used.

Inevitably the congestion on Pennsylvania Avenue will grow. Relief is obtainable only by paralleling the traffic, and for that purpose only Ohio Avenue is available. Since it was paved about three years ago it has been increasingly used as a through route, and by minor rectifications of the park roads below the Treasury, the market sheds at Twelfth Street, and the north line of the Mall between Sixth and Seventh it would attract a large fraction of the traffic now crowding Pennsylvania Avenue. Being the same width (160 feet) as Pennsylvania Avenue but having no street cars or dense pedestrian traffic, it already furnishes the quickest route from the Treasury to the Capitol during rush hours, and will eventually sustain an equal traffic.

The grave objection to closing Ohio Avenue by the Archives Building at Twelfth Street or elsewhere is thus apparent. I understand that the site of the War Industries Building at Fifteenth and B Streets, a two-story frame and stucco building now used by the Treasury Department for the excess profits tax division, has been suggested, and might prove an effective solution. It appears, however, that the Twelfth Street site having been designated for the purpose in 1913 under authority from Congress and the Fifteenth Street blocks having been similarly allocated in 1908, the interested officials are estopped from considering or suggesting a revision, and can only continue to request funds to carry out the purchase, as directed in 1913, until Congress directs them otherwise.

A general restudy of the problem would seem to be the logical proceeding. If a commission were appointed to include, for example, the Secretary of the Treasury, the Engineer Commissioner of the District, and other proper officials of the Government, with specific instructions to consider all previous designations or allocations as suspended, the problem would be solved satisfactorily both as regards governmental housing and traffic expansion.

I have roughly sketched out a traffic map which I inclose, which will, I think, help to show the importance of keeping Ohio Avenue open to traffic.

It will be noted that E Street is blocked by the District Building, D Street and C Street are less than half the width of Ohio Avenue and are blockaded by car tracks and also, in common with B Street, do not lead southeastward, and would, consequently, not attract any traffic from Pennsylvania Avenue, where relief is needed. Traffic conditions have grown so serious that the District Commissioners are contemplating drastic changes, but are finding great difficulty in working out regulations that will make a satisfactory improvement.

For the Government's own convenience facility of ingress to this triangular area when it is finally filled with Government buildings will be highly important, and the closing of the only broad thoroughfare in the area would appear to be a very short-sighted policy. Some irregularity, as witness the Senate and House Office Buildings, makes for a pleasant architectural contrast, rather than have narrow and dark streets for the only frontages. Building over streets may offer present economy, but will ultimately be highly expensive, and savors of "penny wisdom."

Yours, very truly, ——— ———.

Mr. SMOOT. Mr. President, I want to say to the Senate that your building commission must know whether we are going to have an archives building or not, and we have to know very quickly. If we build the archives building, we can take papers which are not called for perhaps once in a year, or once in two, and perhaps once in five years, and put them in the archives building, and by so doing we can obtain space which to-day, if we rented it outside, would cost $2.50 a square foot. Your commission has done everything in its power to utilize every foot of space in the public buildings in the District of Columbia, but still we have rents to pay outside.

I may add, Mr. President, that the Attorney General's office is in a rented building, the lease on which expires on the 15th day of June of this year, as I remember. The owners of the building are asking for an increase in the rent of some four or five hundred per cent.

Mr. KING. They had better go to the rent commission.

Mr. SMOOT. I will say to my colleague that we are not going to pay it unless the Supreme Court of the United States say we must.

What your commission wants, and it is the unanimous view of the commission, is that we erect an archives building, not a temporary building but one that will take care of all the documents and records of the Government, many of which are not needed very often, and also an archives building that will take care of all records of every kind. In order that that may be done it must be located near the buildings in which the different departments are located. I hope Senators will not at this time, for obvious reasons, ask me the proposed location of the building; but if anyone will ask me at the close of my remarks, I will gladly tell him.

I wish to assure the Senate that your commission wants to save every single dollar that it is possible to save. I want you to have confidence in your commission and to believe that we are going to do that. The only question to decide is whether we are going to have an archives building. I say now without a moment's hesitation that if I had the power of the Government of the United States I would construct an archives building just as quickly as it would be possible to do it. We have records stored in all the basements of all the buildings of the Government, valuable papers that could not be replaced, papers of untold value to the American people, and yet we have no place to put them to make them safe.

Mr. FLETCHER. I might refer to the fire which took place not long ago in the Commerce Department Building, where some very valuable papers were lost that could not be replaced. I had occasion to look up recently some records from Georgia and Alabama, running back to 1812, that were lost and can never be replaced. I realize that we ought to have such a building, and that there is no question about it.

Mr. SMOOT. If Senators desire to know how crowded we are for storage space, let them go down to the Arlington Building and look in the basement and the floor above to see the valuable space that is occupied there by records. I do not ask for any elaborate building. I do not ask for marble and carved statues, and all the pillars of ancient Greece and Rome to be duplicated in this building. I want a large building, a fireproof building, a substantial building, that will serve the purpose of the Government of the United States for 100 years at least.

It would pay the Government 10 per cent upon its value in the release of space in Government buildings which we can use for better purposes and for office purposes, instead of paying exorbitant rents in the District of Columbia, as we are doing to-day, for other office space. I would not ask for 1 cent in the pending bill if it were not for the conditions which exist. There is not a Senator or a Congressman, if he will go down and make an investigation, who would not say that it is only good common business sense to erect an archives building. Now is the time to do it, too. There will never be a better time.

If we are not going to erect such a building, the commission will have to go out and rent space wherever we can. Records are piling up everywhere. We have records of the recent war piled up in New York. We have them piled up in Philadelphia. We have them scattered all over the United States. We can not bring them to the District because we have not any place here in which to put them. The only way to solve the difficulty is to construct an archives building.

Mr. HARRIS. Mr. President, can the Senator from Utah give us this information? Will not the archives building, when constructed, make a great saving to the United States, because we will then not have to pay the high rent we are now paying for office space, and, in addition, the building will be much safer for the storage of our records?

Mr. SMOOT. That is very true. We will make 10 per cent on our money to begin with, without a question of doubt. As soon as the building is erected and we can get into it we shall make more than 10 per cent upon the amount invested by the saving in office rent paid elsewhere, and as the years pass we shall make even more. I can not see why there should be any objection. I know there would not and could not be if the matter were fully understood.

Mr. KING. Mr. President, I have not learned of any objection whatever to the erection of a suitable archives building. I know when the subject was under discussion a year ago there was a proposition which contemplated the closing of Ohio Avenue for the purpose of utilizing a portion of that avenue and two pieces of ground upon either side for the archives building. The Senator from Alabama [Mr. UNDERWOOD] made a vigorous protest against that proposal, and it was defeated, but those of us who supported Mr. UNDERWOOD expressed the hope that an archives building would be speedily erected.

The controversy was as to whether the Government would be justified in spending money to purchase additional ground in view of the fact that a number of years ago the Government acquired territory, at a cost of millions of dollars, which many Senators believed was suitable upon which to erect an archives building.

Mr. SMOOT. I wish to say to my colleague that I was heartily in favor, of course, of putting the building on the block mentioned by my colleague and closing up Eighteenth Street. At the time the discussion was going on I did not know that under the existing law Eighteenth Street, just where we wanted it to be closed, is to be closed. There will have to be action by Congress to the contrary if it is not closed. I did make a proposition to the Senator from Alabama afterwards that we should erect the building, and I had a plan drafted by the Treasury Department showing how it might be erected over the street, leaving a space the width of the street beneath the upper stories of the building so that people and vehicles could pass under, but that was not agreed to.

If we locate the building too far away from the offices which must store records in it, the time that will be expended in going to and from the archives building and the inconvenience of it will not justify us in its erection. It must not be located too far away from the center of the offices that will use it. Therefore, I want my colleague to know that there is a movement on foot to get the ground upon which to erect the building so it will be in a proper place and will not cost any more than if we had purchased the land as originally intended, and perhaps not as much.

Mr. KING. I understand that the Senator from Alabama opposed the construction of the building on blocks 295 and 294 and the closing of Ohio Avenue, and advocated the erection of the building upon the block known as 230 and possibly 229. It seems to me that the position of the Senator from Alabama, upon the occasion to which I have referred, was correct, and that the Government ought to utilize ground which it owns for the purpose of constructing the archives building.

Mr. SMOOT. May I say to my colleague that I know the commission is going to do what is best for the Government, and unless we can save money by the plan which is now under consideration there is no question that we will report here to the Senate and ask for further instructions.

Mr. KING. I would be entirely willing, and I wish the committee had reported an amendment of that character, to authorize either the building commission or the heads of the various departments together with the Public Buildings Commission, to select a suitable place, preferably upon ground owned by the Government, but if they were unable to find a suitable site for the erection of a proper building that they should be authorized to acquire sufficient ground whenever it was proper. I would be willing to vote for a provision of that kind.

Mr. SMOOT. That is the policy which will be followed. I wish the situation were otherwise, because I would like to tell my colleague the details it will involve, but I think he can take my word for it that the commission will not do anything except what it believes to be for the best interest of the Government financially and otherwise.

Mr. KING. In view of the very reassuring statement of my colleague, I shall not press my motion, but I desire to admonish him now in the utmost kindness that if the commission does not make a suitable selection, and if it shall impose a burden upon the United States, my colleague and the commission will be criticized, and I shall be frank in criticizing them.

Mr. SMOOT. I shall not object if my colleague does it in that event.

Mr. KING. We all agree that we must have an archives building. It is very unfortunate that Congress did not construct it years ago. It is very unfortunate that a year ago, when the importance of the building was brought to the attention of Congress, we did not make a sufficient appropriation and authorize the construction of the building. I agree with all my colleague has said about the necessity of the building and the importance of withdrawing these precious papers and archives from insecure places and putting them into some building where they will be preserved.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 28, line 13, after the numerals "$12,000,000," at the end of line 12, to strike out "of which not to exceed $4,000,000 may be used for the payment of such claims accruing prior to July 1, 1920, without special authorization and appropriation by Congress in each individual case," so as to read:

For refunding taxes illegally collected under the provisions of sections 3220 and 3689, Revised Statutes, as amended by the act of February 24, 1919, $12,000,000: *Provided*, That a report shall be made to Congress of the disbursements hereunder as required by the act of February 24, 1919.

The amendment was agreed to.

Mr. WARREN. I send to the desk an amendment, which I move to insert at the end of line 18, on page 28.

The VICE PRESIDENT. The amendment proposed by the Senator from Wyoming will be stated.

The READING CLERK. On page 28, line 18, after the numerals "1919," it is proposed to insert "including the payment of claims accruing prior to July 1, 1920."

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 37, line 5, after the word "examinations," to insert "including the amount necessary for the medical inspection of aliens, as required by section 16 of the act of February 5, 1917," so as to read:

For medical examinations, including the amount necessary for the medical inspection of aliens, as required by section 16 of the act of February 5, 1917, medical, surgical, and hospital services and supplies for beneficiaries (other than patients of the United States Veterans' Bureau) of the Public Health Service, including necessary personnel, regular and reserve commissioned officers of the Public Health Service, personal services in the District of Columbia and elsewhere, maintenance, equipment, leases, fuel, lights, water, printing, freight, transportation and travel, maintenance and operation of motor trucks and passenger motor vehicles, transportation, care, maintenance, and treatment of lepers, court costs, and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of the insane, and reasonable burial expenses (not exceeding $100 for any patient dying in hospital), $5,627,394.

The amendment was agreed to.

The next amendment was, under the subhead "New Orleans, La., Mint," on page 41, line 18, after the numerals "$2,500," to strike out "assistant assayer, $1,500; in all, $4,000," so as to read:

NEW ORLEANS, LA., MINT.

Salaries: Assayer in charge, who shall also perform the duties of melter, $2,500.

Mr. WARREN. Mr. President, the matter involved in the amendment which has just been stated, being one of the amendments relative to certain assay offices and mints, is one which is of long standing. In the development of the mines of the country it was found necessary to establish assay offices at various points in Territories which have since become States, as well as the one at St. Louis, Mo. The great corporations which are engaged in the larger quartz-mining operations, as well as in other kinds of mining operations, send their product to the larger assay offices of the East, but the man who is in the field, who takes his sack of flour and his chunk of bacon and goes out and sleeps on the ground, delving about to discover whether he may not find gold and silver or other minerals, in my judgment, is always entitled to the best accommodations which we can give him. Therefore, I think that so long as there may be minerals to be discovered we should maintain these assay offices for the benefit of the man who is seeking to uncover them.

The question arose in the committee, however, as to whether in such cases both an assayer and an assistant assayer are needed, where we have already reduced the salary of the assayer perhaps to $1,800 a year, or not to exceed $2,500 a year, and where the assistant assayer might not be accorded a salary of more than $1,200; but I find upon an investigation of the matter—and I believe the other members of the committee agree with me in that finding—that in many cases, although the senior assayer, who has perhaps devoted almost a lifetime to the work, is not able physically to do all the work, yet because of his knowledge he is indispensable; and that the assistant assayers are also necessary, in order to supplement the lack of physical ability on the part of the principal assayer, to perform all of the duties of the office.

Therefore, I am going to ask that the amendments which have been reported by the committee which are contained in the clauses referring to the several assay offices be disagreed to.

Mr. FLETCHER. I desire to ask the chairman of the committee whether he refers to the amendments which have been reported by the committee proposing to strike out the provision for an assistant assayer?

Mr. WARREN. Yes.

Mr. FLETCHER. And, as I understand, the Senator on behalf of the committee now asks that such amendments be disagreed to.

Mr. WARREN. That is my request.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the Committee on Appropriations which has just been stated.

The amendment was rejected.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Boise, Idaho, assay office," on page 43, line 9, after the numerals "$1,800," to strike out "assistant assayer, $1,200; in all, $3,000," so as to read:

BOISE, IDAHO, ASSAY OFFICE.

Salaries: Assayer in charge, who shall also perform the duties of melter, $1,800.

The amendment was rejected.

The next amendment was, under subhead "Deadwood, S. Dak., assay office," on page 43, line 15, after the numerals "$1,800," to strike out "assistant assayer, $1,200; in all, $3,000," so as to read:

DEADWOOD, S. DAK., ASSAY OFFICE.

Salaries: Assayer in charge, who shall also perform the duties of melter, $1,800.

The amendment was rejected.

The next amendment was, on page 43, after line 16, to insert:

For wages of workmen and other employees, $1,000.

The amendment was agreed to.

The next amendment was, under the subhead "Helena, Mont., assay office," on page 43, line 21, after the numerals "$1,800," to strike out "assistant assayer, $1,200; in all, $3,000," so as to read:

HELENA, MONT., ASSAY OFFICE.

Salaries: Assayer in charge, who shall also perform the duties of melter, $1,800.

The amendment was rejected.

The next amendment was, on page 43, line 24, to increase the appropriation for wages of workmen and other employees at the Helena, Mont., assay office from "$900" to "$2,000."

The amendment was agreed to.

The next amendment was, on page 46, after line 9, to insert:

Boston, Mass., immigrant station: For protection of site and building and approach work, $73,000.

The amendment was agreed to.

The next amendment was, on page 46, after line 16, to insert:

New York, N. Y., barge office: For constructing pent house on bridge, $2,000.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, in connection with the appropriations for public buildings, I desire to ask the chairman of the committee a question. In a number of instances sites for public buildings were chosen and appropriations were made for the construction of the buildings as far back as 1913. I know of two instances in the State of Florida, for example, where the appropriations have been made for the purchase of sites and for the erection of buildings for post offices and to accommodate the Federal court. The plans for the buildings were drawn, bids were called for by proper advertisement, but it was found that none of the bidders would construct the buildings for the amount of money which was provided in the appropriations for such buildings. There the matter has rested; from 1913 to 1922 nothing has been done in reference to those buildings, the department simply saying that it can not have them constructed for the amount of the appropriations originally made.

One of two things ought to happen: Either the department ought to change the plans of those buildings so as to enable them to be constructed within the appropriation, and proceed to erect them and utilize the appropriation, or they ought to come to Congress and ask for additional appropriations sufficient to meet the conditions which exist to-day.

It probably costs more to construct a public building now than it did in 1914, and it seems for that reason action is suspended, and yet Congress does not supply the additional amount required to proceed with the work. We have said we want a certain site and a certain building erected upon it, and have appropriated money which we thought at the time was sufficient to construct the building, but the department find that the building can not be constructed for the amount of money provided. They have not said, so far as I am aware, exactly how much more is needed in each instance, although from correspondence I am advised that there ought to be a certain sum added to each of these appropriations. I do not know, however, whether the department have ever recommended to Congress or to any committee of Congress that the amount originally appropriated ought to be added to. If they have, the proper committee, it seems to me, ought to provide for those deficiencies.

I wish to ask the chairman of the committee if there is not a possibility of taking care of the situation by appropriating a sufficient amount to complete the buildings which have been authorized?

Mr. WARREN. Mr. President, I wish to say to the Senator that he is exactly right in his premises. This, however, is the condition which confronts us: We took rather rapid strides in enacting the so-called omnibus bills providing for the erection

of public buildings. As the Senator knows, there were three or more such bills passed containing authorizations and appropriations for a large number of buildings which, evidently, after due consideration, it was deemed proper to construct. Appropriations were asked for from year to year and plans were drawn for many such buildings, and the money stands to-day appropriated in full; in fact, in every instance, I think, an appropriation has been made up to the limit of cost. So it is entirely a question whether the department can go ahead and erect the buildings under the limit of cost prescribed, and whether they will do it.

Before many of these buildings were begun the European war broke out, and subsequently the United States entered the war, and from the beginning of that conflict the price of materials and labor and all the elements of construction began to advance. It was soon discovered that, even though it was desired to erect those buildings, additional appropriations would have to be made. The administration then in power asked us to forbear on account of the war. It was not a time to enter upon such undertakings in any large way; and so the matter went on. A year after the conclusion of the war prices were probably at the highest notch they had ever reached, and it was deemed unwise to go ahead with the construction of the buildings. To-day, more than three years after the war, the department still says, to use the ordinary phrase, that the amounts provided are not "within gunshot" of being sufficient to erect the buildings, and the reports which have been submitted indicated that that is a correct estimate of the situation.

When the new administration came into power and the matter was taken up with them—and I may say it has been taken up by me repeatedly with the Treasury Department—the refusal to proceed with the work was based on the ground that prices were still too high and that costs continued to be in excess of the amounts appropriated. I know that in my own State, for instance, there are three buildings which are very badly needed. The records of the United States Land Office and other records are housed in very poor wooden buildings, but the appropriation in each case lacks $10,000 or $15,000 of being sufficient to construct the new building.

Under the methods we have pursued here—in fact, in accordance with what might be termed the unwritten law—no additional amount can be expended beyond those already authorized by legislation without further legislation; in other words, under the rules which we have followed so long we can not appropriate to enlarge a building in the State of the Senator from Florida or in the State of Wyoming, for instance, without further authorization.

I will be glad to join the Senator in an effort to have the Committee on Public Buildings and Grounds, which is the proper committee to consider the matter, take up the question of completing all the buildings which we have authorized and appropriated for, and ascertain how much it will require to finish them, and in some omnibus bill to undertake to cover that ground. It will not require a large amount to complete this work; in fact, the amount will be small compared with the great claims that we have to meet from time to time; and yet the convenience throughout the various States of providing adequate public buildings would be immeasurable, and it is likewise essential that better protection be afforded the public records.

I happen to be a member of the Committee on Public Buildings and Grounds, and I shall be glad at the first opportunity, as I have already done for that matter, to take up the matter with the committee and request that a movement of the kind indicated be initiated.

Mr. FLETCHER. Mr. President, I am glad to have the chairman of the committee make that statement. It quite clears up the situation, in my mind, at least, to a considerable extent. The people have been waiting very patiently now for a good many years, and it seems to me that they ought to be served.

It appears to me that this matter stands in rather a different attitude than the case where it is desired to make an addition to or an extension of a building or something of that sort. In such a case I can see that there might be required a new authorization and additional legislation; but in the instances which I have in mind it is not proposed to make any additions to the original building at all; but it is simply necessary to secure an additional appropriation to construct the building which was originally contemplated and designed. It seems to me that the committee could insert such items in this kind of a bill without anything further being necessary than a statement from the Treasury Department that they find that a given building can not be erected for the original appropriation, and that $10,000 or $15,000 more will be required because of the increase in the cost of material, labor, and so forth.

I repeat, it seems to me as if all such cases could be taken care of in a bill such as that now pending without reference to further legislation concerning a change in the plans or anything along that line. I hope the chairman of the committee will see to it that those matters are taken care of, because the Congress intended in 1913 that the work should be proceeded with at once, and for nine years to elapse and nothing to be done is almost inexcusable. Of course the war intervened, and under Democratic administration, with their ideas of economy in every direction, a public buildings bill was never passed; in fact, the last public buildings bill passed by Congress was signed by President Taft in March, 1913, the Democratic Congress never having succeeded in passing a public buildings bill at all. Nine years have gone by since these appropriations were made.

Perhaps it would not be feasible now to put these items in this bill by way of an amendment; but while I have the floor I want to call the attention of the committee to another situation. There are two items in this bill, at page 17, for printing and binding for the Treasury Department, carrying an appropriation of $500,000. There is an item under the head of Bureau of Engraving and Printing carrying a large appropriation, amounting to something like $1,292,265.

Mr. WARREN. The Senator will understand that those items, as large as they seem, are strictly necessary for the credit and good faith of the country. For instance, here is the matter of the Bureau of Engraving and Printing. They have the making of all the bonds and currency. We have approaching within two or three months the issuing of new paper of some kind to take up all of the Victory bonds, and probably some portion of the other bonds; but we have cut down the appropriation quite materially this year from last year, and last year we cut it down to some extent from the year before. We consider that we are doing pretty well in that.

Take it here under one class, for instance: Last year the appropriation was $214,000; it is now $160,000. Under another one last year it was $750,000, and now it is $500,000. That is the printing and binding for the Treasury Department, including printing required by the Federal farm loan act. There is another place where last year they had an appropriation of $125,000, and this year it is $116,000, and so on. Those are the necessary and unavoidable expenses of the Government under the condition in which we find ourselves after the war.

Mr. FLETCHER. Of course, this is not itemized, and I can not tell about the reasonableness of the appropriation, but I have no doubt the committee has gone into that subject. What I was proceeding to say was this:

The item of printing and binding in these days has become of very great consequence. It is costing the Government to-day $14,000,000 to do the printing and binding here in Washington. It is costing $2,000,000 a year under private contracts to do Government printing in Washington. It is costing $2,000,000 a year more in plants outside of Washington; so that we are actually spending to-day $18,000,000 to do the printing for the Government.

Mr. WARREN. And, if the Senator will permit me, we rise here every morning and ask for the printing of every kind of material and stuff in the RECORD and in documents, and forget, for the time being, that there is any such thing as economy in printing.

Mr. FLETCHER. Yes. I have been for some time endeavoring to check that as far as possible; but what I want to call the Senator's attention to now is that this item of printing and binding, instead of going into one general bill each year, is parceled out to various departments. The bill affecting the Treasury Department carries its item for printing and binding amounting to $500,000. The bill affecting the Interior Department will carry the item of printing for that department, and the same way with the Department of Commerce, the Department of Agriculture, the Department of Labor, the Department of State, the War Department, the Navy Department, and so forth.

The committee, therefore, will not grasp the enormous aggregate of the various appropriations in these various bills unless they sit down and figure them all up, because, as I say, the item of printing and binding is parceled out in the various bills; but when you go to foot them up you will find, as I have stated, that the total cost to-day is about $18,000,000 a year for doing the Government printing.

What I want to ask the committee to do when these bills come before the committee is to scrutinize carefully the item of printing and binding in each bill, and I am quite sure that if they will do that they will be able to hold down the departments

to a reasonable limit in the expenditure of public funds for the enormous amount of printing that each department is doing. I think a lot of it is wholly unnecessary. In the Joint Committee on Printing we are trying as hard as we can to control the element of waste in that connection; but when the head of a department certifies that a certain publication is desirable and needed for administration purposes, and that sort of thing, the Public Printer is usually disposed, of course, to print it. If the law allows him to do it he will do it without any question; but the printing in the various departments can be very largely controlled through the Committee on Appropriations if they will only analyze the different requests and see that money is not wasted in useless publications.

The VICE PRESIDENT. The Secretary will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 46, after line 18, to insert:

New York, N. Y., post office: For shelter over driveway, in addition to the amount of $5,000 appropriated in the sundry civil appropriation act approved June 12, 1917, $50,000.

The amendment was agreed to.

The next amendment was, at the top of page 47, to insert:

Richmond, Va., post office, courthouse, and customhouse: For installation of lift and construction of driveway, including alterations of buildings on land recently acquired, $40,000, and the sum of $15,000, appropriated in the sundry civil appropriation act approved July 1, 1918, for alterations, etc., is hereby reappropriated and made available hereunder.

The amendment was agreed to.

The next amendment was, on page 47, after line 7, to insert:

Washington, D. C., Auditors' Building: For repairing or renewing roof, $20,000.

The amendment was agreed to.

The next amendment was, on page 47, after line 9, to insert:

Washington, D. C., national archives building: For site of building, including $25,000 for technical services, $500,000.

The amendment was agreed to.

The next amendment was, on page 47, after line 12, to insert:

Washington, D. C., Treasury Building vaults: For the construction of a three-story structure in the north court of the Treasury Building, consisting of a two-story vault with office space above, including all necessary mechanical and vault equipment for the same, and all incidental changes required to the Treasury Building in connection therewith, $1,000,000.

The amendment was agreed to.

The next amendment was, on page 48, after line 19, to insert:

Columbia River (Astoria), Oreg., Quarantine Station: For repairs to wharf, $11,000.

The amendment was agreed to.

The next amendment was, on page 49, line 2, to increase the appropriation for Port Townsend, Wash., quarantine station, from "$25,000" to "$26,000."

The amendment was agreed to.

The next amendment was, under the subhead "Public buildings, repairs, equipment, and general expenses," on page 52, line 21, after the words "not to exceed," to strike out "$125,000" and to insert "$142,500," so as to read:

General expenses: To enable the Secretary of the Treasury to execute and give effect to the provisions of section 6 of the act of May 30, 1908 (35 Stat., p. 537): For foremen draftsmen, architectural draftsmen, and apprentice draftsmen, at rates of pay from $840 to $2,500 per annum; structural engineers and draftsmen, at rates of pay from $840 to $2,500 per annum; mechanical, sanitary, electrical, heating and ventilating, and illuminating engineers and draftsmen, at rates of pay from $1,200 to $2,400 per annum; computers and estimators, at rates of pay from $1,000 to $2,500 per annum; the expenditures under all the foregoing classes for which a minimum and maximum rate of compensation is stated, not to exceed $142,500.

The amendment was agreed to.

The next amendment was, on page 54, line 14, to strike out "$424,000" and insert "$442,100," so as to read:

Provided, That no expenditures shall be made hereunder for transportation of operating supplies for public buildings; not to exceed $6,000 for stationery; not to exceed $1,000 for books of reference, law books, technical periodicals and journals; ground rent at Salamanca, N. Y.; contingencies of every kind and description, traveling expenses of site agents, recording deeds and other evidences of title, photographic instruments, chemicals, plates, and photographic materials, and such other articles and supplies and such minor and incidental expenses not enumerated, connected solely with work on public buildings, the acquisition of sites, and the administrative work connected with the annual appropriations under the Supervising Architect's Office as the Secretary of the Treasury may deem necessary and specially order or approve, but not including heat, light, janitor service, awnings, curtains, or any expenses for the general maintenance of the Treasury Building, or surveys, plaster models, progress photographs, test pit borings, or mill and shop inspections, $442,100.

THE AGRICULTURAL BLOC.

Mr. HARRISON. Mr. President, for the past few weeks there has been displayed upon the part of the administration much activity to block the efforts and destroy the influence of the group of Senators who have been trying to obtain the passage of beneficent legislation for the agricultural interests of the country. That activity has been shown in every way, and has been concerted and most persistent. We saw it first show its head in a message delivered by the President of the United States at the beginning of this Congress, when he spoke for party unity and pleaded with Republican Members of Congress not to ally themselves with groups or blocs. There was no mistaking the fact, and no one doubted it who heard or read that message, that he was aiming from start to finish at the agricultural bloc of the Senate.

A few days later the Secretary of War, evidently as the spokesman and mouthpiece on this question of President Harding and the administration, delivered a speech in the city of New York. I imagine that his audience was composed of manufacturers and bankers, patrons of Wall Street. In that speech, which was published from one end of the country to the other, he criticized the agricultural group, made light of their efforts, found fault with their achievements, and pleaded with the country to discredit and destroy them.

I desire to insert at the beginning of my brief remarks part of the President's message touching the agricultural group, and also parts of the speech of Secretary of War Weeks, made in New York at that time. I shall also insert, by way of analysis, a very eloquent speech made by a very eloquent Senator from New England only a few nights ago, when speaking in the city of New York. It seems that when these spokesmen of the present administration criticize and condemn this group of patriotic Senators, whose hearts are with the farmers and who are trying to pass beneficent legislation for them, they always choose New York City as the most appropriate place for making their speeches. I suppose it is because the environment there is better and their remarks when delivered there are more enthusiastically received.

President Harding in his address to the Congress on December 6, 1921, in part said:

Ours is a popular Government through political parties. We divide along political lines, and I would ever have it so.

Granting that we are fundamentally a representative popular Government, with political parties the governing agencies, I believe the political party in power should assume responsibility, determine upon policies in the conference which supplements conventions and election campaigns, and then strive for achievement through adherence to the accepted policy.

There is vastly greater security, immensely more of the national viewpoint, much larger and prompter accomplishment where our divisions are along party lines, in the broad and loftier sense, than to divide geographically, or according to pursuits, or personal following.

From the New York Times of Friday, December 9, 1921, I quote:

Secretary Weeks's sharp criticism of the congressional "blocs" was regarded by many of those who heard his address as a warning of a fight against the system by the Republican Party leaders. Declaring that it was "impossible to get the type of legislative action which comes from party regularity and responsibility," Secretary Weeks harked back to "the days of so-called Cannonism," when, he said, "the Speaker found ways, perfectly legitimate under the rules, to prevent the enactment of a vast amount of personal and irresponsible legislation." * * *

"I shall not take the time to criticize the legislation Congress has enacted for the farmer," he continued. "It was brought about by a combination of Members of the two great political parties which had sufficient votes to obtain the result desired. Some of this legislation may benefit those for whom it was enacted. Much of it is unsound, however, from an economical standpoint, and I very much doubt if it will be of any benefit even to the farmer. But the so-called agricultural bloc was in control, honestly believing, in all probability, that the legislation enacted was desirable, and that they can return to their constituencies and point out what has been done in their behalf. * * *

"This brought about the farm-loan legislation of a few years ago, which, if limited to the original purposes of the law—that is, to help the farmer under conditions described at that time and which I will not discuss—might have been wise; but under the present law, as I see it, the Government is financing the farmer and is producing a vast volume of nontaxable securities, so that, in effect, the farmer is borrowing his money at a much lower rate than the current market warrants. Encouraged by its success, the agricultural bloc has in contemplation a further legislative program."

Mr. Weeks then reviewed the further program, characterizing as "unwise" the so-called pure wool bill, declaring that the proposed law to regulate cold storage would "make the price of many articles of food higher," and describing the Federal highway bill as a proposal to construct "roads purely local in character" for the benefit of "one or, at best, a few individuals." * * *

"The provision first adopted by the House making the maximum rate 32 per cent would have been infinitely wiser, not only from the standpoint of the taxpayer but the Government itself, which, at that rate would, in my opinion, obtain a much larger return than it will with the rate imposed in the law. However, in this case there can be held directly responsible this organization known as the agricultural bloc, which, united with a solid minority party, had sufficient votes to so raise the rates that for those who have incomes from $5,000 to $100,000 the reduction in the rates imposed by the present law are only nominal. So when we modify laws or even congressional procedure in an effort to get rid of what some people term an evil, we frequently substitute therefor a supplemental list of troubles, any one of which may be infinitely greater than the original one, the removal of which was demanded, even assuming that it possessed all of the

bad qualities its critics claimed. The elector can not be assured that when he votes for the declarations made by a political party that he can get responsible action as a result.

Mr. President, the Senator from New Hampshire, GEORGE H. MOSES, has been the apostle and mouthpiece in this body of another bloc, better oiled and more greedy than the agricultural bloc. It does not make so much noise, perhaps, as the agricultural bloc; but the manufacturers' bloc has had its influence here and has exerted it most powerfully for a long, long time. The Senator from New Hampshire has taken offense at the action of the agricultural group, and he makes this speech, from which I quote in part:

The so-called farm bloc of the Senate which controls that body is made up of 20 lawyers, 1 newspaper editor, and a well digger. The only three farmers in the Senate—one from Maine—

I do not know whether he is speaking of the distinguished junior Senator from Maine [Mr. HALE] or the senior Senator from Maine [Mr. FERNALD]. Anybody can look at either of them and tell that he never worked on a farm in his life, and I doubt whether he ever saw a real farmer in his life; but the Senator from New Hampshire says:

Another from New Hampshire—

Referring to his colleague, Mr. KEYES, I wonder what the real farmers of the great West or the far South would think if they could see one of these New England farmers or gaze upon the placid countenance of these anointed New England Senatorial farmers.

And a third from New York—

I do not know whether he is talking about the junior Senator from New York [Mr. CALDER] or the senior Senator from New York [Mr. WADSWORTH]. At any rate, when it comes down to voting to pass legislation for the real benefit of the farmers, neither of them, so far as I recall, ever arrayed himself on the side of the farmers where other interests were involved. But these are the three Senators whom the Senator from New Hampshire holds up as the "real farmers" of the Senate, and I doubt whether Mr. MOSES or the three Senators he names know the difference between a "clevis" and an "axletree" or could distinguish a rake from a mowing machine.

Mr. SIMMONS. Mr. President, they are the kind of farmers——

Mr. HARRISON. That farm the farmers.

Mr. SIMMONS. That, according to my information, have been invited to attend the farmers' conferences to be held here that there has been so much talk about.

Mr. HARRISON. The Senator is right. I continue reading from the speech of the Senator from New Hampshire [Mr. MOSES] in New York:

The only three farmers in the Senate—one from Maine, another from New Hampshire, and another from New York—have never been invited to a meeting of the farm bloc, where they set up ruthless, selfish legislation.

So we have it that this distinguished spokesman for the manufacturing interests of the country says that the legislation proposed by the agricultural group is of a "ruthless, selfish" nature. To continue reading:

The bloc does not know that a farm exists north of the Mason and Dixon line or east of the Mississippi River, and they give no consideration to the truck farmers in that territory. All they know is hogs, corn, wheat, and cotton.

Mr. President, those few Senators who met and discussed legislation in behalf of the agricultural interests of the country did it without respect to party or geographical lines. They came from every part of the country and from both political parties, and it was not selfish legislation and it was not ruthless legislation that they suggested should be passed by the Congress. Why is it, Mr. President, that the agricultural group should be heralded as a selfish lot of freebooters, ruthlessly trying to destroy the Constitution and bent upon passing legislation inimical to the general welfare? Have they not a right to be heard in the Congress of the United States? Are the agricultural interests of this country not great enough and important enough to have a voice in this Chamber and to be considered in some degree at least by the administration? The farmers only cultivate the land, produce the men and women who govern the cities and run the country, feed and clothe the world, and compose the cornerstone of our national life.

May I suggest to the Senate that from 1870 to 1920 the value of the land of farms and farm buildings increased from $7,444,000,000 to $66,316,000,000. That is quite an amount invested in farms in this country and should to some extent merit consideration by this Congress.

May I suggest also, in considering the interests represented by this agricultural group, that from 1870 to 1920 the rural population, outside of the corporations of over 2,500 people, showed a decrease from 71.4 per cent to 48.6 per cent. Is that fact in itself not sufficient to cause the administration to give some consideration to the needs of the farmers that the movement from country to city be checked?

Let me suggest, too, that from 1899 to 1909 the quantity output of farms increased 10.5 per cent, while population increased 21.5 per cent. From 1909 to 1919 the quantity output of products of the farm increased only 10.5 per cent, while population increased 14.5 per cent.

The facts, as revealed by the investigation of the Joint Commission on Agriculture, show that the rural population is decreasing year by year, and that the farm output is not keeping pace with the increase of population in this country. It carries with it problems which must be solved, but the interest is so vast, and it is so important, that it deserves the most careful consideration and heartiest sympathy of everyone connected with this administration.

Mr. President, all will admit that the agricultural interest is one of the most important in this country, and those who will study the facts must know that it has not been treated as fairly as have other interests in America. We have seen legislation passed for this class and that class. The President who appeared in the other House and delivered this message, saying that he did not believe in classes and groups, has seen his party prosper and develop through class legislation. The protective tariff, one of the most beloved of Republican principles, gives advantages to some at the expense of others—robbing the many for the benefit of the few—a species of class or group legislation that is as unjustifiable as it is inexcusable.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Alabama?

Mr. HARRISON. I yield.

Mr. HEFLIN. In its platform of 1908, when Mr. Taft was the nominee for President, the Republican Party said:

We guarantee unto the manufacturer a reasonable profit.

It said nothing about the farmer, merchant, or anybody else. If that was not a guaranty of class legislation, what was it?

Mr. HARRISON. Yes. But in the campaign recently closed not only did President Harding but every other Republican leader, through the press and on the stump, express his undying love for the farmers and advocated legislation in their behalf. The distinguished leader of the majority party in this Chamber [Mr. LODGE], as the temporary chairman of the last Republican convention, spoke loudly and eloquently, and with some apparent sincerity, in behalf of the farmers of the country. They were then in his mind a most important class of our citizenship. But as soon as these gentlemen are inducted into office and take control of the affairs of the country, the influence of other interests becomes more powerful—they disregard their promises, forget their pretended love, and turn their backs upon the farmers' interest.

Why is there opposition to the agricultural group? The country may not know it, but those who were here when the tax bill was being considered in this body and know the discussion touching the amendments which were adopted, that they were adopted through the united efforts of this side of the Chamber, backed by certain Senators on the other side belonging to the agricultural group. They know, and we know, that it aroused the ire of the President and those men who control the destinies of the Republican Party to-day, and that is the reason, and the sole reason, why they are now trying to destroy the agricultural group.

Why do not the President, the Secretary of War, and other leaders of the Republican Party who desire united party action inveigh against the tariff bloc which has been formed and is flourishing in this Chamber? It is composed of more Republicans than is the agricultural group. Its purposes might be said to be inimical to certain interests of this country, and yet that tariff bloc meets regularly, presents its views to the committee, sends forth its threats, and we never hear anything against it. I will tell you. It is working along Republican lines of granting special favors to special interests. The agricultural group is only trying to obtain fair treatment and justice for a class of citizens whose condition is deplorable and whose shoulders are almost giving way under the burden that you have placed upon them. Take the manufacturers' bloc. God bless you, it is so smooth, and it has been working so long, and it knows its purposes and the avenues of approach which really obtain results so well that you do not hear the rumblings from it—whither it goes or whence it comes. In this Chamber it is both omnipotent and omnipresent. But the agricultural bloc is not so experienced. It operates with no such power, and is not so skillfully handled.

Mr. President, when you look at the figures you will see that the agricultural interests of this country have a right to voice their views and have representatives plead for them.

I read from the report of the commission on agricultural investigation, which discloses that in 1920 the farmer's dollar, when compared with other dollars, the manufacturer's, the coal operator's, and those of various other industries, was worth only 89 cents. That was in 1920. In May, 1921, the value of the farmer's dollar was only 77 cents, and to-day the value of the farmer's dollar is only 67 cents.

In the last two or three years the farmer has seen the things he raised depreciate in value at a more rapid rate and to a greater extent than the products of any other industry.

I think it was the distinguished Senator from North Dakota [Mr. LADD] who said that the farmer has lost within the last 12 or 18 months $12,000,000,000. Yet, because they would have men meet and counsel together, and try to work out some solution of their problems, it arouses the President and causes him to come to the Congress and inveigh against it, and use the power of his great office to destroy their influence.

Let me read how a few things raised upon the farm have depreciated in value. Take hogs. In January, 1919, taking the figures 100 as a basis, hogs were worth 209, and in July, 1921, they had decreased to 116, nearly one-half in value in so short a time.

Let us take live stock, on the same basis of 100. In January, 1919, the figure was 192. In May 1921, it was decreased to 111, cut almost in half.

Let us take cattle, steers. In January, 1919, on the basis of 100, they were worth 223. In July, 1921, they had dropped to 99, nearly three times in so short a time. Yet, because representatives from that great country in the far West, where they raise cattle, meet here in groups, it arouses the ire of the President and his Secretary of War, and they condemn it.

Let us take cotton, on a basis of 100. In January, 1919, it was 231. In July, 1921, it had dropped down to 97.

Let us take some other articles which are not raised upon the farm and see if they have depreciated to such an extent; cloth and clothing first, on the basis of 100. In January, 1919, it was 234; in May, 1920, it rose to 353; and then, in July, 1921, it dropped to 179. But the proportion of the decrease was nothing when you compare it with the decrease in the farmers' products.

Let us take shoes—shoes that come from that section represented by the distinguished Senator from New Hampshire, who says that the legislation proposed by the agricultural group is selfish and ruthless, and ascribes to his section the distinction of producing the only three farmers in the United States Senate. How have the prices of shoes decreased? On the basis of 100, in January, 1919, shoes were 208 a pair, and in July, 1921, they were 225 a pair, showing no decrease whatever, but, on the contrary, an increase. Why, of course the Senator has no reason to complain. The shoe manufacturers are getting more for their shoes, or were in July, 1921, than they did back in January, 1919; but the farmer, with his cattle, his cotton, his wheat, and his corn, is reduced from two to three times the former price.

Mr. DIAL. Mr. President——

Mr. HARRISON. I yield to the Senator from South Carolina.

Mr. DIAL. In my town the other day I heard of a farmer selling a hide for 25 cents and buying a pair of half soles for his shoes for 35 cents.

Mr. HARRISON. Yes; that is no doubt true, and I suppose our friend from New Hampshire would approve of that practice. That satisfies him thoroughly. Why, Mr. President, it has been one of the crimes of the ages, that these high and exorbitant and outrageous prices charged for shoes throughout the fight against the high cost of living went unchallenged and unpunished. They were the most unconscionable profiteers that infested the land.

The farmer's little children were forced to go without shoes because of the high prices he would be compelled to pay for them and the low prices he received for the products of his labor.

Oh, yes; the farmer should be satisfied.

Let us take structural steel and see if there has been a decrease. In January, 1919, structural steel on a basis of 100 was 192. In July, 1921, it dropped only 176, a very few points.

Let us take pig iron. Pig iron in January, 1919, was 196. In July, 1921, it dropped only to 133, a very slight drop in comparison to the decrease in the price of farmers' products.

Let us take bituminous coal. In January, 1919, coal was 186 and in July, 1921, had it decreased? Oh, no. It had increased to 209. Of course, the representatives of the great coal fields of West Virginia and elsewhere in the country had no cause to complain.

Now, let us see about anthracite coal. In January, 1919, it was 152, and in July, 1921, it had increased to 198.

Let us see about house furnishings, goods, and so forth, that the farmer is obliged to buy. Did those decrease in value like the things that he raised? The figures show that in January, 1919, house furnishings and goods were 218 and in July, 1921, were 235.

Is not that sufficient to cause the representatives of the great agricultural interests of the country to meet and confer and try to solve some of the farmer's problems? Is he not entitled to a meeting and conference of his friends in Congress, so that the difficulties and these inequalities may, in part at least, be removed? Can they be expected to look with complacency upon conditions that carry the prices of their products down while the prices of the things they are forced to buy go up?

I shall not read further, although there are some very interesting figures here.

Mr. PITTMAN. From what is it that the Senator has been reading?

Mr. HARRISON. I was reading, in giving the statistics and data, from the report of the Joint Commission on Agriculture recently filed. There was another table from which I desired to read to the Senate. Let us take certain products that are raised on the farm to ascertain what depreciation there was within a certain time.

In this connection I recall that it was only a little while ago when, under the leadership of the distinguished Senator from North Dakota [Mr. MCCUMBER], there was passed through this body what was known as the emergency tariff bill. It proposed to place a tariff on wheat, corn, peanuts, beans, and on a lot of other agricultural products. We heard then that it would be the salvation of the farmer. That was the Republican theory. That was the way you said you would solve the problem. If you solve no other problem any better than you did that, you are not competent even to attempt to solve any problem that may arise here. It was an absolute failure, and you know it. I do not know whether or not you would admit its failure, because by so doing you destroy your theory of protection, but even if you will not admit it I am going to give you the prices on some of the products from the American farm upon which you placed a high tariff, but which within the last 12 months have continued to decrease and drop in price. Oh, the fallacy of a protective tariff! In 1920 No. 2 northern wheat was $2.90 a bushel; in January, 1921, it had dropped to $1.88½ a bushel, and in January, 1922, it had dropped to $1.10 a bushel.

In 1920 No. 2 mixed corn was worth $1.60 a bushel; in January, 1921, it had dropped to 74 cents a bushel, and in January, 1922, it had dropped to 48 cents a bushel, and in some sections I understand had sold for a price as low as 25 cents a bushel.

In this connection I am going to insert a list of farm products showing the prices, respectively, on January 15, 1920, 1921, and 1922. They are as startling as they are indicative of the deplorable condition now confronting the American farmer:

Article.	Jan. 15, 1922.	Jan. 15, 1921.	July 15, 1920.
Wheat, No. 2, northern, cents per bushel	110	188½	290
Corn, No. 2, mixed, cents per bushel	48½ - 48½	71½ - 74½	152 - 160
Oats, No. 2, white, cents per bushel	37 - 37½	44½ - 45½	95½ - 98½
Barley, low malting to fancy, cents per bushel	52 - 65	75 - 90	116 - 127
Rye, No. 2, cents per bushel	77 - 78	169	221 - 222
Flaxseed, No. 1, northern, cents per bushel	208	200	345
Potatoes, cents per 100 pounds	190 - 220	120 - 150	675 - 760
Beans, pea, cents per 100 pounds	470 - 500	425 - 450	700 - 750
Hay, No. 1, timothy, dollars per ton	23 - 24	26 - 28	38 - 40
Butter, creamery, extra, cents per pound	34	48½	55
Eggs, fresh firsts, cents per dozen	38	72 - 72½	42 - 42½
Beef cattle, inferior to prime, dollars per 100 pounds	6.25- 9.25	7.00-10.85	9.40-16.90
Hogs, mixed packers, dollars per 100 pounds	7.50- 8.40	8.80- 9.75	12.90-15.80
Sheep, native, dollars per 100 pounds	3.25-11.25	4.75- 5.50	8.75-10.00

Of course, it is natural that the wheat farmer of the North and of the West should feel discontented over the situation, and resent the action of the President of the United States in coming before the American Congress, and in a special message inveighing against the representatives here who are trying to remedy the situation.

Let me cite in this connection some other figures, showing the purchasing value of the farmer's dollar, based on the price of some of his products as of May 31, 1921. These are products, too, upon which you placed a high protective tariff in your emergency tariff bill. Did it help? Did it bring the relief that you prophesied? Let us see. On the basis of the five-year aver-

age before the war, taking 100 as a basis, we find the purchasing value of the farmer's dollar based on corn was 59 cents. If we could take the purchasing value of the farmer's dollar based on the present-day price of corn and without a five-year average, I doubt if it would be 20 cents. On the same basis, the purchasing value of the farmer's dollar, based on oats, on May 31, 1921, was 57 cents; on wheat, 78 cents; on barley, 48 cents; on flaxseed, 45 cents. That is what the purchasing value of the farmer's dollar was when he sold and converted his products into dollars. On beans, 78 cents; broom corn, 42 cents; cotton, 48 cents; cotton seed, 68 cents; cabbage, 64 cents; potatoes, 62 cents; horses, 43 cents; hogs—the purchasing value of the farmer's dollar when he converted his hogs was only 67 cents; sheep—may I say to the distinguished junior Senator from Oregon [Mr. STANFIELD], who sits before me and who honors me with his attention; that notwithstanding the emergency tariff bill, if he had converted his sheep into dollars on May 31, 1921, they would have been worth only 63 cents on the dollar.

Mr. BURSUM. Mr. President, may I inquire as of what date?

Mr. HARRISON. I am glad that sheep brought the Senator to his feet. This is as of May 31, 1921.

Mr. BURSUM. As compared with what date?

Mr. HARRISON. This is compared with 1913.

Mr. BURSUM. I should like to advise the Senator that sheep to-day are worth as much and more than they were in 1913.

Mr. HARRISON. Sheep have gone up some within recent months.

Mr. BURSUM. They have gone up nearly 100 per cent, and wool has gone up 50 per cent.

Mr. HARRISON. Since May 31 of last year, 1921?

Mr. BURSUM. Yes.

Mr. HARRISON. I am giving the figure as of May of last year.

Mr. BURSUM. That was due to Republican tariff legislation.

Mr. HARRISON. Does the Senator think the emergency tariff did that?

Mr. BURSUM. It helped very materially, on wool especially. There is no doubt of that.

Mr. HARRISON. We passed the emergency tariff bill some 12 months ago. When did sheep begin to go up in price?

Mr. BURSUM. The tariff bill was vetoed at that time, was it not? The emergency tariff, as I recall, was passed the latter part of April.

Mr. HARRISON. It will be a year next April when it passed.

Mr. BURSUM. At that time we had a very large surplus of wool, which had been brought in from all over the world. It was necessary, of course, for some time to elapse before that wool could be absorbed in the country; but on account of the tariff act the importations ceased. At the time the tariff bill was passed the Senator will recall that there was an attempt made on the floor of the Senate to place an amendment on the bill which would exempt certain wools which had been contracted for prior to the passage of the act. That involved, I think, several million pounds of wool. The amendment, however, was not agreed to.

During these several months the surplus of wool has been largely absorbed and the price has advanced. This advance is due to two causes—one the tariff, which is absolutely indispensable, and the other the large advances which have been made by the War Finance Corporation as a result of the passage of the War Finance Corporation act. Due to those reasons, wool is now at a fair price, quotable from 90 cents to $1, and is advancing. The price of lambs has gone up from 6 cents to 12 cents.

Mr. HARRISON. What is the price of raw wool to-day?

Mr. BURSUM. On the scoured-pound basis the best Territorial wool is quotable at a dollar a pound.

Mr. HARRISON. What was it on May 31 last?

Mr. BURSUM. It was about 60 cents.

Mr. HARRISON. What is unwashed wool worth?

Mr. BURSUM. The basis of the value of wool all depends upon the amount of clean content. If a scoured pound of wool is worth $1, in the unwashed or raw condition you will have, say, 70 per cent of grease and dirt, and, of course, then there is just 30 pounds of clean content in a hundred pounds of wool which is worth at the rate of $1 a pound. That would mean 30 cents in the raw state on that basis. I have heard of sales of western wools ranging around 27 cents in the raw condition; but that is altogether dependent upon the amount of the clean content. You are not selling dirt, and you do not sell grease, but you sell clean wool.

Mr. HARRISON. Does the Senator think the price of sheep to-day and the price of wool to-day are fair prices?

Mr. BURSUM. I think the price ought to advance more in order to give the grower a proper and reasonable profit; but it is so much better than it was six months ago that the grower is feeling more hopeful.

Mr. HARRISON. What would the Senator think would be a fair price to-day for sheep and for wool?

Mr. BURSUM. I would say, in view of conditions, ewes ought to bring from $10 to $12 and wool ought to be worth $1.25. It is not that high yet, however.

Mr. WARREN. The Senator means it ought to be that?

Mr. BURSUM. Yes.

Mr. HARRISON. The Senator heard me read a great number of articles here showing that the value of those products, if turned into dollars, would in some instances be worth only 50 cents.

Mr. BURSUM. Those figures are, of course, entirely erroneous, so far as wool is concerned, when taking the basis used.

Mr. HARRISON. I told the Senator the basis was 1913, and the last figures were compiled as of May 31, 1921. They are the latest we could procure. They were compiled by one of the best experts in the country. The only objection I may have to him is that he happened to be a Republican and the Republican adviser to the Republican national campaign committee in the last election. He is a very splendid gentleman and thoroughly competent.

Mr. BURSUM. I have no doubt the statistics were correct at the time they were made, but they are not up to date. There have been a great many changes since.

Mr. HARRISON. So that there has been a change, so far as sheep and wool were concerned, since May 31 of last year?

Mr. BURSUM. Yes, sir; a very decided change.

Mr. HARRISON. But the price is not yet high enough?

Mr. BURSUM. No; it is not quite high enough.

Mr. HARRISON. And the farmer is entitled to a still greater price?

Mr. BURSUM. I think so, and I think we shall get more.

Mr. HARRISON. Then the Senator and myself are both working sympathetically for the farmer; that is why I rose to speak.

Mr. BURSUM. I am sure if we are given the same degree of protection that we have in the emergency tariff law, so far as wool is concerned, that we shall get a higher price for that commodity.

Mr. HARRISON. That is a pretty high protection; that is about three times as much as was carried in the Payne-Aldrich bill; and the Senator knows, does he not, what happened to the Republican Party for passing that legislation?

Mr. BURSUM. No; the protection is not three times as much as that carried in the Payne-Aldrich bill.

Mr. HARRISON. The people rose in revolt and defeated Mr. Taft, the then Republican President, because of the passage of schedule K of the Payne-Aldrich tariff law.

Mr. BURSUM. The defeat of Mr. Taft was not occasioned by the adoption of the wool schedule.

As a matter of fact, the Payne-Aldrich bill gave a much less protection than the tariff law which we have at present. Under the Payne-Aldrich law there was an opportunity for foreigners to ship in wool and avoid a large part of what was supposed to be the protection which the wool growers received.

Mr. WARREN. Mr. President, if the Senator from Mississippi will permit me, I think I ought to observe in passing that the great contributing factor to the defeat of Mr. Taft can hardly be claimed as having been that which the Senator indicates, for he will remember that, with the support largely of the Democratic Party, Congress passed a reciprocity tariff with Canada which was supposed to be the heart's desire and object of the great effort of Canada. On the other hand, Canada spewed the treaty out with great vehemence and defeated the proposition by a tremendous vote, to the detriment, of course, of those who initiated the legislation both here and in Canada.

Mr. HARRISON. I shall not be drawn into a discussion of the Canadian reciprocity treaty. That was one time when President Taft was right, however. But I am sure that the Senator from Wyoming is in entire sympathy with the remarks I am making, so far as the value of the farmer's dollar is concerned, and as to it being much less than the value of the manufacturer's dollar or that charged for transportation, as I shall show; and that is what I rose to speak upon.

Mr. WARREN. And more especially, while the Senator is upon the point as to the cost of labor, I wish to suggest that, of course, we have to pay in carrying on a farm a dollar and a dollar and a quarter an hour for the labor of those who formerly received but 50 and 60 cents.

While I do not wish to make any comment in reference to the figures offered by the Senator from New Mexico, yet if

the Senator will go back to the first of May, 1914, and then take the price of wool a year ago, he will find that wool simply went out of the market; it was impossible to sell wool, so far as the growers were concerned, and the banks would advance on it only 10 cents per pound.

Mr. HARRISON. Yes.

Mr. WARREN. The Senator will remember that the price has somewhat increased. I presume the Senator must have a little later report than I have, although I have the figures for a week ago in my office as to the price of the wool, both in the grease and scoured wool of all classes. The price has appreciated. That appreciation has been due to some extent to the revival of business; but more especially because quantity of undigested stock on hand after the war, of which the Government owned about a year's supply, or 500,000,000 pounds, has to some extent been consumed. However, it does not pay today to raise sheep, either for wool or mutton, under the prices we are now getting and under the expense incident to their production.

Mr. LENROOT. Mr. President——

Mr. HARRISON. I yield to the Senator from Wisconsin.

Mr. LENROOT. I should like to ask the Senator whether he believes the present rate upon wool in the emergency tariff bill affects the price of wool?

Mr. HARRISON. Of course, the Senator from Wisconsin knows my views on the tariff question.

Mr. LENROOT. Yes; but I am asking an economic question.

Mr. HARRISON. There are many propositions which enter into the question of the present price of wool. There were piled up here in the warehouses under the supervision of the War Trade Board, as we were told at the time, millions of pounds of wool, which would be kept off the market because there was no sale for that wool. Under those circumstances wool acted in large degree as cotton acted, for there were no markets abroad for cotton and we could not sell it. There was also no market here for it to any great extent. So the price of cotton greatly declined.

Of course, if the high protection which is placed on wool in the emergency tariff law kept wool from coming into this country and there were a market here for the wool which was on hand, that emergency tariff law would have influenced the price of wool to a more or less degree. However, I am against that in principle. Even if a wall of protection would keep cotton out of this country and might increase its price, although my people raise cotton, I would not favor such a policy, for I think it is a selfish and indefensible one. It is wrong in principle to rob one set of people in order to take the money and put it into somebody else's pocket.

Mr. LENROOT. I assumed that was the Senator's view, but does he now say, in view of his statement with reference to the purchasing power of the farmer's dollar—and I am in full accord with him in that respect—that it would be robbing the people to enable the farmer to get a fair price for the wool which he raises?

Mr. HARRISON. Of course, I am against invoking any principle which through unfair and illegal means brings joy to one but sorrow to another, and I am not going to indorse larceny in order to help the farmers or anybody else in the world. There are too many fair and equitable ways to accomplish the purpose.

Mr. LENROOT. How could it be larceny?

Mr. HARRISON. I would not enter into a conspiracy which I thought advocated a wrong principle in order to save the farmers or any other class of the people.

Mr. LENROOT. How could it be larceny if the farmer is not now getting enough for his wool?

Mr. HARRISON. I will tell the Senator how he could have helped the farmer get enough for his wool, and I will tell him how he could have helped the farmer to get a higher price for his corn and his wheat and his other products. The depreciation in the price of farm products was caused by the Senator and those who conspired with him, marshalled by the leader of the majority in this Chamber, who defeated the treaty for the objects of which our boys fought and won the war. That action disheartened Europe, broke down credits, bankrupted industries, and caused such an industrial and commercial chaos in Europe that destroyed every vestage of hope to the American farmer to again find a market there for his surplus products.

That was the reason why wheat and corn and the farmers' other products declined, and they are going to remain low until you can become wise enough to see that we must have foreign markets; until you can appreciate the necessity of a sympathetic relationship with the world and engage in the solution of international economic problems. When that time comes we can sell our surplus products, and then their price will be increased. Of course, the Senator may smile, and all that; that is all right; but the American people will yet see that the decrease of price of our products was caused by the defeat of the treaty here with the consequent destruction of our markets abroad.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Mississippi yield to his colleague?

Mr. HARRISON. I yield.

Mr. WILLIAMS. May I ask my colleague a question which is somewhat personal in character?

Mr. HARRISON. Yes; I yield.

Mr. WILLIAMS. Is my colleague engaged in the task of trying to persuade the Republican Party that a world condition which consists of the fact that foreigners have neither cash nor credit to buy from us can be cured by making all of our products more expensive to them? Is he trying to convince them that they occupy a hopeless and mistaken position?

Mr. HARRISON. I must say to my colleague that I am following vain hopes.

Mr. WILLIAMS. If my colleague is trying to convince them of that he is engaged in an impossible undertaking.

Mr. HARRISON. I agree thoroughly with the Senator. They will not be convinced.

Mr. WILLIAMS. It can not be done. It has ever been a prevailing obsession of theirs that the proper way to encourage foreign commerce was to trammel it and obstruct it all that was possible.

Mr. HARRISON. Mr. President, though we may have some doubt as to whether wool in recent months has increased in price and whether or not the tariff has helped the situation in that respect, the Senator from New Mexico and the Senator from Wyoming both say—and I think all will admit—that today the farmer's dollar, even though he raises sheep, is not on a par with the value of the manufacturer's dollar.

Mr. WARREN. I beg the Senator's pardon. I did not say quite that.

Mr. HARRISON. I understood the Senator to go that far.

Mr. WARREN. The Senator had a right to assume that, probably. But the way I put it was that the farmer did not receive in return a sufficient amount to meet the expenses of running his business. Some manufacturers, I fear, are also losing money, while others are making money, but I would not like to institute a comparison along that line. I do say, however, with all frankness, that sheep growing and wool production to-day are being carried on at a loss.

Mr. HARRISON. I have read figures from the report of the commission showing that during the time when the products raised upon the farm were decreasing two or three times in value, the manufacturer of shoes was continually increasing his price, and that clothing was decreasing in price but very little.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Georgia?

Mr. HARRISON. I yield.

Mr. HARRIS. I was very much interested in the remarks of the Senator from New Mexico [Mr. BURSUM] to the effect that the price of wool had been helped by the tariff duty and also by the reestablishment of the War Finance Corporation. It is admitted, I think, that in their economic aspects cotton and wool are more nearly alike, perhaps, than any other two commodities; they are both used in the manufacture of clothing. There is no tariff on cotton; but I know that the price of cotton has been helped considerably by reason of the War Finance Corporation being reestablished. I wish to ask the Senator from Mississippi whether there has been a greater increase in the price of cotton or of wool since the compilation of the figures from which he has quoted? One commodity has a tariff on it, while the other has not.

Mr. HARRISON. I think the price of cotton has increased considerably since those figures were compiled. The latest figures from which I have quoted were compiled on May 31. I have forgotten what the price of cotton was at that time, but cotton is now around 18 cents a pound, I think.

Mr. HARRIS. What I was trying to get at was whether cotton or wool had advanced more in price.

Mr. HEFLIN. Cotton has increased about 9½ cents a pound.

Mr. HARRISON. I think the price of cotton has increased in proportion to the increase in the price of wool, although there was no tariff on one commodity, while there was on the other.

Mr. LENROOT. Mr. President, if the Senator comes to that conclusion, then, he must necessarily conclude, must he not, that the tariff upon wool has not increased the price of wool?

Mr. HARRISON. I have stated in answer to a question that there were many things that enter into the consideration of that question.

Mr. LENROOT. I understand that; but I am asking the question of the Senator now, if he concludes that the price of cotton has increased proportionately to that of wool, must not the conclusion follow that he does not think the tariff upon wool has affected its price?

Mr. HARRISON. I do not know whether or not the tariff on wool has kept any wool out of this country. I suppose the Senator would say that it has; but I do not know whether it has or not. I know that what has increased the price of cotton has been that we have been able to sell abroad some of the surplus cotton which we had on hand.

Mr. STANFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Oregon?

Mr. HARRISON. Yes.

Mr. STANFIELD. For the enlightenment of the Senator from Georgia, in connection with the comparison that he drew, I should like to state that wool could be brought into the United States to-day from foreign countries at an advance of about 15 per cent of what it was bringing in May last, whereas the market here for wool has increased between 50 and 60 per cent since that time. So it is only logical to assume that if it had not been for the tariff or some other agency, aside from the world's market conditions, wool would be coming in here to-day and would be sold in America at an advance of about 15 per cent. That condition does not apply to cotton, because cotton is not imported, of course, into the country except in the case of long-staple cotton.

Mr. HARRIS. I was trying to ascertain how much the War Finance Corporation had aided conditions in the country. I think it has aided a great deal, and I think we are indebted to the Senator from Nebraska [Mr. NORRIS] for assisting so admirably in bringing about the passage of the act restoring that corporation.

It will be recalled that an effort was made to have Congress take a long recess, and on the motion of the Senator from Massachusetts [Mr. LODGE] to that effect the vote was 24 to 27, so that a change of two votes would have involved a practical adjournment of Congress without enacting that legislation, which, I think, has been of great benefit to this country.

Mr. HARRISON. Now, Mr. President, the average reward per farmer for labor, risk, and management—and I hope Senators will pay attention to these figures, for they are correct and they are as startling as they are correct—the average reward per farmer for labor, risk, and management, after allowing 5 per cent return on the value of his investment in 1909, was $311; in 1918 it rose to $1,278; in 1920 it was only $465, showing a drop of three times less than what it was in almost 12 months.

Measured in terms of purchasing power, the farmers' reward in 1909 was $326, in 1918 it was $826, and in 1920 it had dropped to $219.

Now let us take some other industries.

The average reward for employees in the mining industry in 1909 was $590; in 1918 it was $1,280. Measured in purchasing power, it was $618 in 1909 and $808 in 1918. The average yearly earning of employees in railway transportation in 1909 was $773 and in 1918, $1,532. Measured in terms of purchasing power, the earning of employees in railroad transportation was $682 in 1909 and $882 in 1918. If a farmer in 1918 had been employed in the mining industry, he would have received a wage of $1,280, or about what he received for labor, risk, and management on the farm. Had he worked as an employee of a railway or of a bank, and obtained the average wages of an employee in either industry, he would have received more for his labor than he received for risk, management, and labor in 1918 on the farm.

Mr. President, these startling figures show that the man who engages in agriculture, combatting the weather, the climate, vermin, and insects of every kind, does not earn on the average any more than the man who invests no capital whatever and assumes no risk, but who merely goes out and works for a daily wage. I know of no business that you can not insure against losses, except that on the farm. They have never come to that yet. Insurance companies never have been formed to insure farm products against weather conditions, climatic conditions, vermin, and insects. I noted the other day that the motion-picture magnates who have snatched Will Hays from the Postmaster General's office and have offered him $150,000 a year, for which I see he has signed a contract, and whose services the country will lose but the motion-picture industry will obtain, were so fearful that something might happen to this "prize box" that they are going to insure his life for $2,000,000.

Yes; you can get an insurance policy upon the life of Will Hays for $2,000,000 so that the morals and deportment of the motion-picture industry will not suffer. You can insure your automobile against burglars or fires or accidents. You can insure your home or yourself against accident, fire, or storm. There are all kinds of insurance now; but the company has not yet been formed, because they know they can not succeed at it, that will write insurance to the farmer to guarantee a reasonable income from the results of his labors. Yet, with the value of his dollar depreciated to 67 cents while he sees the value of the manufacturer's dollar increased, because, forsooth, the representatives of the farming interests meet and confer and try to arrange a program that might be beneficial to them, the President of the United States lifts his hand and brings the power of his office against it in order to dissolve it and destroy it!

Mr. President, they have called a conference on agriculture for Monday. The new order of things is to confer, to hold conferences. We have heard much of the "meeting of the best minds" and have seen little good flowing from the meetings. What the American people want is less conferring and more action.

I read with delight the other night that a great love feast was given to the new Senator from Pennsylvania [Mr. PEPPER]. All of the Pennsylvania delegation were there. They dined and they feasted. They glowingly prophesied for him a great future. His colleagues all hope for him a great future.

Mr. BURSUM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. HARRISON. Just one moment; let me finish this.

Mr. BURSUM. I simply wanted to make a very short statement to the Senate.

Mr. HARRISON. All right; I will wait.

Mr. BURSUM. I was delighted to hear the Senator refer to the fact that what the people require and want and desire is action.

Mr. HARRISON. Yes.

Mr. BURSUM. I was wondering if the Senator would not agree that the same program should be carried out here in the Senate.

Mr. HARRISON. Yes; that is what we are trying to get you to do.

Mr. BURSUM. Why can we not have less talk and more action?

Mr. HARRISON. Our talking is better than your inaction, and until you do act we are going to point out some things about you and your administration. I will tell you, before I finish, something that you can do, and it is founded upon thorough investigation and full consideration, where you can get to work immediately and take action. There will need be little talking about it. You will not have to confer for weeks or for months up here in a conference. You will not have to call in the "best minds" so that you can get a thought and transmit it to the Congress. It is found here in about 14 recommendations of the commission that for months have been studying the agricultural problems.

But, Mr. President, I was talking about this great feast that was extended to the new Senator from Pennsylvania [Mr. PEPPER]; and I am glad that the governor of Pennsylvania was humorous and wise enough to send down here a man by that name. It is so natural and very opportune that something to wake you up should enter this Chamber. May he put a move on you. I tell you, as one who respects the history of the Republican Party, that the country is thoroughly disgusted with your do-nothing policy and your no-program arrangement here.

While this feast was on and eulogies were pronounced upon the new Senator, and some of those present, including the Republican leader on the other side of the Capitol [Mr. MONDELL], told about the great accomplishments of the administration, there was one guest there, a smart fellow, an able lawyer, who sensed the situation in this country and spoke words of wisdom to you. Here is what he said. I read from the Times:

> A warning by Congressman GRAHAM, of Philadelphia, the Pennsylvania member of the Republican congressional campaign committee, that the American people are expecting action and not words from the Republican Party upset a dinner given here last night by Congressman WILLIAM S. VARE.
>
> Among other things, he said:
>
> I may not be accused of wide dissention if I were to suggest the amount of discontent and unrest which prevails not only in our own State but in every State with respect to the accomplishments of the party.

Mr. President, I have said about all that I desire to say; but you will hear from the great Middle West as well as other agricultural sections if you do not do something, and do it

very quickly. Conferences may be all right, but this commission investigating agricultural conditions has been meeting for weeks. It has been meeting for months. The head of every farm organization in the country was invited to come before it. Every avenue of approach through which we might obtain information was traveled, and we got all the information that it seemed to us it was possible to get. A report has been made, and it contains 13 recommendations.

Here they are:

The commission recommends:

(1) That the Federal Government affirmatively legalize the cooperative combination of farmers for the purpose of marketing, grading, sorting, processing, or distributing their products.

(2) That the farmer's requirements for credit corresponding to his turnover and having maturity of from six months to three years, which will enable payment to be made from the proceeds of the farm, be met by an adaptation of the present banking system of the country, which will enable it to furnish credit of this character. It is expected that a concrete proposal to carry out this recommendation will be made in part 2 of this report.

(3) That there should be a warehousing system which will provide a uniform liability on the part of the warehousemen and in which the moral and financial hazards are fully insured. To this end the commission suggests the extension of the existing Federal warehouse law and the passage by the several States of uniform laws regulating the liability of warehousemen and the services rendered by them.

(4) The commission believes that an immediate reduction of freight rates on farm products is absolutely necessary to a renewal of normal agricultural operations and prosperity, and recommends prompt action by the railroads and constituted public authority to that end.

(5) That there should be an extension of the statistical divisions of the Department of Agriculture, particularly along the lines of procurement of live-stock statistics.

(6) That provision should be made by Congress for agricultural attachés in the principal foreign countries producing and consuming agricultural products.

(7) The development by trade associations and by State and Federal sanction of more accurate, uniform, and practical grades of agricultural products and standards of containers for the same.

(8) That adequate Federal appropriations should be made for the promotion of better book and record keeping of the cost of production of farm products on the basis of the farm-plant unit as a basis for the development of more efficient methods of farm management.

(9) Provision for an extended and coordinated program of a practical and scientific investigation through State and National departments of agriculture and through agricultural colleges and universities directed toward reducing the hazards of climate and weather conditions and of plant and animal diseases and insect pests.

(10) More adequate wholesale terminal facilities, particularly for handling perishables at primary markets, and a more thorough organization of the agencies and facilities of distribution of the large consuming centers of the country.

(11) The development of better roads to local markets, joint facilities at terminals connecting rail, water, and motor transport systems, and more adequate facilities at shipping points, with a view to reducing the cost of marketing and distribution.

(12) That greater effort be directed to the improvement of community life.

(13) The renewal of conditions of confidence and industrial as well as agricultural prosperity is dependent upon a readjustment of prices for commodities to the end that prices received for commodities will represent a fair division of the economic rewards of industry, risk, management, and investment of capital. These conditions can not be brought about by legislative formulas, but must be the result for the most part of the interplay of economic forces. The Government and the States within their respective spheres should do by legislative and administrative action what it may be possible to do, based upon sound principles to facilitate this readjustment.

Mr. President, can more information be gathered by this conference which is to meet on Monday? I wish for it every success, but in my heart I believe that its calling is a piece of camouflage. When the President came to the Congress and spoke against the agricultural bloc he felt the reaction from the agricultural interests of the country; and when the Secretary of War, speaking for him in New York, inveighed more bitterly against the agricultural group the reaction was still greater; and in order to get from under he called the meeting of this conference on agriculture to meet in the city of Washington. I wish for it success; but what that conference will do will be to accept the recommendations of the Joint Commission of Agricultural Inquiry, and they will pass resolutions to you, who control legislation in this body, and ask you for its immediate passage.

The cooperative marketing bill, for example, has been on the Calendar for months—I might say for years—and up to this good day and good hour it has not passed. What we need, Senators, is to report these bills out of the committees and to pass them. I care not how many conferences you have, unless Congress gets busy along that line, and unless the President urges the necessary legislation upon you and exercises every influence that he can, he will get nothing. It will be a good deal like the unemployment conference that was called here. They discovered that there were six or seven million men out of employment in this country, but accomplished nothing and got nowhere with their recommendations. Let us stop conferring, and let us begin to act.

Mr. LENROOT. Will the Senator yield?

Mr. HARRISON. I yield to the Senator.

Mr. LENROOT. The Senator has referred to the report of the commission of which he and I are both members, and to the report it has made. Those recommendations were unanimous, were they not?

Mr. HARRISON. They were.

Mr. LENROOT. I want to ask the Senator whether at any time during the many months we have been engaged in that work there was any partisanship whatever displayed?

Mr. HARRISON. Not a particle.

Mr. LENROOT. Did not the Senator find the Republicans just as anxious and just as eager to find remedies for existing conditions as the Democratic members?

Mr. HARRISON. Absolutely; but the members on that commission, if not members of the agricultural group, were in thorough sympathy with their movements. In that commission we acted beautifully, we got all the information possible, and here are the recommendations. Congress should take them and pass them, and we on this side will certainly cooperate to the limit.

Mr. HEFLIN. Will the Senator yield?

Mr. HARRISON. I yield.

Mr. HEFLIN. The Senator from Wisconsin is from a large agricultural State, and his people are in distress, are they not, as our people are? It is therefore to be expected he would be in hearty sympathy with a movement of this sort, is it not?

Mr. HARRISON. Certainly. But the Senator from Wisconsin is not in sympathy with the warfare being waged by President Harding and Secretary of War Weeks against the agricultural group. It is that warfare which has caused me to speak to-day, and about which the farmers of the country are so much interested.

REMOVAL OF INGWALD C. THORESEN.

Mr. KING. Mr. President, some time ago the President removed Mr. Ingwald C. Thoresen as surveyor general of Utah, one of the most efficient and intelligent officers there ever was in the public service. Some time later the New York papers published the letter written to Mr. Thoresen by the President of the United States and Mr. Thoresen's reply. I have received three letters from various parts of the United States questioning the authenticity of the reported letter of President Harding removing Mr. Thoresen. In view of the professions that are being made by some of the Republicans of the nonpartisan administration of President Harding in some of the departments and of their devotion and efficiency, and in view of the letters which I have received questioning the authenticity of the letter written by the President, I desire to have the letter, a photographic copy of which I have before me, placed in the RECORD, together with Mr. Thoresen's reply.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The letters are as follows:

THE WHITE HOUSE,
Washington, September 3, 1921.

MR. INGWALD C. THORESEN,
Surveyor General, Salt Lake City, Utah.

MY DEAR SIR: Those of us who are responsible for the activities of the new administration never like to do anything in an inconsiderate way. We are anxious to have men in positions of responsibility who are in full sympathy with the purposes and plans of the administration. I need not tell you of the current demand for the recognition of aspirants within our party for consideration in the matter of patronage. I take you to be a practical man who knows of these developments with a sweeping change in national administrations. Under all these circumstances I would very much like to make a new appointment in the office which you occupy. In all courtesy, I would infinitely prefer to have you recognize the situation and make your resignation available. I am writing this letter in a kindly spirit to express a request that you recognize the situation and let me deal with the situation as you would probably wish to do if our positions were reversed.

Very truly, yours,

WARREN G. HARDING.

SALT LAKE CITY, UTAH, *September 9, 1921.*

MR. PRESIDENT: The receipt of your courteous, considerate, and outspoken letter of the 3d instant is very greatly appreciated, and especially so in comparison with the short, formal note of the Acting Secretary of the Interior, requesting my resignation.

I also appreciate your very proper anxiety "To have men in positions of responsibility who are in full sympathy with the progress and plans of the administration." However, I can not understand how the plans and policies of the administration can in any way change or modify the formal duties of a surveyor general. The surveys of the public lands under the specific directions and appropriations by acts of Congress, making and approving plats and field notes thereof, and paying the expenses incurred thereby, are the sole duties of said office. Every employee therein is in the civil service. No material changes have or can be made therein by any administration.

Were this service affected by foreign policies or even domestic conditions I would admit the consistency for a change, but in face of the facts I can not do so. If, however, any minor changes in the administration of the duties of the office for its improvement are desired by the department, I am ready and willing to assist in their introduction, as I am an interested citizen of our glorious country much more than a partisan Democrat. I am in full and complete sympathy with every move for economy and efficiency in the public service. As proof thereof I respectfully submit herewith copies of recent letters to the department and office employees. I also offer the entire record of my administration in this and other public offices I have held as proof of my integrity in serving the public efficientiy and the economical and strict

expenditure of public funds. The greatest good to the greatest number, irrespective of political, social, or religious affiliations, is my creed.

It is publicly well known that, "The current demand for the recognition of aspirants within our (the Republican) party for consideration in the matter of patronage" is exceedingly intense, apparently much more so than ever before in the history of our country. But should all precedents of the past be set aside to pacify this partisan and selfish clamour? All of my predecessors have been permitted to serve their full terms, most of them more, the last served two full terms and six months—13 months after President Wilson's inauguration. It therefore appears to me that I am the first and only person in the public service under an appointment for a specific term, past or present, who has been requested to resign without being accused of any definite failure or neglect of duty. This matter has the appearance of personal spite or extreme radical political prejudice or greed, and I would be very sorry indeed, should you lend the powers of your great office—the greatest in all the world—for the success of such motives.

It is not for the purpose of holding this office a few more months that I dislike to resign, but as a matter of honor, principle, and precedent. During my incumbency I have given the duties of the office my entire time and the very best experienced efforts at my command. I was a surveyor many years prior to my appointment. I know the public and all persons acquainted with my services duly appreciate the same and the numerous improvements I have inaugurated. I have faithfully observed and enforced the laws, rules, and regulations governing the work and am willing to continue doing so until the term for which I was appointed and have given bonds, expires.

I have lived in Utah for nearly 60 years and my friends and relatives here are a legion and for their sakes as well as for my own sake, I desire to maintain my good name and standing which I consider I can not do if I resign this office without good reasons made public and a general ousting of all other Democratic officeholders. It would certainly be considered a blemish upon my character and integrity and I therefore can not consistently comply with your courteous appeal.

Yours, very respectfully,

I. C. THORESEN,
United States Surveyor General, Utah.

DEPARTMENT OF THE INTERIOR.
OFFICE UNITED STATES SURVEYOR GENERAL, UTAH,
Salt Lake City, Utah, July 9, 1921.

OFFICE EMPLOYEES:

The regulation issued March 23, 1921, placed "each employee upon his or her personal honor to correctly and punctually record their own time"; under instructions that all employees enter on the official time report in charge of Mr. Crow, timekeeper, the exact time each begins official service, mornings and afternoons. If such entry is after 9 a. m. or 1 p. m., sign a tardy slip, giving time late and reason, and enter exact time in red ink on report.

The department regulation provides that: "Time not actually entered will be counted against leave." This will be done after July 15, 1921, and I therefore hope that this regulation be better observed hereafter and your leave saved.

Official time spent on private business in the office or elsewhere must be secured by formal leave cards for days and fourteenths thereof before leave begins, except in case of sickness, when daily reports must be made to me and leave card presented upon return to work. No verbal request for leave can be granted to anyone or by anyone. Don't ask for it.

The time you give or record on time report, which should be seven hours each day and four hours Saturdays, must be spent entirely in official duties, and the morning and afternoon private conversations must cease.

Inclosed please find a blank "employment record," which please fill and return to me at your earliest convenience, as this information is often required.

Yours, respectfully,

I. C. THORESEN,
United States Surveyor General, Utah.

TREASURY DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the committee on page 54, line 14, increasing the appropriation for general expenses of public buildings from $424,600 to $442,100.

The amendment was agreed to.

The reading of the bill was concluded.

Mr. JONES of Washington. Mr. President, the amendment made by the committee striking out the assistant assayer at three or four of the different assay offices has been rejected by the Senate. I think those amendments were made largely on the theory of putting these small offices on the same footing. The House left out the assistant assayer at Carson City and at Salt Lake, and I think if we restore them in the other cases we ought to put in assistant assayers at those two points, and I express the hope that next year we will possibly be able to do away with several of these smaller offices, unless, of course, the needs of the country should show that they ought to be kept in.

So, Mr. President, I offer the following amendment, really embodying two amendments.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Secretary will state the amendment offered by the Senator from Washington.

The ASSISTANT SECRETARY. On page 40, at the end of line 23, change the period to a semicolon and add the words:

Assistant assayer, $1,200.

On page 44, at the end of line 17, change the period to a semicolon and add the words:

Assistant assayer, $1,200.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Washington.

Mr. NORRIS. Mr. President, I suppose these places were left out because they were not needed?

Mr. WARREN. In a conference where there was a very bitter fight they were left out, and there was a presumption then that they would have to be put in after a time. They are small matters. The old men in those places are getting pretty infirm—they have been there for a long time—and it is considered entirely proper that we should give them the places for at least another year.

Mr. NORRIS. Then the amendment is really not offered because it is necessary for the Government business, but to give a couple of fellows another year's salary because they have been in service for a good while?

Mr. WARREN. Mr. President, the Senator has no right to make that statement.

Mr. NORRIS. I judged that, I will say to the Senator, from his own statement. If I am wrong about it, I would like to have the Senator correct me.

Mr. WARREN. Let me explain. If the Senator found himself ill and badly crippled up and interested in this business, he would like to have it go along, and he would like to have an assistant to help him carry it along. Those officers have had those assistant assayers, and they were cut off at an inopportune time owing to a difference here. It is a fact that those men are needed there for this purpose, and if we should undertake to throw out the men who occupy the places and put others in, it would cost us more, because the assayer, for instance, at $1,800, the Senator well recognizes, is not employed at a high figure. That is a figure at which you would hardly be able to get an experienced, thoroughly well, able-bodied assayer. In fact, the two together, assayer and assistant, draw only $3,000.

Mr. NORRIS. My question, I think, is still unanswered. What is the necessity of having these men there? It is undoubtedly like the old pension method, where we had a pension agent in nearly every State and nearly every city. Here we have some fellows as assayers scattered around whom the House thought best to eliminate, because, I assume, they were thought unnecessary. If it can be shown that these are necessary for the transaction of Government business, then I am for the amendment; but when it is argued that we ought to prevent these offices from being longer maintained, it is said these fellows are old in the service, are poor, they have been sick, and they would lose the salary if you cut them off, and it is an inopportune time to do it now.

I thought it was an opportune time. Have we not said to the country, and have we not been claiming all the time to the country, that we were going to economize, and in following up that claim and that promise we are attempting to carry men on the pay roll of the United States simply because they need the salary, and it would be inopportune to discharge them at the present time. If that is the economy that is coming, then we will never get anywhere with our program.

Mr. WARREN. The Senator will not ascribe that meaning to me.

Mr. NORRIS. I have not ascribed it to the Senator, but he can put the shoe on if it fits him. I have not ascribed it to anybody. I do not know why the Senator takes it to himself.

Mr. WARREN. When the Senator says they are put on for that purpose, he assumes, of course, that the mover or the supporter of it must mean it for that purpose. Let me say to the Senator that it is true that a large part of the new mineral, where it comes from large companies, goes to the large eastern institutions for assay, but it has been of great benefit to this country that we have hardy prospectors, pioneer men, who are willing to go into the mountains and hunt for metal, simply being furnished, if they had money enough of their own, with bacon and flour. If they have not, there is generally somebody in the towns ready to "grubstake" them. When they find a metal which they believe is important, and which indicates a gold mine or a silver mine, to take their little budget all the way to Philadelphia or New York and wait for the return would be a hardship to those men. This assay office is doing a great deal of service. It is to accommodate those who need it, who can not well do without it, and the benefit of it accrues in the long run to the general public and the Nation.

Mr. NORRIS. Where is the nearest assay office now to Salt Lake City?

Mr. WARREN. The one we are talking about is in Salt Lake City.

Mr. NORRIS. I know that. That is the one you are trying to put in. It does not seem to be there now.

Mr. WARREN. No; we are not trying to put anything in.

Mr. NORRIS. The Senator has made an argument in favor of it, as I understand.

Mr. OVERMAN. Does the amendment provide for the assistant assayer or the assayer?

Mr. WARREN. For the assistant assayer.

Mr. NORRIS. Has he been out for a year?

Mr. WARREN. He has been out for one year. Formerly that office had more employees, and they drew higher salaries. It has been cut down from time to time, with the idea of economy, which the Senator always joins us in trying to effect.

Mr. NORRIS. What have the poor miners, with their little budgets over their shoulders, who have come in sick and sore, and with gold and a lot of stuff gotten up in the mountains, been doing? Have they been carrying it to New York during the last year, as the Senator said they would have to do if this were not put in?

Mr. WARREN. This is to provide somebody to take care of that.

Mr. NORRIS. The last year there has been nobody to take care of it. What have they done?

Mr. WARREN. They have probably managed to take care of the most of it.

Mr. NORRIS. Where?

Mr. WARREN. At the office.

Mr. NORRIS. Without an assayer and without an assistant?

Mr. WARREN. Mr. President, it is difficult for me, unless the Senator will read what is before him, to explain what we are talking about. We have an office there and an assayer. Formerly there was an assistant assayer and certain workmen; that is, there was a certain amount appropriated to hire workmen. There is an assay office which has been maintained there for many years.

Mr. NORRIS. And it is there now?

Mr. WARREN. It is there now.

Mr. NORRIS. Has it an assayer now?

Mr. WARREN. It has an assayer.

Mr. NORRIS. That is already in the bill?

Mr. WARREN. It is already in the bill.

Mr. NORRIS. This amendment simply is to employ another assistant whom they do not have now?

Mr. WARREN. It is to employ a man at $1,200, and the man is called an assistant assayer, because he is one of those who has heretofore been an assistant in that work, and knows something of it.

Mr. NORRIS. Let us take up the Senator's argument. In the first place, the Senator says he is not asking that this go in. I took it that his argument was intended to be an argument in favor of putting it in.

Mr. WARREN. It should go in.

Mr. NORRIS. The Senator said a little while ago that if it did not go in, these poor miners, who had been out in the hills and the gulleys, suffering all kinds of trouble, mining and prospecting, with a bandanna handkerchief strung over their shoulders with what they had found, would have to go to Philadelphia or New York or Boston, or some other place, to have their hard-earned stuff assayed.

The Senator says, when a little further inquiry is made, there is now an assayer at Salt Lake City. He is there now. He has been there. They have not been going to New York with their little handkerchiefs, with some rocks tied up in them, over their shoulders. They have not been going to Philadelphia or San Francisco. They have been going right to Salt Lake City, and they are going there now, and still they have not this assistant assayer, whom this amendment would put in.

Is it not terrible, is it not awful, that without this amendment these fellows would all have to travel across the continent to get their stuff assayed, and that now they stop in Salt Lake City and have it assayed? Of course, I am not able to solve these deep questions, but the question arises in my mind, if we do not adopt this amendment why can they not take it to Salt Lake City next year, just as they do this year?

The Senator said he could not get it into my head. Of course, I am not to blame because my early education was sadly neglected. It may be there is something the matter with the Senator, or he could make it plain to an ordinary individual, such as I am, and such as some of these other Senators are, too.

It has developed, I think, that this office is unnecessary. It is a mighty small thing, I admit; it is a trifle, but trifles, when you get enough of them put together, make perfection, and perfection is no trifle.

Economy in the little things in the aggregate means economy in the great things. The Senator says it is not an opportune time to take these men off the pay roll now, and it develops they have been off the pay roll for a year and are trying to get back on.

Why, Mr. President, should we add to the expense by adding additional officers? Why should we add to the expense at a time when everybody is crying economy by adding on more offices?

I want to say to the Senate that this amendment will not be agreed to, unless some reason can be given why it should be agreed to, without a quorum of the Senate, and you had better send out word, because you will not get it through to-night, little as it is, unless some one will explain why it is that we ought to add these trifling offices in this appropriation bill for any other reason than to give somebody a job. They were cut out last year. Was it because they were of a different political faith that we cut them out? Are we going to get the jobs back in now and get somebody else? It is simply to give an office to somebody, as I see it. I may be wrong. I am willing to be convinced, but I am not going to see it done with half a dozen Senators present unless I am convinced.

Mr. HEFLIN. Mr. President, we have consumed considerable time discussing a little office that would cost the Government $1,200. I do not know whether this office is necessary or not. I desire to call the attention of the Senate again to the fact that the New York Federal Reserve Bank officials, with the approval of the discredited Federal Reserve Board in Washington, are constructing a Federal bank building in New York City at a cost of more than $20,000,000. This amount, as I have said before, and I want Senators who are present to hear it stated again, is more than the Capitol Building of the Nation cost; more than the House Office Building, a marble building, cost; more than the Senate Office Building, made of marble, cost; more than all three of those buildings together cost; more than the State, War, and Navy Building in this city cost; more than all four of them cost. They are expending, or have set out to expend, or have provided that amount of money to be handled through what they call a plan to construct this bank building in the city of New York, twenty-odd million dollars.

John Skelton Williams, former Comptroller of the Currency, a man whose integrity nobody questions, has just been to New York and has seen this place where they are going to build this bank building. They have not proceeded very far with it. There is a great hole in the ground, probably 20 or 30 feet deep, where they are just commencing to lay a foundation. He said to me, "I would be willing to guarantee to that bank in New York and the bank in Chicago quarters in which to run the business of both banks. I could do it and save the expenditure of about $20,000,000."

While the Senator from New Mexico [Mr. BURSUM] is suggesting that we get action, I submit that situation should call for immediate action upon the part of the President, and he should call upon the Federal Reserve Board to stop the construction of that building. They have already, I understand, issued an order to stop the construction of similar buildings in other cities of the country. Why not stop this one in New York? Why stop the others and let this concern in New York put twenty-odd million dollars in a banking palace, with swimming pools, and gymnasium equipment, and all those things for employees, about 3,000 in number?

In that connection I understand that the First National Bank of New York lends more money than the Federal Reserve Bank, and that it has about 100 employees. The Federal Reserve Bank lends less than that bank and has over 3,000 employees. Why are those men kept on the pay roll at enormous salaries? When the war was on and they had to handle Liberty bonds and various other things for the Government they may have been needed, but they are not needed now. There is a situation calling for action. Cut down the number of people who are on that pay roll, who are feasting and fattening upon the money that is wrung out of the distress and misfortune of the people of the South and West. There is the place where action can be had, and properly had. I call upon the other side to ask the President to get busy upon this matter.

I understand also that the annex which has been constructed in New York by this Federal reserve bank has room enough in it to accommodate the whole bank and that they have a whole lot of it rented out. Why should they rent out floor after floor in that building and build another one in order to use this money and to handle this money at a time like this? Beware, Senators, the people are not deceived.

I said before, and I repeat, that I could submit this case to any honest jury in the world and they would say that it looked like crooked business and graft. The idea of putting twenty-odd million dollars into one bank building, costing more than

the Capitol, the Senate Office Building, the House Office Building, and the State, War, and Navy Building. The people will not stand for it. The rate of rediscount was raised from 3 to 7 per cent, and they are dragging this money in from the poor, distressed masses of America and then putting it out into a marble temple, a bank building, just one building in New York City. Of course there is graft.

I know that some of the Republican newspapers in New York criticize me for what I have said about this. I will give them ample opportunity to criticize me on and on and on in this matter. When I have them criticizing me I know that I am smiting them hip and thigh, and I am going to keep it up. The Senator from Mississippi [Mr. HARRISON] told you the truth. They deflated the stuff in the hands of the farmer with which he had to pay his debts but they did not deflate the debts. He had enough stuff to pay three times over his indebtedness of $5,000, and you deflated it so that it went down to where he could not pay half of the $5,000. You took his substance and left him owing $2,500.

That is the fruit of this deflation policy, and yet we can not get rid of it. The President has the power to get rid of it. We had a district attorney in Texas, and they called on him for his resignation. That is all right. If the President does not like an officer, if he thinks he is not performing his duty, or if he wants to get him out, he can mildly suggest to him, "I would like to have your resignation." But why is it we can not get this Federal Reserve Board removed? Why is it there is such a power back of it in this Government that the Congress has to go a roundabout way and set up another financial agency, the War Finance Corporation, to do business that the Federal Reserve Board used to do under a Democratic administration? What is it that holds this power over the administration, and keeps this board that is so thoroughly discredited and repudiated by every honest business man in America?

I do not blame the Wall Street crowd for patting those on the back who pursue a policy that pours money into their coffers. I do not blame them for fighting me and others who condemn their cowardly and crooked conduct. But when they criticise me I know that I am right. Sometimes we think more of a man for the enemies he has made, as was said once of a President of the United States.

Sometimes honest people admire a public servant more for the enemies that he makes than for the friends that he makes.

I appeal to the Republican Party, which is in the majority in the Senate, to get busy and see if we can not stop the construction of that bank building in New York and save that twenty-odd million dollars.

Mr. JONES of Washington. Mr. President, the Senate Committee on Appropriations cut out certain items in the House bill providing for assistant assayers at two or three of the small offices throughout the country. The Senate in its wisdom rejected those amendments and restored those items. I felt that those small offices should all be practically on the same basis, and I felt that, the Senate having rendered its judgment with reference to those other small offices, it was nothing more than just and fair that the other two offices, for which the Budget submitted an estimate for an assistant assayer, should have that item put in the bill.

Personally I feel that all of these small assay offices should be abolished. I do not believe that they are really needed, and I would vote for a proposition of that kind. I make this statement so far as I am concerned as a sort of notice for the future. I can see that to strike them out without having any intimation given heretofore might work some hardship, but I do believe we ought to consider very seriously hereafter the abolition of those small offices.

Mr. President, I understand that the Senator from Nebraska [Mr. NORRIS] would insist upon calling for a quorum before allowing us to come to a vote on this amendment; therefore I withdraw the amendment.

The VICE PRESIDENT. The amendment offered by the Senator from Washington is withdrawn. The bill is still in Committee of the Whole and open to amendment.

Mr. KING. Mr. President, I should like to inquire of the Senator from Wyoming if the item has been reached in regard to the personnel of the Public Health Service?

Mr. WARREN. It has been reached and passed. The bill has been finished, so far as the Committee of the Whole is concerned.

Mr. KING. We have been assured from time to time that there was to be a reorganization of the Public Health Service branch of the Government. It has been the most expensive and extravagant branch of the Government, in proportion to the responsibilities resting upon it, I think, of any branch of the Government. The senior Senator from Utah [Mr. SMOOT] has stated, and in the utmost good faith, that it was the plan of the administration to effectuate reforms in the Public Health Service and to strip the officials of that service of their military titles and to put it upon a medical basis and medical foundation instead of a military basis.

I should like to ask the chairman of the committee what is being done toward carrying out those promises and statements which were made when the Democrats were in power that as soon as the Republicans obtained control of the Government they would effectuate great reforms in this branch of the service? What is being done by the Republicans to carry out those promises?

Mr. WARREN. Mr. President, let me say to the Senator from Utah, when he speaks of changing the Public Health Service from a military status, that is hardly possible now, because during the last administration, to which the Senator alludes as a Democratic administration, many of the officers of this service were carried practically into the Army. They have been given that status for life; they are to receive full pay until they shall have reached the age of 64 years, and then they will be retired with three-fourths pay. That is something we do not feel that we can deal with now, certainly not in an appropriation bill. It would require legislation of a nature that might leave upon us claims of large amounts from every one of such officers.

However, as for the pending appropriation bill, I will give the Senator from Utah some information by way of comparisons between present and former appropriations. Here is an item which last year was $1,060,000, but which is now but $913,000; here is another one which was $160,000, and which was estimated for at $90,000, but which has been reduced to $50,000; here is another item which was $50,000, but which has been reduced to $45,000; here is another item of $5,000 which has been reduced to $3,000. In other words, all of the appropriations which refer to the emoluments of these officers which we can reach have been reduced.

As to the extra pay which was put on for the time being, that time having expired, we do not extend it nor do we allow the extra compensation which has heretofore been allowed.

As to reorganization, we have done much to prevent a certain style of reorganization which involved bringing some hundred officers under the mantle of the Public Health Service in the way of commissioning others than those already in the service with, we might say, the Army token, and putting them in the same line of service as the medical service of the Army.

Mr. KING. May I inquire of the Senator whether men are now being inducted into the military service for the purpose of performing duties in the Public Health Service?

Mr. WARREN. So far as I know, that is utterly prevented for the time being. Of course, the officers of the Public Health Service are promoted from time to time. The Senator from Utah will recall that oftentimes in executive session we have before us the names of men in the Public Health Service who are promoted to a higher rank. That is incident to length of service; in a certain number of years the officers acquire a certain grade.

Mr. KING. Would the Senator from Wyoming consent to an amendment providing in effect that no part of this appropriation shall be employed in paying the compensation of any persons in the Public Health Service who may be advanced from a nonmilitary to a military status?

Mr. WARREN. I had rather the Senator would not offer such an amendment, because it is not necessary. We have already effectually provided for that.

I had not, however, concluded my statement in regard to the reduction in the pending bill of former appropriations which have been made. Here is an item which formerly carried an appropriation of $500,000, but which is now reduced to $400,000. The matter to which the Senator refers, I think, is proceeding entirely along the line which the Senator wishes to have it proceed. I feel confident that the Senator, on further examination, will ascertain that we are doing all that it is possible to do.

Mr. KING. Mr. President, I wish to suggest to the Senator from Wyoming and to other Senators that we are now advancing in the military and naval branches of the Government and also in the Public Health Service a large number of officers, so that the higher grades are being congested. We shall soon, I hope, have an Army of not to exceed 60,000 or 75,000 men; and yet we shall have enough brigadier generals and major generals and colonels and majors and other higher officers for an Army of two or three hundred thousand men. The same statement is true as to the Navy and also of the Public Health Service. Practically all of the officers will be in the higher grades. It seems to me that the time has come to call a halt in regard to these promotions, when we know that, answering the de-

mands of the public and our own duty, we are bound to restrict the number in the Army and Navy. We shall not have done our duty with respect to the Public Health Service until we entirely divorce it from the Army and make it a medical branch of the Government instead of a military branch of the Government.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no further amendments, the bill will be reported to the Senate.

The bill was reported to the Senate as amended and the amendments were concurred in.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ADJUSTMENT OF FOREIGN LOANS.

Mr. McCUMBER. Mr. President, I move that the Senate proceed to the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. OVERMAN. The Senator from North Dakota does not propose to proceed with the consideration of the bill this evening, does he?

Mr. McCUMBER. I do not. I expect the Senate to proceed to the consideration of executive business immediately after the bill shall have been taken up.

The VICE PRESIDENT. The question is on the motion of the Senator from North Dakota.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until Monday, January 23, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 21 (legislative day of January 20), 1922.

COLLECTOR OF INTERNAL REVENUE.

Frank R. Stewart, of Phoenix, Ariz., to be collector of internal revenue for the district of Arizona, in place of Alfred Franklin.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 21 (legislative day of January 20), 1922.

ASSISTANT APPRAISER OF MERCHANDISE.

William F. Comly to be assistant appraiser of merchandise, customs collection district No. 10, New York, N. Y.

COLLECTOR OF INTERNAL REVENUE.

Charles Holden to be collector of internal revenue for the fourth district of Michigan.

REGISTERS OF THE LAND OFFICE.

Oran Layton to be register of land office, Topeka, Kans.
John Widlon to be register of land office, Gregory, S. Dak.

POSTMASTERS.

ARIZONA.

William F. Haas, Naco.

CALIFORNIA.

Isaac D. Jaynes, Buena Park.
Ethel G. Packard, Fall River Mills.
Albert E. Dixon, Point Loma.
William R. Stephens, Roseville.
Hugh W. Judd, Watsonville.

CONNECTICUT.

Frederick H. Smith, Darien.
Harlan G. Hills, East Hampton.
William E. Hazen, Georgetown.
Durward E. Granniss, New Preston.
Charles A. Jerome, Plainfield.
Edward Perkins, Suffield.
Robert O. Judson, Woodbury.

FLORIDA.

Addison L. Smith, Groveland.
Elmer J. Yonally, Winterhaven.

ILLINOIS.

William M. Rentschler, Allendale.
Howard B. Mayhew, Bradford.
Emile J. Berger, Clifton.
David B. Troxel, De Land.
James A. Duncan, Flat Rock.
Howard L. Scott, Fox Lake.
Elmer Beck, Herrick.
Frank S. Cox, Hindsboro.
Claude W. McDaniel, Martinsville.
Justin S. Darrah, Medora.
Albert L. Weible, New Athens.
Carlysle Pemberton, Oakland.
Elmer C. Nethery, Palestine.
Albert R. Cooper, Pesotum.
John B. Dillon, Sadorus.
Rudolph Mueller, Sherrard.
Norredden Cowen, Sorento.
Norman A. Jay, Steeleville.

KANSAS.

Willard E. Johnston, Attica.

LOUISIANA.

Ruth W. McCleish, Athens.
Victor L. Brumfield, Winnfield.

MICHIGAN.

Carl J. Willis, Bannister.
Clarence J. Williams, Carleton.
Curtis G. Reynolds, Dundee.
James D. Housman, Petersburg.
Eugene J. Richardson, Temperance.

NEW JERSEY.

Le Roy Sofield, Avon by the Sea.
Adrian P. King, Beachhaven.
George G. Titus, Belmar.
Frank Hill, Dumont.
Helen Mylod, Glen Ridge.
Chester A. Burt, Helmetta.
John J. Schilcox, Keasbey.
Edward Iredell, Mullica Hill.
Edward W. Vanaman, Newfield.
Alvin C. Stover, Pennington.
Arthur S. Warner, Spring Lake Beach.

NEW YORK.

Arthur K. Lansing, Cambridge.
John H. Roberts, Canastota.
William M. Stuart, Canisteo.
William B. Donahue, Catskill.
LeRoy M. Tripp, Clinton Corners.
Dimont M. Rector, Delanson.
Erastus C. Davis, Fonda.
Fred H. Bacon, Franklinville.
Howard T. Meschutt, Hampton Bays (late Good Ground).
John Newton, Holcomb.
Dora M. Smylie, Lake Kushaqua.
Fletcher B. Brooks, Monroe.
L. B. Crane, Mount Kisco.
Esther L. Smith, North Lawrence.
Deane Mitchell, Odessa.
Lionel J. Desjardins, Piercefield.
Lewis O. Davis, Port Jefferson.
Ethel Kelly, Pyrites.
Harry R. Swift, Richford.
John K. Stillwell, Roslyn Heights.
Harriet L. Reed, Savannah.
Isabel G. Duvall, Shelter Island Heights.
Stanley D. Francis, Tannersville.
Fred D. Seaman, Unadilla.
William B. Stewart, Walden.
Edwin F. Still, Warwick.
John G. Cole, Waterford.
Mabel E. Stanton, Wellsburg.
Warren A. Bush, Wilson.
Edward W. Elmore, Yorkville.

NORTH CAROLINA.

John C. Smith, Lenoir.
Christopher H. Mattocks, Maysville.
Henry Reynolds, North Wilkesboro.
Wiley F. Talley, Randleman.
Samuel L. Parker, St. Pauls.

OKLAHOMA.

Ray E. Sutton, Boynton.
Evan E. Lambdin, Braman.
Ernest H. Rownsaville, Coleman.
Jesse W. Pinkston, Drumright.
James W. Evans, Mounds.
Herbert Harris, Oilton.
Minnie A. Wood, Shamrock.
Charles E. Campbell, Texhoma.
William A. Vassar, Tryon.
Jack W. Rowland, Webbers Falls.

OREGON.

Guy E. Tex, Central Point.
Ethel N. Everson, Creswell.
Albert M. Porter, Gaston.
William C. DePew, Lebanon.
Carl A. Peterson, Orenco.
John S. Sticha, Scio.
William E. Tate, Wasco.

WEST VIRGINIA.

George H. Mellen, Beckley.
Luther P. Graham, Hinton.
Carl F. Stewart, Littleton.
Kellous P. Nowlan, Logan.
Alonzo E. Linch, Moundsville.

WISCONSIN.

Mamie R. Een, Amherst.
Raymond E. G. Schmidt, De Forest.
John A. Gudmundsen, Detroit Harbor.
Samuel M. Hogenson, Ephraim.
Edwin E. Weinmann, Iola.
Paul A. Brown, Mellen.
George Oakes, New Richmond.
Frank S. Brazeau, Port Edwards.
Howard M. Buck, Prairie Farm.
Fred X. Knobel, River Falls.
John E. Himley, Wabeno.

HOUSE OF REPRESENTATIVES.

SATURDAY, *January 21, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, we come again to the solemn yet tender mystery of Thy throne. We believe that there is one God over all, and blessed forevermore. Thy judgments are full of wonder, yet merciful. Gently correct us by that loving pity that redeems us from distress and grants us sweet release. Be unto us an abiding reality and make Thy presence like unto the nearness of a dear friend. Give us larger conceptions of the truth and a richer and a profounder knowledge of all things needful. Then O help us to bring the vision to the task, the revelation to the duty, and, above all things else, the truth to everything. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATION FOR EX-SERVICE MEN.

Mr. SWEET. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, giving a brief history of the legislation that has been passed for the benefit of ex-service men.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD on the subject indicated. Is there objection?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, the independent offices appropriation bill.

The SPEAKER. The gentleman from Indiana moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981.

Mr. BLANTON. Mr. Speaker, I ask for a division.

The House divided; and there were 59 ayes and 13 noes.

Mr. BLANTON. Mr. Speaker, I object to the vote, and make the point of no quorum.

The SPEAKER. The gentleman from Texas makes the point of no quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 324, nays none, not voting 106, as follows:

YEAS—324.

Ackerman	Dupré	Kissel	Roach
Almon	Dyer	Kleczka	Robertson
Andrew, Mass.	Echols	Kline, Pa.	Robsion
Andrews, Nebr.	Elliott	Knutson	Rodenberg
Ansorge	Ellis	Kopp	Rogers
Appleby	Evans	Lampert	Rose
Arentz	Fairchild	Lanham	Rosenbloom
Aswell	Fairfield	Lankford	Rouse
Atkeson	Faust	Larsen, Ga.	Sanders, Tex.
Bankhead	Favrot	Larson, Minn.	Sandlin
Barbour	Fenn	Layton	Schall
Barkley	Fess	Lazaro	Scott, Mich.
Beck	Fields	Lea, Calif.	Scott, Tenn.
Beedy	Fish	Leatherwood	Sears
Begg	Fisher	Lee, Ga.	Shelton
Bell	Fitzgerald	Lehlbach	Shreve
Bixler	Focht	Little	Sinclair
Black	Fordney	Logan	Sinnott
Bland, Ind.	Foster	London	Smith, Idaho
Bland, Va.	Frear	Lowrey	Smith, Mich.
Blanton	Free	Luce	Smithwick
Boies	Freeman	Luhring	Snell
Bond	French	Lyon	Snyder
Bowling	Frothingham	McArthur	Speaks
Box	Fuller	McClintic	Sproul
Brand	Funk	McCormick	Stafford
Brennan	Gahn	McDuffie	Steagall
Briggs	Gallivan	McFadden	Stedman
Brown, Tenn.	Garner	McKenzie	Steenerson
Browne, Wis.	Garrett, Tenn.	McLaughlin, Mich.	Stephens
Bulwinkle	Garrett, Tex.	McLaughlin, Nebr.	Stevenson
Burroughs	Gensman	McLaughlin, Pa.	Stoll
Burtness	Gernerd	McSwain	Strong, Kans.
Burton	Gilbert	MacGregor	Strong, Pa.
Butler	Glynn	Madden	Swank
Byrnes, S. C.	Goodykoontz	Magee	Sweet
Byrns, Tenn.	Gorman	Mann	Swing
Cable	Graham, Ill.	Mapes	Tague
Campbell, Kans.	Green, Iowa	Martin	Taylor, Ark.
Campbell, Pa.	Greene, Mass.	Mead	Taylor, N. J.
Cannon	Greene, Vt.	Michener	Taylor, Tenn.
Carew	Griffin	Miller	Temple
Carter	Hadley	Millspaugh	Ten Eyck
Chalmers	Hardy, Colo.	Mondell	Thompson
Chandler, N. Y.	Hardy, Tex.	Montoya	Tillman
Chindblom	Harrison	Moore, Ill.	Tilson
Clague	Haugen	Moore, Ohio	Timberlake
Clarke, N. Y.	Hawley	Moores, Ind.	Tincher
Clouse	Hayden	Morgan	Tinkham
Cockran	Herrick	Mott	Towner
Codd	Hersey	Murphy	Treadway
Cole, Iowa	Hickey	Nelson, A. P.	Underhill
Cole, Ohio	Hill	Nelson, J. M.	Upshaw
Collier	Himes	Newton, Mo.	Vaile
Collins	Hoch	Norton	Vestal
Colton	Huddleston	O'Brien	Vinson
Connally, Tex.	Hudspeth	O'Connor	Volgt
Connell	Hukriede	Oldfield	Volstead
Cooper, Ohio	Hull	Oliver	Walsh
Cooper, Wis.	Humphreys	Overstreet	Walters
Copley	Husted	Padgett	Ward, N. C.
Coughlin	Ireland	Paige	Wason
Crago	Jacoway	Park, Ga.	Watson
Cramton	Jeffers, Ala.	Parker, N. J.	Weaver
Crisp	Johnson, Ky.	Parker, N. Y.	Wheeler
Cullen	Johnson, Miss.	Parks, Ark.	White, Kans.
Curry	Johnson, S. Dak.	Parrish	White, Me.
Dale	Jones, Pa.	Patterson, Mo.	Williams
Dallinger	Jones, Tex.	Porter	Williamson
Darrow	Kearns	Purnell	Wilson
Davis, Minn.	Keller	Quin	Wingo
Davis, Tenn.	Kelley, Mich.	Rainey, Ill.	Winslow
Dempsey	Kelly, Pa.	Raker	Wood, Ind.
Denison	Kennedy	Ramseyer	Woodruff
Dickinson	Ketcham	Rankin	Woods, Va.
Dominick	Kiess	Rayburn	Woodyard
Doughton	Kincheloe	Reber	Wright
Dowell	Kindred	Reece	Wyant
Drewry	King	Reed, W. Va.	Yates
Driver	Kinkaid	Rhodes	Young
Dunbar	Kirkpatrick	Ricketts	Zihlman

NOT VOTING—106.

Anderson	Crowther	Johnson, Wash.	Mills
Anthony	Deal	Kahn	Montague
Bacharach	Drane	Kendall	Moore, Va.
Benham	Dunn	Kitchin	Morin
Bird	Edmonds	Kline, N. Y.	Mudd
Blakeney	Fulmer	Knight	Newton, Minn.
Bowers	Goldsborough	Kraus	Nolan
Brinson	Gould	Kreider	Ogden
Britten	Graham, Pa.	Kunz	Olpp
Brooks, Ill.	Griest	Langley	Osborne
Brooks, Pa.	Hammer	Lawrence	Patterson, N. J.
Buchanan	Hawes	Lee, N. Y.	Perkins
Burdick	Hays	Lineberger	Perlman
Burke	Hicks	Linthicum	Petersen
Cantrill	Hogan	Longworth	Pou
Chandler, Okla.	Hooker	McPherson	Pringey
Christopherson	Houghton	Maloney	Radcliffe
Clark, Fla.	Hutchinson	Mansfield	Rainey, Ala.
Classon	James	Merritt	Ransley
Connolly, Pa.	Jefferis, Nebr.	Michaelson	Reavis

Reed, N. Y.	Sanders, Ind.	Sullivan	Volk
Riddick	Sanders, N. Y.	Summers, Wash.	Ward, N. Y.
Riordan	Shaw	Sumners, Tex.	Webster
Rossdale	Siegel	Taylor, Colo.	Wise
Rucker	Sisson	Thomas	Wurzbach
Ryan	Slemp	Tyson	
Sabath	Stiness	Vare	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. LINEBERGER with Mr. KITCHIN.
Mr. LANGLEY with Mr. CLARK of Florida.
Mr. MORIN with Mr. RIORDAN.
Mr. OGDEN with Mr. LINTHICUM.
Mr. HOGAN with Mr. BRINSON.
Mr. BURKE with Mr. GOLDSBOROUGH.
Mr. KLINE of New York with Mr. WISE.
Mr. MCPHERSON with Mr. MANSFIELD.
Mr. OLPP with Mr. POU.
Mr. VARE with Mr. RUCKER.
Mr. ROSSDALE with Mr. DEAL.
Mr. LAWRENCE with Mr. HOOKER.
Mr. DUNN with Mr. SULLIVAN.
Mr. EDMONDS with Mr. TYSON.
Mr. HAYS with Mr. BUCHANAN.
Mr. GRIEST with Mr. FULMER.
Mr. KAHN with Mr. KUNZ.
Mr. REED of New York with Mr. SUMNERS of Texas.
Mr. VOLK with Mr. CANTRILL.
Mr. HUTCHINSON with Mr. MOORE of Virginia.
Mr. OSBORNE with Mr. SABATH.
Mr. MICHAELSON with Mr. THOMAS.
Mr. CHANDLER of Oklahoma with Mr. SISSON.
Mr. CONNOLLY of Pennsylvania with Mr. HAWES.
Mr. PATTERSON of New Jersey with Mr. DRANE.
Mr. GRAHAM of Pennsylvania with Mr. HAMMER.
Mr. BACHARACH with Mr. MONTAGUE.
Mr. ANDERSON with Mr. RAINEY of Alabama.
Mr. PERLMAN with Mr. TAYLOR of Colorado.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, with Mr. TOWNER in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. The time on the majority side has expired. All time has expired except 33 minutes, in the control of the minority.

Mr. HARRISON. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman and gentlemen of the committee, the safety and perpetuity of the Government of this Republic and of each State of the Union depend upon the maintenance and enforcement of the laws and the protection of the citizen in the enjoyment of his constitutional and inalienable and inherent right of life, liberty, and property, and without the protection of these rights confusion and anarchy would inevitably result.

I do not palliate or condone the violation of law, and condemn lynching and mob law in any form. One of its dangers is, there is no limit to its jurisdiction. But I am equally opposed to a violation of the Constitution under the guise of the enactment of a law which if enacted and enforced would be clearly subversive of the plain terms of the Constitution and destructive of our system of government and the institutions and principles upon which it was founded.

The Dyer antilynching bill is not only pernicious and unjust but is clearly violative of the plain terms and provisions of the Constitution and contrary to the genius and spirit of our institutions and time-honored traditions.

It not only encroaches upon but obliterates the rights of the sovereign States and seeks to substitute Federal for State laws, and transfers from the State to the Federal courts a class of offenders for the trial and punishment of whom ample provision has already been made by laws of the several States.

Have the States become impotent and helpless and can no longer enforce police regulations and criminal laws on their statute books? Such an accusation would be a fearful arraignment of a sovereign Commonwealth.

Aside from the unconstitutionality of the bill its terms and provisions are absurd, ridiculous, and nothing short of a monstrosity. A "mob or riotous assemblage" is defined by the bill to mean "an assemblage composed of five or more persons acting in concert for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense," and by the terms of the bill officers of the law who fail to protect the life of a person against such a "mob or riotous assemblage" are guilty of a crime as well as persons participating in such "mob or riotous assemblage."

If the bill has any worthy object, it would seem to be to maintain law and order, suppress crime, and protect human life, and yet any number of persons less than five may unlawfully act in perfect accord and concert and with a common and felonious design to deprive a person of his life and actually take his life in the most unlawful and brutal manner and not be amenable to the proposed law, and any officer who fails to protect the life of a person against the unlawful and felonious conduct of any number of persons less than five is likewise not subject to its provisions.

Besides, it is not made penal for such "mob or riotous assemblage" to deprive a person of his life except "as a punishment for or to prevent the commission of some actual or supposed public offense," so that the mob could with impunity take the life of a person for any cause or reason except "as a punishment for or to prevent the commission of some actual or supposed public offense." The so-called race riots would not be covered by the provisions of the bill.

The proponents of this measure seek to justify its constitutionality and passage by attempting to bring it within the terms and provisions of that part of the fourteenth amendment to the Constitution which provides that no State shall deny any person the equal protection of the laws of the State.

This position is far-fetched and untenable, and this constitutional provision has no application to the subject matter of the bill. The fact is the framers of this provision of the fourteenth amendment never dreamed that the most imaginative mind could ever conceive of stretching it to cover anything akin to the subject matter of the pending bill.

The amendment was adopted soon after the Civil War, and this provision was framed for the sole purpose of preventing any State from enacting a law which would discriminate against the slaves who had been emancipated and for no other purpose.

In seeking to bring the bill within this provision of the Constitution, it is provided—

> That if any State or governmental subdivision thereof fails, neglects, or refuses to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage, such State shall by reason of such failure, neglect, or refusal be deemed to have denied to such person the equal protection of the laws of the State, and to the end that such protection as is guaranteed to the citizens of the United States by its Constitution may be secured, it is provided—

And so forth.

Therefore, under the terms of the bill before any person would be amenable to its terms and before a United States court could take jurisdiction of a person thereunder it must be determined in some way, not pointed out or provided in the bill, that the State in which a person had been deprived of his life had failed, neglected, or refused to provide and maintain protection to the life of such person; and this failure, neglect, or refusal on the part of the State must be established as a condition precedent to a Federal court acquiring and taking jurisdiction in the premises. What person, officer, or tribunal is to determine this vital question?

Could it by the most strained legal construction be held that because a "mob or riotous assemblage" had in a given State deprived a person of his life that such State had denied to such person the equal protection of the laws of the State?

The act of five or more persons acting in violation of the laws of the State would not be the act of the State, and how could the State by the unlawful act of such persons be deemed to have denied to any person the equal protection of the law? The act of the individuals composing the mob could not be held to be the act of the sovereign State. Moreover it can not be successfully contended that the act of any State or municipal officer in failing, neglecting, or refusing to make all reasonable efforts to prevent a person being put to death at the hands of a mob or in failing, neglecting, or refusing to make all reasonable efforts in apprehending or prosecuting persons participating in the mob can be attributed to or held to be the act of the State or a denial by the State of the equal protection of its laws to any person. Such officers are chosen to carry out and enforce the laws of the State or municipality and in failing, neglecting, or refusing to do so they act in violation of their sworn duty and become themselves culprits and thus do not represent the State or municipality. In other words, such officers are chosen to perform perfectly proper and legal acts and are presumed to do their duty, and if they do the exact opposite they are not representing the State or municipality. If there is one question well settled in American jurisprudence, it is that a municipality, county, or State is not bound by the

unauthorized, tortious, or illegal acts of their officers, the familiar doctrine being that no principal is bound by the acts of his agent when such agent acts without the scope of his authority. For a State to deprive a person of the equal protection of its laws there must be some affirmative act on the part of its legislative, executive, or judicial departments which in reality so deprives a person.

Some of the most abominable and iniquitious features of the bill are contained in sections 5 and 6, which provide that any county in which a person is put to death by a mob or riotious assemblage shall forfeit $10,000, payable in the first instance to the family of the person lynched, and in the event that any person so put to death shall have been transported by such mob or riotious assemblage from one county to another during the time intervening between his capture and putting to death each county in, or through which he was transported, shall be jointly and severally liable to pay such forfeiture.

These provisions would penalize the innocent, law-abiding taxpayers of a county who had no part in and who stoutly condemn the act of the mob and who had no knowledge of or opportunity to prevent the act of the mob. These provisions would add unjust burdens on taxpayers, including helpless and innocent women and children, and can not be justified in law, good conscious, or common honesty. Indeed, the very female who had been ravished by a brute might be called upon to bear her proportion of the taxes required to pay the family or dependents of the human brute the $10,000 penalty.

This penalty provision of the bill and its modes of enforcement are clearly unconstitutional. A State, being sovereign, is not subject to suit, except one State may, under the Constitution, institute a suit against another State. A county is but a political subdivision of a State, created and organized under the authority of the State for governmental convenience, and, being a part of the sovereignty, is not subject to suit, except where the sovereign voluntarily consents by appropriate legislative enactment.

Mr. Chairman, the general debate upon this bill for the most part has been characterized by dignity, and it has displayed a high order of research and scholarship. It is unfortunate, indeed, that some gentlemen during the general debate upon the floor of this House have seen fit to single out Georgia, the empire State of the South, and make her a target in the discussion. These attacks are, or should be, unworthy of the gentlemen who made them. Georgia does not claim to be superior to all of the other States, but she does claim to be as good as the best. The high stand which she has taken in the proud galaxy of States and in the sisterhood of States has placed her where she needs no defense at my hands. She has made a rich contribution to the art, literature, professions, statesmanship, and patriotism of this Nation. I wish I had time to enumerate to you some of Georgia's achievements. For instance, do gentlemen know that the first sewing machine which was ever made was invented and manufactured in the State of Georgia? Do gentlemen realize that the first steamboat which ever plied across the Atlantic sailed from the port of Savannah, Ga.? Do gentlemen realize that it is very well conceded that the first machine for the manufacture of ice was manufactured in the congressional district of Georgia which I have the honor to represent? Do gentlemen realize that Georgia can justly boast of the first chartered female college in the whole world which granted to women a diploma? The cotton gin was invented in Georgia. Do gentlemen realize that the people of this world are to-day indebted to a Georgian for the discovery and use of anesthesia, a thing that has brought so much relief to suffering humanity?

Mr. TILLMAN. Mr. Chairman, will the gentleman yield to me for a brief question and statement?

Mr. WRIGHT. Yes.

Mr. TILLMAN. Touching upon this question as to how Georgia treats her Negro citizens, is it not stated in effect in the majority report accompanying the bill that the laws of Georgia and the people of Georgia are so fair in the treatment of her colored citizens that in that State Negroes pay taxes on 1,664,368 acres and own property assessed at $47,723,499?

Mr. WRIGHT. That is absolutely true. If I had time I could show you in detail that the colored people of Georgia are properly treated by the white people. Of course, now and then there will be a sporadic violation of law. The percentage of crime in Georgia is no more than in the other States of the Union. If I were disposed to draw an invidious comparison, which I refrain from doing, I might say that Georgia and the enforcement of her laws, compared to some of the States from which some of these gentlemen who make these attacks come, is a literal paragon. Georgia needs no defense at my hands, and I say in conclusion that she is inhabited by as grand a people as have ever resisted the advance of tyranny or nourished the spirit of freedom. The achievements of her chivalric, noble, and patriotic men and women will live in story and in song when her cowardly slanderers and maligners are forever forgotten. [Applause.]

Mr. HARRISON. Mr. Chairman, I yield now to the gentleman from South Carolina [Mr. McSWAIN].

Mr. McSWAIN. Mr. Chairman, I venture to renew the discussion respecting the constitutionality of the antilynching bill. I observe that the distinguished and learned gentleman from Ohio [Mr. BURTON] places the constitutionality of the proposed legislation third and last in the order of discussion, and presumptively of least importance. But it seems to me that the constitutionality is the very first question to meet a Member of Congress on any proposed legislation. Members will remember that the only oath of office they took was an oath to protect and defend the Constitution of the United States, and they did solemnly swear that such obligation was without mental reservation or purpose of evasion. Therefore, a Member can not reason to himself privately that questions of expediency and policy and popular demand for legislation can override the primary and fundamental question of its constitutionality. I was glad when I heard the scholarly and thoughtful gentleman from Ohio [Mr. BURTON] tell us that he deplores the tendency to centralize powers of Government in the hands of Federal officials to the loss of initiative, dignity, pride, and independence of the States. But imagine my surprise and disappointment to hear him say in the next breath that any effort to restrain Federal jurisdiction is merely fighting against time. He tells us that despite our oaths the boundary line between the States and the National Government is beyond our control. If that be true, then, indeed, should our oath of office be amended. Certainly the States are not breaking over and invading the jurisdiction of the National Government. It is equally certain that the tendency of the proposed antilynching bill and the argument of the distinguished gentleman from Ohio is to greatly increase and encourage the unconstitutional invasion by the Federal Government upon the reserved rights of the States.

AMENDMENT IS THE CONSTITUTIONAL METHOD OF ENLARGING FEDERAL POWER.

It seems to me that our duty is, when the progress of science, invention, commerce, and social development necessitates a change in the relations between the State and the Nation, to introduce and to fight for constitutional amendments. And in this connection I wish to say with reference to all the "good-natured chaffing about the part that southern Members had in the passage of the eighteenth amendment and the Volstead Act," that the Southern States which supported the adoption of the eighteenth amendment went about it in an open, manly, and constitutional way. Practically all of them had adopted State legislation prohibiting the manufacture and sale of alcoholic beverages within their respective borders. But owing to the very liberal construction placed by the Supreme Court upon the interstate-commerce powers of the Federal Government the States were rendered almost helpless to enforce prohibition. Whisky by the carload was brought in under the guise of "original packages," and the questions of "what was an original package" and of when the same "arrived," and of what was the "destination" of an original package of liquor, were fought out in the courts of nearly every State in the Nation for many years. We recognize that when the people of the Nation lawfully adopt an amendment to the Federal Constitution all matters properly included within the amendment cease to impinge upon State rights. All the arguments made as to the wisdom and expediency and necessity for the Federal Government to take over the right to punish lynching would be good arguments in favor of a constitutional amendment to that effect, but the same can have no weight whatever in deciding the question of constitutionality as it now exists.

FEDERAL COURTS PROTECT FEDERAL RIGHTS ONLY AND STATE COURTS PROTECT ALL OTHER RIGHTS.

I respectfully submit that confusion amongst the cases that have been cited in this argument will disappear if these fundamental propositions are kept in mind. First, it is the duty of the Federal Government to enact such legislation as the discretion of Congress may determine will be suitable and proper to enforce all the powers expressly conferred upon the National Government, and to enact punitory legislation making criminal the act of any person or persons who invade the rights of any citizen predicated upon and derived from any part of the Federal Constitution. Second, in like manner it is the duty of the State governments to exercise their discretion in enacting legislation to enforce the rights of the citizens based upon and derived from the reserved powers vested in the States and to make invasion of these rights criminal and punishable as such.

Third, within their separate and respective spheres these two governments operating over the same territory and upon the individual citizen are separate and distinct, and neither can impose any obligation or burden upon the agencies or officers of the other, because, however light the burden and obligation may be, if the right to impose the same be granted, then the burden may be made so oppressive as to destroy the agency upon which it is imposed. Fourth, that neither Government, State or Federal, is or can be made responsible for the lawless acts of individual citizens who happen for the time being to be exercising some sort of official power. In order that the State may be said to act through an official, whether legislative, executive, or judicial, that State officer must act in pursuance of his office, must act by virtue of official position, and must be clothed with some power and authority which he seeks to exercise. It is not every act of a man who holds a State office that is official. The sheriff of a county in sudden heat and passion resents a personal insult and kills a man. The State has not committed the homicide, though the sheriff did the killing, and the sheriffs of many States have been tried for murder. Of course, it is the duty of a sheriff to protect his prisoner, but it is also his duty to protect all lawful citizens who are not under arrest. If the sheriff conspires with a mob to surrender his prisoner to be murdered by the mob, called "lynching," the sheriff is just as guilty of murder as any member of the mob, and the moral guilt would be greater than if he had waylaid a personal enemy and had killed him with the pistol furnished by the State to exercise the duties of the sheriff's office.

PERSONAL CRIME AND OFFICIAL ACTS DISTINGUISHED.

Citizens within the States in the peace of God and of the country have as much right to live and to have their lives protected by the officials of the State government as have persons arrested for crime and in the custody of the sheriff. Yet if one citizen murders another we are told that the Federal Government can not exercise jurisdiction unless five citizens join in committing the murder. So we are told that if the sheriff resents an injury or avenges an old grudge by killing a man, it is not State action; but in the same breath we are told that if five or more persons take a prisoner from a sheriff then that becomes a Federal crime. Merely because the sheriff has breached his duty to the State and violated the State law by failing to defend his prisoner at the risk of his own life, his one personal offense does not constitute "State action."

LOGICAL CONSEQUENCES.

I respectfully submit that the proponents of this antilynching bill have not carried their argument to its logical consequences. If, under the fourteenth amendment, the crime of the sheriff in virtually participating in the murder of a prisoner is punishable in a Federal court, and under Federal Statutes, because the sheriff has violated some Federal right of the prisoner, then the crime of murder by one private citizen would also be made a Federal crime. If the right to "life, liberty, and property" is a Federal right, then that Federal right may be protected by Federal statute and the invasion of the Federal right punished in a Federal court. As crime breeds crime, and as failure to properly punish one crime may encourage the commission of another crime, so it could be logically contended that the lawlessness within the States which permits lynching and permits the crimes that provoke lynching indicates the general failure of a State to exercise its primary duty to protect the lives, liberties, and properties of all the citizens, and that this State-wide failure and inaction on the part of the State by making possible an orgy of crime demonstrates that the State has abdicated its independence and right of autonomy, and that the Federal Government can step in and enact legislation predicated upon the assumption that the States are not doing their duty in protecting the life, liberty, and property of the people, and that under the fourteenth amendment the "life, liberty, and property" of the people is a Federal right, and that Congress can legislate to protect all Federal rights and, therefore, Congress can make punishable in a Federal court not only the killing of one citizen by another but the stealing of property and the failure to support wives and children and the vast multitude of crimes.

"EQUAL PROTECTION OF LAWS" MEANS "EQUAL RIGHTS IN COURT."

As I gather it from hearing and reading carefully the arguments of the distinguished gentleman from Kansas [Mr. LITTLE] this antilynching bill is necessarily predicated upon the assumption that the States have in some cases failed to exert sufficient physical force to protect the life of each individual prisoner. I gather from his argument that so long as "the sheriff does his duty" there is no Federal right in question, but the instant that the sheriff "fails to do his duty" the Federal right immediately arises. Though this gentleman is a learned lawyer and has placed the country, and especially the legal profession, under profound obligations to him for his magnificent work in compiling and arranging the general statutory laws of the United States, yet he is preeminently an advocate, and his speech is that of an advocate rather than the opinion of a judge. Now, I propose to him this question, and before this legislation can become effective these questions must be answered in the words of the legislation: When does the sheriff fail to do his duty? And that question depends upon the further question, Who prescribes the duty of the sheriff?

We have always assumed from the unbroken current of decisions for more than 125 years that the States by their statutory and common law prescribe the duty of a sheriff to his prisoner. I imagine, therefore, that the measure of duty and the penalties and consequences for failure to perform that duty vary in the different States of the Union. Furthermore, the law prescribing the duties of sheriff is subject to amendment by the States from time to time, so that the measure of duty not only varies from State to State but varies from time to time. Then how could Congress say when a sheriff has failed to do his duty? If Congress does set up a measure of duty as it seeks to do in the general terms of the bill under consideration when it says, speaking of a sheriff "who fails, neglects, or refuses to make a reasonable effort to prevent such person from being so put to death," then Congress is prescribing the duty of a State officer and fixing the measure and bounds of his duty and imposing penalties for failure to live up to the standards fixed by Congress. But the gentleman from Kansas, being learned in the law, knows that question of "negligence" and of "reasonableness" are mixed questions of law and fact. In this case the ingredient of law is furnished by the State governments, and that ingredient differs in the different States, and if a sheriff were being tried under this statute not only would the "facts" surrounding the case be introduced in evidence on the issue of "negligence" and "reasonable effort" but the law of the particular State with reference to the duty of the sheriff under the circumstances would also have to be offered in evidence, and as the law will differ in the different States, then we will have the Federal courts in one State prosecuting for violation of the antilynching law hold a sheriff to one measure of duty and in another State to another measure of duty. In one State under given evidence the sheriff will go free and in another State, under an identical set of facts, the sheriff will go to the penitentiary. Then what will become of the ideals of equal protection of the laws in the Federal courts? It will manifestly be unfair and unequal and unjust for the Federal courts for the avowed purpose of affording equal protection of the laws to set up machinery that will accomplish such unequal results.

JURY TRIAL IN STATE COURT NOT A FEDERAL RIGHT.

In reading over the argument of the distinguished gentleman from Ohio [Mr. BURTON] I observe that he seems to rely almost as much upon dissenting opinions as upon the opinions of the court. I admit that dissenting opinions are often instructive for the purpose of illustrating the real decision of the court by way of contrast. But I must confess to astonishment at the concluding point made by the gentleman. Evidently he has given this bill earnest consideration. He has had long and honorable experience in both the House of Representatives and the Senate; he is one of the most conspicuous advisers of the majority party and a gentleman of liberal scholarship. This gentleman tells us—

> the strongest argument for this bill is one which has received only scant attention. * * * The Constitution says the trial of all crimes, except in cases of impeachment, shall be by jury. * * * Now, do you mean to say to me that the National Government does not have the power to enforce that provision of trial by jury where it is disregarded on so large a scale? Is that provision of the Constitution for trial by jury a vanishing shadow without substance?

And again, in answer to a question by the gentleman from Maine [Mr. HERSEY], asking if a man lynched in Ohio is denied equal protection of the law, the gentleman from Ohio replied:

> He is entitled by the Constitution of the United States to a trial by jury.

Now, the gentleman from Ohio argues that merely because a small percentage, a very small percentage of all persons charged with crime in the country are lynched by mobs, that the State courts have abdicated and are to be displaced by Federal courts. I am very slow to take issue with such an eminent statesman as the gentleman from Ohio, but I must be bound by the decisions of the Supreme Court rather than his personal opinion.

If the gentleman will refer to the case of Walker *v.* Sauvinet (92 U. S., 90), he will find that the opinion of the court was to the effect that the citizens of a State are not entitled to jury trial as a matter of Federal right. He will find that article 7 of the amendments, and, in fact, all of the first 10 of the amendments, restrict and regulate only Federal power and the Federal

courts. He will find that due process of law under the fourteenth amendment merely means that the prisoner shall be tried by the "general law of the State"; that is, that all prisoners shall have due and fair notice of the crimes with which they are charged and shall have a reasonable opportunity to prepare and to make their defense, and that all charged with the same crime shall be tried in the same way. State courts may reduce their juries from 12 to 8, or to 6, or to 4, or may provide that a bench consisting of several judges may try issues of fact, as well as law, in criminal cases. Chief Justice Waite was one of the soundest and most conservative lawyers that ever sat upon the Supreme Bench. Born in Connecticut, he was admitted to the bar in Ohio in 1839, and was appointed Chief Justice from that State in 1874. If the gentleman from Ohio will refer to Rose's Notes upon the case of Walker *v.* Sauvinet (supra), he would observe that the same has been followed and confirmed in numerous cases from the Supreme Court of the United States and of most of the States. The right of trial by jury for a crime committed in a State and against the laws enacted by a State in pursuance of its police powers for the protection of life, liberty, and property is not a Federal right, and not being a Federal right the same can not be protected by Federal legislation. What the gentleman from Ohio calls "anarchy" is mere lawlessness, mere crime, his opinion to the contrary notwithstanding. Before the Federal Government can step in and constitutionally take charge of the administration of justice within a State the State government must cease to be republican in form; that is, it must cease to be a representative government resting upon the will of the majority. If this argument by the gentleman from Ohio that the right of trial by jury for a crime against the laws of a State is a Federal right and should be protected by Federal legislation is the strongest argument that can be adduced, then the language is inadequate to depict the weakness of the other arguments. I do not dispute with the gentleman that he is correct in saying that his argument is the strongest, because he is capable of judging; and judging by the length of time allowed him for the discussion it is evident that his colleagues on that side esteem his opinion upon such matters as the very strongest. Yet all such opinions combined could hardly be expected to overrule the unbroken line of decisions of the Supreme Court of the United States. In the face of those decisions the strongest argument for the antilynching bill crumbles like a house of cards upon a sand pile in a rainstorm.

NO CHANCE TO CHANGE CONSTRUCTION OF FOURTEENTH AMENDMENT.

The distinguished gentleman from Ohio [Mr. BURTON] reminds us that some contemporary writers, including Mr. Blaine, thought that the Supreme Court by its decisions had unduly restricted the scope and force of the fourteenth amendment, and presumably the gentleman from Ohio shares the confidence of Prof. Burgess, whom he commends by quoting from, in the belief that the day will come when such decisions as the Slaughterhouse cases will be found to be intensely reactionary and will be "overturned." The gentleman will find that controversy referred to in the opinion of the court itself at page 96 of the case of Twining *v.* New Jersey (211 U. S.), where eight of the judges, Justice Harlan alone dissenting, concurred in an opinion using this language:

> On the other hand, if the views of the minority had prevailed, it is easy to see how far the authority and independence of the States would have been diminished by subjecting all their legislative and judicial acts to correction by the legislative and review by the judicial branch of the National Government. But we need not now inquire into the merits of the original dispute. This part at least of the Slaughterhouse cases has been steadily adhered to by this court, so that it was said of it, in a case where the same clause of the amendment was under consideration (Maxwell *v.* Dow, 176 U. S., 581, 591): "The opinion upon the matters actually involved and maintained by the judgment in the case has never been doubted or overruled by any judgment of this court." The distinction between National and State citizenship and their respective privileges there drawn has come to be firmly established.

Does the gentleman from Ohio think as a practical proposition that the Supreme Court of the United States will ever consent to overturn the scores of its own decisions based upon the Slaughterhouse case and the thousands of decisions in the State courts and in the Federal courts of inferior jurisdiction predicated upon the doctrines of that case? The Slaughterhouse case was only one of about 700 cases in number where the opinions of the court were written by that great jurist, Justice Samuel F. Miller. Though a native of Kentucky, he was an ardent abolitionist and moved to Iowa in 1850. He was the leader of his party in that State and was a disciple of the political philosophy of Alexander Hamilton and the constitutional principles of John Marshall, thus believing in a strong central Federal Government. Appointed by President Lincoln to the Supreme Court in 1862, he served on the court for nearly 30 years, during a trying period, and it was said of him that the—

> finding (1862) of such a judge by the President was scarcely less fortunate than the finding of such a President [Lincoln] by the country.

To his dying day he was proud of the moral courage and intellectual acumen manifested by him in the Slaughterhouse case. Does the distinguished gentleman from Ohio [Mr. BURTON] think there will ever be found upon the Supreme Bench justices who will likely be more friendly to his view of the purpose and intention of the fourteenth amendment than were those judges who composed the court when the Slaughterhouse case was decided in 1872, and the case of United States *v.* Cruikshank (92 U. S.) in 1875, Virginia *v.* Rives (100 U. S.) in 1879, United States *v.* Harris (106 U. S.) in 1882, the Civil Rights cases in 1883, and Barbier *v.* Connolly (113 U. S.) in 1884? All the members of the court on those several dates were Hamiltonian Federalists and Republicans except Justices Fields and Clifford and sympathized deeply with the original purpose of the fourteenth amendment to save the Negroes from oppressive State action at the hands of State governments controlled by white people. In view of the remoteness of that period, when some statesmen hoped to create not only political but social and civil equality between whites and blacks, and in view of the fact that saner convictions have come upon the people of all sections, and in view of the present composition of the Supreme Court of the United States, does the gentleman from Ohio [Mr. BURTON] think that the confidence of Prof. Burgess that the Slaughterhouse case and the scores of other cases predicated upon it will ever be reversed and overturned by the Supreme Court of the United States?

WAS THERE ANARCHY IN ARIZONA?

Referring to what the gentleman from Ohio [Mr. BURTON] characterizes not as crime and ordinary lawlessness but as "anarchy," which, in effect, would justify supplanting and sidetracking the whole State government, what does the gentleman think of the decision of the Supreme Court of the United States, filed December 13, 1920, in the case of United States *v.* Wheeler (254 U. S., 281)? The gentleman will recall that in that case 25 citizens of Arizona were indicted in a Federal court charging them with oppressing, intimidating, and threatening 221 persons, citizens of the United States, residing in Arizona, but not citizens of Arizona, by seizing with force of arms and placing said 221 persons on a train and transporting all of them into the State of New Mexico, releasing them in said State with the threat of death or great bodily harm if they ever returned to Arizona. Would not the gentleman call that "anarchy," and would he not think that citizens of the United States had a right to stay in Arizona as long as they wanted to so long as they obeyed its laws, and if any citizens of Arizona with guns and pistols drove them like cattle into a freight train and hauled them across the State line and dumped them in New Mexico, would not the gentleman think that some "Federal right" was violated and that the offenses thus committed should be indictable and punishable in the Federal court?

Would it not be a good idea to amend the pending bill so as to meet just such an emergency? Yet the Supreme Court of the United States followed this much-criticized Slaughterhouse case by a unanimous opinion, save one, holding that these private citizens of Arizona committed no invasion of any "Federal rights" by forcibly driving and carrying 221 citizens of the United States at one time out of the State and expressly approved the case of United States *v.* Harris (106 U. S., 629) and the Slaughterhouse case.

ARGUMENT OF CHARLES E. HUGHES FOR "STATES RIGHTS."

I assume that the gentleman from Ohio [Mr. BURTON] and all the gentlemen who say that they believe that this antilynching bill is constitutional will agree that Hon. Charles E. Hughes is not only a great lawyer and statesman and diplomat but was a great justice of the Supreme Court of the United States. Mr. Hughes was the attorney who represented the 25 citizens indicted in the Federal court of Arizona when the case was argued in the United States Supreme Court, and the brief of Mr. Hughes is a brief supporting the contention of those who charge that the antilynching bill is unconstitutional. Therefore, for the benefit of Members and for the benefit of the country I will extract and place into the RECORD a portion of the brief of Mr. Hughes in that case, in which he cites the same cases that I and others opposing the antilynching bill have cited to establish the propositions that there is a "Federal citizenship" and there is a "State citizenship," and that there are rights respecting each of them, and that Congress can not legislate under the fourteenth amendment to protect those rights which the citizens derive from the States. It is plainly stated in the brief that "the right of life, liberty, and property is left

to the protection of the several States and that the jurisdiction of the United States is excluded therefrom." Herein follows the extract:

[From brief of Charles E. Hughes, now Secretary of State.]

This distinction between Federal rights which protect the citizen simply against State action, and Federal rights which protect the citizen against the action of individuals, abundantly established by decisions of this court (United States *v.* Cruikshank, 92 U. S., 542, 554, 555; Virginia *v.* Rives, 100 U. S., 313, 318; United States *v.* Harris, 106 U. S., 629, 639; Civil rights cases, 109 U. S., 3, 11–13; James *v.* Bowman, 190 U. S., 127; Barney *v.* City of New York, 193 U. S., 430; Hodges *v.* United States, 203 U. S., 1, 14–16), has been disregarded in this prosecution. (See also Karem *v.* United States, 121 Fed. Rep., 250; United States *v.* Moore, 129 Fed. Rep., 630; United States *v.* Powell, 151 Fed. Rep., 648, affd. 212 U. S., 564.)

It thus appears that it is not enough for the Government to establish that there is a Federal right, in order to invoke paragraph 19, if it appears, as we submit it does clearly appear in the present case, that the right is of that class which connotes protection only against State action.

The decisions may be searched in vain for any authoritative precedent applying paragraph 19, unless there is a right to protection as against individual action and not simply as against State action. (Ex parte Yarbrough, 110 U. S., 651; Guinn *v.* United States, 238 U. S., 347; United States *v.* Mosley, 238 U. S., 383; United States *v.* Butler, Fed. Cas. No. 14,700; United States *v.* Crosby, Fed. Cas. No. 14,893; Felix *v.* United States, 186 Fed. Rep., 685; United States *v.* Stone, 188 Fed. Rep., 836; Aczel *v.* United States, Fed. Rep., 232, 652; United States *v.* Waddell, 112 U. S., 76; Haynes *v.* United States, 101 Fed. Rep., 817; Buchanan *v.* United States, 233 Fed. Rep., 257; Logan *v.* United States, 144 U. S., 263; in re Quarles, 158 U. S., 532; Motes *v.* United States, 178 U. S., 458; United States *v.* Lancaster, 44 Fed. Rep., 885, 896; United States *v.* Patrick, 54 Fed. Rep., 338; Davis *v.* United States, 107 Fed. Rep., 753; United States *v.* Morris, 125 Fed. Rep., 322; Smith *v.* United States, 157 Fed. Rep. 721.)

As examples of prosecutions which have failed because of the prosecutor's inability to point out, to the satisfaction of the court, the constitutional provision securing the right said to have been conspired against see United States *v.* Cruikshank, 92 U. S., 542; Hodges *v.* United States, 203 U. S., 1; United States *v.* Gradwell, 243 U. S., 476; Karem *v.* United States, 121 Fed. Rep., 250; McKenna *v.* United States, 127 Fed. Rep., 88; United States *v.* Eberhart, 127 Fed. Rep., 254; United States *v.* Moore, 129 Fed. Rep., 630; United States *v.* Powell, 151 Fed. Rep., 648, affd. 212 U. S., 564; United States *v.* Bathgate, 246 U. S., 220.

The right of a citizen of the United States to reside and work within the bounds of the United States wherever he may choose is a fundamental right pertaining to his individual liberty. Like other fundamental rights of life, liberty, and property, so far as interference therewith on the part of individuals is concerned, it is a right which the Constitution of the United States leaves to the protection of the several States having jurisdiction. So far as there is a right pertaining to Federal citizenship to have free ingress or egress with respect to the several States, the right is essentially one of protection against the action of the States themselves and of those acting under their authority. (Slaughterhouse cases, 16 Wall., 36, 76; Corfield *v.* Coryell, 4 Wash. C. C., 371.)

The privileges and immunities clause of Article IV, paragraph 2, does not confer a right of protection against the acts of individuals, but is aimed at the hostile action of the States. It is this clause which gives the citizens of the several States "the right of free ingress into other States and egress from them." (Paul *v.* Virginia, 8 Wall., 168, 180; Slaughterhouse cases, 16 Wall., 36, 75; Corfield *v.* Coryell, 4 Wash. C. C., 371, 381; Ward *v.* Maryland, 12 Wall., 418, 430.) It confers no right whatever with respect to the action of individuals, but only affords protection as against the hostile action of the States and their agencies. (Slaughterhouse cases, supra, 76, 77; U. S. *v.* Harris, 106 U. S., 629, 643; see also Hodges *v.* U. S., 203 U. S. 1, 15.)

The provisions of the fourteenth amendment are also concerned with action by the States and do not confer a Federal right to protection as against the action of individuals in the absence of action by a State. (Slaughterhouse cases, supra, 77; Civil Rights cases, supra, 11; U. S. *v.* Cruikshank, 92 U. S., 542, 555; see also Va. *v.* Rives, supra, and U. S. *v.* Harris, supra.)

DENNISON *v.* KENTUCKY STILL LAW IN PROPER CASES.

A brilliant and striking argument was made by the gentleman from Kansas [Mr. LITTLE] on January 10, and in common with many advocates he pronounces that "there is absolutely no question about the constitutionality of the antilynching bill." The great confidence of this gentleman in his position would justify a reexamination of the cases and principles announced by him. I believe that the gentleman will find that he has assumed that merely because a case proves something, that therefore it proves his proposition. In the first place, the gentleman from Kansas refers to the case of Kentucky *v.* Dennison, (24 Howard, U. S., p. 66), and tells us that if the doctrine of said case stands, then the supporters of the antilynching bill are "licked"; but he announces that the case of Dennison against Kentucky has been "reversed." I think if the gentleman will consult Rose's Notes on the Dennison case, he will find that it has been frequently approved and followed in cases relating to interstate extradition, and I believe that every Member who has been a governor of a State or the attorney general of a State, and every lawyer who has had cases relating to interstate extradition will agree with me that the Dennison case is the law to-day, unreversed and not overruled. Therefore, accepting the postulate of the gentleman from Kansas [Mr. LITTLE], if this were a mere debating society, we could pronounce him out of court. But the question is a large one and involves several considerations of constitutional law, and we will proceed to examine the cases which the gentleman from Kansas [Mr. LITTLE] vociferously and emphatically announces sustain beyond a doubt the constitutionality of the antilynching bill. He confines himself mostly to the cases found in One hundredth United States, and to opinions written mostly by Mr. Justice Strong, who was on the bench from 1870 until 1880. He was a distinguished lawyer and advocate of Philadelphia. Mr. Hampton L. Carson, of the Philadelphia bar, in part 2 of his History of the Supreme Court, on page 463, uses this language respecting Mr. Justice Strong:

Upon certain questions his convictions were so strong—stubborn, in fact—as to amount to what his critics pronounced to be prejudice, while his friends admired the boldness of his views and the tenacity with which he adhered to them.

Now, if we will remember the principle that the Federal Government undoubtedly has and always had from its very beginning, the power to enforce by appropriate legislation all constitutional authority, so as to maintain itself and all its agencies, then the case will be plain and dicta that have been quoted will appear in their true relation. The first case of Tennessee *v.* Davis (100 U. S., p. 257) merely upholds the constitutionality of the statute removing into the Federal court the criminal prosecution commenced in the State court of Tennessee against a revenue officer charged with the murder of a Tennessee citizen. But the officer charged in his petition that the killing was done in self-defense and while exercising and enforcing his duty as a United States officer. Undoubtedly the United States has the power to collect revenue, and must collect revenue by officers, and must protect its officers in collecting revenue, and as a means of protection can remove to a Federal court a case against an officer for an act committed by him in pursuance of his power and authority as a Federal revenue officer. That power existed for 90 years before the fourteenth amendment was adopted, and so the fourteenth amendment was not involved in the case, and was not even mentioned in the case, and therefore the case throws no light upon the present controversy. In like manner the gentleman from Kansas [Mr. LITTLE] announces that the case of Ex parte Siebold (100 U. S., 371) supports his construction and interpretation of the fourteenth amendment. I respectfully submit that the Siebold case was a prosecution against certain judges of election in Maryland, charging that they had violated the acts of Congress at an election where Members of Congress were being voted for. The opinion of the court was delivered by that great jurist, who also wrote the opinion of the court in the Civil Rights cases, in One hundred and ninth United States, Mr. Justice Bradley, of New York, a great lawyer, who was appointed to the Supreme Court in 1870, and continued to serve until his death 22 years later. That case involved no consideration of the fourteenth amendment, which is not even mentioned in the lengthy opinion, and there is no doubt about the proposition that the Federal Government has always had authority to punish persons, whether they happened to be officers of the States or not, for violation of constitutional Federal statutes. So the case of Ex parte Clarke (100 U. S., p. 399) raises the question as to the power to punish the judges of election in Ohio at an election where Members of Congress were being voted for, and involved in no way the fourteenth amendment, which is not even mentioned.

ACT OF CONGRESS UNCONSTITUTIONAL IN NEWBERRY CASE.

The Supreme Court about one year ago sustained the power of Congress to regulate elections for Federal offices, but held to be unconstitutional the corrupt practices act of Congress so far as the same undertakes to limit the amount of money that may be spent by a candidate for a party nomination in a primary election. Though the court was divided and vigorous dissenting opinions filed, yet the court adopted a conservative and logical construction of the Constitution, to the effect that at the time the corrupt practices act was enacted by Congress, and at the time the acts for which Mr. TRUMAN H. NEWBERRY and associates were indicted were done, there was no Federal law for the election of United States Senators by the people, and therefore a law regulating a primary before the people was unconstitutional.

If the Supreme Court would thus override the act of Congress expressing its judgment against the expenditure of vast sums of money in order to obtain nomination and thereby ultimately to be elected, whereby the doors of the penitentiary were opened and a seat in the United States Senate was confirmed, surely it can not be reasonable to expect that the Supreme Court will, after 50 years since the Slaughterhouse case was decided, overturn its doctrines and follow with the iconoclastic bludgeon and overturn United States against Harris, and the Civil Rights case, and the case of James *v.* Bowman (190 U. S.), decided in 1902, and the recent case of United States *v.* Wheeler (254 U. S.), decided in 1920.

"OBITER DICTA" BY JUSTICE STRONG.

We next come to the case of Virginia *v.* Rives (100 U. S., 313), which merely held that the petition for the removal of the case from the State court to the United States court came too late and was not in proper form. It is true the opinion of the court by Mr. Justice Strong has many things to say, like the dissenting opinion of that wonderful personality Mr. Justice Field. I quote the following from the opinion of Mr. Justice Strong, at page 321:

> But when a subordinate officer of the State, in violation of State law, undertakes to deprive an accused party of a right which the statute law accords him, as in the case at bar, it can hardly be said that he is denied or can not enforce in the judicial tribunals of the State the rights which belong to him.

And at page 322 we extract this line with special reference to the language of the same justice in the case of Ex parte Virginia:

> If, as in this case, the subordinate officer whose duty it is to select jurors fails to discharge that duty in the true spirit of the law; if he excludes all colored men solely because they are colored; or if the sheriff to whom a venire is given, composed of both white and colored citizens, neglects to summon the colored jurors only because they are colored; or if a clerk whose duty it is to take the 12 names from the box rejects all the colored jurors for the same reason, it can with no propriety be said the defendant's right is denied by the State and can not be enforced in the judicial tribunals.

Thus Mr. Justice Strong acknowledges that mere lawless and unauthorized acts of State officials, even if those acts do deprive certain citizens of their equal rights under the law, are not the acts of the "States," and are not chargeable against the States, and on account of such acts the State as a State can not be said to have deprived a person of the equal protection of the law.

THE REAL POINT DECIDED IN EX PARTE VIRGINIA.

The gentleman from Kansas [Mr. LITTLE] quotes extensively from the case of Ex parte Virginia (100 U. S., 339), and seems to be entirely confident that this case concludes the question forever beyond the shadow of a doubt and beyond the vale of dispute. An examination of that case will disclose the fact that Judge Coles, of Virginia, was indicted in a Federal court for violating section 4 of the civil rights act of March 1, 1875, making it a criminal offense tryable in the Federal court for any person, or officer, to exclude or fail to summon any citizen as a juror in either the United States court or in the State court on account of race, color, or previous condition of servitude.

There was a demurrer to the indictment and appeal from order overruling the demurrer directly to the Supreme Court of the United States, and the State of Virginia intervened, praying for a writ of habeas corpus for the discharge of its officer, claiming that Judge Coles was essential to the administration of justice in Virginia. The questions were presented, therefore, as between the United States (whose act of Congress was charged to have been violated) and Judge Coles and the State of Virginia, asking for his release under a writ of habeas corpus on the other hand. Mr. Justice Strong, in delivering the opinion of the court, did not discuss the constitutionality of the act itself, which sought to force by congressional action the States to place both white and Negro jurors in the jury box. Mr. Justice Strong based his opinion upon the assumption that the act in question was constitutional, and from that point of view the effect of his decision, leaving out mere dicta and irrelevant arguments, is logical. If the act of Congress on which the indictment is predicated was constitutional, then it made no difference who violated the act. The mere fact that County Judge Coles or even the governor of the State happened to be the person who violated the act of Congress would not exempt such violator from accountability in a Federal court. If the governor of a State sells whisky, in violation of admitted Federal laws, the governor may be arrested, tried, convicted, and punished. If the chief justice of a State violates the laws of Congress punishing interference with an election for Federal officeholders, such as Members of Congress, then the chief justice may be indicted, convicted, and punished. So we see that Judge Coles was not liable to indictment and prosecution "because he was a State officer" and "because as a State officer he was selecting only white persons to serve as jurors and was excluding all black persons because they were black," but was prosecuted because he was violating what Justice Strong thought was a constitutional act of Congress, and Judge Cole could not interpose his official connection with the State of Virginia to exempt him from liability to answer in a Federal court. He was liable in spite of being a State officer.

VIEWS OF DISSENTING OPINION LATER ADOPTED AND STILL PREVAIL UNDISTURBED.

Now, it will be observed that Mr. Justice Field, with whom Mr. Justice Clifford concurred, dissented from the majority opinion and attacked the constitutionality of the act of Congress itself and expressed their opinion that the United States could not lawfully and constitutionally enter within a State and undertake to control the laws for the administration of justice by prescribing the qualifications for juror in State courts. They pointed out that service as a juror is not a fundamental right, but is a privilege conferred by the State and a duty imposed by the State. In effect they argued that the United States could no more force colored jurors in the jury box than they could force colored judges on the bench or colored governors in the executive chairs. The sentiment back of the attitude of Mr. Justice Strong is shown by this extract from his opinion:

> One great purpose of these amendments (thirteenth and fourteenth amendments) was to raise the colored race from the condition of inferiority and servitude in which most of them had previously stood into perfect equality of civil rights with all other persons within the jurisdiction of the States.

That being his political philosophy, it is easy to understand his mental processes in arriving at the constitutionality of the act.

"THE CIVIL RIGHTS CASES" FOREVER FIXED THE LAW.

But we will pass on to the Civil Rights cases, which the gentleman from Kansas [Mr. LITTLE] seems to think support the proposed legislation, "to punish a sheriff in a Federal court," and this "the Supreme Court—inferentially in the Civil Rights case—has held to be very proper." In the Civil Rights cases decided in 1883 after the most elaborate arguments in five cases coming from the States of Kansas, California, Missouri, New York, and Tennessee, just 14 years after the decision in Ex parte Virginia, the view expressed by the dissenting opinion of Mr. Justice Field in Ex parte Virginia as to the constitutionality of the civil rights act of March 1, 1875, was followed, adopted, and confirmed. The only dissenting opinion in the Civil Rights cases was by Mr. Justice Harlan and the opinion of the majority was written by Mr. Justice Bradley. While the indictment in the Civil Rights cases and the causes of action were predicated upon violations of sections 1 and 2 of the civil rights act of March 1, 1875, and, therefore, strictly and technically only those two sections, Nos. 1 and 2, were held to be unconstitutional, yet the reason and logic of the court would extend to the entire extent of the act. Therefore, I feel safe in stating that if section 4 of the civil rights act had been specifically before the court, it would have gone down and would have been declared null and void, just as sections Nos. 1 and 2 were. But we must remember that section 4 of the civil rights act of March 1, 1875, is the Federal legislation upon which the prosecution of the opposition in Ex parte Virginia were based. If that section was unconstitutional, as the purport and logic of all the subsequent cases would force us to conclude, then the decision itself falls, and the logic of the decision falls and the language of Mr. Justice Strong falls with them. The decision in Ex parte Virginia, like the house of the parable in the Bible, was built upon sand. It did not endure and fails in force and effect with the decision in the Civil Rights cases, which have been followed and affirmed time and time again up to the last case of United States *v.* Wheeler (254 U. S.).

PROF. BURGESS AGAINST PROF. BURGESS—"APPEAL FROM CÆSAR DRUNK TO CÆSAR SOBER."

The distinguished gentleman from Ohio [Mr. BURTON] quotes from Prof. Burgess, but he does not identify which Prof. Burgess, nor cite us to the volume and page of the quotation. If he refers to Prof. John W. Burgess, author of "Reconstruction and the Constitution," the professor of constitutional law in Columbia University, then I respectfully refer the gentleman and Members to pages 244, 245, 254, 255, 257, 296, 297, and 298 of said work, published by Charles Scribner's Sons in 1902. There seems to be some inconsistency in the views and position of Prof. Burgess, assuming that we both quote from the same man. Speaking of the civil rights act of May 31, 1870, Prof. Burgess plainly points out that the fourteenth amendment is addressed to "action by the State," and is intended to relieve against discriminatory and unfair and unequal class legislation and uses in part this language:

> There is not the slightest doubt in the mind of any good constitutional lawyer at the present time—1902—that Congress overstepped its constitutional powers in that part of the enforcement act of May 31, 1870, which related to the exercise of suffrage and intrenched upon the reserved powers of the States.

Again, on page 258 he tells us that the first part of the act of April 20, 1871, known as the Ku Klux act, was "unquestionably unconstitutional and an encroachment" upon the powers of the States, and that the fourteenth amendment could not be stretched to reach the acts of one or more private persons. If it be the same Prof. Burgess, then if his opinion is worth something on constitutional law it may also be worth something upon matters of political science, and he tells us at the bottom of page 244 that "from the point of view of sound political science the imposition of universal Negro suffrage upon the southern communities, in some of which the Negroes were in large ma-

jority, was one of the 'blunder crimes' of the century." There are many pages of interesting political philosophy in that volume of Prof. Burgess that I earnestly hope the gentlemen supporting this antilynching bill will read.

Dr. W. W. Willoughby, professor of jurisprudence at Johns Hopkins University, formerly an attorney at the District of Columbia bar and son of one of the attorneys in the prosecution of Judge Coles, reported in Ex parte Virginia (100 U. S.), is a well-grounded constitutional lawyer, and from a review of his commentaries I must conclude that he is a strong Hamiltonian Nationalist. After a review of all of the cases respecting the interpretation of the fourteenth amendment, Dr. Willoughby, at page 193, volume 1, of his work on the Constitution, summarizes the results as follows:

By way of résumé we may say that, as interpreted by the Supreme Court, the adoption of the fourteenth amendment has not brought about any fundamental change in our constitutional system. No new subjects have been brought within the sphere of direct control of the Federal Government. No new privileges and immunities of Federal citizenship have been created or recognized. To Congress has been given no new direct primary legislative power. It has not been authorized by the amendment to determine and define the privileges and immunities of Federal citizens nor to define and affirmatively to provide for the protection of the rights of life, liberty, and property, nor by direct legislation to enumerate and describe the privileges which shall constitute the equal protection of the laws. The only legislative power granted to Congress by the amendment is the power to provide modes of relief in cases where the States have deprived individuals or corporations of life, liberty, and property without due process of law, or denied to anyone within their jurisdiction the equal protection of the laws. The supervisory powers of the Federal courts have been enormously increased, as by the amendment, they may examine every claim of illegal violations by States of the prohibitions laid upon them by the amendment and where the claim is sustained grant the necessary relief, either by the issuance of the appropriate writ or by holding void the offending State laws. In fine, then, the fourteenth amendment has operated rather as a limitation upon the powers of the States than as a grant of additional powers to the General Government.

ONLY CASES ON FOURTEENTH AMENDMENT HELP HERE.

It is irrelevant to the issue here, which is the ascertaining of the true intent and effect of the fourteenth amendment, to cite such cases as those under the Mann white slave act and the safety appliance act and others based on the admitted power in Congress to regulate by affirmative legislation interstate commerce, or the Legal Tender cases based on the power to borrow money and raise revenue, or the appropriation of money to build post roads, or to prescribe punishment for violation of law by those conducting a Federal election, or by outsiders even in such cases. While the makers of the Constitution never saw nor dreamed of a steam train, nor telegraphs and telephones, nor a Federal reserve banking system, nor hundreds of other such matters, yet where Congress is given affirmative power over the general subject, such as interstate commerce, or finance, taxation, and money, or to raise an Army and Navy and conduct war, or to prohibit slavery or involuntary servitude, or to prohibit the manufacture, sale, and transportation of intoxicating liquors, then any legislation logically and reasonably relating to such subjects will be sustained by the Supreme Court as properly within the power of Congress.

SECTION 1 OF FOURTEENTH AMENDMENT ANALYZED.

But we are here dealing with an entirely different subject and a different kind of power in section 1 of the fourteenth amendment. A full and fair statement of the language is:

No State shall make or enforce any law which shall abridge the privileges and immunities of citizens of the United States, nor shall any State (make or enforce any law to) deprive any person of life, liberty, or property without due process of law, nor (shall any State make or enforce any law which shall) deny to any person within its jurisdiction the equal protection of the law.

While a State may act by its judicial and executive departments as well as by its legislative, yet the acts of its courts and governor, sheriffs, constables, and others must be so continuous and consistent—not an occasional instance of unfairness and inequality; no government can prevent occasional miscarriages of justice—as to amount to a rule of action, and a rule of action is law, and in such case if the same rule of action is applied in all similar cases—e. g., if all Negro prisoners were lynched, or even all charged with capital crimes, or even all charged with rape, were uniformly lynched—it might be held "State" action.

LANGUAGE OF FOURTEENTH AMENDMENT KNOWINGLY CHOSEN.

A prohibition against State action being found in section 10 of Article I of the Constitution was well understood by those who framed the fourteenth amendment, and they saw there the prohibition against any State levying any impost or duty on imports or exports was guarded by the condition, "without the consent of Congress," and, further, that "all such laws shall be subject to the revision and control of the Congress." Therefore, Congress had no "power to revise and control" the laws of the States as to other prohibited matters, such as laws impairing the obligations of contracts.

Section 5 of article 14 of amendments can not, therefore, mean the same thing as "power to revise and control" State laws. Section 5 of amendment 14 being identical with section 2, amendment 13, and section 2, amendment 15, could relate only to the affirmative—several in number—powers contained in the fourteenth amendment. Amendment 15 will mean the same thing if it be stated thus:

Neither the United States nor any State shall deny or abridge on account of race, color, or previous condition of servitude the right of citizens of the United States to vote.

Yet section 5507, Revised Statutes, was held unconstitutional because in terms it applied to all elections, State and Federal, condemning individual acts of private citizens, where "Congress has no constitutional power to punish bribery at all elections."

The court distinctly said in James *v.* Bowman (190 U. S., 127) that the "amendment (15) relates solely to action by the United States or by any States, and does not contemplate wrongful individual acts." The distinguished gentleman from Kansas [Mr. LITTLE] told us that said case of Bowman *v.* James, supra, was "simply another instance in which the Government needed a good lawyer." He says the indictment was merely defective because it failed to allege that the intimidation of voters was "because of race, color, and previous condition of servitude." But the court held the statute (sec. 5507) unconstitutional. We have never heard that a statute can be held unconstitutional merely because an indictment is defective. In such case the action alone would be merely dismissed for failure of material allegations. The Government not only needed a good lawyer in court, but it needed a good lawyer in Congress. Will the gentleman from Kansas, in addition to other amendments he will propose, also propose to amend the bill to this general effect: "Whoever shall lynch or assist in lynching any person on account of race, color, or previous condition of servitude"?

The able and eloquent gentleman from Kansas [Mr. LITTLE], quoting from the dissenting opinion by Justice Field (100 U. S., 414), commends his "logical deductions" as to the consequences of the majority opinion in that, and also such cases as Ex parte Virginia. And here, indeed, is the "logical deduction," the revolutionary destruction of our wonderful Federal system:

These decisions do indeed, in my judgment, constitute a new departure. They give to the Federal Government the power to strip the States of the right to vindicate their authority in their own courts against a violator of their laws when the transgressor happens to be an officer of the United States or alleges that he is denied or can not enforce some right under their laws. And they assert for the Federal Government a power to subject a judicial officer of a State to punishment for the manner in which he discharges his duties under her laws. The power to punish at all existing, the nature and extent of the punishment must depend upon the will of Congress and may be carried to a removal from office. In my judgment—and I say it without intending any disrespect to my associates—no such advance has ever before been made toward the conversion of our Federal system into a consolidated and centralized government.

Such, indeed, would have been the "beginning of a new era" of centralized federalized bureaucratic red-tape tyranny, except for such clear-headed and courageous men as Justice Stephen Johnson Field. Well might he say (100 U. S., p. 353):

It is difficult to speak of this ruling in language of moderation.

What would he say of this antilynching bill? Born in Connecticut, the son of a Congregationalist minister, 1816, the brother of Cyrus W., who united the world by submarine cable, of David Dudley, the reformer of legal procedure, and of Henry Martyn, a great editor, he was appointed by President Lincoln in 1863 to the Supreme Court, and served 36 years, the longest in the history of the court, and later his nephew, David J. Brewer, came in 1890 to sit beside him on the Supreme Bench. Justice Field was no apologist for lynching, and he himself once saved a man charged with stealing gold from being lynched during the "gold rush" in 1850. His own life was frequently threatened and was saved once, only when the deputy United States marshal killed the assailant.

This great judge saw the argument of his dissent in Ex parte Virginia and Ex parte Clarke adopted as the basis of decision in the Harris case, 1882, when Justice Harlan alone dissented, and in the Civil Rights cases, 1883, when Justice Harlan alone dissented, and his own nephew, Justice Brewer, wrote the opinion in James *v.* Bowman (190 U. S., 135) in 1902, and again Justice Harlan dissented with Justice Brown. Now, in 1920, 41 years after Ex parte Virginia was decided, in the Wheeler case (254 U. S., 289), argued by Hon. Charles E. Hughes for the winner, the Chief Justice, White, follows the reasoning and authorities inspired by the logic of Justice Field, and now Justice Clarke alone dissents. But for such strong and brave judges as Waite, Miller, Field, Bradley, Woods, Gray, Matthews, and Blatchford, who resisted the frenzy of fanaticism and the fury of partisanship, we would to-day indeed be in

the "medieval fogs" of Federal imperialism and the "sunlight of human freedom" would be gone from the States which foster liberty and local self-government. The stars representing States would have fallen from the flag and the blue field, symbolic of justice and truth, disappear from sight in the consequent darkness.

THE ONLY POSSIBLE GROUND FOR THE BILL.

I sincerely believe that if any part of this bill ever passes Congress, it will be only that section, to be much amended and modified, dealing with the neglect of a sheriff to protect a prisoner in his custody. This part is, I believe, demonstrably unconstitutional. Let us frame the syllogism. All rights of citizens under our dual government are either State or Federal, and the Federal Government can legislate to protect only Federal rights. (The Wheeler case, 254 U. S.) The rights of life, liberty, and property of individual citizens as against each other are State rights and must be protected by State laws and enforced in State courts. (The Cruikshank case, 92 U. S., 553; the Harris case, 106 U. S., 638-639; the Civil Rights cases, 109 U. S., 17.) Therefore direct and affirmative legislation by Congress to protect the life and liberty of a citizen of a State in a State and in the exercise of a State right is unconstitutional.

DISSENTING VIEWS OF JUSTICE HARLAN.

As previously stated, much can be learned by way of contrast from a dissenting opinion, because if the language of the majority opinion fails to express clearly the full meaning of the decision the dissent often clears it up, because the dissenting justice surely understands the mind of the majority, with whom he has consulted and debated, each side honestly seeking the truth. All the argument made for this antilynching bill was made by Justice Harlan in 36 pages against 17 pages of the majority opinion. Justice Harlan contended, as gentlemen for the bill contend here that "such legislation"—civil rights bill by Congress—"may be of a direct and primary character, operating upon States"—counties here—"their officers and agents"—sheriffs here—"and also upon at least such individuals and corporations as exercise public functions and wield power and authority under the State, as hotels, opera houses, railroads, schools, and so forth." Basing his opinion upon that now famous expression, mere obiter dictum, in Ex parte Virginia (100 U. S.), a decision predicated upon an unconstitutional act—section 4 of civil rights bill, March 1, 1875—as to how a State acts in part by its "executive officers," Justice Harlan contended vigorously that hotel keepers, and so forth, conducting business impressed with public interest, having special rights and duties as such under the law, were "public officers," executing public law, and their acts were the "acts of the State" and could be controlled by Congress under the fourteenth amendment. Again, Justice Harlan, page 34, says:

> This court has uniformly held that the National Government has the power, whether expressly given or not, to secure and protect rights guaranteed by the Constitution. * * * That doctrine ought not now to be abandoned.

Thus he asserts that the rights he and others not on the court thought were secured and protected by the fourteenth amendment—viz, life, liberty, and property—were, in their opinion, being abandoned.

TRUE MEANING OF CIVIL RIGHTS CASES.

Some gentlemen supporting this antilynching bill exclaim that the Civil Rights cases do not stand in their way. Some say it can be distinguished and explained away, and the distinguished gentleman and able lawyer from Kansas [Mr. LITTLE] says it actually "decides this very issue"—presumably in their favor. I respectfully submit the contrary, and submit that Justice Harlan, whose disciples they are, fully understood the decision of the majority of eight to one, and, on page 44, he tells us:

> The theory of the opinion of the majority of the court—the foundation upon which their reasoning seems to rest—is that the General Government can not in advance of hostile State laws or State proceedings actively interfere for the protection of any of the rights and immunities secured by the fourteenth amendment; * * * that congressional legislation must necessarily be predicated upon such supposed State laws or State proceedings, and be directed to the correction of their operation and effect.

Again, at page 52, Justice Harlan tells us what the court decided in the Civil Rights cases:

> The opinion of the court proceeds upon the ground that the power of Congress * * * is to correct and annul State laws and State proceedings. * * * In the absence of State laws and State action adverse to such rights and privileges the Nation may not actively interfere for their protection and security, even against corporations and individuals exercising public or quasi public functions. So I understand to be the position of my brethren.

Need there now be any doubt about the effect of the Civil Rights cases?

IS THE CRIME OF A SHERIFF THE "ACT OF A STATE"?

But gentlemen supporting this antilynching bill, picking over these old dry bones, hunting some morsel of comfort, tell us that when the sheriff, a public official, "neglects" the duty the State itself has imposed upon him and his prisoner is lynched such is "State action" and "State proceedings." Some of our friends for this bill take comfort from expressions of the majority opinion in the Civil Rights cases, page 23, "such, for example, as taking private property without due process of law"—necessarily by State laws or State proceedings, otherwise Congress could legislate against stealing—"or allowing persons who have committed certain crimes—horse stealing, for example—to be seized and hung by the posse comitatus without regular trial." This "allowing" must be continuous and with knowledge of the State authorities, and by a legal agency. The posse comitatus is not a mob but a legally summoned body of citizens to assist the regular law officers. This refers to a very common practice in colonial days, and in some States, even after independence and later in the frontier Territories and States as the "frontier" moved gradually westward. They were called "regulators" in some States and "vigilance committees" in others. In North Carolina Gov. Tryon tried to suppress them, and hanged a few of them May 16, 1771, and just four years later the survivors and associates of these same "regulators" joined in the first formal challenge to royal tyranny, the "Mecklenburg declaration of independence," May 20, 1775. The blood of patriots is the seed of liberty. It was the recognized practice for the sheriff to summon the posse comitatus as he rode in hot pursuit of the horse thief, and when apprehended all openly joined in a public hanging, went home to their families feeling only a sense of stern duty performed, and all was approved by State authority. It is true there was no such formal written statute, but it was a common and approved practice, a rule of action, a uniform course of conduct in the premises similar to the customs from which the English common law sprang. This is the practice to which Justice Bradley referred, and his full meaning must be gathered, not from a few sentences but from the whole opinion, for in the same paragraph, near the top of page 24, he says:

> The fourteenth amendment extends its protection to races and classes, and prohibits State legislation which has the effect of denying to any race or class or to any individual the equal protection of the law.

In the very next paragraph the opinion asks:

> And is the Constitution—fourteenth amendment—violated until the denial of the right has some State sanction or authority?

And in the next paragraph:

> If those laws—of the State—are adverse to his rights and do not protect him—as one of a class—his remedy will be found in the corrective legislation which Congress has adopted, or may adopt, for counteracting the effect of the State laws or State action prohibited by the fourteenth amendment.

WHAT ARE "STATE PROCEEDINGS" OR "STATE ACTIONS"?

We have no dispute as to what are "State laws." Advocates of the bill cite us to Home Telephone Co. *v.* Los Angeles (227 U. S., 287) as evidencing "State action" held in violation of the fourteenth amendment. Here the municipality, created by an agent of the State, with charter power to regulate telephone rates and exercising such discretion, passed an ordinance fixing rates admitted by demurrer to be confiscatory. In legal effect it was the same as if the legislature itself had passed the act. The court uses such expressions as these: "Possession of State power" and using same to do a wrong; "where an officer or other representative of the State in the exercise of the authority with which he is clothed misuses the power possessed to do a wrong forbidden by the amendment"; "State officers abusing powers lawfully conferred on them"; "that State powers might be abused by those who possessed them"; and, finally and conclusively, "The subject must be tested by assuming that the officer possessed the power if the act be one which there would not be any opportunity of doing but for the possession of some State authority."

Would the sheriff have no opportunity to lynch a person except as incident to his office as sheriff? Are not most of the lynchings cases where the person lynched has not yet passed into the custody of the sheriff? Will any partisan ever charge that any sheriff anywhere at any time ever used his official power to arrest a person charged with crime just for the purpose of lynching or of letting the accused be lynched? The lynching is done, not by reason and virtue of official power in the sheriff, but in spite of and in defiance of such official power. The sheriff does not by "color of office use his power to do," affirmatively, an official wrong, as did the City Council of Los Angeles, but it is only claimed here by friends of the bill that some sheriffs in rare instances, compared with all arrests, "failed and neglected," negatively and passively, to exert the full limit of personal and official power to protect a prisoner, and they must

even also admit that such "failure and neglect" is in violation of duty imposed by State law, and in no sense "in pursuance of and by virtue of and by reason of official station and power."

EXAMPLES OF "STATE ACTION" BY SUBORDINATES.

A leading case is Yick Wo *v.* Hopkins (118 U. S., 356), where the city of San Francisco officially passed an ordinance giving "discretion" to say what individuals might not carry on a laundry business in a given section, and this "discretion" was shown to be "arbitrarily" exercised to run out only Chinamen. Also Ex parte Young (209 U. S., 123), where a commission was created by the legislature with authority to fix railroad rates, and so exercised its discretionary official power as to confiscate the railroad's property. So, in Raymond *v.* Traction Co. (207 U. S., 20), a board of tax assessors exercised official discretion to assess certain property unfairly, unequally, and in a discriminatory manner. There were the official acts of a public agency. Will any person claim that any sheriff ever "failed or neglected" to protect a prisoner as an "official act," "by virtue of his office," as in discharge of "official authority with which he is clothed by the State"?

INDIVIDUALS NOT PUNISHABLE AS "CRIMINALS" BECAUSE A STATE BY "STATE ACTION" OR "STATE PROCEEDINGS" DENIES THE EQUAL PROTECTION OF THE LAWS.

The fourteenth amendment is satisfied when all persons of the same classes and all classes enjoy equal and impartial justice under the laws of the State, however much the laws may vary in the different States. (Texas *v.* Leeper, 139 U. S., 462). The action of a State can never be reviewed in a Federal court unless there be an invasion by the State of affirmative Federal power. (New Orleans *v.* L'Hote, 177 U. S., 587.) Mere miscarriage of justice in a State court is not a denial of equal protection of the laws. It is understood that ideal justice by any Government is impossible. (Gibson *v.* Mississippi, 162 U. S., 565.) Even though it be made to appear that a State court is denying a person due process of law and the equal protection of the laws, a Federal court can not enjoin the proceedings in the State court, but must wait and give the highest appellate court of the State an opportunity to correct same. (Harkrader *v.* Wadley, 172 U. S., 148.) It is absurd to say that "because of denial by a State to any person of the equal protection of the laws is prohibited (to a State) therefore Congress may establish laws for their equal protection." (Civil Rights cases, 109 U. S., 3.)

THE "ACID TEST" APPLIED.

The precise question is, Has a prisoner charged with a State crime the right to be protected then and there by physical force to the full limit of reasonable possibility? Remember rights are both State and Federal. (Wheeler Case, 254 U. S., 289.) If such be a Federal right under the fourteenth amendment, then all persons who invade that right may be made liable under a Federal law. But persons who invaded that right and took a prisoner from a sheriff and killed him (lynched him) were held not to have violated any Federal right in United States *v.* Harris (106 U. S., 629). The Cruikshank case (92 U. S., 553) holds that even after the adoption of the fourteenth amendment the rights of "life, liberty, and property" depend solely upon State protection. The fourteenth amendment did not convert what was always a State right into a Federal right. Said fourteenth amendment only prohibited the States in their laws and legal proceedings from destroying these rights of life, liberty, and property except by due process of law, and prohibited the States, by their laws, or proceedings of agents authorized by law and clothed with power under the law, and acting by virtue of official station and power, to deny to any person the uniform protection of the laws, so far as any law enforced by due process can give protection. It contemplates possible miscarriage of justice.

WHEN DO THE LAWS GIVE "EQUAL PROTECTION"?

Yick Wo *v.* Hopkins (118 U. S.) tells us it means the "protection of equal laws." It was the death knell of class legislation. It means no unfair, discriminatory, partial, favorite-serving, class-oppressing legislation. It referred to "laws" and not to persons. It also has been construed to include rulings, orders, and ordinances of such State agencies as municipal corporations, railroad commissions, tax commissions, and so forth, having discretionary power to promulgate orders having the force and effect of laws. But all such must be "in pursuance of authority conferred by the State." The official position must be "the opportunity to do the wrong." (Los Angeles case, 227 U. S., 288.) But where the act done by the agency was not authorized by the State and was in fact prohibited by the State, no Federal right is violated. It is a mere personal wrong, an individual crime, which the State must redress. (The Barney case, 193 U. S., 430.) Sheriffs are prohibited by the State laws to fail to protect prisoners, and in most States such failure is a crime and cause for removal from office.

THE REDUCTIO AD ABSURDUM OF THE ARGUMENT BASED ON "NEGLECT" AND "INACTION."

The same argument was made as to "State action by executive officer" to support the civil rights bill. (See dissenting opinion of Justice Harlan.) Now, it is the duty of a State government to give all citizens the "equal protection of the laws," and if that means actual physical defense to each individual by officers of the State, then, indeed, it would include the murder of one citizen by another or the murder by any sheriff, constable, or policeman of his personal enemy. It could just as fairly be argued that a State by "inaction," "neglect," "passivity," "failure," in not making or enacting proper criminal statutes to deter criminals and electing judges and selecting jurors who let criminals escape unpunished have thereby failed to "afford equal protection to her citizens," and that because of such failure the United States Government could step in and legislate against crime and try criminals in Federal courts.

ARE FEDERAL LAWS IDEAL AND FEDERAL COURTS FAULTLESS AND FEDERAL OFFICERS PERFECT?

To ask the question is to answer it. Federal and State laws are human. So are Federal courts and State courts. So are Federal officers and State officers—all human and liable to err. A sheriff is human. It is his duty to protect his prisoner, but it is his duty also to protect all citizens not prisoners. The sheriff has a delicate duty. When shall he begin shooting and order his deputies and the posse comitatus to shoot? That may result in the death of many innocent persons not members of any mob but innocent bystanders, attracted by idle curiosity, or perhaps persons passing on business, pleasure, or missions of mercy. This antilynching bill is not only unconstitutional but is unwise. It will demonstrably increase lynchings. As the United States marshal can not be everywhere at the same time, he will not be present with his deputies to defend the prisoner threatened by a mob.

Admittedly the marshal can not intervene till the sheriff "fails and neglects." How can the marshal decide until it is too late to save the prisoner without producing an armed conflict with State officials? Suppose the United States marshal says, "Sheriff, deliver me that prisoner. You have failed to do your duty to protect him." The sheriff answers, "It is false. I have done my duty. Here is the prisoner safe and alive." Armed conflict follows, and while State and Federal officials fight over who shall afford to the prisoner "equal protection of the law," the mob lynches the prisoner whom both State and Federal officers fail to protect. But if the marshal waits till the sheriff has actually "failed and neglected" it is too late. The prisoner is dead. Then what will be the result of any such unwise legislation? It will be that in cases of crimes where sheriffs conclude a mob will assemble to lynch a criminal, the sheriff will stay away, decline to learn anything about it, for two reasons: (1) To avoid an armed conflict with Federal officials; and (2) to escape liability in a Federal court on charges of "failure and neglect" to protect a prisoner. He will be studiously ignorant in self-defense. He will "not set foot in Michigan." The next consequence will be good, honest, brave men will not seek nor accept the office of sheriff, always a place of peril and now with doubled dangers and perils. With inferior men as sheriff, and similar State peace officers, the criminal instincts will be let loose and an orgy of crime will follow.

Mr. Chairman and Members, State officials and State citizens are Americans. They are gradually wiping out this stain on America. Do not, I beg you, increase their difficulties and aggravate the trouble. Let them build up State pride and county pride, and let all of these units of American local self-government vie with each other building healthy, vigorous, self-sustaining sentiment for law enforcement to protect life, liberty, and property. In conclusion, Mr. Chairman, I reproduce a voice from the distant past, but thereby more impressive and convincing. In speaking in the United States Senate on February 26, 1875, on the "civil rights bill," which became a law March 1, 1875, and was declared unconstitutional in One hundred and ninth United States, page 3, year 1883, Hon. Thomas F. Bayard, of Delaware, used these words:

I do not comprehend altogether the motive for pressing such a measure, and I do not wish to impute motive unless it is very clear. I can see no good to be accomplished by this bill. I can see only new and increased heart-burnings and unkindness between those races whom every good man must wish to see at peace with each other in their relative spheres of life and usefulness.

I have had much encouragement of late in the belief that a more liberal and kinder tone and sense of justice was being aroused in the breasts of men of my own race toward the black men all over the country, by which their educational facilities were being increased, and by which a better understanding was being brought about between

the races. I fear this bill will create cause of collision, of unkindness, and misunderstanding, in which pecuniary loss must occur to the white, with no benefit whatever to the black. The good sense of both parties must in some degree prevent it; but I trust such speedy decision of the court will be had as to deprive this measure of the sting, and take from it all capacity for mischievous interference by those who are disposed to find profit and power in public disorders and contention. It is in the interest of this ill-omened class that this measure is devised and pressed. It will be found to be totally without benefit to any, but fruitful of annoyance and trouble to thousands.

Mr. HARRISON. Mr. Chairman, I yield the remainder of my time to the gentleman from Alabama [Mr. HUDDLESTON].

The CHAIRMAN. The gentleman from Alabama is recognized for 17 minutes.

Mr. HUDDLESTON. Mr. Chairman, the inconsistencies of the present administration when dealing with questions of labor and industry are something fearful and wonderful to behold.

We are about to have the greatest coal strike in the history of this Nation. On April 1 next, the existing contract between the operators and the miners will expire. The operators have declined to negotiate with the miners for a new contract. They have declined to consider making a new contract. They want a strike, they are courting a strike. Yet in the face of this impending calamity, the administration lifts up its hands in helplessness and says that it will make no effort to prevent the struggle which will prove so costly to the Nation.

This coal strike will prove little less than a national catastrophe. What will it mean? It will mean first the greatest shock that business can possibly have. It will mean the most depressing influence upon economic conditions that imagination could well conceive. But more than that it will mean suffering upon the part of the public, shivering and cold to thousands of people, innocent women and children. It will mean that many lines of industry will be paralyzed, with thousands of workers thrown out of employment, and that hunger will stalk. Conditions will be even worse than they are now, when some three or four million men are out of employment, and literally tens of thousands are suffering for the common necessaries of life. It will mean that the miners and their families will be thrown out of their homes, naked to the elements. It will mean that their wives and children will suffer for bread, as well as for shelter.

On the other hand, it will mean on the part of the coal operators no great sacrifice, because the coal business is greatly depressed. They have profiteered upon the American people and along with the display of vaunted "patriotism" in the trying days of the war they have extorted from the consumers of this country profits which attained the verge of actual dishonesty. Of all the conscienceless profiteers none have been more ruthless than those who charged extortionate prices for coal during 1920. From 1916 on have been the fattest years in the history of the coal business—the aggregate profits of the operators run literally into billions. They have fattened their bank accounts and have invested in Liberty bonds and other securities, and now when business is bad and they are not making any money anyway, they can well afford to shut down for a few months and take a turn at trying to destroy the miners' organization.

In the face of this appalling situation, or perhaps it may be because of the last fact I have just assigned, the administration now throws up its hands and confesses its helplessness. In yesterday's Washington Herald appears an inspired article, including an interview with Secretary of Commerce Hoover, in which he announces to the people of the United States that it is not the purpose of the administration to try to do anything whatsoever to avert the strike. I quote from that article:

FEARS STRIKE IN COAL FIELDS IS INEVITABLE—SECRETARY HOOVER SAYS ALL CONCILIATION HAS FAILED—OPERATORS WANT FINAL SHOW-DOWN.

Soft-coal miners and mine union leaders believe they have cause to call a gigantic strike on April 1 next unless granted a new and satisfactory wage agreement by the operators. But they hope the strike may be averted.

Administration officials hope the strike may be averted, but see no way now of averting it.

Coal operators would like to see the strike go into effect for a real "show-down."

These are the outstanding phases of a serious economic situation literally saturated with politics both within the American Federation of Labor and in the field of national parties, pregnant with suffering and business losses and charged with threats and counter threats involving the "open-shop" campaign, which has stirred labor.

FEARS STRIKE INEVITABLE.

That a strike would seem inevitable in the bituminous fields at the expiration of the miners' present national agreement, March 31, is the belief of Secretary Hoover. If the bituminous workers walk out, say labor leaders, the anthracite miners will follow them, throwing 500,000 men into the strike.

"There seems little possibility," Secretary Hoover said, "that any machinery might be set up to avoid the strike. The Government has taken no further steps to avoid the walkout. Unless something unforeseen occurs to adjust the difficulty, it seems that the stage is set for a strike."

The Government's position has long been known to be that sooner or later there would have to be a show-down in the mine fields. Its attitude is that if a strike must be, it must be, and the sooner the issue is disposed of the better.

Again I quote:

On the other hand, the miners' officials hold that some operators and other undefinable forces are slackening the industry to aid the alleged fight of finance for the open shop.

James Lord, chief of the mining division of the American Federation of Labor, puts it thus:

"What good would Government intervention do if the fight against organized labor is ignored?

"That issue is even beyond the living-wage question. Can a reduction in wages bring any increased employment when there isn't any employment?

"The miner's problem is not the only one. It is merely one typical product of the frenzy against the rising tide of organized labor."

ALL OFFERS FAIL.

Secretary Hoover, during the unemployment conference here last fall, attempted to effect an agreement in advance between coal operators and mine union officials to arbitrate the wage question. He was told by the miners' leaders that this could not be done.

President Lewis, of the United Mine Workers, sought to bring a conference, but called it off when some of the operators declined to participate.

So the situation stands just there. The Government sees nothing further to do. Union leaders see no possible hope in Government intervention because they hold that refusal of the operators to meet them means nothing but a fight against organized labor.

Meantime, the public may wonder what is to be done.

It is not merely for the incapacity of the administration that I complain. There is something more sinister. It is the smug complaceny with which Mr. Hoover says that no further effort will be made to avoid the strike.

What a strange contrast, what a shocking contrast, between the statements now made on behalf of the administration and the address which the President delivered in this Chamber only six weeks ago. Then he was for stopping strikes. Then he was for intervening with the strong arm of the law. Then he advocated industrial courts which would effectually prevent strikes. Now, it seems, he is willing for the struggle to come. He spoke in the abstract on December 6; the administration spoke in the particular on yesterday.

The administration is complacent toward the strike because it believes that it can come to but one end. Four millions of men are out of employment in the country. It will be easy to hire strike breakers. The miners have had slack work for many months; they have been barely able to exist; they have exhausted their slender reserves. They can carry on an effective labor struggle only with the greatest difficulty. It seems to the administration that they are bound to lose; that men who have no savings will be easy to starve into submission. The administration is complacent because the hard-hearted and arrogant coal operators are ready and want the strike to come on.

What a contrast between the exceeding tenderness of the administration toward the railroads. [Applause.] The transportation employees, engineers, conductors, and trainmen hold the key to transportation. These crafts were well organized. Their threatened strike meant possible success. They had a chance to win. No effort was spared on the part of the administration to prevent it. Public opinion was marshaled to drive the railroad workers back into submission. There was no strike. But it does not take the same high degree of skill to work about a coal mine. Plenty of men are out of work, practically starving, who are skilled enough to work around coal mines. The administration feels that it will not hurt the operators to have a great strike at this time; that the industry will not seriously suffer and that the strike will have just a single result—the destruction of the miners' organization. So that the administration is smugly and complacently lending itself to the "open-shop" crowd that aim at nothing less than the destruction of all labor organizations.

Now I yield to the gentleman from Maine.

Mr. HERSEY. I am interested to know, before you close your speech, whether you are going to develop a recommendation to the President of the United States as to how he is going to stop the strike on your advice?

Mr. HUDDLESTON. I could develop many——

Mr. HERSEY. Name one.

Mr. HUDDLESTON. Let him use the influence of the administration to get the operators to meet their employees to talk over their differences; that is the least that he can do. Why does not the President call a conference between the operators and the miners? It will place the blame for this strike so that the American people can see clearly where it belongs. Let them talk their troubles over in public. If they can not agree we will then see who is at fault.

Mr. HERSEY. The remedy is a labor conference, then?

Mr. HUDDLESTON. That is merely one remedy—the easiest one, the most obvious. This struggle has been coming on for months. Every man acquainted with the labor situation in this country and who knows nothing about the mining industry

knows that the operators have been waiting and watching and longing throughout the last two or three years for an opportunity to "go to the mat" with the miners' organization. A man who does not know that is not fit to be President nor Secretary of Commerce. Men who are well informed and know the animus of the operators know that they have been looking for this chance and that they welcome the occasion for a struggle with their employees now, as it seems to them the time is opportune. And the administration turns its thumbs down—"Do what you will; the Government of the United States will not intervene, either by the influence of the President or through the forms of law."

Mr. WALSH. Will the gentleman state when this agreement that expires in April was entered into?

Mr. HUDDLESTON. It is a continuation of a contract made during the war.

Mr. WALSH. And is it not a fact that there are a large number of coal miners who do not belong to an organization, and that are willing to continue to work?

Mr. HUDDLESTON. I do not know. I will say to the gentleman from Massachusetts that there are a large number of coal miners who are not permitted by their employers to belong to any kind of an organization. Their employers have the power and the tyrannical spirit to say to the men who work for them, "You shall not belong to a labor organization and continue to earn your bread in this community." With these men it is a choice of renouncing their membership in the organization or of starvation. What the administration is fixing for is to bring hundreds of communities in the United States into the condition of suffering and lawlessness existing in West Virginia, where a barbarous fight between the miners and their employers has been waged for the past two or three years.

Mr. WALSH. Mr. Chairman, will the gentleman permit a question?

Mr. HUDDLESTON. Certainly; any question.

Mr. WALSH. Is it not a fact that this agreement which expires in April was entered into after the strike which occurred in 1919, which was settled through the intervention of President Wilson?

Mr. HUDDLESTON. Oh, no——

Mr. WALSH. I think the gentleman is mistaken.

Mr. HUDDLESTON. Not "settled through the intervention of President Wilson." I respect Mr. Wilson. Let us not put that atrocity upon his shoulders. While the President was sick in his bed and unable to give the matter his attention, a member of his Cabinet took advantage of the situation and used the powers of the United States to throttle the strike; not to settle it, but to crush it. And in the same tyrannical spirit the strike which now threatens would be crushed if it was not believed by those in power that to let it run its course will mean the destruction of the miners' organization; that spirit is behind this complacency and this willingness for the strike to come on.

Mr. UPSHAW. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. UPSHAW. Does the gentleman believe that if the President would take the initial step of calling a conference between the operators and the miners the effect would be composing and wholesome?

Mr. HUDDLESTON. The effect would be wholesome. Let me say to the gentleman from Georgia that I know coal operators pretty well. I have a lot of them in my own district. I know their spirit and disposition. Of course, some of them are good men. But I want to tell you that the dominant element among the coal operators is thoroughly un-American. They care little who may suffer so long as it is not themselves. Their consuming desire now is to go down to battle with their employees for the purpose of destroying the miners' organizations. I have grave doubts whether even the President of the United States, close as he is to those great interests, could by his intervention stop the strike. But I do say that common good will and loyalty to the public welfare and to his country demand that the President shall do all that in him lies to prevent this great catastrophe. [Applause.] I say that if the President allows this strike to come on without using his influence with these oppressive employers—without asking the intervention of Congress, without lifting his hand, without doing anything whatsoever—he will mark himself so that he will be known throughout the history of our country.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Surely.

Mr. WALSH. Has the gentleman information to the effect that the supposed intervention of President Wilson in 1919——

Mr. HUDDLESTON. There was no "supposed intervention of President Wilson." There was the intervention of a Federal judge out in Indiana; there was the intervention of the Department of Justice for the intimidation of the miners. There was no intervention of President Wilson. The President was sick. Nobody can say that any influence was used except the might of the strong arm.

Mr. WALSH. The gentleman will recall that a conference was called in Washington at that time, supposed to be called by the President.

Mr. HUDDLESTON. In August, 1919, there was a conference held. It should be known as the "Gary conference," for the president of the Steel Corporation dominated it, and prevented the adoption of any program for peace in the industrial world. Gary thwarted its purpose, which was to adopt a program for peace between employers and wage earners in all lines of industry. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

OFFICE OF THE PRESIDENT.

Salaries: Secretary, $7,500; executive clerk, $5,000; chief clerk, $4,000; appointment clerk, $3,500; record clerk, $2,500; expert stenographers—one $3,000, one $2,500; accounting and disbursing clerk, $2,500; two correspondents, at $2,500 each; clerks—two at $2,500 each, four at $2,000 each, seven of class 4, two of class 3, four of class 2, three of class 1; messengers—three at $900 each, three at $840 each; three laborers, at $720 each; in all, $80,880: *Provided*, That employees of the executive departments and other establishments of the executive branch of the Government may be detailed from time to time to the office of the President of the United States for such temporary assistance as may be necessary.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. The gentleman from Alabama [Mr. HUDDLESTON] has devoted some time to the discussion of the pending situation in the coal-mining industry, and seeks to take to task the President of the United States and the administration for not doing something to relieve and remedy conditions.

As a matter of fact, I think the gentleman will find that an agreement was entered into between the operators and the coal employees in 1919 as the result of a conference being held here in an attempt to adjust difficulties, and a situation that was threatening then somewhat similar to that which the gentleman says is pending now. I wonder if the gentleman is recommending to the President of the United States to take the same steps that his predecessor in office took when he came before Congress and demanded that we pass the Adamson law, which was put upon the statute books, and which is at the basis of most of the troubles that confront the railroads of the country to-day, notwithstanding that later we provided the Railroad Wage Board for adjusting difficulties which arose between the railroad managers and owners and their employees. At that time we were told that we would be asked for further legislation to alleviate certain other conditions arising out of transportation problems.

The fact is that this coal dispute which is threatening is a serious question, but as yet there is no indication that there is need for the strong arm of the law to be placed either upon the operators or upon those who are working for them. In many States of the country there is a large number of coal miners who are willing to return to work, who are willing to accept the pay that is offered to them, but who have been prevented because the leaders and officers and managers of certain organizations that have within their control vast numbers of aliens who have been taken into these unions will not permit them to do so in peace; and while it may result in some discomfort and in some suffering until there has been an utter failure on the part of these men to agree and on the part of the operators and the miners to come to some understanding whereby this agreement which was entered into might be renewed or some other contract or agreement might be entered upon, I submit that there is no occasion for the distinguished gentleman from Alabama to rise and condemn the administration or the President, because the gentleman well knows that the people who toil in this country have no better friend than the present administration or the present Chief Executive of the United States.

And if their problems are brought here to this House they will find that upon the majority side and upon the minority side they will give respectful attention and that whatever relief or remedy is required will be afforded them. The gentleman from Alabama [Mr. HUDDLESTON] has become a spokesman

for the minority side whenever questions affecting organized labor arise. They have their spokesmen upon this side, and we must remember that organized labor, powerful as it is, has men of influence holding positions under high salaries, who are not recreant to the trust imposed in them and who do not let slip any opportunity to bring to the attention of the American people and of legislative bodies, both this Congress and the State legislatures, questions for which they demand solution. When they are right, their demands will be acceded to, and once in a while they are right; but they certainly were not right when they succeeded in holding a gun at the head of Congress in 1916 and put through that measure which has been called the Adamson law. [Applause.]

Mr. HUDDLESTON. Mr. Chairman, I have heard a lot of silly talk on this floor about the labor leaders being eager for strikes, that they always use their influence for strikes. There never was a sillier thing said in this or any other body. The real fact is that the labor leader is always the most conservative member of his organization. I will not take the time to tell why that is so, but it is a fact known to all men who know anything about the subject.

It is also a fact that for a time there has been dissension in the ranks of the United Mine Workers. That dissension grows out of the fact that their president, John Lewis, is more conservative than many of the men that he is supposed to lead. That is really the origin and the root of the trouble. I do not take any side in this dissension. It is not a matter that I feel free to speak upon, except to say that the troubles which Mr. Lewis has in holding his leadership lies in the fact that he holds to more moderate and conservative views than a substantial and important element of the membership of his organization.

And let me say this further to the gentleman from Massachusetts [Mr. WALSH], that Mr. Lewis, just as every other real labor leader, leads merely because he is pushed on by those whom he represents. No labor leader will ask more than his members want him to ask—many leaders ask much less and so soon cease to be leaders. There will be no strike unless the plain coal diggers want that strike. They are the men who will force action. They are the men who move their organization into activity.

The matter involved in the threatened strike is not, as the gentleman seems to believe, a question of wages, nor is it a matter of labor conditions. It is the life of the miners' organization. The proposition is not merely to reduce wages. That is not what the fight is about. The operators refuse to negotiate with the organization. They want to destroy it; they want to take away the miners' only means of protection. That is the trouble. The real purpose of the operators, now that they have got the mine workers on the hip, due to the depression in the industry, due to the thousands of men being out of employment who will be available as strike breakers, now that this is their golden hour, their purpose is to destroy, once and for all, the mine workers' organization. I ask the gentleman from Massachusetts, does he sympathize with that purpose?

The President the friend of the workingman! The present administration the friend of the men who work! How does he prove it? What has he done for the men who toil? How has he demonstrated that he is their friend and that he is interested in their concerns? Has he demonstrated it by proposing here in his address on December 6 measures designed to throttle them and to render their organizations ineffective? Is that the great thing that he has done for them? Did he show himself their friend by putting the machinery of the Government into motion to suppress the threatened railroad strike—to suppress it not in the interest of the public, not in the interest of the workers, but in behalf of the railroad managers and financiers, who feared that there was a chance for the workers to win in a strike? How has the President proven that he is the workers' friend? Heaven save them from such friends!

The President has a splendid opportunity now in front of him. If the President be the friend of labor, let him use a little of his influence as President of this great Nation to get the coal operators to talk to their employees about making another contract. Ought not a contract to be made? Every man will admit that it ought to be made, every man who is fair. Why does not the President try to get these friends of his, these big business men, these profiteers, these people who furnished the money and the brains to put him in there as President—why does he not use his influence with them to get them to talk with these humble, hard-handed men who dig the coal out of the ground miles away from the daylight?

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

For ordinary care, repair, and refurnishing of Executive Mansion, to be expended by contract or otherwise, as the President may determine, $50,000.

Mr. BLACK. Mr. Chairman, in line 10, page 3, after the word "determine," I move to strike out the figures "$50,000," and insert the figures "$35,000."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 3, line 10, after the word "determine," strike out the figures "$50,000" and insert in lieu thereof the figures "$35,000."

Mr. BLACK. Mr. Chairman, on page 3 of the hearings on this independent offices appropriation bill I find the following testimony with reference to this particular item now under consideration:

Mr. WOOD. For a long while the annual appropriation for the ordinary care, repair, and refurnishing of the Executive Mansion was $35,000.

Col. SHERRILL. Yes, sir.

Mr. WOOD. For 1916, 1917, and 1918 it was $35,000, and then the amount jumped to $50,000.

Col. SHERRILL. That is largely due to the increased cost of both materials and labor. This is indicated in the different rates paid to mechanics, laborers, and for most of the supplies used there. I have a table showing how those rates have changed.

Now, Mr. Chairman, we find that for many years the appropriation was $35,000, and up to 1918 it was $35,000. For 1919, 1920, and 1921, and the present fiscal year 1922, it has been $50,000. I think it is time we were getting back to the ordinary rate of expenditures on these different matters, and if we ever get back we have got to make a starting place. Looks to me like now is a good time to begin it. I recently visited my congressional district, and I found the people hopeful and optimistic and striving to overcome the difficulties of the present industrial and business depression, but I also found that they are all thoroughly convinced that it is getting high time that the municipal governments, the State governments, and the Federal Government practice the same kind of formula that we recommend to them, to-wit, to work and save. The people are right. It is getting time that the Federal Government should practice actual economy. I do not state this from any sort of partisan standpoint, and do not propose this amendment at this particular time merely because the present occupant of the White House happens to be of a different political faith from the party to which I belong. I propose it because the record shows that for many years the appropriation was $35,000 and was ample for all purposes, and because I believe that the White House can still be adequately maintained with $35,000.

Mr. LAYTON. Will the gentleman yield?

Mr. BLACK. Yes.

Mr. LAYTON. If we cut the amount down from $50,000 to $35,000, is not it really a strike at labor?

Mr. BLACK. No; I do not think that any reasonable economy that we can make is a strike at labor. I do not know of anything that would be of greater benefit to labor, to business, and to farming than a substantial reduction in the burdens of taxation. If we ever get it, we must begin paring appropriations to the bone.

Mr. WOOD of Indiana. Mr. Chairman, I rise in opposition to the amendment. We examined particularly into this item, and the same gentleman now in charge of the public buildings and grounds that was in charge during the last days of President Wilson's administration called our attention to the fact, and it was impressive that during the last month of Mr. Wilson's administration, because of his illness, the White House was closed. It was in need of repairs then, but in order that there might not be any disturbance to the President when he was ill the repairs were not made. Immediately after the advent of the present administration the public grounds were thrown open and the White House was thrown open, and from that time to this goodly hour there have been thousands of people going through there every day. Every time they go through there is more or less wear and tear. They are not as thoughtful as they should be for the privilege of going through, and there is much useless destruction of property. In order that the building may be put in the condition that it should have been during the last days of President Wilson's administration and in order that it may be properly protected it was thought wise to make an appropriation of $50,000, with the hope that with the added improvement it may be reduced next year. The committee wants to economize and retrench as much as possible, and I believe our reputation points truthfully to that assertion. On the other hand, we are equally interested in seeing that the public property is properly maintained and repairs

made when it is necessary to preserve the property as it should be.

Mr. BLACK. Will the gentleman yield?

Mr. WOOD of Indiana. Certainly.

Mr. BLACK. This $50,000 would apply for the fiscal year 1923. As I understand, they have $50,000 for the rest of the fiscal year.

Mr. WOOD of Indiana. Yes; but in their opinion that is not enough. We felt that it was warranted, and I trust that the amendment of the gentleman will not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For improvement and maintenance of Executive Mansion grounds (within iron fence), $10,000.

Mr. BLACK. Mr. Chairman, I move to amend, on line 19, page 3, by striking out the figures $10,000 and inserting $5,000.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, line 19, strike out the figures $10,000 and insert in lieu thereof $5,000.

Mr. BLACK. Mr. Chairman, this item of $10,000 for improvement and maintenance of Executve Mansion grounds is an actual increase of $5,000 for the same item over the appropriation for the present fiscal year. The appropriation for the present fiscal year is—

for improvement and maintenance of the Executive Mansion grounds within the iron fence, $5,000.

This bill proposes to increase that 100 per cent and make it $10,000.

Mr. GRAHAM of Illinois. Perhaps the additional damage was caused by the sheep. [Laughter.]

Mr. BLACK. Well, of course, my friend from Illinois is speaking facetiously. I admit that these items are small, but I am proposing the amendments in all seriousness. I believe we should be economical in the small items as well as the large ones. I am determined, for my own part, that whenever an item in this bill or in any other bill which may come before the House carries an increase in a given appropriation, unless some real substantial reason can be given for it, I propose to oppose such increase whether I get successful support or not. Our amiable President in the campaign of 1920 used as his slogan that it was time to get "back to normalcy," and I say so, too. But in the matter of economy our Republican brethren are not getting back to it very fast, as such items as this so forcibly attest.

If any man will go among the people of the United States—the business men, the bankers, the farmers, the laboring men—and learn at first hand the difficulties and the hardships under which they are laboring, he will conclude that it is really time to reduce unnecessary expenses, and thereby enable a reduction of taxation. Every item in these appropriation bills should be most carefully scanned, and wherever reductions can be fairly made, even if it is not but $5,000, it should be done.

That is all I wish to say. Of course, it is up to the House as to whether it will adopt my amendment and save $5,000 or defeat it and spend $5,000 more for this particular item than is being spent during the present fiscal year.

I hope my amendment will be adopted and the money saved.

Mr. WOOD of Indiana. The gentleman from Texas [Mr. BLACK] is right in raising the objection that he has to this item, and unless there is justification for it it should not be allowed. The justification we have, I think, is worth while and well merited. The grounds have had but little attention in the last five or six years. Many of those old giant trees are dead and some of them are dying. Many of them need immediate attention in order to preserve them by proper tree dentistry and otherwise. Some of them must be taken out. Some kind of peculiar disease attacked the trees in the White House grounds. Somebody suggested to President Wilson that it could be cured by putting in sheep. He put in the sheep, but that did not seem to cure the disease, however. The sheep ate up all of the shrubbery there was that was get-at-able, and that has also made necessary some of this item of expense. In order that the proper fertilization may be had for those grounds, in order that these trees may be attended to as they should be, and in order that the hedges destroyed by those sheep may be replaced and rebuilt, it is essential that this additional $5,000 be allowed. That is the only excuse for it, and we think it is well warranted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. LONDON. Mr. Chairman, I move to strike out the last word for the purpose of calling the attention of the Congress to a rather interesting incident. On the 8th day of January the President commuted the sentence of a manufacturer who had been found guilty of a violation of the antitrust act. With a great deal of blowing of trumpets the district attorney announced the first triumph of the people, the first case of a prison sentence for violators of the antitrust act. I am not protesting against the commutation of the sentence. The sentence was only for four months. I applaud every impulse of humanity which relieves a man in distress. Nor am I revengeful, nor do I hate the rich, nor would I like to send them to jail. As a matter of fact, I am opposed to the so-called antitrust legislation. It is a farce. Every time the court ordered the dissolution of a trust the stock of the trust rose in value. It is absurd to punish a man because he has succeeded over his competitor.

The final object of competition is to eliminate all rivals and to triumph by removing opposition. Unless the methods employed are dishonest, it is silly to brand as a criminal the successful competitor. Modern industry and modern commerce require concentration, efficient cooperation, and coordination of capital. The punishing of a business man because he had succeeded in getting owners of capital to cooperate and to eliminate competitors runs counter to the law of economic evolution.

What I do deplore is that the administration, which has found it necessary to reduce a four months' sentence of a rich manufacturer by three months, at the same time keeps in jail the victims of war hysteria, many of whom have been sentenced to 10, 15, or 20 years for delivering an address, for expressing an opinion, for trying to tell a story, or presenting a viewpoint that was unpopular. Is it because their views are considered antagonistic to capital? Is it because they have been preaching the necessity of cooperation among the workers?

Mr. JOHNSON of Mississippi. In what respect had this manufacturer violated the law?

Mr. LONDON. This particular manufacturer violated the antitrust act, as far as I am informed, by helping to form a combination which culminated in the stifling of competition in the tile industry. His conviction, along with the conviction of three other manufacturers in the Federal court, resulted after a very thorough investigation made in connection with the evils of the building industry in the city of New York. Those labor men who happened to be caught in the net of law were sentenced to long terms of imprisonment, and are still in jail. Nobody thought of commuting their sentence. I am protesting against the continued imprisonment of 118 political offenders. They released Debs because the name of Debs attracted millions of men and women. Debs is a great figure; Debs was a candidate for the Presidency; but I am as much interested in the plain man who is in jail, in the fellow who distributed a circular and got himself sent to prison for 10 years because some fool of a reactionary judge was anxious to intimidate all dissenters. These unheard-of sentences can be explained only by the excitement and the stress of war. There is no earthly excuse for keeping the political offenders in jail, and there are 118 of them.

The Clerk read as follows:

For lighting the Executive Mansion, grounds, and greenhouses, including all necessary expenses of installation, maintenance, and repair, $8,600.

Mr. COOPER of Wisconsin. Mr. Chairman, has the gentleman from Indiana considered the advisability of changing that expression "Executive Mansion" to "White House"? All official communications from a number of Presidents have been dated "The White House," and they are all now dated the "White House" when sent from there.

Mr. WOOD of Indiana. I do not think we would have any right to do it. Somebody called that to our attention a year or two ago. The building is referred to in the act authorizing the erection of it as "The Executive Mansion."

Mr. COOPER of Wisconsin. Then it would be a change of existing law.

Mr. WOOD of Indiana. Yes; that is the point.

The Clerk read as follows:

ALIEN PROPERTY CUSTODIAN.

For expenses of the Alien Property Custodian authorized by the act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended, including personal and other services and rental of quarters in the District of Columbia and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, printing and binding, law books, books of reference and periodicals, supplies and equipment, and maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $370,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word, in order to inquire of the gentleman from In-

diana why, if we are short of needed office room here, perfectly good buildings on the Mall are being pulled down?

Mr. WOOD of Indiana. The only reason that the buildings near the Mall were pulled down is because they were very temporary buildings. The only buildings pulled down were those of a very temporary character, and the reason they were destroyed was because of the fact that it was felt that they could better protect the other buildings by getting rid of these. They were of the cheapest manufacture. That is the excuse given for doing it. As far as the other space is concerned, I have but a limited knowledge about it, but it seems they are trying as best they can now to get these activities that are only temporary in nature into these so-called temporary buildings as fast as they can, and they have been doing considerable work in that direction.

Mr. GREEN of Iowa. The gentleman, I have no doubt, is correct in what he says about the nature of the buildings. I was not aware that there was any difference in the construction of the buildings on the Mall. I was aware that some of those buildings are very well constructed.

Mr. WOOD of Indiana. There was quite a difference. I am not able to tell the gentleman the technical difference, but there was quite a difference in the construction of them. Some of them were of the cheapest possible character, and some of them were more or less permanent in construction.

The gentleman will recall that during the time appropriations were being made for the erection of these temporary buildings, it was estimated it would take 10 years after the war was over to wind up the business that was incident to the war, and during that portion of time more or less of these temporary buildings would be needed, and that they should be built in proportion to that necessity, with the idea of taking them down in proportion. The Navy Building and the Army Building down in the Mall are permanent in their character, and I expect will stand for ages, and it was because of that fact that they were made permanent, and some of those that were built, even after the first lot of temporary, were more temporary in their construction than the others. And those of that nature have been torn down first.

Mr. GREEN of Iowa. I would like to inquire a little further in regard to this lump sum of $370,000 that was appropriated. What is the reason the gentleman could not find any way of segregating the items that go into this sum?

Mr. WOOD of Indiana. Because of the fact that there has been a lump-sum appropriation from the beginning and the business is such that while we asked allocation be made for the various parts of it, it consists of so many items that it would be practically impossible for us to proportion it ourselves. The gentleman will understand that there are some 37 trusts in the hands of this Alien Property Custodian. And as I advocated in the speech I made here the other day, some steps should be taken by the proper committee at the earliest moment to wind up this whole affair. There is no reason on earth, in my opinion, why it should be longer continued.

Mr. GREEN of Iowa. I agree with the gentleman's desire, and I hope the Appropriation Committee will use some pressure in that connection, if possible.

Mr. WOOD of Indiana. There is one bill that I know of—and I think possibly two—that have been introduced for this purpose, providing the character or means by which it can be wound up, and it is now in the hands of the Commerce Committee, and I think we can render a splendid service by getting early action on this proposition.

Mr. MANN. If the gentleman will permit, I think there will shortly be presented to Congress, probably, some recommendations on this subject, which probably would have been presented before except for the peace conference in Washington. Of course, it involves our foreign relations in some respects, and I think those who have to deal with the subject have not had very much time in recent months. I have been told it is the expectation before very long that information and recommendations would be presented to Congress with the idea of closing up most of the work of the Alien Property Custodian.

Mr. GREEN of Iowa. Do I understand the gentleman from Illinois that we are waiting on the State Department, then?

Mr. MANN. Well, I prefer not to make a definite statement on the subject.

Mr. GREEN of Iowa. As I was about to state, Mr. Chairman, in line with what the gentleman from Indiana [Mr. WOOD] has said, I think this whole department ought to be closed out, and closed out speedily. There is certain property held by the Alien Property Custodian at this time that ought to pass out of his hands and into the hands of the original owners, and yet, as the law now stands, there is no way of doing anything with it except for him to retain it. And, in addition, this bureau costs $370,000, and we do not know how much of that is for attorneys' fees or salaries, as far as the bill is concerned.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRIGGS. Mr. Chairman, I ask unanimous consent that the gentleman may have two additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BRIGGS. I want to ask the chairman of the subcommittee if there is not a great deal of available space in these permanent buildings in Potomac Park that could be utilized as quarters for the Alien Property Custodian instead of paying for this expensive building on Sixteenth Street that he now occupies?

Mr. WOOD of Indiana. I am informed that there is not. The Alien Property custodian is not the one. We could better keep the building that he is now occupying than some others. I am not chairman of the committee disposing of public space, but we have made some inquiries about the matter, and I am advised that the committee having this in charge is using its best endeavors to get Government offices into Government-owned buildings.

Mr. BRIGGS. Has the committee any information as to how much space is used by the various offices here?

Mr. WOOD of Indiana. That information is available to any Member of Congress. We inquired into it as many times as we could as far as our committee is concerned, and we encourage their getting out of these temporary buildings into other temporary buildings. We are paying many hundreds of thousands of dollars less this year than last year because of this very thing.

Mr. JOHNSON of Mississippi. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I find from the hearings had on this bill that the Custodian of Alien Property has leased on the most exclusive street in the city of Washington, Sixteenth Street, one of the most exclusive apartment houses for offices for this bureau; that they have employed 26 lawyers, according to a statement from the chairman of the committee, at salaries of $4,500 each per year. The custodian asks for an appropriation of $375,000, to be spent in managing the affairs of this bureau. One hundred and sixty-four people are employed in this department. In addition to the 26 attorneys mentioned, there is employed a general counsel, an associate counsel, and one special litigation counsel, a former Congressman, Mr. William W. Wilson. All of these gentleman are drawing $6,000 each per year. An editorial clerk is drawing an unreasonable salary for his imaginary services, and a large number of others are drawing big salaries which I would like to discuss, but in my limited time I can not.

Mr. Chairman, this bureau was created during the war, and no one ever dreamed that it would be continued after peace was declared. There is absolutely no use for it. It only furnishes soft jobs for political pets. We were promised last year by this administration that this bureau would be abolished, and all those unnecessary employees would be discharged, but to-day the expense is just as great as it was then, and the prospects for a continuation of those easy berths for those gentlemen is no doubt encouraging to them.

But, Mr. Chairman, I want to talk some about the United States Shipping Board. The Government of the United States has spent about $4,000,000,000 on this board. Much of it was spent at a time when waste could not be easily avoided, but more of it was spent after the armistice when waste and extravagance could easily have been avoided. Last August, I remember very well, the chairman of the committee having in charge the appropriation, deficiency appropriation bill, gave this Congress to understand that the Shipping Board should be done away with, the ships disposed of, and all those employees should be discharged from the Government pay roll. Mr. WOOD of Indiana, who is chairman of the subcommittee having the present bill under control, made a lengthy speech at the time Chairman MADDEN reported the deficiency bill last August, in which he made the charge that graft and corruption permeated the organization. He said that nothing in all history compared with this Shipping Board for waste and corruption, and he urged that something be done to correct the awful abuses practiced by that organization. It has now been six months since he made his speech. At that time he was asking for $125,000,000, for money that had already been spent by this board in excess of the amount allowed it. This Congress—but not with my vote—gave the board the $125,000,000, every cent of which has been squandered, and it is here to-day asking for $105,000,000 more in addition to some other large items amounting to a very large sum. I do not have the figures at hand just now,

but the sum is very large. It proposes to spend this money in operating and conducting the business of the Shipping Board which, admitted its chairman, Mr. Lasker, in testifying before the committee, is losing more than $4,000,000 per month. On page 951 of the hearings Mr. Lasker said:

It will never become paying.

And yet, with this information before this Congress, you are seriously considering and no doubt will permit this organization to put its hands into the Treasury of the United States and waste all the vast sums that are asked in this bill.

Let us see what is going to be done with this money. There are 78 lawyers already employed. A large number of them were employed this last fall at fabulous salaries. This bill proposes to permit this board to employ seven additional attorneys at salaries of $11,000 each per year. It proposes to create a new commission consisting of seven members whose salaries shall be $12,000 each per year, with a secretary whose salary shall be $5,000. This commission is to sit in judgment on claims propounded against the United States.

Now, let us see something about the lawyers employed. For instance, a man by the name of Gendron, whose salary was $1,000 a year, has been by this board increased to $6,000 per year; Henry P. Anewalt, whose salary has been raised from $1,500 to $4,800; Benjamin Y. Martin, whose salary has been raised from $1,500 to $4,200; Allan McLain, whose salary was increased from $1,200 to $4,800; James R. Frase, an attorney, was employed at $7,500; he was let out and hired over at $10,000. Many others that I have not time to mention have been increased proportionately. Mr. Small is paid $35,000 a year. Mr. Frey had his salary raised from $8,500 to $10,000. He said he quit a $25,000 job to take this job, and he says he feels he can go back to a $50,000 a year position, but that he is so valuable to this organization that the board will not let him go. Mr. Lasker says that Mr. Frey had an offer of $60,000 per year recently to go into the steamship business; yet this peace-time patriot, who cares nothing for money, although admits he is not a very wealthy man, holds on to the Shipping Board. Next we have Mr. Powell, who says he made $300,000 from one corporation, the Bethlehem Shipbuilding Corporation, just before he came to this board, and he is now working for the United States Government for a salary of $12 per year, $1 per month. Mr. Powell left the Bethlehem Shipbuilding Corporation, that has millions of dollars' worth of claims against the United States unadjudicated at this time. He brought with him a number of Bethlehem Shipbuilding Corporation employees, who are working with this board at this time, yet he says he has no interest in the shipbuilding company and is prompted solely by patriotism to work a whole year for $12, but finally admits that he has a contract with the Bethlehem Shipbuilding Corporation, and if certain claims of the company against the Government are adjusted that he could not make more than $5,000 or $10,000. No doubt this patriotic gentleman would refuse to have $5,000 or $10,000 if offered to him. He just naturally does not like Uncle Sam's money. He wants to work for nothing. I think the people of the United States have been gorged on these dollar-a-year patriots, and so far as I am concerned I am in favor of getting rid of all of them. I believe the Treasury of the United States will be safer in the hands of the men who are willing to accept a salary for services rendered.

There are a large number of attorneys drawing $8,000 or $10,000 and upward, in addition to the $5 subsistence per day allowed them by the Government. We have men on this pay roll drawing $35,000 per year, but why should I discuss this further? Any intelligent man in this House can read the hearings and be convinced that the whole thing is a colossal fraud and steal from the Government. Why, we even have a man by the name of Bull, who was employed by this board at $6,500 per year, but it became necessary to send him off on business and he was given $10,800 while away to cover his traveling expenses. No doubt his name—Bull—was very valuable to the board on this occasion.

On page 935 we find that it is proposed by this Shipping Board to spend $900,000 of the people's money to advertise for business for the Shipping Board. Of course, this advertising will be given by Mr. Lasker, who is an advertising man and who owned advertising interests before he came to the Shipping Board, to friends of the Republican Party. It will be to reward them for what they did in the last campaign and to stimulate them in their efforts next November. This dirty scheme ought to be stopped. Every good Democrat and Republican in this House ought to rebel against such a bold attempt to rob the Treasury.

The night before Abraham Lincoln was assassinated he was called upon by his friend, Mr. Amunson, to appoint a commission to consider certain claims Mr. Amunson had against the Government. Mr. Lincoln said:

Amunson, I am done with commissions. I believe they are contrivances to cheat the Government.

And so, Mr. Chairman, I believe a hundred million people in the United States share the opinion expressed by Mr. Lincoln that most commissions do not faithfully serve the people of the United States but represent selfish interests. Of course, there are some commissions no doubt that are absolutely honest, but you will find in the Shipping Board, gentlemen, that it is an organization filled with graft and reeking with corruption. Its operation is the most prodigal and shameful waste and extravagance of the taxpayers' money that was ever tolerated in the United States. It would disgrace hell in its palmiest days.

It is shown that ships leaving ports of the United States for foreign ports, having been furnished with supplies for the voyage, have had these supplies thrown overboard in order that additional purchases could be made for the ships in foreign ports, thereby enabling the purchasers to graft on the Government. This is almost unbelievable, but nevertheless it is shown to be true.

It has been shown that the Shipping Board has gone out into the open market and bought anchors for ships when in the warehouses of the board there were hundreds of anchors that could have been used. In one instance the Shipping Board bought an anchor for 6 cents a pound and the company from which the Shipping Board purchased it paid 1 cent a pound for the same anchor, and it was bought from the warehouse of the United States Shipping Board.

Men who have been working for the Shipping Board for small sums, for supposedly patriotic reasons, are to-day immensely wealthy and have gone into other businesses. There are many connected with it now who are just as guilty of such corruption, and yet this administration retains them.

We have been promised economy and the people of the United States were promised economy and retrenchment by this administration. Where is your economy? You have increased appropriations hundreds and hundreds of millions of dollars since you have gone in.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Mississippi. Yes.

Mr. MADDEN. I wish the gentleman would specify.

Mr. JOHNSON of Mississippi. From the beginning of this bill to the end you have increased appropriations. You have increased the appropriation for the President's Mansion and grounds around the White House from $35,000 to $50,000. You have created soft jobs for seven new lawyers at $11,000 each per year and seven commissioners at $12,000 each per year for the Shipping Board; you have provided for 200 additional employees for the Civil Service Commission; you have increased the subsistence fees from $4 to $5 per day; you do not put any limitations at all on the expenditures in several places in this bill, but leave it open for those who disburse the money to increase salaries and waste the money just as they see fit. You leave it to Mr. Lasker, the politician advertiser, who is to spend the $105,000,000 that you are asking the American people to give him. I know you are going to do it. I know you Republicans, who are in the majority, are going to vote for it. Many of the Republicans can not help themselves because they are hog tied. Many of them will vote for this bill feeling in their hearts that they are doing wrong and voting against the interests of the oppressed taxpayers of this country, but political pressure will force them to do it.

Mr. Chairman, there have been several conferences held at the request of the President supposedly to help the farmers and workers of this country. There will be another conference held here next week, supposedly to correct some of the abuses practiced against the farmers of the country, but nothing will come of it except they will get their pictures made with the President of the United States, get a clever handshake and be told that they should go back home, work harder, save their money, and bring the country back to "normalcy."

Why does not this Congress provide for the establishment of a farm-credits department in each farm loan bank? Why does not this Congress reduce freight rates? Why does not this Congress dispose of Muscle Shoals to Henry Ford or some one else who will develop it and aid the farmers, thereby helping the whole country?

Mr. Chairman, there is nothing constructive being done by this Congress. We are wasting the taxes faster than the people can pay them into the Treasury. It ought to be stopped. This country can never return to a normal condition unless the prodigality and waste in governmental affairs is stopped.

There is a small section of this country that dominates all the other. This Congress is dominated by a small body of men who live in the East. Most of the money of this Nation has found its way into the East, into the hands of a very few men. These men exert great influence at this Capitol. Mr. Chairman, I fear the baneful influence of the money power. No legislation that will hurt the money power and make it carry its just share of the burdens of government can be passed. I do not fear that the people of this country, if they ever learn the true conditions that exist, will not correct the evil, but how are they to learn it? The same power that I mentioned a few moments ago prevents them from gaining the information as to how things are run up here, but in so far as I am concerned I propose to tell it as it is. You are creating unnecessary offices, paying fabulous salaries, and paying political debts with these offices. It ought to be stopped and will some day be stopped, for the people are going to hold you responsible for it.

The gentleman from Ohio [Mr. FESS] said a few days ago in Baltimore, speaking of the Republican Members who have not been voting with the regulars of the Republican Party, that those who "got off the reservation" will get no campaign funds this fall. Mr. FESS is the man through whom the funds will be spent. He is chairman of the Republican congressional campaign committee. There are many of the Congressmen here on that side who want to vote for the interests of the people, but the old guard reactionary forces are absolutely in control of this Congress, and you know, and no one knows it better than the gentleman from Chicago. [Applause.]

Mr. Chairman, I do not fear that my Government will ever be destroyed by forces from without. I do not fear that any foreign Government can ever come to the shores of America and destroy this Government of ours, but the thing that concerns me and every thinking man of this country is the baneful influence of the money power. The giant oak in the forest that has withstood for hundreds of years every storm and to the casual observer appears almost indestructible, can be destroyed by unseen insects that gnaw into the vitals of the giant oak. So it is, Mr. Chairman, with this great Government with its 107,000,000 people, the richest Government on earth, the most intelligent people. It would seem almost indestructible, but this invisible government that is sapping the very life of our Government by its clandestine methods has become a cancer on the very heart of this Nation, and as sure as we live, unless something is done to stop it, this Government of ours will pass like Rome did when the Prætorian Guards offered her upon the auction block.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MADDEN. Mr. Chairman, I rise to oppose the amendment.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last two words.

Mr. MADDEN. I would like to put just a few facts into the gentleman's speech. [Laughter.]

Mr. JOHNSON of Mississippi. I have no objection if the gentleman lets me revise what he puts in. [Laughter.]

Mr. MADDEN. The gentleman makes a lot of charges about putting hundreds of millions of dollars onto the expenses of the Shipping Board. Of course, there is no accuracy in that statement. He knows that. I will give him a few facts.

In the first place, notwithstanding the charge that he makes to the effect that a good many attorneys have been employed, that high salaries have been paid, the number of employees of the Shipping Board since last August has been reduced from 8,324 to 5,035, or a reduction of 3,289, with a pay roll on June 15 of $15,861,400 reduced to $10,919,081, or by $4,942,319. That is a reduction of 39 per cent in the cost of administration.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Mississippi. How much do you appropriate this year?

Mr. MADDEN. If we appropriate what is in this bill, it will be $100,000,000.

Mr. JOHNSON of Mississippi. Is it not indefinite? Can anybody tell?

Mr. MADDEN. No; it is not indefinite. It is absolutely definite. If we appropriate what is in this bill, it will be $100,000,000.

Mr. JOHNSON of Mississippi. Can anyone tell how much is going to be spent yet?

Mr. MADDEN. Yes; you can not spend more than $100,000,000, and $50,000,000 of that can not be spent in any way but in operation, and the other $50,000,000 proposed to be appropriated is to pay claims that have been filed against the board for bad management under previous administration.

Mr. TILLMAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Mississippi. Will the gentleman yield right there?

Mr. MADDEN. Yes.

Mr. JOHNSON of Mississippi. You say they can not spend any more than the amount appropriated. I want to ask the gentleman if the gentleman did not bring in a deficiency bill on the 10th of August last for $61,855,633?

Mr. MADDEN. What was appropriated was $48,500,000.

Mr. JOHNSON of Mississippi. Not one cent of that has been brought back here. If you appropriated a billion dollars, they would waste it all.

Mr. MADDEN. Of course, the gentleman's statement is not in accord with the facts.

Mr. BYRNS of Tennessee. Of course, the gentleman will agree that the appropriation for the Shipping Board next year is not limited to the $100,000,000, because this bill gives them the right to use the receipts arising from operation.

Mr. MADDEN. I say the $50,000,000 appropriated in this bill, if it is appropriated, is appropriated in anticipation of the needs of the service over and above the income from the service. Of course, we might as well be frank about that. That is the truth.

Mr. BYRNES of South Carolina. The truth about it is that Mr. Lasker has expended $300,000,000.

Mr. MADDEN. As to what they will spend from operation, you can not tell what that will be.

Mr. JOHNSON of Mississippi. I notice from the hearings that Mr. Lasker says he can not tell how much money it will take. He would like to have $50,000,000, but he can not tell.

Mr. MADDEN. There is one thing that Mr. Lasker has done, however, and that is he has reduced the annual losses of the past of $200,000,000 to $48,000,000 per annum.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. GREEN of Iowa. The gentleman from Mississippi claims that we have retained many of these former employees who caused the waste. I am perfectly willing for my part to admit that we have not thrown out as many Democrats as we ought to have.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. DOWELL having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment the bill (H. R. 7601) to amend an act incorporating Prospect Hill Cemetery, and for other purposes.

INDEPENDENT OFFICES APPROPRIATION BILL.

The committee resumed its session.

Mr. WOOD of Indiana. Mr. Chairman, I can not let pass without reply the statements which have just been made, and I desire the attention of the gentleman from Mississippi [Mr. JOHNSON]. Without any warrant of authority and entirely gratuitously he has sought to slander a man who, I think, is rendering a splendid service to the United States. The gentleman from Mississippi [Mr. JOHNSON] voluntarily charges that the president of this Shipping Board, Mr. Powell, is making contracts with himself as the head of the Bethlehem Steel Corporation. Mr. Powell is not the president of the Bethlehem Steel Corporation. Before he came here he entirely severed all connections that he had with that corporation. He was offered what might be counted a goodly salary to come here and give the benefit of his experience, so that some order might be brought out of the rotten, chaotic condition brought about by the previous administration.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. WOOD of Indiana. No; I will not yield. Mr. Powell absolutely refused to accept a cent other than the nominal sum of $1 a month, giving his time and his service to his country without compensation, and I say it ill becomes any man who has any regard for the future of his country and her economic condition, precarious as it is, to attack and attempt to blacken the name of a man who is patriotically trying to be of some service and who is giving his time and his intelligence gratuitously to his country. In my opinion Mr. Powell is entitled to more credit for the reorganization of this disorganized corporation than any other one man, and he feels it to be his duty to do it, because the Government that he loves gave him his education. So I say instead of trying to blacken the character of men who are endeavoring to be of service to this country we had better hold up their hands and encourage them in these days when we need men of this character. [Applause.]

Mr. JOHNSON of Mississippi. Now will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman.

Mr. JOHNSON of Mississippi. I call the attention of the gentleman to the hearing conducted by himself, in which Mr. Powell appeared before the committee, and having reference in his statement to what Senator BORAH had said about him, put into this record a letter which he had directed to Mr. BORAH, and one from Mr. Lasker to him; and he also said that he had a contract with the Bethlehem Shipbuilding Corporation at that time which could earn him not more at the most than $5,000 or $10,000. That is in this record here.

Mr. WOOD of Indiana. Absolutely; and because of the fact that Mr. BORAH had done Mr. Powell an injustice he wrote him that letter; and Mr. BORAH, when he found that he was mistaken, graciously put it into the record and righted the wrong that he had done this man. The gentleman from Mississippi had better be equally just.

Mr. JOHNSON of Mississippi. Just another question now. Mr. Powell also stated that he had appointed a number of men who were formerly employed by the Bethlehem Shipbuilding Corporation to positions with the Shipping Board, and those men are now holding those same positions, settling claims.

Mr. WOOD of Indiana. I asked him the question myself, whether or not anyone connected with the Bethlehem Steel Corporation was connected with this organization, and he very promptly said "no," but that he had asked some of those men who had formerly been in the employ of the Steel Corporation, who by reason of their experience and fitness could render good service here, to come and take employment here; but they are entirely disconnected with the Bethlehem Steel Corporation and have no concern with its affairs; and he was bringing to the service of this corporation men whom he knew by reason of his association with them in that old corporation in the days when they were employing men in large numbers, and he knew that these men might be of service to him.

Mr. JOHNSON of Mississippi. But these same men are settling claims between the Bethlehem Shipbuilding Corporation and the United States.

Mr. WOOD of Indiana. They have nothing at all to do with the settling of claims, and they are not in that department.

Mr. JOHNSON of Mississippi. That is what the hearings show.

Mr. WOOD of Indiana. No; they do not show anything of the kind.

Mr. JOHNSON of Mississippi. I say they do.

Mr. WOOD of Indiana. The gentleman can say anything he wants to, and it is entitled to about as much credit as what he has said.

Mr. JOHNSON of Mississippi. I repeat my statement.

Mr. CONNALLY of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amend page 4, line 11, by striking out $370,000 and inserting in lieu thereof $250,000.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I want to call the attention of those on the majority side of the House who have charge of the making of the legislative program to the fact that in this item there is an appropriation of $370,000 for maintaining the office of the Alien Property Custodian. Gentlemen will remember that when the trading with the enemy act was passed it provided that all alien-enemy property which was taken over by the Alien Property Custodian should be retained by him until otherwise provided by Congress. Inquiry at the office of the Alien Property Custodian as to what disposition is being made of estates in his hands elicits the information that the Alien Property Custodian is continuing to administer estates and properties in his hands just as he did before the treaties of peace were concluded with Germany and with Austria. It does seem to me that this Congress ought to formulate some character of legislation providing for the proper disposition of alien-enemy properties, and that it ought to provide for demobilizing the office of the Alien Property Custodian and for giving such properties into the hands of those to whom they belong. So far as I know, no step has been taken looking to that end, but this establishment continues in existence. In the face of all the commissions which have been appointed to consolidate and classify and eliminate duplications and things of that kind in the public service, here is one branch of the Government that ought absolutely to be wound up and demobilized, and yet so far as I know nothing whatever has been undertaken along that line. Can it be that the State Department intends to advise Congress to hold on to alien-enemy property until the claims of American citizens against German citizens and the German Government may be settled? If that is to be its policy, it ought to inform Congress.

It seems to me it is time to determine whether that is to be the policy of this Government or not. If it be the policy of the Government to return these estates to former alien enemies—because they are not alien enemies any longer, as we have concluded a treaty of peace—Congress ought to do something to execute that policy.

Mr. MADDEN. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. MADDEN. The gentleman knows that we could not do that in this bill.

Mr. CONNALLY of Texas. No; but the gentleman is chairman of the Appropriations Committee, he is a member of the steering committee, and occupies a high place.

Mr. MADDEN. The gentleman is mistaken; he is not a member of the steering committee.

Mr. CONNALLY of Texas. Well, he ought to be if he is not. [Laughter.] I will say that, although he disclaims the soft impeachment, I do not blame him. I would deny it, too, if I were a member of the committee.

Mr. MANN. The gentleman never will be a member of the steering committee on either side of the House. [Laughter.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. CONNALLY of Texas. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CONNALLY of Texas. I will say to the other distinguished gentleman from Illinois that I can understand why he interjected that remark. Of course, it is not remarkable when I start to pay a compliment to another gentleman from Illinois that he should be in a hurry to attract the attention of the country to the fact that there are others from Illinois. [Laughter.] I will say to the gentleman who interrupted me as I was about to pay a compliment to his colleague that I believe the gentleman from Illinois [Mr. MADDEN], if he were on the steering committee, would undertake, in the interest of economy and the interest of proper legislative procedure, to see that the steering committee called the attention of the leader on the Republican side and other administration officials to the fact that here is one place where the boasted plea for economy should be put into effect; that here is one place where your campaign cry "Back to normalcy," "Back to the Constitution," "Back to orderly government," "Back to the people" could actually be realized, and that here you can take the Government out of business by taking the property in the hands of the Alien Property Custodian and giving it back to the people who are entitled to it; and if they are not entitled to it, to devise some method by which it may be treated under the rules of international law and treaty obligations.

There are 26 lawyers in the Alien Property Custodian's office. Twenty-six attorneys, and yet they are not able to devise a plan for submission to Congress as to how the activities of this bureau should be disorganized and the property returned to its proper owners.

Mr. BANKHEAD. The gentleman does not expect these 26 attorneys to devise means for putting themselves out of office, does he?

Mr. CONNALLY of Texas. No; there is no danger of the 26 lawyers doing that, because I do not think that a lawyer who is drawing a good salary is going around trying to repeal his office. But in all seriousness, gentlemen, I did not rise to make a partisan appeal. [Laughter.] Oh, well, if it is a partisan appeal to speak for retrenchment and economy, to return to the orderly processes of the Government, let the gentleman from Minnesota, the whip—and he is about the only whip that never hits anything [laughter]—let the whip of the Republican side make a sneer at what I am saying, but here is the place where you can put economy into effect, here is the place that the Government ought to be taken out of business, here is the place to divorce employees from the pay roll.

Mr. KNUTSON. Will the gentleman yield?

Mr. CONNALLY of Texas. I will.

Mr. KNUTSON. I would like to have the gentleman inform the House where they got the idea of the establishment of this bureau in the first place.

Mr. CONNALLY of Texas. If the gentleman from Minnesota had been awake during the war he would have known that Germany seized the property of all American citizens residing in Germany, and a proper system of retaliation necessitated the establishment of this bureau. Great Britain and France pursued the same policy. I dare say the gentleman from Minnesota voted for the bill.

Mr. KNUTSON. I voted for all the war measures.

Mr. CONNALLY of Texas. Then why did the gentleman ask me why this bureau was established? I can only attribute the question to the fact that when he voted for these measures he did not concern himself as to the whys and wherefores but voted in the way somebody told him to.

Mr. STAFFORD. Will the gentleman yield?

Mr. CONNALLY of Texas. Yes.

Mr. STAFFORD. Is it not a historical fact that the Germans did not seize American property until we had passed the alien property custodian act? Great Britain initiated the procedure, but Germany did not attempt to confiscate property of American citizens until the United States had first done it.

Mr. CONNALLY of Texas. I do not think that is material, I do not really know which country initiated the policy. I give the gentleman from Wisconsin credit for keeping in touch with that matter, but France, Germany, and Great Britain all followed it.

Mr. KNUTSON. The gentleman from Texas is well informed. Can he inform the House as to the particulars of the sale of he Bosch magneto and aspirin patents under the Democratic administration? I would like to have some information on that.

Mr. CONNALLY of Texas. I am not surprised that the gentleman from Minnesota [Mr. KNUTSON] is more concerned about the details of the sale of the Bosch Magneto Co., which belonged to enemy aliens, than he is in saving the Government of the United States $370,000 annually appropriated for the maintenance of a wholly useless war-time organization when we have returned to times of peace.

Mr. KNUTSON. Does the gentleman approve of those thefts?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MANN. Mr. Chairman, I do not know that it is worth while to pay any special attention to the remarks of the gentleman from Texas [Mr. CONNALLY], who always makes bright and interesting speeches, purely from a parliamentary viewpoint. As I stated to the House a while ago, it is the desire of the Alien Property Custodian's office very speedily to present to the Congress, although that is not their special duty, some recommendations, directly or indirectly, for the winding up of the Alien Property Custodian's business. That matter has been delayed, as I understand it, by the fact that the peace conference here is absorbing the work in the main of the office of the Secretary of State, and, as international relations necessarily enter into the consideration of the subject, it has not been desirable to present a half-baked plan to the House, such as would undoubtedly have been presented if the gentleman from Texas had had charge of it.

Mr. CONNALLY of Texas. I am glad that my suggestion is getting such prompt consideration.

Mr. MANN. Oh, I made this statement to the House before the gentleman rose, but as usual he was not here when I made the statement.

Mr. CONNALLY of Texas. I frequently try not to be here when the gentleman speaks.

Mr. MANN. The gentleman would derive some information if he would be here not only when I speak but when other gentlemen speak, but as a rule the gentleman is here only when he inflicts himself upon the House.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

BUREAU OF EFFICIENCY.

For carrying on the work of the Bureau of Efficiency as authorized by law, including salaries and contingent expenses; supplies; stationery; purchase and exchange of equipment; printing and binding; traveling expenses; per diem in lieu of subsistence; not to exceed $100 for law books, books of reference, and periodicals; and not to exceed $150 for street car fare; in all, $125,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum except the following: 1 at $7,500, 1 at $6,000, 1 at $4,250, 6 at $4,000 each, 3 at $3,600 each, 1 at $3,500, 2 at $3,250 each, 5 at $3,000 each, 2 at $2,750 each, 3 at $2,400 each, and 5 at $2,000 each.

Mr. COOPER of Wisconsin. Mr. Chairman, I desire to ask the gentleman in charge of the bill who is receiving a salary of $7,500 in this Bureau of Efficiency, which is as much as a Senator or a Representative in Congress receives?

Mr. WOOD of Indiana. The director of the bureau, Mr. Brown.

Mr. COOPER of Wisconsin. That is Mr. Herbert D. Brown?

Mr. WOOD of Indiana. Yes.

Mr. COOPER of Wisconsin. How long has he been director of that bureau?

Mr. WOOD of Indiana. Ever since it was organized.

Mr. COOPER of Wisconsin. When was it organized?

Mr. WOOD of Indiana. It was a part of the civil service until 1916, when it was made an independent bureau, and he was appointed by the President at that time.

Mr. COOPER of Wisconsin. During 1916, during the war, what was his salary—say, when he was first appointed?

Mr. WOOD of Indiana. This salary, like other salaries——

Mr. COOPER of Wisconsin. What was it then?

Mr. WOOD of Indiana. It was $5,000.

Mr. COOPER of Wisconsin. I think it was $4,000.

Mr. WOOD of Indiana. I may be mistaken about that.

Mr. COOPER of Wisconsin. I think it was $4,000. From 1916 to 1921 it has been increased to $7,500, which is as much as a Senator of the United States receives, as I said a moment ago. In my judgment, he does not render, nor has he ever rendered, services demanding any such salary as that.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman from Indiana yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. Is not the Bureau of Efficiency now engaged in rating the civil-service employees of the Government?

Mr. WOOD of Indiana. The Bureau of Efficiency is now under Executive order, issued by the President, engaged in making efficiency surveys of the various departments, which has been in the main completed, and many of the departments, those receiving lump-sum appropriations, are now reorganizing and fixing the salaries of the employees under that survey.

Mr. BYRNES of South Carolina. Was it not the purpose to have that bureau continue to maintain some standard of efficiency for employees so as to keep the Congress advised as to the efficiency of the various departments and organizations of the Government?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. That is why they are receiving this appropriation?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. Is there any other work which the Bureau of Efficiency is engaged in at this time?

Mr. WOOD of Indiana. Yes; it is engaged not only in measuring the efficiency of the employees within the Government, but likewise it is engaged in looking into the conduct of these various offices, and I wish to say in answer to the gentleman from Wisconsin that it is proving of very great value. There has been more or less opposition to the Bureau of Efficiency. I am not here holding any brief for the Bureau of Efficiency. I may not like all the things that Mr. Brown has done, I may not like his personality, but I must give him credit for being not only energetic but proficient in bringing about results, and they have been very salutary, and had these other departments admitted the Bureau of Efficiency as it was the intention so to do when it was created, to make suggestions, and had those suggestions been adopted, we would have had the same good results that came from the application of their plan that we did get in the Post Office Department as adopted by Postmaster General Burleson.

Mr. BYRNES of South Carolina. If this appropriation is made, the Bureau of Efficiency will continue to carry on these investigations for the purpose of devising more economic ways of managing the various departments?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. Mr. Chairman, I move to strike out the last word, and I do that for the purpose of calling to the attention of the House one of the activities of the Bureau of the Budget which has just come to my attention. I interrogated the gentleman from Indiana because I understood the duties of the Bureau of Efficiency to be just as he has detailed them. Personally, I think they have been doing very good work, but the Bureau of the Budget, charged with the duty of preventing duplication of work in this Government, is responsible for the issuance of an Executive order which has established another bureau in the Government to do exactly the work which the gentleman from Indiana has stated the Bureau of Efficiency is doing. Think of the Bureau of the Budget, charged with eliminating duplication, saddling onto the executive departments at this time another board to do exactly that which is being done by the Bureau of Efficiency. I want to call attention first to the Executive order to which the gentleman from Indiana referred, which was issued October 24 and is headed, "Uniform Efficiency Ratings," requiring the Bureau of Efficiency to establish such ratings. It provides in section 3:

As of May 15 and November 15 of each year, a rating shall be made of the efficiency of each employee during the preceding six months or such portion thereof as he or she may have been employed.

And then comes the requirements that they shall establish standard ratings, special ratings, and personal changes. And it provides in section 7:

Efficiency ratings made in pursuance of the provisions of this order shall be the basis for all changes of compensation of employees in the classified service in the District of Columbia.

And now here, on December 23, 1921, just two months later, there comes an Executive order, signed by the Director of the Budget, by direction of the President, addressed to the House of Representatives, establishing the Federal personnel board. It says in section 1:

For the purpose of developing in the Federal Government a more effective and economical system of employment and personal management and to promote the general welfare of the employees of the National Government, there is hereby established a Federal personnel board under the supervision of the United States Civil Service Commission.

And then it is provided that there shall be a chief coordinator. We long since discontinued allocating and now we are engaged in coordinating. And we have a chief coordinator—

who shall assign a representative to the Federal personnel board for the purpose of coordination.

And here is what the board is to do:

First. The perfection of a liaison system between the Civil Service Commission and the several departments and establishments to insure cooperation.

We have an appointment clerk in each department, who is in daily touch with the Civil Service Commission, and a chief clerk in each department whose duty it is to maintain a contact with the Civil Service Commission, but now we are to have a liaison officer. And second:

The perfection of methods whereby the Civil Service Commission will be advised regarding the success or failure of persons selected through its examination, and whereby provision will be made for the reassignment or the separation from the service of persons who are unsatisfactory.

If a person is unsatisfactory, the Civil Service Commission must be advised. The Civil Service Commission has not the power to remove him if he is unsatisfactory but the department has.

And then there is section (d), as follows:

The development of an adequate system of personnel records which will furnish a medium for effective control of personnel administration and provide some basic statistics for such matters as retirements and disability, appropriation estimates, salary rate adjustments, etc.

They are to provide a system of basic statistics in order to enable the departments to make salary rate adjustments, and the Bureau of Efficiency two months before was directly charged with the duty of furnishing efficiency ratings every six months in order that the compensation of the employees might be fixed.

There is only one conclusion, that if this board is functioning and a man is detailed from every department to this board, and they can call upon the departments for information upon which to base efficiency rating, and the Bureau of Efficiency is also calling on them for efficiency information, you owe it to the departments to increase the appropriations for clerk hire in order that they may answer the inquiries made of them. This is pyramiding one board on top of another at the expense of the people. It is doing, by Executive order, that which could never get through this Congress. There is no excuse for it all. You are going to have one efficiency rating by this personnel board and one by the Bureau of Efficiency. Suppose they do not agree, which rating are you going to follow? What business has the Civil Service Commission dealing with this question? Their duty is to have examinations held in order to certify employees and not to report to departments how an employee may be separated from the service. They know how that should be done.

Mr. ANDREWS of Nebraska. Under this order, what would become of the unclassified reclassification bill that passed a few days ago?

Mr. BYRNES of South Carolina. I ask you to tell me on what that reclassification is going to be based? Are you going to take the efficiency record under the order of December 3, prepared by the personnel board or the efficiency rating prepared by the Bureau of Efficiency, under the Executive order of October 24, 1921?

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. MANN. Mr. Chairman, we have a Bureau of Efficiency and a Director of the Budget; we had a Reclassification Commission that went out of existence, and we have now a Reclassification Committee reclassifying the departments, and we have a Committee on Reform of the Civil Service in the House. They have just passed a reclassification bill in the House affecting the departments. The Bureau of Efficiency is the child of the Committee on Appropriations. The Director of the Budget is the younger brother created, or appropriated for, by the Committee on Appropriations. I have always known the members of the Committee on Appropriations, when either one of these children was attacked, to promptly come to its assistance. But I notice that the love of the committee now is for the older child rather than for the younger brother. Here is a row on between the Bureau of Efficiency and the Director of the Budget, and the gentleman from South Carolina, one of the nicest men that ever came to this House [applause], certainly derived his information from Mr. Brown, the head of the Bureau of Efficiency, and takes a crack at the Bureau of the Budget, the younger brother. I do not know, but I would like some one to give an excuse for the existence, or continued existence, of the Bureau of Efficiency. I have great regard for the head of that bureau, Mr. Brown. I believe he is a most efficient public servant, and does great good, but he is the best man to get influence with the Committee on Appropriations that ever and all time has appeared in Washington.

Mr. GALLIVAN. Will the gentleman yield?

Mr. MANN. I yield.

Mr. GALLIVAN. I want to say to my friend from Illinois that ever since I have been on the Committee on Appropriations I have tried to find out what good reason there is for the existence of the Bureau of Efficiency, and I have always opposed the annual increases that my friend Brown has been able to put across in this Chamber. I am with the younger brother, the gentleman refers to. I am with the younger brother.

Mr. MANN. Well, I hope that may continue, although I predicate this statement and make this prediction, that if the gentleman from Massachusetts gets to that place in the committee where he has charge of a committee of this kind, Brown will have him on his back. [Laughter.]

Mr. GALLIVAN. I can assure my friend that will never happen; never in a million years. [Laughter.]

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield to me?

Mr. MANN. Yes.

Mr. BYRNES of South Carolina. I know the gentleman will permit me to say that——

Mr. MANN. I will permit you to say anything——

Mr. BYRNES of South Carolina. While his statement may be true, I do not know Mr. Brown, and I do not think I ever met him, and therefore I have never come under his spell.

Mr. MANN. That shows how wily Brown is, to make men whom he never met act just like automatons at a suggestion to their mind. [Laughter.]

Mr. BYRNES of South Carolina. I did not make myself clear if the gentleman understood me to say that there is any discrimination in my mind as between the Bureau of the Budget and the Bureau of Efficiency. What I am complaining about is the establishment of this personnel board in the Civil Service Commission to do that which is under the Bureau of Efficiency. What I want to do is to put it in one or other, and when the civil-service paragraph is reached I hope to make some remarks along that line.

Mr. MANN. I have made no reflection on the gentleman.

Mr. BYRNES of South Carolina. No; the gentleman was very complimentary to me.

Mr. MANN. I notice that Mr. Brown, according to the morning papers, has stated to the Director of the Budget, acting for the budget, "You can go to ——," the place we frequently name when we talk in private. [Laughter.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last two words.

Mr. ANDREWS of Nebraska. Mr. Chairman, I desire to propound a question to the gentleman in charge of the bill. In the Treasury Department the appointment clerk receives $3,000 a year salary. The appointment clerk in the Bureau of Internal Revenue receives $4,500. In the General Accounting Office the appointment clerk receives $2,500. In the Treasury Department the appointment clerk handles all the business of the entire department. The appointment clerk in the Internal Revenue Bureau handles the work of that bureau in detail and turns it over to the appointment clerk of the department for completion. The appointment clerk in the General Accounting Office has 1,500 people to look after. Now, is there any law by means of which an equitable adjustment of ratings may be made in cases like these?

Mr. WOOD of Indiana. Absolutely, and there is provision made for it. Whenever it is applied this discrepancy will no longer exist.

Mr. ANDREWS of Nebraska. What is that provision?

Mr. WOOD of Indiana. I am not prepared to state it offhand, but at the time we had under discussion the reclassification bill I had the figures before me showing that under the classification which I proposed like service would receive like pay.

Mr. ANDREWS of Nebraska. Does not the gentleman believe that it would be wise to make provision in this bill making it impossible to have such wide diversities of salary as these?

Mr. WOOD of Indiana. Yes; I think it would be, but you can not do it under this bill. That is the trouble.

Mr. ANDREWS of Nebraska. If you should adopt a provision that they shall not be allowed a figure beyond a certain salary, that would surely enforce it. I am sure the so-called reclassification bill will not correct such inequalities. The formula, "like service should receive like pay," will not solve this problem under the reclassification bill or any other bill that has yet been proposed.

Mr. Chairman, I want to direct attention for a moment to the connection of the Civil Service Commission with this Board of Personnel. I think that is one of the most mischievous arrangements that can be introduced into the executive service of the Government. That Civil Service Commission is the greatest meddler in outside affairs that there is in the Government wherever they have a chance to meddle. I have witnessed this time and time again. The Civil Service Commission has a specific function to perform, and that is the establishment of eligible registers for the different grades of the public service. They ought to be held to that. There are many people who firmly believe that they should not be given even that much. But they ought at least to be held to that line, and whenever by law or by Executive order we allow them to go outside of that range we are inviting trouble.

How can the Civil Service Commission know anything about the efficiency of clerks with whom they never come in contact? How can the efficiency of a clerk be determined except by the people who make observation of that clerk, who study his ability and adaptability to the particular kind of work on which he is engaged? No Civil Service Commission can ever do that unless you supply them with a force adequate to go into all these various offices and bureaus and study every individual clerk.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman permit an interruption?

Mr. ANDREWS of Nebraska. Certainly.

Mr. COOPER of Wisconsin. I do not understand that by Executive order it is contemplated that the Civil Service Commission shall enter these departments, or go in there all the time investigating conditions. Not at all; but only when the personnel commission, composed of people in the departments, shall consult with the commission in regard to the advisability of certain changes.

Mr. ANDREWS of Nebraska. Let me call the gentleman's attention to the fact that even with the provision that he suggests that personnel commission must have a force sufficient to learn the facts, just as the heads of each division and every bureau must learn the facts. How can you know what the qualifications of an individual may be or what his adaptability may be to a certain task unless you are in contact with the business and with the individual?

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of Nebraska. I yield.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from Nebraska may have five minutes more.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the gentleman from Nebraska may have five minutes more. Is there objection?

There was no objection.

Mr. GREEN of Iowa. I will say to the gentleman from Nebraska that possibly this is provided for on the next page, where the sum of $56,780 is appropriated for additional employees. Perhaps that is where they expect to get the men to perform this additional service.

Mr. ANDREWS of Nebraska. Whether that be true or not—I take it for granted that the committee in charge of the bill would not make that serious mistake—the gentleman from Iowa has performed a public service by calling attention to that point.

Let me emphasize one more point, Mr. Chairman. Take the question of appointment clerks, to whom I have referred. Compare them with law clerks, who receive $2,000 salary ordinarily and some $2,500. Take the clerks who are examining the most intricate accounts in the department, clerks upon whose judgment executive officers will sign papers aggregating the billions of dollars that go out from the Treasury. Their work is far more important than the work of an appointment clerk.

What are the requisite qualifications of an appointment clerk? First, he must understand the rules of the Civil Service Commission, and that is enough to drive anybody crazy in an ordinary period of time. What next? Why, an appointment clerk must be the cleverest liar on earth, able to turn so quickly that even Senators and Members and heads of departments can not catch him. [Laughter.] Now, when you take into account the shifting of the cards, the placing of this man here and that man there, you have the work of an appointment clerk; but the man who studies the law, the man who analyzes the facts, the man who does the work, gets $1,800 or $2,000 a year, while a third-rate appointment clerk gets $4,500 a year in the Bureau of Internal Revenue. Former Secretary McAdoo established that grade. Will Secretary Mellon and Commissioner Blair ratify and perpetuate it? If they do, will they not be compelled to cease talking economy? The appointment clerk for the department handles the record for 67,000 people approximately, while the appointment clerk for the Bureau of Internal Revenue had on his roll 19,637 July 1, 1921. Down with McAdoo, salary profiteer!

Mr. STEVENSON. Will the gentleman yield?

Mr. ANDREWS of Nebraska. I yield to the gentleman from South Carolina.

Mr. STEVENSON. Was that the position which the gentleman held when he was in the Treasury Department? [Laughter.]

Mr. ANDREWS of Nebraska. It was not, sir. When I was in the Treasury Department I never permitted any inequality of that sort when I had the power to stop it; and when I had a chance to disallow a salary on the basis of inequitable distribution, as I have stated, I disallowed it and forced them to the line. Does the gentleman from South Carolina want to ask another question? If he does, come on.

Mr. STEVENSON. I just wanted to know what class of people the gentleman got? He says they are a bunch of the biggest liars in the world. [Laughter.]

Mr. ANDREWS of Nebraska. I did not have any appointment clerk. He was over in the Civil Service Commission or the department.

Mr. BARKLEY. The gentleman is talking about the present administration. [Laughter.]

Mr. ANDREWS of Nebraska. Oh, no. I had two years under a Democratic administration, and that was the worst thing I ever met in my life. [Laughter.]

The Democrats increased the total disbursements of the Government for the fiscal year 1913, $43,000,000; for 1914, $39,000,000; for 1915, $35,000,000; and $129,000,000 by June 30, 1916.

The civil-service rules and regulations were deliberately disregarded, and worthy and competent Republican chiefs of divisions and clerks of higher grades were reduced in order to promote Democrats.

In the old second auditor's office the reduction and displacement of competent Republicans, including many ex-Union soldiers, were made for the sole purpose of benefiting Democrats. The man who was placed in charge of that office by the Wilson administration was soon recognized as one of the most noted political headsmen of his time. The political guillotine never swung more speedily than it did in that office at that time. Even ex-Union soldiers fell under it as though they had been traitors to their country.

Note the profligate waste of public money during the World War. If we had to-day the billions of dollars that were wasted by the Democratic administration during the war we could pay the total running expenses of this Government, according to the Republican standard, nearly two years without levying a single dollar in taxes. If that were not bad enough, how could you make it worse?

Mr. WINGO. Will the gentleman yield for a question?

Mr. ANDREWS of Nebraska. Yes.

Mr. WINGO. Has the service improved any since the gentleman left it? [Laughter.]

Mr. ANDREWS of Nebraska. It has not; but we are trying to improve it now.

Mr. BARKLEY. I hope the gentleman is not going to claim that he comes within that qualification himself.

Mr. ANDREWS of Nebraska. Oh, no. Like the gentleman from Kentucky I stood foursquare and did the right thing. [Applause.]

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For additional employees for the Civil Service Commission, $56,780: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum, except three at $3,000 each.

Mr. BYRNES of South Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment which the Clerk will report.

The Clerk read as follows:

Page 5, line 23, after the word "commission" strike out the figures "$56,780" and insert "$50,000."

Mr. BYRNES of South Carolina. Mr. Chairman, the experience of this Congress has been that whenever we have placed temporary employees upon the roll it has been almost impossible to separate them from the service. In view of that fact I am going to put this proposition up to the House now, because the House might as well determine what it is going to do. This is not the only bill where the departments are asking for temporary employees. Departmental officers have long since learned that when they come to the Committee on Appropriations and ask for an increase of their statutory force it is difficult for them to "get by," but if they can ever get temporary employees authorized on the ground that there is an emergency demanding their employment they know that at end of the year the fight is no longer theirs; that the employees will go to the Senators and Representatives from their States and beg them to make the fight their fight, and as a result the department head is able to continue on his rolls the temporary employees appointed for an emergency. That is our experience, and the Members of this House know it. Yet at this time, when you are preaching throughout the country about reducing employees in the service of the Government, the departments are asking in several bills for appropriations for temporary employees beyond the appropriations previously authorized. It is true that the Civil Service Commission attempted to do just what I have said they all do. They tried to get this committee to get $26,500 appropriated last year for temporary employees transferred over to the permanent roll, but the committee very properly refused to do that. But my good friend from Indiana [Mr. WOOD] had an unusual softening of the heart—unusual for him, because I will say that he generally makes an effort to hold down the expenses of the Government—and he made a recommendation to the committee of $60,000 for temporary employees for the Civil Service Commission, instead of $50,000, which they have this year. Subsequently in the full committee that was reduced to $56,780.

Now, my amendment is to put them right back where they are this year, at $50,000. When you do that you are doing more than you ought to do. How can you tell the people of this country that you are honest in your statement in reducing the number of employees on the pay rolls of the Government when at the same time you are appropriating more money for the purpose of holding examinations for new employees for the Government?

You can not argue that to any man with any sanity at all. Why, if you are reducing the employees of this Government you must have a roll now in the Civil Service Office of employees having a civil-service status who are being daily separated from the service who are eligible for appointment and whose competency has been tried and proved, and they should be appointed to any vacancies instead of holding new examinations throughout the country at an expense to the Government. Let us see the record you are making. Look at the facts. On June 30, 1916, according to the Civil Service Commission, all the employees of the Government numbered 439,798. During the war they increased, until November 11, 1918, there were 917,760. Now, three years after the war, we have only reduced them down to 597,482, or 162,000 more than we had June 30, 1916.

The Civil Service Commission say they need this money because they now conduct more examinations—at a time when we are supposed to be reducing the number of employees. They say they will examine 300,000 persons next year, and therefore they want an increased appropriation. Well, they examined 461,000 in 1919, according to their own statement, and their total appropriation only amounted to $660,000. This bill carries $673,000, and they only claim that they will examine 300,000. You and I know that they have no business examining 300,000 people, for they have this large number of people on the eligible list that can be reinstated.

Mr. KINCHELOE. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. KINCHELOE. Can the Civil Service Commission reinstate a man who has been discharged if he is on the eligible list?

Mr. BYRNES of South Carolina. Yes; they can do that under the law, as I understand.

Mr. KINCHELOE. The reason I ask the question is that I had an ex-service man who had a civil-service status as a railway mail clerk, and I tried to get the commission to reinstate him, and they refused to do it.

Mr. BYRNES of South Carolina. I am not interested in any one case. They, of course, have discretion and may abuse it.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BYRNES of South Carolina. What I want to know is whether or not Congress is going to embark on increasing the number of temporary employees in this department of the Government—the Civil Service Commission—whose sole business it is to furnish additional employees in the Government service? It will be interesting to other subcommittees of the Committee on Appropriations. There is an additional reason also—my good friend from Illinois said that we are interested in the contest between the Bureau of Efficiency, the elder brother, and the Budget Bureau, the younger brother. I am not interested in it at this time, but what I am interested in is doing what the Budget Bureau was supposed to do—eliminate some of the duplications.

Now, I notice in the last few days that the Civil Service Commission has sent a supplemental estimate to the Committee on Appropriations. The Chief of the Bureau of the Budget sent it for the Civil Service Commission. That the Chief of the Bureau of the Budget has never understood the budget act is evident, because the act provides that he shall not submit supplemental estimates unless there is an emergency. He submits a supplemental estimate only a month after this committee has had its hearings asking an increase of salary for the Civil Service Commissioners. Can anybody say what emergency demanded the submission of a supplemental estimate of that kind?

Mr. MADDEN. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. MADDEN. I will say that I will be glad to join the gentleman, or any other gentleman on the Appropriations Committee, to see that whatever recommendations are made in that connection are not made effective.

Mr. BYRNES of South Carolina. I am glad the gentleman joins me, and I assure him that I will be fighting with him, because there is an additional reason. Since the hearings on the bill the commission has submitted within the last few days an estimate for $100,000—some of it to increase the salaries of the commissioners—and for another purpose, to investigate the character of the applicants for civil-service positions. I do not know whether the purpose is to use some of these funds for the personnel board, but I suspect that is intended. If you establish a Bureau of Efficiency you should maintain it, but do not come here and saddle the personnel board on the Government.

The one reason I asked the question of the gentleman from Indiana as to the Bureau of Efficiency, I wanted him to state which one he was in favor of. If he said the Civil Service Commission, I would move to strike out the Bureau of Efficiency, and if he stands for that he can not defend the desire of the Civil Service Commission to establish this personnel board.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. GREEN of Iowa. As I understand the gentleman, if there were not more than 300,000 persons examined they would have plenty for the departments and more than they could use.

Mr. BYRNES of South Carolina. Yes. The gentleman knows that if they have taken many employees off of the rolls they would be eligible for reinstatement. If you say that you are going to reduce the number of clerks in the service and then appropriate $56,000 for temporary clerks, thus increasing the appropriation to hold more examinations, to appoint more employees, you can not defend it.

Before I forget, let me tell my friend this: Do not get the idea that this is connected with the presidential postmasters, because $75,000 is specifically included for that purpose; this $50,000 that is carried can not well be charged up to that, for the reason that they say they have brought the postmaster examinations up to within 60 days and would soon be up with them. If that is true, then many clerks can go back on the regular work. If you appropriate this money, it is simply notice to all of the other subcommittees of the Appropriations Committee that the bars are down and that you are going to put temporary employees on, knowing well that if we do that,

that at the end of 12 months they are going to be begging to be kept and that you never will get them off the rolls.

Mr. GREEN of Iowa. I was merely going to ask what the commission claims these clerks are going to do?

Mr. BYRNES of South Carolina. The commission claims that they are necessary because they are behind with their work and they need them to keep up with that work; but they have as much money as they had a year or two ago when they had more examinations. And if they will certify some of the employees who are daily being separated from the rolls, and who are eligible, they would not have to hold examinations and would not need so many clerks in the civil service.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. WOOD of Indiana. Mr. Chairman, I wish to call the attention of the committee to the situation with reference to this appropriation. The Budget recommended an increase in the salaries of the employees of the Civil Service Commission. The employees in the Civil Service Commission are paid less proportionately for the service being rendered than in almost any other department of the Government. The turnover in the Civil Service is greater than in any other department of the Government. It may seem strange, but the fact is that even with the dearth of employment now existing, the turnover in the Civil Service last year was 76 per cent. This appropriation that is being recommended in this bill is less than that carried in 1922 by $3,220, and it is $10,000 less than that recommended by the Budget. Where the confusion seems to arise is here: It is the policy of the Committee on Appropriations not to increase any salaries, depending, if you please, upon the reclassification that has been promised us for so long. Therefore, when we found that we were not to increase these salaries, as recommended by the Budget, we had to reform the situation, taking those out of the statutory rolls that were put in under the estimate and placing them back again in the lump-sum appropriations. In doing that this increase occurs, but if you will examine it all the way through, you will find that we have absolutely reduced the cost of this activity $3,220, as compared with the appropriations for 1922, and that it is $10,000 less than that recommended by the Budget.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. The gentleman does not mean to say that the appropriation is not $50,000 for the current year for temporary employees?

Mr. WOOD of Indiana. No; I do not wish to say that; but I say that in this rearrangement, if you will take the sum appropriated for the statutory roll last year and the sum appropriated for the lump-sum appropriation last year and compare them with the like appropriations this year, you will find that it is $3,220 less than that appropriated last year.

Mr. BYRNES of South Carolina. I have done that, but my figures do not agree with the figures the gentleman gives. Is not the gentleman confused in that he reduced that out of printing and binding?

Mr. WOOD of Indiana. When we take the whole amount of reduction into consideration, the gentleman is correct. I wish to call attention in passing to the increased activity of the Civil Service. In 1916 the total number of examinations was 154,000 in round numbers, in 1919 they were 461,000, and in 1920 they were reduced to 325,000. In 1921 they were increased to 328,000.

I call attention to the further fact that during the war the Civil Service Commission had an appropriation of $250,000 for the extra service for which we are now allowing them only $50,000, when as a matter of fact the volume of the work is almost equal to that which they had on their hands at that time. In addition, there has come this extraordinary work of the post-office examinations. Some one may say that that was true during the Wilson administration, but it was practically over during the last days of the Wilson administration.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. The entire examination of the fitness of postmasters all over this country has now been devolved upon the Civil Service Commission. One reason why this apparent increase in the lump-sum appropriation in the minds of your committee was essential is because of the fact that the service required in the civil service, if it is worth anything at all, is of a very high grade, or should be. Civil-service employees are passing on the fitness of applicants for technical places in the various branches of the Government where the most vital interests of the Government are involved, carrying salaries of four, five, and six thousand dollars a year. Those positions are passed upon by civil-service employees receiving salaries of twelve or fourteen hundred dollars each. The apparent increase is caused here by the fact that in order that they might have some relief in that regard, so that they could employ a few more higher-priced clerks at one hundred or two hundred dollars a year more, a very few, amounting to not more than three or four thousand dollars, in order that they might have more efficiency and that they might have more practical examinations where these technical jobs are involved. So that if we are to do that which is best for ourselves, that which is best for the people we are serving, we ought to have this agency of the Government so equipped that they can best render the service imposed upon them. That is the only reason for this, and, as a matter of fact, we have reduced the entire appropriation $10,000 below that recommended by the Budget and $3,220 below that carried last year.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. KINCHELOE. Why could not the Civil Service Commission, when the civil-service status of any of these clerks is about to expire by reason of limitation, which is a year, extend the status for another year?

Mr. WOOD of Indiana. I understand that the practice is that a person who has disconnected himself from the civil service may be reinstated within a year if he desires.

Mr. KINCHELOE. I am talking about the ones who have acquired a status but who have never been put in a position. As I stated to the gentleman from South Carolina, an ex-service young man in my district wrote to me the other day that his year was out. He had a civil-service status as a railway mail clerk. They absolutely refused to do it. Why should they refuse?

Mr. WOOD of Indiana. I do not know why. That is a matter of administration. We have nothing to do with it.

Mr. WINGO. Will the gentleman explain this policy, too: A man who has been separated from the service and wishes to be reinstated is not asked to file an application for reinstatement—say a clerk in a first-class office or rural carrier. They hold he must make a new application after a vacancy has occurred before there is a certification. And in every case I have had the man did not know of the vacancy until after the Post Office Department had called on the Civil Service Commission for a certification. I know the case of one man where that has happened twice, and he is trying to get back in. They will not treat his application for reinstatement as a general one. They must make the application before the vacancy occurs and after the application of three names is called for to fill it. What is the reason for that policy?

Mr. WOOD of Indiana. I will state in answer to that argument, and it is well taken, that I have run across the same thing. It is absolutely impossible to get his application for reinstatement in in time before some man that is on the original list between the time of the discharge and his time of application for reinstatement. And I wish to say, in answer to the gentleman, that the present head of the Civil Service Commission is trying to invoke a new policy for the purpose of curing that very thing. He is trying to do this, and that is one of the reasons, I understand, that they have sent down an additional request for money; that they can put a little bit of practicability into that examination of these rural carriers. A lot of these boys out of a high school can take the examination and put it all over a man who has had years of experience in that kind of thing, when under the policy he is entitled to preference.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. Mr. Chairman, I have been interested in the controversy about the duplication of the Efficiency Board and this new organization. Has the gentleman gone into that?

Mr. WOOD of Indiana. I have gone into it some, and I wish to say here and now that we are not in accord with this idea of appointing a commission upon a commission. There has been a pyramiding of the so-called efficiency propositions, and I have never been able to understand why this last one was appointed, but there seems to be somebody who thought there was some reason for it.

That is just the trouble. We are appointing and reappointing and pyramiding these positions. It has become a practice that has been encouraged so much in the last 10 or 15 years

that we have boards that are in constant conflict with each other. So far as I am concerned, I do not approve the action of appointing this last commission.

Mr. FESS. Will the gentleman yield further?

Mr. WOOD of Indiana. I yield.

Mr. FESS. I would not be ready to vote to eliminate until I had looked into the necessity for this new board. It might be essential to the Budget system, but it does seem to me, if it is essential, we ought to eliminate the other.

Mr. WOOD of Indiana. It is not costing the Government anything, because it is made up of selections from these several departments. It is an advisory sort of an arrangement. But, as I say, I do not understand the necessity for it. I want to say in passing that this Bureau of Efficiency—and I have taken some pains to inquire into its workings, because it has been criticized in this House and on the other side more than almost any other activity, I believe—has rendered more service than most any other activity in this Government.

Mr. FESS. Does the gentleman believe the new institution will ultimately involve an appropriation?

Mr. WOOD of Indiana. Yes; that is what I think. I never knew one that did not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. WOOD of Indiana. Division, Mr. Chairman.

The committee divided; and there were—ayes 16, noes 63.

So the amendment was rejected.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word. I want to make one statement in reply to the gentleman from Indiana [Mr. WOOD] about what he called the difficulty of passing the civil-service examination for appointment as rural mail carriers. I am quite sure he has not seen the official statistics. They were given to me seven months or more ago by a member of the Civil Service Commission. The gentleman from Indiana [Mr. WOOD] spoke of the extreme difficulty of passing that examination unless the applicant was fresh from school. Now, as a matter of fact there were 18,000 applications for rural carriers last year, and yet this very difficult examination was passed by more than 11,000 of the applicants, and many of the 7,000 who failed to pass failed because of physical disqualifiation and not on account of any trouble with their mental powers or scholarship. Those are the facts.

Mr. ROACH. Mr. Chairman, I offer an amendment to the section just read.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROACH: Page 5, line 25, after the word "each," insert "*Provided further*, That no portion whatsoever of the sums hereinbefore or hereinafter appropriated shall be employed, used, or expended in holding or defraying the expenses of holding examinations for the appointment of presidential postmasters."

Mr. WOOD of Indiana. Mr. Chairman, I make the point of order against the amendment because of the fact that it is legislation. It is not a limitation.

The CHAIRMAN. Does the gentleman from Missouri wish to discuss the point of order?

Mr. ROACH. I would like to make this statement, if the Chairman please, that I do not believe the point of order is well taken on the grounds on which it is presented. As I understand, the appropriations that are being made are proposed to cover the very items that I am objecting to being paid out, namely, the expenses incurred in holding examinations to fill the offices of first, second, and third class postmasters. It is my information that fourth-class post offices are under what we know as the law of the classified service, but that the first, second, and third class post offices are not under the law of classified civil service, and, if that is true, then this amendment would not be legislation on an appropriation bill.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. ROACH. I do.

Mr. MANN. Is not the gentleman's amendment a mere limitation on the expenditure of the appropriation?

Mr. ROACH. Yes, sir.

Mr. MANN. And simply provides that no part of the funds shall be used for that purpose?

Mr. ROACH. Yes, sir.

Mr. MANN. That is all of it, then.

Mr. WOOD of Indiana. You had better read it.

Mr. MANN. That is the trouble; I did read it.

Mr. ROACH. It says "hereinafter" in this bill, not "hereafter." The amendment I have offered simply provides that money from none of these items mentioned in the section previously read shall be paid out for the examination of first, second, and third class postmasters; neither shall the money in any of the other items mentioned in this bill be used for that particular purpose.

The CHAIRMAN. The point of order is well taken, on the ground that one can not determine at this time what would be or what would not be germane to the subsequent sections of the bill. The Clerk will read.

Mr. WINGO. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. Well, the Chair will hear the gentleman.

Mr. WINGO. Mr. Chairman, as I understand the point of order, it is that this is legislation. There is no legislation on presidential postmasters, because under the Constitution we can legislate only upon the minor civil offices, and we can certainly put a limitation upon the expenditure of any fund, even if it were for a purpose covered by the legislation. It is plain it is a limitation on the expenditure of money. I do not see how the Chair can hold that because in some other places in the bill there might be some legislation that this would affect this is not in order. This is not a legislative bill. This is an appropriation bill. We can put a limitation on any item in an appropriation bill at any place.

The CHAIRMAN. The Chair sees no reason to change his decision. The Clerk will read.

The Clerk read as follows:

Field force: District secretaries—2 at $2,400 each, 1 $2,200, 4 at $2,000 each, 5 at $1,800 each; clerks—1 of class 4, 1 of class 3, 1 of class 1, 7 at $1,000 each, 6 at $900 each, 5 at $840 each; messenger boy, $480; in all, $45,680: *Provided*, That the Civil Service Commission shall include in its estimates for 1924 items covering the field force detailed from departments and offices, and the heads of such departments and offices shall in their estimates for 1924 make corresponding reductions in the appropriations from which the employees detailed to the Civil Service Commission have been paid.

Mr. SEARS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Florida moves to strike out the last word.

Mr. SEARS. Mr. Chairman, I hesitate to address my colleagues, because I know it is usually the custom when a man is down to kick him, and the Shipping Board has certainly received its share of criticism. However, I have received so many letters from my constituents objecting to and protesting against the methods of advertising pursued by the Shipping Board, I feel it my duty to call your attention to same. In this bill, as I understand it, about $900,000 will be spent in advertising. I am the last of my colleagues to object to legitimate advertising, for I appreciate the value of advertising; but I have before me a copy of the World's Work, January, 1922, containing a page advertisement paid for by the Shipping Board, which reads in part as follows:

"You are tired of the old winter vacation round. You want something new—

I will not read the rest of it, but will simply state it tells you to go to South America.

I also have before me a copy of the National Geographic Magazine, January, 1922, which has three full-page advertisements by the Shipping Board in one issue, one of which reads:

You are tired of the old winter vacation round. You want something new—

Then there is this one—

China is the place to go this year. This is the year to see China.

In the Saturday Evening Post, January 14, 1922, there is a full-page advertisement, costing, I understand, $6,000, to this effect:

Now is the time to see South America. Now, as never before, South America, the playground of nations, invites you. These splendid new ships are operated for the United States Government by the Munson Steamship Lines. Write for booklet. United States Shipping Board, information desk 2471, Washington, D. C.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. SEARS. Yes.

Mr. STEVENSON. Is there anything about going to Florida in that advertisement?

Mr. SEARS. Not a word. [Laughter.] But you need not worry about this, for you can not stop the people from going to Florida, as they know about our beautiful scenery and wonderful climate. I am glad my colleague from South Carolina asked that question. I have before me The Miamian, published by the citizens of Miami, Fla., which is costing them thousands of dollars, urging American citizens to go to Florida and spend the winter. I hope he has received this magazine, and while I know he is a very busy man, that he has found time to read it, and if he has, I believe he will agree with me when I say it is not necessary to go to South America or any other foreign country, and also that we have enough places of beauty and interest to go to in this country.

Mr. ANDERSON. And spend their money. [Laughter.]

Mr. SEARS. Yes. Why not there better than in some foreign country?

Mr. KNUTSON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. KNUTSON. Is the gentleman going to——

Mr. WINGO. Mr. Chairman, I make the point of order that a Member of the House can not be taken off the floor in that way.

Mr. KNUTSON. I am seeking information——

Mr. WINGO. You will continue to seek it. A Member can not be taken off the floor in that way.

The CHAIRMAN. The gentleman from Florida will proceed.

Mr. SEARS. I would like to call the attention of my colleagues to the fact that this year we are going to appropriate a million and a half dollars in beautifying our magnificent national parks, and why should not our citizens visit these first? Besides Florida, there is the State of California. I have never visited that beautiful State, but some day I hope to go out there and enjoy their climate. There is also the State of North Carolina, also the States of South Carolina, Georgia, and Texas, which are spending hundreds of thousands of dollars in advertising in magazines and newspapers urging the American people to stay at home and see America first, and also urging the people of foreign countries to come to this great country and enjoy our climate.

Mr. Chairman, I do not believe it is fair for the Government to spend the taxpayers' money urging the American people to go to foreign countries when there is so much in America to see. If they were spending their own individual money, then there could be no complaint, but the Government should quit spending the people's money trying to offset the cry that was raised here some years ago of "see America first," and also in so far as possible nullify the advertisements of our own people. Referring to my own district, I will say I realize I have one of the most progressive districts in the world, and——

Mr. KNUTSON. What district does the gentleman represent?

Mr. SEARS. The district reaching from Jacksonville to Key West.

Mr. KNUTSON. Is that the best part of Florida?

Mr. SEARS. The gentleman is unkind in trying to embarrass me. I am speaking for Florida, and if he has listened, for resorts also in other States. I represent a district where a brother of the gentleman from Illinois [Mr. MANN] resides, and he is a fine man, active and progressive. The gentleman who has charge of this bill also owns property in my district. It might interest you, Mr. Chairman, to know that there is not a colleague of mine who does not have a former constituent or relative now living in my district.

Mr. STAFFORD. There is great activity also in liquid goods down there, is there not?

Mr. SEARS. Yes. We have the Gulf on one side and the Ocean on the other. But if the gentleman is referring to that beverage which made Milwaukee famous, I will state Bimini, an English island, is only about 30 miles from Miami, and I am told you can get water or any drink you desire down there. [Laughter.] I also desire to say to my colleague from Wisconsin, I am not alarmed because of the number of northern people moving into my district, for almost all good Republicans when they move there become good Democrats. But I earnestly protest against the Shipping Board advertising to the American people that there is nothing in America to see and that they must go abroad in order to see something worth while. If they are going to continue this policy, then I frankly confess the cities and States who do advertise to such a large extent had just as well stop advertising, for they can not compete with the Government and such advertisement as they may send out. In other words, Mr. Chairman, it is simply a matter of the Government spending the people's money advertising "You are tired of America—go abroad"; while the people of the United States, or at least, the citizens of many States are advertising "There is enough to see in the United States; why spend your money abroad"? I earnestly and emphatically protest against this, and believe my colleagues will agree with me when I say it is neither fair nor just.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. SEARS. Mr. Chairman, may I have one minute more?

The CHAIRMAN. The gentleman from Florida asks unanimous consent to proceed for one minute more. Is there objection?

There was no objection.

Mr. SEARS. It seems to me, Mr. Chairman, when we made the railroad rates almost prohibitory for the man of ordinary means that was enough, and that even then the Government had gone too far. But now to come along and advertise page after page—three pages in one magazine and a solid page in the Saturday Evening Post—urging people to believe that there is nothing in the United States to see, and insisting that you must go abroad, is a wanton waste of the people's money, and some limitation should be placed around the expenditure of that $900,000.

Mr. Chairman, permit me to again state Florida can take care of herself, and in proof of this I only have to state when I first entered Congress there were less than 200,000 people in my district, while to-day there are more than 400,000—this does not include the thousands of tourists who are simply spending the winter there—and we are still growing by leaps and bounds. Our climate is unexcelled; our health condition ranks with the best of any State in the Union; our people are whole-souled and happy; our State has only begun to grow, and to those of you who have not had the pleasure of paying us a visit I trust some day you may do so in order that you may not only verify what I have said but can say I did not half paint the picture.

I shall not take up your time telling you about West Palm Beach, Palm Beach, Fort Lauderdale, Daytona, New Smyrna, Sanford, St. Augustine, Jacksonville the gateway to our State, and the many other wonderful and excellent winter and summer resorts in my district, nor shall I go into details of Tampa, Lakeland, St. Petersburg, Gainesville, the home of our university, Pensacola, and the many other places in the districts of my colleagues from Florida. Suffice it when I tell you we have spent millions of dollars for perfect roads and millions of dollars draining the Everglades, the land of which is only equaled by the lands along the banks of the Nile. And yet we have, as previously stated, just begun. All we ask is a fair deal, and again I say there is enough to see in Florida without going abroad. What say California, North Carolina, Texas, and if this same policy is pursued during the summer months New York, New Jersey—the State that boasts of Atlantic City—Maine and other States throughout the Union? [Applause.]

The Clerk read as follows:

For examination of presidential postmasters, including travel, printing, stationery, contingent expenses, additional examiners and investigators, and other necessary expenses of examinations, $75,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $1,800 per annum, except five at not to exceed $3,500 each.

Mr. STEVENSON. Mr. Chairman, I make the point of order against that paragraph, that it is a provision for an expenditure that is not authorized by any statutory law.

The CHAIRMAN. Does the gentleman desire to be heard on the point of order?

Mr. STEVENSON. Mr. Chairman, if there is any law that authorizes examinations for postmasters, except the Executive order of the President, I have not been able to find it, and I find that the order of the President itself says that it is merely a presidential regulation, which shows that there is no statutory provision for it. Therefore, if I understand the rule of this House that no appropriation shall be reported in any general appropriation bill or be in order as an amendment thereto for any expenditure not previously authorized by law unless in continuation of appropriations for such public works and objects as are already in progress—if that rule is in force, and there is no statutory provision for the examination of presidential postmasters, and it depends entirely and solely upon an Executive order, then I think I have brought my case within the rule.

Mr. WOOD of Indiana. I will state to the Chair, as a matter of history, that the present Executive order is a continuation of the Executive order inaugurated by President Wilson. The President of the United States, amongst other things, is authorized to issue Executive orders. Of course, I take it an Executive order can not be authorized unless it is predicated upon a law authorizing it.

Mr. WILLIAMS. Will the gentleman from Indiana yield?

Mr. WOOD of Indiana. I yield to the gentleman from Illinois.

Mr. WILLIAMS. Does not the law specifically prescribe how postmasters of the first, second, and third class shall be appointed?

Mr. WOOD of Indiana. The law provides how the examinations for fourth-class postmasters shall be held.

Mr. WILLIAMS. They are under the civil service.

Mr. WOOD of Indiana. Yes.

Mr. WILLIAMS. But the law provides that postmasters of the first, second, and third class shall be appointed by the President of the United States and their appointment confirmed by the Senate. Now, this Executive order merely provides the ma-

chinery to enable the President to make proper appointments. It is not based on any law.

Mr. WOOD of Indiana. It is based on a law. If it was not, the Executive order would not be authorized at all. Section 2852, prescribing the duties of the Civil Service Commission, provides amongst other things that it shall be the duty of said commissioners first to aid the President as he may request in preparing suitable rules for carrying this act into effect, and when said rules shall have been promulgated it shall be the duty of all officers of the United States in any department to which such rules shall relate to aid in all proper ways in carrying such rules and all modifications thereof into effect. So, as a matter of fact, the Civil Service Commission is appointed as an auxiliary or aid to the President, subject to his Executive order, and there can not be any question about that.

Mr. WINGO. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Arkansas.

Mr. WINGO. The act to which the gentleman refers is an act with reference to the classified service?

Mr. WOOD of Indiana. Yes.

Mr. WINGO. Authorizing the President to cover any particular employees of the Government into the civil service. But the gentleman does not contend, and I understand the President does not contend, that the President's Executive order puts these postmasters under the civil service. It is true the law does provide that the Civil Service Commission shall assist the President in certain things, but that is with reference to the classified service. When the President makes an order covering certain employees into the civil service, then the Civil Service Commission are to do certain things, but it is not contended by anyone that these first, second, and third class postmasters are under the civil service.

Mr. ANDREWS of Nebraska. Will the gentleman from Indiana yield for a question?

Mr. WOOD of Indiana. I yield to the gentleman from Nebraska.

Mr. ANDREWS of Nebraska. Does not the fact that the law vests the appointment of these postmasters in the President carry with it by implication the authority of the President to choose his own methods of appointment?

Mr. WOOD of Indiana. I think the gentleman's position is tenable. I also think that under the law establishing the Civil Service Commission they are appointed as an aid to the President of the United States in inquiring into the classification of Civil Service officers in the first place, and in the second place to aid the President as he may request in preparing suitable rules, and so forth, and as stated it is one of the duties incumbent upon the President of the United States to appoint these postmasters. Now, he may issue an Executive order to any agency appointed for the purpose of assisting the President in carrying out the laws of the United States, to aid him in inquiring into the qualifications and fitness of appointees, or to aid him in anything pertaining to ascertaining the fitness of appointees to these positions. Therefore I say that he has the right, not only by reason of the fact that he is charged under the law with the appointing of these postmasters but it is the duty of the Civil Service Commission to aid him in carrying out that law. It is a purely administrative function.

Mr. STEVENSON. Mr. Chairman, the statement of the distinguished gentleman from Indiana [Mr. WOOD] that this idea originated with President Wilson does not constitute it law. While I admit that President Wilson had a lot of good sense, he never had the constitutional power to enact a law under which an appropriation could be made in this House.

Mr. WOOD of Indiana. He did it on many occasions.

Mr. STEVENSON. He did it because you fellows laid down and did not make a point of order.

Now, Mr. Chairman, the rule is exceedingly clear. There must be an authorization and that authorization must be made by law. There is no provision that an authorization may be made by Executive order.

In construing the rule the Chairman will find the following language:

> As all bills making or authorizing appropriations require consideration in Committee of the Whole, it follows that the enforcement of the rule must ordinarily occur during consideration in Committee of the Whole.

Now, when did it become pertinent for the President to make an Executive order which was considered in Committee of the Whole? In other words, the law authorizing the appropriation must be a law which has been passed upon by the representatives of the people in Committee of the Whole and determining the rights of the people as in Committee of the Whole and reported to the House.

Mr. FESS. Will the gentleman yield?

Mr. STEVENSON. I will.

Mr. FESS. Does not the gentleman's argument go to the lack of authority for the Executive order?

Mr. STEVENSON. No, sir. The President may prescribe any method he sees fit to secure the proper appointees for him to name for the Senate. He can make any regulations, but when he calls on the House of Representatives to make an appropriation to defray the expense he is reaching beyond his jurisdiction.

Mr. FESS. Does the gentleman concede that the President has authority under the law to make an Executive order?

Mr. STEVENSON. The President has authority under the law to say: "I am the constituted appointing power of presidential postmasters, and I as the appointing power hereby say that I will only appoint under the following circumstances: I will require an examination and have selections made from the three highest contestants." But when he goes further and says, "I hereby decree that the House of Representatives shall appropriate $75,000 to defray the expenses of this examination," he is invading the province of this House, and he can not get away with it.

The authority says:

> As all bills authorizing or making appropriations—

There must be some bill authorizing the appropriations in order to make it in order—

> requiring consideration in Committee of the Whole, it follows that the enforcement of the rule must follow during the Committee of the Whole.

Then they go on and state:

> The authorization by existing law required in the rule to justify appropriations may be made also by a treaty if it has been ratified by both the contracting parties. And a resolution of the House has been held sufficient authorization for an appropriation for the salary of an employee of the House even though the resolution may have been agreed to only by a preceding House. The omission to appropriate during a series of years for an object authorized by law does not repeal the law, and consequently an appropriation when proposed is not subject to the point of order.

But that has not gone to the point of saying that the dictum of a President shall be the law of the land.

A resolution of the House is held sufficient authorization for an appropriation of a salary to an employee of the House, even though the resolution may have been agreed to by a preceding House.

Now, Mr. Chairman, there is the rule of the House, and the construction that has always been placed upon it heretofore has been that the authorization must be a bill which has been passed upon by a Committee of the Whole representing the whole people and reported by the committee and passed and become a law; that a treaty which under the Constitution has the power of law when it has been ratified by both parties is the supreme law of the land, and a treaty will authorize an appropriation because it has the force of law, like the treaty to pay the United States of Colombia $25,000,000. That was the law of the land ratified by both parties and is authorization for an appropriation. But an Executive order—I do not care what the prerogative of the President is—an Executive order which declares that there must be an examination and which calls upon this House to appropriate for that examination is not a sufficient authorization for an appropriation, to come within the rules which are laid down for the government of this House, but is an executive usurpation by an executive officer to spend the money of the House and is not authorized by law.

The CHAIRMAN. The Chair is ready to rule. The question arises on the paragraph making appropriation for the purpose of examination by the Civil Service Commission of presidential appointees for post offices. It is admitted that this examination is required under existing order by the President. The question is whether or not it is authorized by existing law. What the gentleman from South Carolina [Mr. STEVENSON] says is of course entirely true. There must be some provision of existing law that authorizes the appropriation or else it is not authorized by existing law.

The provision referred to by the gentleman from Indiana as existing law is in this book known as Barnes's Federal Code, page 621, and is a part of section 2859:

> It shall be the duty of said commissioners: First, to aid the President, as he may request, in preparing suitable rules for carrying this act into effect, and when said rules shall have been promulgated it shall be the duty of all officers of the United States in the departments and offices to which any such rules may relate to aid, in all proper ways, in carrying said rules, and any modification thereof, into effect.

It is suggested by the gentleman from Arkansas [Mr. WINGO] there may possibly be an inference, at least, that these provisions might refer to merely the classified service. However, the broad scope of the power is shown by the provision in the

same chapter with reference to the limitation on the activities of Congressmen:

No recommendation of any person who shall apply for office or place under the provisions of this act which may be given by any Senator or Member of the House of Representatives, except as to the character or residence of the applicant, shall be received or considered by any person concerned in making an examination or appointment under this act.

That evidences, of course, a very broad interpretation of the act, as it applies to any person who shall apply for any "office or place." That would necessarily include applicants for post offices.

As the power is granted without reservation to the President to make such appointments, and as he is authorized to prescribe rules and regulations for the Civil Service Commission, it would appear that the authority is complete in law for the appropriation of funds from the Treasury for such purpose. The giving of additional duties to an appointee of the President by an Executive order of the President, it seems, would clearly imply that such service must be paid for. As the President has the power to make orders to increase the efficiency and to regulate even the duties and prescribe rules for the conduct of the Civil Service Commission, if he has given an Executive order to the Civil Service for the performance of duties with regard to his office, an appropriation for such service is clearly within the provisions of the law. The Civil Service Commission is not limited only to duties with regard to the classified service. The President can create new duties and ask them to perform any duties under existing law that he chooses to do, and he has chosen to do that in this case.

Therefore it seems to the Chair that the appropriation is authorized by existing law, and the point of order is overruled.

Mr. ROACH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ROACH: Page 7, line 10, strike out all of lines 10, 11, 12, 13, 14, and 15, inclusive.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Missouri [Mr. ROACH] has made some very astonishing and, I am certain, some very erroneous statements. He seems to have made them on the authority of the gentleman from Arkansas [Mr. WINGO], but he far exceeded anything the gentleman from Arkansas stated. That gentleman saw fit to put his interpretation upon certain actions of the department, and then the gentleman from Missouri states his further interpretation as actual facts.

Mr. WINGO. I will state to my friend that I have no desire to suffer the proverbial fate of the innocent bystander, but if the gentleman wishes, and will put them in the RECORD, I can furnish two bushel baskets full of letters that will sustain the charge—letters that I have received since I made the charge before.

Mr. GREEN of Iowa. There will be about a two-bushel basket full of complaints from disappointed candidates.

Mr. ROACH. The gentleman misunderstood what I said, that the reports emanate from the Civil Service Commission and the Post Office Department themselves, that the Members of Congress can get anything they want in the matter of post-office appointments, and I believe it is true. I have heard those reports, and have been told that, as a matter of fact, they are true.

Mr. GREEN of Iowa. The gentleman from Missouri is undertaking to make charges that he can not substantiate in any manner whatever. I think I know something about what is going on, and I never heard of such statements emanating from the departments. On the contrary, I know that the statement of the gentleman from Missouri is incorrect, and I know it from statements that my own colleagues have made to me, as I know it from personal experience. I do not know it from my having tried to influence the commission in any improper way, but I know it from my experience and from colleagues, gentlemen who have stated repeatedly to me that the examinations were conducted fairly, and that often the men that they wanted were excluded, but that they could do nothing about it. I have been compelled to write my constituents the same thing, that I could do nothing about it, when, as often occurred, Democrats were marked highest, or the particular party I wanted failed to get a passing grade.

Mr. ROACH. I did not say the reports were true. I said the reports were emanating from the department, and I have heard them and you have heard them. I have not said the reports were true. I have only heard about them.

Mr. GREEN of Iowa. I have not heard any such reports.

Mr. FESS. I would like to state to the gentleman and also to the Membership of the House that owing to a young man's service overseas I was exceedingly anxious to see him appointed postmaster in one of the towns in my district, and I made that known. The examination was conducted with the full knowledge that he had served overseas. But, unfortunately, he could not qualify under the term "necessary experience." He had not had experience. I asked whether the President's Executive order would give him preference because of overseas service and allow his overseas service to count on his experience, and I received yesterday an official answer that it would not.

Mr. WILLIAMS. Such a regulation ought to be abolished.

Mr. FESS. These charges that a Congressman can get anything he wants I do not think ought to be made seriously. If it is a matter of humor, all right; but it is certainly not true.

Mr. BLANTON. Will the gentleman from Iowa yield?

Mr. GREEN of Iowa. I would like to have some of this time myself. I think I can explain some of the ratings of the candidates. I happened to be at the Civil Service Commission's office one day, and while I was sitting there two clerks were reading back and forth and checking up their reports that they had received. I do not know where the candidate lived, nor for what position he was seeking, but evidently some post office.

I listened to some of the questions and answers. Letters had been written to citizens of his town making inquiry with reference to his fitness for the position, and one answer was that he had no fitness whatever; that he had no tact. Another party answered that he was not a public-spirited individual, and that he had refused to buy Liberty bonds, and was very unpopular in the town. Still another said he had no business capacity. There were other answers of that kind, all confidential information, that had been furnished the Civil Service Commission, information that his Congressman could not have acquired, although it would have been well if he could have done so.

Mr. STEVENSON. Does the gentleman think it is a good system that enables a crowd of fellows to paste a man in the back, where he can not see it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. I ask unanimous consent for five minutes more, Mr. Chairman.

The CHAIRMAN. Is there objection. [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Just to show how far the gentleman's question goes, I would advise him that these men from whom the commission received the information were selected by the candidate himself, and their names had been given to the commission as references. Like some other politicians, they had overrated their popularity.

Mr. SEARS. My colleague from Ohio [Mr. FESS] was talking about soldiers. In the first congressional district one passed an examination and was the only one eligible, but they would not appoint him. He passed, I understand, a second time, but because there were not three they would not give him an appointment. In another place in my district both candidates failed, and the lowest one received the appointment.

Mr. GREEN of Iowa. I do not yield for the purpose of a speech. The gentleman can get his own time. The gentleman complains because the Civil Service Commission followed the rules when no candidate passes. The selection is then made without regard to the examination.

I do not believe that there is any foundation for the insinuation made with reference to the commission. The man who can influence them to violate the rules has much more influence with them than I have, or any other Member who has given me his experience.

Mr. ROSE. Mr. Chairman, will the gentleman from Iowa give me time to present a case that came under my own personal observation and which is in support of the statements made by the gentleman from Iowa [Mr. GREEN]?

Mr. GREEN of Iowa. Yes.

Mr. ROSE. I know of a young man who was in France for a long period of time during the late war and who presented himself for examination for postmaster under civil service, but who failed to qualify. He reported his failure to me. I was under the impression that his preference was not allowed him, and I made it my business to ascertain from the department whether or not the 5 per cent to which he was entitled was given to him, and learned that it was allowed. The young man was of opinion that he would be entitled to another examination, and I undertook to find out whether that would be permitted or not. He told me himself that he was unable to pass

the examination with respect to business qualifications, and that a reexamination would not help him in any way, and I made no further effort in his behalf, but commended him for his frankness.

Now, the point I want to make is that, so far as I can see, the examinations are fairly conducted, and that the reports made by the commission are proper, and that there is no foundation upon which to make the statements that have been made upon this floor in public criticism of the work and reports of the commission.

I do not see how the Civil Service Commission could do the things with which it is charged without our knowing about them, and, in my opinion, the work of the commission is properly conducted and fairly conducted under the rules that now obtain. Whether the system employed is proper is another question entirely.

Mr. GREEN of Iowa. I know of many cases showing just contrary to the conditions stated by the gentleman from Missouri [Mr. ROACH], where a Congressman wanted some particular person for a special reason, and there was no way to get him appointed, so far as I can learn. The Civil Service Commission has not been prostituting itself at the behest of Congressmen, but has been enforcing the law to the best of its ability and belief.

Mr. SEARS. I was not criticizing the Civil Service Commission at all. I was referring to the appointment of postmasters. The Civil Service Commission was perfectly fair, so far as I know.

Mr. GREEN of Iowa. The Civil Service Commission is undertaking to carry out the law and the system in good faith and to the best of its ability. If the system is bad, change it; but do not criticize the Civil Service Commission because some of the candidates' records will not stand up under the replies received by the Civil Service Commission from the very persons they have picked out in their own communities to pass upon their qualifications and recommend them to the commission.

Mr. WOOD of Indiana. Mr. Chairman, I wish to call the attention of gentlemen to the fact that I have agreed with gentlemen here that we should rise at 4 o'clock.

Mr. WINGO. I would like to have five minutes before you do.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

Mr. WINGO. I hope the gentleman will withhold that motion until I have had five minutes in view of some of the statements that have been made.

Mr. WOOD of Indiana. I make that motion, Mr. Chairman.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committe of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 9981) making appropriations for the Executive and for sundry independent bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. SEARS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from Florida asks unanimous consent to revise his remarks in the RECORD.

Mr. SEARS. To revise and extend my remarks made this afternoon on the Shipping Board.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

ANTILYNCHING BILL.

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to address the House.

Mr. WALSH. What about?

Mr. UPSHAW. On the Dyer antilynching bill, inasmuch as I shall be necessarily absent on a sacred mission when the discussion on that bill is resumed.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. UPSHAW. Mr. Chairman and gentlemen of the House, with a passion of patriotic purpose and humanitarian anxiety which I can not put into words I remind the proponents of this misnamed antilynching bill of that ringing declaration of the great English commoner when the "storming of the Bastile" was announced in Parliament: "How much is this the greatest day that freedom has ever known?" and paraphrasing that immortal exclamation I shall feel like exclaiming when the administration leaders "put through" this outrageous measure: How much is this the greatest tragedy against the American Negro and the Federal Constitution which this Republic has ever known! The bill is righteous in name but outrageous in its provisions. But for the blandishment of its name and—I measure my words when I say it—but for political fear, a fear that can not be well defined, but which has voiced itself in subdued tones in cloakrooms and corridors since this bill has been pending, I frankly believe that this unspeakable travesty on constitutional law and elemental justice would not get 100 votes on the Republican side. Of course it should not be made political, but it is both political and sectional in its purpose, and its actual application.

WORSE THAN THE "FORCE BILL."

It is worse than the notorious "force bill" of a generation ago, which so disgusted the fair-minded, conservative people of the North that it was strangled aborning by a groundswell of public indignation. That bill dealt with ballots and election privileges, while this Dyer bill not only strikes at the very foundations of our State governments, making of them an empty shell and a hollow mockery, but it carries provisions and imposes conditions which encourage the criminal and forget the victim of his atrocious crime. And these very conditions—as brought out by the gentleman from Maine [Mr. HERSEY] in that immortal speech which braved party displeasure and eloquently plead for justice and sectional fellowship—will inevitably increase race prejudice and make harder the conditions of the Negro in the section where he is most at home and where he is capable of his highest happiness and prosperity.

OPPOSED TO A "DOUBLE LYNCHING."

Hear me, my colleagues, I am more opposed to lynching than the proponents of this bill. I oppose lynching a human being, and I also oppose lynching the Constitution of the United States. Every Congressman from the South is naturally far more interested in stopping this awful crime than you men of other sections can possibly be, for you hear about it chiefly from a distance, but we sit up with it and suffer with it "every day and Sunday, too."

Lynching is a horrible crime. It is barbarous in spirit and merciless in execution. Declaring itself a protest against the impotence of law, it engenders a reckless and insidious spirit that ultimately tramples all law and endangers the security of society.

Because of these facts—facts too patent to admit of discussion—it is the duty of every patriotic citizen to stand aggressively against every phase and form of mob violence. Personally I have tried to live up to the spirit of my own teaching. Twenty-five years of platform utterance and 15 years of editorial expression will reveal my uncringing attitude against the perpetrators of mob violence as lawless murderers and enemies of community peace and safety. I have pursued this course, allow me to say, in the face of hostile threats and frequent criticism, for there is no State or section that has not its lawless element.

But, Mr. Chairman and gentlemen, I rejoice to declare that for the most part the rank and file of the people have stood with the leaders of thought and action in my own section for the majesty of the law. Editors have denounced lynching, the pulpit has cried out against it, officers have bravely fought it, while publicists and patriots everywhere have honestly tried to build up that wholesome respect for all law that will make lynching impossible.

In face of these outstanding facts and in face of the constitutional provision that police powers are reserved to the States, I must express my great surprise and my keen disappointment that this bill, which proposes to stop lawlessness, invades the sanctity of constitutional law and actually offers the preposterous proposition to penalize thousands of innocent people because of the crimes of the guilty few. Never before in the history of Federal legal procedure have I heard of such a lawless application of law. This bill, whatever the good intentions of its proponents, reads like a "carpetbag" bill.

INNOCENT SUFFER FOR THE GUILTY.

Not only the county in which the mob crime is committed is held guilty before this sweeping Federal statute but—worse than all—the innocent people of the innocent counties through which a mob may elect to carry a criminal to the scene of his crime for execution—yea, though the journey be made in the dark hours of the night while the law-abiding inhabitants are peacefully sleeping—those counties, too, are adjudged guilty in

the eyes of the Nation and of the world. Why, gentlemen, it would be just as sensible and just as just to penalize every innocent citizen in America because this crime is committed on American soil.

TRAMPLES PERSONAL JUSTICE AND CONSTITUTIONAL LAW.

Not only does this proposition trample every principle of elemental justice to the individual citizen, levying a penalty on thousands for a crime of which they are not only innocent but which they absolutely deprecate, but this law clearly tramples the Constitution of the United States, in that it would deprive the penalized counties of the due process of law guaranteed by the Federal Constitution. It would penalize the county without the requirement of any proof of misconduct or neglect on the part of the county officials charged with the duty of the administration of the laws, and would afford no redress whatever for any county, even though its own citizens did not in any sense participate in the lynching. Thus, without allowing the indicted county its day in court, its money would be taken and its people unjustly, outrageously indicted. This constitutes the equity and ethics involved; but I remind you that while a State can make such a law concerning a county, because the county is a part of itself in governmental action, without a change in our Federal Constitution the National Government has no authority to coerce a county.

THERE IS NO ANALOGY.

If it be answered as it was in the preliminary debate, that the Federal Government now invades the State to enforce the prohibition law, I remind you that the National Government did not extend its strong arm into the State or county for the enforcement of this law until after the liquor traffic was outlawed by the Federal Constitution through due governmental process.

The debate thus far has revealed already several honest admissions, even from its friends, that this proposed law against lynching may not stand the constitutional test.

Liquor was a commodity, a devilish sort of commodity, which, as an article of commerce became a national evil, and that national evil required a national remedy. But lynching is not a "commodity"; it is a local crime which can only be cured by a wholesome, individual conscience and a cumulative expression of that conscience.

A FRUITLESS REMEDY.

The sole excuse for urging such a law is an effort to deter from lynching. At present there is a law on the statute books of every State in the Union defining the crime of murder, and every man who participates in a lynching does so well knowing that he is committing murder and subjecting himself to the extreme penalty of the law. If this fear does not prevent lynching, would the knowledge that his county would be mulcted for damages restrain a man who would be willing to expose himself to the extreme penalty of the law? Certainly the fear of infinitesimal taxation will not deter a murder-mad man when the fear of the gallows fails.

WHAT SHALL BE DONE?

Every anxious patriot, every defender of the law, every friend of humanity is asking, "What shall be done to curb this mighty evil?" I have the answer: Stop the crime that produces it. [Applause.] And for God's sake stop the maudlin sentiment that weeps for the lyncher's victim and forgets the poor victim of the rapist and murderer lying yonder in an untimely grave, or living, bleeding, dying amid lacerated hearts in a home shadowed with a sorrow worse than death. Let the honest friends of this unwise measure send wise evangels of purity and purpose among the classes that furnish the criminal victims of the lawless lyncher's wrath and tell them to stop their hellish crimes or they will be promptly sent to hell. We of the suffering South will gladly join every humanitarian friend of law and order from Omaha, from Chicago, from East St. Louis, from Springfield, Ohio, and, God knows, right here in the Nation's Capital, and help them to plant in human hearts, both white and black, the foundation principles of that regenerating Christian truth—yes, and that wholesome fear—that will make them respect the laws of God and man. Do this instead of encouraging that fatal folly of the New York and Boston "Equal Rights Leagues," that are preaching a doctrine as impossible in Boston as it is in Atlanta, and as unthinkable in New York and St. Louis as it is in Anglo-Saxon America everywhere. [Applause.]

A PITIFUL PICTURE.

It is as blindly pitiful as it is dangerous and outrageous that never—not one single time—have I read in a Negro paper or heard from a white sentimentalist in advocating this so-called antilynching bill one earnest plea to stop the crime that started lynching, and which outraged communities everywhere seldom know how to forgive. Flaming headlines and incendiary stories have dealt with the details of the lynchers' crime, but no shocking details of the outraged white girl who was the darling of a happy home; no details of the crime that caused the young farmer to come home at noon or at nightfall to find the violated body of his young wife cold in her own lifeblood or piteously pleading to die; no details, if you please, of how a splendid young man on the border line of my district, who had married a beautiful girl of a noble family, had his head split open, while sitting at the supper table, by a trusted Negro farm hand who held that suffering, helpless, little woman for two hours in his hellish arms. In vain did Gov. W. Y. Atkinson plead with the infuriated mob to "let the law take its course." Maddened, as no man on the floor of this House can understand, they told the governor they would "fix him, too, if he did not get out of their way"—even as the mob recently did the mayor of Omaha—and they took that black fiend who had made himself a beast and sent him to perdition without ceremony or delay.

Do not say that such a swift visitation of mob violence is only meted out to a black beast. I saw the tree on which a white beast was hung for killing a whole family and burning the house down on their dead bodies. These true incidents are recited in shame and sorrow, but likewise in fidelity, in order that you honest men of other sections, who would love to know the truth and do the right thing, may understand something of the provocation we often face in the section where lynching is so often the frantic resort of outraged communities.

OPINION OF GEORGIA'S SECRETARY OF STATE.

A clear and powerful discussion of this angle of the question is herewith presented from Hon. S. G. McLendon, Georgia's brilliant secretary of state. Elected to his present position without leaving his rolling chair in the Kimball House, Atlanta, where I also reside, this remarkable man with his ripeness of general scholarship and his wealth of legal acumen, speaks "at the top of his voice" with a cogency that should command national attention.

I am frank to say that with all my admiration for his learning and his patriotism, I can not go with him quite all the way in his every conclusion, but it will be a wholesome and illuminating experience for honest men and women of other sections to carefully study this patriotic philosopher's reply to my telegram asking for an expression on this vital subject:

ATLANTA, GA., *December 20, 1921.*

Hon. W. D. UPSHAW,
House of Representatives, Washington, D. C.:

Answering your telegraphic inquiry, the law of self-defense and the right of self-defense is inherent in man as an individual and in the State as representing its collective individuality. The United States, through Congress, has the right of self-defense, and whenever in the opinion of Congress public safety requires it exercises the right, but only in case of war can it exercise this right to the fullest extent—that is, to the subordinating of all rights to the right of self-defense. Freedom of speech, of the press, of worship, and of assembly are not guaranteed by the Constitution of the United States except as against congressional abridgement, and only when the United States is at war, Congress, being given the war power and the right to pass all laws necessary and proper to the carrying into effect of war power, can and does deny rights protected and guaranteed only as against congressional invasion. In the late war Congress exercised to the limit the right of self-defense abiding in the Nation. The suspension of the writ of habeas corpus is an act of self-defense on the part of the State. The individual has the right of self-defense. Organized society has the right of self-defense, and unorganized society exercises the right of self-defense whenever that ancient and universal principle, the people's safety, is violated. Whenever and wherever on this earth crime is committed so atrocious as to place the perpetrator beyond the pale of humanity this universal principle, as supreme law, instantly asserts itself. The forfeiture of all right as a human being voluntarily made by the perpetrator or crime does not take away from society its right of self-defense, nor can it effectually deny to those immediately concerned to do swiftly that which others far removed from the scene think should be done slowly. No one defends lynching as a practice, but a lynching on accasion is easily comparable to an execution ordered by a court-martial in time of war. The slow-acting machinery of the courts in the ordinary administration of justice is inadequate to the exigencies of the situation. In both cases lynchings are due to provocation. They are a violation of the State law, and Congress has absolutely no power under the Constitution to make any act a crime because of its moral turpitude. The Constitution does not give Congress any police power or criminal jurisdiction except where the commission of the act complained of prevented Congress from carrying into effect a law constitutionally passed, necessary and proper to the exercise of a delegated power.

That Georgia has a lynching record can not be denied, but over and above this record stands out the fact that Georgia furnishes the best home on earth for the Negro. No Negro who owned his home was ever lynched in Georgia.

In 1880 the Negro paid taxes on less than $6,000,000 worth of property in Georgia. In 1920 he paid taxes on over $68,000,000 worth of property. There are more institutions for the higher education of the Negro in Georgia than in any similar area of the earth, and Atlanta, Ga., is the educational center of the Negro race. The largest bank in the world owned and controlled by the Negroes is found in Atlanta; capital stock half a million dollars. The ablest and most patriotic Negro bishop in America is Bishop J. S. Flipper, of Atlanta, my lifelong friend. The two largest barber shops in Atlanta are owned by a Negro, B. F. Herndon. Every barber he has in his employ is a Negro

and every customer he has is a white man, and his barber shops are patronized without prejudice. The largest Negro life insurance company in the world is in Atlanta, having assets of more than $1,000,000 and 159,806 policyholders. Georgia does not need the aid of Congress, composed of uninformed and misinformed Members, in order to fulfill her obligations to the balance of the Nation and to mankind.

S. G. McLENDON,
Secretary of State.

THE NEGRO'S NATURAL HOME.

Let me urge you, my honest colleagues, to ponder well those striking concluding declarations from Georgia's wise secretary of state. With the Negro thus happy and prosperous in his natural home in the southland, to which he was long ago exiled by slave traders and slave owners of the North for purely commercial reasons, how much better it would be for his solicitous friends, his real friends, to encourage him to discourage crime among his criminal class instead of harboring the criminal and producing more crime.

Note especially the shining fact that no Negro who owned his home has ever been lynched in Georgia, clearly because he has never committed the crime that so often causes lynching. If the time and the energy, the prejudice and the folly which have been spent in behalf of this vicious and futile measure were only dedicated to the sensible task of encouraging Negroes to buy homes and make dependable members of society, there would be no reason for this discussion.

DANGER SIGNALS HERE AND HEREAFTER.

A glaring illustration of this dangerous folly, this positively devilish leadership, can be found in an editorial in the June, 1921, number of the Crisis, a Negro monthly magazine published in New York, which has furnished a good deal of the argument for the proponents of this bill. You will read it with mingled pity and righteous indignation. Listen:

Seldom has efficient organization been demonstrated more effectively than by the Michigan branches of the National Association for Advancement of Colored People in defeating a bill introduced in the State Legislature of Michigan prohibiting intermarriage between white and colored people. On April 11 the national office received a letter from Harold A. Lett, president of the Lansing branch, stating that such a bill had been introduced on the 7th. The Lansing branch had immediately sent copies to each branch in the State and appealed to political and fraternal organizations to unite in exerting all pressure possible upon their respective representatives and senators to defeat the bill.

The national office at once communicated with all the Michigan branches, urging them to unite in sending a delegation to Lansing to appear at a public hearing on the bill. Publicity was secured through the Michigan newspapers and a number of the branches were urged to hold mass meetings to arouse public sentiment against the measure. The arguments on which opposition to the bill was based were, first, anti-intermarriage laws are a denial of equal protection to colored women, placing the colored girl at the mercy of any white libertine. Second, anti-intermarriage laws would be a public declaration that Negro blood is a physical taint, a theory which no self-respecting colored person can accept. It was also pointed out that the passage of such a law by a legislative body composed wholly of white members implied a fear that laws are needed to prevent white women from marrying colored men. A splendid spirit of cooperation and of activity was shown by all the branches in opposing the bill.

On April 13 the national office received a telegram stating that the bill was killed in the committee on the night of the 12th. (Page 66 of June issue of the Crisis.)

Look and listen again. Here is another danger signal, found on page 60 in the same June issue of the Crisis:

Olmstead's famous journey through the seaboard slave States has been repeated not only in fact but in spirit by a young Englishman, Stephen Graham, who came to America last year to see for himself the workings of the race problem. He visited Virginia, Tennessee, Georgia, Alabama, Florida, Louisiana, and Mississippi. In Georgia he tramped the actual road from "Atlanta to the sea," to be able to contrast the modern conditions of ex-slaves with those of 60 years ago.

First impressions are lasting, because usually they are true. Very often, indeed, the vividness, even the effect of those impressions, may be explained away. But the thing which must needs be explained is still there. Talk as you will—expound, interpret, defend—the fact still remains that America does not accord the rights of life, liberty, and justice to her black citizenry.

We quote two or three passages:

"I felt sorry for the white women of the South; there will some day be a terrible reckoning against them. Their honor and safety are being made the pretext for terrible brutality and cruelty. Revenge, when it gains its opportunity, will therefore wreak itself upon the white woman most. Because in the name of the white woman they justify burning Negroes at the stake to-day, white women may be burned by black mobs by and by. There is no doubt that almost any insurrection of Negroes could ultimately be put down by force, and that it would be very bad for the Negroes and for their cause, but before it could be put down what might happen? And should it synchronize with revolutionary disturbances among the whites themselves, or with a foreign war, what then?

"If America does not cast out the devil of class hate from the midst of her, she will again be ravished by the angel of death as in the Civil War. The established, peaceful routine of a country like America is very deceptive. All seems so permanent, so unshakable. The new refinement, the new politeness and well-lined culture, and the vast commercial organization and the press suggest that no calamity could overtake them. The forces that make for disruption and anarchy is generated silently and secretly. It accumulates, accumulates, and one day it must discharge itself."

To the white American this Englishman's conclusion will come as a shock, but to the colored American his words are often an echo.

By a curious coincidence we read in the current issue of Unity:

"People of African descent in this country are either going to be placed on a plane of absolute equality with other peoples or else there is going to be trouble which will make even the Civil War seem insignificant."

This, gentlemen, this, my well-meaning colleagues, is the type of propaganda going on in the camp of foolish Negro agitators, and eventuating at last in the sentimental hysteria and the campaign promise which brought this bill before Congress. The harm which its enactment into law would bring to both races would write a new chapter among the tragedies of human history. When I commented in private conversation on that provision that would take $10,000 from a county absolutely innocent and give it to the family of the criminal, with never a dollar to the family suffering from the first horrible crime, a brilliant Atlanta club woman, who is prominent in church work, declared:

Why, Congressman, such an outrageous law would actually bring on revolution.

RUINED BY "CARPETBAG" RULE.

It only makes stronger the present case of the southern white man in his attitude toward the Negro when some thoughtless man who is in favor of this bill "points with pride" to the loyalty of the Negro slave to his white master before the Civil War, and especially to the safety of the southern white woman in the guardianship of the Negro slave. Certainly. That is at once the strength and the glory of our contention. We stand with uncovered head before the matchless tribute of Henry Grady to the righteous loyalty of the Negro slave to the inviolate purity of his master's home. But that was before the horrors of reconstruction came. That was before Federal statutes, backed by Federal bayonets, placed "the ignorant ballot in the black hand that still trembled from the shackle of the slave"; that was before "carpetbag" politicians tried by unspeakably brutal methods to make the ignorant Negro slave the political ruler of his intelligent white master; that was before Thaddeus Stevens & Co. in fury and blindness dealt a blow to the Negro from which he has never morally nor politically recovered. For the white man said in effect: "If you are fool enough to turn against the best friends you have on earth, you can just go to the devil." And, alas, many of them have been going there ever since.

Not all, thank God. Not the most, thank God. For the rank and file of the best Negroes and the rank and file of the best white people are living side by side in peace and friendship, and that peace would be permanent and that friendship undisturbed if outside agitators would let us alone.

I hold in my hand a cartoon from a Negro paper—look at it—sent me by a Negro physician, who asks me to support this bill, showing the common basis of the misguided black man's appeal. A Negro is here pictured carrying his age-long burdens—"Jim Crow car," "segregation," "lynching," and so forth—showing that he is restive and defiant concerning his failure to get "social equality."

No man can deny the justice of equal accommodation for equal pay, but you know and I know and everybody knows that the social mingling of white and black in trains, in street cars, and in hotels, to say nothing of more intimate social relationships, is an inevitable breeder of trouble, and every consideration of common sense, of community peace, and happiness demands the segregation of which the agitators complain. Sensible southern Negroes do not want social commingling and foolish northern Negroes shall not have it where Anglo-Saxon manhood is at the helm.

THE SOUTH IS FIGHTING UPWARD.

We are fighting upward in the loyal South, wrestling with problems a hundredfold more difficult than you honest men of other sections can possibly understand. Let us alone—save only to give us that comradely hand of sensible sympathy and understanding fellowship which is due a noble and chivalric people of proven loyalty and consecrated purpose. What shall be done? Create the sentiment that will cause every State to pass such a law as Alabama has, a law impeaching the sheriff and other county officials that do not do their duty. Pass also a State law that requires mounted machine guns in every jail and automatically dismissing the sheriff that does not use them on the crowd bent on murdering a man without law. Do this—do anything that will protect the prisoner and preserve the majesty of the law, but do not wipe out our State laws and our county courts and rape the Federal Constitution in this frenzied effort to correct a giant evil.

And in the name of all that is sane and practical, do not put the $10,000 forfeit in the hands of the criminal's family, who are often themselves a hotbed of criminals. They and their companions in crime would live yet more in idleness and crime.

and some of the worst ones would be tempted to bring on another "lynching bee" in order that another pampering bounty might come from the county treasury.

And if you are determined to outrage the white virtue of the Federal Constitution and penalize the innocent for the sins of the guilty and encourage more crime by causing the rapist and the murderer to feel that "Uncle Sam" is, somehow, taking his part, then go a step further and give another beautiful $10,000 to the family of the victim of the barbarous fiend. To give sympathy to the family of the human devil who is lynched and give neither sympathy nor money to the family of the first and greater sorrow would brand every man who votes for this strangely horrible discrimination as guilty of barbarous sympathies and legal and moral blindness.

MR. FISH AND SENATOR WATSON.

Gentlemen of the House, you will remember that when the debate closed the other day the gentleman from New York [Mr. FISH] had just finished an impassioned invective against the record of Georgia and against the activities of the junior Senator from Georgia in causing a certain investigation to be held about military cruelties. He said that the Georgia Senator ought to be spending more time in trying to stop lynching than he was in trying to bring about reforms in our Army life.

Mr. Speaker, I hold no brief for the Senator from Georgia. He has proven amply able to take care of himself. But since Senator WATSON'S name was unnecessarily brought into this debate, it must be admitted that, although there are countless noble and knightly men in the Army before whose gentleness and greatness I stand with uncovered head, that Senate investigation has proven with an avalanche of evidence from all over America that there has been a great deal of harsh cruelty on the part of many officers which ought to be forever smashed by the American people. [Applause.]

And it would doubtless be interesting to the gentleman from New York, and perhaps other proponents of this bill, to know that the Senator from Georgia has twice risked his own life in his own community to stop the lynching of Negroes; and when other proponents of the bill have that much to their credit they can then, with greater propriety, indict the Senator from Georgia. He knows the Negro and is his practical friend. I know the Negro and am known as his practical friend. For many years I have visited the Negro churches and the Negro schools, and I have tried to inspire those people, young and old, along worthy lines of righteous and dependable living. And this kind of work, may I say, multiplied by friends from the North and friends of the South will do a thousandfold more good than impossible and incendiary efforts like this so-called antilynching bill.

A MONUMENTAL CONFESSION.

The gentleman from New York [Mr. FISH] confessed with monumental candor that the bill was intended especially to "protect the colored race," as he put it, and also was especially leveled at the South. I thank him for his refreshing candor. This means, then, that this bill is both racial and sectional; it means that its discussion now and its operation, if enacted into law, must have but one effect, as the gentleman from Maine [Mr. HERSEY] so strikingly said, "the revival and keeping alive of race prejudice and sectional feeling." In the name of our common heritage and our common destiny as Americans it is time to stop this evil thing. It positively grieves me, as I think of that brilliant portrayal of the increasing commercial and social desolation of the Negroes who have gone North, as brought out by my friend, Mr. COCKRAN, to remember that paid agitators and reformers are spending their time and prostituting their leadership to a propaganda that will not help but will ultimately hurt the Negro.

Indeed, it is hurting him now. These galleries, crowded with Negroes to-day, tell the story of a tragic racial and national pathos. They honestly think that this proposed law will help them. They have been misled by the flaming headlines and incendiary articles in certain Negro publications. And I tell you frankly that those publications are much like the discussions by the proponents of this bill—all sympathy spoken for the fiend whose hellish crime brings on his swift and terrible fate—but never a line, never a word of sympathy for the victim or the family of the victim of rape or murder, or both.

Men, you are riding to your ruin. You are riding your supposed "beneficiaries" to their ruin. Civilization can neither be builded nor preserved by such a blind, one-sided sentimentality. We men of the South, who know the Negro as you men of the North can not know him, are anxious to help him, but our help is helpless and hopeless as long as they shield criminals and do nothing to stop the crime.

Let them come back to the land where they have had an understanding welcome and such a free commercial hand, where their wealth has grown by marvelous strides into more than $2,000,000,000 in farm lands alone, and let them take the advice of their great pioneer, Booker Washington, when he uttered, in my own city of Atlanta, the immortal sentence that gave him international fame. Hear him again:

> My colored friend, remember it is worth far more to you to be permitted to make an honest dollar working side by side with the white man than to be allowed to spend that dollar sitting by him in a theater.

It will be a good, wholesome thing also if they will remember that great truth uttered by Dr. H. H. Tucker when he was editor of the Christian Index, "What God has put asunder let not man join together." And I say with my last word that the thing that has been appealing to me on this side, where I treasure my Republican friends, is the fact that many of them have said to me in the cloakrooms and elsewhere, "We wish to God this bill had not been brought before us. If we vote for it we stultify our conscience and outrage our judgment, and if we vote against it we lose every Negro vote in our community." Gentlemen, such loss would be a badge of honor.

Let me say to you in frankness and in an honest desire for fellowship in the solution of this great question that Anglo-Saxon manhood of the North should shake hands with the Anglo-Saxon manhood of the South and the East and the West, remembering that only in intelligent Anglo-Saxon supremacy, dominated by a restraining and transforming Christian spirit, can be found a sure guaranty for the safety and happiness of this weaker race, the perpetuity of our American institutions, and the inspiration and uplift of all mankind. [Applause.]

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 10 minutes p. m.) the House adjourned until Monday, January 23, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

486. A letter from the Comptroller General of the General Accounting Office, transmitting report of balance of $233,196.73, which was found due the United States in the settlement of the accounts of Oberlin M. Carter, former captain in the Corps of Engineers, United States Army; to the Committee on Expenditures in the War Department.

487. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination and survey of Wrangell Harbor, Alaska (H. Doc. No. 161); to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JEFFERS of Alabama: Committee on the Public Lands. S. 2124. An act to relinquish, release, remise, and quitclaim all right, title, and interest of the United States of America in and to all the lands contained within sections 17 and 20, township 3 south, range 1 west, St. Stephens meridian, Ala.; without amendment (Rept. No. 585). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 9051. A bill to amend section 6 of an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone, and authorizing the President to makes rules and regulations affecting health, sanitation, quarantine, taxes, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including process as to certain fees, money orders, and interest deposits," approved August 21, 1916; with amendments (Rept. No. 586). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McCORMICK: Committee on the Public Lands. H. R. 5762. A bill providing for a municipal park for the city of Butte, Mont.; with amendments (Rept. No. 584). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 9821) granting a pension to Mary Thomas, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McCORMICK: A bill (H. R. 10052) providing for the purchase of a site and the erection of a public building at Anaconda, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. HARDY of Colorado: A bill (H. R. 10053) to amend section 73 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911, as amended by an act approved June 12, 1916; to the Committee on the Judiciary.

By Mr. FREAR: A bill (H. R. 10054) to amend an act entitled "An act to reduce and equalize taxation, to provide revenue, and for other purposes," approved November 23, 1921; to the Committee on Ways and Means.

Also, a bill (H. R. 10055) to amend Title II of the revenue act of 1921; to the Committee on Ways and Means.

By Mr. McSWAIN: A bill (H. R. 10056) to further amend the Federal reserve act; to the Committee on Banking and Currency.

By Mr. TEMPLE: A bill (H. R. 10057) to provide for the completion of the topographical survey of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON: A bill (H. R. 10058) to amend the Federal farm loan act by establishing a farm credits department in each Federal land bank; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWNE of Wisconsin: A bill (H. R. 10059) granting a pension to Elizabeth Darling; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 10060) granting a pension to Julia Allen; to the Committee on Pensions.

Also, a bill (H. R. 10061) granting a pension to Charles E. Kidder; to the Committee on Pensions.

Also, a bill (H. R. 10062) granting a pension to Emma F. McClaughry; to the Committee on Pensions.

By Mr. GOULD: A bill (H. R. 10063) granting an increase of pension to William D. Semans; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 10064) granting a pension to Jeremiah Hays; to the Committee on Invalid Pensions.

By Mr. KIRKPATRICK: A bill (H. R. 10065) granting a pension to Carrie B. Billman; to the Committee on Invalid Pensions.

By Mr. LEE of New York: A bill (H. R. 10066) authorizing the reinstatement of Stewart Blackman as first lieutenant in the Regular Army; to the Committee on Military Affairs.

Also, a bill (H. R. 10067) for the relief of James M. Fitzsimmons; to the Committee on Claims.

By Mr. NORTON: A bill (H. R. 10068) for the relief of Della Deanovic; to the Committee on Claims.

By Mr. SHELTON: A bill (H. R. 10069) granting an increase of pension to Lucretia Davy; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 10070) granting a pension to Nellie A. Storrs; to the Committee on Invalid Pensions.

By Mr. IRELAND: Resolution (H. Res. 270) authorizing the Doorkeeper of the House to appoint an assistant to the superintendent of the House press gallery; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3595. By the SPEAKER: Petition of John J. Blaine, governor of Wisconsin, urging, on behalf of the State-wide conference of citizens, the carrying out of plan to improve the St. Lawrence River; to the Committee on Interstate and Foreign Commerce.

3596. Also, petition of the Baltimore Quarterly Meeting of Friends (orthodox) approving recent appropriation for relief of the suffering people in Russia; to the Committee on Foreign Affairs.

3596½. By Mr. CAREW: Petition of Eugene H. Porter, commissioner, department of farms and markets, New York, urging the passage of the Voigt bill, H. R. 8086; to the Committee on Agriculture.

3597. By Mr. CHINDBLOM: Petition of Emil A. Fick and 69 other citizens of Lake Zurich, Ill., urging immediate collection of foreign debt, etc.; to the Committee on Foreign Affairs.

3598. By Mr. CULLEN: Petition of the Aero Club of America, urging support of the Wadsworth bill, S. 2815; to the Committee on Interstate and Foreign Commerce.

3599. By Mr. GALLIVAN: Resolutions adopted by the Boston Allied Printing Trades Council, during its meeting held January 3, urging Congress to favor American valuation upon all imports; to the Committee on Ways and Means.

3600. By Mr. KISSEL: Petition of U. S. Grant Post, No. 327, Department of New York, Grand Army of the Republic, and of Wilkenfeld Bros., all of Brooklyn, N. Y., urging the observance of the centenary of the birth of Gen. U. S. Grant, April 27, 1922; to the Committee on the Library.

3601. By Mr. LUCE: Petition of the Massachusetts Federation of Churches, indorsing the bill to exclude fraudulent devices and lottery paraphernalia, H. R. 6308; to the Committee on the Post Office and Post Roads.

3602. Also, petition of the Massachusetts Federation of Churches, indorsing the Sterling bill, for the regulation of immigration; to the Committee on Immigration and Naturalization.

3603. Also, petition of the Massachusetts Federation of Churches, indorsing the Jones-Miller bill, to prohibit the importation of opium for other than medicinal purposes; to the Committee on Ways and Means.

3604. Also, petition of the Massachusetts Federation of Churches, indorsing the Bland bill, for the regulation of immoral motion pictures in interstate commerce; to the Committee on Interstate and Foreign Commerce.

3605. Also, petition of the Massachusetts Federation of Churches, indorsing the Dyer antilynching bill; to the Committee on the Judiciary.

3606. Also, petition of the Massachusetts Federation of Churches, urging that the payment of the Austrian debt be deferred; to the Committee on Ways and Means.

3607. By Mr. MEAD: Petition of Elizabeth T. Force, Oteen, N. C., urging the passage of House bill 9291, relative to the Public Health Service; to the Committee on Interstate and Foreign Commerce.

3608. Also, petition of Dr. Eugene H. Porter, commissioner of foods and markets, department of farms and markets, New York State, urging the passage of the Voigt bill (H. R. 8086) prohibiting interstate traffic in imitation or bogus canned milks; to the Committee on Agriculture.

3609. By Mr. PATTERSON of New Jersey: Petition of the Study Circle of West Collingswood, N. J., favoring relief of the Armenians and people of the Near East; to the Committee on Foreign Affairs.

3610. By Mr. ROGERS: Petition of the Massachusetts Federation of Churches, urging immediate and positive action in cooperation with the other great powers, if possible, to save the Armenian people from extinction; to the Committee on Foreign Affairs.

3611. By Mr. SINCLAIR: Petition of citizens of Shields, N. Dak., urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3612. Also, petition of citizens of Wildrose, Lunds Valley, Van Hook, Parshall, and Coulee, N. Dak., urging the revival of the United States Grain Corporation and legislation for stabilization of prices of farm products; to the Committee on Agriculture.

3613. Also, petition of 250 citizens of Regent, Wildrose, Williston, Cogswell, Brampton, Straubville, Ryder, and Rhame, N. Dak., and Newark, S. Dak., urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3614. Also, petition of farmers and business men assembled in a public gathering at Aneta, N. Dak., urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3615. By Mr. VARE: Memorial of the Pennsylvania Forest Commission, protesting against the transfer of Federal jurisdiction over national forests from the Agriculture to the Interior Departments; to the Committee on Agriculture.

SENATE.

MONDAY, *January 23, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, Thou hast very often proven Thyself to be a present help in time of trouble. As we look out upon the world this morning we see that sorrow is everywhere present. As multitudes the world over bow before the bier of a distinguished prelate, as a nation sorrows because an honored statesman has passed away, and as there are so many homes shadowed by the presence of a vacant chair, we would ask Thee to-day, our Father, so to move upon our hearts and lives that through those monitions of Thy providence we may learn to live right and to do right, and to fulfill always Thy pleasure in connection with the Nation and with humanity at large. We ask in Jesus' name. Amen.

The Assistant Secretary proceeded to read the Journal of the proceedings of the legislative day of Friday, January 20, 1922, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Glass	McKellar	Simmons
Borah	Hale	McNary	Smith
Brandegee	Harreld	Nicholson	Spencer
Calder	Harris	Norris	Stanfield
Capper	Harrison	Oddie	Swanson
Culberson	Heflin	Overman	Trammell
Curtis	Johnson	Owen	Wadsworth
Dial	Jones, Wash.	Page	Watson, Ga.
Dillingham	Kellogg	Phipps	Watson, Ind.
du Pont	Kenyon	Poindexter	Willis
Edge	King	Robinson	
Fernald	McCumber	Sheppard	

Mr. HARRISON. I desire to state that the Senator from Rhode Island [Mr. GERRY] is detained from the Senate by illness.

Mr. CURTIS. I was requested to announce that the Senator from Utah [Mr. SMOOT], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Connecticut [Mr. MCLEAN], the Senator from New Jersey [Mr. FRELINGHUYSEN], and the Senator from West Virginia [Mr. SUTHERLAND] are absent on official business.

Mr. SMITH. I was requested to state that the Senator from North Dakota [Mr. LADD] and the Senator from New Hampshire [Mr. KEYES] are detained at a meeting of the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Forty-six Senators have answered to their names. A quorum is not present. The Secretary will call the names of the absentees.

The Assistant Secretary called the names of the absent Senators, and the following Senators answered to their names when called:

Caraway	Myers	Ransdell

The following Senators entered the Chamber and answered to their names:

France	La Follette	Moses	Sutherland
Frelinghuysen	Lenroot	Pomerene	Townsend
Gooding	McLean	Smoot	Walsh, Mont.

The VICE PRESIDENT. Sixty Senators having answered to their names, a quorum is present.

PETITIONS.

Mr. HARRIS presented a resolution adopted by the board of directors of the Savannah (Ga.) Cotton Exchange, requesting Congress to make a thorough investigation of the Crop Reporting Bureau of the Department of Agriculture, with a view to discovering the cause of, and instituting remedies for, the alleged gross inaccuracies shown in the report of the 1921 cotton crop as published by the Department of Agriculture, which was referred to the Committee on Agriculture and Forestry.

Mr. WILLIS presented a communication in the nature of a petition of the board of directors of the Cincinnati (Ohio) Association of Credit Men, praying for fair treatment of the railroads of the country in connection with the rate-making power of the Interstate Commerce Commission and the wage-adjustment power of the Railway Labor Board, so that rates may be fair to the public and at the same time yield sufficient income to attract capital for adequate improvements and additions, etc., which was referred to the Committee on Interstate Commerce.

Mr. LADD presented 48 petitions of sundry citizens of Souris, Cogswell, Brampton, Lundsvalley, Maddock, Mountain, Goodrich, Mercer, McClusky, La Moure, Marion, Ypsilanti, Eckelson, Pekin, Arnegard, Ryder, Mohall, Maxbass, Wheelock, Reeder, Bucyrus, Haley, Tolley, Norma, Kenmare, Lisbon, Elliott, Coal Harbor, Kulm, Merricourt, Leroy, Backoo, Neche, Sheyenne, Park River, and Hoople, all in the State of North Dakota, and of Newark, S. Dak., praying for the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted at a public gathering of farmers and business men held at Aneta, N. Dak., January 16, 1922, favoring the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which was referred to the Committee on Agriculture and Forestry.

PAMUNKEY RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 9050) granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia, and I submit a report (No. 448) thereon. I ask unanimous consent for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Pamunkey Ferry Co., duly incorporated under the laws of Virginia, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Pamunkey River at a point suitable to the interests of navigation, at or near Sweet Hall, in King William County, to a point opposite in New Kent County, in the Commonwealth of Virginia, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REPORTS OF THE COMMITTEE ON MILITARY AFFAIRS.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2632) to correct the military record of Martin Cletner, reported it without amendment and submitted a report (No. 449) thereon.

He also, from the same committee, to which was referred the bill (S. 1632) for the relief of Charles M. Gourley, submitted an adverse report thereon, which was agreed to, and the bill was indefinitely postponed.

Mr. SPENCER, from the Committee on Military Affairs, to which was referred the bill (H. R. 2004) for the relief of Frank Ferrin, reported it without amendment and submitted a report (No. 450) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DILLINGHAM:

A bill (S. 3052) to amend the corporation law of the District of Columbia; to the Committee on the District of Columbia.

By Mr. KELLOGG:

A bill (S. 3053) for the relief of Marshall-Wells Co., of Duluth, Minn.; to the Committee on Claims.

By Mr. MCNARY:

A bill (S. 3054) for the relief of John Kearney; to the Committee on Military Affairs.

By Mr. BRANDEGEE:

A bill (S. 3055) granting an increase of pension to Edward F. La Rock (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 3056) for the purchase of land adjoining Fort Bliss, Tex.; to the Committee on Military Affairs.

By Mr. SUTHERLAND:

A bill (S. 3057) granting a pension to Christina A. Dabney; to the Committee on Pensions.

By Mr. UNDERWOOD:

A bill (S. 3058) granting an increase of pension to John A. Shannon; to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 3059) for the relief of Ida Smith; to the Committee on Claims.

By Mr. ODDIE:

A joint resolution (S. J. Res. 157) extending the time for the performance of certain acts under the act of Congress approved February 25, 1920, entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," and for other purposes; to the Committee on Public Lands and Surveys.

ADJUSTMENT OF FOREIGN LOANS.

Mr. NORRIS and Mr. McKELLAR submitted amendments intended to be proposed by them to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, which were ordered to lie on the table and to be printed.

COMMITTEE SERVICE.

On motion of Mr. CURTIS it was

Ordered, That the Senator from New Jersey [Mr. FRELINGHUYSEN] be excused from further service on the Committee on Banking and Currency, and that the Senator from New Jersey [Mr. EDGE] be assigned to service on that committee; that the Senator from California [Mr. JOHNSON] be excused from further service on the Committee on Interoceanic Canals and be assigned to service on the Committee on Rules; that the Senator from New Mexico [Mr. BURSUM] be assigned to the chairmanship of the Committee on Pensions; and that the Senator from Pennsylvania [Mr. PEPPER] be assigned to service on the Committee on Banking and Currency, the Committee on Interoceanic Canals, and the Committee on the Library.

GOLD AND COMMODITY SECURED CURRENCY.

Mr. OWEN. Mr. President, I wish to call attention to a remarkable address delivered by the Comptroller of the Currency, Hon. D. R. Crissinger, before the National Republican Club, of New York City, January 21, 1922, and express my hearty appreciation of his vision and intelligent comprehension of one of the most important of all international problems.

He said that he had in mind to apply the "principle of segregated credit and responsibility, in order to provide a sound, uniform, and reliable basis for the transactions of international trade."

He said:

Granting all that may be said about the difficulties and complications involved, I am nevertheless prepared to make my own modest claims that the thing is possible, that it can be made workable, and that it would produce vast and prompt benefits in all trade and commerce.

On other occasions—

He remarked—

I have referred to the service rendered to medieval Europe by the banks of exchange in the Mediterranean and Hanseatic cities. Banks of exchange preceded institutions of deposit and discount and were the beginning of the modern banking system. They established *their own units* of accounting and settlement, *independent of the national currencies of the different countries*. In a time when credit in the modern sense was in its infancy and when the distortion of currency systems and the general ignorance of economic principles presented far greater obstacles than confront us to-day, these institutions contributed greatly to encourage international trade. With no such guaranties of resources and stability as could now be put behind them, these medieval banks of exchange were able to establish their credit and hold the confidence of the merchandising community. Without exception they contributed enormously to establish and maintain the commercial importance of cities which were their seats.

I call attention to what the comptroller says because it confirms the underlying principles of Senate bill 2915, which I offered a few days ago to the Senate with relation to establishing a gold-secured currency for the transaction of international exchange and for the transaction of the business of Europe "independent of the national currencies of the different countries."

Such a bank will make Europe more productive, will increase the purchasing power of Europe, and in that way will enable Europe to buy the products of this country and help the more rapid restoration of our Nation from its present industrial depression.

I heartily commend the Comptroller of the Currency for his wise suggestion and I shall be delighted to cooperate with the administration to perfect some such measure in the interest of all our people and of the whole world.

RAILROAD CONFERENCE WITH AGRICULTURAL AND INDUSTRIAL REPRESENTATIVES.

Mr. LA FOLLETTE. I ask unanimous consent that there be printed in the RECORD in eight-point type a memorandum of the second conference between a special committee of railroad executives and a transportation committee of agriculture and industry held at the Racquet Club, Washington, D. C., December 9, 1921, and also an address by Gen. Atterbury before that conference.

There being no objection, the matter referred to was ordered to be printed in the RECORD in eight-point type, as follows:

Memorandum of second conference between a special committee of railroad executives and a transportation committee of agriculture and industry held at the Racquet Club, Washington, D. C., December 9, 1921.

The participants in the conference were:

RAILROAD EXECUTIVES.

W. W. Atterbury, chairman special committee of railroad executives, Pennsylvania Railroad, Philadelphia.

Howard Elliott, special committee of railroad executives, Northern Pacific Railroad, New York.

W. B. Storey, special committee of railroad executives, Santa Fe Railroad, New York.

W. J. Harahan, special committee of railroad executives, Chesapeake & Ohio Railway Co., New York.

R. S. Binkert, assistant to chairman, Association of Railway Executives, 61 Broadway, New York.

AGRICULTURAL REPRESENTATIVES.

J. R. Howard, president American Farm Bureau Federation, 58 East Washington Street, Chicago, Ill.

Gray Silver, Washington representative American Farm Bureau Federation, Munsey Building, Washington, D. C.

O. E. Bradfute, chairman legislative committee, American Farm Bureau Federation, 58 East Washington Street, Chicago.

H. C. McKenzie, member legislative committee, American Farm Bureau Federation, Walton, N. Y.

Ralph Snyder, member legislative committee, American Farm Bureau Federation, Oskaloosa, Kans.

T. C. Atkeson, legislative representative, National Grange, National Bank of Washington Building, Washington, D. C.

W. I. Drummond, chairman board of governors, International Farm Congress.

INDUSTRIAL REPRESENTATIVES.

AUTOMOBILES.

A. J. Brosseau, National Automobile Chamber of Commerce, 366 Madison Avenue, New York City.

J. S. Marvin, National Automobile Chamber of Commerce, 366 Madison Avenue, New York City.

COAL.

John Callahan, traffic manager National Coal Association, Commercial Bank Building, Washington, D. C.

CONSTRUCTION.

Ernest T. Trigg, National Federation of Construction Industries, 322 Race Street, Philadelphia, Pa.

R. C. Marshall, Associated General Contractors of America, Munsey Building, Washington, D. C.

IRON AND STEEL.

C. E. Bement, Novo Engine Co., Lansing, Mich.

J. A. Campbell, Youngstown Sheet & Tube Co., Youngstown, Ohio.

LUMBER.

Charles Hill, general sales manager Southern Pine Sales Corporation, 1236 Woolworth Building, New York City.

A. B. Hammond, Hammond Lumber Co., 260 California Street, San Francisco, Calif.

J. H. Browne, Pacific Lumber Co., 522 Fifth Avenue, New York City.

IMPLEMENTS.

F. R. Todd, National Association of Implement Manufacturers, Deere & Co., Moline, Ill.

RAILWAY SUPPLIES.

A. B. Johnson, president Railway Business Association, Liberty Building, Philadelphia, Pa.

Frank W. Noxon, secretary Railway Business Association, Liberty Building, Philadelphia, Pa.

MISCELLANEOUS INDUSTRIES.

J. H. DeFrees, president United States Chamber of Commerce, 10 South La Salle Street, Chicago, Ill.

George A. Post, chairman railroad commission, United States Chamber of Commerce, 7 Dey Street, New York City.

John L. Lovett, Michigan Manufacturers' Association, Detroit, Mich.

W. H. Chandler, president National Industrial Traffic League, 1207 Conway Building, Chicago, Ill.

Joseph H. Beck, executive secretary National Industrial Traffic League, Chicago, Ill.

James A. Emery, counsel, National Association of Manufacturers, Union Trust Building, Washington, D. C.

The conference was called to order at 10.30 a. m., Mr. James A. Campbell acting as chairman in the absence of Mr. J. R. Howard.

In continuation of the prior conference of September 21, Mr. W. W. Atterbury, as chairman of the special committee of

railroad executives, presented the report of said committee to the conference, which report is hereto attached.

In response to the request of the special committee of railroad executives, contained in their report, that representative shippers present bring legitimate representations to the Railroad Labor Board in the matter of wage adjustments through representatives' appearance before said board, the following resolution was adopted unanimously by the conference:

Resolved, That the shippers present pledge themselves to energetically support the carriers in obtaining an adjustment of wages to the economic level of wages prevailing in other lines of industry, with the understanding that, concurrently with such reductions in wages, the benefit of the reduction thus obtained shall be in a manner approved by the Interstate Commerce Commission passed on to the public in the reduction of existing railroad rates, except in so far as such reductions in rates shall be made in the meantime.

The special committee of railroad executives then requested discussion of the Capper bill, S. 1150, and the opposition of the conference thereto. Disapproval of the measure being expressed by all save the agricultural representatives, the latter, together with the railroad executives, were requested to confer at luncheon and report back to the conference such conclusions, if any, as were reached by them. This procedure was agreed to by the agricultural representatives and the special committee of railroad executives.

A discussion then followed as to the operation of the Railroad Labor Board, and what, if any, suggestions were to be made with respect to its future operation. The question was likewise raised as to whether or not some effort should be made to secure the presence of the Railroad Labor Board during the approaching rate hearings of the Interstate Commerce Commission. No motion was offered, since the sentiment expressed indicated the opinion that the presence of the Railroad Labor Board during said hearings, if secured, might result in serious delays in the disposition of the important questions pending before the Labor Board.

Mr. Howard was then asked to report the results of the conference between the railroad executives and the farming representatives, held at noon.

He reported as being present at this conference:

Gen. W. W. Atterbury, chairman special committee of railroad executives.
Howard Elliott, special committee of railroad executives.
W. B. Storey, special committee of railroad executives.
W. J. Harahan, president Chesapeake & Ohio Railway.
R. S. Binkert, assistant to chairman Association of Railway Executives.
J. R. Howard, president American Farm Bureau Federation.
Gray Silver, American Farm Bureau Federation.
O. E. Bradfute, American Farm Bureau Federation.
H. C. McKenzie, American Farm Bureau Federation.
Ralph Snyder, American Farm Bureau Federation.
T. C. Atkeson, secretary The National Grange.
W. I. Drummond, chairman International Farm Congress.

Mr. Howard stated that after a discussion the above representatives of farm organizations unanimously agreed that they did not desire to amend section 15a of the transportation act in any particular, except to remove the proviso in paragraph (3), reading as follows:

Provided, That during the two years beginning March 1, 1920, the commission shall take as such fair return a sum equal to 5½ per cent of such aggregate value, but may, in its discretion, add thereto a sum not exceeding one-half of 1 per cent of such aggregate value to make provision in whole or in part for improvements, betterments, or equipment, which, according to the accounting system prescribed by the commission, are chargeable to capital account.

With respect to the power of State authorities over intrastate rates, they agreed that they did not desire to take away from the Interstate Commerce Commission whatever authority is now vested in it with regard to setting aside intrastate rates which discriminate against interstate commerec, and also that they did not desire to remove from the jurisdiction of the Interstate Commerce Commission the questions connected with car service, but that, subject to these two reservations, they did desire what would be practically a redrafting of section 6 of the Capper bill, so as to reaffirm the local functions of State commissions.

Gen. Atterbury's committee accepted this compromise with the understanding that the general counsel of the Association of Railway Executives would get in touch with Mr. Gray Silver, legislative agent of the American Farm Bureau Federation, Dr. T. C. Atkeson, secretary of the National Grange, and Mr. James A. Emery, in order to arrive at a revision of the Capper bill along the lines above indicated.

It was moved, seconded, and carried that the report be approved, and when an agreement has been finally reached between those appointed to redraft the bill, this conference will support the bill as amended and give whatever aid it can in securing the passage of the bill.

Referring again to the United States Railroad Labor Board, Mr. Howard expressed his views on the matter, which were along the lines of those expressed by Mr. Campbell, except that Mr. Howard's suggestion would make it a public offense for a strike order to be issued before any dispute between the train-service organizations and the railroads had been heard and decided upon by the Interstate Commerce Commission, either as now constituted or by the addition of new members. The relations of all other employees other than train-service men would have to be handled directly between the representatives of those employees and the individual managements.

Mr. Emery outlined the true functions of the Labor Board, and stated that in many of its decisions it had gone outside of those functions, especially when it laid down certain principles upon which agreements should be negotiated between the railroad employees and the managements.

He stated that the board is so organized and operated that it is easily overwhelmed with a great deal of trivial disagreements, which are manufactured into causes for the board's intervention.

It was suggested that a committee of seven members be appointed, of which Mr. Campbell should be one, Mr. Emery acting as counsel, which committee would represent the conference in its negotiations with the railroad executives, reporting back to the full conference for final action.

This was unanimously agreed to, and Mr. Campbell, as chairman, requested to appoint such committee, to be known as the executive committee.

The committee as appointed consists of:
J. R. Howard, representing agriculture.
S. J. Lowell, representing agriculture.
Charles Hill, representing lumber.
Ernest Trigg, representing building construction.
J. D. A. Morrow, representing fuel.
F. R. Todd, representing manufacture.
J. A. Campbell, representing steel.
J. A. Emery, counsel of the committee.

The question was then raised as to what public statement, if any, should be made with respect to the organization and operation of this conference. Upon motion thereafter duly made and seconded, Mr. Emery was authorized and directed to make, in his discretion, a public statement with respect to the organization of the committee and the progress of their conference.

There being no further business, the meeting adjourned, subject to the call of the executive committee.

ADDRESS BY GEN. ATTERBURY BEFORE CONFERENCE WITH AGRICULTURAL AND INDUSTRIAL REPRESENTATIVES AT WASHINGTON, DECEMBER 9, 1921.

The first meeting of this conference was held in New York City on September 21. It was then planned to hold another session in October, but the exigencies of the strike situation and the summoning of the executives to Chicago before the Labor Board made a postponement inevitable. During the month of November the National Grange and the American Farm Bureau Federation and other organizations have been holding their national meetings, so that to-day was the first convenient date on which the conference could be reassembled.

Since the conference first met the railway executives have taken steps to bring the labor cost of railway operation again to a head, and at their meeting in Chicago on October 14 gave their promise that they would turn over to the public in reduced rates the benefit of such reductions in wages as they can now obtain.

At their meeting in New York, on November 16, they reaffirmed this action, and as an earnest of their desire and intention to reduce rates they offer a voluntary 10 per cent reduction in the rates on practically all important farm products all over the country. Permission to make this reduction has been granted by the Interstate Commerce Commission, the schedules are now in preparation, and I understand that they will be filed, effective as of January 1.

This reduction is for an experimental period of six months, well within which time it is hoped that the reduction in wages now being aimed at will be obtained, in which case this reduction in rates will be permanent.

The carriers in eastern and western territory generally gave the necessary 30 days' notice to their employees of a desire to confer over a reduction of wages on or about November 15. In southeastern and southwestern territory I understand that this notice was given at various dates between November 15 and December 1. In any event, at varying dates after December 15, the carriers will be in a position with due orderly procedure to confer with their employees, and, in the case of disagreement,

to certify controversies with the Labor Board, asking a further reduction in basic wages.

With regard to men employed in train and yard service the effort will be to get back at least to the wages which existed prior to the increase of July 20, 1920, and in other classes of labor to get back to the now prevailing rates of pay for such labor in the different parts of the country. The reductions will probably not be uniform in each section, and any estimate of their aggregate can not be wholly accurate, but it is assumed that if the Labor Board grants what the managements are now asking it would result in a reduction of the pay roll amounting to something between three and four hundred million dollars.

The public has a right to expect the railway executives to give it a leadership as to the way out from the present vicious circle of the high cost of operation, high rates, and high cost of living. This the executives are endeavoring to do fully and in an orderly and lawful manner.

They feel that they have now brought the situation to a point where we can profitably discuss concrete steps of cooperation.

In the first place, of course, they desire your cooperation in bringing legitimate pressure to bear upon the Labor Board for the pending reduction in wages. Section 307 of the transportation act requires the Labor Board in fixing wages to take into account not only the cost of living, wages in other industries, and the degree of skill or hazard involved in various lines of railroad work, but also "other relevant circumstances." Among the most relevant of these circumstances the executives feel to be the fact that the agriculture and industry of this country can not and should not be required to go on paying the present rates for transportation made necessary by abnormally high costs, but in pressing this consideration on the attention of the Labor Board they must necessarily rely to a very large extent upon the agricultural and business interests speaking for themselves and pressing this point home.

There are other lines along which profitable cooperation in reducing transportation costs should be given. There are so-called full crew laws in some 12 or 15 States which do not permit railroads to handle their traffic in heavy train loads. There are numerous laws in almost all States, and differing even in adjoining States, with regard to headlights, construction of cars, and many other details which hamper executives in getting the highest efficiency out of the tools of transportation, and which necessarily add to the cost and complexity of railway management. We hope that you will favor joining hands with us in some general campaign to get rid of this costly and demoralizing legislation.

On December 14 a hearing will open before the Interstate Commerce Commission on an inquiry to determine whether or not the railroads can be reasonably required to make any further reductions in rates without compensating reductions in their operating expenses. In connection with those hearings we would like to have your support for our fundamental position that reductions in rates and reductions in expenses should go hand in hand.

In Congress the railroads are faced with the so-called Capper bill, which proposes to strike out the so-called 5½ or 6 per cent rate-making provision and to restore to the State authorities an uncontrolled power of fixing intrastate rates which may conflict with and be discriminatory against interstate rates.

With regard to the first of the two objects of the Capper bill I need only remind you that the so-called 5½ or 6 per cent provision of the transportation act expires on March 1, 1922, and has, therefore, hardly three months to run. Thereafter the Interstate Commerce Commission will from time to time, after due investigation, set the level of what ought to be aimed at as a reasonable return on railway capital. The railroads have not earned this 5½ or 6 per cent for any year since the resumption of private control, nor have they stood upon their right to earn it before attempting to meet the justifiable demands for relief from those who pay railroad rates. We hope, therefore, that you will agree with us that there is no necessity for and nothing to be gained by a repeal of this provision, which will automatically expire in less than three months.

With regard to taking away from the Interstate Commerce Commission the right to set aside intrastate rates which discriminate against interstate rates and interstate commerce, we feel that this attempt, if successful, makes an end of the possibility of responsible regulation. It means returning the railroads to the irresponsible conditions which obtained before the war, with 49 separate and uncontrolled authorities hacking away at their revenues without taking any responsibility for the final result. In the long run we think the shippers of the country would be just as badly off as the railroads from any restoration of these conditions, and we would like your support in opposing the effort to get us back into those conditions.

There also seems to be at least one defect in the provisions made by the transportation act, which is obvious, and that is the entire separation of the responsibility for income, as determined by rates through the Interstate Commerce Commission, and the responsibility for outgo, as determined by wages and working conditions by the United States Railroad Labor Board. This recognition has been spontaneous and general throughout the country. Some change in this situation will have to be made within some reasonable time. We are not prepared at the moment to say what we think it should be, but we do desire your help in spreading the idea that this obvious defect should be remedied, and we would like very much to get your ideas as to what the best remedy would be. We, of course, are not only willing but anxious to fight out this pending wage controversy with the constituted authorities as they now exist, and are not desirous of complicating that with suggestions for change. Nevertheless, the time when some change must be made may be near at hand, and we would ask your earnest consideration of whether or not any national regulation of the wages and working conditions of all kinds of railway labor can be instituted which would not have the inevitable result of artificially standardizing upward the rates of pay and working conditions of railroad employees.

If it be true that no form of national regulation of wages and working conditions can be devised which is free from this fundamental effect, then it seems to me we should try to find some method whereby when genuine disputes come to a head there can be a peaceful and orderly method of attempting an appeal to reason and justice before we come to the possibility of an organized strike.

In conclusion, I wish to express on behalf of all of the executives their appreciation of the spirit of good will and cooperation with which you have met us. We are trying to find a way out of present difficulties in which we bear our burden and make our sacrifice just as much as any other interest, and in which we do not try to bring ourselves out whole by a process other than one which will help to bring agriculture and industry out whole. At the same time, we want to urge you to bear in mind that there is an enormous public interest in the restoration of the earning power of the railroads. The railroads are the biggest single industry in the country. They represent about a third of the iron and coal industry, and to be in a position where they can demand credit for new cars and locomotives and for extension and improvements and making up deferred maintenance would in itself go a considerable distance toward restoring normal business activity. And unless the railroads do get their earning power back with reasonable promptness they will not be able to make up their deferred maintenance, buy new cars and locomotives, and make other improvements essential to their being able to meet the traffic of the country when business again comes at full tide.

INTERNATIONAL HARVESTER CO.

Mr. NORRIS. Mr. President, I submit a Senate resolution (S. Res. 223) and ask unanimous consent for its present consideration.

Mr. CURTIS. Let it be read.

The VICE PRESIDENT. The Secretary will read the resolution for the information of the Senate.

The resolution (S. Res. 223) was read, as follows:

Whereas in a suit instituted April 30, 1912, by the United States, the International Harvester Co. was adjudged by the court on August 12, 1914, a combination repugnant to the antitrust laws; and

Whereas negotiations pending prior to the institution of said suit for suitable settlement and decree in the public interest were terminated and suit commenced because of the refusal of the Attorney General to accept any settlement and decree which did not provide for the complete separation of the McCormick and Deering plants and lines and their control, inasmuch as said plants and lines constituted the predominant elements of the combination; and

Whereas on November 2, 1918, a consent decree was agreed to by the then Attorney General and entered in said cause, then pending on appeal, by which consent decree it was provided that the International Harvester Co. should divest itself merely of certain minor and comparatively unimportant and unprofitable properties; and

Whereas said consent decree left the International Harvester Co. in possession of those predominant elements, the ownership of which had been the prime reason for the commencement of the action, to wit, the McCormick and Deering plants and lines, and thus surrendered the substantial results obtained, and for which the suit had been instituted; and

Whereas a report to the Senate dated May 4, 1920, entitled "Report of the Federal Trade Commission on the causes of the high prices of farm implements," and the entire record in the case, both show that the property to be disposed of in conformance to said consent decree would only divest the International Harvester Co. of certain minor and unprofitable portions of its business, and would leave the combination still in possession of the major and dominant elements thereof, to wit, the McCormick and Deering plants and brands; and

Whereas it is evident that under said decree effective conditions in substantial harmony with the law, including effective competition and reduced prices of farm implements to the farmers, can not result or be obtained while the International Harvester Co. is permitted to retain its said dominant elements; and

Whereas it is necessary and urgent in the public interest, without further and unnecessary delay, to procure complete separation of ownership and control, direct or indirect, of said McCormick and Deering plants and brands, together with such other division of the business of the International Harvester Co. as may be necessary effectively to restore competitive conditions in real harmony with the law: Therefore be it

Resolved, That the Attorney General be, and he is hereby, directed to inform the Senate what action, if any, is contemplated by the Department of Justice to bring about a modification of said decree, in order that the same may comply with the real judgment rendered by the court in said case; or, if such course be not practical, whether the Department of Justice contemplates any other separate and independent action against said International Harvester Co., for the purpose of effectively restoring competitive conditions between the various corporations composing and comprising said International Harvester Co.

Mr. WADSWORTH. Mr. President, I have no objection whatsoever to the Senator from Nebraska asking for the information which he desires; in fact, I think it is information which we ought to have; but the preamble of the resolution contains a very considerable number of assumptions and conclusions as to facts which I think very few Senators here know anything about. If the resolution be adopted in its present form, it will commit the Senate to the entire acceptance of all the statements of fact contained in the resolution, when really we know nothing about them whatsoever.

Mr. NORRIS. Mr. President, practically everything alleged as a matter of fact in the preamble of the resolution is contained in the report of the Federal Trade Commission which has been made to the Senate, and is an official document to which all Senators have had access, and which, so far as I know, has never been disputed. I think it is safe to assume that a finding of that kind, at least for the purpose of basing action in the way of a resolution, is sufficiently definite to be assumed to be true. I do not know of anything which is contained in the resolution as to which that assumption may not be maintained. For instance, the date of the decree is set forth, but that is a matter of record which nobody will question. The statement, however, that the decree did not dissolve the International Harvester Co., so far as the dissolution of the McCormick and Deering elements of it is concerned, is a statement of fact which was made by the Federal Trade Commission after they had fully investigated the matter. I have talked with officials personally who had to do with the decree, who have told me the same thing.

Mr. WADSWORTH. Mr. President, I should have no objection to the resolution receiving immediate consideration if the Senator from Nebraska would revise the preamble and confine it to a reference to the report of the Federal Trade Commission and state in connection therewith that in view of the report made by the Federal Trade Commission the Senate would like to have the information; but the preamble as now drawn makes the report of the Federal Trade Commission the conclusion of the Senate, and I am not prepared to subscribe to that.

Mr. NORRIS. Mr. President, I think that an amendment to the preamble of the resolution which would state in effect that "the assumptions herein made are taken from the assertions in the report of the Federal Trade Commission" would, perhaps, cover the objection of the Senator from New York. I should have no objection to that kind of an amendment. If the Senator wishes to object to the present consideration of the resolution and will let it go over until to-morrow, he may prepare that kind of an amendment and I shall not object to that, but I am not willing that the entire preamble of the resolution shall be stricken out.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WADSWORTH. I ask that the resolution go over until we may have an opportunity to examine its preamble.

The VICE PRESIDENT. Being objected to, the resolution will go over.

SALVAGE OF SHELLS AND EXPLOSIVES.

Mr. TOWNSEND. Mr. President, I submit a Senate resolution, and I shall ask for its present consideration. I will state what the object of the resolution is, and if it leads to any debate, of course, it may go over.

It appears that the War Department has made a contract with a New York concern for the salvaging of all the materials possible which are contained in the many explosive shells which the United States had left over after the World War. Among the articles salvaged are picric acid and other explosives which are very greatly needed at the present time for the construction of roads and the clearing of stump lands. The Senate has taken action in reference to the quantity of those explosives we now have on hand and has directed that certain portions of them shall be assigned to the purposes I have mentioned.

If I have been correctly informed, a vast amount of such materials is possible of salvage from these explosive shells. What I desire to ascertain by obtaining a copy of the contract which has been made is what the Government's portion of this salvaged material will be and whether, in view of the fact that these articles are now so much in demand, it would not be better possibly—better for the Government and better for the people—that that contract, if possible, be modified. I do not know that it ought to be modified, but I wish to examine the contract. In my resolution I am asking that the Secretary of War send to the Senate the contract in order that it may form at least the basis for further investigation in reference to the matter. For that purpose, I send to the Secretary's desk the resolution and ask for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 224), as follows:

Resolved, That the Secretary of War be, and he is hereby, directed to transmit to the Senate a copy of the contract made between the War Department and the Columbia Salvage Co., of New York, relative to the salvage of shells and explosives, which contract is now in force and operation.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

GRANT SOUVENIR COINS.

Mr. McLEAN. From the Committee on Banking and Currency I report back favorably with an amendment in the nature of a substitute the bill (H. R. 6119) for the coinage of a Grant souvenir gold dollar in commemoration of the centenary of the birth of Gen. Ulysses S. Grant, late President of the United States, and I submit a report (No. 447) thereon.

Mr. WILLIS. Mr. President, I desire to make a request for unanimous consent for the immediate consideration of the bill which has just been favorably reported from the Committee on Banking and Currency by the chairman of that committee, and, if I may be permitted, I should like to make a preliminary statement.

This bill, which, of course, has already passed the House of Representatives, provides for a memorial coin to be issued to the Grant Memorial Association, a corporation organized under the laws of the State of Ohio, for the purpose of building a suitable memorial to the memory of Gen. Grant, the anniversary of whose birth will be April 27. The purpose, of course, is to secure these memorial coins and sell them at a premium so as to raise a fund to effectuate the desired object. The bill contemplates no expense whatever on the part of the Government.

As I understand, the bill is unanimously recommended by the Committee on Banking and Currency. Manifestly, if this association is to have the opportunity to sell the coins in order to raise funds so as to get the work under way by April 27, it is highly desirable that there should be early action on the proposed legislation. I, therefore, ask unanimous consent for the present consideration of the bill.

Mr. CURTIS. I ask that the bill may be read.

Mr. SMOOT. Mr. President, I notice from the report on the bill—I have not had time to read it in detail—that it is proposed to strike out all after the enacting clause of the bill as it passed the other House and to insert in lieu thereof a new provision.

Mr. McLEAN. Yes.

Mr. WILLIS. I will ask the chairman of the committee to state the reason for the action of the committee.

Mr. McLEAN. Mr. President, the bill as it came from the House of Representatives provided for the issuance of $200,000 in gold, but to that proposition the committee objected. We did not think this a good time to sequester so much gold in a souvenir coin. We have, therefore, reported in favor of coining $10,000 in gold dollars and $250,000 in silver half dollars. Those desiring this legislation wanted some of the coins to be of gold, and were very anxious for certain reasons that such provision be made. The committee thought that $10,000 would not make very much difference one way or the other. This proposed legislation is very important to the State of Ohio, and so the committee agreed to report in favor of the coinage of $10,000 in gold dollars and $250,000 in silver half dollars.

Mr. SMOOT. And that is all there is to it?

Mr. WILLIS. That is all there is to it. There are numerous precedents for legislation of this character, and I can see no possible objection to the immediate consideration of the bill.

Mr. SMOOT. I simply stated that I had not had time to read the report which has just been presented, but if there is nothing more involved than as stated by the Senator from Ohio I have no objection to the bill.

Mr. WILLIS. That is all there is to it.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

Mr. KING. Mr. President, I should like to ask the Senator from Ohio or the Senator from Connecticut if there is not some expense involved? The bill will require, as I understand, the coins to be produced at the mint.

Mr. WILLIS. Let me answer the Senator. If he will read the last section of the bill, he will notice the following proviso:

Provided, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Mr. KING. Yes; but where will the coins be produced? Obviously in the mints.

Mr. WILLIS. It is provided in the bill, as I recall, that they are to be produced at the mint in Philadelphia. My understanding of the matter is that the association is to bear all expenses. There is to be absolutely no expense to the Government of the United States.

Mr. KING. It is very ungracious, of course, to oppose, even in an inferential and indirect way, a measure of this character, a measure which has to do with the memory of a great leader, one of the greatest of military commanders and a former President of the United States, but I ask the Senator whether or not the passage of this bill will not constitute a precedent for constant appeal to be made to Congress for like privileges with respect to men who may not be as important in history as Gen. Grant and yet who may have been sufficiently important as to merit some sort of a memorial to be erected to their names?

Mr. WILLIS. Mr. President, in reply to the Senator from Utah, I suggest that this bill will not constitute a precedent, but that it is based on a long line of precedents. We have provided for the issuance of memorial coins of this character at various times, as the Senator well knows, and, in view of the patriotic purpose, I hope he will not object. For a long time the matter has been discussed in the State of Ohio, and the view has been held that there ought to be some sort of suitable memorial to this great man, and finally the association referred to in the bill was organized and incorporated under the laws of the State. If the Senator objects, he knows, of course, the bill will go to the calendar, and it will be some time before we shall be able to reach it; and so an objection will practically defeat the purposes of the proposed legislation.

Mr. KING. I shall not object to the consideration of the bill.

Mr. WILLIS. I thank the Senator.

Mr. KING. I appreciate the fact that its passage would appeal to a majority of the Senate, and perhaps to all of them. I only wanted to inquire whether or not the revival of a practice which has become almost out of date, following the war and following the desire upon the part of a great number of people to commemorate the achievements of their great men during the recent war, would lead to many appeals for similar legislation, and whether or not the Government of the United States ought generally to approve of the policy of coining memorial coins, which, of course, do cost the Government something—there is no question about that—and which withdraw to some extent from circulation a limited amount of gold or silver or whatever the metal of which coins may be made.

Mr. WILLIS. As the Senator may realize, the last consideration he has mentioned is of no great importance, for, under the bill as reported, $10,000 in gold coins and $250,000 in silver half dollars are all that the committee has provided. The Senator can hardly think that that will encroach to any great extent upon the metallic currency.

Mr. POMERENE. Mr. President——

Mr. WILLIS. I yield to my colleague.

Mr. POMERENE. Mr. President, I desire to indorse what my colleague has said in this behalf. I know that the old neighbors and friends of Gen. Grant and their descendants about his birthplace have been anxious for a long time to erect some suitable memorial in his honor. The people in that vicinity are all intensely interested in the project. A former chief justice of the State of Ohio, Hon. Hugh L. Nichols, is the president of this organization, and one of the very highest type of men in the State. There are, as my colleague has stated, a number of precedents for this legislation, and this seems to be the only feasible way whereby the association can finance the project. I indulge the hope that there will be no objection to the consideration of the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment reported by the Committee on Banking and Currency was to strike out all after the enacting clause and to insert:

That for the purpose of aiding in defraying the cost of erecting a community building in the village of Georgetown, Brown County, Ohio, and a like building in the village of Bethel, Clermont County, Ohio, as a memorial to Ulysses S. Grant, late President of the United States, and for the purpose of constructing a highway 5 miles in length from New Richmond, Ohio, to Point Pleasant, Clermont County, Ohio, the place of birth of Ulysses S. Grant, to be known as the Grant Memorial Road, there shall be coined in the mints of the United States, Grant memorial gold dollars to the number of 10,000 and Grant memorial silver half dollars to the number of 250,000, said coins to be of a standard Troy weight, composition, diameter, and design as shall be fixed by the Director of the Mint and approved by the Secretary of the Treasury, which said coins shall be legal tender to the amount of their face value, to be known as the Grant memorial gold dollar and the Grant memorial silver half dollar struck in commemoration of the centenary of the birth of Ulysses S. Grant, late President of the United States.

That all laws now in force relating to the gold coins and subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material and for the transportation, distribution, and redemption of the coins, for the prevention of debasement or counterfeiting, for security of the coins, or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

THE SHANTUNG QUESTION.

The VICE PRESIDENT. The Chair lays before the Senate the resolution coming over from a previous day, which will be read.

The reading clerk read the resolution (S. Res. 221), submitted by Mr. WALSH of Montana on the 20th instant, as follows:

Whereas in an ultimatum dispatched by the Emperor of Japan to the Imperial German Government on August 15, 1914, which marks the entrance of the eastern empire in the World War, it is stated: "We consider it highly important and necessary in the present situation to take measures to remove the causes of all disturbance of the peace in the Far East. The Imperial Japanese Government sincerely believes it to be its duty to give advice to the Imperial German Government to carry out the following two propositions: First, to withdraw immediately from Japanese and Chinese waters the German men-of-war and armed vessels of all kinds; second to deliver on a date not later than September 15 to the Imperial Japanese authorities, without condition or compensation, the entire leased territory of Kiaochow, with a view to the eventual restoration of the same to China"; and

Whereas on May 6, 1915, after the conquest of Shantung had been consummated by an Anglo-Japanese expeditionary force and the Japanese Army was in possession of Shantung districts greatly exceeding in extent the leased territory referred to in the ultimatum, the Secretary of State of the United States addressed to the Governments of Japan and China the following identic notes: "In view of the circumstances of the negotiations which have taken place or which are now pending between the Governments of China and of Japan and the agreements which have been reached as a result thereof, the Government of the United States has the honor to notify the Government of the Chinese Republic that it can not recognize any agreement or undertaking which has been entered into between the Governments of China and Japan impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy commonly known as the open-door policy"; an identical note being at the same time handed to the Japanese Government by the American Embassy in Tokyo; and

Whereas on August 24, 1915, Count Okuma, prime minister of Japan, cabled the American press the following message: "As premier of Japan I have stated, and I now again state to the people of America and of the world, that Japan has no desire to secure more territory, no thought of depriving China or any other peoples of anything which they now possess"; and

Whereas in October, 1919, the majority party of the United States Senate recorded its disapproval of the Shantung award and adopted the following reservation to the treaty of Versailles known as the Lodge amendment, from the fact that it was drawn up and presented by the Hon. HENRY CABOT LODGE, chairman of the Committee on Foreign Relations, one of the Members of this body now serving with the American delegation to the conference which reads: "The United States withholds its assent to articles 156, 157, 158, and reserves full liberty of action with respect to any controversy which may arise under said articles between the Republic of China and the Empire of Japan"; and

Whereas in the course of the same debate the minority party of the Senate voted for a reservation to the treaty whose ratification they advocated which, offered by the Hon. KEY PITTMAN, a member of the Committee on Foreign Relations, provided "That in advising and consenting to the ratification of said treaty the United States understands that the German rights and interests renounced by Germany in favor of Japan under the provisions of articles 156, 157, and 158 of said treaty are to be returned by Japan to China at the termination of the present war by the adoption of this treaty, as provided in the exchanged notes between the Japanese and Chinese Governments under date of May 25, 1915"; and

Whereas on July 1, 1921, the Hon. Charles Evans Hughes, Secretary of State, addressed a note to the Hon. Alfred Sze, Chinese minister to the United States, in which he stated the position of the American Government in the following terms: "The Government of the United States never has associated itself with any arrangement which sought to establish any special rights in China which would abridge the rights of the subjects or citizens of other friendly States; and I am happy to assure you that it is the purpose of this Government neither to participate in nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests a superiority of rights with respect to commercial and economic development in designated regions of the territories of China"; and

Whereas the text of the invitation sent to the Government of China by the President of the United States under date of August 11, 1921, reads: "It is quite clear that there can be no final assurance of the peace of the world in the absence of the desire for peace, and the prospect of reduced armament is not a hopeful one unless this desire finds expression in a practical effort to remove causes of misunderstanding and to seek ground for agreement as to principles and their application. It is the earnest wish of this Government that through an interchange of views with the facilities afforded by a conference it may be possible to find a solution of Pacific and Far Eastern problems of unquestioned importance at this time"; and

Whereas the Hon. Charles Evans Hughes, Secretary of State, has in the course of his correspondence with Japan and the other powers signatories of the treaty of Versailles declared "There would be no valid or effective disposition of the overseas possessions of Germany now under consideration without the assent of the United States"; and

Whereas the Arms Conference, at which Far Eastern problems were to be discussed, has been assembled in the city of Washington since November 12 of last year, and although no plenary public sessions of the conference have been held since December 10, 1921, it is officially communicated that the Shantung retrocession has not been officially discussed, although informal conversations have from time to time been pursued by the Chinese and the Japanese plenipotentiaries, hitherto without result, as to the manner of restoring the occupied territory to its rightful owners in accordance with the terms of the Japanese declaration of war upon Germany; and

Whereas it is contemplated in the so-called four-power pact about to be submitted for ratification that controversies likely to give rise to war affecting the insular possessions or dominions of the powers signatory thereto in the Pacific shall be composed, if possible, by conferences between them; and

Whereas the said powers are all now represented at the said Arms Conference in session in the city of Washington: Now, therefore, be it

Resolved, That the President of the United States be requested to communicate to the United States Senate, if it is not incompatible with the public interest, what steps, if any, have been taken to give effect in substance as well as in form to the foregoing declarations and policies.

Mr. CURTIS. Mr. President, in the absence of the Senator from Massachusetts [Mr. LODGE], I ask that the resolution may go over. He expected to be present this morning, but notified me that he would not be able to be in attendance upon the Senate to-day.

Mr. WALSH of Montana. That is quite satisfactory to me, Mr. President, but I should not like to have the resolution go over longer than to-morrow morning. Obviously, it is a matter that ought to be acted on promptly, if it is to be acted on at all.

Mr. CURTIS. I will endeavor to see the Senator from Massachusetts during the day or early in the morning.

Mr. WALSH of Montana. I understand, then, that the resolution goes over until to-morrow, and will lie on the table under the rule until to-morrow without prejudice.

The VICE PRESIDENT. The resolution will go over without prejudice.

BUILDING SITUATION IN THE DISTRICT.

Mr. KING. Mr. President, before the close of the morning hour I desire to briefly call the attention of the Senate to two or three communications which I received bearing upon the building situation in the District of Columbia. In view of the fact that Congress occupies, with respect to the District, the position of a State legislature, if not a municipal council, it is appropriate to refer in this body to matters pertinent to the welfare of the inhabitants of the District of Columbia. It is understood that the United States attorney has commenced, or is about to commence, an investigation of building conditions in the District; perhaps the Department of Justice is also cooperating with the United States attorney in this investigation. I have asked that such investigation be made because of the numerous complaints made that combines exist which result in enhancing beyond all reason the cost of constructing houses and other buildings within the District. There is no doubt but what prices are greatly in excess of prewar levels and have reached heights that can not be justified. The rents are too high, the cost of building is too high, and the cost of materials entering into the construction of buildings is entirely too great.

Investigations in other sections of the country have shown conditions there perhaps worse than those prevailing in Washington. Indeed, the conditions in New York have been shocking and have revealed a species of profiteering and robbery that can not be defended. There is no reason why buildings, which a few years ago cost but $20,000 to erect, should now cost fifty or sixty thousand dollars.

There are many causes conspiring to bring about this unsatisfactory condition. Congress is compelled to take cognizance of the matter, because of the large number of Federal employees who must be decently and properly housed. The situation can not escape congressional consideration. I do not mean that Congress shall become paternalistic or build houses for Federal employees; but certainly it is within the power of Congress to see that combinations and conspiracies to profiteer and to rob and plunder shall not be permitted.

Senators know that the situation shows but slight improvement. Indeed, I am advised by some that with the expiration of the Ball rent act conditions will become very much more serious and great hardship will result to thousands of people residing here, and particularly those who work for the Government, many of them at salaries so small as to make it impossible for them to pay even the rents which they are now called upon to meet. When the Ball Act was offered some Senators opposed it, but not because of any sympathy which they had for landlords and for the methods adopted by many persons who were renting houses. Let me add that there are many owners of property who treat their tenants in a just and generous manner. There are others who have been oppressive and whose treatment of their tenants calls for condemnation. Opposition to the Ball Act grew out of the belief that it was unconstitutional. I did not support the Ball Act, because I doubted its constitutionality, and further, because I believed that capital would flow into the District and many buildings would be erected and rents would automatically fall. In other words, the law of supply and demand would cure, within a reasonable time, the situation.

I regret to say that many of the landlords are not meeting conditions in a fair or proper manner. They are running counter to the tendency to lower price levels. I am told that many landlords have raised rents within the past few months and threaten to largely increase them when the Ball Act expires. I want to warn such persons that if they persist in this course a sentiment will be developed here which may prove irresistible and lead to an extension of the provisions of the Ball Act for an indefinite period. This is no time for profiteering, and builders and contractors and labor leaders and wholesalers and retailers must accommodate themselves to the changing conditions and join in the movement to reduce prices, so that they may reach such levels as will bring reasonable prosperity. I sincerely hope that the investigations which will be conducted by the United States attorney or the Department of Justice, or both, will prove of importance and will curb the profiteering and extortionate propensities of some who, I believe, are engaged in conspiracies and combinations inimical to the public welfare.

I have received a number of letters concerning the housing situation in the District. One of these communications, in part, reads as follows:

I would suggest that a very fruitful field in the line of this investigation will be found in looking into large numbers of sales which are dummies, instead of real sales, whereby the value of a property is put up sometimes four to five hundred per cent above its real value, so that the owner can say that he must have 10 per cent on the value of the building; this, of course, being based on the fictitious value of the building established by the means of dummy sales. I have in mind a particular building in Washington which could not have cost more than 18 to 20 cents per cubic foot at the outside when it was built and which, through a process of sales and resales, now stands at a value of $1 per cubic foot, or at least 500 per cent more than its original cost.

Another fruitful field for investigation will be found in the interlocking ownership of real estate and construction companies, whereby the real cost is concealed through a series of camouflaging. I have in mind another building about which complaint has been made to the rent commission, and which the owners claim has an outstanding indebtedness of—

Perhaps I ought not to give the figures, because that would identify the building, and I do not desire to bring any particular person into this discussion, at least for the present; but it is a very large sum, and the letter states the figures—

against it. Perhaps that is true; but if these securities were traced it would be found that these securities were highly watered by the dummy process. This particular building could be built, even under present conditions, for half of the amount and the contractors make a profit of 18 per cent.

Another letter calls attention to a matter as to which I express no opinion, but it deserves consideration. This letter is from a reputable firm in the city, and the writer is known to be a man of high standing and integrity. It states:

It is our experience, however, that the high cost of financing building construction at the present day is of equal importance to the high cost of materials and labor, and the exorbitant rates now being charged for interest and commissions on building loans, mortgages, and discounts are militating to a greater extent against the erection of homes than are the high cost of material and labor.

In a recent building operation just being completed, the commissions and interests on our building loans, together with the interest and discount charges on the first and second mortgages, amount to approximately 50 per cent of the physical cost of construction of the houses themselves.

Senators will observe that if robbery of this kind is continued, it will greatly aggravate the building situation. This letter shows a form of profiteering so ugly and brutal that suitable language can not be found to characterize it.

Another letter that I have received calls attention to what the writer conceives to be an evil.

It is in part as follows:

Another feature that should be changed is the amount of red tape and unnecessary detail formality one must go through in order to get permits to build. Inasmuch as you get a permit, you must state first who is to construct the building. If you find it necessary to discharge him, you must get another permit before you can employ another; and if the first is a union man, or has influence with the commissioners, they are liable to hold you up indefinitely—a condition which should be canceled—

The writer says:

Moreover, they will not allow anyone to do anything connected with plumbing.

I want to add, parenthetically, that a number of colored men have been to see me, and have protested against what they allege to be gross discrimination in the District. They say that but few colored men are allowed permits to engage in the plumbing business. If that is true, those who are indulging in this discrimination ought to be severely rebuked.

Let me add that I shall investigate this matter, and if the complaints are found to be true I shall attempt to remove any further ground for complaint.

This writer says:

I have worked in this business for eight years, but would be obliged to employ a regular registered plumber, at a rate of $8.50 a day, and wait until he was good and ready, and at an expense of holding the whole operation up for several days. As long as the work is inspected by the District engineers before it is allowed to be used, I think anyone should be allowed to do the work if they see fit. I have followed the plumbing business, as above stated, and would be able to do as good work as anyone, but to get a permit I would have to pass a long-drawn-out examination, put up a bond of $2,000, and deposit with the District $50. Upon a little investigation of the plumbers' code you will readily see that it is a union man's paradise and a public menace.

I mention these facts to show how it is possible for the unions to hold out the nonunion man, and also form a barricade for the contractors to hide behind. It makes it practically impossible for a man to bring some honest man in and let him do his work. I will say that a man should be permitted to do work that is afterwards inspected by the engineers of the District, because if it is not right the engineers will not pass it until it is made right.

I express no opinion as to the merits or demerits of the statements just read. I call attention to these matters, hoping that these and other questions will receive consideration in the investigation which will be made by the district attorney, with a view to ascertaining whether there are combinations upon the part of builders or contractors or others which tend to increase unduly the cost of building, or to maintain rent charges at levels so high as to be unfair and oppressive.

THE CALENDAR.

The VICE PRESIDENT. The calendar under Rule VIII is in order.

Mr. SMOOT. I ask unanimous consent that we begin with Order of Business 270, where we left off the last time the calendar was up, and go through the bills that were not considered the last time.

Mr. McNARY. I did not understand the request of the Senator from Utah.

Mr. SMOOT. The last time we had the calendar under consideration we reached Order of Business 270. I now ask unanimous consent that we begin at Order of Business 270 and go through the bills that were not considered the last time the calendar was up for consideration.

Mr. McNARY. That will bring us to the first bill following No. 270 after completing it?

Mr. SMOOT. Yes.

Mr. McNARY. It will operate in that manner?

Mr. SMOOT. Yes. I thought it was rather unfair to go back now to the beginning of the calendar, and run over just the same bills that we went over before. That is the reason why I make the request.

Mr. McNARY. I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The first business on the calendar under the unanimous-consent agreement was the bill (S. 2391) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes.

Mr. KING. I suppose that will take considerable time. It is a very important measure. I suggest that it be postponed.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2228) to amend certain sections of the Judicial Code relating to the Court of Claims was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2337) to amend the transportation act, 1920, and for other purposes, was announced as next in order.

Mr. SMOOT and Mr. CURTIS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2135) to enable the refunding of obligations of foreign Governments owing to the United States of America, and for other purposes, was announced as next in order.

Mr. SMOOT. That is the unfinished business.

The VICE PRESIDENT. It will be passed over.

The joint resolution (H. J. Res. 183) imposing a duty of 90 per cent on all goods exported from the United States for the use of the American Expeditionary Forces and its allied forces and which have been sold to any foreign Government or person, when reimported into the United States, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2515) to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 268) for the relief of William O. Mallahan was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2035) for the relief of William M. Carroll was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 150) directing the Secretary of the Senate to employ a special officer for the office of the Secretary of the Senate was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2573) to amend section 198 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States," as amended, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8331) to amend the transportation act, 1920, and for other purposes, was announced as next in order.

Mr. KING. I have not the bill before me; but is not that the one that was under consideration during the past week?

Mr. CURTIS. Let it go over.

The VICE PRESIDENT. The bill will be passed over.

PRINTING OF PENSION BILLS, PRIVATE CLAIMS BILLS, ETC.

The concurrent resolution (S. Con. Res. 1) providing that legislation dealing with pensions, private claims, distribution of war trophies, etc., be initiated by petition on suitable furnished forms, was announced as next in order, and the Senate resumed its consideration.

The VICE PRESIDENT. This concurrent resolution has been considered heretofore, and the amendments of the committee have been agreed to. The question is on agreeing to the concurrent resolution.

Mr. WADSWORTH. Mr. President, I do not intend at this moment to oppose the concurrent resolution. I should like information from some Senator as to what is contemplated by the phrase "distribution of war trophies," which, as I understand, are to be dealt with on an approved form.

Mr. SMOOT. I will say to the Senator from New York that the concurrent resolution has reference only to the printing of the original bills when they are introduced into the Senate. As it is now, all of these private pension bills and claims bills are printed in large quantities—1,654 of them, to begin with—and they go to the libraries throughout the country; and the Senator knows that bills of that character are printed session after session, and have been for the last 50 years, the same identical bills. We are simply trying to save about $80,000 a year in the expense of printing them.

Mr. WADSWORTH. I have no objection.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That legislation dealing with private pensions, either original or increases, with private claims, and with the distribution of war trophies to municipalities or organizations, shall hereafter be initiated by petition upon suitable forms provided for that purpose, which petition shall be referred to its appropriate committee without printing other than by title in the CONGRESSIONAL RECORD; and that any bill resulting therefrom shall be printed only when reported favorably by the committee.

CHARLES F. GETCHELL.

The bill (S. 748) to remove the charge of desertion from the military record of Charles F. Getchell was announced as next in order.

Mr. SMOOT. Mr. President, my colleague [Mr. KING] asked me, in case he left the Chamber—which he was compelled to do—to object to the consideration of this bill at this time.

The VICE PRESIDENT. The bill will be passed over.

ORIN THORNTON.

The bill (S. 1655) for the relief of Orin Thornton was announced as next in order.

Mr. SMOOT. I ask to have the same course taken with that bill, for the same reason.

Mr. CARAWAY. Mr. President, just one moment.

Mr. SMOOT. If the Senator from Arkansas will wait until the junior Senator from Utah comes in, he can call up the bill and I shall have no objection. My colleague was compelled to leave the Chamber. He will be back in a very few moments.

Mr. CARAWAY. He said here publicly that he had no objection to this bill.

Mr. SMOOT. When he comes back I shall have no objection to the Senator's calling up the bill.

The VICE PRESIDENT. The bill will be passed over.

MOUNT M'KINLEY NATIONAL PARK, ALASKA.

The bill (H. R. 6262) to add certain lands to Mount McKinley National Park, Alaska, was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the south, east, and north boundaries of the Mount McKinley National Park are hereby changed as follows: Beginning at the summit of Mount Russell, which is the present southwest corner of the park; thence in a northeasterly direction 100 miles, more or less, to a point on the one hundred and forty-ninth meridian, which is 25 miles south of a point due east of the upper northwest corner of the park; thence north along the one hundred and forty-ninth meridian 25 miles; thence west 40 miles, more or less, to the present upper northwest corner of Mount McKinley National Park. And all these lands lying between the above-described boundary and the present south, east, and north boundaries are hereby reserved and withdrawn from settlement, occupancy, or disposal, and under the laws of the United States said lands are hereby made a part of and included in the Mount McKinley National Park; and all the provisions of the act to establish Mount McKinley National Park, Alaska, and for other purposes, approved February 26, 1917, are hereby made applicable to and extended over lands hereby added to the park.

Mr. KING. Mr. President, I objected to the consideration of this measure when it was before us on a former occasion. Since that time I have ascertained that the existing law—and that seems to be an exception with reference to this reservation—permits mineral exploration and location. In view of that information, I have no objection to the consideration of the bill.

The VICE PRESIDENT. The bill is before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

GEORGE EMERSON.

The bill (S. 726) for the relief of George Emerson was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

GAME REFUGES.

The bill (S. 1452) providing for establishing shooting grounds for the public, for establishing game refuges and breeding grounds, for protecting migratory birds, and requiring a Federal license to hunt them, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

EXCHANGE OF LANDS IN HAWAII.

The bill (H. R. 4598) to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That within three years from the passage of this act the President be, and he is hereby, authorized, when in his opinion the public good demands it, to exchange any land or any interest in land owned by the United States now or hereafter set apart for military purposes in the Territory of Hawaii for privately owned land or land owned by the Territory of Hawaii, or any interest therein of equal value located in that Territory and selected by the Secretary of War, and thereafter to set apart for military purposes the lands or interest therein so acquired: *Provided*, That the Attorney General of the United States shall first pass upon and approve the title to the privately owned lands or interest therein to be acquired by the United States before any exchange of lands shall be made under the provisions of this act.

SEC. 2. That the value of the lands or interests to be so exchanged shall be determined by three appraisers, to be appointed by the Secretary of War. The expense necessary to effect the appraisement herein authorized, when approved by the military commander of the Hawaiian Department, may be paid out of the current appropriation for contingencies of the Army.

Mr. KING. I should like to ask the Senator from New York [Mr. WADSWORTH] whether it is contemplated that the authority hereby conferred will be exercised; that is to say, is there a situation now existing which in the near future will call for the exchange of Government land for privately owned land?

Mr. WADSWORTH. Yes; the bill results from a pending situation in which the Government owns some lands for which it has no use, and there are some other lands owned by the Territory or private individuals adjoining Government property which the Government needs. The proposition is to exchange them, practically without cost to the Government. The Senate has already passed a bill which is the companion of this bill. This is the bill which came over from the House.

Mr. KING. Would the Senator be willing to limit the period to one year instead of three?

Mr. WADSWORTH. I doubt if all the negotiations and proceedings could be completed in one year. I would be willing to limit it to two years. They may have to bring condemnation proceedings on certain small tracts.

Mr. KING. Undoubtedly if the condemnation proceedings extend beyond the time limited in the bill there would be no objection and the law would not inhibit proceeding to a conclusion, although it exceeded the time limit. I have no objection, if the Senator has in mind certain tracts that are to be exchanged and if the authority will not be exercised generally.

Mr. WADSWORTH. The report of the committee contains a description of the several tracts.

Mr. KING. The committee has examined it fully?

Mr. WADSWORTH. It has.

Mr. KING. I have no objection to its passage.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL DEFENSE ACT.

The bill (S. 2774) to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920, was considered as in Committee of the whole, and was read as follows:

Be it enacted, etc., That section 90 of the act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1921, be amended so as to read as follows:

"SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary service, and supplies for the Government animals issued to any organization, and for the compensation of competent help for the care of material, animals, and equipment issued mounted and other organizations, including motor drawn and air service, under such regulations as the Secretary of War may prescribe: *Provided*, That the men to be compensated, not to exceed five for each organization, shall be duly enlisted therein and shall be detailed by the organization commander, under such regulations as the Secretary of War may prescribe, and shall be paid by the United States disbursing officer in each State, Territory, and the District of Columbia."

Mr. WADSWORTH. The bill is almost entirely taken up with a repetition of the existing law. The new language will be found in lines 5 and 6, page 2, being merely "including motor drawn and air service." The insertion of that language is all there is to the bill. It will authorize the War Department to take care of material which is not specifically provided for in the original reorganization act.

The PRESIDING OFFICER (Mr. MOSES in the chair). May the Chair suggest to the Senator from New York that the language seems to require modification or explanation. It reads "motor drawn and air service." Should it not read "motor-drawn vehicles and air service"?

Mr. WADSWORTH. I think, taken in connection with the context, the present occupant of the chair will see that it is perfectly clear.

The PRESIDING OFFICER. The present occupant of the chair has no doubt as to the meaning of the bill.

Mr. WADSWORTH. It reads "equipment issued mounted and other organizations, including motor drawn and air service"; that is, motor-drawn organizations and air-service organizations.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

TRANSPORTATION OF MILITARY SUPPLIES.

The joint resolution (S. J. Res. 138) authorizing the payment of the cost of transportation for certain supplies purchased by the Military Establishment was announced as next in order.

Mr. SMOOT. I would like to have the Senator from New York make a brief statement showing just what the joint resolution proposes.

Mr. KING. May I suggest to the Senator before he does that that an appropriation is usually made for transportation in a lump sum. If they may use that for some other purpose and thus take a part of the proceeds appropriated for the purchase of supplies to pay the cost of transportation, they will get a double allowance from the Government.

Mr. WADSWORTH. Mr. President, I can assure the Senator from Utah that there is no question of double allowance under the item of transportation during this fiscal year. The slashing done by the Congress in drafting the Army appropriation act for this fiscal year was exceedingly severe, and in no instance was it more severe than in the item for transportation of the Army and supplies. The fact is that the transportation appropriation was cut so low that to-day officers can not be sent upon actual and necessary business of the Government.

It goes much further than that. Some of the supplies which the Army needs actually can not be transported to the posts where they are needed. In certain instances the Government has had manufactured for it either at its own arsenal or at a private plant certain articles. Under the former procedure and the existing procedure, as soon as the article is finished and delivered at the factory door or the arsenal door and is thereupon transported to the post or branch of the service in which it is to be used, the cost of the transportation has been charged against the appropriation for transportation.

This joint resolution would permit articles which are purchased or manufactured for the United States and accepted by the United States at the arsenal or factory door, to be transported to the place where they are to be used and where they are needed, and that transportation cost charged to the cost of the article. I think it is a sound business policy. I do not believe that the Government is indulging in good bookkeeping when it adopts and clings to the policy that an article costs so much under contract without charging against that article the cost of transporting it to the place where the Government must use it.

That is the purpose of the joint resolution. If it does not pass, these goods will pile up at the factory door and the arsenal door. They are not very numerous, because we are making hardly anything these days for the Army. Mostly we are purchasing food with which to feed the men, and certain other supplies, but they are not numerous. It is an actual fact that the War Department can not get hold and take possession of its own property which it has paid for because the transportation appropriation was slashed so severely that there was nothing left of it.

Mr. SMOOT. Mr. President, this is not legislation that I think ought to be enacted. I do not believe there ought to be any appropriation made for any obligations on the part of the Government which could be paid from two sources or from two appropriations. This joint resolution would grant that right. In other words, if Congress saw fit to appropriate a certain amount for the transportation of these items and the War Department saw fit to use it for some other purpose, then they could pay the freight out of a fund that Congress appropriated for a specific purpose.

It seems to me that if this measure becomes a law the question of the cost of the goods to the United States will not be the cost delivered at the place where they are to be used, but at the place in which they are made. The freight charges may be quite different from one place than from another. If the bid for certain articles was accepted for delivery at the door of the factory in which they were made, or at the warehouse, then if it happened to be a case where the freight rates were higher from that warehouse than they would be from another, of course it would cost the Government just that much more for the identical goods.

It is not good legislation. I do not believe there ever ought to be a bill passed by Congress appropriating money for one specific purpose and then granting authority to any department of the Government to spend that money for another purpose. I am opposed to such legislation and I object to the present consideration of the joint resolution.

Mr. KING. I suggest to the Senator from New York that it seems to me the War Department, under the conditions indicated, could certify to the Appropriations Committee that they have a deficit there and needed money for the transportation of required articles which had been purchased and that Congress would not hestitate a moment to give it to them.

The PRESIDING OFFICER. The Chair understands the senior Senator from Utah to object, and the joint resolution goes over.

Mr. HARRIS. Mr. President, I would like to ask the Senator from New York about the appropriation for transportation of the Army, for it is a matter in which I am interested. A soldier in my State served in the World War and was ordered to the Southwest when he came back to this country. He served with distinction in the World War and served with distinction in this country. His mother is dying with consumption, and his family appealed to me to secure his transfer to a point nearer home.

I went to the War Department to try to get him transferred. They told me that they had no money to pay traveling expenses, and that he would not only have to pay his own expenses if transferred but he would have to pay the expenses of the man who would be transferred to relieve him in the Southwest.

I believe in economy; but this is wrong. There is no excuse for anything of this kind, and Congress ought to make a sufficient appropriation to prevent any such injustice.

Mr. WADSWORTH. The Senator from Georgia states a typical instance. Congress was very severe in this matter. It is a fact to-day that when officers are ordered to duty of a special and important character which involves necessarily that they must move about from place to place as inspectors there is no money left in the transportation fund to pay their railroad fare.

Mr. HARRIS. Congress should correct such a serious condition as that.

Mr. WADSWORTH. The instance which the Senator cites is a typical one. I have encountered many of them. I know of an instance at an Army post to-day where the enlisted men themselves have taken up a collection in order that the electric light and the heat may be kept on until 10.30 at night, instead of being closed down at 8 o'clock, the appropriation having been exhausted. We have reached a pretty state of affairs when the enlisted men of the Army have to pay for the light by which they read.

Mr. HARRIS. Why does not the chairman of the Committee on Military Affairs try to get an appropriation on the next deficiency bill to prevent such a deplorable condition of affairs?

Mr. SMOOT. This joint resolution has nothing to do with the case the Senator from Georgia cites. This has reference only to the cost of goods at the factory.

Mr. HARRIS. Yes; I understand that.

Mr. SMOOT. This is another question entirely. I do not think we ought to make an appropriation for one purpose and then let the money be used for another purpose. On that basis I have objected to the present consideration of the joint resolution.

Mr. KING. It ought to be said in connection with what the Senator from New York has mentioned that with a very small Army we made a very large appropriation. As I recall, it was approximately $400,000,000.

Mr. WADSWORTH. It was nowhere near $400,000,000. It was $328,000,000.

Mr. KING. As originally reported, what was it?

Mr. WADSWORTH. From which committee?

Mr. KING. From the House committee.

Mr. WADSWORTH. Three hundred and twenty-one million dollars.

Mr. KING. And as it passed it appropriated $328,000,000?

Mr. WADSWORTH. It did.

Mr. KING. Three hundred and twenty-eight million dollars is not a picayune sum.

Mr. WADSWORTH. Not at all.

Mr. KING. It is a very large appropriation, and until the Army and the administration adopt different methods and practice various economies not yet inaugurated some of the evils will occur like that of which the Senator complains, and it is an evil and it ought to be remedied.

Mr. WADSWORTH. The evil to which I referred is due to the insistence, which I think was mistaken on the part of many

Members of the Congress, that appropriations be itemized in great detail and the Secretary of War bound down to a certain figure for any one of hundreds of activities. It is impossible for the Congress to estimate accurately, and we did not estimate accurately in the matter of transportation. It is costing the Government money rather than saving it.

The PRESIDING OFFICER. On objection, the joint resolution goes over.

TRANSPORTATION OF DEPENDENTS OF ARMY CLERKS.

The joint resolution (S. J. Res. 41) authorizing transportation for dependents of Army field clerks and field clerks, Quartermaster Corps, was announced as next in order.

Mr. KING. I think that had better go over.

Mr. SMOOT. Yes; let it go over.

The PRESIDING OFFICER. The joint resolution will go over.

MARGARET I. VARNUM.

The bill (S. 2328) for the relief of Margaret I. Varnum was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. It will go over.

CORRECTION OF MILITARY RECORDS.

The joint resolution (S. J. Res. 28) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty, but whose induction or commission into the service was not, through no fault of their own, formally completed on or prior to November 11, 1918, and for other purposes, was announced as next in order and was read, as follows:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to carry upon the records of the War Department as though he had been duly inducted into the service of the United States any registrant under the selective service law and regulations who applied for voluntary induction into the service and was accepted, and who, pursuant to competent orders, reported for active duty as a soldier, but whose induction into the service, through no fault of his own, was not formally completed on or prior to November 11, 1918; and the name of any such person shall, under this act and regulations to be prescribed by the Secretary of War, be so carried upon the records of the War Department, and any such person shall be deemed to have been a soldier and shall be regarded as such from and after the date on which, pursuant to competent orders, he reported for active duty as a soldier, to such extent as to entitle him to receive the regular pay and allowances of an enlisted man for the period of his actual military service and to a discharge from the service as of the date of the termination of such service: *Provided,* That such persons shall not be entitled to any bonus, gratuity, or clothing or travel allowance authorized by law for enlisted men upon discharge from the service.

SEC. 2. That the President be, and he is hereby, authorized to issue an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, had been duly appointed to a commissioned grade, and, through no fault of his own, was unable to accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such appointment, and after such appointment any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission.

SEC. 3. That the President be, and he is hereby, authorized to issue an appropriate commission in the name of any person who, while in the military service of the United States during the war between the United States and Germany and Austria-Hungary, may have been officially recommended for promotion to a commissioned grade, which recommendation shall have been duly approved by the Secretary of War, or by the commanding general American Expeditionary Forces, as the case may be, and who shall have been unable to receive and accept such commission by reason of his death in line of duty; and any such commission shall issue as of the date of such approval, and thereafter any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service to which he would have been promoted by such commission.

SEC. 4. That the President be, and he is hereby, authorized to issue an appropriate commission to any person who, on or prior to November 11, 1918, performed the service of a commissioned officer of the United States Army under the promise of or agreement in good faith with proper authority that a commission would in due time be issued to him, and by reason of unavoidable delay, the signing of the armistice, the cessation of hostilities, and orders issued in consequence thereof, no commission was ever issued to him in accordance with such promise or agreement; and any such commission shall issue as of the date of the commencement of such service and in such grade and branch of the service as promised or agreed upon; and any such person's name shall be carried upon the records of the War Department as of the grade and branch of the service shown in such commission.

SEC. 5. That no person shall be entitled to receive any bonus, gratuity, pay, or allowances by virtue of any commission issued under sections 2, 3, or 4 of this act.

Mr. KING. Does the Senator from New York conceive this measure to be wise and proper?

Mr. WADSWORTH. The Committee on Military Affairs thought it was wise and proper and the senior Senator from Utah [Mr. SMOOT], who introduced it, also has a considerably high opinion of it.

Mr. SMOOT. I thought it was wise and proper. I think it is legislation that ought to be passed.

Mr. KING. I have a great deal of respect for the opinion of the chairman of the committee.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CAPT. BENJAMIN S. BERRY.

The bill (H. R. 2556) to advance Capt. Benjamin S. Berry to the permanent rank of major was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

THE WILLIAM GORDON CORPORATION.

The bill (H. R. 1460) for the relief of the William Gordon Corporation was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to the William Gordon Corporation such sum, out of any money in the Treasury not otherwise appropriated, not exceeding $8,000, as he may determine will compensate the said corporation for furnishing temporary heat to the Interior Department Office Building as a result of the extension of time on their contract.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 1298) to carry out the findings of the Court of Claims in the case of the Fore River Shipbuilding Co. was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. Objection being made, the bill will go over.

The bill (H. R. 7589) for the relief of Maj. Ellis B. Miller was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1690) to correct the military record of John Sullivan was announced as next in order.

Mr. KING. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 34) for the relief of the Pacific Commissary Co. was announced as next in order.

Mr. SMOOT. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 548) to place Albert Hamilton on the retired list of the United States Navy was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. On objection the bill goes over.

LEASE OF FLOATING DRY DOCK AT NEW ORLEANS.

The bill (S. 2718) to provide for leasing of the floating dry dock at the naval station, New Orleans, La., was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That authority be, and is hereby, given to the Secretary of the Navy, when in his discretion it will be for the public good, to lease, for periods not exceeding five years and revocable at any time, the floating dry dock at the naval station, New Orleans, La.; and such lease shall be reported annually to Congress: *Provided,* That all moneys received from such lease shall be covered into the Treasury as miscellaneous receipts.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 2719) to reimburse certain persons for loss of private funds while they were patients at the United States Naval Hospital, Naval Operating Base, Hampton Roads, Va., was announced as next in order.

Mr. SMOOT. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2749) to prepare for future cyclical periods of depression and unemployment by systems of public works was announced as next in order.

Mr. DIAL. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

GAME SANCTUARY IN FLATHEAD NATIONAL FOREST.

The bill (S. 1034) to establish a game sanctuary in the watershed of the South Fork of the Flathead River in the Flathead National Forest to perpetuate a breeding place for game animals was announced as next in order.

Mr. KING. Let the bill go over.

Mr. MYERS. Mr. President, I ask the Senator if he will withhold his objection to the bill until I can explain it?

Mr. KING. I withhold the objection for that purpose.

Mr. MYERS. The purpose of the bill is not to withdraw any land from any use whatsoever. It is simply to authorize the President, upon recommendation of the Secretary of Agriculture, in his discretion, to designate a certain area within a national forest in Montana within which no wild game or birds shall be slaughtered or killed until the Executive order may be

revoked. The bill does not withdraw any land. The land is already withdrawn. It is within a national forest, and the bill is simply intended to provide that the President, upon the recommendation of the Secretary of Agriculture, may for a limited time forbid the killing of wild game or birds in a prescribed area. The State game commissioner of Montana favors the bill.

The Secretary of Agriculture recommends it. The matter has been given wide publicity in Montana. The land involved is wholly in that State. I am sure the people of Montana are in favor of the legislation. It would simply establish a limited area, where for a certain length of time wild game and birds could not be killed. It is intended as a measure to facilitate the preservation and propagation of our wild animals and birds, which are being rapidly slaughtered.

Mr. KING. May I ask the Senator whether the proposed legislation is restricted to the one reservation of which the Senator speaks?

Mr. MYERS. It is restricted entirely to one reservation in Montana, a national forest reserve.

Mr. KING. The bill does not provide for obtaining a Federal license in order that a man may carry a gun to shoot a rabbit?

Mr. MYERS. Oh, nothing of that kind at all is provided.

Mr. KING. The Senator from Montana knows that there are now a large number of people who have the idea that no man ought to be permitted to hunt in any State unless he gets a Federal license to do so.

Mr. MYERS. This proposed legislation has nothing to do with the restriction to which the Senator from Utah refers. It does not provide for any kind of a Federal license.

Mr. KING. There is a bill now pending providing that a man must obtain a Federal license in order to shoot any game which is alleged to be of a migratory character, and that he may be prosecuted under Federal law for shooting a bird which happens, according to the views of some people, to be of a migratory character, on the ground that Congress, under the interstate-commerce clause of the Constitution, may control migratory birds.

Mr. MYERS. This bill is not in line with that at all. It is simply a step toward preserving our rapidly diminishing wild game. It provides one spot where game and birds shall be protected for a time from slaughter and allowed to propagate and increase without molestation. Unless some provision of that kind be made, our supply of wild game and birds is in danger of extinction. It is time some attention were being given to preserving from ruthless slaughter all species of wild game and birds. This measure is designed to serve that purpose to some extent.

Mr. KING. I withdraw my objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands and Surveys with amendments, in section 1, page 1, line 8, after the word "proclamation," to insert the word "within"; in line 9, before the word "the," to strike out the word "within" and to insert the word "of"; and, in the same line, after the word "forest," to strike out the word "as," so as to make the bill read:

Be it enacted, etc., That for the purpose of providing breeding places for game animals and birds on lands within the Flathead National Forest, which are not chiefly suitable for agriculture, the President of the United States is hereby authorized, upon recommendation of the Secretary of Agriculture, to establish, by public proclamation, within the following-described area of the said forest a game sanctuary or refuge which shall be devoted to the increase of game of all kinds naturally adapted thereto, to wit:

Beginning at the junction of the ridge between Lodgepole Creek and Cabin Creek with the Continental Divide, thence following the divide southwest across Big River and up the divide between Porter and Miner Creeks to Whitecomb Mountain, thence southward along the divide between Big Bill and Whitecomb Creek to Spotted Bear Creek, thence west along the creek to the divide between Cow and Sargent Creeks, which it follows to Spotted Bear Mountain. From this point it leads west along Spotted Bear Mountain to the junction of Spotted Bear Creek and the South Fork of the Flathead River, thence south along the river to the ridge between Larch and Bruce Creeks, which it follows westward to Bruce Mountain and around the head of Bunker Creek to the Swan Range, which is the divide between the Swan River and South Fork of the Flathead River watersheds. From this point the boundary follows the divide southward to the divide between Gordon and the Youngs Creek drainage, which it follows east to the junction of Youngs Creek and the South Fork of the Flathead River. From this point the boundary extends up the ridge between Cayuse and Camp Creeks to the Continental Divide, which it follows to the place of beginning at the intersection of Lodgepole and Cabin Creeks.

SEC. 2. That the lands included in said game sanctuary or refuge shall continue to be parts of the Flathead National Forest; and nothing contained in this act shall prevent the Secretary of Agriculture from permitting other uses of said lands under and in conformity with the laws and the rules and regulations applicable thereto so far as such use may be consistent with the purposes for which said game refuge or sanctuary is authorized to be established.

SEC. 3. That when such game sanctuary or refuge has been established, as provided in section 1 of this act, hunting, pursuing, poisoning, killing, or capturing by trapping, netting, or any other means, or attempting to hunt, pursue, kill, or capture any wild animals or birds for any purpose whatever upon the lands of the United States within the limits of said game sanctuary or refuge, shall be unlawful except as hereinafter provided, and any person violating any provision of this act or any of the rules and regulations made under the provisions of this act shall be deemed guilty of a misdemeanor, and shall upon conviction in any United States court be fined in a sum not exceeding $500, or be imprisoned for a period not exceeding six months, or shall suffer both the fine and imprisonment, in the discretion of the court.

SEC. 4. That the Secretary of Agriculture shall execute the provisions of this act, and he is hereby authorized to make all needful rules and regulations for the administration of such game sanctuary or refuge in accordance with the purpose of this act, including regulations not in contravention of State laws, for hunting, capturing, or killing predatory animals, such as wolves, coyotes, cougars, and other species destructive to live stock or wild life, within the limits of said game sanctuary or refuge.

SEC. 5. That whenever the number of game animals or birds within said sanctuary or refuge becomes so great that utilization of the excess is to the public interest, the Secretary of Agriculture may certify to the game warden of the State of Montana that certain specific numbers of animals or birds may be killed or taken within certain defined portions of the sanctuary or refuge, and under certain prescribed conditions, which certification shall be authority for said game warden to issue licenses authorizing the taking or killing of animals or birds within the limits of such sanctuary or refuge, and if the privileges granted or conferred by such licenses are exercised under and in full compliance with the conditions prescribed by the Secretary of Agriculture, the killing or taking of game animals or birds in conformity therewith within the designated limits of the sanctuary or refuge shall not constitute a violation of this act.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEASE OF FLOATING DRY DOCK AT NEW ORLEANS.

Mr. CALDER. Mr. President, I was out of the Chamber for a few moments, and I will ask the Chair what disposition was made of the bill (S. 2718) to provide for leasing of the floating dry dock at the naval station, New Orleans, La.?

The PRESIDING OFFICER. That bill was passed.

Mr. CALDER. I ask unanimous consent that the vote by which the bill passed may be reconsidered. I desire to make further inquiry regarding the measure.

Mr. KING. Does the Senator from New York object to that bill?

Mr. CALDER. Yes; I do for the present.

Mr. KING. Very well.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York to reconsider the vote by which the bill which he has named was passed.

The motion was agreed to.

Mr. KING. Let the bill go back to the calendar.

Mr. CALDER. I am willing that it should do so.

The PRESIDING OFFICER. The bill will be returned to its place on the calendar.

THE ED E. RICHARDSON CO. (INC.).

The bill (S. 2147) to patent to the Ed E. Richardson Co. (Inc.) certain lands was announced as next in order.

Mr. KING. Is not the next Order of Business No. 389?

The PRESIDING OFFICER. The Chair will explain to the Senator from Utah that through a misarrangement of the bills at the desk, orders of business from 380 to 387, inclusive, were omitted, and the Senate will now return to Order of Business No. 380 on the calendar, the title of which has just been stated.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands and Surveys with an amendment on page 1, line 4, before the word "patent," to strike out the words "issue and," so as to make the bill read:

That the Secretary of the Interior is hereby authorized to patent to the Ed E. Richardson Co. (Inc.) lot 2, section 26, and lots 2 and 5, section 27, township 18 north, range 10 east, Louisiana meridian, embracing 104.81 acres, upon payment to the Government of $1.25 per acre, lands which they and their grantors have occupied under claim and color of title and open and notorious possession for 50 years: *Provided*, That proper application for the purchase of these lands be filed hereunder in the district land office within six months from the passage of this act, and that no adverse claim thereto be officially of record as pending when the application is allowed and the sale is made.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize patent to the Ed E. Richardson Co. (Inc.) of certain lands."

GEORGE E. YEADON.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2091) for the relief of George E. Yeadon. It authorizes the Secretary of the Treasury to pay to George E. Yeadon, of Midvale, Utah, $80 and interest for initial purchase money paid by him in connection with Salt Lake City (Utah) desert-land entry No. 2110, for certain lands described by metes and bounds in township 16 south, range 6 east, Salt Lake meridian.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN COCONINO COUNTY, ARIZ.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2471) to amend the act entitled "An act authorizing the survey and sale of certain lands in Coconino County, Ariz., to the occupants thereof," approved July 28, 1914 (38 Stat. L., p. 558), which was read, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act authorizing the survey and sale of certain lands in Coconino County, Ariz., to the occupants thereof," approved July 28, 1914 (38 Stat. L., p. 558), is amended to read as follows:

"SEC. 3. That any person, or his successors in interest, who prior to January 1, 1914, were in the actual occupancy of and improving one or more of said tracts for agricultural purposes, not exceeding in all 80 acres, and have maintained the same in good faith for said purposes, upon the filing of an application to enter the same within six months from the filing of the plat of said survey in the local land office, shall be entitled to a patent for such tract or tracts upon paying the sum of $1.25 per acre therefor. All such tracts not covered by valid applications at the expiration of said six months shall thereafter be subject to cash entry upon payment of $1.25 per care."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES R. POWELL.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 1459) for the relief of Charles R. Powell. It directs the Secretary of the Interior to sell to Charles R. Powell, within a period of 90 days from and after the passage of the act, at the original purchase price, the southwest quarter of section 35, township 2 south, range 13 west, Indian meridian, Cotton County, Okla., and issue to him a patent therefor.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

J. D. CALHOUN.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2865) authorizing the Secretary of the Interior to sell and patent to J. D. Calhoun, of Lincoln Parish, La., certain lands, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to sell and patent to J. D. Calhoun, of Lincoln Parish, La., the northwest quarter of the southwest quarter section 34, township 19 north, range 2 west, Louisiana meridian, situated in the parish of Lincoln, State of Louisiana, at not less than $1.25 per acre, land which he and his grantors have occupied under claim and color of title, and of which they have had the actual possession, beneficial use, and enjoyment, believing themselves to be owners in good faith for more than 30 years: *Provided*, That application for the purchase of the described tract of land under this authorization be filed at the United States land office at Baton Rouge, La., within 90 days after the passage of this act, and that no adverse claim thereto be officially of record as pending when the application is allowed and the sale consummated: *Provided further*, That the entry which may be made and the patent issued under the provisions of this act shall be subject to and contain a reservation to the United States of all oil, gas, and other minerals in the land so entered and patented and with the right to prospect for, mine, and remove same.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WIDOW AND HEIRS OF JOSEPH ETIER.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7290) to confirm private land claim of the widow and heirs of Joseph Etier, which was read, as follows:

Be it enacted, etc., That the private land claim of the widow and heirs of Joseph Etier, No. 243, class 5, in the report dated December 30, 1815, of the register and receiver at Opelousas, La., acting as commissioners on land claims in the western district of the State of Louisiana, which has been surveyed and segregated as section 40, township 13 north, range 4 east, Louisiana meridian, containing 668.77 acres, shall be, and the same is hereby, confirmed, and the Secretary of the Interior shall cause patent to issue for said land to the widow and heirs of Joseph Etier, their heirs, assigns, or legal representatives: *Provided*, That this act, and the patent which may be issued in pursuance of the same, shall only operate as a relinquishment on the part of the United States, and shall in no way prejudice any valid adverse right, if such exist, to the said land; the intent being that title shall inure to the true owners of the land under the laws of Louisiana, including the laws of prescription, in the absence of any interest or estate of the United States.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

DESCHUTES NATIONAL FOREST, OREG.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 7600) authorizing the adjustment of the boundaries of the Deschutes National Forest, in the State of Oregon, and for other purposes, which was read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized in his discretion to accept on behalf of the United States title to any lands in private ownership within or within 6 miles of the exterior boundaries of the Deschutes National Forest, which, in the opinion of the Secretary of Agriculture, are chiefly valuable for national forest purposes, and, in exchange therefor, may issue patent for an equal value of national forest land, in the State of Oregon, or the Secretary of Agriculture may permit the grantor to cut and remove an equal value of timber from any national forest in the State of Oregon, the values in each instance to be determined by the Secretary of Agriculture and be acceptable to the owner as fair compensation. Timber given in such exchanges shall be cut and removed under the direction and supervision and in accordance with the requirements of the Secretary of Agriculture. Lands conveyed to the United States under this act shall, upon acceptance of title, become parts of the Deschutes National Forest.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EXCHANGE OF LANDS IN MONTANA.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1878) to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value. It provides that tracts of timbered lands heretofore granted to the State of Montana for educational purposes, from which the timber has been cut or removed pursuant to State laws, may, under such rules and regulations as the legislature of the State shall prescribe, be exchanged for other lands of like character and approximately of equal value, in private ownership, to the end that the State may acquire holdings in reasonably compact form and reforesting be undertaken in an economic manner, anything in the enabling act of the State to the contrary notwithstanding.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STREET EXTENSION THROUGH WALTER REED HOSPITAL GROUNDS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2411) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Blair Road, and for other purposes, which was read as follows:

Be it enacted, etc., That in order to provide for the necessary extensions and additional buildings to be erected at the Walter Reed General Hospital, in the District of Columbia, all public streets, except Fourteenth Street, and alleys included within the area bounded by Sixteenth Street on the west, Alaska Avenue on the northwest, Fern Street on the north, Georgia Avenue on the east, and Aspen Street, as platted on the official survey map, on the south, be, and the same hereby are, vacated, abandoned, and closed, the portions of public streets within said area which are hereby abandoned and closed by this act being known as Thirteenth Street, Fifteenth Street, Dahlia Street, Dogwood Street, and Elder Street.

SEC. 2. That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for the extension and widening of Fourteenth Street from Montague Street to the southern boundary of the Walter Reed General Hospital grounds, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Blair Road, all in accordance with the plan of the permanent system of highways for the District of Columbia: *Provided, however*, That of the amount found to be due and awarded by the jury in said proceedings as damages for, and in respect of, the land to be condemned for said extensions or widening, plus the costs and expenses of the proceedings hereunder, four-tenths shall be assessed against the property which the jury shall find to be benefited.

SEC. 3. That when Fourteenth Street shall be opened for traffic to the south boundary of the property known as the Walter Reed General Hospital grounds, numbered for purposes of assessment and taxation as parcel 89 sub 7, the control and jurisdiction of that part of Fourteenth Street as laid down on the plan of the permanent system of highways of the District of Columbia which lies within the said hospital grounds, shall immediately pass to the Commissioners of the District of Columbia, the same in all respects as other streets and avenues in the District of Columbia: *Provided*, That the grade of the street through the hospital grounds shall be subject to the approval of the Secretary of War.

SEC. 4. That an amount sufficient to pay the necessary costs and expenses of the condemnation proceedings taken pursuant hereto, and for the payment of the amounts awarded as damages, is hereby authorized, payable out of the revenues of the District of Columbia; the amounts collected as benefits to be covered into the Treasury of the United States to the credit of the revenues of the District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EDWIN GANTNER.

The Senate as in Committee of the Whole proceeded to consider the bill (S. 2556) for the relief of Edwin Gantner.

It authorizes the Secretary of the Interior to issue a patent to Edwin Gantner upon homestead entry, Newcastle 025304, embracing the west one-half section 26, and the north one-half section 27, township 52 north, range 74 west, sixth principal meridian, made by said Edwin Gantner, without requiring further residence.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RAILROAD ABANDONED RIGHTS OF WAY.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 244) to provide for the disposition of abandoned portions of rights of way granted to railroad companies which had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 11, after the word "of" to strike out "said patent" and to insert "the patent thereto"; and in line 16, after the word "may," to insert the words "hereafter and before such forfeiture or abandonment," so as to make the bill read:

Be it enacted, etc., That whenever public lands of the United States have been or may be granted to any railroad company for use as a right of way for its railroad or as sites for railroad structures of any kind, and use and occupancy of said lands for such purposes has ceased or shall hereafter cease, whether by forfeiture or by abandonment by said railroad company declared or decreed by a court of competent jurisdiction or by act of Congress, then and thereupon all right, title, interest, and estate of the United States in said lands shall, except such part thereof as may be embraced in a public highway legally established within one year after the date of said decree or forfeiture or abandonment be transferred to and vested in any person, firm, or corporation, assigns, or successors in title and interest to whom or to which title of the United States may have been or may be granted, conveying or purporting to convey the whole of the legal subdivision or subdivisions traversed or occupied by such railroad or railroad structures of any kind as aforesaid, except lands within a municipality the title to which, upon forfeiture or abandonment, as herein provided, shall vest in such municipality, and this by virtue of the patent thereto and without the necessity of any other or further conveyance or assurance of any kind or nature whatsoever: *Provided*, That this act shall not affect conveyances made by any railroad company of portions of its right of way if such conveyance be among those which have been or may hereafter and before such forfeiture or abandonment be validated and confirmed by any act of Congress; nor shall this act affect any public highway now on said right of way: *Provided further*, That the transfer of such lands shall be subject to and contain reservations in favor of the United States of all oil, gas, and other minerals in the land so transferred and conveyed, with the right to prospect for, mine, and remove same.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

PUBLIC LANDS IN ARKANSAS.

The Senate as in Committee of the Whole, proceeded to consider the bill (H. R. 1318) granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes, which was read, as follows:

Whereas certain lands in Poinsett County and Mississippi County, in the State of Arkansas, namely, those portions of sections 1, 2, 7, 8, 9, 10, 11, 12, 14, 15, 16, 18, 21, 22, 27, 28, 33, 34, 35, 36, township 10 north, range 7 east, in Poinsett County, and sections 29, 30, 31, 32, 33, township 10 north, range 8 east, in Mississippi County, Ark., shown in the official surveys as Tyronza River, Dead Timber Lake, and lake on the official plats of these townships, have been, by Executive order, temporarily withdrawn from settlement, location, sale, or entry in order to adjust claims of patentees against the United States and among themselves arising from alleged incomplete or erroneous surveys; and

Whereas the land office, upon investigation, has found that the greater part of these lands in question have been put in cultivation down to the water's edge by parties who thought they had title to them and have been paying taxes on many of these lands, and the land office is now making a resurvey, and will replat these areas at the request of said adjacent landowners: Therefore

Be it enacted, etc., That M. M. Want, as trustee for the owners, their heirs, administrators, or assigns, of lands adjacent to those portions of sections 1, 2, 7, 8, 9, 10, 11, 12, 14, 15, 16, 18, 21, 22, 27, 28, 33, 34, 35, 36, township 10 north, range 7 east, in Poinsett County, and sections 29, 30, 31, 32, 33, township 10 north, range 8 east, in Mississippi County, Ark., shown in the official surveys as Tyronza River, Dead Timber Lake, and lake on the official plats of these townships, which have been, by Executive order No. 3123, issued on July 19, 1919, temporarily withdrawn from settlement, location, sale, or entry in order to adjust claims of patentees against the United States and among themselves arising from alleged incomplete or erroneous surveys, is hereby granted preferential right at any time within 90 days after the passage of this act and the filing of the plats of a corrected survey of said lands in the United States land office at Little Rock, Ark., to purchase said lands of the United States of America, and to pay for the same at the rate of $1.25 per acre, and said purchase shall be in trust for said adjacent landowners, and, that upon the issuance of said patents to said trustee, he shall forthwith convey to each of the said adjacent landowners that portion of said lands which may lie adjacent to his lands upon the payment by said party of his proportionate part of said purchase price and entry fees for the same, and in case either of said lakes or said river may be the boundary line between two adjacent owners, then, if they have not otherwise agreed upon a line of division, the center of said lake or river shall be the boundary between said adjacent landowners: *Provided*, That if any person, in good faith, may have located and settled upon any portion of these lands prior to the Executive order withdrawing said lands from such location and settlement, then nothing in this act shall be construed to deprive said party of any rights he may have gained by said location and settlement.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

FORT SEWELL MILITARY RESERVATION, MASS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2736) providing for the conveyance to the town of Marblehead, in the State of Massachusetts, of Fort Sewell Military Reservation for public use, which had been reported from the Committee on Military Affairs with an amendment.

Mr. KING. Mr. President, some objection was made the other day by a number of Senators when it was proposed to grant to the State of Florida a certain abandoned military reservation, and a number of Senators stated that if it was the purpose of the Government to part with the title to unused military reservations they would insist that similar grants be made to all the States, whereas other Senators took the view that the Government had paid large sums for most of the lands which it had acquired and that it ought not be giving such lands away, but that it ought to sell them and cover into the Treasury as large an amount as was possible to be derived from the sale of those lands. May I ask the Senator from New York [Mr. WADSWORTH] whether or not the Military Affairs Committee purposes to adopt a policy by which all these abandoned military reservations are to be given away or are we to sell them and to cover back into the Treasury as large a sum as we can possibly obtain from such sales?

Mr. WADSWORTH. Mr. President, the Military Affairs Committee has not attempted to adopt any policy in this respect. This is a rather unusual situation. Perhaps it will interest the Senator from Utah to turn to the report of the committee on this bill, from which he will find that—

The lands comprising the reservations of Forts Lee and Pickering were donated to the Federal Government by the local communities for the purpose of the erection thereon of defensive works for the fortification of the harbors of the near-by towns.

In making this donation specific provision was made in the deeds to the United States, with the exception of a part of Fort Pickering, for reversion to the grantor, the town of Salem, in case the Government should cease at any time to use the lands for the purpose for which they were conveyed.

This conversion, Mr. President, was made in 1794. The deed recited that if the United States Government did not need these tracts of land at any time for military purposes the Government should return them to the town of Salem. The Government has not used these tracts for military purposes for generations. A few acres in Fort Pickering were purchased. I think the cost was $250 to the United States Government in 1794. Now the War Department feels in duty bound, and I think the Government should feel in duty bound, to give these lands back.

Mr. KING. I think if there is a reversionary interest in the land, with the abandonment by the Government, ipso facto the land would revert to the grantor.

Mr. WADSWORTH. But the Government has no authority to take such action without the sanction of Congress.

Mr. KING. Then I think we ought to sanction it.

The PRESIDING OFFICER. The Secretary will state the amendment to the bill which has been reported by the Committee on Military Affairs.

The amendment was, on page 2, after line 7, to insert:

That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the city of Salem, in the State of Massachusetts, for perpetual use as a public park or other public use, all the proprietary right, title, and interest of the United States to and in that certain tract of land, together with all structures and improvements thereon, owned by the United States, embraced within the military reservation known as Fort Lee, situated on Salem Neck, in Essex County, in the State of Massachusetts, and containing approximately 2.3 acres.

That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the city of Salem, in the State of Massachusetts, for perpetual use as a public park or other public use, all the proprietary right, title, and interest of the United States to and in those certain tracts of land, together with all structures and improvements thereon, owned by the United States, embraced within the military reservation known as Fort Pickering, situated at Salem, in Essex County, in the State of Massachusetts, including a tract on Hospital Point and a portion of Winter Island, in the harbor, and containing an aggregate area of approximately 32 acres.

So as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the town of Marblehead, in the State of Massachusetts, for perpetual use as a public park or other public use, all the proprietary right, title, and interest of the United States to and in that certain tract of land, together with all structures and improvements thereon, owned by the United States, embraced within the military reservation known as Fort Sewall, situated at the west entrance to Marblehead Harbor, in the State of Massachusetts, and containing approximately 2½ acres: *Provided, however*, That the town of Marblehead shall not have the right to sell or convey aforesaid property nor to devote the same to any other than a public use; and in the event the said property shall not be used as above provided the right, title, and interest hereby authorized to be conveyed shall revert to the United States.

That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the city of Salem, in the State of Massachusetts, for perpetual use as a public park or other public use, all the proprietary right, title, and interest of the United States to and in that certain tract of land, together with all structures and improvements thereon, owned by the United States, embraced within the military reservation known as Fort Lee, situated on Salem Neck, in Essex County, in the State of Massachusetts, and containing approximately 2.3 acres.

That the Secretary of War be, and hereby is, authorized and directed to convey, by quitclaim deed, to the city of Salem, in the State of Massachusetts, for perpetual use as a public park or other public use, all the proprietary right, title, and interest of the United States to and in those certain tracts of land, together with all structures and improvements thereon, owned by the United States, embraced within the military reservation known as Fort Pickering, situated at Salem, in Essex County, in the State of Massachusetts, including a tract on Hospital Point and a portion of Winter Island, in the harbor, and containing an aggregate area of approximately 32 acres.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for the conveyance of certain unused military reservations in the State of Massachusetts to the city of Salem and the town of Marblehead."

BILLS PASSED OVER.

The bill (S. 140) for the relief of Peter Shell was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2498) to correct the military record of Alonzo C. Shekell was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JUDICIAL DISTRICTS IN WEST VIRGINIA.

The bill (S. 2810) to amend and reenact section 113 of chapter 5 of the Judicial Code of the United States, as amended and reenacted by an act approved the 22d of August, 1914, was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That section 113 of chapter 5 of the Judicial Code of the United States, as amended by the act approved August 22, 1914, be further amended and reenacted so the same shall read as follows:

"SEC. 113. The State of West Virginia is divided into two districts, to be known as the northern and southern districts of West Virginia. The northern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Hancock, Brooke, Ohio, Marshall, Tyler, Pleasants, Wood, Wirt, Ritchie, Doddridge, Wetzel, Monongalia, Marion, Harrison, Lewis, Gilmer, Calhoun, Upshur, Barbour, Taylor, Preston, Tucker, Randolph, Pendleton, Hardy, Grant, Mineral, Hampshire, Morgan, Berkeley, and Jefferson, with the waters thereof. The terms of the district court for the northern district shall be held at Martinsburg on the first Tuesday in April and the third Tuesday in September; at Clarksburg on the second Tuesday in April and the first Tuesday in October; at Wheeling on the first Tuesday in May and the third Tuesday in October; at Elkins on the third Tuesday in June and the third Tuesday in November; at Parkersburg on the second Tuesday in January and the fourth Tuesday in May.

"The southern district shall include the territory embraced on the 1st day of July, 1910, in the counties of Jackson, Roane, Clay, Braxton, Webster, Nicholas, Pocahontas, Greenbrier, Fayette, Boone, Kanawha, Putnam, Mason, Cabell, Wayne, Lincoln, Logan, Mingo, Raleigh, Wyoming, McDowell, Mercer, Summers, and Monroe, with the waters thereof. The terms of the district court for the southern district shall be held at Charleston on the third Tuesday in April and the third Tuesday in November; at Huntington on the first Tuesday in March and the third Tuesday in September; at Bluefield on the first Tuesday in January and the third Tuesday in June; at Williamson on the first Tuesday in February; at Webster Springs on the fourth Tuesday in August; at Lewisburg on the first Tuesday in July: *Provided*, That a place for holding court at Webster Springs and Lewisburg shall be furnished free of cost to the United States: *Provided further*, That a place for holding court at Williamson shall be furnished free of cost to the United States by Mingo County until other provision is made therefor by law."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 1456) for the relief of Col. Herbert Deakyne, Corps of Engineers, United States Army, was announced as next in order.

Mr. KING. I ask that that bill go over until I may have an opportunity to examine it.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2493) to relieve enlisted men affected thereby from certain hardship incident to the operation of the proviso of section 4b of the national defense act of June 3, 1916, as amended by the act of June 4, 1920, and to protect disbursing officers in connection therewith, was announced as next in order.

Mr. SMOOT. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COLLEGE OF WILLIAM AND MARY, VIRGINIA.

The bill (S. 2173) to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs with amendments on page 2, line 7, after the name "Virginia," to strike out "together with proper mounts, the same"; in line 8, after the word "college," to strike out "subjbect" and insert "subject"; and in line 9, after the word "act," to insert "*Provided*, That the War Department shall not incur any expense because of the transfer of the cannon authorized herein," so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, directed to loan to the said College of William and Mary in Virginia two of those cannon surrendered by the British at Yorktown on October 19, 1781, which are now at Old Point Comfort, Va., to be held by said college subject to the right of Congress at any time to amend or repeal this act: *Provided*, That the War Department shall not incur any expense because of the transfer of the cannon authorized herein.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was rejected.

RETIREMENT OF DISTRICT SCHOOL TEACHERS.

The bill (S. 2589) to amend section 11 of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved January 15, 1920, was announced as next in order.

Mr. KING. Mr. President, I have asked for certain information as to the effect of this measure and whether it would constitute a precedent under which many others separated from the service of the Government before retirement laws were passed would be entitled to pensions. On its face it is a meritorious bill and has my sympathy; but if it would constitute a precedent that would cost the Government hundreds of thousands of dollars of additional expense and place upon the retirement list thousands of others who have separated themselves from the Government service, I can see an objection, not to the bill itself but because of the precedent which it would establish. When I obtain that information I shall be glad to impart it to the Senate, but in the meantime I shall ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LAND IN THE DISTRICT OF COLUMBIA.

The bill (S. 2616) to empower the Commissioners of the District of Columbia to convey certain land was considered as in Committee of the Whole.

The bill had been reported from the Committee on the District of Columbia with amendments on page 1, line 4, after the words "convey to the" to strike out "Sanitary Grocery Co., a body corporate under the laws of the State of Virginia," and insert "owners of the abutting property;" and on page 2, line 1, after the word "than" to strike out "the assessed value of the contiguous private property," and insert "$1.50 per square foot"; so as to make the bill read:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to convey to the owners of the abutting property, the land contained in the bed of Seaton Place and in the bed of S Street east of Fourth Street NE., and extending to the line of the Metropolitan branch of the Baltimore & Ohio Railroad Co., in the city of Washington, D. C., upon the payment therefor to the District of Columbia of an amount not less than $1.50 per square foot, the amount so paid to be deposited in the Treasury of the United States to the credit of the revenues of the District of Columbia.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

METHOD OF CAPITAL PUNISHMENT IN THE DISTRICT.

The bill (S. 1074) to prescribe the method of capital punishment in the District of Columbia, was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. DIAL. Mr. President, I hope my friend from Utah will not object to that bill. It passed the Senate a year or two ago, but failed of passage in the House. It comes from the Committee on the District of Columbia with a unanimous report and has been recommended by the District Commissioners.

Mr. KING. I shall not object to the bill, but shall vote against it. I should like to have the Senator explain it briefly.

Mr. DIAL. The bill is designed merely to change the form of capital punishment in the District of Columbia from hanging to electrocution. In that way it makes the punishment a little milder.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That on and after the 1st day of January, 1922, the mode of capital punishment in the District of Columbia shall be by the process commonly known as electrocution. The punishment of death shall be inflicted by causing to pass through the body of the convict a current of electricity of sufficient intensity to cause death, and the application of such current shall be continued until such convict is dead.

SEC. 2. That the Commissioners of the District of Columbia are authorized and required, on the approval of this act by the President, to provide a death chamber and necessary apparatus for inflicting the death penalty by electrocution, to pay the cost thereof out of any funds available and not otherwise appropriated, to designate an executioner and necessary assistants, not exceeding three in number, and to fix the fees thereof for services, which shall be paid out of any funds available and not otherwise appropriated.

SEC. 3. That upon the conviction of any person in the District of Columbia of a crime the punishment of which is death, it shall be the duty of the presiding judge to sentence such convicted person to death according to the terms of this act, and to make such sentence in writing, which shall be filed with the papers in the case against such convicted person, and a certified copy thereof shall be transmitted, by the clerk of the court in which such sentence is pronounced, to the superintendent of the District Jail, not less than 10 days prior to the time fixed in the sentence of the court for the execution of the same.

SEC. 4. That at the execution of the death penalty as herein prescribed there shall be present the following persons, and no more, to wit:

The executioner and his assistants; the physician of the prison and one other physician if the condemned person so desires; the condemned person's counsel and relatives, not exceeding three, if they so desire; the prison chaplain and such other ministers of the Gospel, not exceeding two, as may attend by desire of the condemned; the superintendent of the prison, or, in the event of his disability, a deputy designated by him; and not fewer than three nor more than five respectable citizens whom the superintendent of the prison shall designate, and, if necessary to insure their attendance, shall subpœna to be present. The fact of execution shall be certified by the prison physician and the executioner to the clerk of the court in which sentence was pronounced, which certificate shall be filed by the clerk with the papers in the case.

SEC. 5. That all acts or parts of acts inconsistent with this act are hereby repealed.

Mr. DIAL. I move to amend the bill on page 1, line 3, by striking out "January" and inserting "June." The 1st day of January, specified in the bill as the date on which the new method of capital punishment shall take effect, has already passed. Under the amendment the bill will begin to take effect on the 1st of June next.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 1, line 3, after the word "of," it is proposed to strike out "January" and insert "June," so as to read "the 1st day of June, 1922."

The amendment was agreed to.

Mr. OVERMAN. I did not hear the bill read, and I should like to inquire of the Senator from South Carolina what is its purpose?

Mr. DIAL. It is to change the method of inflicting capital punishment in the District of Columbia from hanging to electrocution.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

POTOMAC INSURANCE CO.

The bill (S. 1312) to amend the charter of the Potomac Insurance Co. of the District of Columbia was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. JONES of Washington. Mr. President——

Mr. KING. I withdraw the objection.

Mr. JONES of Washington. I merely want to say that when this measure came up once before on the calendar on the suggestion of the Senator from Utah it was referred back to the committee, where additional hearings were held and the amendment, which as I understood was suggested by him, was put in the bill. It is embodied in section 2, which reads:

That Congress reserves the right to alter, amend, or repeal this act at any time.

The effect of the bill is simply to extend in a slight degree—I do not remember exactly the items—the scope of the powers of the Potomac Insurance Co. so that they may write additional insurance.

Mr. KING. May I inquire of the Senator whether by reason of extending the scope of the powers of the insurance company and permitting it to insure against casualties of a nature different from those which it has been permitted to insure against in the past it will be required to maintain additional reserves?

Mr. JONES of Washington. There is nothing in the bill that requires that to be done. Unless there is some provision of the general law enforcing such a requirement it would not be done under this bill. I do not know as to that. I will say to the Senator that I was not present at the meeting of the committee when this bill was ordered reported, as I was unable to be there.

Mr. KING. The Senator has in mind the fact that certain reserves are properly required, and they depend upon the character of policy which may be written. If the line of insurance is limited, for instance, to burglar insurance or to plate-glass insurance a very small reserve might be required, whereas if the company were allowed to write general insurance against all kinds of casualties a larger reserve should be required. I am not familiar with the charter of the company——

Mr. JONES of Washington. Nor am I.

Mr. KING. Or with the general law, but I assume that, if they are required, additional reserves will be provided.

Mr. JONES of Washington. I assume that to be so. This bill has the indorsement of the Commissioners of the District of Columbia, and, as I have said, on the second consideration of the matter by the committee they were satisfied regarding its provisions, although as I have indicated I was not present at that meeting.

Mr. KING. As it is a Senate bill, of course, it has not passed the House.

Mr. JONES of Washington. It is a Senate bill.

Mr. KING. I shall not object to the present consideration of the bill. Undoubtedly the point which I have in mind will be called attention to, and, if ample provision has not been made, I am sure the House will make such provision.

Mr. JONES of Washington. I think the Senator is safe in that assumption.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment on page 3, after line 6, to insert a new section as follows:

SEC. 2. That Congress reserves the right to alter, amend, or repeal this act at any time.

So as to make the bill read:

Be it enacted, etc., That the act entitled "An act to incorporate a fire insurance company in Georgetown, in the District of Columbia," approved the 2d of March, 1831, and the act entitled "An act to amend the charter of the Potomac Fire Insurance Co. of Georgetown," approved the 3d of March, 1837, and the act entitled "An act to renew and continue in force the charter of the Potomac Insurance Co. of Georgetown, District of Columbia," approved the 25th of March, 1870, and the act entitled "An act to change the name of the Potomac Insurance Co. of Georgetown, and for other purposes," approved the 10th day of March, 1900, be, and the same are hereby, amended so as to grant to the Potomac Insurance Co. of the District of Columbia, in addition to the powers, privileges, and immunities granted to the said company in and by its original act of incorporation, as amended, full power and authority to make insurances against lightning, windstorm, tornado, cyclone, earthquake, hail, frost or snow, civil riot and commmotion, and by explosion, whether fire ensues or not (except upon steam boilers and pipes, flywheels, engines and machinery, connected therewith or operated thereby, against explosion and accident, and except against loss or damage to life or property resulting therefrom, and except against loss of use and occupancy caused thereby); and also against loss or damage by water to any goods or premises arising from the breakage or leakage of sprinklers, pumps, or other apparatus erected for extinguishing fires, and of water pipes, and against accidental injury to such sprinklers, pumps, or other apparatus; also insurances upon automobiles, whether stationary or being operated under their own power, which shall include all or any of the hazards of fire, explosion, transportation, collision, loss by legal liability for damage to or resulting from the maintenance and use of automobiles, and loss by burglary or theft, or both, but shall not include loss by reason of bodily injury to the person; and to effect reinsurances of any risks taken by

it; and the said company shall have full power and authority to make and effect any and all of the above-described insurances and reinsurances.

SEC. 2. That Congress reserves the right to alter, amend, or repeal this act at any time.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, was announced as next in order.

Mr. SMOOT. That bill is the unfinished business. I ask that it may go over.

The PRESIDING OFFICER. The bill will be passed over.

WATER ON NATIONAL FOREST LANDS IN ARIZONA.

The bill (S. 386) authorizing a right of way for the transportation of water for improvement of grazing and development of the live-stock industry upon public and national forest lands in Arizona was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That, subject to the approval of the Secretary of the Interior, as hereinafter provided, there are hereby granted to any firm, citizen, association of citizens, or corporation of the United States engaged in the live-stock industry in the State of Arizona, easements and rights of way in and over national forests, public lands, and reservations of the United States, surveyed or unsurveyed, in said State of Arizona for reservoirs, canals, pipe lines, flumes, tunnels, or other water conduits and waterworks and appurtenances, for the purpose of furnishing water to live stock and for other beneficial purposes connected with the live-stock industry. Upon the filing by the grantee of maps and other pertinent data showing the location and character of such easements and rights of way, and the approval thereof by the said Secretary, all lands, whether surveyed or unsurveyed, in or over which such easements and rights of way shall extend, shall be disposed of subject to such easements and rights of way: *Provided*, That said approval of the Secretary of the Interior shall not be given within or through any national forest except with the approval of the Secretary of Agriculture and under such conditions and stipulations as the latter may require for the fullest utilization and proper administration of the national forest, and such approval may be withheld whenever in the opinion of the Secretary of Agriculture it would not be for the best interests of the national forests. Said maps may be filed in such sections and at such times as the Secretary of the Interior may permit or require.

SEC. 2. That the grant herein authorized shall be upon the express condition that from and after a date to be fixed by the Secretary of the Interior and not exceeding 50 years from the date of approval of the Secretary of the Interior the United States shall have the right to take over the easements and rights of way herein granted and any other property of grantee dependent in whole or in part for its usefulness upon such easements and rights of way, and upon condition that it shall pay, before taking possession, the reasonable value of all property taken over, including structures and fixtures acquired, erected, or placed upon the lands and included in the water plant, such reasonable value to be determined by the Secretary of the Interior: *Provided*, That such reasonable value shall not include or be construed to mean or be affected by the value of the franchise, good will, or profits to be earned on pending contracts or any other intangible element.

SEC. 3. That all or any part of such rights of way shall be forfeited and annulled by the Secretary of the Interior upon proper finding by the head of the department having jurisdiction over the land, or failure to complete construction within five years or for nonuse for a period of two years.

SEC. 4. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations, not inconsistent with this act, as may be necessary and proper for carrying its provisions into full force and effect.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 1297) for the relief of George Van Derburgh Brown was announced as next in order.

Mr. KING. Let that go over until I have a chance to examine the report.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 103) for the relief of Morgan Miller was announced as next in order.

Mr. KING. Let that go over until the next time the calendar is called.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2765) for the relief of the Fidelity & Deposit Co. of Maryland, Baltimore, Md., was announced as next in order.

Mr. KING. Let that go over. I have not had a chance to examine the report.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1362) for the relief of M. Fine & Sons was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

KRISTINA FURJAK.

The bill (S. 160) for the relief of Kristina Furjak was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Kristina Furjak, out of any money in the Treasury not otherwise appropriated, the sum of $495, being the amount deposited with the Commissioner of Immigration at Ellis Island for safe-keeping pending determination of her right to enter the United States, said sum having disappeared from the safe and all efforts made to determine the responsibility for the loss having proved unsuccessful.

Mr. SMOOT. Mr. President, I am not going to object to the consideration of this bill; but I do think the time is about here, if not already here and past, when the Government ought to require a bond whenever money is handled by employees of the Government. There is hardly a time when the calendar is called, either in the House or in the Senate, when the Government of the United States is not asked to pay money on account of thefts that have occurred or in many cases we do not know how the money disappeared.

Mr. WALSH of Montana. Mr. President, I notice, too, the extraordinary number of these cases for the relief of immigration officers to whom money belonging to immigrants is intrusted. It is extraordinary to me that money should be taken from these immigrants and put into the hands of perfectly irresponsible persons.

Mr. KING. The same thing happens in our hospitals, too.

Mr. SMOOT. Not only that, but I think the Treasury Department ought to issue an order that no official shall receive money from an immigrant for safe-keeping and the Government of the United States be responsible for it; or, if they are going to be responsible for it, I want the Treasury Department to take a bond or secure a bond in some way.

Mr. WALSH of Montana. Of course, the Senator realizes that it would be a wrong that none of us could justify that the Government of the United States should not be responsible to the immigrant, who is practically obliged to intrust the money to the Government officials.

Mr. SMOOT. I say that I am not going to object to the consideration of this bill, but cases of this kind are getting so numerous, and not only that but other claims for all manner of losses are coming here to such an extent that there ought to be an overhauling of the whole practice.

Mr. WALSH of Montana. I wonder if some one responsible for this bill, or the chairman of the Committee on Immigration, can not give us some information about how it comes about that money is taken from the poor immigrants here, a little matter of $50 or $75, or in this case a poor woman gives up $400 to an officer, and then it disappears.

Mr. SMOOT. I will ask the Senator from Missouri [Mr. SPENCER], who introduced the bill, if he knows anything about the details.

Mr. SPENCER. I know all the facts about this case. Here was an immigrant woman who came over here with approximately $495. That was all she had in the world. When she came to Ellis Island she intrusted that money to the officials of the United States. The department report to us that what became of that money they do not know, but that they lost it. The bill is one which was drawn in the Department of Labor and sent down here by Secretary Wilson when he was Secretary of Labor.

Mr. WALSH of Montana. I will say to the Senator from Missouri that I take it no one has any reason to complain about the reimbursement of the poor woman who intrusted her money to these officers. What we are interested in knowing is how such a thing could happen, and what provision of law there is that will insure that it shall not happen again. I call the attention of the Senator from Missouri to a fact which has struck me heretofore—that there is scarcely a call of the calendar when there is not a bill here to reimburse some immigrant whose money has thus been appropriated and disappeared.

Mr. SPENCER. I quite agree that there ought to be general legislation that will do just what the Senator from Utah indicates, and that is to require every Government employee at Ellis Island and elsewhere who handles money to be under bond; but that is a matter for general legislation, which ought to be considered at another time, and not tacked on to an individual bill.

Mr. SMOOT. I am not suggesting it for that purpose; but that woman must have known what official she gave that money to, and there is not a word here to show what the result of the investigation was. The money ought to have been traced to somebody. I can not see how it is possible that an official of the Government receiving $495 from a woman could not give some account of it, at least, and where the money went as far as he was concerned.

Mr. SPENCER. May I say to the Senator from Utah that here is exactly what happened: This woman was taken by the watchman to the Treasurer's office. She put her money into the hands of the Treasurer and received certificate No. 7651 for the money. When she came back to get it the department were absolutely unable to locate the envelope in which it was or to return to her the money for which they had given the official receipt.

Mr. SMOOT. In other words, somebody stole the money. I think there are so very few officials that have access to the safe that the department ought to have found out something more about it, rather than to hasten down to Washington and ask the Treasury of the United States to pay the amount.

Mr. WALSH of Montana. It is encouraging the theft of these funds.

Mr. SMOOT. Certainly; there is not any doubt about that. Not only that, but it has gotten now so that whenever any officer, from the highest to the lowest, in the Navy or the Army loses an overcoat or a pair of shoes or any part of his apparel, or his wife loses her jewelry or perhaps her hat or anything else, the Government of the United States has to pay for it.

Mr. WALSH of Montana. It would be interesting to know if any employee of the office in which the money was placed was dismissed or whether an investigation was had.

Mr. SMOOT. This woman is without the money and she is entitled to it, but I hope this is the last claim of the kind that we will pay until there is a stricter account of it and until we know more about how the money is lost.

Mr. KING. Let me add that we have appropriated during the past month several sums to reimburse individuals who have lost money, notwithstanding the War Department and the Navy Department and the Post Office Department have recommended against it. That is to say, those departments have found negligence, and notwithstanding the negligence the Senate has passed three bills that I remember within the past month or six weeks making appropriations; so that we have encouraged the looseness which has prevailed in many of the departments and have gone over the heads of the departments in making appropriations when the heads of the departments have recommended against it. Congress is to blame largely for the presentation of these claims. We are encouraging them by the manner in which we treat the negligence and the felonies of persons in the Government employ.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALASKA STEAMSHIP CO.

The bill (S. 978) for the relief of the Alaska Steamship Co. was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of," to strike out "$9,024.27" and insert "$5,974.27," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to the Alaska Steamship Co., a corporation organized and existing under the laws of the State of Nevada, the sum of $5,974.27, in payment of the balance due said company for services rendered at the request of the United States deputy collector of customs at Unalaska, Alaska, and in pursuance of an agreement with him for the transportation and care of 193 survivors of the wreck of the American ship *Columbia* near Scotch Cap Lighthouse, Alaska, in May, 1909.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 67) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ELIZABETH MARSH WATKINS.

The bill (S. 841) for the relief of Elizabeth Marsh Watkins was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, the sum of $2,500, to compensate Elizabeth Marsh Watkins, of Wakpala, S. Dak., for permanent bodily injuries sustained by her on the 9th day of November, 1908, at the Government Indian school at Flandreau, S. Dak.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 2258) for the relief of Jesse L. Clay was announced as next in order.

Mr. WATSON of Georgia. Mr. President, these bills are going through rapidly, and we do not understand what they are. It seems to me the Senators who introduce the bills ought to make some brief statements about them.

Mr. KING. I object to the consideration of this bill.

The PRESIDING OFFICER. The bill will be passed over.

OWNER OF THE DERRICK "CAPITOL."

The bill (S. 1767) for the relief of the owner of the derrick *Capitol* was announced as next in order.

Mr. KING. Mr. President, I object to the consideration of this bill. If the Senator who introduced it will amend the bill so that a court of admiralty may make findings and report, I shall have no objection; but I object to the bill as it stands, authorizing them to pronounce judgment.

Mr. CALDER. Mr. President, of course Congress must appropriate the money before the claim can be paid. I think the bill conforms to the uniform practice followed in this body in cases of this kind. In the case of this bill, an examination of the record will show clearly that the Navy tug which was towing this barge was responsible for the accident. The claim involves about $1,500. The Navy Department would have settled it if it had had the right under the law, as the report from the department clearly indicates.

Mr. SMOOT. Why did they not have the right?

Mr. CALDER. It is over $500.

Mr. KING. My recollection is that objection has been made a number of times to referring these bills to the Court of Claims or to a court of admiralty with authority to pronounce judgment. We have referred them to the courts in order that they might ascertain what the facts were and make findings of fact and perhaps conclusions of law, and then upon those findings Congress could make such appropriations as they saw fit.

Mr. CALDER. I will say that the bills have been passed in both forms. They have been passed in this form, and also referring the claims to the Court of Claims for findings and report to Congress. It is so apparent from the record in this case that the Government is responsible that it seems to me only fair to this concern that they should be permitted to go to court and sue, giving the court the same right to render judgment against them if they were in error. I think, if the Senator will permit me, this is a very fair thing to do under the circumstances.

Mr. SPENCER. Mr. President, the fact of the matter is precisely as the Senator from Utah indicates. From time to time objection has been made to bills which carried a judgment of the Court of Claims, but I think the objection was made under a misapprehension of the custom of the Committee on Claims and the action both of the Senate and of the House.

I had in my desk—I have just looked for it, but have not laid my hands on it—a package of bills which have been passed since I have been here by both the House and Senate, in each one of which the Court of Claims had rendered judgment. The judgment of the Court of Claims is not self-enforcing. The judgment of the Court of Claims can not be collected; there is no power in the world to pay it unless Congress approves of it and appropriates the money for its payment. Therefore the Committee on Claims always has recommended the passage of bills in precisely the form of the bill introduced by the Senator from New York.

Mr. KING. Congress feels, perhaps, a little higher obligation to pay a judgment than to pay a recommendation.

Mr. SPENCER. No; the difficulty, I think, lies here: I assume that there would not be any difficulty if the Court of Claims were instructed to make a finding of facts including the amount which under the evidence the Court of Claims believed was due, because that finding of fact, including the amount which they believed was due, would have precisely the same moral effect as a judgment of the Court of Claims would have for any definite amount; but the difficulty has been that if that is not in the bill the Court of Claims are apt to make a finding regarding the facts and say nothing about the amount that is actually due, and that leaves Congress still in the dark.

Mr. SMOOT. This, however, goes before the United States District Court.

Mr. SPENCER. The same thing would apply there.

There being no objection, the bill was considered as in Committee of the Whole. It had been reported from the Committee

on Claims with an amendment, to strike out all after the enacting clause and to insert:

That the claim of the owner of the derrick *Capitol*, arising out of collision while in tow of the United States Navy tug *No. 80* on April 3, 1919, at Harlem River, N. Y., for and on account of the losses alleged to have been suffered in said collision by the owner of said derrick *Capitol* by reason of damages to said derrick, may be submitted to the United States District Court for the Eastern District of New York under and in compliance with the rules of said court sitting as a court of admiralty, and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the owner of the said derrick *Capitol* or against the owner of said derrick *Capitol* in favor of the United States, and upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. WALSH of Montana. Mr. President, if the Senator will permit me, I can not sympathize with the position taken by the Senator from Utah with respect to these matters. He proposes, as I understand, to empower the district court to make findings of fact, and upon those findings of fact the Congress then will determine what the law is, and apply the law, and accordingly give the relief to the complainant or withhold it; or else it must be that he intends that the Congress shall determine, even if the law and the facts are with the claimant, that compensation shall be withheld.

I can not believe that the Senator from Utah intends that the United States shall escape an obligation which is justly due by it; and I submit to him that the question as to whether, under the facts found, the United States is legally liable if it were otherwise open to suit can be infinitely better determined by the district court and by the circuit court of appeals and by the Supreme Court of the United States upon appeal than it could ever be determined by the Congress of the United States. So I am utterly unable to understand the contention that is made from time to time in these cases that the court should determine the facts, but that the question of the law which should be applied to those facts should be determined by the Congress of the United States.

Mr. KING. If the Senator will pardon me, the position which has been taken by others—and in what I have said I have been merely echoing the statements made by older Senators who have had many experiences with regard to these matters—is that the procedure has been to have a reference of these matters to some appropriate judicial tribunal, the Court of Claims or a court of admiralty, to ascertain the facts, and report the facts back to Congress. I would go further and not only have them ascertain the facts, but report the conclusions of law that inevitably must follow from the facts, and make recommendations as to what in their judgment should be done, and how much should be paid by the Government. The point which has been made by Senators, however, was that they do not want judgment rendered by the court, but prefer to have the recommendations of the appropriate tribunals not only with respect to the questions of fact, but with respect to the questions of law, and then leave it to Congress to make the appropriation.

Mr. WALSH of Montana. The Senator will understand that much depends upon the character of the claim. A claim may be made with respect to a complicated state of facts, and even if the facts are admitted as contended by the claimant, yet no legal liability would arise. Often we are appealed to in cases to pass bills where no legal responsibility exists at all, but we are appealed to upon moral grounds, asserting that there is a moral responsibility in the matter. In a case of that kind we can very readily leave the matter to the Court of Claims or some other court to determine what the facts are. Then we would be appealed to where there is no legal liability whatever to make appropriation notwithstanding there being what is claimed to be a moral obligation.

But here is a case in which it is claimed that a vessel was destroyed by reason of a collision with a tug owned by the Government of the United States.

The PRESIDING OFFICER. The Senator will suspend. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. CALDER. Mr. President, I ask unanimous consent that the consideration of the bill which has been before the Senate may be concluded, provided it does not take more than 5 or 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. McCUMBER. I ask that the unfinished business may be temporarily laid aside for that purpose for not to exceed five minutes.

The PRESIDING OFFICER. The Chair hears no objection, and the unfinished business is temporarily laid aside.

Mr. WALSH of Montana. In a case of the kind to which I have referred, where a legal liability arises, if the facts found are in favor of the claimant, I can see no reason whatever for taking the matter away from the court which can most appropriately determine whether a legal liability exists, and transferring it to the Congress. That seems to be the case here.

Mr. KING. Let me say to the Senator that there has been a feeling that judgments ought not to be rendered in the courts upon these claims, but that the courts should make their findings and report what, in their opinion under the facts and under the law, ought to be done. I have accepted that as a standard to guide Congress in the determination of these cases.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REPORT OF THE NATIONAL ACADEMY OF SCIENCES.

The PRESIDING OFFICER (Mr. MOSES) laid before the Senate a communication from the president of the National Academy of Sciences, transmitting, pursuant to law, the report of the academy for the last half of the fiscal year ended June 30, 1921, which was referred to the Committee on the Library.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, which had been reported from the Committee on Finance with amendments.

Mr. McCUMBER obtained the floor.

Mr. SPENCER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Harris	Myers	Smoot
Borah	Harrison	Nelson	Spencer
Brandegee	Heflin	Nicholson	Stanfield
Broussard	Hitchcock	Norris	Sterling
Bursum	Johnson	Oddie	Sutherland
Calder	Jones, N. Mex.	Overman	Townsend
Capper	Jones, Wash.	Owen	Trammell
Caraway	Kellogg	Page	Wadsworth
Culberson	Ladd	Phipps	Walsh, Mass.
Curtis	La Follette	Poindexter	Walsh, Mont.
Dial	Lenroot	Ransdell	Warren
Dillingham	McCumber	Sheppard	Watson, Ga.
Fletcher	McKellar	Shields	Watson, Ind.
France	McLean	Shortridge	Weller
Gooding	McNary	Simmons	Willis
Harreld	Moses	Smith	

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. A quorum is present.

Mr. McCUMBER. Mr. President, on August 20, 1921, Senator Penrose, as chairman of the Committee on Finance, reported from that committee the bill (S. 2135) to enable the refunding of obligations of foreign Governments owing to the United States of America, and for other purposes. That bill was discussed for a considerable time, and probably all of the objections that could be made were raised at that time. The bill did not pass.

In the meantime, to meet many of the objections that were raised, another bill was introduced in the House for the same purpose, but containing many modifications. That bill, with some amendments, has been reported favorably by the present Senate Committee on Finance.

I think it proper at this time to show the differences between the previous bill, which was discussed in the Senate for a considerable time, and the present bill. I think that much of the discussion on the old bill can be eliminated, because the provisions upon which the discussion arose have been eliminated from the present measure. I shall, therefore, briefly designate the principal differences between the two bills.

In the first bill the entire matter of the settlement of the foreign debts was given to the Secretary of the Treasury, with almost unlimited authority. Serious objections were made to this on the ground that no one man should be vested with such extensive authority in the settlements of debts amounting to more than $10,000,000,000. Equally earnest objections were made to the provisions of that bill which allowed the Secretary, or which did not prevent the Secretary from accepting bonds, especially from Germany, in lieu of those of Great Britain, France, or Italy, and there was a widespread fear throughout the country, growing, undoubtedly, out of the discussion in the press, that this Government would accept German bonds for those of other countries.

Another serious objection was that there was no limit to the time which the Secretary might give as to the date of the maturity of the obligations which we would receive for the indebtedness due from the foreign Governments.

Another objection was that there was no limitation as to the rate of interest that should be agreed upon between this Government and the debtor nations.

To meet these objections a new bill was prepared, which provides for a commission of five persons, one of whom shall be the Secretary of the Treasury, the other four to be appointed by the President by and with the advice and consent of the Senate. Therefore, the objection that we were placing too much power in the hands of a single person in the matter of a settlement of this great indebtedness has been eliminated. We have also provided that the Senate shall pass judgment upon the qualifications of any person presented to become a member of this commission.

Mr. KING. Mr. President, would it interrupt the Senator if I should ask a question at this point?

Mr. McCUMBER. Not at all.

Mr. KING. I believe the bill provides for a commission of four in addition to the Secretary of the Treasury?

Mr. McCUMBER. It does.

Mr. KING. Obviously the work of the commission will call for coordinated and integrated action, practical unanimity. What is the necessity of having four? It seems to me that two independent persons outside of the Treasury Department, who with the Secretary of the Treasury would be charged with the execution of the powers conferred by the act, would be sufficient.

Mr. McCUMBER. Finally, the President of the United States is the arbiter in the matter. In other words, the action they take must be passed upon by the President of the United States, so that we practically have another one added. But the reason for making it four might be as obvious as the reason for making it three. The purpose was to avoid the criticism which was urged against placing a matter of such vital importance in the hands of a single individual, and therefore it was thought better to make it five. It might have been made two or three or four.

Mr. KING. If the Senator will pardon me, that argument does not address itself very forcefully to me.

Mr. McCUMBER. Yet it was a very earnest argument made on the floor of the Senate.

Mr. KING. It becomes necessary to assemble certain data with respect to the condition of the debtor nations. These data have been provided, or substantially so. It means negotiations with those nations with a view to agreeing upon certain terms, and of course those negotiations must be based upon information which we possess. So it comes back to the proposition which I suggested a moment ago, that it only contemplates action by a small body of men, and, as the Senator stated, that very question in the final analysis is to be determined by the President of the United States himself. It seems to me three men could assemble this information just as well as five men, and that three men could conduct the negotiations just as well as five, indeed a little better. It is a case which essentially calls for the exercise of discretion and authority and power by a limited number of men.

Mr. McCUMBER. I am perfectly free to say that I think one man could have done it just as well. The Secretary of the Treasury, with his experts, I think, could have settled the matter satisfactorily for and on behalf of the American people. But there was such a strong and earnest objection made to having one man pass judgment upon this matter that for the very purpose of avoiding that criticism provision was made and a new bill introduced providing for a commission of five members.

Mr. HITCHCOCK. Mr. President——

Mr. McCUMBER. To guard against any danger from the appointive power, those four must be confirmed by the Senate. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. Will the Senator be so kind as to advise the Senate what became of the negotiations that have continued for some time between the officers of the Treasury Department and other Governments, particularly the British Government, concerning the adjustment and, we might say, the funding of these obligations?

Mr. McCUMBER. For a long time, according to my information, there have been no negotiations because the negotiators came to the conclusion that with the law as it now stands the Secretary could not grant an extension of time beyond that which was provided in the present law, and that the provisions of existing law are too limited to afford a satisfactory basis for the complicated refunding operations involved. Therefore, all matters of negotiation were held in abeyance pending the legislative authority which was thought necessary on the part of the present administration for the proper refunding of the foreign debt.

Mr. HITCHCOCK. Has the Senator from North Dakota investigated the record so as to know and to be able to state when the negotiations were dropped?

Mr. McCUMBER. I have invested the record and we have the testimony. I should have to refer back to the testimony of the Secretary of the Treasury in order to answer the Senator's question, and I have not that testimony before me just at the present time; but undoubtedly before we get through with the argument all of that matter will be presented.

Mr. HITCHCOCK. Can the Senator state whether or not those negotiations were discontinued prior to the advent of the present administration?

Mr. McCUMBER. They were.

Mr. HITCHCOCK. And they have not been resumed since that time?

Mr. McCUMBER. It is my understanding that they have not been.

Mr. President, the new bill also provides that no portion of the debt of any country may be released except upon payment. It also provides that the bonds of one country may not be received in payment of the debts which are due from another country.

Mr. McKELLAR. Mr. President, from what bill is the Senator from North Dakota reading?

Mr. McCUMBER. I am reading from Order of Business 408, being House bill 8762.

Mr. McKELLAR. Then I have the wrong bill.

Mr. McCUMBER. Again, the present bill, differing from the first bill which was introduced, prohibits the commission from accepting a rate of interest from any country lower than that provided by existing law. The existing law, as Senators well understand, provides that the bonds that shall be taken shall not bear a rate of interest less than the highest rate which this Government provides in any of its bonds out of the proceeds of which the loans were made.

These, Mr. President, are the essential differences between the two bills. I have stated that the bill provided that the interest rate should not be less than that provided by law. May I correct that statement? The bill as reported leaves that matter to the discretion of the Secretary of the Treasury, but the committee will present another amendment, which will restrict the right of the commission to accept less than the rate of interest provided by law.

What authority other than the authority which they now have under existing law is left to the discretion of the commission.

First, they have the right to fund past due interest into bonds, either short time or long time, provided, of course, that the sum can not be collected in cash.

Second, they have the right to fund into national bonds obligations which are held by the United States Grain Corporation. Those are now simply demand obligations.

Third, they have the authority to fund obligations received from the War and Navy Departments for surplus Army and Navy materials sold to foreign countries. Practically all of those are simply demand obligations at the present time. They may fund them into long-time bonds, allowing such length of time as in their discretion should be allowed, not longer than 25 years.

Fourth, they have the right to fund into bonds moneys which have been advanced by the American Relief Association for which we simply hold the obligations of foreign countries, practically all of which are demand obligations.

Fifth, they have the right to arrange with different countries, according to their financial conditions, the date on which interest is to be paid.

I presume that that provision is practically the only provision in the whole bill upon which the members of the Committee on Finance were at all in serious disagreement, and it does not entirely meet the request of the Secretary of the Treasury. He

thought he ought to have the right not only to fix the time at which the bonds should begin to bear a rate of interest, but, in addition to that, that he should have the right to fix the rate of interest which he thought would be for the best interests of the American people. Of course, he has asserted over and over again that what he really expected to do was as to the important countries, those that were regarded as still solvent, to obtain an interest rate of about 5 per cent; and he thought he would be able to do that; and, furthermore, that some of the countries would be able to pay the interest semiannually and to make the first payment within six months after the issuance of the bonds, but that he might not be able to make such an agreement with all of the countries, though the commission would attempt to do the very best they could in that respect.

Mr. McKELLAR. Mr. President, would not the commission under this bill have the right to defer the interest payments as they might see fit?

Mr. McCUMBER. Certainly; that, as I have said, is the only question of difference, and I will explain that, and we shall see what a difficult question it is. I can answer that, perhaps, just as well now as at any other time.

We have now held these demand obligations ever since the money was loaned to the foreign Governments. With the exception of the interest payments shown on page 8 of the committee report, no interest has been paid by the foreign Governments. Shortly after the close of the war the then administration agreed to allow the payment of interest to be held in abeyance; in other words, agreed that the United States would not press the interest for some two or three years.

A great deal of criticism has been made, and probably more has been made upon this side of the Chamber than upon the other, against the action of the Wilson administration in granting that extension. I do not think, taking everything into consideration, that the criticism is well founded in all respects. I try to be fair in all matters of that kind. I do not think there is anything in the law that allowed the Secretary of the Treasury or that administration or would allow any other administration to extend the time of the payment of the interest; but I realize that there were a great many unsettled questions. For instance, there were counterclaims of one country against another for money advanced and services performed, and until there was a settlement of those claims we could not tell just exactly how much we were owing Great Britain and France and Italy, and how much Italy, France, and Great Britain were owing us on unsettled accounts. My understanding is that the real basis of the extension of time was that those accounts were unsettled, and it was agreed that the matter might lie in abeyance until it was ascertained just how those accounts stood. So, without going into the question of whether the administration really had the legal authority to do so, I desire to say that it was a time when we were at war and when those accounts remained to be settled. Therefore, I can not find it in my heart to criticise the administration for saying to the debtor countries, "We will hold the matter in abeyance for two or three years"—for whatever time they thought was necessary—"in order that the accounts between the different nations may be settled."

Mr. McKELLAR. Mr. President, I wish to ask the Senator from North Dakota if that time has expired?

Mr. McCUMBER. If we consider that the extension was to be for two years, it has expired; but the request was for an extension of two or three years, and the three years' time has not expired; but if an extension of three years was granted, it has very nearly expired.

Mr. McKELLAR. Under those circumstances why should we not, allowing the full limit of three years, deal with the matter, and say that the commission shall have the right to defer interest up until that time which we have promised—that is, until the expiration of the full three years, if necessary—but that thereafter the interest shall be collected?

Mr. McCUMBER. I understand the Senator's question, and I can answer it thoroughly. Before we get through I will state why the Secretary of the Treasury will need to grant extra time to some of the countries before the payment of the interest is demanded.

Mr. McKELLAR. Let me ask the Senator another question: Suppose the commission were to extend the time for the payment of the interest for 5 years or 10 years or 15 years or even 20 years, they would have the right to do that, would they not?

Mr. McCUMBER. There is no time limit fixed in the bill to which the payment of the interest may be extended.

Mr. McKELLAR. That was my understanding.

Mr. McCUMBER. The first question which we must determine is whether or not the commission shall have authority to extend the time in which the interest may begin to be paid. If once we concede that we ought to give the commission that authority, then should we place a limitation upon that authority? If so, what shall the limitation be? If we say in the law that it shall be three years or four years or five years, then every nation which owes us a penny will press us for an extension for five years. If a little nation like Czechoslovakia can not begin to pay interest for five years, Great Britain and France and other nations will ask for the longest time which may be allowed under the bill.

I assume that a commission will be appointed and that the members of the commission will be Americans; I assume that they will not receive confirmation at the hands of the Senate of the United States unless they are possessed of the patriotism and intelligence necessary to settle that matter, and to settle it to the best interests of the United States, and to settle it with each country according to the condition of that country. If we are to place a limit as to when the payment of interest is to begin and when it is to end, we shall make it exceedingly embarrassing for the commission in dealing with the several countries, for the reason which I have expressed, that all those countries will ask for the same treatment.

Mr. HITCHCOCK. Mr. President, when the Senator from North Dakota says that authority is to be given to the commission to fix the date upon which nations shall begin to pay their interest, does he refer merely to the payment of interest, or does he mean that the commission shall have the right to fix the date from which the interest shall begin to run?

Mr. McCUMBER. I think the only serious question is as to when the payment of interest shall begin. If we provide in the bill that the interest shall be paid semiannually, for instance, and that it shall not be less than 5 per cent or its equivalent, and then, if we reach an agreement and accept the bonds of France or of Italy a month from now, then seven months from now the first interest on the debt becomes due. If any of these countries fail to pay, they will have shown to the world that they are absolutely bankrupt and in default in their debt and they will thereby injure their credit.

Mr. HITCHCOCK rose.

Mr. McCUMBER. Let me make that clear.

Mr. HITCHCOCK. The Senator from North Dakota has not quite gotten my idea.

Mr. McCUMBER. I do not think that any country will agree to put itself in a position where it must default on the payment of its bonded obligations.

Mr. HITCHCOCK. I ask the Senator this question: Is there any question whether or not the interest on these obligations began to run when the debts were incurred?

Mr. McCUMBER. Not the slightest.

Mr. HITCHCOCK. So that the Secretary of the Treasury or the commission, then, is not to be given any authority to defer the date upon which the interest shall begin to run? Is the answer to that question yes or no?

Mr. McCUMBER. I do not understand exactly what the Senator means. Interest is accruing all the time. Neither the Secretary nor the commission can yield one penny of the interest.

Mr. HITCHCOCK. So that the power which it is proposed to give the commission is the power to defer the date upon which the bonds shall mature?

Mr. McCUMBER. Yes; and when the first interest shall begin to be paid upon the bonds.

Mr. HITCHCOCK. Let me ask another question. At the present time we hold demand obligations and no interest substantially is being paid?

Mr. McCUMBER. No.

Mr. HITCHCOCK. What reason, then, is there that we should at this time change the form of the contract so long as the nations are not ready even to begin payment of the interest or the principal?

Mr. McCUMBER. We want, Mr. President, from every one of those countries bonds which are negotiable in form, bearing a definite rate of interest, the principal of which is due at a definite date, and the interest on which shall begin at a definite date, bonds that we may use and sell. I may have a debtor owing me $1,000 upon an open account. I say to that debtor, "Put it in the form of a note bearing 6 per cent interest, due on a certain date, and I can use it in the bank or elsewhere; I shall then know definitely under your signature what you are owing me, what interest you are to pay, and if I desire to dispose of the note I may dispose of it."

Mr. HITCHCOCK. But I understand that the Senator is talking about a condition in which these nations are not yet ready to say that they can begin the payment of interest. If that is so, why place in the hands of any commission the power to do a thing that is still in the future?

Mr. McCUMBER. Because, Mr. President, some of these nations will begin the payment of interest six months after the bond is issued. Some of them can not do it, and therefore we should not fix by law that all must do it. If we grant further time, fix a time by law; then every one of them will ask for the privilege, and we do not want to invite them to ask for the privilege.

Mr. HITCHCOCK. Then the fact is that any nation which can begin the payment of interest now, or six months from now, can do so on the existing demand obligations, and the obligations are in such shape that the Secretary of the Treasury can take the interest at any time, and it simply depends upon their ability to pay. Then why undertake to vest these extraordinary powers in the hands of a commission so far in advance?

Mr. McCUMBER. Then the Senator would leave those matters standing just as they are, and let the Secretary collect the interest if he can, and if they do not see fit let the matters remain in abeyance. Their agreement, however, when we loaned them the money, was that they would put the loan into bonds that would become due at the same time and bear the same rate of interest or the highest rate of interest that we might pay upon our bonds issued during the war. What we are seeking to do now is to carry that into effect, with the modification that where we find nations that can not do it, and where we find those that, while they will be able to do it, may have to have an extension upon the matter of the accumulated interest, we may be in a position to accept that.

Mr. HITCHCOCK. Mr. President, it seems to me that as the thing stands to-day, with these demand obligations in the Treasury, the matter is in the hands of the United States, and that what it is proposed to do now is to change the law, to take it out of the hands of the United States, which holds demand obligations and which can demand the interest at any time, and we are going to place an enormous discretionary power in the hands of a little commission appointed by the President, practically, and allow that commission to modify the rights and the benefits that the United States now holds.

Mr. McCUMBER. No, Mr. President.

Mr. HITCHCOCK. The only benefit I can see is that we might secure bonds which would be negotiable and salable; and I ask the Senator whether it is the purpose of the Treasury Department to get such bonds and market them?

Mr. McCUMBER. The first thing is to get the bonds, and when we get the negotiable instruments that we can market we will do with them just whatever we see fit and whatever the situation at that time requires. Of course, the Secretary would have no right to sell those bonds unless an act of Congress should be passed giving him that right, and, therefore, what we shall do with the bonds in the future is to be determined by a future Congress. Let us get the bonds first; let us settle our accounts; let us put them into interest-bearing obligations in which the interest is due on certain dates and the bonds will become due at a certain time and then use those bonds as we see fit.

Mr. HITCHCOCK. The Senator says that some of these nations are not able to meet the obligations which they have entered into with the United States, and that others are. Why not, then, let the Secretary of the Treasury carry out the law that now exists, and take from the nations that are able to meet their obligations the bonds which are called for by the law?

Mr. NELSON. Mr. President, will the Senator yield to me for a moment?

Mr. McCUMBER. I will answer the Senator's question. I can answer only one at a time, but I yield to the Senator from Minnesota.

Mr. NELSON. I want to suggest to the Senator from Nebraska—and I have had occasion to look into it—that some of these loans were made to, and some of these obligations were obtained from, no regular governments. They were simply temporary organizations that had been established during the war. We made loans to them, and got the obligations of such governments as they had at that time. Those de facto governments have now been superseded by regular governments; and it is very important, instead of having obligations from those temporary military governments, you might say, that we have them now from regularly organized governments. Some of these obligations are of that character.

Mr. HITCHCOCK. I quite understand that, and I am not talking about those. I am asking the chairman of the committee now, if there are governments that are able to carry out their obligations under existing law, why they are not carried out by the Secretary of the Treasury under the powers that he holds?

Mr. McCUMBER. I do not think there is a Government that is owing us that could pay its back interest to-day.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McCUMBER. Yes; and then I will go on, after I have yielded this once.

Mr. McKELLAR. Very well. With the exception of this interest matter, it seems to me that this bill is in a thousand times better shape than it was when it came to the Senate. I think the Senate committee has improved it very much. The question I desire to ask about the matter is this:

Suppose, for instance, we take the bonds of Italy for the amount that Italy owes us, with interest-bearing coupons, as is provided here, at the rate of interest that is fixed under the present statute, as provided in this bill. Even after we have taken those bonds, with the interest coupons attached, this commission will still have the right to defer the interest if that Government makes an agreement with it.

Mr. McCUMBER. No.

Mr. McKELLAR. I will just read to the Senator what the bill says and call his attention to this language, because, judging from what the Senator has stated, that is not the intention of the bill, and I think it is very proper that it should not be the intention of the bill. It says—I am reading on page 1—

> Is hereby authorized to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America.

Manifestly, under the broad power given there, even after bonds with interest coupons attached have been given, this commission would have the right to defer that interest. I take it, from what the Senator has said, that that is not the purpose of the committee, and I hope it was not the purpose of the committee; and it seems to me that eventuality ought to be guarded against.

Mr. McCUMBER. I think when the Senator reads the whole bill together he will find that after they have received the bond of one of these foreign Governments there will be then no right to make a different contract concerning that bond. It becomes then the property of the United States. Their right to change that bond has been exhausted in securing it, and the moment it is secured it becomes the property of the United States. There would be no authority upon the part of the commission to modify it any more than there would be such an authority upon my part in acting as the Senator's agent in securing a note for him. While I might have the authority to fix the rate of interest and to determine when the first interest should become due, the moment that I have received the note I have exhausted my authority upon it. It then becomes the Senator's note, and I have no further authority with reference to the interest or the principal.

Mr. McKELLAR. I dislike to interrupt again; the Senator has been very kind about allowing interruptions for information; but the Senator can easily see that a different construction can be placed on this language.

Mr. McCUMBER. If there is any possibility of any construction whereby, after the commission has made arrangements for the bonds, it could change those bonds or make a different arrangement with reference to the interest than that provided in the bonds themselves, I am perfectly willing and anxious to have it corrected, because there can be no purpose to grant any such authority.

Mr. McKELLAR. Very well. That will be entirely satisfactory. I hope the Senator will look over that language to-night, or at some time that may be convenient, and see if we can not agree on language that will prevent it.

Mr. McCUMBER. I shall be glad to confer with the Senator. I do not want any possible question to exist in that respect.

Now, let us look into the question of the necessity for special authority; and I want the Senator's attention to this.

The act of April 24, 1917, providing for credits to foreign countries, authorizes the Secretary of the Treasury—

> to purchase, at par, from such foreign Governments * * * their obligations hereafter issued, bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act.

I leave out a little, now.

Mr. KING. Is that the April law or the September law?

Mr. McCUMBER. That is the April law.

> But such arrangements shall provide that if any of the bonds of the United States issued and used for the purchase of such foreign obligations shall thereafter be converted into other bonds of the United States bearing a higher rate of interest than 3½ per cent per annum * * *, then, and in that event the obligations of such foreign Governments held by the United States shall be, by such foreign Governments, converted in like manner and extent into obligations bearing the same rate of interest as the bonds of the United States issued under the provisions of section 5 of this act.

That is the act of April 24, 1917.

By the act of September 24, 1917, we made a little change in that provision, and I will read a portion of that act.

This act first provides for credits similar to those granted in the preceding law, then it proceeds:

The Secretary of the Treasury is hereby authorized to purchase, at par, from such foreign Governments respectively their several obligations hereafter issued, bearing such rate or rates of interest, maturing at such date or dates, not later than the bonds of the United States then last issued under the authority of this act, or of such act approved April 24, 1917, and containing such terms and conditions as the Secretary of the Treasury may from time to time determine * * * and any such obligations shall contain such provisions as the Secretary of the Treasury may from time to time determine for the conversion of a proportionate part of such obligations into obligations bearing a higher rate of interest if bonds of the United States issued under authority of this act shall be converted into other bonds of the United States bearing a higher rate of interest; but the rate of interest in such foreign obligations issued upon such conversion shall not be less than the highest rate of interest borne by such bonds of the United States.

The fair construction of the act of April 24, 1917, is that while the bonds that will be accepted shall bear a higher rate of interest than 3½ per cent if we subsequently issue bonds at a higher rate, the foreign bonds issued to cover such loans shall mature at the same time as the first Liberty bonds. The other laws state that the bonds given shall mature not later than the date fixed by the last bonds; so there is a difference between the first law and the second law in that respect.

The first Liberty bonds become due in 1947, with a call privilege in 1932. The fourth Liberty bonds become due in 1938, with a previous call provision. All of these matters must be taken into consideration in the matter of the settlement under the present law. The purpose now is to secure a set of bonds from each country maturing at such time as the countries may be able to meet them, because we do not want any of them to default in the payment of their principal or interest.

It has been asserted, I think, by some that the past-due interest can be funded without any law into new bonds. I do not think that is the case. I can not give the law any such construction, and I think the Secretary of the Treasury and the law department of the Treasury Department agree with my construction. I do not think the other position can be supported from the laws themselves.

Mr. HITCHCOCK. Mr. President, is it not a fact that the obligations signed by these Governments which we have accepted contain the distinct provision that the accrued interest may be converted into bonds bearing the same rate of interest?

Mr. McCUMBER. Yes; but even if that were done there is no authority on the part of the Secretary of the Treasury to receive the bonds. Even though they may have made an arrangement in these I O U's that they might be so converted, the law says that they shall pay interest. It says that the interest shall be the same as that provided in our bonds, and shall be paid at the same time. With that law upon our statute books the moment interest becomes due it belongs to the Government of the United States, and the Secretary of the Treasury has not any authority on earth either to excuse that interest or to fix a payment different from that provided in the law itself.

Mr. HITCHCOCK. Mr. President——

Mr. McCUMBER. Just a moment. If he could do it upon the first year's interest, he could do likewise on the second year's interest, and the third, and the fourth, and the twentieth. He could grant the authority on any year's interest that might run over; but there is no such authority in the law itself.

Mr. HITCHCOCK. Mr. President——

Mr. McCUMBER. Just a minute. All that the Secretary asks is that he be given the authority to fund this past-due interest, the accumulated interest, into new bonds, either adding it to the principal or as a separate principal, due at a separate time.

Mr. HITCHCOCK. I understood the Senator to say that the Treasury Department never had construed the law in such a way as to permit the acceptance of bonds for interest. I cited the fact that the Treasury Department at the time evidently put that construction upon the law.

Mr. McCUMBER. What Secretary of the Treasury did that?

Mr. HITCHCOCK. The Secretary of the Treasury then existing when these obligations were taken, because they distinctly provide that when the bonds are issued, and these demand obligations are taken up, additional bonds covering the interest that is remaining unpaid may be accepted at 5 per cent interest; so it is evident that that was the construction placed upon the law at that time.

Mr. McCUMBER. Let me ask the Senator if he believes that the Secretary had the right to extend the time of the payment of interest in a manner differing from that which the law provided? I am not going to quarrel with the Senator. Will the Senator answer that question?

Mr. HITCHCOCK. My question——

Mr. McCUMBER. Never mind; I am not going to quarrel with the Senator. Will he answer my question?

Mr. HITCHCOCK. Any creditor has the right, when there is interest in default, to accept the interest that may be tendered and to give the necessary extension for that purpose. The fact——

Mr. McCUMBER. Oh, no; neither the Secretary nor anyone else has a right to change the law.

Mr. HITCHCOCK. The fact is——

Mr. McCUMBER. What I am asking the Senator is, Does the law provide that the interest shall be paid at certain times; and if it does so provide, has the Secretary the right to extend the time?

Mr. HITCHCOCK. I am citing the Senator——

Mr. McCUMBER. Will the Senator answer that question? The Senator is putting it to me. Let me put it back to him, so that I may get his own view. He is evidently presenting to me the point as to whether I agree with that Secretary's action at least, and I am not forced to that. I agree with what the law says. Does the Senator agree that the law allows the Secretary to change the date at which the interest shall become due?

Mr. HITCHCOCK. I trust the Senator will now permit me to make a statement or two.

Mr. McCUMBER. I thought I had yielded to the Senator.

Mr. HITCHCOCK. The Senator is not giving me the opportunity to fully answer him.

Mr. McCUMBER. The Senator is speaking in my time, and I am asking him a question. He asked me a direct question and I gave him a direct answer. Will the Senator kindly answer me directly whether he himself, under the law as he construes it, believes that the Secretary of the Treasury has the right to extend the date of the payment of interest?

Mr. HITCHCOCK. I have not any doubt that if the Secretary of the Treasury lacked any power he could get it by applying to Congress or he could make an arrangement with Great Britain or any other country and refer it here for ratification.

Mr. McCUMBER. Ah, that is a different proposition.

Mr. HITCHCOCK. But here is the question I put to the Senator. The Senator said the Treasury Department had not so construed the law. I have in my hand here the form of certificate or obligation which we took from those countries at the time——

Mr. McCUMBER. I did not say that the department had not so construed the law.

Mr. HITCHCOCK. The Senator does not allow me to finish my sentence.

Mr. McCUMBER. I said the Secretary of the Treasury, the department as it is now constituted, does not construe the law as granting them any authority to extend it.

Mr. HITCHCOCK. That may be, but I am drawing the Senator's attention to the fact.

Mr. McCUMBER. I know what is the fact.

Mr. HITCHCOCK. The obligations of those countries which we hold contain in themselves a statement, which was drawn up and agreed to between the countries at the time, undoubtedly with legal assistance, and that statement provides that for any interest that is delinquent bonds may be issued bearing the same rate of interest as applies to the principal. In view of that fact, why not carry out that obligation which now exists?

Mr. McCUMBER. I will answer the Senator, and I will answer him directly. Why not carry it out, he asks? I say, because it is contrary to law. That is the reason why we should not carry it out. If we are going to carry out any such provision let us give the Secretary of the Treasury the law under which to do it, and let him act under the law and not contrary to the law. I think that is a direct answer and a conclusive answer to the Senator's question.

Mr. KING. Mr. President, will the Senator permit an interruption?

Mr. McCUMBER. Certainly.

Mr. KING. I am not certain that I have understood the positions of the Senators from Nebraska and North Dakota. Let me inquire: Certain certificates of indebtedness were given by the Governments to whom the United States extended credits during the war. These certificates were the obligations of the debtor nations and evidenced the respective amounts of their indebtedness and constituted promises to pay. Now, may I inquire whether in the refunding program, which is to be worked out, can there be any objection to the adoption of a plan which calls for the payment of accumulated interest provided for in the certificates of indebtedness, and adding the same to the principal and embracing the aggregate indebtedness in bonds to be issued by the debtor nations?

Mr. McCUMBER. Shall I now answer the Senator's question?

Mr. KING. If the Senator pleases.

Mr. McCUMBER. I would like to answer it in simple language which will illustrate the matter so that I think we will all understand it. Suppose the Senator was a creditor and that he had a dozen or fifteen debtors, one-half of them or one-third of them on the verge of bankruptcy and the other two-thirds practically bankrupt. Suppose he wanted to get his debt from every one of them paid in full and wanted to get it paid in the very best possible time. Suppose that while he had obligations that were due and past due from some of them, the condition of each debtor was such that he would feel that he could not simply continue the old obligations, even in the manner in which they were willing to grant them at that time, but that there must be time extended to this one or that one; there must be an arrangement made so that we could have one country, when it pays its debt to the other, pay it to this country, or, in the case I have illustrated, if the debtor A is owing another one of the debtors B, and the debtor B is owing the Senator, a plan that they can so arrange their times of credit and the notes which each will take from the other that each one may, according to its ability, pay what it can upon the obligations.

Let me apply it to the countries in this way. We have a demand against Great Britain. We have a demand against France. We have a demand against Italy. Now, remember that we loaned practically $9,500,000,000 in the first instance. I say loaned; we did not entirely loan it in one respect. We gave them credit.

Mr. KING. We sold them our products at high prices.

Mr. McCUMBER. Yes; and we made a mighty good profit out of that credit. I can assure the Senator of that. We gave that credit for about $10,000,000,000. Great Britain turned right around and loaned $9,500,000,000 to her allies. France loaned about $3,000,000,000 to her allies. Great Britain owes the United States. France owes Great Britain. Italy owes France and Great Britain and the United States at the same time.

Now, for instance, we press France. Great Britain presses her claim against France at the same time. Immediately there is a contest as to which is going to be the preferred creditor nation. If France gives an obligation she will want to know what Italy will do with reference to the obligations due from her to France. When Great Britain finally puts her immense indebtedness into an obligation she would like to have it due at some relation of time in which she may get from her debtors the same amount of money or interest that it may be necessary to pay us.

Therefore, in order to allow each of these creditors and the United States with them to get together and get the very best conditions, and, with the present demoralized bankrupt condition of Europe, allow them to make the very best terms they can, we will have to call them all in together. We can not deal with one nation absolutely independently of the others.

There ought to be a discretion in the commission to be exercised in such manner that they can get an agreement between the other nations with reference to their debts and with reference to the payment of debts to us. When we ask France to pay us, France, who owes Great Britain just as much, will say, "Well, what time will Great Britain give me? When will she demand hers? How can I get something out of Italy, and when will Italy make her debt due to me?" There are questions on which you as a creditor would deal with your debtors if they were in the condition that Europe is in to-day. We should give the commission authority to deal in the same way with those nations and to protect their credit just as much as we possibly can. It would be to the Senator's interest in collecting from his debtor that he did not drive him into bankruptcy. It would be to the interest of the United States in dealing with all of these countries, when one is depending upon the other, that we take no step that will drive one of those nations into bankruptcy or compel them to default in their interest.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. FERNALD in the chair). Does the Senator from North Dakota yield further to the Senator from Utah?

Mr. McCUMBER. With pleasure.

Mr. KING. If I may trespass further for a moment on the Senator's time, I agree with much of what the able Senator has said. In my opinion it would be not only ungenerous but exceedingly unwise and impolitic for the United States to force our allies into bankruptcy. The situation of Europe to-day is deplorable. Our allies in the Great War are bowing beneath very heavy burdens—burdens resulting from the World War into which they were forced. In their struggles for liberty and to save the world from a brutal militarism they were compelled to incur crushing obligations. They needed food and raw materials and other supplies and we sold to them enormous quantities of the value of billions of dollars. We loaned them no money; we extended to them credits, which they exhausted in the purchase at high prices of American products. They were fighting for the ideals and principles for which we fought when later we entered the war.

Some of the obligations due us are from States which we helped to establish. Poland, Czechoslovakia, and the new Jugo-Slav nation are some of the fruits of the war, and we in part are responsible for their existence. There is a moral obligation upon our part, if not a legal one, to aid these States which we helped to erect. If we choose to abandon them, we can not afford to crush them by a demand for an immediate payment of the amounts which we advanced to help them in their early struggles for existence. It would be cruel, indeed it would be cowardly, for the United States to adopt any course that would crush the States which this Republic helped to erect.

If I understand the Senator, I agree with the implications arising from his remarks that Great Britain and France and Italy and Belgium and other allied and associated nations fought for the ideals and principles for which we contend this Nation stands. They have made contribution to the cause of civilization. They have aided in the advancement of the ideals the principles of liberty espoused by this Republic. We can not afford to crush them or to adopt an oppressive or intolerant course which would constitute an impediment to their rehabilitation, politically and economically.

I agree with the Senator, if I understand his position, that in adjusting the indebtedness and in executing this refunding program there should be some latitude in order that the debtors may be brought together for consultation and conference, so that while the United States does not abate its claim or suffer injury, a policy may be agreed upon that will not be destructive of or injurious to our former allies—our former, and it is hoped our present and future, friends. A plan must be agreed upon with respect to the time and manner of payments that will not only not be harmful to Europe but indeed beneficial to it.

It is to the financial advantage of our country that peace and prosperity come to Europe. Europe's bankruptcy would prove of incalculable injury to this Nation. Not only would there be the loss of the billions owing the Government, but there would be billions lost owing to American bankers, business houses, and individuals. In these days, when there is so much talk of our domestic troubles and of our disturbed financial conditions and of depression in business and of millions without employment, a description of the tragic situation is always followed by a discussion of the economic and political conditions of Europe. We are beginning to see that without the rehabilitation of Europe our prosperity will be long deferred. The American people are beginning to perceive the intimate relations between the nations of the earth. They are learning that though seas divide us the world is in close relationship and that obstacles to the progress and prosperity and peace of any nation constitute impediments to the prosperity of other nations. We are linked to the world. We are a part of the world.

With more than $16,000,000,000 due from Europe to the United States Government and to nationals of our country, it would seem obvious that we can not adopt any course that will impair the economic strength now possessed by Europe or interpose obstacles to European revival. In a material way, to say nothing of the moral question involved, we are profoundly interested in Europe. We not only want payment sooner or later for what is due to America, but we want European peoples to be buyers of our surplus products. They must have strength to build their waste places and devasted lands and replenish their exhausted treasuries. Common business sense dictates a policy of forbearance and patience in dealing with this important question.

If I understand the Senator, I am in accord with many of the suggestions contained in his able plea for a wise and prudent policy in settling the obligations due the United States from European nations.

But returning to the question suggested a moment ago, as I construe the law, there is nothing to inhibit the United States in making settlement from treating deferred payments of interest as principal and adding the same to the principal. The amounts thus stated could be the basis of the bonds to be issued by the debtor nations which we are to accept.

Mr. McCUMBER. Under the present law?

Mr. KING. I am not sure as to that.

Mr. McCUMBER. I am sure that the Senator is not sure as to that.

Mr. KING. No. I will be entirely frank with the Senator. If I am not sure of a proposition, I will frankly confess it.

Mr. McCUMBER. I am certain of that.

Mr. KING. As a legal proposition there may be, indeed there is, very much in the position of the Senator that we need additional authority to convert the deferred payments of interest into bonded indebtedness.

Mr. McCUMBER. And also the other obligations that we took for the sale of property, and so forth.

Mr. KING. Yes. But if I understand the Senator from Nebraska [Mr. HITCHCOCK], for whose judgment I entertain such a high regard, and whose leadership I accepted with so much satisfaction—I am not quite in accord with his position. I am not willing to allow the status quo to be maintained. I think it is unfair to Europe. I think it is unfair to the United States. The nations of Europe who are indebted to us are entitled to know now, or as soon as possible, what our exactions will be. They have to formulate their budgets. They have to rearrange their international credits among themselves; and their course depends upon our course. Great Britain can not tell what she will do with France, nor France with Italy, until they know what we will do with them.

I think it is important that we put into proper form the evidences of indebtedness, the amounts due the United States, so that our debtors may know exactly what they owe us when they have to pay it, and the rate of interest which is to be paid. Therefore, I am in favor of some refunding bill. I am not willing to rely upon the obligations that are now existing. They ought to be refunded. France, Italy, and the other nations of Europe who owe us ought to know exactly what they owe us and the form of obligations which they must assume.

I thank the Senator for his courtesy.

Mr. McCUMBER. I think I could carry the Senator's argument a little further to show the necessity of it. I will take, for instance, if he desires, France, who is now indebted, I believe, in the sum of $51,000,000,000. That is the national indebtedness of a little country with about one-third the population of the United States and with perhaps not more than one-tenth the resources of the United States. If we feel the burden of this mighty obligation upon us of carrying our indebtedness of some $23,000,000,000, how must the French people feel in carrying the indebtedness of $51,000,000,000, with their country devastated; and how must Great Britain feel carrying $37,000,000,000, with a population about one-third that of the United States, and with about one-tenth of her male population down in their graves?

I agree with the Senator from Utah. We either fought the war for humanity's sake or we did not. If we fought it for the benefit of humanity and the benefit of the world, then let us not forget for one single moment that these other nations had three years of hell before we got into it, and they suffered beyond expression. That being the case, for God's sake let us not attempt to play the rôle of Shylock toward our allies. We want every dollar, we want it as soon as they can pay it, and I am certain we will get it as soon as they can possibly pay it. But in the meantime let us exercise at least the generosity that a man would grant to his friend who was in trouble in the payment of a debt.

I agree entirely with the Senator from Utah as to what we want to accomplish. All that we are asking is that we settle these obligations in a manner that five patriotic American citizens, the best that can be selected in the United States, can agree upon after they have weighed every possible question. What objection can there be to that? Why tie them down upon the rate of interest that may be charged this one or that one?

Let us take France. We come to France and say, within a month after this commission is appointed, "We want your bonds for everything that you are owing us." France says, "I will give you those bonds. I intend to pay my debts." We say, "We want semiannual interest payments." Suppose she answers, "I can not pay the interest in six months. I have to have a little breathing time after this awful struggle through which I have just passed before I can get my fiscal matters in such shape that I can pay the first interest."

We answer that, "No, if you can not pay it, of course, you can not, and we will not press you, but we want you to agree to pay the first interest in six months." "Ah, but," she says, "when I default in that interest my credit will be ruined; I can not afford to do it; give me two years before you charge me the first interest. I will make the interest big enough so that it will take care of the interest which will be accruing during those two years, but I can not pay it within that time, and if I default in the payment I shall have ruined the credit of my country." I should not want to exact that of France if the conditions were as outlined. I know as to Czechoslovakia that she could not pay within one year or two years or even within three years; I am positive she could not.

Mr. KING. The same is true as to Poland.

Mr. McCUMBER. But if we put into the bill that we shall grant any country three years, then Great Britain and France and Italy and all of the other countries will ask for the three years extension. Therefore, I do not want to fix that time because we want to begin to get interest from the country that will be able to pay it at the earliest possible moment.

Mr. McKELLAR. Mr. President——

Mr. McCUMBER. I yield to the Senator from Tennessee.

Mr. McKELLAR. I wish to ask the Senator a few questions in order to ascertain whether I understand his idea as to just what this bill proposes to accomplish. I shall be very brief. First, it provides that the commission may take bonds for the principal of the debt.

Mr. McCUMBER. That they may refund the principal into long-term bonds.

Mr. McKELLAR. They may refund the principal into long-time bonds to mature not later than 1947?

Mr. McCUMBER. Yes.

Mr. McKELLAR. In the second place, the bill requires bonds to be taken for the past due interest?

Mr. McCUMBER. Yes.

Mr. McKELLAR. And in the next place it permits the commission to take bonds for such sums as are due us for supplies furnished by the Army or the Navy?

Mr. McCUMBER. It permits those debts to be funded into long-time bonds.

Mr. McKELLAR. And so as to the Food Administration and some other agencies which loaned foreign Governments money, and for which we have only their "I O U's."

In addition to that, the bill provides that the interest rate shall be precisely the same as the interest rate now provided by law on the obligations of the United States from the proceeds of which the loans were made to foreign Governments?

Mr. McCUMBER. Yes.

Mr. McKELLAR. Then, there is no change in that respect?

Mr. McCUMBER. The provision is that the interest rates shall not be less than the rates now provided by law.

Mr. McKELLAR. I presume the rates will be the same?

Mr. McCUMBER. In some instances they may be greater.

Mr. McKELLAR. The next proposition, as I understand, is that the bonds are to run for exactly the same length of time as provided in the present bond act; that is, they can not go beyond 1947.

Mr. McCUMBER. No.

Mr. McKELLAR. And finally the only discretion which is proposed to be given to the commission is that they may extend the time when the interest payments shall begin; but after they shall have begun the commission shall not have the power to extend the time for the payment of either the principal or interest beyond the dates fixed. If the Senator's bill so provides it is much better than the House bill.

Mr. McCUMBER. That is just exactly what the bill does provide.

I will give one instance where I think the authority might be exercised not to take the same rate of interest which is provided in the bond acts, but where it would be to the advantage of this country to take a higher rate of interest and absorb the past due interest into a higher rate of interest. I do not say that such an occasion will ever arise, but I can imagine a condition in which the commission might find it to the advantage of the United States to have some of the past due indebtedness included as additional interest, provided a stipulation were contained in the bonds that they would have to run to a time which would absorb the deferred interest; in other words, the bonds could not be so drawn as to allow the deferred interest to be included in a higher rate, with the privilege of taking up the bonds the next year, but that they would have to run without that privilege for the number of years which would be necessary to absorb the deferred interest.

Suppose it should be deemed advisable to utilize the bonds of a given country to take care of payments under a soldiers' compensation law or to meet the exigencies of the Government at any time; it would be to our interest to sell those bonds. The French bonds, without any guaranty, sold on a basis of 8 per cent interest. It might be possible that if some of the British bonds, for instance, one or two or three billions of them, should bear an interest, say, of 8 per cent, which would take care of the past due interest, with a provision that they would have to run a length of time sufficient to cover the deferred interest, we could dispose of those bonds on the market without even the guaranty of the Government, the same as France disposed

of her bonds bearing a high rate of interest without any guaranty other than the French credit. I do not say that there would ever be an occasion for that, but I can appreciate that such an occasion might arise when it would be to our interest to follow that course.

Mr. LENROOT. Mr. President, will the Senator yield to me?

Mr. McCUMBER. I yield.

Mr. LENROOT. Suppose that course should be followed in a given case. If this bill gives any authority to take that course, which I do not believe, but assuming that it does, in that event, so far as the Government is concerned and so far as the people of the United States are concerned, it would be equivalent to a cancellation of the interest now due, would it not?

Mr. McCUMBER. No.

Mr. LENROOT. If we sold those bonds at par so that the person who purchased them would get the 8 per cent, how would the Government obtain the deferred interest?

Mr. McCUMBER. If we guaranteed the bonds, of course, they could be sold for a premium equivalent to the interest. I do not say that an occasion of that kind would arise, but I only say that there might be a condition in which it would be better to take a higher rate of interest and even to absorb some of the interest provided the Government was protected. I do not know whether the course which I have suggested would be a profitable one.

Mr. LENROOT. Is it the Senator's construction that the bill in its present form would authorize the commission to refund merely the original principal, and then, by a higher rate of interest, to take care of the interest now due?

Mr. McCUMBER. I am doubtful if it would be subject to that construction.

Mr. LENROOT. I am very frank to say that I do not believe it is, but if there is any doubt about it I think it ought to be cleared up.

Mr. McCUMBER. I do not think there will be any occasion for doing what I have intimated might be done, but I am simply speaking of it in connection with the discretionary power.

Mr. LENROOT. If the Senator will yield once more, I desire to ask, assuming what he thinks might be the construction is correct, does the Senator think, as a matter of policy, that there should be any power conferred upon the commission that would be equivalent, so far as the people of the United States are concerned or the Government of the United States is concerned, to a cancellation of the interest now due?

Mr. McCUMBER. No matter what I myself might believe, there is no authority under the bill as it is now drawn to cancel one penny of interest or principal or to make any kind of contract that could operate in such manner as to cancel it.

Mr. LENROOT. That is what I had supposed.

Mr. McCUMBER. I merely referred to the matter suggested to indicate that occasion might arise in connection with fixing the rate of interest, if such an arrangement could be made, when it might be to the benefit of the United States to allow some discretion on the part of the commission.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from North Carolina?

Mr. McCUMBER. I yield.

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I have not interrupted him up to this time because I prefer to wait until he concludes; but the Senator from Wisconsin [Mr. LENROOT] has raised a question which I think is the serious question in connection with this whole transaction. I wish to call the attention of the Senator from North Dakota to the fact that in the committee the very question which the Senator from Wisconsin has propounded was the subject of discussion. In connection with the hearing given to the Secretary of the Treasury, it was brought to his attention that certain newspapers in this country had given currency to the idea that if the Secretary had the power to extend the interest, without any limitation on that power, he would have the right to take bonds for the principal and to provide a rate of interest which during the life of the bonds would be sufficiently high to cover the normal rate of 5 per cent as well as the interest which has already accumulated or the interest which may be extended.

The Secretary was asked the question if serious consideration had been given to that suggestion, and it was pointed out to him at the time that if he took bonds from our foreign debtors in the amount of $10,000,000,000, the present indebtedness, and then fixed a rate to cover the billion dollars of interest that is now due, and such bonds were either paid before maturity or put upon the market by the Federal Government and sold, the effect of such a transaction would be that the United States would lose the entire amount of interest and that the interest would accrue to the purchasers of the bonds.

The Secretary admitted that that had been discussed by himself and by the President of the United States, and he said the President of the United States approved of the plan of adding a sufficient amount to the interest rate to cover the past due interest or the extended interest, as the case might be. He thought that would be an admirable scheme and would enable us to sell any part of those bonds that we wanted to sell in the markets of the United States without difficulty.

Mr. McCUMBER. Mr. President, so long as that is not in the bill itself, what is the use of making it an objection?

Mr. SIMMONS. I will say to the Senator that I had intended to read what the Secretary of the Treasury said about that. I think it was brought out that the President of the United States had made a speech in New York and had commended that plan of settlement of the deferred interest.

When it is considered that there has been a proposition made recently in this country to take $4,000,000,000 of British bonds and sell them in the markets of this country, in order to raise the money to pay the soldiers' bonus, the danger of that proposition will be appreciated. If we pass this bill as it now comes from the committee the Secretary of the Treasury will undoubtedly have the power to fix a rate of 6 per cent or 7 per cent or 8 per cent, or whatever rate may be necessary to cover the accumulated interest; take the bonds only for the principal, and then put them upon the market and sell them; and if they bring no more than par the United States will undoubtedly lose the entire interest.

Mr. McCUMBER. Mr. President, the Senator I think has not given a full statement. Of course, in none of the tentative propositions was there ever a thought of allowing any Government to escape the payment of the full amount of interest, and if any such suggestion was made, of course, it was always understood the bonds were to be arranged in such a manner that, if they were redeemed before the time when they became due, then the foreign Governments would have to pay the full amount; so that full protection would be accorded. But let us turn to the bill itself now——

Mr. SIMMONS. If the Senator will pardon me, I admit that such an arrangement might be made, but the other question is the serious one.

Mr. McCUMBER. Let us turn now to section 3. In the preceding part of the bill provision is made for both past-due interest and the principal of the obligations. Then the bill says:

SEC. 3. That this act shall not be construed to authorize the exchange of bonds or other obligations of any foreign Government for those of any other foreign Government, or cancellation of any part of such indebtedness except through payment thereof.

I can only put one construction upon that, namely, that it means the payment of all of the debt and all of the interest.

Mr. SIMMONS. Will the Senator pardon me further?

The PRESIDING OFFICER. Does the Senator from North Dakota yield further to the Senator from North Carolina?

Mr. McCUMBER. I yield.

Mr. SIMMONS. If the Secretary or the commission should take a bond for the principal and then provide a rate of interest that would cover the deferred interest there would be no cancellation, but we would have a bond which, if paid before due, would deprive us of the benefit of that high rate of interest. Of course, Mr. President, if a bond should be allowed to run until its maturity, there would be no loss by reason of such an arrangement. I asked the Secretary if it was his proposition to put into the bonds a provision that they should not be payable until the date of maturity. He never answered that question, but he said that it was customary to allow optional periods of payment. That, however, is not the serious matter; I think that could be adjusted by providing that the bonds shall not be payable before the date of maturity; that could be arranged; but if the Secretary or the commission arrange bonds with a sufficient rate of interest to cover the deferred interest and then the Government negotiates and sells those bonds at any time before they fall due, it will lose that part of the interest which represents the deferred interest between the time of sale and the time of the maturity of the bond. It would not be a cancellation, either technically or otherwise; but it is a scheme—if I may call it a "scheme," and I do not use that word in an obnoxious sense—which might be easily worked in such a manner that the Government would inevitably lose the interest.

Mr. FLETCHER. Mr. President——

Mr. McCUMBER. I yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, to meet that objection all that the Government would have to do would be to hold on to the bonds. They are not obliged to sell the bonds. The Government can simply hold the bonds and carry them.

Mr. McCUMBER. Certainly.

Mr. FLETCHER. If they need money, they can raise the money in the usual way, but they are not obliged to sell these

bonds. I was going to ask the Senator if it is contemplated that the Government will put upon the market the bonds which they take from foreign Governments?

Mr. McCUMBER. I am not contemplating anything, because I can not speak of what the administration may have in mind; but it is my hope that in the case of our bonds from Great Britain, if we pass any legislation that would require further taxation without the sale of such bonds, instead of imposing taxes we may meet the necessities of the situation by the sale of a sufficient number of those bonds.

Mr. FLETCHER. Does the Senator think the Treasury Department would be authorized to dispose of these bonds in its own way and at its own pleasure without any legislation on the part of Congress?

Mr. McCUMBER. It could not do so, and I know the Senator will agree with me in that statement. The Secretary of the Treasury could not dispose of those bonds without legislation. There is nothing in the present law that allows him to do it. There is nothing in this law which would allow him to do so. They are the property of the United States, and he has no authority on earth to sell them or dispose of them in any way except by an act of Congress.

Mr. FLETCHER. One other question. May I ask the Senator—who has given this matter very close attention, of course—whether he construes the authority given by this bill to this commission as enabling it to fix according to its own views the rate of interest on the obligations of any government? In other words, would it have authority to say that Great Britain must pay 5 per cent, France 3 per cent, Italy 2 per cent, and the same way on down?

Mr. McCUMBER. No.

Mr. FLETCHER. Has the commission the power to do that?

Mr. McCUMBER. No; the commission can not accept interest at a less rate than that provided by law when we issued our Liberty bonds, which was the highest rate of interest that any of those bonds should bear, which I believe was 4¼ per cent.

Mr. FLETCHER. That applies, of course, to the Liberty bonds. It applies to our own bonds; but I do not find anything in this bill that requires——

Mr. McCUMBER. I stated that an amendment will be offered to the bill on behalf of the committee which will provide that the interest shall be not less than that provided by existing law.

Mr. FLETCHER. That is in the case of each and all of the Governments?

Mr. McCUMBER. Yes. In that way they could not accept from any of them less than the highest rate of interest borne by our Liberty bonds.

Mr. FLETCHER. Then the further discretion would rest in the commission to determine when that interest would be paid in each case?

Mr. McCUMBER. Yes.

Mr. FLETCHER. They would have the authority to do that, because the authority here is to refund or convert the principal or the interest of these obligations into bonds or other obligations of such foreign Governments in such form and on such terms, conditions, date or dates of maturity, and rate or rates of interest as the commission may determine. So they have the discretion there to determine in each case when the interest is to be paid, and they can fix that in their settlements with the other Governments; but the Senator now says the amendment will compel them to charge the same rate of interest that we have to pay on our Liberty bonds.

Mr. McCUMBER. Yes; the highest rate of interest that we paid on our Liberty bonds.

Mr. SIMMONS. Mr. President, will the Senator from Florida pardon me? I think the Senator from Florida is in some confusion about that. The present law fixes the rate of interest on Liberty bonds, and says that these bonds to be delivered to us by the debtor Governments shall not be at a rate less than that, but above that rate the Secretary would have absolute discretion in fixing the rate. He could not fix it at less than 4¼ per cent——

Mr. FLETCHER. Precisely.

Mr. SIMMONS. But he could fix, in each case, as much more as he pleased. He could make it more in the case of one Government and less in the case of another Government above that margin.

Mr. FLETCHER. Even if the amendment is adopted that the Senator suggests he would still have a discretion.

Mr. SIMMONS. I do not think it is particularly necessary to adopt that amendment. It is innocuous. The present law gives that authority. I take it that under the present law—and I think the Senator from North Dakota will agree with me about that; there is nothing here that repeals the present law—if this bill should pass, the rate of interest fixed on the Liberty bonds would be the controlling minimum rate.

Mr. FLETCHER. Yes; but we will have to provide for that in this bill.

Mr. SIMMONS. Not necessarily. It is already in the law, and is not repealed.

Mr. FLETCHER. This bill deals with foreign Governments. The law as it relates to Liberty bonds deals with our own Government and our own bonds.

Mr. SIMMONS. When we are authorizing the rate of interest I am inclined to think that that would be taken in connection with the present rate, as prescribed by the Liberty bond act, unless that act is repealed. I may not be correct about that.

Mr. FLETCHER. But unless we require in this bill that the rate shall not be less than the rates charged on Liberty bonds this law would not cover it at all, and the discretion in this commission would be to fix the terms, conditions, date or dates of maturity, and rate or rates of interest with respect to all of these bonds taken from foreign Governments. I think that is a very important amendment. Otherwise, they would have the absolute latitude to fix one rate of interest for one Government and a different rate of interest for another, and a different rate for another. Then they have a further discretion as to claims which have not already been adjusted. They have the authority to adjust and settle any and all claims not now represented by bonds or obligations, and to accept securities therefor.

Therefore they have the discretion to adjust and settle all outstanding claims according to their own views, and to accept security or not to accept security; in other words, to make the best settlement they can, I presume, to compromise those claims that are not yet adjusted and settled.

Mr. McCUMBER. Of course, they can not compromise anything to the extent of lessening the amount which will be paid, because that is prohibited in the law itself.

Mr. FLETCHER. But there are cases where the amount has not yet been agreed on.

Mr. McCUMBER. I think at the present time, according to the statement of the Secretary of the Treasury, there is full agreement between every nation as to exactly what they owe. In other words, there are no unsettled balances between this Government and any one of these debtors. The whole question now is the settlement of the balances on which they have agreed.

Mr. DIAL. Mr. President——

Mr. McCUMBER. I yield to the Senator from South Carolina.

Mr. DIAL. I should like to ask the Senator whether there is any good reason why the Secretary of the Treasury and the War Finance Corporation should not act as this commission? I am opposed to increasing commissions unless it is absolutely necessary. Is that a practicable arrangement?

Mr. McCUMBER. Oh, certainly it is practicable if we make that agreement. Any agreement that the Congress sees fit to make, I assume, would be practicable. The Senator will remember, as I stated a short time ago, that the first bill that was introduced and was reported to the Senate was a bill which vested all of the authority in the Secretary of the Treasury, but the settlement had to be confirmed by the President before it could become effective. There was so much objection to that, and such a fear that the President might appoint some one who would be in favor of surrendering some of these debts, that a new bill was introduced, this time in the House, which provided for this commission, because it was felt that there would be less objection on the part of those whose hearts were filled with fear that the Secretary would not act fairly in the matter if a commission of five were appointed—four besides the Secretary of the Treasury—who must be confirmed by the Senate.

Mr. DIAL. I am against creating any more commissions unless it is absolutely necessary. I am sorry I did not hear the Senator's statement, but I have been attending a committee meeting, and was obliged to be out of the Chamber for that reason.

Mr. SIMMONS. Mr. President, if the Senator will pardon me. I do not wish to interrupt him unless he is willing to be interrupted——

Mr. McCUMBER. I yield to the Senator if he wishes.

Mr. SIMMONS. The matter that we have been discussing is a very serious one. I made a statement a few minutes ago with reference to some proposition to pass the bonus bill and arrange for making the payments authorized under it by the sale of a large number of British bonds. I want to ask the Senator a question in that connection, because I think it is very pertinent to the question we are discussing, about a possible method, and one which the Secretary seemed in his testimony to prefer,

as I read his testimony, or as I understood it at the time he was delivering it. I should like to ask the Senator—of course, he need not answer the question if it will embarrass him in any way—if it is true that it has been seriously in contemplation by the administration or any branch of the administration to arrange this method of raising the money to pay the bonus?

Mr. McCUMBER. Mr. President, I can only answer that question in this way: I desire, and I think the majority of the Senate and of the House desire, that if we shall enact a soldiers' compensation law it shall be the one which has once been reported on favorably, and which goes into effect upon the 1st day of July, 1922, and that payments shall begin to be made under the law as soon as claims have been filed and settled. I do not want to extend the time when that legislation shall become effective. It is my fear—possibly I might go a little further and say that it is my opinion—that we will not have all of these matters settled, and possibly not even with the more important countries, in time to utilize any bonds for that purpose. If I were to say what I think would be the better way to do, and what I think would perhaps meet with approval from the executive department and the Treasury Department, it would be, if we pass the soldiers' compensation bill, to provide for the payment in some other way than by a dependence upon the foreign debts at the present time, fearing that possibly we might not get them settled in time or might not get in time the interest that we have been hoping to receive.

Of course, we must not pass any bill that will provide for a large expenditure without providing for means of meeting it; and therefore it would seem the better policy to provide the other means by some form of special taxation sufficient to take care for one year, for instance, of the expenditures that might possibly have to be met the very first year. I do not think the bill would necessitate the payment in the first year certainly of over $300,000,000, and therefore it would not be a heavy taxation; and then we might provide for selling a sufficient amount of the bonds of any other country which might be in our possession to take care of the amount that would become due any year thereafter if the interest received were not sufficient.

That would be my idea, and it seems to me to be the safer and the better plan. As to what the President would do in case we should provide for paying the soldiers' compensation out of these bonds, I will say that I think he would object seriously, upon the ground that we do not know what we are going to get out of those bonds, or when we can get them settled; and we must know positively how we are going to meet any obligation when it becomes due. That is the only answer I can give to that question, Mr. President.

I should like to put in the RECORD as a part of my remarks a few tables that may be of interest in the discussion of this matter. I have here a table of the principal and interest owing by Great Britain, France, Italy, and Belgium to the United States. I desire to insert that without reading as a table by itself.

There being no objection, the table referred to was ordered to be printed in the RECORD, as follows:

Principal and interest owing by Great Britain, France, Italy, and Belgium to the United States.

Great Britain:		
Principal	$4,166,318,358.44	
Interest	509,173,742.89	
		$4,675,492,101.33
France:		
Principal	3,358,104,083.20	
Interest	358,410,444.27	
		3,716,514,527.47
Italy:		
Principal	1,648,034,050.90	
Interest	202,279,732.07	
		1,850,313,782.97
Belgium:		
Principal	377,564,298.77	
Interest	42,699,698.78	
		420,263,997.55
Total amount due from above four debtor nations:		
Principal	9,550,020,791.31	
Interest	1,112,563,618.01	
		10,662,584,409.32
Total due from all other nations:		
Principal	600,380,514.18	
Interest	66,316,307.87	
		666,696,822.05
Percentage of total indebtedness owing to the United States by Great Britain, France, Italy, and Belgium		94.1
Percentage of total indebtedness owing by all other nations		5.9

Mr. McCUMBER. I desire to follow that with another table showing foreign obligations in addition to the obligations from the loans made for the purpose of carrying on the war.

There being no objection, the table referred to was ordered to be printed in the RECORD, as follows:

FOREIGN OBLIGATIONS.

The Treasury holds $10,150,401,305.49 of obligations of foreign Governments, distributed as follows:

Obligations of foreign Governments.

Held for advances made under the various Liberty bond acts	$9,434,774,829.24
Received from the Secretary of War and from the Secretary of the Navy on account of sales of surplus war materials (act of July 9, 1918)	574,673,710.21
Received from the American Relief Administration (act of Feb. 25, 1919)	84,093,963.55
Held by the United States Grain Corporation (act of Mar. 30, 1920)	56,858,802.49
Total	10,150,401,305.49

The interest accrued and unpaid up to and including the last interest period upon the obligations of foreign Governments and so-called governments held by the United States amounts to $1,178,879,925.88, and the amount of interest heretofore paid on such obligations is $478,863,632.99.

Mr. McCUMBER. I have here another table showing loans to foreign Governments by France as of June 30, 1921, showing to whom France made the loans and the total amount. I ask to have that printed in the RECORD without reading.

There being no objection, the table referred to was ordered to be printed in the RECORD, as follows:

Loans to foreign Governments by France as of June 30, 1921.

[converted at 5.18.]

Belgium	$584,300,000
Czechoslovakia	106,000,000
Esthonia	2,222,000
Georgia	38,500
Greece	177,200,000
Italy	9,450,000
Latvia	2,220,000
Lithuania	1,158,000
Montenegro	2,500,000
Poland	208,800,000
Rumania	213,000,000
Russia	1,111,000,000
Serbia	300,000,000
Total	2,717,888,500

No interest rate has been agreed upon and no interest is being paid.

Mr. McCUMBER. Also, a table of the loans to allies and Dominions made by Great Britain up to March 31, 1921, showing the loans to each country, and the amount, and an accompanying table. I ask to have those printed in the RECORD without reading.

There being no objection, the tables referred to were ordered to be printed in the RECORD as follows:

Loans to allies and Dominions by Great Britain, March 31, 1921.

[Converted at 4.86.]

Dominions:		
Australia	$437,400,000	
New Zealand	143,856,000	
Canada	67,068,000	
South Africa	36,450,000	
Other Dominions and colonies	15,066,000	
		$699,840,000
Allies:		
Russia	2,728,404,000	
France	2,707,020,000	
Italy	2,317,248,000	
Belgium—		
(a) War	458,784,000	
(b) Reconstruction	43,740,000	
Serbia	107,406,000	
Portugal, Rumania, Greece, and other allies	321,732,000	
Relief	81,162,000	
		8,765,496,000
Total		9,465,336,000

No information as to the rate of interest charged on the above loans.

National debts, population, and per capita indebtedness of the United Kingdom, France, United States, and Italy.

National debts (converted at normal prewar value of the respective currencies):	
United Kingdom	$37,910,000,000
France	51,000,000,000
United States	23,922,000,000
Italy	18,650,000,000
Population:	
United Kingdom	46,089,000
France	41,476,000
United States	105,683,000
Italy	36,740,000
Per capita indebtedness:	
United Kingdom	$822.54
France	1,229.62
United States	226.35
Italy	507.62

Mr. McCUMBER. Also another table showing the obligations of all other countries. I ask to have that table printed in the RECORD without reading.

There being no objection, the table referred to was ordered to be printed in the RECORD, as follows:

Obligations of all other countries.

	First Liberty bond act.	Second Liberty bond act as amended and supplemented.	Total under Liberty bond acts.
Cuba		$8,575,000.00	$8,575,000.00
Czechoslovakia		61,256,205.74	61,256,205.74
Greece		15,000,000.00	15,000,000.00
Liberia		26,000.00	26,000.00
Rumania		23,205,819.52	23,205,819.52
Russia	$97,500,000	90,229,750.00	187,729,750.00
Serbia	1,500,000	24,675,139.22	26,175,139.22
Total	99,000,000	222,967,915.48	321,967,915.48

Mr. McCUMBER. Mr. President, I think now I have covered the question thoroughly and fully upon the main propositions. The whole question resolves itself down to the one proposition of whether we wish to give this commission the authority to say when the interest shall begin and the payment be made by any particular country.

Mr. CURTIS. Mr. President, may I inquire if the Senator from North Dakota put in the RECORD any statement concerning the obligation of the British Government showing that on one loan on which over $500,000,000 of interest was due, the time of payment of that interest was deferred until October, 1922?

Mr. McCUMBER. What is the Senator's statement?

Mr. CURTIS. On one of the loans of the British Government, covered by an obligation made, I think, in 1919, the interest payment was deferred until October, 1922. Did the Senator place in the RECORD a statement regarding that?

Mr. NORRIS. Mr. President, I would like to ask the Senator from Kansas what authority the Secretary of the Treasury had in law to grant that sort of an extension?

Mr. CURTIS. I am not stating that he had any such authority, but I asked if that fact was put in the RECORD, in order that Senators might see what kind of a situation the committee had to meet. There was an obligation and a promise.

Mr. NORRIS. Does the Senator think, because an agreement was made which was plainly contrary to the law, that Congress is bound by it?

Mr. CURTIS. I do not think Congress is bound by it, but I think Congress would undoubtedly stand by it because of the fact that it was made.

Mr. NORRIS. It would depend a good deal on how far it went. They might have made an agreement that they would not have to pay the interest for 40 years. We would not stand for that. They might have agreed that they would cancel the debt, but it would not be any more legal than the agreement which was made to extend the payment of the interest until next October.

Mr. McCUMBER. May I answer the Senator from Kansas? The Senator spoke of a particular interest indebtedness of $500,000,000?

Mr. CURTIS. Yes; five hundred and odd million dollars.

Mr. McCUMBER. Let me call attention to the fact that while that proposition came from the debtor nation, it was never consummated. That particular agreement never resulted in anything. Nothing ever came of it. There was no agreement to extend the time at all, but it was simply a request from the debtor that the time of payment of the $500,000,000 of interest be so extended.

There was an agreement made, however, by the previous administration that the payment of the accrued interest up to that time might be deferred for two or three years. That is the way the agreement read. The present Secretary of the Treasury has thought that inasmuch as that was acted upon by the foreign Governments there is at least a moral obligation upon him to follow it. That is the reason why nothing has been done to press that beyond what the previous agreement was.

I wish to say that the tables which I have just presented were made up as of the last interest-paying date. That was several months ago. I think on the whole there could be added an average of about six months' interest to each of those tables.

Mr. POMERENE. May I ask the Senator what is the amount of the bonds and other indebtedness shown by the tables?

Mr. McCUMBER. They are shown in the committee's report. The total under the Liberty bonds was $9,434,774,829.24. Then there were other loans for surplus war materials amounting to $574,673,710.21. Then there is accrued interest, I believe, of $1,178,879,925.88. Then we have in addition to that the obligations received from the American Relief Administration of $84,063,963.55 and obligations of the United States Grain Commission of $56,858,802.49.

Mr. NORRIS. Mr. President, I offer an amendment to the pending bill, which I desire to have printed and lie on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMMONS. Mr. President, it is getting late, and I had desired to leave the Chamber in a very short time. If the Senator from North Dakota does not object, I would be glad to have the bill go over until to-morrow. I understand the Senator from Kansas wishes an executive session.

Mr. CURTIS. Yes; a short one.

Mr. SIMMONS. I could only cover part of what I wish to say about the measure, and it might involve the necessity of reviewing in the morning what I would say this afternoon.

Mr. McCUMBER. I am extremely anxious, as I have stated, that we shall proceed with all diligence to dispose of the bill; but I also appreciate that this is the first day we have brought it before the Senate in its modified form, and I expected nothing more to-day than the mere presentation of its present status.

Mr. CURTIS. Then the Senator has no objection to letting it go over until to-morrow?

Mr. McCUMBER. None whatever.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 25 minutes spent in executive session the doors were reopened, and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, January 24, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 23, 1922.

UNITED STATES COAST GUARD.

Lieut. (Junior Grade) John P. Gray to be a lieutenant, to rank as such from June 30, 1920, in place of Lieut. P. W. Lauriat, promoted.

Lieut. (Junior Grade) William Williams to be a lieutenant, to rank as such from July 1, 1920, in place of Lieut L. C. Covell, promoted.

Lieut. (Junior Grade) John H. Cornell to be a lieutenant, to rank as such from July 6, 1920, in place of Lieut. Eben Barker, retired.

Lieut. (Junior Grade) William P. Wishaar to be a lieutenant, to rank as such from October 10, 1920, in place of Lieut. T. M. Molloy, promoted.

Lieut. (Junior Grade) Gordon T. Finlay to be a lieutenant, to rank as such from February 2, 1921, in place of Lieut. E. S. Addison, promoted.

Lieut. (Junior Grade) Louis L. Bennett to be a lieutenant, to rank as such from April 23, 1921, in place of Lieut. W. H. Shea, promoted.

Lieut. (Junior Grade) William J. Keester to be a lieutenant, to rank as such from November 14, 1921, in place of Lieut. C. F. Seiter, died.

Ensign Noble G. Ricketts to be a lieutenant (junior grade), to rank as such from October 10, 1920, in place of Lieut. (Junior Grade) W. P. Wishaar, promoted.

Ensign Harold G. Bradbury to be a lieutenant (junior grade), to rank as such from October 19, 1920, in place of Lieut. (Junior Grade) P. H. Harrison, retired.

Ensign Irving W. Buckalew to be a lieutenant (junior grade), to rank as such from December 29, 1920, in place of Lieut. (Junior Grade) G. W. McKean, resigned.

Ensign Rae B. Hall to be a lieutenant (junior grade), to rank as such from February 2, 1921, in place of Lieut. (Junior Grade) G. T. Finlay, promoted.

Ensign Arthur G. Hall to be a lieutenant (junior grade), to rank as such from April 23, 1921, in place of Lieut. (Junior Grade) L. L. Bennett, promoted.

Ensign Ephraim Zoole to be a lieutenant (junior grade), to rank as such from August 20, 1921, in place of Lieut. (Junior Grade) D. H. MacCollom, resigned.

Ensign Paul Kirkland Perry to be a lieutenant (junior grade), to rank as such from October 8, 1921, in place of Lieut. (Junior Grade) D. P. Marvin, retired.

Lieut. Cecil M. Gabbett to be a lieutenant commander, to rank as such from December 30, 1921, in place of Lieut. Commander G. L. Carden, retired.

UNITED STATES MARSHAL.

Rippon W. Ward, of North Carolina, to be United States marshal, eastern district of North Carolina, vice George H. Bellamy, resigned.

REGISTER OF THE LAND OFFICE.

Robert M. Goshorn, of Kalispell, Mont., to be register of the land office at Kalispell, Mont., effective upon completion of consolidation under act of October 28, 1921.

PROMOTIONS IN THE NAVY.

Capt. John V. Chase to be a rear admiral in the Navy from the 1st day of January, 1922.

Commander Lyman A. Cotten to be a captain in the Navy from the 3d day of June, 1921.

Commander John J. Hyland to be a captain in the Navy from the 31st day of December, 1921.

Commander William P. Cronan to be a captain in the Navy from the 1st day of January, 1922.

The following-named lieutenant commanders to be commanders in the Navy from the 3d day of June, 1921:

Charles S. Joyce.
Harold G. Bowen.
Anthony J. James.
Henry A. Orr.
Edmund S. Root.
Arthur K. Atkins.
Wilhelm L. Friedell.

Lieut. Commander William H. Toaz to be a commander in the Navy from the 20th day of July, 1921.

Lieut. Commander Turner F. Caldwell to be a commander in the Navy from the 12th day of August, 1921.

Lieut. Commander Ferdinand L. Reichmuth to be a commander in the Navy from the 23d day of December, 1921.

The following-named lieutenant commanders to be commanders in the Navy from the 31st day of December, 1921:

Isaac C. Kidd.
Sherwoode A. Taffinder.
Ronan C. Grady.
Edward D. Washburn, jr.
Edwin A. Wolleson.
Charles C. Hartigan.
Lesley B. Anderson.
Hollis M. Cooley.
Harold Jones.

Lieut. Andrew D. Denney to be a lieutenant commander in the Navy from the 8th day of June, 1920.

Lieut. William B. Cothran to be a lieutenant commander in the Navy from the 4th day of March, 1921.

Lieut. Theodore S. Wilkinson, jr., to be a lieutenant commander in the Navy from the 29th day of March, 1921.

The following-named lieutenants to be lieutenant commanders in the Navy from the 3d day of June, 1921:

Frank T. Leighton.
Monroe Kelly.
Charles H. Morrison.
Joseph M. Deem.
George B. Keester.
Theodore H. Winters.
Henry T. Settle.
James B. Will.
Spencer S. Lewis.
Edwards B. Gibson.
Bolivar V. Meade.
Leo L. Lindley.
William C. Wickham.
Robert G. Coman.
Deupree J. Friedell.
Thalbert N. Alford.
Joseph A. Murphy.
Hollaway H. Frost.
Thomas Moran.
Walden L. Ainsworth.
Walter A. Edwards.
Godfrey de Courcelles Chevali.

Lieut. (Junior Grade) Ralph G. Risley to be a lieutenant in the Navy from the 7th day of March, 1918.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 7th day of June, 1919:

Charlie P. McFeaters.
Lloyd H. Lewis.

Lieut. (Junior Grade) Maxwell Case to be a lieutenant in the Navy from the 30th day of July, 1919.

Lieut. (Junior Grade) Frederick D. Powers to be a lieutenant in the Navy from the 6th day of June, 1920.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of July, 1920:

Samuel B. Brewer.
John H. Forshew, jr.
Robert Poole.
John K. Jayne.
Kenneth Floyd-Jones.
William H. Hartt, jr.
John W. Rogers.
Elmer V. Iverson.

Lieut. (Junior Grade) Ernest A. Foote to be a lieutenant in the Navy from the 1st day of January, 1921.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 30th day of March, 1920:

Kenneth Floyd-Jones.
John H. Forshew, jr.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 29th day of June, 1920:

William H. Hartt, jr.
John W. Rogers.
Robert Poole.
John K. Jayne.
Elmer V. Iverson.

Ensign James M. Johnston to be a lieutenant (junior grade) in the Navy from the 1st day of July, 1920.

Ensign Stuart S. Murray to be a lieutenant (junior grade) in the Navy from the 1st day of January, 1921.

Ensign William J. Strachan to be a lieutenant (junior grade) in the Navy from the 1st day of July, 1920.

Medical Inspector Will M. Garton to be a medical director in the Navy with the rank of captain from the 27th day of July, 1921.

The following-named medical inspectors to be medical directors in the Navy with the rank of captain from the 10th day of November, 1921:

William H. Bell.
Holton C. Curl.

Asst. Surg. James E. Houghton to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 6th day of June, 1920.

Asst. Surg. Elwood A. Sharp to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 1st day of July, 1920.

The following-named passed assistant dental surgeons to be dental surgeons in the Navy with the rank of lieutenant commander from the 3d day of June, 1921:

William L. Darnall.
John V. McAlpin.
Logan A. Willard.
Marson W. Mangold.
Edward E. Harris.

Asst. Dental Surg. William R. Taylor to be a passed assistant dental surgeon in the Navy with the rank of lieutenant from the 6th day of June, 1920.

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy with the rank of lieutenant from the 1st day of July, 1920:

Hubert F. Delmore.
John A. Walsh.
Harrison B. Duncan.

Paymaster David C. Crowell to be a pay inspector in the Navy with the rank of commander from the 7th day of July, 1921.

Paymaster Walter D. Sharp to be a pay inspector in the Navy with the rank of commander from the 11th day of November, 1921.

Civil Engineer Walter H. Allen to be a civil engineer in the Navy with the rank of commander from the 11th day of May, 1921.

The following-named civil engineers to be civil engineers in the Navy with the rank of commander from the 1st day of October, 1921:

Frederick H. Cooke.
Ralph Whitman.
Albert A. Baker.
Ralph M. Warfield.

Lieut. Commander Isaac C. Bogart to be a commander in the Navy from the 1st day of July, 1921.

Lieut. Commander Harvey Delano to be a commander in the Navy from the 28th day of December, 1921.

The following-named lieutenant commanders to be commanders in the Navy from the 31st day of December, 1921:

Robert A. White.
Stephen Doherty.
Frank H. Roberts.
Albert C. Read.

The following-named lieutenants to be lieutenant commanders in the Navy from the 3d day of June, 1921:

Hugh P. LeClair.
Granville B. Hoey.
Lucius C. Dunn.
Francis A. LaRoche.
James G. Ware.
Fitzhugh Green.
Wilbur J. Carver.
Ewart G. Haas.
Roy C. Smith, jr.
Samuel W. King.

Lieut. (Junior Grade) William Masek to be a lieutenant in the Navy from the 1st day of July, 1919.

Lieut. (Junior Grade) Frank G. Kutz to be a lieutenant in the Navy from the 30th day of July, 1919.

Lieut. (Junior Grade) Axel Lindblad to be a lieutenant in the Navy from the 1st day of July, 1920.

Lieut. (Junior Grade) Miles R. Browning to be a lieutenant in the Navy from the 1st day of January, 1921.

Ensign Axel Lindblad to be a lieutenant (junior grade) in the Navy from the 28th day of June, 1920.

Ensign Ralph B. Netting to be a lieutenant (junior grade) in the Navy from the 1st day of July, 1920.

Passed Asst. Surg. Claude W. Carr to be a surgeon in the Navy with the rank of lieutenant commander from the 4th day of March, 1921.

Asst. Surg. Ammi L. Johnson to be a passed assistant surgeon in the Navy with the rank of lieutenant from the 1st day of January, 1921.

Pay Inspector Walter B. Izard to be a pay director in the Navy with the rank of captain from the 7th day of July, 1921.

Pay Inspector William A. Merritt to be a pay director in the Navy with rank of captain from the 1st day of November, 1921.

Paymaster Graham M. Adee to be a pay inspector in the Navy with rank of commander from the 11th day of November, 1921.

Passed Asst. Paymaster Major C. Shirley to be a paymaster in the Navy with the rank of lieutenant commander from the 1st day of July, 1918.

The following-named passed assistant paymasters to be paymasters in the Navy with the rank of lieutenant commander from the 4th day of March, 1921:

George S. Wood.

Harold C. Gwynne.

The following-named assistant paymasters to be passed assistant paymasters in the Navy with the rank of lieutenant from the 1st day of July, 1920:

Earl LeR. Bailey.

Wallace Prior.

POSTMASTERS.

ARIZONA.

Lola Moreno to be postmaster at Ray, Ariz., in place of Grace Moorman, resigned.

COLORADO.

Jesse C. Duffield to be postmaster at Willits, Colo., in place of Charles Whited, resigned.

HAWAII.

David H. MacAdam to be postmaster at Honolulu, Hawaii, in place of D. A. MacAdam. Incumbent's commission expired March 16, 1921.

IDAHO.

Charles Brebner to be postmaster at St. Maries, Idaho, in place of C. P. Sweeney. Incumbent's commission expired March 16, 1921.

ILLINOIS.

Clare D. Sherwood to be postmaster at Lake Villa, Ill., in place of H. I. Miller. Incumbent's commission expired March 16, 1921.

Marcus Gerbrick to be postmaster at Stamford, Ill. Office became presidential January 1, 1921.

Howard A. Hammer to be postmaster at Buda, Ill., in place of J. D. Brady. Incumbent's commission expired August 17, 1921.

Harold J. Henderson to be postmaster at Raymond, Ill., in place of A. R. Gorman. Incumbent's commission expired January 8, 1921.

INDIANA.

Dudley C. Engle to be postmaster at Albany, Ind., in place of C. L. Wood. Incumbent's commission expired July 21, 1921.

Harvey C. Hyer to be postmaster at Eaton, Ind., in place of O. J. Chapman. Incumbent's commission expired July 21, 1921.

Prince A. Edwards to be postmaster at South Whitley, Ind., in place of W. B. Fox. Incumbent's commission expired July 21, 1921.

IOWA.

John R. Barker to be postmaster at Indianola, Iowa, in place of C. L. Price. Incumbent's commission expired August 7, 1921.

KANSAS.

Walter Holman to be postmaster at Sharon, Kans. Office became presidential April 1, 1921.

Maud Aten to be postmaster at Goodland, Kans., in place of William Walker, jr. Incumbent's commission expired July 23, 1921.

MARYLAND.

Benjamin F. Woelper, jr., to be postmaster at Baltimore, Md., in place of Sherlock Swann. Incumbent's commission expired August 7, 1921.

MASSACHUSETTS.

L. W. King to be postmaster at East Taunton, Mass., in place of W. J. Campbell. Incumbent's commission expired January 24, 1922.

Donald A. MacDonald to be postmaster at Mittineague, Mass., in place of J. J. Mahoney. Incumbent's commission expired July 17, 1921.

MICHIGAN.

Perry F. Powers to be postmaster at Cadillac, Mich., in place of F. O. Gaffney, deceased.

Robert H. Benjamin to be postmaster at Mackinac Island, Mich., in place of J. R. McCarty. Incumbent's commission expired July 11, 1920.

MINNESOTA.

Edward M. La Fond to be postmaster at Little Falls, Minn., in place of S. P. Brick. Incumbent's commission expired August 7, 1921.

MISSOURI.

Birkley F. Wells to be postmaster at Clarksville, Mo., in place of E. H. Moran. Incumbent's commission expired July 25, 1921.

Samuel A. Jones to be postmaster at Burlington Junction, Mo., in place of Charles Ferguson. Incumbent's commission expired July 25, 1921.

Enos D. French to be postmaster at Skidmore, Mo., in place of E. T. Duval. Incumbent's commission expired July 25, 1921.

NEBRASKA.

Henry E. Schemmel to be postmaster at Hooper, Nebr., in place of C. G. Fritz, resigned.

NEVADA.

Dora E. Kappler to be postmaster at Carlin, Nev., in place of D. E. Kappler. Incumbent's commission expired July 14, 1920.

NEW HAMPSHIRE.

Myrtle M. Marsh to be postmaster at Greenville, N. H., in place of M. M. Marsh. Incumbent's commission expired January 5, 1920.

James E. Collins to be postmaster at Lisbon, N. H., in place of A. L. Sherman. Incumbent's commission expired June 27, 1920.

Almon W. Eaton to be postmaster at Wolfeboro, N. H., in place of F. P. Hobbs, resigned.

NEW JERSEY.

Lorenzo S. Spates to be postmaster at Linden, N. J., in place of S. M. Wood, resigned.

Emma A. Clawson to be postmaster at Scotch Plains, N. J., in place of G. A. Clark. Incumbent's commission expired March 16, 1921.

Wilbur K. Sloan to be postmaster at Swedesboro, N. J., in place of J. J. Davidson, resigned.

John H. Stegmann to be postmaster at Westwood, N. J., in place of W. H. Stagg. Incumbent's commission expired June 27, 1920.

NEW YORK.

Richard Bullwinkle to be postmaster at Central Valley, N. Y., in place of F. J. Nearn. Incumbent's commission expired June 27, 1920.

Fred B. King to be postmaster at Gloversville, N. Y., in place of J. B. Judson. Incumbent's commission expires January 24, 1922.

George Hubbard to be postmaster at West Coxsackie, N. Y., in place of W. B. Townsend, deceased.

Charles H. Whitson to be postmaster at Briarcliff Manor, N. Y., in place of C. H. Whitson. Incumbent's commission expired March 16, 1921.

John T. Rodger to be postmaster at Hammond, N. Y., in place of L. R. Smith. Incumbent's commission expired March 22, 1920.

NORTH CAROLINA.

Pearle R. Luttrell to be postmaster at Shulls Mills, N. C. Office became presidential April 1, 1920.

William A. Goodwin to be postmaster at West Durham, N. C., in place of J. H. Bowen. Incumbent's commission expired July 21, 1921.

OHIO.

French Crow to be postmaster at Marion, Ohio, in place of F. F. Campbell. Incumbent's commission expires January 31, 1922.

Earl Augustine to be postmaster at Montpelier, Ohio, in place of B. E. Custer. Incumbent's commission expired July 21, 1921.

Allison E. Augenstein to be postmaster at Napoleon, Ohio, in place of D. C. Brown. Incumbent's commission expired January 31, 1922.

OKLAHOMA.

Milton F. Gaylor to be postmaster at Slick, Okla. Office became presidential October 1, 1920.

Martin Baswell to be postmaster at Poteau, Okla., in place of A. L. Andrews. Incumbent's commission expired December 16, 1919.

William G. Pardoe, jr., to be postmaster at Stroud, Okla., in place of D. V. Burton, resigned.

OREGON.

Reber G. Allen to be postmaster at Silverton, Oreg., in place of J. H. Brooks, resigned.

PENNSYLVANIA.

Albert E. Franklin to be postmaster at Sutersville, Pa. Office became presidential July 1, 1920.

James A. Mayoun to be postmaster at Dingmans Ferry, Pa. Office became presidential April 1, 1921.

Elmer P. Richards to be postmaster at Easton, Pa., in place of Horace Lehr, resigned.

Benjamin F. Evans to be postmaster at Hopewell, Pa., in place of B. F. Evans. Incumbent's commission expired August 7, 1921.

Frank H. Shenck to be postmaster at Landisville, Pa., in place of F. H. Shenck. Incumbent's commission expired August 7, 1921.

Raymond J. Fisher to be postmaster at Robesonia, Pa., in place of H. F. Moyer. Incumbent's commission expired January 2, 1921.

John L. Chapman to be postmaster at Blue Ridge Summit, Pa., in place of C. S. Gardner. Incumbent's commission expired August 7, 1921.

Charles N. Thompson to be postmaster at Buck Hill Falls, Pa., in place of C. N. Thompson. Incumbent's commission expired August 7, 1921.

SOUTH DAKOTA.

Clarence J. Curtin to be postmaster at Emery, S. Dak., in place of B. E. Schroeder, resigned.

TENNESSEE.

Mabel W. Hughes to be postmaster at Arlington, Tenn. Office became presidential October 1, 1920.

TEXAS.

Clarence V. Rattan to be postmaster at Cooper, Tex., in place of J. T. Rountree. Incumbent's commission expired June 30, 1920.

Florence B. Burke to be postmaster at Elgin, Tex., in place of J. W. Jackson. Incumbent's commission expired December 20, 1920.

Jerra L. Hickson to be postmaster at Gainesville, Tex., in place of B. F. Mitchell. Incumbent's commission expired July 21, 1921.

Simon J. Enochs to be postmaster at Georgetown, Tex., in place of J. W. Roche. Incumbent's commission expired December 20, 1920.

Alonzo Phillips to be postmaster at Loraine, Tex., in place of A. M. Erwin, resigned.

Alphonse A. Bast to be postmaster at Robstown, Tex., in place of T. A. Stafford. Incumbent's commission expired July 21, 1921.

Wade Arnold to be postmaster at Wellington, Tex., in place of J. O. Wood. Incumbent's commission expired August 7, 1920.

Ruby E. Butler to be postmaster at Odem, Tex. Office became presidential April 1, 1921.

UTAH.

Joseph F. MacKnight to be postmaster at Price, Utah., in place of W. F. Olson. Incumbent's commission expired January 5, 1920.

VERMONT.

Walter A. Amsden to be postmaster at Proctorsville, Vt., in place of S. E. Emery, deceased.

VIRGINIA.

Edmund S. Hooker to be postmaster at Nokesville, Va., in place of A. K. Graybill. Incumbent's commission expired December 20, 1920.

WASHINGTON.

Eugene J. Edson to be postmaster at Coulee, Wash., in place of E. J. Edson. Incumbent's commission expired January 19, 1920.

Harry L. Bras to be postmaster at Centralia, Wash., in place of T. H. McCleary. Incumbent's commission expired January 5, 1920.

Ralph L. Philbrick to be postmaster at Hoquiam, Wash., in place of C. A. Morgan. Incumbent's commission expired July 15, 1920.

WEST VIRGINIA.

Elmer E. Hood to be postmaster at Keyser (late Coulee City), W. Va., in place of P. H. Keys, resigned.

Calvin F. Brown to be postmaster at Harrisville, W. Va., in place of B. F. Patton. Incumbent's commission expired July 21, 1921.

WISCONSIN.

Elmer O. Trickey to be postmaster at Vesper, Wis. Office became presidential April 1, 1921.

Wallace M. Comstock to be postmaster at Oconto, Wis., in place of P. A. Badour. Incumbent's commission expired December 17, 1919.

WYOMING.

Ivor Christensen to be postmaster at Hanna, Wyo., in place of M. E. Mitchell, appointee declined.

Henry H. Francis to be postmaster at Jackson, Wyo., in place of W. C. De Loney, appointee declined.

Lillian S. Pascoe to be postmaster at Sunrise, Wyo., in place of L. S. Pascoe. Incumbent's commission expired July 21, 1921.

Charles M. Hett to be postmaster at Thermopolis, Wyo., in place of G. J. Gay, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 23, 1922.

ASSISTANT TREASURER OF THE UNITED STATES.

Frank J. F. Thiel, to be Assistant Treasurer of the United States.

DEPUTY ASSISTANT TREASURER OF THE UNITED STATES.

H. Theodore Tate to be Deputy Assistant Treasurer of the United States.

REGISTER OF THE TREASURY.

Harley V. Speelman to be Register of the Treasury.

REGISTERS OF THE LAND OFFICE.

Fred A. Motz to be register of the land office, Helena, Mont.

Joseph Lytle to be register of the land office, Newcastle, Wyo.

RECEIVER OF PUBLIC MONEYS.

Matthew C. Roberts to be receiver of public moneys, at Newcastle, Wyo.

PROMOTIONS IN THE ARMY.

QUARTERMASTER CORPS.

To be captain.

Edward Eccles.

CORPS OF ENGINEERS.

To be captains.

Russel McKee Herrington.
John Mead Silkman.

ORDNANCE DEPARTMENT.

To be captains.

Duncan Gregor McGregor.
John Kay Christmas.

To be first lieutenants.

Harrison Shaler.
John William Slattery.
David Horn Whittier.
Rene Raimond Studler.

INFANTRY.

To be captains.

Alexander Hill Cummings.
James A. Summersett, jr.

FIELD ARTILLERY.

To be major.

William Rudicil Henry.

To be captain.

Walter Moody Tenney.

CHEMICAL WARFARE SERVICE.

To be captains.

Julius Conrad Tips, jr.
John James Baker.
James Goodwin Hall.
George Louis Boyle.
Robert Brice Johnston.
Victor Friedrichs.
Paul Ainsworth Berkey.
Robert Clyde Padley.
Donald Boyer Phillips.
Albert Ruth.
Robert Edward Robillard.
Donald McKechnie Ashton.
Dana Gray McBride.
Juan Rosales Labrador.
Edward Alfred Mueller.
Robert William Calvert Wimsatt.
Amado Martelino.
Victor Z. Gomez.
David Theodore Rosenthal.
Clayton Huddle Studebaker.
Albert James Wick.
Joseph Brenner.
Raymond Taylor Tompkins.
George Alfred Arnold Jones.
George Evans Burritt.
William Madison Mack.
Robert Crane Hendley.
Walter J. Klepinger.
Grady David Epps.
John Sharpe Griffith.
Pio Quevedo Caluya.
George Work Marvin.
William Wallace Robertson.
William Peyton Campbell.
Harry Starkey Aldrich.
Hugh Perry Adams.
Cecil Elmore Archer.
Thomas Edward Moore.
Robert Du Val Waring.
Joseph George Nathanson.
Stephen Yates McGiffert.
Louis Meline Merrick.
Le Roy Ponton de Arce.
Lee Roy Woods, jr.
Rox Hunter Donaldson.
Dudley Warren Watkins.
Arthur Nathaniel Willis.
Lyman Perley Whitten.
Lawrence William Kinney.
Ray Henry Clark.
Homer Wilbur Ferguson.
Earl Albert Hutchings.
Cecil Byron Jamieson.
Lindon John Murphy.
William Bradford Plummer.
Clifford Oscar Webster.
Howard Criswell.
James Richmond Simpson.
Philip Schwartz.

John Otis Hyatt.
Frank Charles McConnell.
Dale Phillip Mason.
Donald Fowler Fritch.
Nemesio Catalen.
James Madison Callicutt.
Albert Raymond Nolin.
Reginald Pond Lyman.
James Stuart Wallingford.
Albert Sidney Howell, jr.
Richard Brown Thornton.
Pacifico C. Sevilla.
Charles Nicholas Senn Ballou.
John Cyril Delaney.
Samuel Rubin.
Donald Wallace Norwood.
Waldon Sharp Lewis.
Andrew Julius Evans.
Paul Corson Howe.
James Fairbank Smith.

To be first lieutenants.

James Myron McMillin.
Versalious Lafayette Knadler.

DENTAL CORPS.

To be captains.

Arthur Benedict McCormick.
Clarence Constantin Olson.

VETERINARY CORPS.

To be first lieutenant.

James Lew Barringer.

TO BE CHAPLAIN.

With rank of captain.

Charles Oliver Purdy.

PROMOTIONS IN THE NAVY.

MARINE CORPS.

To be colonel.

Frederic M. Wise.

To be lieutenant colonel.

Raymond B. Sullivan.

To be majors.

Edward M. Reno.
Robert E. Messersmith.
Arthur J. White.
James T. Reid.
Oliver Floyd.

To be captains.

Walter S. Gaspar.
William K. MacNulty.
Alfred Dickerson.
Jacob M. Pearce.
Charles C. Gill.
Donald R. Fox.

To be first lieutenants.

Vernon M. Guymon.
Kenneth B. Collings.
Thomas J. Kilcourse.
Frank H. Fleer.
Irving E. Odgers.
Thomas H. Raymond.
Harry E. Darr.
Elmer E. Leibensperger.
Francis Kane.
James J. Brennan.
Lester E. Power.
Clinton W. McLeod.
Paul A. Lesser.
John T. Thornton.
Edward Selby.
William D. Bassett.
Cyril W. Martyr.
Frank S. Gilman.
Ogbourne A. Hill.
Melvin E. Fuller.
Harmon J. Norton.

POSTMASTERS.

GEORGIA.

Ertha Garner, Buford.
Christine P. Hankinson, McDonough.
George W. Jordan, Whigham.

ILLINOIS.

Bessie McTamaney, Fort Sheridan.

KANSAS.

Albert B. Ewing, Eldorado.

KENTUCKY.

Arch Mooney, Dixon.
Charles L. Loyd, Fredonia.
Mary F. Gilmour, Owensboro.
Lillie M. Pulliam, Patesville.
William C. Barnwell, Smithland.

NEBRASKA.

Chancey J. Sittler, Anselmo.
Harry N. Wallace, Coleridge.
Fred A. Scofield, Columbus.
Freitheof O. Carlson, Craig.
Fred C. Easley, Dunbar.
Orley D. Clements, Elmwood.
Fay E. Davis, Hershey.
Howard L. Sergeant, Juniata.
Alonzo A. Jackman, Louisville.
Edward H. Hering, Orchard.
Roy N. Overgard, Plymouth.
Nellie L. Miller, Rulo.
August Dormann, Scottsbluff.

NORTH CAROLINA.

Samuel B. Edwards, Tryon.
Clyde H. Jarrett, Andrews.

OHIO.

George P. Phillips, Fayette.
Richard Hagel, Gypsum.

SOUTH CAROLINA.

John B. Bagnal, Ellenton.
Henry R. Williams, Hardeeville.
David S. Pitman, Nichols.

SOUTH DAKOTA.

Orrin W. Dingman, Centerville.
Glenn H. Auld, Plankinton.
Paul F. W. Knappe, Tripp.

TEXAS.

Elmer B. McCully, Paint Rock.
Lillie Brown, Ralls.

VERMONT.

Carrie E. Sturtevant, East Fairfield.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 23, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou dost guard us with infinite care and solicitude. May we make response to Thy divine goodness with all diligence and faithfulness. Stir the best hints of our higher natures, and gather them up into some rapture, so that we may serve human burdens, human hearts, and human tears. O hear us as we beseech Thy blessing to abide with all of us. Keep us within Thy shadow, O Lord, for there is no life without its pain; there is no hope without its cloud; and there is no prayer without its doubt, so be Thou with us until we finish the last mile. In the blessed name of Jesus. Amen.

The Journal of the proceedings of Saturday, January 21, 1922, was read and approved.

ORDER OF BUSINESS.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 9981, the independent offices appropriation bill.

Mr. FOCHT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FOCHT. I should like to inquire of the Chair the status of District of Columbia day? As this day is set apart under the rules for the consideration of bills from the Committee on the District of Columbia, I would like to know when an opportunity will be given for the consideration of District of Columbia business?

The SPEAKER. If the House should vote down the proposition to go into the Committee of the Whole House on the state of the Union for the consideration of the appropriation bill; in other words, if the House should prefer to consider District business, then it would be in order to take up District business.

Mr. FOCHT. Following the consideration of the appropriation bill?

The SPEAKER. Immediately, if the House should vote down the motion to go into the Committee of the Whole House on the state of the Union.

Mr. MONDELL. Mr. Speaker, if I may be allowed, there is no disposition to neglect the District of Columbia business. On the other hand, there is an earnest desire to consider District business; but it is highly important that we should continue our program for the consideration of appropriation bills. I hope that within a reasonable time we may be able to afford an opportunity for the consideration of District business.

Mr. FOCHT. Mr. Speaker, I appreciate the importance of appropriation bills. At the same time there is a strong desire and an urgent necessity for the passage of legislation pertaining to the District of Columbia, particularly on account of the congestion here during the past few years.

Mr. BLANTON. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I make the point of order, for the purpose of getting a ruling by the Chair, that this is District of Columbia day and that District business can not be set aside by such a motion but can only be set aside by a motion to dispense with District day.

The SPEAKER. The gentleman from Texas interrupted the gentleman from Pennsylvania to make a point of order, and although the Chair dislikes to interrupt the gentleman, he feels constrained to rule on the point of order. The Chair thinks it is well settled that on District day a privileged measure is in order, the House having, of course, the option if it does not desire to take up the privileged matter, to vote down the motion, when it would be in order to take up District business. So the Chair overrules the point of order.

Mr. FOCHT. Mr. Speaker, I have consulted with some of the members of the committee who are very desirous of having District of Columbia legislation passed, but who realize the importance of these appropriation bills; and with the assurance we have had from the leader of the majority [Mr. MONDELL] that due opportunities will be given for the considering of District of Columbia business, as chairman of that committee I will yield the day for the consideration of appropriation bills, so far as I am concerned.

Mr. DYER. Mr. Speaker, will the gentleman yield before he takes his seat?

Mr. FOCHT. Yes.

Mr. DYER. Will the gentleman state, if he can, when it is probable that we may have a District day in the House?

Mr. FOCHT. I can only rely on the assurance of our distinguished leader [Mr. MONDELL] and of those gentlemen who shape and fashion the legislative program.

Mr. DYER. I understand.

Mr. FOCHT. I would say to the gentleman that he is no more desirous than I am of securing early consideration of District of Columbia business.

Mr. GARNER. Mr. Speaker, let us stop this horseplay, if we can, and proceed with the consideration of the appropriation bill. It is evident that we will get no further information now.

INDEPENDENT OFFICES APPROPRIATION BILL.

The SPEAKER. The question is on the motion of the gentleman from Indiana [Mr. WOOD].

The motion of Mr. WOOD of Indiana was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill (H. R. 9981), with Mr. TOWNER in the chair.

The CHAIRMAN. When the committee rose on Saturday, the pending motion was the amendment offered by the gentleman from Missouri [Mr. ROACH], to strike out lines 10, 11, 12, 13, 14, and 15, inclusive, on page 7.

Mr. BURTON. Mr. Chairman, I desire to oppose the amendment.

The CHAIRMAN. The Chair will recognize the gentleman from Ohio.

Mr. BURTON. Mr. Chairman, I am reluctant to offer suggestions to my fellow Members based upon experience. Experience implies advancement in years and maturity, and those are qualities which do not appeal to a very large share of the electorate. Maybe it is exceptionally desirable to avoid reference to them since the passage of the nineteenth amendment. But as a result of many years of public service I confidently advise my colleagues that it is best to have as little as possible to do with matters of patronage.

In the first place, legislative duties and the seeking of patronage are inconsistent. The pursuit of patronage takes too much time. Again, it involves the Congressman who makes recommendations in obligations to members of the executive departments which are sure to plague him. Still further he is confronted with a standard as to fitness for the Government service sure to be a source of embarrassment. Many people who strenuously insist upon appointments have no adequate idea of the qualifications for service here or elsewhere under the Government. That is well caricatured in a French novel—The Cross of Berney. A woman who had come into possession of estates said: "I must do something for my steward. Now, that I have estates I would make him manager of one of them; but, alas, he is stupid. He would eat the hay rather than make it. I know what I will do. I will obtain for him a position under the Government. The Government is the only institution that can utilize a fool." [Laughter.]

The constant importunity for place is one of our worst embarrassments. So I am cordially in favor of the new system, which may not work well at first, but will prepare the way for a better method in selecting postmasters.

Mr. WILLIAMS. Will the gentleman yield?

Mr. BURTON. Certainly.

Mr. WILLIAMS. The trouble with this system is that while on the face of it it is intended to relieve Members of Congress from this responsibility, as a matter of fact they are by the people they represent still held responsible for the appointment without any power to control the appointment.

Mr. BURTON. To a degree that is true, but it relieves the Congressman of the importunities of a great mass of candidates, and reduces the number who are supposed to have exceptional qualifications for the position to three. I am frank to say that I think it should be reduced to one.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. SMITH of Idaho. Does the gentleman think that the ease and comfort of the Congressman should be taken into consideration rather than the wishes of the people as to who should serve them as postmasters?

Mr. BURTON. It is not a question of comfort; it is largely a question of efficiency and usefulness. Which will the Congressman do—serve the people as a lawmaker or act as a solicitor for positions?

Mr. WILLIAMS. One further question. The system that you set aside has been in vogue since the beginning of the Government. Presidential postmasters have been appointed by the President on the recommendation of Members of Congress from the districts belonging to the party in power, and has not the Postal Service during all these years been fairly efficient?

Mr. BURTON. I think so, although I believe it could be very much improved even over the present high standard inaugurated by Postmaster General Hays. In the long run the privilege of making recommendations and appointments does not do a Member of Congress or any other official any good. Thomas Jefferson once said that he was tired of making appointments, because the result was nine enemies and one ingrate. I am in favor of the enlargement of the Civil Service to include the largest possible number of places. If we are to have a system under which a multitude is to be turned out at the beginning of each conflicting administration it will prove a most serious disadvantage and conduce to inefficiency in the administration of public business. Then, too, while we are all grateful to those who support us, while we would like to have them appointed to offices, it would be an impossible task to provide for more than the barest fraction of the number who have claims for recognition. Still further, regulations for competitive examinations will diminish that great mass of people who think if they are discontented or out of work they can find refuge in an office under the Government.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GENSMAN. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended five minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the gentleman from Ohio have five minutes more. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, although I shall not object, a great many gentlemen, I suppose from the statement on the bulletin board as to the business, are absent, evidently thinking that other business is under consideration. We have no complaint as to the business that has been taken up, but in justice to them I think they should have some notice of the change of plan, and I suggest the absence of a quorum.

The CHAIRMAN. The gentleman from Tennessee makes the point of no quorum. The Chair will count. [After counting.] One hundred and five Members are present, a quorum.

Mr. GARRETT of Tennessee. Mr. Chairman, I move that the committee do now rise. I state very frankly that I do that in order to get the bells rung.

The CHAIRMAN. The gentleman from Tennessee demands tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. WOOD of Indiana and Mr. GARRETT of Tennessee.

The committee divided; and the tellers reported that there were 6 yeas and 85 noes.

So the motion was lost.

The CHAIRMAN. The question is, Is there objection to the extension of time for the gentleman from Ohio?

There was no objection.

Mr. BURTON. A very unnecessary amount of discussion and excitement is aroused in communities in regard to appointments. Many have far greater interest in the selection of the postmaster than in the enactment of a great statute of national importance. The status and the environment of applicants for appointive offices are very different from those of a candidate before the

people. The latter is subject to all kinds of criticism. Yarns, new and old, are circulated about him, and then the opposition newspapers offer him a wealth of weird suggestions. On the other hand, the applicant for appointment to office dwells in an atmosphere of flattery. No one declines to sign his petition. His pastor, his neighbors, the sheriff of the county, and all candidates for office write letters of recommendation on his behalf which are models of style and give him an amount of praise altogether unlooked for and very gratifying to him.

There are two classes of office seekers—first, those who come to Washington to present their case.

The typical applicant of supreme assurance and greatest self-estimation comes here with the thought that he is to be the guide, philosopher, and friend to the President. Like a sage he stands at the White House gates with "Atlantean shoulders fit to bear the weight of mightiest monarchies," but his hopes descend in the scale, and from applications for a position as a foreign ambassador or Cabinet officer he finally becomes contented to accept a place in the Bureau of Prohibition Enforcement and finds solace in the fact that a part of his duty is to partake of the samples that are presented for examination there. [Laughter.]

Then there is the other applicant who merely sends in his application, numerously signed. Probably it is consigned to dusty pigeonholes and to that great mass of recommendations which all creation's junk shops could not hold, but he believes in hope and cherishes the strange delusion that his application was taken up in a Cabinet meeting and that the discussion in regard to it was protracted until late at night. He is satisfied that the senior members of the Cabinet—the Secretaries of State, Treasury, and War—favored his appointment, but he thinks that the junior members were opposed. Maybe he imagines the Secretary of Agriculture who has to do with noxious weeds and insects caused his defeat. In any event, he is firm in the belief that some YOUNG TURKS in the administration stood between him and the office to which he felt he was entitled. He is, indeed, a pathetic figure. His hopes are dead. The patriotic subjects which have aroused his eloquence or engaged his thoughts, incidents, and studies, such as Burgoyne's surrender, the social status of Mrs. Eaton in Andrew Jackson's administration, the moral basis of the reconstruction legislation after the war, phases of the progressive movement, Susan B. Anthony, Porto Rico and the Philippines; all these have lost their charm, and his disappointed spirit suffers then the nature of an insurrection. [Applause and laughter.]

Mr. Chairman, any step looking toward the improvement of the standard of efficiency in all branches of public endeavor is for the best interests of this Government. It is best for us who are here. It relieves us of a burden which at times becomes almost intolerable. It turns our attention from matters of patronage to subjects of far greater importance, and however much we would like to help our friends we have all of us such a multitude of friends that we must fail in fulfilling their hopes.

I trust this motion may be voted down and voted down by an overwhelming vote.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BURTON. Yes.

Mr. SMITH of Idaho. If it is such a disgrace and discredit to an American citizen to run for an appointive office as the gentleman appears to think, why would not the same disgrace apply to a man who runs for an elective office?

Mr. BURTON. I have already said there is a great deal of difference between the two. The man who runs for an elective office finds his place. A candidate for election may say of the unfriendly newspapers and his critics, in the language of the banished duke, "These are counselors that feelingly persuade me what I am." He has no royal road to victory, but the man who is a candidate for an appointive office dwells in an atmosphere of adulation and does not have that shaking up that is sometimes wholesome for us.

Mr. COCKRAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON. Yes.

Mr. COCKRAN. The gentleman's speech is predicated entirely upon the assumption that by some system of competitive examination efficiency of the public service is advanced. I would like to ask the gentleman on what he bases that assertion, and whether, according to the actual facts of history, he is justified in saying that the liquidation of war expenses and the reorganization of conditions after the Civil War, without the waste of a penny—so far as I know—shows any inferiority to the liquidation of war expenses and the reorganization of industrial conditions at the present time?

Mr. BURTON. I think there were some very erroneous policies adopted at the close of the late war, but that is a matter that I did not intend to discuss.

Mr. COCKRAN. I mean the efficiency of the public service generally.

Mr. BURTON. I think the efficiency of the public service has been infinitely increased by submitting the claims of applicants for office to competitive examinations. Then, again, it is a truly democratic method, because it gives to everybody a chance.

Mr. COCKRAN. I would debate that last assertion under other conditions; but when the gentleman undertakes to base an argument on a statement of facts, I would like to have the facts established on some better authority than mere assertion.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in 10 minutes.

Mr. WILLIAMS. Oh, I would object to that.

Mr. WINGO. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Arkansas is recognized for five minutes.

Mr. WINGO. Mr. Chairman, the pending amendment, as I understand, is an amendment that was offered Saturday striking out the item to appropriate several thousand dollars for the Civil Service Commission to hold examinations for presidential postmasters—that is, postmasters of the first, second, and third class. I should not have had anything to say, although I think the amendment ought to be adopted, if a certain gentleman had not referred to some statements which I made heretofore with reference to those appointments and challenged the accuracy of my charge that in spite of pretentions to the contrary, politics still controlled these appointments. I shall not have the time to go into the facts by reading the two-bushel file which I stated the other day to the gentleman from Iowa I had, the gentleman who challenged my statement. I wish to reiterate what I said in the discussion which was referred to, that I do not oppose political appointments of men to places in executive or supervisory positions. I believe that the civil service for the purely clerical positions is proper, but I think that whatever party is in power it should have the right to place in every supervisory, executive position men who are in sympathy with the policies of the administration, because the administration must be held responsible. [Applause.] So I say I am not opposed to proper civil service.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. WINGO. I can not yield now. I am not opposed to Deacon Hays making political appointments and appointing faithful Republicans postmasters. The thing I object to is the hypocrisy of pretending that he is using the merit system when I know, and every man who has investigated it knows, that he is using the political spoils system. I did not say that any Republican Member of Congress could get what he wants. That is another thing I protest against—the playing of favorites. There are some Republican Members who can get what appointments they want, but there are other Republican Members who can not, but in some States if there is a Republican Senator he controls, or perhaps a Republican chairman, or a national committeeman, and that is not fair. Another thing that I protest against is that ex-service men are not given the preference to which they are entitled, and which the law Congress passed gave him.

But the gentleman from Iowa the other day—I am glad to notice that he corrected it in the RECORD—said that the complaints I had were from men who were not competent—that was the substance of it—and were disappointed applicants.

I want to ask the gentleman if he investigated the appointments in Indiana?

Mr. GREEN of Iowa. I have not.

Mr. WINGO. Have you investigated the appointments in Illinois?

Mr. GREEN of Iowa. I have not.

Mr. WINGO. Have you investigated them in any State in the Union except in your own district?

Mr. GREEN of Iowa. In my own district and from reports of Members from the other States.

Mr. WINGO. The gentleman has not investigated in all the States, or he would know that ex-service men have been kicked out in practically every State. The gentleman talked about something he did not know about. If the gentleman will give me a committee and give me authority to summon witnesses and produce papers, I will show that not only Democratic service men were kicked out, but Republican service men. I will show

you a case where a Republican could not get the indorsement of the Republican boss of his State, although he won first place in two examinations and was appointed by Wilson. He was turned out and a Republican boss selected his man, he was appointed, and the Republican Member of Congress wrote a letter stating he had to yield to the organization demand.

Mr. GREEN of Iowa. We will come to that.

Mr. WINGO. The gentleman is fearfully ignorant, or he is trying to mislead the House. The gentleman says that politics do not count.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. I ask five minutes more.

Mr. CAMPBELL of Kansas. Mr. Chairman, I object.

Mr. WINGO. I am not surprised the gentleman objected. His own State is affected by these hypocritical actions.

Mr. CAMPBELL of Kansas. I object.

Mr. GENSMAN. Mr. Chairman, it strikes me that the committee has resolved itself into one of the old-fashioned "experience meetings," similar to those that I attended in the little country schoolhouse in my boyhood days "down on the farm" 25 or 30 years ago, which were held under the auspices of the United Brethren Church or were a part of that church's proceedings. I have seldom inflicted myself upon the House or the committee; I have tried not to have the appearance of an "atlas toter," but this is a time when, in the language of some of the old brethren of the dim and hazy past who attended the experience meetings I have just spoken about, that the "spirit moves me to speak."

Unfortunately the remarks made by my esteemed, distinguished, and delightful friend from Missouri [Mr. ROACH] do not appear in Saturday's CONGRESSIONAL RECORD, and I have not had the opportunity of reading the same, but I did not gather from the remarks of the gentleman from Missouri [Mr. ROACH] that he meant to leave the impression that the Civil Service Commission, so far as post offices are concerned, is "bunk." As I heard his remarks, I concluded that he intended to convey the impression thereby that it had gone out to the country that the civil service was "bunk," but that as a matter of fact it was a stern reality, so far as the Members of Congress are concerned.

As to the definition of this newly coined word "bunk" I am not sufficiently learned on the subject. I have not taken the opportunity of consulting Webster on the subject, but we from Oklahoma have our own ideas of "bunk." In fact, I am very much of the impression that "bunk" was first discovered wandering up and down Red River, or the adjacent territory on the south, in what the gentleman from Texas [Mr. BLANTON] has so freely christened "the Jumbo district."

Taking the definition of "bunk" as it is generally understood to be in Oklahoma and the "Jumbo district," I am prepared to say from actual experience that so far as the post offices are concerned, the civil service is anything but "bunk," and I can not conceive of a Member on this side of the House declaring himself of the view that the civil service is anything but a stern reality. I believe that the civil service is doing the best that it can under the circumstances and with the facilities that they have. We must remember that there are about eight applicants for every post office in the United States who have filed or are about to file applications for the post office. That at this time there are applications piled up in the Civil Service Bureau in enormous heaps, and that they certainly have a job on their hands down there looking these papers over. Taking into consideration the faults and weaknesses of human nature, it seems to me that they are doing about all that could be expected of them under the circumstances.

My experience has, absolutely and entirely, beyond the peradventure of a doubt, convinced me that the civil service is just what it purports to be. My experience is that the papers of the applicants speak for themselves. That they are graded carefully and concisely by an aggregation of apparently "exschoolmarms," who insist on the dotting of every "i" and the crossing of every "t," and insist on "docking" the applicant for the omission thereof. In fact, I am rather of the opinion that they are rather too technical and too precise. I have in mind a man who was a postmaster for 10 or 12 years, who undoubtedly understands third-class post offices from top to bottom, but who failed to pass the mental test, or examination, and although I have asked a reexamination, regrading, and everything imaginable, I find that the civil service will not budge one inch.

The main trouble about the civil service as it now operates is that the impression has gone out that it is a farce—and, in the language of the Congressman from Missouri, "bunk"—when, as a matter of fact it is more exacting, more technical, freer from politics or political influence than any teachers' examination in the country. I find that if an applicant does not come up to the standard that that is all there was to it, and that a Congressman has absolutely no influence, political or otherwise, in getting the civil service to change its views or figures on an applicant's showing before the Civil Service Commission; but the trouble about the matter is in all the years past it has been more or less of a sham and a smoke screen for politicians, and it is hard for the boys "down at the forks of the creek" to believe that a Congressman can not go down to the civil service and tell them what he wants and get it. My idea about the proposition is that the post offices should be taken entirely out of politics, thereby abrogating the time-honored principles of Andrew Jackson, when he inaugurated "Tenure in office" and said "To the victor belongs the spoils," or that the entire selection of the postmasters should be turned over to the Congressman. This half-way business would be all right if we could make the people understand it. In time that may be possible, but so far as present needs are concerned the people have not been educated up to a real civil-service examination. They can not understand it. In time the position of a Congressman may be thoroughly appreciated by his constituents, but for the present the country has the wrong view of the civil service and the post-office situation and the whole load is thrown upon the shoulders of the Congressman, and I am rather afraid that so far as the present is concerned it is more of a liability than an asset. The man that is appointed postmaster insists that he is under no obligation to the Congressman and that he won by being the best man. The fellow that lost insists that the Congressman was not for him; that the civil service is "bunk," and that he was "double-crossed" somewhere along the line, when the opposite in each case is true in nine cases out of ten.

Mr. STEVENSON. Mr. Chairman, I offer an amendment to perfect the text.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

On page 7, line 13, strike out the figures "$75,000" and insert in lieu thereof the figures "$30,000."

Mr. STEVENSON. Mr. Chairman, referring to this matter, my amendment is, of course, preferential, because it perfects the text by reducing it to something like it ought to be. But I was interested in the colloquy which was going on about this matter of examination and about the statement that was made by the gentleman from Iowa [Mr. GREEN] the other day that the veterans who were discriminated against were those who were not competent.

Mr. GREEN of Iowa. If the gentleman will pardon me, I made no such statement.

Mr. STEVENSON. That those who failed to get appointments were not capable and were not found to be the best on the list.

Mr. GREEN of Iowa. I did not say that, either, although I might well have said it.

Mr. STEVENSON. The gentleman says he did not say it, but he practically says it now.

In my district a man came back from the war who had been shot through the shoulder. He stood the examination under the old order and he made the highest mark. He was appointed in August, 1920. His appointment was held up; they refused to confirm him. He was made a postmaster and continued to act as postmaster. When this three-card monte affair was issued I went to see them, and I said, "Here is the law that says a veteran shall have preference. Here is a man who made the highest mark, and he is a veteran, with scars of war on him." "Oh, no; he will have to take another examination. That is not an examination that is worth anything. We can not recognize an examination that is made by the Civil Service Commission at that time, I suppose, because there happened to be a Democratic President in at the time." They made them go to the mat again, and the soldier who was in, and who was acting as postmaster, had the highest rating by all odds, about 10 points higher than the other fellow. What did they do? They backed and filled, and hemmed and hawed, and twisted and turned; and the lowest man, who never had been called into the Army and never had anything to do with the Army, was finally appointed, and they kicked out the postmaster that every business man in the town practically had asked to be retained, a postmaster with a bullet hole through his shoulder and a postmaster that stood the highest examination, and who, under the preference act, was entitled to the appointment. The preference act reads as follows, and in certifying the eligible list the Civil Service Commission always specifies those with soldier preference, but the Post Office Department ignores it. This is the statute, found at Forty-first Statutes at Large, page 37:

That hereafter in making appointments to clerical and other positions in the executive branch of the Government in the District of Columbia or elsewhere preference shall be given to honorably discharged soldiers, sailors, and marines.

Mr. KINCHELOE. That is "humanizing" the Post Office Department.

Mr. STEVENSON. That is "humanizing" the Post Office Department, and that is encouraging patriotism; that is selecting the most competent man for the place, to wit, the man at the tail end of the procession. I am a civil-service man myself, when it comes down to the classified fellows, but I believe the revenue offices and the post offices ought to be filled by people who respond to the political situation. I am a good deal of an Andrew Jackson Democrat. He was born in my district and raised there, but I say, if we are going to have a civil-service examination, let us regard, in the first place, the statute which we wrote which said that the veterans should have preference in all civil-service appointments. Let us regard that and let us do away with this hypocrisy which says we are having this examination for the purpose of getting the best men. The Civil Service Commission observes the law, but the Post Office Department rejects it.

Mr. DUNBAR. Was not Andrew Jackson born in North Carolina?

Mr. STEVENSON. No, sir. He was born in South Carolina, and he left his punch bowl, which I think Mr. VOLSTEAD is going to get, to his native State of South Carolina, setting it out in his will as "my native State of South Carolina."

Mr. WILLIAMS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am one of those who have failed to see any beauty or virtue in the Executive order of May 10. I think the issuance of the order was a very big mistake on the part of the administration. It has utterly failed to do those things which the gentleman from Ohio [Mr. BURTON] in his very forceful speech undertook to say it did. It has not relieved Members of Congress from the embarrassment incident to the appointment of postmasters. It has not given them more time to be devoted to legislation. It has added embarrassment to the Members of Congress. I am not in favor, however, of the adoption of the motion striking out the paragraph. The President has decided on this machinery to assist him in arriving at proper candidates to be appointed, and the appropriations should be carried in the bill. But I do want to submit a few remarks and observations on the way this order works in practical operation.

To start with, I believe in party government. I believe the administration in power should have its supporters in all the appointive positions in the Government. I served here during the administration of President Wilson. I had a great many letters during that time from people in my district about rural routes and post offices. I had letters from Republican friends asking me to help them in securing these places, but I never, during the entire term of President Wilson, attempted to name a rural carrier or a postmaster in my district. I wrote every one who inquired of me about these matters that the administration was Democratic, and that while these places were under the civil service, yet under the law and under the rules, if a Democrat was on the eligible list he would and should receive the appointment. And they were entitled to receive them. The people of this country in November, 1920, recorded a stupendous majority against the party then in power. The people had in mind, when they returned a majority of over 7,000,000 for the Republican candidates, three things, in my opinion.

In the first place, they wanted to get rid of President Wilson. In the second place, they wanted to get rid of Wilsonism. In the third place, over and above all that, they were determined to get rid of the thousands of Wilsonites who were in office all over the country, and they voted in unnumbered thousands for that purpose, the majorities running into the millions in some of the States. The change the people had in mind was not just a few of the big offices. They expected a complete change.

The country is disappointed. Mr. Hays was chairman of the Republican national committee for three years, and he wrote during that time millions of letters to the Republican workers out in the counties and in the small towns and in the precincts; letters in which he urged the importance of a change of administration and the necessity of putting Republicans in office. When the election took place, with more than 7,000,000 majority for the Republican ticket, everybody thought the change they had voted for would take place. Mr. Hays went into the Cabinet, and other members of the national committee and prominent Republican leaders got Cabinet positions and important appointments and these leaders proceeded to divide up big places among themselves without delay. But, when it comes to the small towns and the country districts and in the minor precincts and they take up the problems of Republican county and precinct committeemen, then they say, "Oh, no; we must have efficiency. We must proceed under the civil service. Submit your claim to the Civil Service Commission." And I say to you, what you all know, there is disappointment among Republicans, and among the people who made possible that 7,000,000 majority.

Now what does this order do? In the first place, it does not relieve Members of Congress of a single embarrassment. It adds immeasurably to their embarrassment, because there is a widespread belief among the common people of this country—I know it is prevalent in my district, and I know that from conversations with other Members of Congress it is prevalent everywhere—that in some way or somehow Members of Congress can control these appointments—that they can control the action of the Civil Service Commission. I had one case under my observation where a good woman in my district was an applicant for a third-class post office. She had the indorsement of the Republican men and women's committee, and from the county supervisors, and all of the indorsements necessary in a case of that kind. I very much desired to appoint her. I wrote her and inclosed a copy of the Executive order. I explained fully that it was necessary for her to get on the eligible list. I also stated plainly what we all know is true, that a Member of Congress had no way of controlling that matter. I assured her if she was one of the three eligibles I would be glad to recommend her appointment. An examination was held, but she was not one of the three. She wrote me that she feared I had neglected to properly represent her interests down here. [Laughter.]

The good lady was no exception to the rule. I find that most applicants honestly believe a Member of Congress can get them on the eligible list if he desires to do so. The gentleman from Ohio [Mr. BURTON] assumes that under this system only two people are dissatisfied. Not so; all the applicants who fail to get on the eligible list feel they have not been fairly treated. The two eligibles who are not appointed agree that they were defeated through some kind of frame-up to which the Member of Congress was a party. And often, too often, the successful applicant convinces himself that he won through merit alone and that he is under no obligation to anyone.

If the purpose had been to devise a scheme to embarrass Members of Congress, to destroy their prestige at home, and to defeat them either in a primary or general election, the present scheme could not be improved upon. If Members of Congress are to be held responsible for postmaster appointments in their districts, they should have the power to recommend candidates whom they want.

Under this system they are held responsible by the folks back home, and are absolutely powerless to name their choice or the choice of the patrons interested in the appointment. The thing to do is to take this whole matter either entirely out of the hands of Members of Congress or go back to the old system, where both the responsibility and the power of appointment is definitely fixed and known.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WILLIAMS. Mr. Chairman, may I have five minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. Reserving the right to object, Mr. Chairman, I would like to know if the gentleman from Kansas [Mr. CAMPBELL] is here.

Mr. CAMPBELL of Kansas. Yes. I object. [Laughter.]

Mr. LAZARO. Go on. You have your time.

Mr. WASON, Mr. SCOTT of Michigan, Mr. MONDELL, Mr. KEARNS, and Mr. COCKRAN rose.

The CHAIRMAN. Does the gentleman from Kansas object?

Mr. CAMPBELL of Kansas. Yes; I object, Mr. Chairman.

Mr. WILLIAMS. It is too late.

Mr. COCKRAN rose.

The CHAIRMAN. Objection is made.

Mr. WASON. Mr. Chairman, I move you that the gentleman from Illinois [Mr. WILLIAMS] have five additional minutes.

The CHAIRMAN. That motion is not in order. The Chair will recognize the gentleman from New York [Mr. COCKRAN].

Mr. COCKRAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. COCKRAN. Mr. Chairman, I take the floor in support of the amendment. I support it without qualification or limitation of any kind. I rise to say a word in behalf of what I conceive to be an essential feature of republican government, and in defense of the species almost extinct—the Andrew Jackson Democrat. [Applause.] It seems to me that in his speech

the gentleman from Ohio [Mr. BURTON] (interesting as always and clothed in such glowing terms as are apt by entrancing the mind to benumb its critical faculties) misapprehends completely the character of our Government in the eulogy he has pronounced upon this method of selecting persons for appointive offices, which has been imported from across the sea.

It is an extraordinary feature of some mental equipments that anything which is of foreign origin seems to be held excellent by reason of its alien extraction, and anything developed in our own country seems to be considered objectionable by reason of its peculiar and distinctive American character.

Now, the genius of our Government is absolutely hostile to any method of filling public offices except through untrammeled exercise of the power of appointment by the head of a department chosen by the people directly at the ballot box, or appointed by an officer elected by popular suffrage.

It must be obvious that any limitation upon the power of an officer elected by popular suffrage to choose his own subordinates is a limitation on the suffrage through which he has been chosen.

The vital distinction between this Government and all others existing under parliamentary institutions is that here both the executive and legislative are fruits of popular suffrage, while in all other countries only legislative representatives are elected by the people. Under these other Governments, where the only power vested in the people is to choose their legislative representatives, methods of selecting public officers belong naturally to the parliament. They are not determined, and could not be determined, by vote of the people at the polls. The personnel or methods of administration are never before the electors for discussion or decision.

But in this country, as the gentleman who has just taken his seat, Mr. WILLIAMS, has shown most conclusively and lucidly, the question before the people at every election is not always or even usually adoption or rejection of some legislative proposal; that is often a minor issue; sometimes so indistinct that there is little, if anything, upon which the people can pronounce an intelligent judgment. But the issue that is always before them is the manner of administering the Government. There is no way by which the people can express their judgment on that issue except by the election of officers who will discharge their functions through persons responsive to the prevailing opinion of the country. Surely this must be self-evident.

But, sir, if rigid application of that system could be shown to have proved at any time incompatible with the highest efficiency in government I would be prepared to concede that it was a serious question whether the abstract principle should not give way before an actual demonstration that it hampered or threatened the well-being of the Nation. The object of my question to the gentleman from Ohio [Mr. BURTON] was to ascertain whether he could offer any definite proof that officers appointed by untrammeled exercise of the appointing power were of inferior efficiency to men appointed under this system of competitive examination. No such proof was forthcoming—none will ever be offered—none exists. I challenge anyone to show in the whole record of human experience a single instance where a great war—a civil war, always the most destructive of wars—had been waged with a degree of devastation never before paralleled, and after it was ended and the country pacified, the operations of government during its continuance were subjected to the most rigid scrutiny and not a sixpence was found to have been misapplied; at least not by any subordinate officer. I go further, I charge that prolonged tenure in office makes not for purity but for corruption in the public service. I challenge any man to show where a person recently appointed to office has ever proved to be an embezzler of public funds or a source of official corruption. I have had some experience in examining into the administration of public offices and I have never known one instance where corruption was uncovered that had been practiced by a recent appointee. That stands to reason.

The new appointee does not know enough about the methods of administration to cover up his footsteps if they were turned from honesty to corruption. Because in every instance where corruption has been uncovered in the National, State, or municipal governments, it has been found that it was a person who had grown gray in the service that developed from his own experience the scheme to outwit the law and evade its pursuit. I have additional reason for opposing this last attempt to extend the list of permanent officeholders.

Mr. Chairman, I think it is to the glory of this country that without any attempt to hamper the functions of elective officers the American people succeeded in establishing the best civil service the world has ever seen. And therefore I am opposed to every attempt to substitute for that system of incomparable excellence a method of appointing officers which after long experience has shown no superiority and which is repugnant to the spirit of our political system.

Gentlemen choose to assume that superiority of qualifications for an ordinary office is to be determined by a literary examination, but they offer no justification in theory or experience for that assumption. Certainly not a shadow of reason has been advanced for claiming that by such a method qualifications of a first-class postmastership can be most clearly ascertained. What is the character of the service the postmaster must render? Why, it is simply to deliver or cause to be delivered in the minimum of time the books and papers addressed by mail to persons living in his community.

Obviously the function of a postmaster is to understand his people, to get the best service for them out of his subordinates. He must know his neighborhood and his neighbors. His capacity must be determined by his knowledge of men, not of books; his knowledge of affairs, not of literature. An attempt to ascertain his qualifications by an examination as to the boundaries of Afghanistan when the ability to be exercised is how to get a letter in the most expeditious way to the address on the envelope—in New York City, for instance—from the post office to Van Damm Street, or Vereck Street—localities not familiar to the learned—is a proposition that would be considered extravagant in comic opera. In the sober operation of Government it is amazing that it should be submitted to an intelligent body.

Mr. Chairman, I oppose this extension of this ridiculous principle to selection of the heads of post offices in important cities, because it is indefensible in policy, entailing, as it must, emasculation of the suffrage, and because I believe that better administration will be secured by leaving these appointments to the discretion of the administration, which must pledge its prospect of success upon the manner in which it discharges that function. [Applause.]

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to withdraw the pro forma amendment which I offered.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to withdraw the amendment to the amendment offered by him. Is there objection?

Mr. ROACH. Mr. Chairman, I ask unanimous consent to withdraw the amendment which I offered.

The CHAIRMAN. The Chair will submit these requests one at a time. The gentleman from South Carolina [Mr. STEVENSON] asks unanimous consent to withdraw his amendment. Is there objection?

Mr. LANGLEY. Mr. Chairman, reserving the right to object——

Mr. WINGO. Mr. Chairman, in order to expedite business I object.

The CHAIRMAN. Objection is heard. The gentleman from Missouri [Mr. ROACH] asks unanimous consent to withdraw his amendment. Is there objection?

Mr. WINGO. I object to that.

Mr. LANGLEY. I object to that, too.

The CHAIRMAN. Objection is heard.

Mr. WOOD of Indiana. Mr. Chairman, whatever dissatisfaction exists, and whatever justification there is for that dissatisfaction, may be traced back to the precedents furnished by the last administration. There are a great many people in this country who are firm adherents to the idea of the strictest civil service examination with reference to qualifications for those who serve in civil service appointments. Carrying out the idea first promulgated by President Wilson, but giving a latitude whereby some choice might be had, as against the proposition offered by President Wilson under which there could be no latitude, this revised program has been afforded. And I will say, gentlemen, that whatever may be our likes or dislikes with reference to the established order of things, I think we will all admit it would be a foolish thing to sustain this motion. If this amendment were adopted, it would not wipe out the Executive order——

Mr. LANGLEY. It would wipe out the enforcement of it.

Mr. WOOD of Indiana. It would result in confusion worse confounded. The objections and the dissatisfaction, in many cases well founded, are due to the fact that the Civil Service Commission, charged with all its other duties, has imposed upon it this additional duty without extra force to do this work.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. No; I can not yield. By this means important positions and the qualifications of the applicants for those positions are being passed upon by clerks receiving $1,200 and $1,400 a year. We would very materially add to the

present difficulties if we were to adopt this amendment. If we want to make our burden less, if we want to make it easier for ourselves and better for the administration of public affairs, we should pass the provision of the bill whereby relief may be offered where responsibility is now lodged, and thus provide for an examination of these applicants which will in a degree at least afford information as to their qualifications.

So I say that we are trying to fool ourselves if we support this amendment. I do not think any gentleman, whether he is in favor or against this method of appointing postmasters, should vote for this proposition. It brings him no relief and only makes the mesh tighter.

Mr. STEVENSON. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STEVENSON. I am not complaining of the Civil Service Commission, but does the gentleman approve of the policy of the Post Office Department in deliberately setting aside the provision for the soldier's preference and appointing a man who is not a soldier over the highest man that is a soldier?

Mr. WOOD of Indiana. I do not think that has ever been done.

Mr. STEVENSON. I know that it has been done.

Mr. WOOD of Indiana. The gentleman may make the assertion.

Mr. STEVENSON. I know it. It was in my own district. I will give you the name. Theron L. Gregory was appointed over a soldier, Hazel E. Estridge, of South Carolina, under those circumstances.

Mr. LINTHICUM. Mr. Chairman, I move to strike out the last two words. I think the last action taken under the last rule of President Harding took place in Baltimore. We know that President Wilson issued an order that the man receiving the highest average, if his character was all right, should be appointed. That was modified by the present administration by making it the first three men, so that it was possible to select one from the first three having the highest average. In Baltimore 15 candidates entered the contest and they were all able, efficient, and good men. Three men were selected as having the highest average. They were Col. Sherlock Swann, Mr. Benjamin F. Woelper, jr., and Clarendon I. T. Gould. Col. Swann received the highest average. He has served as postmaster for Baltimore City for the past eight years. His department has been above criticism, and if the business people of Baltimore, regardless of politics, could have their way he would be selected and reappointed postmaster.

I received a letter from the First Assistant Postmaster General, which I want to read. It is as follows:

POST OFFICE DEPARTMENT,
FIRST ASSISTANT POSTMASTER GENERAL,
Washington, January 16, 1922.

Hon. JOHN C. LINTHICUM,
House of Representatives.

MY DEAR MR. LINTHICUM: The Civil Service Commission has certified the names shown below as eligible for postmaster at Baltimore, Md.

The department must make a selection from this register in accordance with the terms of the Executive order of May 10, 1921, under which the examination was held.

Any information which you may desire to submit regarding these eligibles before a recommendation is made to the President will be appreciated and carefully considered.

Sincerely, yours,
HUBERT WORK,
First Assistant Postmaster General.

Eligible No. 1: Sherlock Swann.
Eligible No. 2: Benjamin F. Woelper, jr.
Eligible No. 3: Clarendon I. T. Gould.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. LINTHICUM. No; I am sorry; I have only five minutes. When this order was issued by the present administration, the people of the country, Democrats especially, thought it was an important change and that politics would creep in. The Postmaster General then issued the following statement or declaration. The declaration was made by the Postmaster General in March, 1921, when he was asked what the appointment policy of the Harding administration would be. Said he:

> First, to make such rectification as in all decency and fairness must be made to insure a square deal; secondly, to strengthen and broaden the civil service at every point wherever possible to the end that merit may govern; thirdly, with absolute fidelity to put the entire Postal Service upon a purely business basis, so sound and so serviceable that no political party will ever again dare to ignore or evade it ultimately.

Now, when I received the letter I mentioned relating to this postmaster at Baltimore, I naturally went to see the First Assistant Postmaster General, who had the matter in charge. I told him of the excellent qualities of Col. Swann, of Baltimore, what a splendid administration he had given, how the people liked him, and how the whole service had stood for him, and so forth. What was the reply? He said, "I would like to say to you that you had better see the Senator from Maryland [Mr. WELLER], who lives in Baltimore, because this administration proposes to appoint Republicans wherever it is possible to do so. [Applause.] That some places in the South Democrats would be appointed where qualified Republicans could not be found.

I am not objecting that under a Republican administration they should appoint Republicans, but I do object to the hypocrisy and the camouflage of any such statement. If the Postmaster General intended to recommend the appointment of Republicans, would it not have been more just to absolutely rescind the order of President Wilson and give the offices to the Republicans, as they intend to do? Why not be honest and aboveboard to the people of Baltimore and of the country? When Mr. Hays, Postmaster General, who is respected by everybody, issued that statement we had a right to believe that he was in earnest and that there would be no hypocrisy or camouflage back of it. [Applause.]

Why should the declaration have been issued by the Postmaster General which evidenced an intention to place the Post Office Department upon the very highest level, purely business basis, where no political party would ever dare to attempt to ignore or evade it? Certainly the selection of Mr. Woelper, the second man on the list, who I understand will be designated, is not placing it upon a purely business basis, is not assuring a square deal, he not having received the highest mark, is not strengthening and protecting the civil service and does not let merit control.

Mr. Woelper, I imagine, is a very fine gentleman, one of considerable business ability, and stands well in the community, but he certainly has never had any experience, knows nothing of postal affairs, and it will take him a very long time to reach the efficiency, if he ever does, which Col. Swann, by long service and hard work, has attained. The city of Baltimore has now become a vast business center, with a population of some 750,000 people. Its post-office system extends to every condition and walk of life; its efficiency is the very vitals of the business of the city; and surely we are entitled to the very best that can be had. Col. Swann has been recognized by a Republican civil service board as the best, and if the administration wants to live up to the declarations of the Postmaster General he should have been selected.

I thought when the war was over we would discontinue this camouflage, this hypocrisy in trying to fool the people. You certainly could not fool those of Baltimore. They know and will remember that no matter how accurately a man performs his duty, his politics, if he be a Democrat will deprive him of office no matter how many declarations the opposing party may make. I say I do not cry out against the appointment of some one else, but I do cry out upon the system by which the appointment is to be made. If the department stands for a square deal, let us have a square deal; if it stands for political appointments, let us have political appointments, but do not camouflage and try to fool the people. Are we to believe that the words of the Postmaster General are but sounding brass and tinkling cymbal? I regret, indeed, the occurrence. I should so much rather have seen the Postmaster General absolutely abrogate the Wilson order and select postmasters freely from the Republican ranks. The case in Baltimore is not the only one. The same thing is transpiring all over the country.

In Dayton, Ohio, where the Democrats led and the Republican whom they wanted appointed was fifth on the list, the third and fourth men were by some system eliminated as unqualified, and the fifth man put in position of the third and will no doubt receive the appointment. It is a disgrace upon the civil-service system, and I deplore the fact that the Postal Department is to be brought under such spoils system, when we thought we had reached a high basis according to the words of the Postmaster General. [Applause.]

[Mr. LINTHICUM had permission to extend his remarks in the RECORD.]

Mr. WOOD of Indiana. Mr. Chairman, I move that all debate on this amendment close in 10 minutes.

The question was taken; and on a division (demanded by Mr. BLACK) there were 78 ayes and 32 noes.

So the motion was agreed to.

Mr. PADGETT. Mr. Chairman, some years ago when a discussion similar to this was proceeding in the House, I stated, as the gentleman who has just taken his seat stated, that when the Republicans are in control there should be Republicans holding the offices, and that when the Democrats are in control, the Democrats are entitled to them. I have nothing to take back. If there is to be a civil service, it should be fairly and honestly administered.

I want to give you a concrete illustration of how it is being operated now. There were eight fourth-class post offices in my district that became third class. Six of the postmasters were

Democrats and two were Republicans. I received a letter from the First Assistant Postmaster General to the effect that these postmasters were eligible for appointment as third-class postmasters. I knew of six and how their records were, and I wrote him and recommended promotion of six, one being a Republican and five being Democrats. I knew all six were giving good service and should be promoted to be postmasters of the third class without examination. One of the Republicans and one Democrat I did not know, and I did not submit any recommendation in respect to them. I stated that if he desired me so to do, I would make inquiry and let him know. I heard nothing more from him. What was the result? Both of the Republicans were promoted to third-class postmasters without examination, and an examination was ordered for all of the offices where postmasters were Democrats and all six of the Democrats were required to take the examination and were not promoted. Is that fair civil service? I know it is partisanship. I do not object to partisanship. I said years ago, and I say now, that a Republican administration ought to be administered by Republicans in office, and that a Democratic administration should be administered by Democratic officers. The civil service, however, should not be a fraud. The civil service should not be a camouflage, and should not be used as a means to deceive the people, creating a false impression and generating in the public mind a contempt for the administration of what is proposed to be just and fair and honorable, using it as an instrumentality, as a means and a method of political preferment, when all the while disclaiming that it is political.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. PADGETT. Yes.

Mr. CARTER. It has always been customary, has it not, for the Civil Service Commission to be composed of two of the majority party and one of the minority?

Mr. PADGETT. I think that is true.

Mr. CARTER. And the gentleman is aware, of course, of the fact that at this time there is no Democrat on the Civil Service Commission?

Mr. PADGETT. I am. I will give another illustration: An examination was held for one of these six post offices and three Democrats qualified. I saw a letter from the chairman of the Republican State executive committee of Tennessee, calling on the department and asking for another examination, because there was no Republican on the eligible list; all three of the eligibles were Democrats. This letter asked for a reexamination to be held because all three were Democrats and not one of them was a Republican.

Mr. MICHENER. Was that examination held?

Mr. PADGETT. The appointment has not been made, and it has been pending weeks and weeks and weeks and no action taken.

Mr. MANN. Mr. Chairman, I ask unanimous consent that the time for debate upon this paragraph and all amendments thereto be extended for five minutes, and that that time be allotted to my colleague, Mr. WILLIAMS.

The CHAIRMAN. Is there objection?

Mr. BANKHEAD. Mr. Chairman, in view of the fact that the time has been limited by the action of the committee, is a request of that kind in order?

The CHAIRMAN. It is only in order by unanimous consent. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and the gentleman from Illinois [Mr. WILLIAMS] is recognized for five minutes.

Mr. WILLIAMS. Mr. Chairman, when my time expired when I had the floor a few moments ago——

Mr. STEVENSON. Will the gentleman yield to me for a moment before he begins?

Mr. WILLIAMS. Yes.

Mr. STEVENSON. My statement about the soldier preference was questioned, and I just want to read——

Mr. WILLIAMS. Oh, I shall ask the gentleman to put that in afterwards. I want these five minutes.

The CHAIRMAN. The gentleman from Illinois declines to yield.

Mr. WILLIAMS. I make the statement that the examinations to which applicants for second and third class post offices are subjected is not a fair test in any way of the fitness or competency of the applicant for the position. It seems that the Postmaster General has recently come to that conclusion himself, because since the 1st of January he has issued an executive order requiring all postmasters after they are confirmed by the Senate, and before they take charge of the office, to visit some central point in the State in which they reside in order to attend school for about two or three weeks and receive instructions as how to discharge the duties incumbent upon them as postmasters. I have here an article from a country newspaper out in my district, giving an account of one of our new postmasters attending school in Chicago. He was appointed postmaster, the Senate confirmed the appointment. He had taken this examination and presumably was qualified for the position. The matter had been four or five months in abeyance, when everybody was excited and speculating about what was going to happen. And after he was confirmed he received instructions to go to Chicago. Here is what the paper says they instructed him in:

> Among the many things in which the newly appointed postmasters will be instructed are: How to meet the public; the postmaster's place in the community; how to educate the public, through publicity, in the use of the mails; how to handle complaints; how to guard the mails; and the postmaster's relationship with the postal department. Newly appointed postmasters will be informed that their community's welfare depends to a very great extent upon their willingness and capacity to give it better postal service.

The thing about this that I particularly complain about, aside from the utter nonsense of the whole thing, is that the applicants have to pay their own expenses.

If the Postmaster General had not resigned and was not going out of the Cabinet shortly I would be very much inclined to advise the newly appointed postmasters of my district that are put to this expense to bring suit against him to recover the money they are forced to expend, because there is no law that requires this sort of thing. Further than that, it is making the Postal Service the laughing stock of the country. [Applause.] If we are going to have civil service, if we are going to have the merit system in post-office appointments, let us have it by law, and write the law so plain that every citizen of the Republic will know that these places are under civil service. Let us not have a pretended civil service, one that is not civil service, but a system concocted to destroy every Congressman that has a number of post offices in his district. I say to you that this executive order, and the confusion and the disgust that it has caused throughout the country, has done more to injure Republican Members of Congress and to make the next Congress of the United States Democratic than all the hard times, railroad rates, unemployment, and everything else growing out of reconstruction problems this Congress has had to meet.

So far as I am concerned, while I am not in favor of voting this appropriation out of the bill, the whole system is a farce. It was stated here by the gentleman from Missouri [Mr. ROACH], on Saturday, that there was an impression throughout the country that Members of Congress could control the results of these examinations. We all know Members can not do that. At least it is my experience that Members of Congress can not do it. I have no complaint to make of the Civil Service Commission. I think the commission has tried honestly to function under this order, but, unfortunately, that impression does exist. Thousands of good people believe it and they can not be convinced otherwise. So in place of having one or two people in the community disappointed, after you go through a four months' agitation awaiting the result of the examination, with all the talk and all the rumor in the community, you have everybody mad and disgusted, and it is not a very wholesome place for a Member of Congress to spend his vacation. [Applause and laughter.] Now, that is the merit system under which we are operating——

The CHAIRMAN. The time of the gentleman has expired.

Mr. UPSHAW. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended five minutes. His speech is very illuminating.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the time of the gentleman from Illinois be extended for five minutes. Is there objection?

Mr. KNUTSON. Mr. Chairman, I will be forced to object.

Mr. WILLIAMS. Mr. Chairman, I did want to make a few observations on these schools of instruction the Postmaster General has instituted, but will defer it until another time.

The CHAIRMAN. The question is on the perfecting amendment offered by the gentleman from South Carolina [Mr. STEVENSON], which the Clerk will, without objection, report.

The amendment was again reported.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to withdraw the amendment. Is there objection?

Mr. LANGLEY. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Kentucky objects. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Missouri [Mr. RHODES], which the Clerk will report.

The amendment was again reported.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. COCKRAN. Division, Mr. Chairman.

The committee divided; and there were—ayes 38, noes 73.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For necessary traveling expenses, including those of examiners acting under the direction of the commission, and for expenses of examinations and investigations held elsewhere than at Washington, and including not exceeding $1,000 for expenses of attendance at meetings of public officials when specifically directed by the commission, $20,000.

Mr. STEVENSON. Mr. Chairman, I move to strike out the last word.

Awhile ago in discussing the question of the administration of these two provisions I made the statement that the soldier preference law was being ignored. The assertion has been made here that that applied merely to the classified civil service, and therefore this not being classified civil service they were not required to respect the soldier preference. Now, I propose to read into this record what the soldier preference act is:

That hereafter in making appointments to clerical and other positions in the executive branch of the Government in the District of Columbia or elsewhere preference shall be given to honorably discharged soldiers, sailors, and marines and widows of such, and to the wives of injured soldiers, sailors, and marines who themselves are not qualified but whose wives are qualified to hold such positions.

That is found in the Forty-first Statutes at Large of the United States at page 37. Now, the gentleman——

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. STEVENSON. No; I can not.

Mr. GREEN of Iowa. Will the gentleman give the date of it?

Mr. STEVENSON. The date is 1919, and, of course, it is a general law; but it has been observed from that time. Now, that is either the soldiers' preference now in existence or there is not any, because it has not been repealed and that is the only one there is. Now, I ask the gentleman whether it indicates there that that is merely the classified service—any position in the executive branch of the Government as to clerical and other positions?

That means any position in the executive branch of the Government here in the District of Columbia or elsewhere. There is absolutely no restriction to the classified civil service, and the assumption and assertion under which they have turned it down, under which they have consistently ignored it, as they have done in my district and elsewhere, is simply a begging of the question, and is one of the evidences of the humbuggery with which this is used by the Post Office Department—this order of the President—which was never intended to be used in any such way.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from South Carolina yield to the gentleman from Kentucky?

Mr. STEVENSON. No; I regret I can not yield. I am deaf on that side.

It is the procedure under the order which the President has made that I am complaining about, and the action taken when you come to make the selection of a man who is chosen under that order, although the Civil Service Commission makes proper certification of the eligible list to the Post Office Department. [Applause.]

Mr. KEARNS. Mr. Chairman, there are a great many Members on the Democratic side of the House this morning who seem to be very much exercised because of the way the civil-service law is being administered relative to the appointment of third, second, and first class postmasters. I live in a district in which there are 26 third-class post offices, 2 second-class offices, and 1 first-class. Under the Wilson Executive order, which is very similar to the one under which the postmasters are being appointed to-day, all of these offices were filled, and they were filled in each instance with a Democrat. Up until the 4th of March last there were 26 Democratic third-class postmasters in my district and not 1 Republican. Up until the 4th of March of this year, or during the eight years of the Wilson administration, there was not one rural mail carrier appointed in my district who was a Republican, although they were all appointed under a so-called civil-service examination. Of course, there were rural carriers who were Republicans, but each one was appointed prior to Mr. Wilson's inauguration.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes.

Mr. LANGLEY. Will it interrupt my friend to say just a word? I have been in the gentleman's State within the past 36 hours, and I want to say that there are more mad Republicans there than I ever saw before in my life, and if the gentleman and other gentlemen from Ohio want to get back, I think they had better get onto the situation. [Laughter.] I refer both to senatorial candidates and candidates for the House.

Mr. KEARNS. I think we are onto the situation in Ohio, and so far as I am individually concerned, I think these men who were appointed ought to have been Democrats during the eight years of the Wilsonian period; but from now on I think the incumbents of those positions ought to be Republicans, and, so far as I am concerned, I am going to try to see that they at least get a square deal. In my district the people are almost equally divided between Republicans and Democrats.

I realize further that I receive a good many Democratic votes. But those men recognize the fact that they were entitled to the post offices under a Democratic administration, and now they are just as much in earnest in saying that the Republicans ought to fill those places during a Republican administration. This is only fair, and I know of no one there who is disputing this position. The Democrats have had their eight-year inning and it was right. I do not know why gentlemen on that side of the aisle should feel so exercised and get all excited about it, because it has been a common occurrence heretofore, and they know it. It was always true during the past eight years. The appointment of Democrats to postmasterships in the first, second, and third class offices only stopped on the 4th of March last, and you gentlemen all know it, and when you talk about this question as you have been discussing it this morning you are not in earnest about it, and you know it. You try now to frighten Republicans into doing something that you refused to do when in power.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes.

Mr. KINCHELOE. I believe that "to the victors belong the spoils," but I do not think the Postmaster General ought to claim that he is pursuing a nonpartisan policy.

Mr. KEARNS. You always did exactly as is being done now. The Republicans took the examination when the Democrats were in power, and in many instances they got on the eligible list, but not one of them was appointed under the Democratic administration that ended March 4.

Mr. LANGLEY. Not one of them was appointed in my district.

Mr. KINCHELOE. The gentleman is mistaken. The policy of the Democratic Postmaster General was to appoint the highest man. I do not think there was an exception.

Mr. KEARNS. Mr. Chairman, I am sorry, but I do not yield further to the gentleman from Kentucky. I have already stated that in my district 26 appointments were made under the Wilson Executive order and they were all Democrats. You held an examination in order to create an eligible list, but the highest man was not appointed. One of the highest three who was a Democrat was appointed. That was the case throughout the United States where a Democrat was on the eligible list, and now when you are complaining about that system to-day you are not sincere about it. You talk only to mislead the country.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GREEN of Iowa. Mr. Chairman, I rise in opposition to the pending amendment.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GREEN of Iowa. Mr. Chairman, we have listened to the gentleman from South Carolina [Mr. STEVENSON] reading a statute which he and every other Member of this House ought to be able to interpret at once. He says it requires a soldier to have the preference for any civil office under the Government. If that is so, a soldier would have the preference for a Cabinet position, and, of course, the positions of judges, collectors, and commissioners must be filled by soldiers. The statute to which he refers, as in the case of similar statutes, has never been interpreted as applying to offices requiring the confirmation of the Senate, and certainly it could not, because confirmation by the Senate could not depend upon the proposition that he refers to. The Post Office Department has not violated the provisions of this statute, for it has no application to appointments made by the President.

Now, as has been stated by the gentleman from Ohio [Mr. KEARNS] who preceded me, what a farce it is to talk, as gentlemen on the other side have been talking, concerning the manner in which the post offices have been filled. Some of the gentlemen are frank enough to say that they do not find fault with the policy under which the post offices have been administered, and others have frankly admitted that they had no

fault to find with the Civil Service Commission. Certainly, under the Republican administration, we have had no such scandals as that which occurred in the last administration, when one of the members of the Civil Service Commission resigned because of interference with his administration of the law by members of the administration.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LANGLEY. The trouble about it has been that the Republicans have been a little bit too honest in the enforcement of this law while our Demorcatic friends have not. [Laughter.]

Mr. GREEN of Iowa. Yes; that has been one of the troubles. The Civil Service Commission has been perfectly fair. Out in Iowa, in a town where three men out of four are Republicans, but in which few of them choose to apply, I know of one place where all three of those certified on the eligible list were Democrats.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. In a moment. In my own district Democrats have repeatedly been certified and been put on the eligible list, and in many instances first on the ground of their having had experience in the post office before. And what a farce it is for gentlemen on the other side to talk about the presidential order, under which we are now operating, being mere camouflage when the order is practically the same as the one made by President Wilson, of which they never complained. There never has been under either administration any claim that the postmasters were appointed under civil-service rules. Everybody knows they were not under Wilson and are not now.

Mr. KNUTSON. During six of the eight years that Mr. Wilson was President a man named Lynch was Democratic national committeeman in Minnesota. At a certain point the patrons of the post office petitioned him for the reappointment of a Republican postmaster, as no Democrat wanted the position. Mr. Lynch wrote back that if there was no Democrat who would take the office he would import one, and I honor him for that sentiment.

Mr. CONNALLY of Texas. Will the gentleman yield.

Mr. GREEN of Iowa. I yield to the gentleman from Texas.

Mr. CONNALLY of Texas. In the case in which the gentleman said the three eligibles were Democrats has the Post Office Department called on the Civil Service Commission for a rerating?

Mr. GREEN of Iowa. Not so far as I know.

Mr. CONNALLY of Texas. Does not the gentleman know that in some cases where all the eligibles happened to be Democrats the Postmaster General has called on the Civil Service Commission for a rerating?

Mr. SNYDER. It was done during the Democratic administration.

Mr. GREEN of Iowa. It was, and the rules then and the rules now permit a rerating to be asked for; but, replying to the gentleman from Texas [Mr. CONNALLY], I will say that I do not know of any such case.

Mr. CONNALLY of Texas. I do.

Mr. GREEN of Iowa. I know that the Republican Members of the House were asked to recommend Democrats because only Democrats had been certified, and I do know that under the last administration the situation was so bad with reference to repeated demands from Democratic politicians that the Civil Service Commission should certify men who were not entitled to be certified that one of the members of the Civil Service Commission actually threw up his hands and resigned in disgust.

Mr. LANGLEY. Mr. Chairman, I know something about the civil service, as I was connected with it for a long time. There is no question about requests for rerating being granted. Those requests are granted, not only to Members of Congress, but they are granted to other citizens when they ask it. The applicant himself can have a rerating; that is, he can have his papers reviewed upon request. Of course, they rarely ever change the rating, as they assume that they are infallible.

Mr. GREEN of Iowa. That is true, but they are not rerated simply because there happen to be three Democrats on the eligible list.

Mr. LANGLEY. If I had my way about it, I would abolish all this stuff and give post offices to good, deserving, efficient Republicans. [Applause.]

Mr. DAVIS of Tennessee. Will the gentleman from Iowa yield?

Mr. GREEN of Iowa. I yield to the gentleman from Tennessee.

Mr. DAVIS of Tennessee. In the case in which there were three Democrats on the eligible list, has one of them been appointed?

Mr. GREEN of Iowa. No; but one of them will be.

Mr. DAVIS of Tennessee. Has either one of them been recommended for appointment?

Mr. GREEN of Iowa. One of them will be. There is nothing else to do. Why can not gentlemen be fair and admit they are criticizing what they approved under a Democratic administration.

Mr. SEARS. Mr. Chairman, I move to strike out the last word. This seems to be somewhat of a moving-picture show of the Post Office Department that we are having to-day.

Mr. LANGLEY. And we have the star performer on the screen now.

Mr. SEARS. I want to be frank and honest with my colleagues, as I have always tried to be. I voted against placing postmasters under the civil-service rules and regulations because I believed that "to the victors belong the spoils." I would vote the same way again to-day. But the Democratic President did not see fit to follow my vote nor the vote of Congress. So far as I am concerned, in my district the civil-service rules and regulations relating to first, second, and third class postmasters were strictly followed, as I do not believe in making a farce of anything. What I am protesting against to-day is the camouflage that is being used to make people believe civil service is being strictly followed when it is not. I want to be entirely frank. I believe you Republicans are entitled to the spoils, but be open and frank about it. In my State it happened that an examination was held, but nobody passed, and the man lowest on the list, he lacking something like 30 per cent of passing the examination, was certified by the Post Office Department to the President, and his name was sent in, and he was confirmed by the Senate.

I am making no charges against the Civil Service Commission, for as far as I know they are complying with the law. They have certainly dealt fairly with me so far as I know.

Mr. LANGLEY. If the gentleman will allow an interruption, I desire to concur in that statement as to the commission. I am not seeking to indict it, but I am disgusted with the extent to which it has been extended, which is clearly beyond the limits of reason, justice, and common sense, and if you, my colleagues, do not realize it allow me to modestly suggest that you had better find out about it if you want to come back to Congress.

What case was that the gentleman referred to a moment ago? I do not approve of some things our administration is doing, but I do in the main and I want to defend it.

Mr. SEARS. I prefer for reasons best known to myself not to mention the place.

Mr. LANGLEY. All right; I will not press the point. What grounds was there given for the certification to which the gentleman referred a moment ago?

Mr. SEARS. That it was an emergency case, and they did not have time to hold another examination.

Mr. LANGLEY. I venture to predict that he will make the best postmaster you ever had, because under this foolish system it is a tribute to the intelligence and capacity of an applicant to fail to pass it.

Mr. SEARS. Perhaps he will, but I want to say that in this case it so happens to be pretty nearly a Republican precinct. I am frank to say I do not know the politics of the postmaster who was in, but I do know the people, both Republicans and Democrats, of that city petitioned me to have him certified from a fourth-class office to postmaster of a third class, and I sent in the petition and he was certified. Therefore I do not know whether the man that was postmaster was a Democrat or a Republican. But the order does not call for the appointment of a postmaster unless he is an eligible on the list. They could have appointed the other man if they wanted to, as he was on the civil-service list, but they should not flagrantly violate the proclamation of the President. If you are going to have civil service, have it, but if not, go back to the rule which I subscribe to, "to the victor belongs the spoils." As long as you do that I shall not object. What the emergency may have been, I do not know. I have no fight with the Republican chairman of my State who represents the "Black and Tans." The responsibility is his, and it will be for the people to decide. What I want to know is why does the department refer such a case to anyone? But the Post Office Department writes me, wanting to know my opinion, and when I give it I find that the same was referred to the Republican chairman of the State committee, and evidently whether the one he wants passes or not he gets the appointment. I do not believe the Republicans will applaud any such violation of the proclamation of the President or of the law. I do not know the man who was successful, and therefore have no fight to make against him. I am simply protesting against such methods.

In conclusion let me say I have always found the gentleman from Kentucky [Mr. LANGLEY], who interrupted me in the beginning, to be a fearless fighter and always in favor of a fair and square deal.

Mr. WOOD of Indiana. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in 10 minutes.

Mr. LANGLEY. I hope the gentleman will make it 15.

Mr. WOOD of Indiana. I make it 15.

The CHAIRMAN. The gentleman from Indiana moves that all debate upon the paragraph close in 15 minutes.

The question was taken; and the motion was agreed to.

Mr. DAVIS of Tennessee. Mr. Chairman, I am among the number who believe that the best postmasters can be obtained by appointment on recommendation of Members of Congress, because that fixes the responsibility. I think that Congressmen are better acquainted with the applicants; they know they will be held responsible; and I think in the end will select the best postmasters; but in order that a correct record may be kept as we go along, I wish to call attention to some things that have transpired. When President Wilson entered upon his first term, in the appointment of first, second, and third class postmasters, he pursued the same course practically that had been pursued by all preceding Presidents of both parties.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. DAVIS of Tennessee. No; my time is too limited. During the 1916 presidential campaign letters were addressed to Mr. Hughes and Mr. Wilson asking them, in substance, if elected, whether they would issue an Executive order putting first, second, and third class postmasters under the Civil Service Commission in their appointments. Both of them replied that they would do so. I think both of them made a mistake, but they both agreed to do it.

So that immediately after his inauguration for the second term President Wilson issued an order to that effect, and further providing that applicants receiving the highest grade should be appointed. After that order went into effect there were something over 2,200 postmasters of the first, second, and third class appointed. Of that number over 900 were Republicans because they headed the eligible registers, and they were accordingly appointed.

Now, when President Harding came into office, after several months travail, during which it was frequently discussed in the newspapers and everywhere that they were considering the question of continuing President Wilson's order, or modifying it, or frankly reverting to the spoils system, they finally decided upon the plan of adopting President Wilson's order with certain modifications. One very important modification was a provision that not the man who made the highest rating should be appointed, but any one of three highest could be appointed. Everybody knew what that meant, and we know from the results what it meant.

Now, that is all right, as has been suggested, for the Republicans to take over all the offices, but they ought not to deceive the public and members of their own party on that proposition. It is not fair to the public and it is not fair to the Republicans themselves to be pretending that appointments are determined upon merit and by the grades made on examination.

There has been a good deal of discussion of the question of the appointment of ex-service men. I am not expecting any Democrats to be appointed in my district, and I am not sore because they have not been appointed. But I want to give you an instance of an ex-service man in an examination that was held for postmaster at Petersburg. The Civil Service Commission reported an eligible list of three names. The first man on the list was C. C. London, a Democrat and an ex-service man, of exemplary character and habits, and fully qualified. The second man on the list was Macon Hart, a Republican ex-service man, a man of the very highest character, a man of exemplary habits, and entirely qualified. Now, not only the Democrat that headed the list was turned down, but the second man on the list, a Republican and an ex-service man, was turned down, and the third man on the register, who was a Republican politician, but not an ex-service man, was appointed. Assuming that there was sufficient justification from the Republican viewpoint in turning down a Democratic ex-service man, what is the justification for turning down a Republican ex-service man of excellent character and qualifications in order to appoint a civilian who had made a lower grade in an examination which was pretended to be held for the purpose of determining the qualifications of respective applicants? [Applause.]

Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The Chair would suggest that the time has been fixed by a vote of the committee.

Mr. GARRETT of Tennessee. But the gentleman asks unanimous consent to have that time extended.

The CHAIRMAN. The Chair will put the request.

Mr. WOOD of Indiana. Mr. Chairman, I shall have to object to it for the reason that other gentlemen indicated they wanted five minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for 5 additional minutes, that time not to be taken from the 15 minutes.

Mr. LANGLEY. Mr. Chairman, I shall have to object to that, because the gentleman in charge of the bill could not extend the time for the benefit of one or two other gentlemen.

The CHAIRMAN. The gentleman from Kentucky objects.

Mr. THOMAS. Mr. Chairman, I am an Andrew Jackson Democrat, and I believe that to the victor belong the spoils. I am in favor of the Republicans filling the national public offices with the proper kind of men so long as they are in power, because that party was successful at the last presidential election.

The great and good Dr. FESS, of Ohio, who represents a congressional district in this Congress, and who is the spiritual guide and mental advisor if not the financial bulwark of the Republican Congressional Committee, on several occasions uttered the most doleful lamentations and direful prophesies about the way the wicked and unregenerate Democrats were violating the civil-service laws during Wilson's administration. During this Republican administration he has been as silent on that subject as the Egyptian sphinx, which has stood speechless for centuries in the trackless Lybian Desert. His tongue cleaves to the roof of his mouth and his fancy takes flight far away on magical wings to other and less embarrassing subjects. When the Democrats were in power he was fervently in favor of a strict enforcement of civil-service laws, but since the Republicans are in a majority, he seems to be in favor of abrogating those laws entirely. When Democrats are in power, he is in favor of civil service; but when Republicans are in a majority, he is against civil service. I judge this to be his position because of his sudden and death-like silence on this subject.

Mr. Wilson issued an Executive order to the effect that the applicant under civil-service laws for the position of postmaster, receiving the highest rating, should be appointed regardless of political affiliation, provided there was no charge of wrongdoing proved against the reputation of such applicant. I can speak only for myself, and in my case that order was adhered to strictly.

Harding, soon after he came into office, revoked the order of Mr. Wilson requiring that the person standing highest on the eligible register should be appointed regardless of politics, provided no substantial charge was proved against the character of the applicant, and issued an Executive order to the effect that in examinations for post offices of the third class business experience and fitness should be rated at 50 per cent and all other requirements put together, at 50 per cent; that in examinations for post offices of the first and second class education and training should be rated at 20 per cent and business experience and fitness at 80 per cent. By this order Harding restored the spoils system and made a farce of the merit system. He turned the clock of civil-service reform back and opened the way to the post offices for ward heelers and guttersnipe politicians, who do not have the good of the public service in view, but are seeking only to advance their own political fortunes.

By making the rating in post-office examinations depend on alleged business qualifications as reported by a Republican post-office inspector on a basis of 80 and 50 per cent, it is quite an easy matter to place qualified Democrats and Republicans not desirable to the Post Office Department below the rating required to get on the eligible list, and this, I believe, is constantly being done.

And, besides, men who for years have not been on the eligible list are constantly, I believe, being restored to that list by Executive order in order to be appointed postmasters without examination.

At Goldsboro, N. C., a prominent gentleman made a recommendation to the Postmaster General that a certain man be appointed postmaster at that place. On June 21, 1921, Dr. Hubert Work, First Assistant Postmaster General, wrote the gentleman who made the recommendation, among other things, as follows:

> In reply I desire to say that at the expiration of the term of postmaster at this office (Goldsboro) on July 21 next the Civil Service Commission will be requested to hold an examination for postmastership in accordance with the Executive order of May 10, 1921.

Goldsboro is a city of over 10,000 inhabitants, but no examination for postmaster at that place was held, although the letter of Dr. Work expressly promised that the Civil Service Commis-

sion would be requested to hold one. Anyone knows if such request had been made by the Post Office Department the Civil Service Commission would have had the examination held. Instead a man who formerly had a civil-service status in the mail service, but whose eligibility had expired two years or more before, and who happened to be chairman of the Republican county committee, was restored to the eligible register by Executive order and appointed postmaster at Goldsboro without any examination whatever.

The letter to the person at Goldsboro, who is a minister of the gospel, assuring him that an examination would be requested of the Civil Service Commission was, in my opinion, a deliberate fabrication made with intent to deceive, and I believe the comedian to be Postmaster General Hays, and not Dr. Work, the moving-picture barnstorming actor who directed the entire farcical scenario.

In a letter written by Dr. Work dated August 31, 1921, to the Civil Service Commission in regard to the post office at Goldsboro, he requested the commission to arrange the civil-service status of Simpkins, who was afterwards appointed postmaster, so that he could be appointed postmaster, and stated:

In view of the experience of Mr. Simpkins and the fact that he is strongly recommended locally for this position (by the Republican county committee, of course, of which Simpkins was chairman), the department desires to nominate him for the position of postmaster.

Simpkins was assistant postmaster at Goldsboro on a salary of $1,300 a year. On May 16, 1915, he was demoted because of inefficiency to the position of a clerk at a salary of $1,100 per annum. This demotion was made on recommendation of a post-office inspector, who stated in his report that the work done by Simpkins was not satisfactory; that he did not have sufficient interest in the work done, and would not cooperate with the postmaster in the work to be done, and he is the man restored to a civil-service status by Executive order in face of the fact that he was demoted for inefficiency, and afterwards lost his civil-service status and was appointed postmaster without any examination whatever.

I have it on perfectly reliable authority, which authority will be produced if this Republican Congress will order an investigation of the actions of the Civil Service Commission and the Post Office Department under this Republican administration, that the private secretary to Dr. Work, a Mr. Johnston, I believe his name is, stated to A. P. Richards, who is connected with the Civil Service Commission, that he was returning the eligible list for postmaster at a certain town, with the statement that he noticed a certain person was not on the eligible list; that such person is our friend and we would like to have him on the list, and see if you can not revise the list so as to include our friend.

From the above statements it seems perfectly patent that there is a well-defined working agreement between the Civil Service Commission and the Post Office Department as to eligible lists for post-office appointments, or, rather, I believe the commission obeys the requests of the department as to the eligible lists, fearing if it does not do so the heads of its members will fall into the official waste basket of the Post Office Department.

On October 21, 1921, the eligible list for postmaster at Brownsville, Ky., in the district I represent, was submitted to me by the Post Office Department. It contained a list of three names, all soldiers in the late war, two of them Republicans and one a Democrat. No appointment has yet been made. I understand that the eligible Democrat and one Republican eligible, tired of waiting on the department, have obtained other positions. In consequence another Republican is next on the list. He is a man who is favored by the department, because he is a so-called organization Republican connected with the county organization. He is a civilian never in the Army and stands below the soldier on the eligible list. His eligibility rating is 78.40, while that of the soldier is 86.10, that of the soldier being 7.70 higher than that of the civilian. There is nothing, as far as I know, against the character of either, yet over three months have elapsed since the Post Office Department received the certified list, and no appointment has been made. Probably the department has returned the list to the Civil Service Commission with the request to so arrange the list that "our friend" at Brownsville can be appointed in defiance of civil service laws.

At Bowling Green, in the district I represent, an examination for postmaster was held August 9, 1921, over five months ago, and no eligible list of applicants has been furnished to the department, so I am informed, and I have not received notice of any certification. I have learned that the present acting postmaster, a lady of the highest standing and education who took the examination, was not placed on the eligible list because of lack of business qualifications. She has been postmaster for two years or more, and for a number of years was a teacher in the high school at that place and has splendid business qualifications, and I believe, though I have failed to find out from the department or the commission what the rating of any of the candidates is, she stood first on the list. So well has she conducted the office, a second-class office in a town of 10,000 population, that an official connected with the Civil Service Commission informed me personally that her record as postmaster is "well near perfect." Probably in the face of these facts she will as a smoke screen be placed at the bottom of the list of eligibles, and the Civil Service Commission will be requested by the Post Office Department to so arrange the eligible list without regard to examination or qualification that "our friend" can be appointed, who, of course, will be some one connected with the rotten Republican organization, while all first-class Republicans can do will be to look sad and "cuss."

A few days since I received affidavits and a personal letter from a prominent Republican and coal dealer in a town in my own county who receives a large amount of mail, protesting against the appointment of an applicant for postmaster at that place. These affidavits were all made by Republicans of that town and charged the applicant, when he was formerly postmaster at that place, with having assaulted a woman in the post office one night, with the intent to outrage her. The charge was freely and publicly made; the matter was brought to the attention of the grand jury, but no indictment was returned. It was openly charged that the friends and relatives of the applicant, assisted by the Republican county attorney, had sufficient influence with the grand jury to prevent an indictment. This matter created considerable excitement in the town where the assault is alleged to have occurred, and much talk throughout the county. The grand jury was caustically criticized for not returning an indictment. I know nothing as to the truth of the charge, but do know personally it was made and also that the grand jury failed to indict and the criticism of the grand jury, as stated above, was made. I also know the case caused much talk over the county, and a great many persons believe the applicant was guilty.

The featherweight Republican Senator who misrepresents Kentucky in the United States Senate, and whom many people believe is an actual resident of Ohio, and whose election numbers believe was secured by devious and fraudulent methods, is referee in appointments of postmasters and rural-route carriers in 8 of the 11 congressional districts of Kentucky.

I concluded before I filed the last affidavits I received concerning the charge made against the applicant for postmaster in the town above referred to that I would inform the alleged Senator as a matter of courtesy of the charge so that he might have an opportunity to make an investigation, if he desired. I called him on the telephone and began to lay the case before him, but before I could much more than get started he got mad, flew off the handle, and roughly informed me that the organization down there, meaning the Republican organization of Muhlenberg County, had indorsed the applicant, that he—the featherweight Senator—knew all about it, and that he would not believe a d—n word I said. He used that language over the telephone at a safe distance.

The Republican organization of Muhlenberg County some few years since procured the nomination and election of a penitentiary convict to a county office, and probably that has the indorsement of the Republican Senator from Kentucky. Muhlenberg County has a normal Republican majority of about 1,800 and gave Harding a majority of 1,700, but at the last election many of the decent Republicans in that county became disgusted with the way affairs had been managed by the "organization" and the entire Democratic county ticket was elected by a majority of 300. It is on such organizations that the Republican Senator from Kentucky and the Post Office Department rely for information in the appointment of postmasters, and not on civil-service examinations, which, in my opinion, are made to high tail it to the high and uncut timber when such appointments are under consideration. The comedian to be, Postmaster General Hays, has informed what he evidently thinks is an ignorant and confiding public that politics is not considered at all in the appointment of postmasters. Of course not, only "our friends" are considered, without regard to civil service laws. That is as plain as the trunk of an elephant.

I am in favor of the repeal of civil service laws regarding postmasters and rural-route carriers at least. The civil service law as administered by the Republican Party is a farce and a fraud. Everyone knows the law is being constantly violated, notwithstanding the pious denials of Mr. Hays. The Republicans are in power. They are entitled to the patronage and should fill the offices without resorting to double dealing and false pre-

tenses in a futile effort to deceive the public into the belief that they are enforcing the law when they know full well they are not so doing. The civil-service law as violated by the present Republican autocracy is made a cloak to cover deceit, a mask to hide double dealing, and is building a high towering monument to the hypocrisy of the present alleged Republican administration.

Mr. JOHNSON of Mississippi. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD which I made on Saturday last.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

COMMISSION OF FINE ARTS.

For expenses made necessary by the act entitled "An act establishing a Commission of Fine Arts," approved May 17, 1910, including the purchase of periodicals, maps, and books of reference, to be disbursed on vouchers approved by the commission by the officer in charge of public buildings and grounds, who shall be the secretary and shall act as the executive officer of said commission, $6,000: *Provided*, That no person shall receive compensation hereunder at a rate exceeding $1,800 per annum and only one person shall be employed at that rate: *Provided further*, That no part of this sum shall be expended for traveling expenses other than those incurred by members of the commission for actual travel only in going to and returning from Washington to attend the meetings of the commission.

Mr. COOPER of Wisconsin. Mr. Chairman, I make a point of order.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve the point of order on the paragraph.

Mr. COOPER of Wisconsin. Mr. Chairman, I make the point of order against the two provisos as being new legislation and as changing existing law, and I also make the point of order against the whole paragraph. Mr. Chairman, the law of 1910, providing for the appointment of this commission, reads as follows:

It shall be the duty of such commission to advise upon the location of statues, fountains, and monuments in the public squares, streets, and parks in the District of Columbia, and upon the selection of models for statues, fountains, and monuments erected under the authority of the United States, and upon the selection of artists for the execution of the same.

It shall be the duty of the officers charged by law to determine such questions in each case to call upon such advice. The foregoing provisions of this act shall not apply to the Capitol Building of the United States and buildings of the Library of Congress. The commission shall advise generally upon questions of art as required to do so by the President or any committee of either House of Congress.

Under Presidents Taft, Wilson, and Harding Executive orders have been made in accordance with that statute. I shall discuss first the last proviso:

Provided further, That no part of this sum shall be expended for traveling expenses other than those incurred by members of the commission for actual travel only in going to and returning from Washington to attend the meetings of the commission.

It is a rule of statutory construction with which, of course, the Chair is familiar, that a statute must, if possible, be so construed that its operation shall carry out the legislative intent. The proviso which I have quoted would, if made law, absolutely prevent the carrying out of the legislative intent.

For the original law requires, among other things, that the commission shall pass upon models for statues, but these models, Mr. Chairman, such, for example, as those of the Cavalry and Artillery groups of the Grant Memorial—and, by the way, they are said to be, from an artistic point of view, the finest of their kind in the world—could not have been so inspected because to inspect the models the members of the commission were compelled to travel a considerable distance from this city to the studio of the sculptor, Schroeder. It would have been impossible for the commission to pass upon them without going to the studio, because the models were too heavy to be brought here. Everyone knew when this law was enacted that if the commission were to do its work it would be compelled to visit many places beside Washington. Testimony taken before this committee was uncontradicted that if the commission were to perform the duties assigned it by the act of 1910 it must go where these great models are being made, but if you limit them to coming and going from Washington, then, if compelled to go elsewhere, they must defray their own expenses.

Mr. Chairman, the commission has from its inception always numbered among its members some of the most distinguished architects, painters, landscape architects, and sculptors in this country, and these men have always given the Government their professional advice free of charge. And the testimony, Mr. Chairman, is uncontradicted that these very distinguished men, who, out of pure love of public service and desire to help the city of Washington to become what it ought to be, the most attractive capital in the world, have come to this city and gone to New York and other places and each time paid out more money than they were allowed under the appropriation. The testimony is uncontradicted, that it will be impossible——

Mr. WOOD of Indiana. Mr. Chairman, I raise the point of order that the gentleman is not discussing the point of order. He is discussing the merits of this proposition.

Mr. COOPER of Wisconsin. Mr. Chairman, I am simply suggesting, if the gentleman will bear with me, some facts which demonstrate what must have been the intent of the legislators who enacted this statute. It was meant to be a statute possible of effective operation. It was meant to be a statute under which these eminent professional men could see the models before the statues themselves were cast in bronze or carved in marble, and sent here to be erected in the city of Washington.

Mr. KING. Will the gentleman yield, Mr. Chairman?

Mr. COOPER of Wisconsin. Yes.

Mr. KING. What does the gentleman mean by the word "models"?

Mr. COOPER of Wisconsin. I mean, for example, such models as Schroeder had in his studio of the cavalry and artillery groups of the Grant memorial. First sculptors make clay models, enlarge them, change them countless times, and then send for this commission, and its members go as a body to inspect and advise. Before the stage of the bronze cast is reached, it is of prime importance, if this great commission is to do the work which Congress intended it to do, to go where those models are made, because they can not be brought here.

Mr. KING. Was not there an original model made in clay, or some other substance, of this whole Grant memorial and passed upon by this commission? Else why was not the contract made with the artist, without running over this country at great expense to the United States, and going to New York by the way of Detroit, and so forth, for the examination of these models?

Mr. COOPER of Wisconsin. The gentleman has assumed some facts that do not exist. It has not been at great expense. The greatest annual appropriation made for the commission was only $10,000; and the gentleman from Illinois could not get men, like Burnham, St. Gaudens, Henry Bacon, the architect of the unrivaled Lincoln memorial, or any other of the eminent men of the commission to consult and advise him professionally without paying from $100 to $500 a day. But these architects and painters and sculptors have all contributed their advice to the Government gratis.

The gentleman said they traveled all over the country, to Detroit and elsewhere——

Mr. KING. To New York by way of Detroit.

Mr. COOPER of Wisconsin. Not at all.

Mr. KING. Have you examined the vouchers?

Mr. COOPER of Wisconsin. I have seen that record and read it. The gentleman is mistaken. I know to what he refers. And I regret very much that I was not in the Chamber, Mr. Chairman, the other day when one of the fiercest, most unjustifiable attacks ever made upon a lot of exemplary men was made upon this commission in debate here. The gentleman from Illinois refers to what was said in that debate about Mr. Moore, the chairman of the commission. Mr. Moore happened to be in Detroit, and was called to New York City for something growing out of the work of the commission.

Mr. WOOD of Indiana. I must insist, Mr. Chairman, on the point of order that the gentleman is out of order in not discussing the point of order.

Mr. COOPER of Wisconsin. I was simply attempting to reply to——

The CHAIRMAN. The Chair would like to hear the gentleman from Wisconsin on the point of order on the second proviso which, as the Chair understood, the gentleman from Wisconsin was addressing himself to first.

Mr. COOPER of Wisconsin. I make the point of order on both of them. But the second proviso, Mr. Chairman, will make absolutely impossible the work of the commission.

The CHAIRMAN. May the Chair inquire, Does not, as a matter of law, the limitation apply if the Committee of the Whole sees fit to make the limitation? Could they not deny traveling expenses altogether if they saw fit, as a matter of law——

Mr. COOPER of Wisconsin. Does the Chair mean to deny——

The CHAIRMAN (continuing). And refuse to pay any expenses at all, under a limitation; that no part of the limitation shall be paid for expenses, or they can make it $4, or make it $10, in a limitation on the amount of money used?

Mr. COOPER of Wisconsin. Of course, assuming that a commission like this, called upon to perform the duties required by statute, must——

The CHAIRMAN. The Chair understands that, and the Chair is inquiring as to this: Is not the question addressing itself to the discretion and judgment of the committee rather than to the Chair on the point of order?

Mr. COOPER of Wisconsin. I will answer the Chair in this way: The original law makes provisions touching expenses.

Mr. WOOD of Indiana. Yes; it does.

Mr. STAFFORD. The gentleman is in error about that. It specifically makes provision for the traveling expenses of the commission.

Mr. COOPER of Wisconsin. Yes; but even if by the present law traveling expenses of the commission were to be allowed, the word "only" and the expression "only in going to and returning from Washington" is new legislation.

Mr. STAFFORD. That is the wording of the law.

Mr. COOPER of Wisconsin. No. Not including the word "only," Mr. Chairman. "Only to and from Washington" is vital in this connection. If it can be only to and from Washington it absolutely cripples the work of the commission. The word "only" inserted there makes all the difference. It is new legislation.

Mr. WOOD of Indiana. It is a limitation, is it not?

Mr. COOPER of Wisconsin. No; it is not a limitation of the amount, because no person knows what their traveling expenses would be without it.

Mr. WASON. Is it not a limitation upon the appropriation by just confining it to going to and returning from Washington?

Mr. COOPER of Wisconsin. Not upon the amount for the reason I have just given.

The CHAIRMAN. Does the gentleman from Wisconsin desire to be heard further on the point of order on the first proviso?

Mr. COOPER of Wisconsin. No. The provisos are new legislation.

Mr. JOHNSON of Kentucky. Mr. Chairman, I do not agree with the gentleman from Wisconsin that either of the provisos is legislation. I am decidedly of the opinion that they are limitations within the rule of the House.

I wish, however, to invite the attention of the Chair to the language in the third line, which reads, "Including the purchase of periodicals, maps, and books of reference," and I desire to invite the attention of the Chair to the further language, beginning at line 7, "who shall be the secretary and shall act as the executive officer of said commission."

About two years ago, when this item of the bill was under consideration, $10,500 was sought to be appropriated—$10,000 for the general expenses of the commission and $500 with which to buy periodicals, maps, and books of reference. When the item was reached I made a point of order to the $500 with which to buy periodicals, maps, and books of reference, and it went out on a point of order because the act does not authorize the commission to purchase periodicals, maps, and books of reference.

The reason why I made the point of order is that one of these commissioners is a high-salaried employee in the Congressional Library, with every book and map that they would want within their reach, and I do not believe that this item of "periodicals, maps, and books of reference" should be duplicated and another $500 appropriated for their purchase when the very things for which they asked this money were, as I say, easily within their reach because one of their principal officers is a high-salaried man in the Library of Congress. The item went out on a point of order then, but it is now included in another form.

The CHAIRMAN. Will the gentleman cite the date of that decision?

Mr. JOHNSON of Kentucky. It was about two years ago. But the point of order was conceded by the chairman of the subcommittee having the bill in charge, and the item went out on a point of order.

Now I wish the Chair to read carefully the rest of the paragraph down to the "$6,000," and then I wish to make some comment on that language. If the Chair will read the act he will see that the commission is given a secretary. If the commission is given a secretary it has a right to appoint a secretary. The act creating this commission is silent as to who that secretary shall be, but this language designates a particular individual who shall be secretary, and therefore it is legislation. And it is objectionable because of the possibility of designating one to be secretary with a salary of $1,800, and that might make two salaries, in conflict with the law to the effect that there shall not be more than one where the two combined would exceed $2,000.

This language is legislation in two respects: First, that this bill authorizes the purchase of periodicals, maps, and books of reference; and, next, that it designates what person shall be secretary of this commission, when the law is silent on that subject.

The CHAIRMAN. Would not the commission, the Chair asks, in selecting the secretary be authorized under the general authority that they have of selecting this or any other person?

Mr. JOHNSON of Kentucky. They may select this individual, perhaps, but Congress can not say to the commission that they shall select any particular man when by the act creating the commission they have been given the option themselves to say who he shall be. Bear in mind, if you please, that the act is silent as to what individual shall be secretary. Here is attempted legislation to designate who that secretary shall be.

The CHAIRMAN. The language of the statute is that "said commission shall have a secretary." It does not say by whom appointed or in what manner he shall be secured.

Mr. JOHNSON of Kentucky. If Congress had reserved to itself the right to name the secretary, it would have been in the act. That not being in the act, the only interpretation is that the commission can select its secretary, and it is legislation for Congress now to attempt to do so, when it did not do so at the time of the passage of the act.

And then, again, Mr. Chairman, there is nothing in the act creating a Fine Arts Commission which authorizes that commission to spend one dollar for the purchase of periodicals, maps, and books of reference.

Upon those two propositions I submit the question to the Chair.

The CHAIRMAN. The act providing for this commission provides that the traveling expenses of the commission shall be paid to and from the city of Washington. The second proviso, to which the gentleman from Wisconsin [Mr COOPER] makes a point of order, provides:

That no part of this sum shall be expended for traveling expenses other than those incurred by members of the commission for actual travel only going to and returning from Washington to attend the meetings of the commission.

The Chair thinks that is a limitation on the appropriation and is within the right of the Committee on Appropriations in making up the bill.

The gentleman from Kentucky [Mr. JOHNSON] makes the point of order that maps, books, and so forth, may not be purchased under the general authority creating this commission.

It has been the practice throughout the history of Congress for appropriating committees to provide for books, maps, and such other necessities as the agencies created by the Government might need. The Chair thinks that the authorization for the purchase of these is within the general scope of the authority of the act.

As to the designation of the secretary, contained in line 7, page 9, that is clearly legislative.

Mr. WALSH. Mr. Chairman, may I suggest that the second paragraph of the act creating the commission provides that the secretary shall be the executive officer, in the very language of this bill?

The CHAIRMAN. That is not the matter that seems to the Chair to be outside of the purview of the act. That portion of the provision of the bill which seems to the Chair to go outside of the act is that the secretary shall be the officer in charge of Public Buildings and Grounds. It seems to the Chair that that is an extension of the act.

Mr. WOOD of Indiana. No; it is not an extension of the act. I wish to read the paragraph in the organic act.

The CHAIRMAN. The Chair has the organic act before him.

Mr. WOOD of Indiana. It says—

To meet the expense——

The CHAIRMAN. Evidently the gentleman from Indiana is quoting from the appropriation act of 1910.

Mr. WOOD of Indiana. I am quoting from the organic act of May, 1910, the appropriation made necessary by that act. It provides—

To meet the expenses made necessary by the act approved May 17, 1910, entitled "An act establishing a commission of fine arts," to be disbursed by the officer in charge of Public Buildings and Grounds, on vouchers approved by the commission, who shall be the secretary, and shall act as the executive officer of said commission, $10,000.

The CHAIRMAN. That is the appropriation act of 1910, to which a point of order might have been made at that time.

Mr. WOOD of Indiana. I wish to call the attention of the Chair, so that there may be no mistake about it. I have an exact copy of the act before me, and the second paragraph reads:

That to meet the expense made necessary by this act an expenditure of $10,000 a year is hereby authorized.

Now the limitation that we are putting on in the first proviso here is limiting the amount that may be expended out of this sum in the employment of any of its employees. This is the fact of the business, that the secretary under the act is Superintendent of Public Buildings and Grounds, who happens now to be Col. Sherrill. He gets no salary at all; but under the original act they are authorized to employ such employees as they may think necessary to carry out the act.

Mr. COOPER of Wisconsin. Will the gentleman permit a question?

Mr. WOOD of Indiana. Yes.

Mr. COOPER of Wisconsin. Is that a limitation on anything in the original act?

Mr. WOOD of Indiana. It is a limitation on the manner in which that may be expended. On every appropriation bill that passes this House we put limitations, and one of the great complaints is because we have not put enough of these limitations upon appropriation bills.

The CHAIRMAN. But may the Chair call the attention of the gentleman from Indiana to the fact that he is still quoting from the appropriation act of May 17, 1910, not the substantive law creating the Commission of Fine Arts. The act creating the Commission of Fine Arts has had read into it language that does not appear in volume 36 of the public laws.

Mr. WOOD of Indiana. May I inquire as to which one of these provisos to which the point of order has been raised the Chair is now addressing himself?

The CHAIRMAN. That which provides that the secretary shall be the officer in charge of buildings and grounds.

Mr. JOHNSON of Kentucky. The point being that a secretary is authorized, but there is no authority for designating any particular person as secretary.

Mr. WOOD of Indiana. Do I understand then that the point which the Chair has immediately in mind is the word—

Who shall be the secretary and shall act as the executive officer of said commission.

The CHAIRMAN. Yes; taken together with the words after the comma, in line 5—

to be disbursed on vouchers approved by the commission by the officer in charge of public buildings and grounds, who shall be the secretary and shall act as the executive officer of said commission.

Mr. WOOD of Indiana. That is the exact language that has been carried in this appropriation from time immemorial, and as I stated the limitation that follows there has no application to any salary, because no salary is paid to the secretary.

The CHAIRMAN. It is not a question of salary, it is a question of the appropriation act designating the person who shall be secretary.

Mr. WOOD of Indiana. I do not understand that any point of order is raised as to those words.

Mr. JOHNSON of Kentucky. I raised that point of order.

The CHAIRMAN. The gentleman from Kentucky made the point of order against those words.

The Chair overrules the point of order as to the second and third paragraphs and overrules the point of order as to the purchase of books and maps and sustains the point of order as to the designation of the secretary. The language that will go out will be—

by the officer in charge of public buildings and grounds, who shall be the secretary and shall act as the executive officer of said commission.

Mr. COOPER of Wisconsin. I move to amend the paragraph by striking out "$6,000," in line 8, and inserting "$10,000," the amount heretofore carried.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COOPER of Wisconsin: Page 9, line 8, strike out the figures "$6,000" and insert in lieu thereof the figures "$10,000."

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON of Kentucky. The whole paragraph has just gone out on a point of order, as I understand.

The CHAIRMAN. The Chair understood the points of order to be made to particular parts of the paragraph.

Mr. JOHNSON of Kentucky. But if a point of order is sustained to any part of the paragraph, it reaches the whole paragraph. I was just endeavoring to facilitate matters by suggesting that the chairman of the subcommittee, the gentleman from Indiana [Mr. WOOD], offer an amendment with those words eliminated, so that the motion made by the gentleman from Wisconsin [Mr. COOPER] would be in order.

The CHAIRMAN. The Chair understood the gentleman from Kentucky to make a specific point of order against these specific words, and that it was not made against the whole paragraph.

Mr. JOHNSON of Kentucky. I was making my point of order to the language the chairman has just sustained. I was endeavoring to be regular, and if I am mistaken, I will readily acquiesce in the ruling of the Chair.

The CHAIRMAN. The gentleman is entirely regular. The Chair understood he was making a point of order against the language to which he directed his remarks. The gentleman from Wisconsin is recognized.

Mr. COOPER of Wisconsin. Mr. Chairman, the gentleman from Indiana [Mr. WOOD] spoke upward of three hours in opening this debate. I listened to him and was interested and entertained for an hour or more, until called out of the Chamber to go to my office. After remaining there nearly an hour I returned and heard the gentleman conclude his speech. Members informed me that during my absence the gentleman from Indiana had bitterly attacked the Commission of Fine Arts, and I found this information confirmed next day by the report of his speech in the RECORD. Although never myself associated in any way with that great commission, I have nevertheless through reading and personal observation become fairly well acquainted with its history and with what it has done here; and believing, as I do, that its work has been of inestimable value to the city of Washington and that the attack made upon it by my friend from Indiana [Mr. WOOD] was unwarranted and did the commission a serious injustice, I ask for 20 minutes to reply.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to continue for 20 minutes. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. Mr. Chairman, I know something about the work of this commission.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. COOPER of Wisconsin. No; I can not.

Mr. WOOD of Indiana. I can help the gentleman some by saying that I made no attack on the board or commission.

Mr. COOPER of Wisconsin. I knew the gentleman would deny some of this.

Mr. WOOD of Indiana. I did make an attack on Mr. Moore, and I expect to make another attack on him when the gentleman gets through. [Laughter.]

Mr. COOPER of Wisconsin. Well, the gentleman did repeatedly attack the commission. He called it "this thing." Members laughed at it. He directed attention to what he said were facts about the work of the commission, although the record shows that these were not facts. The gentleman was mistaken.

Mr. STEPHENS. Will the gentleman yield?

Mr. COOPER of Wisconsin. I can not.

Mr. STEPHENS. Is this the commission that is responsible for the removal of the statue of Abraham Lincoln in front of a public building and putting it in a cellar?

Mr. COOPER of Wisconsin. Not at all, and the gentleman from Ohio [Mr. STEPHENS] is another one of those who have been misled by the deliberate misrepresentations about this commission. I repeat it, deliberate misrepresentations. I do not say that the gentleman from Indiana made a deliberate misrepresentation, but I do say that deliberate misrepresentations have been made.

Now, as to the Lincoln statue, let me read the facts from page 206 of the hearings:

Mr. WOOD. There is more in sentiment than there is in art. If there is no sentiment in art, there is no art in it. The sentiment of the people was to put up a statue of Lincoln in front of the courthouse. The sentiment of those responsible for it and all the people except a few in Washington was against the removal of that statue from in front of the courthouse and is in favor of having it placed back there. But I am informed that the Fine Arts Commission is opposed to its being placed back there.

Mr. MOORE. Where did you get that information?

Mr. WOOD. That information is prevalent; everybody is entertaining that opinion.

Mr. MOORE. I know it; and that is one of the mistakes that is being constantly made. As I understand it, the judges requested——

Mr. KING. Will the gentleman yield?

Mr. COOPER of Wisconsin. I will not at this point. Col. Sherrill, who is an appointee of the President, in charge of public buildings and grounds, said, page 210:

Col. SHERRILL. May I read into the record the appropriation in reference to the Lincoln statue?

Mr. WOOD. Yes.

Col. SHERRILL. This is contained in the first deficiency act of 1920, which was No. 73, H. R. 9205:

"For construction of walks and service roads and the restoration and planting of grounds around the courthouse in Judiciary Park, including the removal of the statue, $23,445, one-half of which shall be paid from the revenues of the District of Columbia and one-half from the Treasury of the United States.

Mr. KING. Which statue?

Mr. COOPER of Wisconsin. The only one there, the statue of Lincoln.

Mr. KING. That is where they perpetrated a fraud on this House right there.

Mr. COOPER of Wisconsin. Mr. Chairman, I respectfully ask that the Sergeant at Arms be given a special mace and sit beside the gentleman from Illinois. [Laughter.] And, if possible, induce him to observe the rules of the House. [Laughter.]

The CHAIRMAN. The gentleman from Illinois will observe the rules of the House.

Mr. COOPER of Wisconsin. Let me read again from that law:

For construction of walks and service roads and the restoration and the planting of grounds around the courthouse in Judiciary Park, including the removal of the statue, $23,445, one-half of which shall be paid from the revenues of the District of Columbia and one-half from the Treasury of the United States.

Mr. WASON then asked—

That was the Lincoln Statue?

And Col. Sherrill replied that it was.

Mr. WASON. Anybody sitting on the floor would not know what it referred to.

Col. SHERRILL. That was put in by Mr. WOOD—

He meant Mr. Good, of Iowa—

the chairman of the Appropriations Committee. I was told that just now—that he put it in himself.

Mr. WOOD. Somebody suggested it to Mr. Good.

Mr. MOORE. The Architect of the Capitol suggested it to Mr. Good?

Col. SHERRILL. The Architect of the Capitol had charge of it.

The Architect of the Capitol was and still is Mr. Elliott Woods. He was then in charge of the work of remodeling the courthouse, and he, the evidence discloses, suggested to Chairman Good, the removal of that statue. Now, I would not say that anyone has ever on this floor deliberately prevaricated about that removal, but merely that the truth has been stretched to the point of breaking. Men have laid that removal to the Commission of Fine Arts, as was shown by the gentleman from Ohio [Mr. STEPHENS] when he asked whether this is the commission that is responsible for taking the statue from in front of the courthouse and putting it in a cellar. Why, the testimony reveals that the commission was no more responsible than was the gentleman who propounded the inquiry. Congress itself by law provided for the removal.

To continue now from the hearings:

Mr. MOORE. Why do you not put it down at the National Museum along with the statue of Washington that was taken from in front of the Capitol?

Mr. Chairman, when I first came to the House there stood in front of this Capitol a gigantic statue by Greenough of George Washington. It was taken from in front of the Capitol and has ever since been in the Museum properly housed.

Mr. WOOD. I do not know why they took it away, but I would put this back where it belongs and where the people of this town put it up.

Mr. MOORE. Do you know where they put it up? They put it up in the middle of the street.

Mr. WOOD. The statue of Lincoln?

Mr. MOORE. Yes; and then Boss Sheppard came along, cut down the street by 6 feet, and left the statue up in the air with a base made of rough stone; then they took the space in front of the courthouse and made a front yard of it, and that left the statue in the yard. The original statue was out in the center of the street.

It is evident that the work done on the old courthouse and on the grounds in front of it made conditions very different from those surrounding the statue when it was erected.

Mr. Chairman, I first became interested in the commission when observing the work it did in helping to secure the removal of the old Pennsylvania Railroad station from the corner of Sixth and B Streets in the Mall. When I first came to Washington that is where it stood. From it ran rows of railroad tracks south across that park. A little later the railroads succeeded in having Congress pass a law which gave them forever 14 additional acres in the Mall. Had the provisions of that law been carried out, the park would have been ruined and the view from the Capitol toward the Washington Monument would have been ruined by a great roach-backed station and shed and acres of tracks and cars and smoking locomotives. I was asked to vote for the bill, and, in reply, said that I might vote for it provided its sponsors would not bring in a bill the next day to give the Library of Congress to the railroads for a roundhouse. It seemed to me most preposterous to suggest putting those railroad tracks and that station down there permanently to destroy the Mall. Then the acting Commission of Fine Arts, at the head of which was Daniel Burnham, began to do something to get the station out of the park.

But before Congress could get it out it had to appropriate money to help pay for certain necessary expenses; finally, however, at the suggestion of the commission, the station and tracks were removed from the Mall. Is there anyone who does not think that the commission earned the thanks of the American people when it succeeded in having the old station removed from between the Capitol and the Washington Monument and in causing the splendid new station to be built north of the Capitol?

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Not just now.

The Commission of Fine Arts was created by act of Congress in 1910. The bill was introduced in the House by the Hon. Samuel W. McCall, then chairman of the Committee on the Library, in order, as he said, to correct the haphazard development in Washington.

I pause to remind gentlemen that Samuel W. McCall was for 20 years one of the prominent Members of the House, and that later he served with marked distinction as governor of the State of Massachusetts. His bill to create the commission was supported by Mr. Fitzgerald, of New York, and other prominent Members, and was passed without a division.

The gentleman from Illinois [Mr. MANN], one of the ablest legislators who has ever sat in this House from the time the House was first organized, will indorse what I say when I declare that John J. Fitzgerald, a Democrat, was one of the strongest men ever at the head of the Committee on Appropriations, and one of the most conservative. Fitzgerald supported the bill. In the Senate the bill was handled by Senator Elihu Root.

The act makes it obligatory on the commission to advise upon questions of art when required to do so by the President or by any committee of either House of Congress. President Taft, who was strongly in favor of the legislation, issued an Executive order to the executive officers of the Government requiring them to submit to the commission all matters in which questions of art were involved. Congress required the Lincoln Memorial Commission to ask the advice of the commission on matters connected with that structure. That memorial commission asked for advice on the selection of an architect and the selection of a design and followed the advice. Congress also authorized the building commission to get the advice of the commission on the building program for the Government buildings, and also for the buildings and plans for the Panama Canal. In legislation involving questions of art Congress has almost invariably placed in the bills the requirement that the plans should be passed upon by the commission.

The commission has no authority to enforce its recommendations.

I stop here to say—what everyone familiar with the law knows—that the commission has never had, nor has it ever claimed to have, any power except the power to advise when questions as to the merit and propriety of designs and kindred questions are submitted to it. Its advice can be rejected or accepted.

The fact that the advice has been followed in almost every instance is sufficient testimony that the executive officers have found the advice good. If the work of the commission has grown in extent and scope, that fact argues that the commission has been helpful.

With the increase in its work while the appropriation remained stationary it has been necessary to exercise rigid economy. Often when matters have come up that required prompt action extra meetings have been held at some place, usually in New York, where the cost for travel would be less. Also it has been necessary to go to the place where statues and other large works were being designed, because of the physical impossibility of bringing the models to Washington. In the matter of the Victory medal, the Verdun medal, new coins, and so forth, it has been indispensable that members of the commission visit the mint in Philadelphia to confer with mint officials in order to adapt the design to the mechanical requirements of the mint.

In all matters the commission acts with the artists in an advisory capacity. It does not sit as a court and render decisions, thus creating ill feeling among the artists and defeating the very ends for which the commission was created—namely, to secure good results.

To-day the commission is working in harmony with the executive officers of the Government, and the number of matters submitted by them for the advice of the commission is steadily on the increase. To reduce the appropriation or to limit the meetings to the city of Washington would practically result in making trouble, create expense, and prevent securing the results intended by Congress.

Mr. LANGLEY. Will the gentleman yield further?

Mr. COOPER of Wisconsin. I can not yield now.

The artist members of the commission are all busy men in their several professions. They had made their reputations. It is an honor to serve one's country, but the service they give is a service rendered at a sacrifice of time, comfort, and money.

Mr. WASON. Will the gentleman yield?

Mr. COOPER of Wisconsin. I can not yield now.

The fact that the commission have done such work here has acquainted them with Washington problems and so has made their service valuable.

The real question at issue is as to whether the Government gets from the commission $10,000 worth of service. As a matter of fact the commission annually saves the Government many times its cost. Over and over again the commission has brought about simplicity, combined with dignity, by cutting off ill-devised ornaments from buildings and modifying the design.

The members of the commission not only serve without pay but also the allowance for traveling expenses is so small that each member is put to personal expense every time a meeting is held in Washington.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I hope there will be no objection to my having time enough to read the statement I have in my hand. It will take but 10 minutes or a little more.

Mr. WOOD of Indiana. Mr. Chairman, I move that the gentleman's time be extended 10 minutes.

Mr. COOPER of Wisconsin. I wish to say to the gentleman from Indiana——

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent——

Mr. KING. Reserving the right to object——

Mr. COOPER of Wisconsin. I will answer any question the gentleman from Illinois [Mr. KING] or any other gentleman may propound when I finish this statement. But, gentlemen——

The CHAIRMAN. The gentleman from Wisconsin will desist. Is there objection to the request of the gentleman from Wisconsin?

Mr. KING. Reserving the right to object, I want to ask the gentleman if he will permit me to ask him a question about directing the service of the Sergeant at Arms? [Laughter.]

The CHAIRMAN. The Chair hears no objection.

Mr. COOPER of Wisconsin (reading)—

The membership is made up of three architects, a landscape architect, a painter, and a sculptor.

And now I invite the attention of Members who are not acquainted with the personnel of the commission, and especially the attention of all who heard the attacks made and the ridicule heaped upon that body, and ask that they listen to this:

The membership has included or now includes the late Daniel H. Burnham, director of works of the Chicago fair; the author of city plans for Cleveland, San Francisco, Manila, Chicago, and Washington.

Frederick Law Olmsted, landscape architect, who succeeded his father in charge of the Capitol grounds; a member of the commission on city plans for Cleveland, Washington, New Haven, and various other cities. Mr. Olmsted was succeeded by James L. Greenleaf, the designer of many gardens in various parts of the country.

Cass Gilbert, architect of the Minnesota State Capitol; the architect selected to design the new West Virginia State Capitol; the designer of the Woolworth Building and many other structures of the first order.

Thomas Hastings, architect of the Senate and House Office Buildings, the Arlington Memorial Amphitheater, the New York Public Library.

Peirce Anderson, designer of the Washington Union Station and the Field Museum, in Chicago.

Henry Bacon, architect of the Lincoln Memorial.

Charles A. Platt, architect, painter, etcher, the architect of the Freer Gallery.

William Mitchell Kendall, of the firm of McKim, Mead & White, architects of the Pennsylvania Station, New York; the Municipal Building, the new post office in New York; the Army War College, the Patterson and Thomas Nelson Page houses, in Washington; the Morgan Library, the Century, Harvard University, and Metropolitan Clubs, in New York; and the Rhode Island State Capitol.

Louis Ayres, of the firm of York & Sawyer, architects of the Guarantee Trust Building, New York; the Riggs National Bank and the American Security & Trust Co. Building, in Washington.

The sculptor members have been Daniel Chester French, dean of American sculptors, designer of the Minute Man at Concord; the statue of the Republic at the Chicago Fair; statues of Senator Hoar, Rufus Choate, Emerson, Gov. Oglethorpe at Savannah; statues of Lincoln in Lincoln, Nebr., and in the Lincoln Memorial; and an equestrian statue of Washington in Paris.

Herbert Adams, president of the National Academy of Design, who received awards at the Chicago, Paris, St. Louis, and San Francisco expositions.

James E. Fraser, sculptor of the bust of Roosevelt in the Capitol, of the Journey through Life in Rock Creek Cemetery, the monument to John Hay in Cleveland, the statue known as "The End of the Trail," and many other such works.

The painter members:

The late Francis D. Millet, who decorated the customhouses in Cleveland and Baltimore; author, painter, and war correspondent, a victim of the *Titanic* disaster, whose monument is in the grounds south of the White House.

Edwin H. Blashfield, who decorated the dome of the Library of Congress, the New York Appellate Court, the Wisconsin State Capitol, the South Dakota State Capitol, and many other like buildings.

The late J. Alden Weir, one of the foremost American painters, and J. Siddons Mowbray, former director of the American Academy in Rome, a mural painter among the very first in America.

The lay member of the commission, appointed by President Taft, and twice reappointed by President Wilson, is Charles Moore. He prepared the report of 1901 on the improvement of Washington; also the report on the new plan of Chicago, and was for 10 years the chairman of the Detroit City Plan and Improvement Commission. On the resignation of Mr. French he was elected chairman of the commission and has been reelected to that position. His Washington work was recognized by his election to membership in the American Institute of Architects, the American Academy in Rome, and the National Institute of Arts and Letters.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. COOPER of Wisconsin. I can not yield now.

Mr. WOOD of Indiana. I was very gracious to ask the extension of time for the gentleman.

Mr. COOPER of Wisconsin. I wish only that the gentleman wait until I have finished reading this statement, and then I will answer all questions.

Mr. WOOD of Indiana. Who is the author of the manuscript which you are reading?

Mr. COOPER of Wisconsin. I telephoned to Col. Sherrill, secretary and executive officer of the commission, and suggested that a statement of the facts should be prepared, and he replied that one ought to be made. I verified the facts which it sets forth.

Mr. Caemmerer brought it to me, and I am confident that there is not a statement of anything but the truth in it:

Mr. H. P. Caemmerer, assistant to the secretary of the Commission of Fine Arts, was private stenographer to the Postmaster General at the time of his transfer as clerk to the commission at $1,800 a year, on July 1, 1919. He is a member of the National Shorthand Reporters' Association. He applied for the position, which was to become vacant at the time, because of his educational qualifications, and his application was accepted by the commission among 15 names that were considered. Under the law he was required to serve a whole year at the same salary at which he transferred. On June 4, 1920, at a regular meeting of the commission, Col. C. S. Ridley, then secretary and executive officer, personally recommended him for promotion as assistant to the secretary, with a salary of $2,500 a year, which the commission had been paying.

The secretary and executive officer of the commission is ex officio the officer in charge of public buildings and grounds. The assistant to the secretary on whom devolves the conduct of the office, the keeping of the minutes and the files, all the arrangements for meetings, and the correspondence, has to be a man capable of meeting and dealing with the people who come to the office to consult the commission and must have a natural aptitude for a class of work entirely outside that done by the ordinary Government clerk. The hours are long, the work is arduous, the training required is technical.

Mr. Caemmerer has an A. M. university degree. He has had a classical high-school training, and his college course covered thorough courses required for the degree of master of arts. He took complete courses in Egyptian, Assyrian, Greek, and Roman art and archæology; in medieval art, with a study of the life and work of the great painters, and in modern art; and is a life member of the Archæological Institute of America. He has also completed two years of law.

During the past three years the work of the commission has been constantly on the increase, and the submissions have numbered many hundreds. Some of these have been very difficult to handle, yet among them all not one of the artists, and they include the greatest in this country, or other person who has come before the commission, has charged him with an error in handling a submission.

This concerning Mr. Caemmerer is, I believe, not all in the record, but it is what he told me and there is no question but that it is true.

The members of the Commission of Fine Arts are required to visit other cities when it comes to inspecting the full sized model or a finished statue. This has been necessary in the case of the statue of Abraham Lincoln, by Daniel C. French, sculptor, now in the Lincoln Memorial; the mural paintings by Jules Guerin, in New York City, for the Lincoln Memorial.

The model for the statue of Gen. Meade at Gloucester, Mass., by Charles Grafly, sculptor.

The final inspection of the statue of Gen. Grant for the Grant Memorial, in the Roman Bronze Works, in Brooklyn, N. Y.

The Macdonough Memorial at Plattsburg, N. Y.;

The statue of Francis Scott Key, cast at Providence, R. I., and to be placed in Fort McHenry Park in Baltimore; and

The full-sized model for the Francis Asbury statue, by Augustus Lukeman, sculptor, of New York City.

Competitions for coins and medals have required meetings, usually held in New York City, to inspect the models and make the award.

Since the establishment of the commission, advice has been called for from the Commission of Fine Arts from many parts of the country.

Since the close of the World War the commission has rendered this country great service in the matter of war memorials.

The ninth report of the commission recently issued discloses the work of the Commission of Fine Arts during the past two years. It is a beautiful report, but there is more to it than the appearance. It is the thought in the printed pages, which the careful reader can not fail to note. The work of the commission in behalf of the plans for the development of Washington and in maintaining high standards in the fine arts in the United States is deserving of the approval of Congress.

The commission respectfully requests that the House restore and approve its appropriation of $10,000, that being a minimum amount with which the commission can properly do its work without restrictions, the same as last year.

Mr. Chairman, as showing the attitude of the gentleman from Indiana toward the commission, I direct attention to some statements made by him about the commission during the hearings (p. 228). Mr. Moore had interrupted, and so had Mr. Caemmerer, to say that these distinguished architects and painters and sculptors on the commission were not charging anything for their services, but were glad to give them to the Government to help make Washington what it ought to be. Where-

upon ensued the following dialogue. Referring to the other members of the commission, Mr. Moore said:

Mr. MOORE. * * * Every other person is actively engaged in the practice of his profession. Every hour he gives up every time he comes down here—he often spends two days—he is giving up so much. If he were charging his client for that, he would charge him $100 a day.

Mr. WOOD. I will tell you, Mr. Moore, people become intoxicated with these positions and they would give almost anything to have them by reason of the entrées it gives them, by reason of the prestige, and some men have considerable vanity, and they like to be in positions of coxcomb and prestige. It appeals to them.

Mr. MOORE. Do you think any of these individuals get anything out of this thing?

Mr. WOOD. I am not saying that they get anything dishonestly.

Mr. MOORE. No; but even honestly?

Mr. WOOD. Why, yes. There is not a fete, there is not a public reception or anything but what the Fine Arts Commissioners are invited. I am not speaking of that by way of criticism, but to impress what I say. Men become intoxicated with the desire to hold these high positions because of the social position it gives them and it is laudably so, the recognition that is given to them. It might be helpful to these other gentlemen if they are in the business of designing or any particular art or trade.

Mr. STEPHENS rose.

Mr. COOPER of Wisconsin. I can not be interrupted in this. It is too important. [Laughter.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask the gentleman from Indiana for an additional seven minutes. The gentleman spoke for three hours the other day, and I wish for seven minutes.

Mr. WASON. Mr. Chairman, I want to suggest to the gentleman from Wisconsin that the chairman of this committee had the entire bill to discuss, while the gentleman from Wisconsin is directing attention only to a $6,000 item, and he has had 35 minutes.

Mr. COOPER of Wisconsin. I ask for only seven minutes.

Mr. STEPHENS. Mr. Chairman, reserving the right to object, if it is impossible to have a question answered I object to any further extension of time.

Mr. COOPER of Wisconsin. I did answer the question asked by the gentleman about the Lincoln statue.

Mr. STEPHENS. You refused to answer me a moment ago.

The CHAIRMAN. Is there objection to the gentleman's request?

Mr. STEPHENS. I will withdraw my objection if the gentleman will answer my question.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more. We must quit this some time.

Mr. COOPER of Wisconsin. Make it seven minutes.

Mr. WOOD of Indiana. I will give the gentleman seven.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the gentleman from Wisconsin may have seven minutes more. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. Please let me finish this quotation from the hearings, and then I will answer the question. After the gentleman from Indiana——

Mr. STEPHENS. Am I not going to get a chance to ask the gentleman a question?

Mr. COOPER of Wisconsin. Wait a moment. After the gentleman from Indiana had said that the members of the commission were willing to serve because of the great "social prestige they enjoy in Washington" in consequence of their service and because they were "invited to fetes and parties" in this city, Mr. Moore replied by telling about his own experience in Washington society.

Mr. MOORE. I know; but these people all had their reputations before they became members of the Commission of Fine Arts.

Mr. WOOD. I hope this has not detracted from it.

Mr. MOORE. I hope it has not. Let me tell you my experience: I have been a member of the commission since 1910, and I have never been invited to one solitary thing in the District of Columbia during that time with one exception, and that was to John Joy Edson's dinner, for which I paid $15.

Mr. WOOD. Well, you paid too much.

[Laughter.]

Mr. MOORE. I know it; but he was an old friend of mine and I could afford to spend $15 on him. That is the glory I get out of it.

Now, Mr. Moore, is the only member of the commission who lives in Washington, and he had been invited to only one social function in this city in 12 years. And yet the gentleman from Indiana thinks these men give their service for the social prestige it brings them and for the invitations they receive to fetes and public receptions. One in 12 years!

The report of those hearings clearly reveals the attitude of the gentleman from Indiana toward the commission.

Mr. STEPHENS. Mr. Chairman, will the gentleman yield now?

Mr. COOPER of Wisconsin. Yes; for a very short question, rapidly propounded. [Laughter.]

Mr. STEPHENS. You quoted Mr. WOOD as saying that this commission was "intoxicated." That is something I want to ask the gentleman about. Has that been within the last two years? [Laughter.]

Mr. COOPER of Wisconsin. No; I think not.

To further understand the attitude of the gentleman from Indiana, listen to this. In his speech on this floor he said:

In consequence of those Executive orders you can not build a pigpen in the city of Washington to-day without violating one of these Executive orders, unless you get the consent of Mr. Moore.

In that statement the gentleman from Indiana was utterly mistaken.

He made a similar statement during the hearings, page 232. I consider this of much importance.

Mr. WOOD. I could not build a private building without getting your advice.

Mr. MOORE. Oh, yes; you could if you would get the permission of the zoning commission.

Mr. WOOD. Oh, there could be a building built here of any kind that would not affect the general contour or surroundings of the Government.

Mr. MOORE. Built by the Government.

Mr. WOOD. I did not know that it was limited to the Government.

Mr. WOOD of Indiana. It is not.

Mr. COOPER of Wisconsin. It is, as to buildings, absolutely limited to public buildings constructed by the Government or by the District of Columbia.

Mr. WOOD of Indiana. Just last week they called upon some gentlemen who were going to build a hotel to come before the commission. That was just last week.

Mr. COOPER of Wisconsin. Oh, that does not touch the point. A private person can build a hotel in the city of Washington on his own property and this commission has no authority whatever to interfere or to compel him to present his plans for advice. The order of the President provides in express terms that—

plans for parks and all public buildings constructed by executive departments or the District of Columbia shall be submitted to the Commission of Fine Arts for advice as to the merits of such designs—

And so forth.

President Harding's order of July 28, 1921, is as follows:

It is hereby ordered that essential matters relating to the design of medals, insignia, and coins produced by the executive departments; also the designs of statues, fountains, and monuments, and all important plans for parks and all public buildings, constructed by executive departments or the District of Columbia, shall be submitted to the Commission of Fine Arts for advice as to the merits of such designs before the executtive officer having charge of the same shall approve thereof.

It will be seen that as to buildings the order, as I said, relates only to public buildings constructed by executive departments or the District of Columbia, so that again the gentleman from Indiana was utterly mistaken.

Mr. BROWNE of Wisconsin. There is the Zoning Commission.

Mr. COOPER of Wisconsin. The Zoning Commission is an entirely different thing. This Commission of Fine Arts has nothing whatever to do with private buildings. The order explicitly says "public buildings erected by the Government or the District of Columbia."

Mr. ARENTZ. Will the gentleman yield?

Mr. COOPER of Wisconsin. I want to proceed.

Mr. ARENTZ. Just a brief question.

Mr. COOPER of Wisconsin. I yield to the gentleman.

Mr. ARENTZ. Does the gentleman from Indiana object to a commission, or is his objection centered on this commission?

Mr. COOPER of Wisconsin. Unquestionably the gentleman from Indiana is trying to destroy this commission. In my judgment, Mr. Moore, as the head of that commission, has done work of great value to the city of Washington, and therefore for the Government and the people. He is a man of rare culture, of energy, and of public spirit. Possessed of independent means, and because he is public spirited and because of the deep-seated respect he bears for the memory of Senator McMillan, who first proposed the creation of the commission, Mr. Moore wishes to continue as one of its members to aid in carrying out the plans of L'Enfant and Burnham and McKim and Olmstead and St. Gaudens and the other eminent architects, painters, and sculptors, for the appropriate and orderly development of this Capital City of the Nation.

Mr. COOPER of Wisconsin. Under the leave granted by the House I will extend my reply to the arguments presented in support of this bill.

The contention of the supporters of the bill is that payment of traveling expenses of the commission is limited by law to the expenses of Members going to and returning from Washington for meetings. But this is not the correct construction

of the law. Such a construction would defeat the very purpose of the law.

The Commission of Fine Arts was created by act of May 17, 1910. The sundry civil bill approved June 25, 1910, appropriated $10,000 to meet the expenses of the commission. The first meeting of the commission was held in Washington July 8, 1910. On June 27, 1910, the secretary of the commission—Col. Spencer Cosby, United States Army, officer in charge of Public Buildings and Grounds—submitted to the Comptroller of the Treasury, through the Chief of Engineers and the Secretary of War, a series of five questions "in order that the commission may properly organize and be ready to do the work assigned it by law."

The fourth question was:

In case it is necessary for any members of the commission or any of its employees to perform other travel than to or from Washington, as, for instance, to advise upon the selection of a model which may be in some other city, can the necessary actual expenses of the journey be paid by the disbursing officer? In the case of the secretary, an Army officer should be paid mileage or actual expenses?

On July 6, 1910, the Comptroller of the Treasury wrote to the Secretary of War, answering each of the five questions. The answer to the fourth question was stated by Hon. R. J. Tracewell, Comptroller of the Treasury, as follows:

The commission and any of its employees traveling on the business of the commission and away from its place of meeting are entitled to their actual and necessary expenses of travel.

Thus it will be seen that even before organization the commission regularly sought and obtained an official interpretation of the statute for its guidance. For the 12 years of the life of the commission this interpretation has stood unchallenged. It has enabled the commission to perform a maximum of work at the least possible expense.

Models of statues intended for the city of Washington must be inspected in the studios of the artists during the various stages of the work. Statues are modeled first in clay. The small sketch can be submitted in Washington; but the one-third size, the full size, the plaster model, and the casting must be inspected in the studio or foundry. This work is done for the protection of both the Government and the artist.

The Lincoln statue for the Lincoln Memorial; the Key Memorial for Baltimore; the Grant, Meade, Asbury, Ericsson, Alexander Hamilton Memorials for Washington, are instances of repeated submissions and of conferences with the sculptors as their work progressed.

The mural decorations for the Lincoln Memorial are paintings over 60 feet long and 12 feet high. They had to be inspected in the studio built especially to accommodate this great work.

The production of 4,000,000 Victory medals required visits to the Mint and to the factory in order both to adapt the design to mechanical requirements and to insure the best possible quality of workmanship.

The change in the designs for the entire silver coinage of the Government; the centennial coins for Maine, Missouri, and Alabama; the medal given by Congress to the city of Verdun all required time and attention at the Mint as well as at formal meetings of the commission.

Congress by special legislation provided for a visit of the commission to the Panama Canal Zone—from February 4 to February 27, 1913.

A limitation of the work of the commission to formal meetings in Washington would defeat the prime object for which Congress established the commission, namely, to secure for the adornment of Washington works of enduring art, and to enable the Government to establish and maintain standards of excellence in all those works in which artistic element prevails.

AMOUNT OF APPROPRIATION.

Of an appropriation of $10,000 the percentages of expenses are—

	Per cent.
Travel of members	25
Payment of employees	45
Printing, photographs, plans, and reports	20
Office supplies	7
Telephone and telegraph, cleaning, etc	3
	100

If the members were reimbursed for their actual expenses of travel, the percentages of expenditure for travel would be much greater. The Government allowance of $5 a day no more than pays the cost of a room, and often does not cover that item. Subsistence and other expenses cause the members necessary expense which they must pay from their own pockets.

Members receive no salary. This provision is vital. Men of highest professional standing are willing to give their services to the Government, and they take pride in their work. To pay them at the rate of their professional incomes would require several times more than the entire appropriation. Their work is not confined to meetings in Washington, but is practically continuous throughout their terms of four years. Submissions are referred to the various members for study and report. Otherwise it would be impossible to deal with business that has increased from 41 submissions in 1911 to 437 submissions in 1921.

The printing of reports is paid from the annual appropriation. The majority of these reports go to Senators and Members, or to their constituents at their request. The funds available restrict the reports to one in two years.

The reports show to the people of the United States how Washington is being developed into as dignified, unified, and beautiful a capital city as any capital in the world.

The bill as debated by the House fixes the limit of pay of any employee of the commission at $1,800.

Now, the first question submitted to the comptroller was as follows:

Under the authority contained in the act for "such other assistance as the commission may authorize," can the commission employ such clerks, stenographers, messengers, draftsman, and other assistants within the limits of the appropriation as it may deem necessary, and fix their rates of pay? Must these employees be obtained through the Civil Service Commission or may they be appointed direct?

The comptroller's reply was—

I think the words "such other assistance as the commission may authorize," supra, empower the commission to employ and fix the rate of pay of clerks, stenographers, draftsman, and such other assistants as it may deem necessary and proper. The question of the appointment of clerical assistance is primarily one not involving a payment, and it appears that it involves such a question of law as would justify the submission thereof to the Attorney General for his determination.

The amount to be paid by the commission for services of the assistant to the secretary, who acts as chief clerk, keeper of minutes, records, and files, is a matter of business detail. The work requires special training and aptitude entirely different from what is demanded of the other Government employees. The first person thus employed left the service of the commission to accept the assistant directorship of the National Parks Service. His place was taken by a man who began at $1,800, and who was getting that amount when he came to the commission. When he became trained in the work he was promoted by the executive officer to $2,500 with the approval of the commission. The members of the commission having full knowledge of the amount and quality of the work done regarded the salary as reasonable. With the very limited appropriation available for its work, the commission is disposed to pay the smallest salaries consistent with getting work done properly. At the same time they must have a man who can devote his entire time and thought to the task and look after a multitude of varied affairs incident to a nonresident commission to whom on an average one and one-half matters are submitted every day in the year for examination and report.

TRIP TO THE YOSEMITE.

The visit to the Yosemite was made at the written request of the Director of the National Park Service. His primary purpose in arranging the trip was to see and to study the area which it was proposed to make a memorial for Theodore Roosevelt under the name of the Roosevelt-Sequoia National Park. At the same time the trip included a visit to the Yosemite National Park. For years the National Park Service had been bringing to the Commission of Fine Arts plans for various matters of construction in the park. These matters included the design and construction of bridges, general plans for village and hotel development, the location of camps, and other like matters. The expenses of travel after leaving the railroad were not charged to the Government in any way but were paid privately.

EXECUTIVE ORDERS.

The object of the Executive orders issued by the President is to call to the attention of the executive officers of the Government the requirements of the act of Congress establishing the Commission of Fine Arts. The Executive orders in no way enlarge the scope of the activities of the commission, because the commission was created largely in order that the President might have the advice of a body of experts when matters involving questions of art came before the executive departments. No executive officer was required to follow the advice of the commission. The number and variety of matters brought before the commission by the executive officers of the Government simply shows that such officers find the commission helpful in determining questions in regard to which they themselves have not expert knowledge.

The Commission of Fine Arts provides the only medium by which the artists of the United States come into relations with the Government. Before the creation of the commission orders for works of art usually went to artists who were primarily sales-

men and who could by the exercise of salesmanship secure the interest of those in authority to push their projects.

Since the creation of the Commission of Fine Arts artists of the highest standing in their several professions have been selected, either by competition or directly, to design buildings, coins, medals, statues, and to lay out and plant parks. All of these activities are clearly expressed in the act creating the Commission of Fine Arts, which act was originally drawn up by Hon. S. W. McCall, chairman of the House Committee on the Library, and was reshaped and put into its final form by Senator Elihu Root. It received the approval of President Taft, who appointed the first commission, and whose active and sympathetic interest has continued to this day.

THE L'ENFANT PLAN.

The L'Enfant plan of Washington was prepared under the direction of George Washington and Thomas Jefferson and was adopted by Congress. The development of the city of Washington was slow and uncertain, but what development there was followed the lines of the L'Enfant plan, with the exception that here and there Congress authorized the sale of public reservations. The eastern front of the Capitol Grounds was completed about 1875. The western front, including the terrace, was completed about 1890. In 1901 a commission consisting of Daniel H. Burnham, architect; Charles F. McKim, architect; Frederick Law Olmsted, landscape architect; and Augustus Saint-Gaudens, sculptor, was appointed to consider the park system of the District of Columbia. This commission based their designs and report upon the L'Enfant plan, which they considered the greatest heritage a capital city ever had. The commission saw that there were two essential elements in the development of the L'Enfant plan.

The Burnham Commission persuaded the Pennsylvania Railroad to relinquish their rights in the Mall and to establish the station on their own property north of Massachusetts Avenue where the Union Station now stands. Secondly, the commission, realizing the deplorable, squalid conditions of Pennsylvania Avenue near the Capitol, saw at once that the key to the situation was opening of the area occupied by the Botanic Garden and the formation there of a great plaza, such as is marked on the L'Enfant map. This plaza the commission called Union Square and proposed that it be dedicated to Gens. Grant, Sherman, and Sheridan, three great military leaders in the war for the preservation of the Union.

The present greenhouses in the area are incapable of removal because of age, and under any circumstances new glass houses must shortly be built. The Commission of Fine Arts saw no reason why this rebuilding should not take place on land owned by the Government south of the land now occupied by the Botanic Garden. A real botanic garden and arboretum such as all of the other great nations of the world possess should include several hundred acres and be located outside of the well-populated area. It should also have both high ground and low ground. Therefore, while the commission thought that the present activities of the existing garden might be carried on without interruption by a simple shift of the location of some of the greenhouses, they also felt that the Nation should have a real botanical garden well located and developed under the control of either the Department of Agriculture or the Smithsonian Institution.

CERTIFICATE OF VOUCHERS.

The vouchers of the Commission of Fine Arts were verified under oath until December, 1915, when Secretary McAdoo waived this requirement for the members of the commission. This was done by him purely as a matter of courtesy to men who are serving without pay and whose standing in the community is such that any statement over their signature may be considered as equivalent to their statement under oath.

During the debate the gentleman from Illinois [Mr. KING] said:

> Senator McMillan and others, who went abroad as an artistic aggregation on one of the finest junkets ever prepared and visited Paris and Florence and sampled all of the different kinds of fine arts.

Senator McMillan never went to Europe on a junket or at the expense of the Government. In 1901 he advanced the money—which was subsequently repaid him by the Treasury—for the commission, of which Mr. D. H. Burnham, of Chicago, was the head, to go to Europe and make a study of public buildings related to their landscape setting, and the result of these studies is embodied in Senate Report No. 166, Fifty-seventh Congress, first session, which report has been followed in the development of Washington for the past 20 years.

LOCATION OF THE BOTANIC GARDEN.

The House Committee on the Library having called on the Commission of Fine Arts for a report on the relocation of the Botanic Gardeu, the commission made an investigation of suitable sites in the District of Columbia for a Botanic Garden as extensive as those in New York, Boston, St. Louis, and other cities of this country and of foreign capitals as well. The experts of the Agricultural Department, after an examination of all the sites in the District of Columbia, recommended the taking of Mount Hamilton because of advantages set forth in the report of the commission to the House Committee on the Library. Since the charge of real estate speculation at Mount Hamilton has been made the commission has learned from a United States Senator having knowledge of the case that the ownership of Mount Hamilton has not been changed for at least 30 years and that no effort has been made by the owners to place the property on the market. The Government owns a small portion of the land for school purposes.

The Mount Hamilton site comprises about 400 acres, which adjoins the Anacostia Park project; and by purchasing the 400 acres the Government would have the advantage of about 600 additional acres in the Anacostia Park, which could be used for botanical purposes. The change in the plans of the Anacostia Park project would simplify the park project to such an extent as to pay for the Mount Hamilton site. At the same time, the greenhouses which form a part—and only a part—of the present Botanic Garden could be moved to Government-owned land adjoining the present lands of the garden; and thus the work done by the Botanic Garden could be continued.

LOCATION OF THE GRANT STATUE.

The Grant statue was located before the Commission of Fine Arts was created. The Commission of Fine Arts was created by act of Congress approved May 17, 1910. The Grant statue was located in the sundry civil bill approved June 30, 1906. The history of its location was developed on January 13, 1908, at a hearing of the House Committee on the Library. From a statement made at that hearing by Gen. Grenville M. Dodge, chairman of the Grant Memorial Commission, it appeared that the Society of the Army of the Tennessee, the Societies of the Armies of the Potomac and the Cumberland, Gen. Grant's family, the Illinois Commandery of the Loyal Legion, the New York Commandery of the Loyal Legion, of which Gen. Grant was a member, and others, favored the present location, and there was no opposition from any military organization or other person, so far as the Grant Memorial Commission knew.

Hon. William H. Taft, then Secretary of War, stated to the Committee on the Library that the site was selected by Gen. Dodge, Secretary Root, and the chairmen of the Senate and the House Committees on the Library. Secretary Taft said:

> This location was taken up and adopted—I am not quite sure as to what moved Gen. Dodge to do it, but I know what moved Secretary Root—because it fitted in so well with the proposed improvement of Washington. Now, I know I am stepping on dangerous ground in mentioning the Senate plan, but I have no hesitation in saying that so far as the War Department is concerned and so far as the head of that department is concerned the control that by law is given to the Secretary of War with reference to the public grounds—everything that the engineers do is done with reference to that plan. Therefore, when we came to determine on the details of the monument, after it had been changed from the White Lot to this place, the committee of architects which was appointed advised certain changes in the monument in order that it should not prove an obstacle to the vista between the Capitol and the Monument, in order that both sides should be adjusted to the position that it occupied with respect to the Monument.

At a continuation of the hearing, held January 15, 1908, Secretary of State. Hon. Elihu Root, testified that he was Secretary of War at the time the Grant memorial was located on its present site, and that we—

> went all over Washington and looked at every place we could think of, and we discussed every place that we looked at, until finally we came to the conclusion that the monument, or the memorial, as I think the statute calls it, ought to have a definite relation to the public buildings of Washington, and we settled upon a site directly in front of the Capitol as being the best possible site.

Continuing, Mr. Root said:

> In selecting that site we had a good many things in view. We considered that the statute which made an appropriation of $250,000 for a memorial to Gen. Grant meant something more than the ordinary statue which, as Secretary of War, I have been engaged in putting up around the city as a member of similar commissions. We felt that it was the intention of Congress, plainly exhibited by the difference between that statute and the ordinary monument appropriations, to indicate a distinction, and that it was our duty to secure a design and to select a site that would be distinguished and which would put the memorial to Gen. Grant on a different footing from the memorials to many generals and public men of inferior place in history. We considered also the fact that indications were many that the region about the Capitol was about to receive attention and to be rescued from the somewhat unkempt and uncultivated condition in which it had remained for so many years. * * * The plan for the removal of the Pennsylvania Railroad from the Mall and the putting up of this great station immediately north of the Capitol has been far advanced, and it was quite evident that the movement of the improving tendency was toward this particular site, and that the neighborhood of the Capitol was, within a very short time, to be made worthy of the Capitol itself. So we considered that a great memorial to Gen. Grant would be a fitting part of the bringing up of the surroundings of the Capitol Building. We considered that that immediate prospect made it all the more appropriate that we should select that site.

We considered the plan, which had already been made public, of the so-called park commission, with regard to the beautification of Washington, and we considered what effect upon our judgment the doubts as to whether that plan would be followed or not ought to have. We came to the conclusion that while the site of the memorial which we determined upon fitted perfectly into the plan if carried out that, whether it was carried out or not, this was incomparably the best site there was in Washington for the memorial.

As the result of the hearings, Mr. Howard, from the House Committee on the Library, submitted an adverse report to accompany H. R. 10502 and H. J. Res. 117, both of which bills proposed a change in the location of the Grant Memorial. (See H. Rept. No. 1302, 60th Cong., 1st sess.) The report contains the statement of Secretary Taft and Secretary Root.

It thus appears that any action that the Commission of Fine Arts has taken relative to the Botanic Garden has been in strict accordance with the expressed will of Congress on the subject.

PUBLIC COMFORT STATION AT FIFTEENTH AND H STREETS NE.

This subject never came before the Commission of Fine Arts.

During the debate the gentleman from Kentucky [Mr. JOHNSON] said:

At that time, 1910, it was stated that this Mr. Burnham, who has been so praised by the gentleman from Wisconsin [Mr. COOPER], was in the employ of the Baltimore & Ohio Railroad, and that when Senator McMillan and some others went upon junketing trips to Europe for the purpose of viewing parks there, this same Mr. Burnham followed them as far as London and urged them to recommend the establishment of the Plaza between the Union Station and the Capitol, it being currently stated at that time that he was in the employ of the Baltimore & Ohio Railroad. Therefore we see the beginning and growth of the Fine Arts Commission. We see Mr. Burnham, representing the Baltimore & Ohio Railroad, suggesting the park. Next we see Mr. Moore, now the principal man in the Fine Arts Commission, former secretary to Senator McMillan, urging it. When Senator McMillan retired from Congress Mr. Moore remained here without a job. He became interested in parks and everything that pertained to their purchase and sale, and he finally became the man who suggested the creation of the Commission of Fine Arts and became its principal member. The plan was deliberately started back in 1901 or 1902; the Fine Arts Commission was conceived, but kept behind the scenery until 1910, when the occasion was ripe for it, and then it was created.

Now, the gentleman from Kentucky was entirely mistaken. Mr. Burnham never was in the employ of the Baltimore & Ohio Railroad. He was chairman of what has been known as the Senate Park Commission in 1901, and he went abroad as chairman of that commission. The Plaza in front of the Union Station was provided for in legislation initiated by Senator McMillan, but completed after his death in August, 1902. Mr. Burnham fortunately had been commissioned by the Pennsylvania Railroad to design its station, which had been relocated in the Mall by act of Congress. He persuaded the President of the Pennsylvania Railroad, Mr. Cassatt, to remove the station from the Mall to its present site on Massachusetts Avenue, thus permitting an uninterrupted park between the Capitol and the White House. On the death of Senator McMillan in 1902 Mr. Moore went into private business in Detroit, where he continued for 16 years, until 1918. When the Commission of Fine Arts was created, in 1910, he was appointed by President Taft a member of the commission and was reappointed twice by President Wilson. He was in Detroit, and declares that he had no knowledge that Congress contemplated establishing the Commission of Fine Arts until he read of his appointment in the newspapers. Mr. Burnham was the original chairman of the commission. On his death in 1912 he was succeeded by Daniel Chester French, sculptor, and on the resignation of Mr. French the commission elected Mr. Moore their chairman, in which position he has been continued. Congress did not give to the owners of the Union Station "in money and land $8,000,000 to help build a $2,000,000 or $3,000,000 station," as stated. Congress did give to each of the two railroads $1,500,000 toward building the tunnel under Capitol Hill and the relocation of their terminals, which terminals cost the railroads in the neighborhood of $14,000,000, as was stated at that time.

CONCERNING THE LINCOLN STATUE.

The Commission of Fine Arts was asked as to whether the Lincoln statue, if taken down, might be relocated at Fort Stevens, and the commission replied that in their judgment the statue might be so relocated. The Commission of Fine Arts did not, either directly or indirectly, advise taking down the statue.

In conclusion it is again respectfully suggested that the Commission of Fine Arts has no authority except simply to give advice when its advice is asked for by an officer of the Government or by a committee of Congress. If, therefore, the commission has become as powerful as some gentlemen say that it has its power has been obtained solely because its advice has been followed by the executive officers and by Congress. If the advice has been followed in the majority of cases, the advice must be considered good.

Mr. BECK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman has a right to be recognized in opposition to the amendment.

Mr. JOHNSON of Kentucky. Mr. Chairman, I desire at the proper time to offer an amendment to reduce still further the amount in the bill.

The CHAIRMAN. The Chair will recognize the gentleman from Kentucky.

Mr. JOHNSON of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Chairman, the gentleman from Wisconsin [Mr. COOPER] has undertaken to go into the history of the Fine Arts Commission by referring to the Union Station and to some other projects in Washington. The act creating the Fine Arts Commission was passed in 1910. At the same time there was an act passed creating the Plaza, or establishing a park between the Capitol and the Union Station. Because these two things came about the same time, the history of one meshed with the other, and I hope I may be pardoned for following the suggestion made by the gentleman from Wisconsin in telling something of that history. At that time, 1910, it was stated that this Mr. Burnham, who has been so praised by the gentleman from Wisconsin [Mr. COOPER] was in the employ of the Baltimore & Ohio Railroad, and that when Senator McMillan and some others went upon junketing trips to Europe for the purpose of viewing parks there, this same Mr. Burnham followed them as far as London and urged them to recommend the establishment of the Plaza between the Union Station and the Capitol, it being currently stated at that time that he was in the employ of the Baltimore & Ohio Railroad. Therefore we see the beginning and growth of the Fine Arts Commission. We see Mr. Burnham, representing the Baltimore & Ohio Railroad, suggesting the park. Next we see Mr. Moore, now the principal man in the Fine Arts Commission, former secretary to Senator McMillan, urging it. When Senator McMillan retired from Congress Mr. Moore remained here without a job. He became interested in parks and everything that pertained to their purchase and sale, and he finally became the man who suggested the creation of the Commission of Fine Arts and became its principal member. The plan was deliberately started back in 1901 or 1902;, the Fine Arts Commission was conceived, but kept behind the scenery until 1910, when the occasion was ripe for it, and then it was created.

Mr. COOPER of Wisconsin. Will the gentleman permit a question?

Mr. JOHNSON of Kentucky. I will be more generous than the gentleman was. I will yield.

Mr. COOPER of Wisconsin. What does the gentleman mean by "kept behind the scenery from 1901 until 1910"?

Mr. JOHNSON of Kentucky. They did not let anybody know that finally they intended to create this Fine Arts Commission, and grab the parks and streets and everything else in Washington and put them under their control. That is what it meant. Gentlemen were talking about buildings only a few moments ago. Do you know that you can not build a street in the District of Columbia or a suburban road without consulting the Fine Arts Commission or without their butting in?

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. JOHNSON of Kentucky. Yes.

Mr. COOPER of Wisconsin. The gentleman says they kept it out of sight. Here is their voluminous report, filled with pictures.

Mr. JOHNSON of Kentucky. You are talking about the McMillan report of 1902?

Mr. COOPER of Wisconsin. Yes; the improvements of the park system of the District of Columbia—a voluminous report open to the world.

Mr. JOHNSON of Kentucky. Yes; but that was Senator McMillan's. He has gone; but here is his successor, who was then his secretary, and he and Burnham, an employee of the Baltimore & Ohio Railroad, planned the very thing with the pictures in it that you are now exhibiting to this House.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman permit another question?

Mr. JOHNSON of Kentucky. I hope the gentleman will permit me to continue, because he had 35 minutes and I have only 10. When the Baltimore & Ohio station was changed from

down on Pennsylvania Avenue to its present location, Congress gave the owners of the Union Station in money and in land $8,000,000 to help build a $2,000,000 or $3,000,000 station.

When the Baltimore & Ohio Railroad Co. came in and asked that a million and a half dollars be given them as a present, to help complete it, the other railroad partner came in and asked for a million and a half dollars, because the Baltimore & Ohio Railroad had been given a million and a half. The two railroads were given in land about $5,000,000, and in money $3,000,000. When the last railroad company came and asked for the last million and a half dollars the gentleman from Illinois [Mr. CANNON] was then more prominent on the floor than now, because he was more active, and the question was asked of him: "Do you think the railroad will take that million dollars and a half?" His answer was, "Do you think a duck would swim?" [Laughter.]

This was their scheme. Mr. Burnham and Mr. Moore wanted all the railroad property between the Union Station and the Capitol taken as a park. They urged it. The Baltimore & Ohio Railroad, through its counsel, in a communication addressed to Mr. Tawney, then chairman of the Committee on Appropriations, said they would take original cost plus 6 per cent interest for their holdings between Union Station and the Capitol. But when the condemnation jury came along and awarded damages, they gave the Baltimore & Ohio Co. $565,000 more than they asked for their property. There came in the work of Mr. Moore and Mr. Burnham, who has just been praised so much by the gentleman from Wisconsin.

But there is another thing in this: We have the Botanical Garden down here near the Capitol, and these same men have made up their minds to destroy that. The Botanical Garden was placed convenient to the Capitol so that Members might easily get flowers and shrubs for their constituents. These same men have devised a scheme to buy Mount Hamilton, out yonder in the country, consisting of several hundred acres, and to get rid of the Botanical Gardens.

And in order to get rid of it they have placed the statues of Gen. Grant and Gen. Meade behind the magnificent trees down there in order that they may drive the garden out of existence and sell Mount Hamilton to the Government. They want several hundred acres, and during the last Congress Mr. Moore had a hearing before the Committee on the Library, of which I was then a member, and it was actually urged that this tract of land ought to be bought at the enormous price asked for it because it was poor enough to grow huckleberries. Now, that is not an exaggeration, not even a pious exaggeration; it is the actual truth. They wanted it also to grow trees and even agricultural products in duplication of the Agricultural Department. They made up their minds to destroy this Botanical Garden in order to have the Government buy the other tract at a heavy and unnecessary cost.

Mr. Moore is still endeavoring to force that purchase on Congress. The gentleman from Wisconsin has been praising some of the alleged art that has been stuck up here in Washington. You have all seen the equestrian statue of Sheridan at Sheridan Circle. I recall well that one day when the gentleman from Wisconsin was sitting just a little farther to the left than he is now, we spoke of that equestrian statue, and he said that the horse reminded him of a horse with an acute case of bots. [Laughter.] That is a piece of architecture that these men have been responsible for, and yet here comes the gentleman from Wisconsin and says they should be continued to do as they please on public matters here.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. WOOD of Indiana. Mr. Chairman, I desire to say something in regard to this proposition. I wish to say to the committee that in whatever I said in presenting this bill the other day, and whatever interrogatories I propounded to Mr. Moore were not prompted by any personal feeling against him whatever. I never met Mr. Moore but twice or three times in my life. But it was prompted by reason of the fact that we found evidence of fraud in this proposition, and if I can not convince you of it these recommendations should be set aside. I meant no attack and intended no attack on this commission as such. All the other men save Mr. Moore connected with the commission, I presume, are fine gentlemen. I know nothing to the contrary, and they are entitled to the benefit of that presumption. I do know that Mr. Moore has been practicing fraud on this Government, and I do not ask you to accept my assertion, for assertions are easily made. But I do ask you to accept the facts. In the first place, he gained the position he is now occupying, and performing little if any duty, for the purpose of carrying out his design so strongly intimated by the gentleman from Kentucky at the head of the fine arts institution. He has been around Washington from the time he ceased to be secretary to Mr. McMillan down to the hour he was appointed to this Fine Arts Commission, a creature of his own forming. He saw fit to charge his expenses to the Fine Arts Commission when he came down here to take the place that had been accorded him in the Library in order that he might have a place at the expense of the Government that might help him in the promulgation of this scheme he has been pestering Congress and everybody else with, although he does not spend one-tenth of the time in doing the duties that he is supposed to discharge in the Library position to which he was appointed.

I have before me concrete evidence from a gentleman who knows how the whole thing was brought about. Another is doing the duty and he is drawing the salary. He has violated every portion of the law creating this commission, of which he is the father. He has violated that law which says that the expense of employees of the Government shall not be more than $5, with an account rendered, in each individual trip that he has made over this country. He has gone galivanting over the country from one end to the other at the expense of this Fine Arts Commission. He has put in vouchers without certification time and without number, never one with a certification, and never has explained any of the items therein except to say that they were for personal expenses and official business. The question that we have before us is not the arraignment of this commission, not the arraignment, if you please, of the other members of this commission, but we would have been derelict in our duty had we not brought to your attention the peculations and the fraud committed by this man. If there is anyone who dare defend him, I would like to furnish him with the facts before any investigating committee. This man Moore spent some $289 in going to California, and the only excuse he gave was to look at the floor of the valley of the Yosemite that the God Almighty put there, and which he should never be permitted to desecrate.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. If the gentleman will be as generous with me as I was with him in regard to time, I shall yield.

Mr. COOPER of Wisconsin. The gentleman can have another three hours, so far as I am concerned, if he wishes. The gentleman says that Mr. Moore said the only thing he had to do was to look at the floor of the valley. Then, in the hearings the gentleman from Indiana is quoted as saying that that is a natural monument and that Mr. Moore had nothing to do with that; that it was designed by God Almighty long before he was permitted to see it.

Mr. WOOD of Indiana. Oh, if the gentleman wants to ask a question, let him ask it. I do not propose to have him read those hearings in my time.

Mr. COOPER of Wisconsin. Did not Mr. Moore say there was something else that he went to look at besides the floor of the valley?

Mr. WOOD of Indiana. Yes; and at the trees.

Mr. COOPER of Wisconsin. He told the gentleman that he went out there to see about the bridges and also about the location of hotels, and he went on and told in detail why he went there, because the Government did not want that park desecrated.

Mr. WOOD of Indiana. Why, this man did not even want a hotel built in one of these parks without the consent and the assent of the Fine Arts Commission.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. The point before us at this time is whether the amendment of the gentleman from Wisconsin [Mr. COOPER] should be adopted, which is to increase this appropriation from $6,000 to $10,000. We are opposing it for the reason that we know from the investigation that we have made that if this business is conducted as it is intended to be conducted, within the law, it can be conducted easily at $6,000 a year. We are attempting not only to save a little bit of money but we call to the attention of this committee an imposition which has been practiced on Congress for a great many years, and so far as I am concerned I do not propose that Congress shall be imposed upon again except with its consent, after full knowledge.

Mr. Moore has violated the law in this respect. The law provides that no clerks or no one occupying an official position shall be given an increased salary except by reason of a promotion to increased duties. Originally Congress created a secre-

tary. The secretary is Col. Sherrill now, and the man who occupies this position is always the man who has charge of public buildings and grounds. However, he is simply a nominal secretary, and the real secretary is the man they selected. They started that official originally at $1,200 a year and kept raising his salary without his official duties having increased until it is now $2,500 a year. This is a man named Cammerer. I suppose he prepared this statement that the gentleman from Wisconsin has read, because he attempted to come down here and defend everybody before the committee. The language is such that I know Mr. Cammerer prepared the statement read by the gentleman from Wisconsin [Mr. COOPER]. Not content with violating the law in going himself at the expense of the Government all over the country to attend these so-called meetings, Mr. Moore has taken this man Cammerer with him, paying his expenses, violating the law with reference to allowances. They are not content to ride on an ordinary passenger train. They take the Congressional Limited and pay $3.80 additional fare back and forth. They stop at the best hotels and stay as long as they please. The fact of the business is that this man Moore has given a great portion of his time to this institution, according to his own testimony, and yet is being paid $3,000 a year for his full time over here at the Congressional Library. If you gentlemen want to subscribe to that sort of business you may do it. I want to see somebody at the head of this institution that is honest with the Government and with himself. We have plenty of such people in this country.

I have no fight to make against any of these illustrious gentlemen whom the gentleman from Wisconsin took all of his time in extolling, but I do bring to you the knowledge that we have with reference to the man against whom we have made these charges. I have before me the photostatic copies of every item of expense drawn for the last three years, and in every one he has violated the law.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. COOPER of Wisconsin. The gentleman said a moment ago that Mr. Moore, in reply to his question as to why he went to California, said he went there to look at the floor of the valley, and the gentleman from Indiana told him, and repeated it in his speech the other day, that God Almighty had put the floor there and that Mr. Moore had nothing to do with it. Will the gentleman permit me to read——

Mr. WOOD of Indiana. No; I will not.

Mr. COOPER of Wisconsin. I want to say——

Mr. WOOD of Indiana. I refuse to yield.

Mr. COOPER of Wisconsin. The gentleman misstated the testimony and I repeat it. The gentleman from Indiana misstated the testimony. These men listening to the gentleman have the right to know the facts. I have the record right here and propose to show that the gentleman from Indiana is misstating the facts. I do now challenge him to answer it. I say that it is a deliberate misstatement.

The CHAIRMAN. The gentleman from Wisconsin is out of order.

Mr. WOOD of Indiana. I wish to compliment the gentleman upon the splendid defense that he is making in behalf of his client.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GRAHAM of Illinois. As I have listened to the gentleman I am wondering what this item is in here at all for. Why give them anything?

Mr. WOOD of Indiana. Well, because there is some reason for this commission, and the purpose of your committee in reducing this is because of the fact if the limitation put on is adopted, and I trust it will be, and these gentlemen conduct their business for which they were created under the law, as they should conduct it, $6,000 is sufficient. But we felt it our duty to bring before this body the facts in the case, so that this petty graft could not go on any longer. Now, we had before us the assistant secretary. If any of you gentlemen would talk to him for 10 minutes, you would be well convinced of the fact that instead of $2,500, $1,800 would be a more fitting compensation for him.

Mr. JONES of Texas. Will the gentleman advise what is the real purpose of this commission? What real good does it do?

Mr. WOOD of Indiana. It is too long a question for me to discuss. There are all sorts and grades of opinion as to whether or not it is worth while, and, if not, there should be some affirmative action taken to abolish it. We have done enough, we think, when we have brought you the facts of the performance of this gentleman. And he is the commission. I know, and I am sure of my position, that he is responsible for every executive order that has been issued.

Mr. MONTAGUE. Who makes the appointments of these officers?

Mr. WOOD of Indiana. The President. I can not believe that President Taft or President Wilson or President Harding have ever had brought to their attention the manner in which business is conducted by this man. It is unbelievable that if all of these facts had been brought to their attention that they would have permitted him to remain long in office.

I want to say to you that whoever is responsible for getting this man in the Library and paying him $3,000 a year for services he does not render, has violated the law, and somebody is responsible for the vouchers he is signing over there.

Mr. KINCHELOE. Do the hearings disclose the fact that this man might be in Detroit or in Los Angeles, and call a meeting in New York, and that they can collect railway fare there?

Mr. WOOD of Indiana. Yes; and we put a provision in this bill for the purpose of calling attention to the law; that the only expense they can charge is going to and from meetings here. He says that he went from Detroit to New York to attend meetings that could not be authorized under this law, and he charged his expense up to the Government. And you will scarcely find a bill or voucher in all of this photostatic array in which he has not charged all the way from $2 to $10 taxi hire. When asked about that, he said that instead of one fare, it had been used for the commission, when the law says that each man shall certify his own account. So, gentlemen, we think we are entitled rather to the praise of this body than its criticism. It is small, I admit. But this practice may be going on in other departments, and, if so, this will act as a warning.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered.

Mr. KING. I rise to oppose the amendment offered by the gentleman from Wisconsin [Mr. COOPER], and would like to be heard briefly.

I had not sought to make any statement with reference to this matter whatever, but on account of my good and artistic friend, the gentleman from Wisconsin, whom I like very well, falling into such egregious error, I think I ought to acquaint the Members with some of the facts in the case. I charge, in addition to the charges made by the gentleman from Indiana [Mr. WOOD], Charles Moore with desecrating the monument of Abraham Lincoln, that the people of Washington erected with their own money. The gentleman from Wisconsin says that I am a crank upon that subject. I am not. I am not going to talk at length upon that subject now. Charles Moore is the man who laid the plan for demolishing it. Just as Macbeth laid the plan for the murder of Banquo, so Moore schemed for the destruction of the monument. Now, all of a sudden, in the committee room of the committee reporting this bill, and here to-day on the floor of this House, this statue of Abraham Lincoln rises before him like Banquo's ghost, and he can not say "Shake not thy gory locks at me." Mr. Moore attempts to lay the blame of the act on Congress. That is his style of propaganda. It was his method of defense. He laid it to Congress. Poor old Congress! It must stand for everything. In support of this the gentleman from Wisconsin attempts to read a section of a bill that was passed in this House, but which was passed, as a matter of fact, when there were only 50 persons present, and the gentleman who prepared that bill struck out the word "Lincoln," so that no one had an idea it was Lincoln's statue. The bill simply referred to the removal of "the statue." If it had said "Lincoln statue" it would never have passed the House.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. KING. Not until I have concluded.

The fact of the matter is, there is no reason in the world why the Fine Arts Commission should not be abolished. It has long since been sailing under false colors and has done many things under false pretenses.

The commission the gentleman spoke of here was the Parks commission. That was operating in 1901 or 1902, and it was not until 1910 that Mr. Charles Moore put forward this scheme of a Fine Arts Commission in the city of Washington, that would furnish him a living for some 20 years. He had been secretary of the District of Columbia Committee. Where did he ever study art? What entablatures of ancient Greece did he ever study? Did he ever go to Greece or Rome, except on one occasion?

This commission is engaged in a campaign to remove all the statues here in Washington. The Du Pont statue was taken down. This gentleman is a lover of the nude. The memorial in place of it consists, as you all know, of a fine marble fountain,

with two naked figures, one upon one side and one upon the other; one is a female figure and the other is a male figure. They tell me, the police force tells me, that they have to keep a squad there at night to keep that male figure from coming to life. [Laughter.] I invite Members of Congress to make a little investigation down there.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KING. Mr. Chairman, may I have five minutes more?

Mr. BYRNS of Tennessee. I ask unanimous consent, Mr. Chairman, that the gentleman from Illinois may proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield for one question?

Mr. KING. Yes, sir.

Mr. BYRNS of Tennessee. The gentleman from Wisconsin [Mr. COOPER] awhile ago said this Fine Arts Commission had saved to the District of Columbia and the city of Washington a great deal of money. Referring to the Dupont statue alone, I wish to call the attention of the gentleman to the fact that as a consequence of the action taken with respect to that Dupont statue they have saddled on the District of Columbia an expense of $2,500 a year for all time.

Mr. KING. Yes. The next thing they took down was the Lincoln statue. And who was the iconoclast? Charles Moore. The next one that will come down is the statue of Admiral Farragut, made out of the propeller of his flagship in the Washington Navy Yard—an object of instruction and edification to everybody in Washington. But Admiral Farragut will come down next if Mr. Moore is permitted to go on with his plans. He has persistently conducted a slanderous movement against the Lincoln monument for the last four or five or six years, and finally was successful in his effort. The fact that Congress passed the provision to remove it is not to be blamed on Congress, but upon Mr. Moore. As I pointed out a moment ago, the name "Lincoln" was not used in the provision.

Where did he study art and architecture? How did he become an artist? How did he rise from the position of a mere committee clerk of the Committee on the District of Columbia to that high eminence that he now claims among the great artists of the world? The only thing that I can find in evidence is that, besides attending, perhaps, a night school, where he heard some lectures on art, he was on that commission that went to Europe under the name of a "park commission," back in 1901, and prepared and kept their vouchers for them. I wish you would examine some of the expenditures as set down in that report. Talk about the little junkets that some of the Members of this Congress have taken! In order to go from Paris down to Rome it cost that party from $1,400 to $1,600, just that one trip.

Mr. JONES of Texas. It must have been an artistic trip.

Mr. KING. It was an artistic trip. They passed through a very elegant part of France.

Mr. WINGO. Has the gentleman ever taken that trip?

Mr. KING. No; but I think the gentleman from Arkansas [Mr. WINGO] has taken that trip. They seem to believe in fountains; fountains instead of statues is their demand. They traveled all the way from Paris to Rome, but they never determined to build fountains instead of statues in Washington until they saw that beautiful fountain in Brussels known as the Manikin.

Mr. WINGO. Mr. Chairman, will the gentleman yield there for a question?

Mr. KING. Yes.

Mr. WINGO. I know the gentleman wants to be fair about the artistic achievements of Mr. Moore, and he will concede that that gentleman designs beautiful comfort stations. [Laughter.]

Mr. KING. Yes. That was mentioned on the floor of the House the other day. That, of course, is a useful matter.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield there for a question?

Mr. KING. Yes.

Mr. COOPER of Wisconsin. That remark elicited applause and laughter the other day. I do not suppose that the gentleman knows that the testimony shows that the Fine Arts Commission knew nothing whatever about the location of that station that we referred to. They had nothing to do with it, and they knew nothing about it.

Mr. KING. No; the gentleman is mistaken. They were down there and drew the specifications for it, no doubt. But they were better qualified to attend to those matters than anyone that I know of.

Mr. WINGO. I can assure the gentleman from Wisconsin that if such stations were erected without their approval they would not stand very long; they would have to come down.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes; and then I want to ask the gentleman from Wisconsin a question.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Nebraska is recognized.

Mr. ANDREWS of Nebraska. Mr. Chairman, I want to call attention to one point made by the gentleman from Indiana [Mr. WOOD], namely, the drawing of a large amount of money by Mr. Moore from the appropriation set apart for the Library of Congress while absent from duties in the Library. There is a way to reach that point and test it thoroughly and call for a refund of excess drafts upon that fund. The Librarian of Congress, if he should see fit to proceed in proper order, can ask the Comptroller General to reopen the accounts relating to these payments through the disbursing officer for the Library of Congress. Then they can check up, from the time reports which ought to have been kept, the amount of time that Mr. Moore was absent from his duties. If he was absent for six months in any one year he can be called upon for a refund of the excessive salary drawn. He is allowed under the law 30 days of annual leave with pay; 30 days of extension for sick leave, in case the sick leave is granted, 60 days being the maximum for which any person in the Government service can draw pay while absent from duty. Now, let the accounts be reopened. Let them demand a showing from the time reports by the Librarian of Congress in regard to this matter, and then let the Comptroller General reopen those accounts, charge back to Mr. Moore all excess payments, and demand of him a return of that money to the Treasury of the United States. [Applause and cries of "Vote!"]

Mr. MANN rose.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last two words.

Mr. MANN. Mr. Chairman, the Fine Arts Commission was created by an act of Congress passed in 1910. I think that any gentleman here who served in Congress prior to that time, who had had any experience at all with matters either legislative or administrative relating to art, appreciated the desirability if not the necessity of establishing a commission of this character. The first design was simply for a commission to pass upon questions relating to statues or other public matters of that character, but the commission as constituted in the first place was so efficient that the President almost at once issued an order directing public officers to consult with the commission in reference to the construction of buildings and other public enterprises. That direction, which was originally issued by President Taft, was followed by President Wilson and, I think, by President Harding, and it has saved the Government from a great many execrable buildings. Homely, useless attempts at adornment would have been put up in many places by the Government except for the advice of this commission.

The gentleman from Kentucky [Mr. JOHNSON] a while ago alluded to Daniel H. Burnham, one of the original members of the commission, as "an employee of the Baltimore & Ohio Railroad." Daniel H. Burnham constructed the World's Fair at Chicago, the handsomest exhibition that has ever been given in the history of the world. [Applause.] He was the head of the largest firm of architects in Chicago and one of the largest in the United States. He was never an employee of the Baltimore & Ohio Railroad. [Applause.] He was a man of wide discernment and great artistic temperament.

The appropriation for the Fine Arts Commission has always been $10,000. I have frequently wondered how in the world they were able to accomplish the great good they did for the small amount of money allowed them. There is no appropriation made by Congress which is better used in its total results than the appropriation for the Fine Arts Commission. [Applause.] I, for one, wish we had had a fine arts commission to pass upon the statues over here in Statuary Hall—homely——

Mr. BUTLER. Lonesome.

Mr. MANN. I can not describe adequately and it is beyond the power of words to describe the enormity of many of the statues in that Hall, while if they had been submitted to a fine arts commission there would have been sent here handsome, beautiful statues, of which everybody could be proud. I do not want to see the Government trying to build homely things when you can get handsome things at no greater expense, and

one of the greatest mistakes the Government can make is to strike down the Fine Arts Commission. [Applause.]

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out "$6,000."

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: On page 9, line 8, strike out "$6,000."

Mr. JOHNSON of Kentucky. Mr. Chairman, I do not know that I can add anything to what has been said. The substance of it is that this fund is being misappropriated, and it occurs to me that if this appropriation is disallowed altogether for one year the rest of the commission and Congress will wake up to the fact that money has been misappropriated and cause one above suspicion to be put in his place, one who will not draw a salary in the Congressional Library while giving his attention the greater part of the time toward selling somebody's private property to the District of Columbia or to the United States Government. Strike this item out for one year and then let it be revived in other hands and no man will come quicker to its support than I will. The gentleman from Illinois [Mr. MANN] said a few moments ago that Mr. Burnham was not an employee of the Baltimore & Ohio Railroad. I accept his statement as correct, but at the same time I suspect that he was the servant of the Baltimore & Ohio Railroad in some capacity. If he was not, then he was the servant of somebody else who had land to sell for the purpose of making parks at an exorbitant figure, because in 1910 it was undisputed that he followed the McMillan Commission to the city of London and there proposed the plan which afterwards was written into a report.

Mr. SPROUL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SPROUL. Burnham & Co. were the architects for the Union Station here in Washington, and I figured on the plans.

Mr. JOHNSON of Kentucky. What?

Mr. SPROUL. They say he was not an employee of the Baltimore & Ohio. He was the architect of the Union Depot here—bearing out the gentleman's statement.

Mr. JOHNSON of Kentucky. I was willing to accept the statement of the gentleman from Illinois that he was not their employee, but I am also willing to accept the gentleman's statement, because I have had no positive testimony. I was speaking from current rumor. I am glad the gentleman can remove the statement from rumor to one of fact; that he was an employee of the railroad.

Mr. COOPER of Wisconsin. Mr. Chairman, just one word on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON], to which I am opposed. An attempt was made by the gentleman from Indiana [Mr. WOOD] to belittle the work of the Fine Arts Commission, and if the gentleman from Kentucky [Mr. JOHNSON] believed all these charges about the commission and about Mr. Moore, that fact would perhaps justify him in offering his amendment to strike out this amount. In this attempt to belittle Mr. Moore the gentleman from Indiana [Mr. WOOD] said that he asked Mr. Moore why he went out to the Yosemite Valley, and that Mr. Moore replied that he went out to look at the floor of the valley. The gentleman from Indiana said the same thing in his speech here on last Thursday, and it elicited much laughter at Mr. Moore's expense. The gentleman from Indiana ridiculed what he said was Moore's answer. But what did Mr. Moore really say? What reason did he give for going to the Yosemite Valley? I will read from the hearings:

Mr. WOOD. That is a natural monument and Mr. Moore has had nothing to do with that design; God designed it long before he was ever dreamed of.

Mr. MOORE. The only thing I had to do with it was to keep men from spoiling it.

Mr. WOOD. I do not think you contributed anything to that.

Mr. MOORE. Well, a good deal.

Mr. WOOD. What did you contribute to it?

Mr. MOORE. I looked after the plans for the floor of the valley and the location of the hotels.

Mr. WOOD. The floor of the valley?

Mr. MOORE. Yes.

Mr. WOOD. That floor was there when you went and the same floor is there yet.

Mr. MOORE. But they are locating roads all over it and the new hotel was located there, and from the very beginning we have been consulted about the location of buildings, and the plans for bridges, and everything else for the national parks.

Now, neither to-day nor in his speech on Thursday last did the gentleman from Indiana [Mr. WOOD] make even the slightest reference to plans for bridges, location of roads, and location of buildings in the Yosemite Valley, all of which were specifically mentioned by Mr. Moore. The gentleman from Indiana simply quoted a small part of an answer, and, omitting the rest of it, proceeded to hold up Mr. Moore to ridicule. He gave the House to understand that Mr. Moore said that he went out merely to look at the floor of the valley, although, as a matter of fact, that gentleman gave a very rational explanation for his visit to Yosemite. Not only that, but this report of the hearings shows that Stephen T. Mather, head of the park commission, asked that somebody go to the Yosemite and investigate and report what was being done in the valley. Our great national parks should not be desecrated. Human greed could and will, unless constantly watched, do a thousand things to destroy their sublimity. This commission does not wish, you do not wish, your constituents do not wish any defilement, any lessening of the grandeur of these wonder places.

Now, the gentleman from Illinois [Mr. KING] forgot one or two things he should have remembered. Is it possible that the gentleman from Illinois does not know of this testimony that James W. Good, chairman in the last House of the Committee on Appropriations, put that provision in the appropriation bill for moving the statue, and that he did not do it at the request of Mr. Moore, but at the request of Elliott Woods, Superintendent of this Capitol; not only the Superintendent of this Capitol but the man who was by act of Congress vested with the sole jurisdiction over the remodeling and rebuilding of the old courthouse in Judiciary Square.

Mr. KING. The gentleman from Wisconsin is asking me a question, I believe.

Mr. COOPER of Wisconsin. No; it was a sort of hypothetical question. I said, "Is it possible." [Laughter.] Because I know that the gentleman knows it well, but he handily forgets when he sees an opportunity to attack this commission.

And gentlemen should know that all of the real estate speculators in this town are not among the speculators which my distinguished friend from Kentucky had in mind when he was so vociferously denouncing the commission and Mr. Moore. They should know, too, that when the Fine Arts Commission interfered with the land speculators and lobbyists who wanted to build a road from the end of Sixteenth Street to Gettysburg lined with road houses and filled with carousing night riders in automobiles as a memorial to Abraham Lincoln they made many enemies who have been fighting the commission ever since.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent to address the committee for two minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to address the committee for two minutes. Is there objection?

There was no objection.

Mr. LANGLEY. Mr. Chairman, the gentleman from Wisconsin made the statement that the gentleman from Illinois forgot to mention something that he should have said or intended to say. That is a very common habit among public men. I have known the gentleman from Wisconsin, who is one of the great men of Congress, to say some things he ought not to have said and to forget to say some things he intended to say. [Laughter.] He was so busy a while ago reading a dissertation, which I think was prepared by the president of the Fine Arts Commission, that he would not yield to me for a question although he had 20 minutes and I asked him to yield to me twice. I think he sought to leave with the committee the impression that the Fine Arts Commission was responsible for transferring the depot from Sixth and B Streets over to where it is now. It is the first time that I ever heard anybody claim that the Fine Arts Commission was entitled to the credit for that except the chairman of the Fine Arts Commission, who is really the whole commission. Congress did it, and did it for the purpose of consolidating the stations and building the magnificent building which we now have, and the Fine Arts Commission does not deserve the credit the gentleman from Wisconsin seeks to give it.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. LANGLEY. No; the gentleman would not yield to me although I sought twice to interrupt him with a modest question, and he had 20 minutes and I have only 2, and I can not yield to him. I am a human being, and I do unto others as others do unto me. [Laughter.] I do wish to say to the gentleman from Wisconsin that I agree with him that the great national parks ought not to be destroyed or desecrated, but I think, also, that we ought not to select a site for the Botanic Garden, a great Government institution on a hillside—Mount Hamilton—covered with rocks and barren soil, which, as the gentleman from Indiana [Mr. WOOD] said the other day, is fit only for the habitation of gophers and groundhogs, which will enrich a local real-estate syndicate, costing the Government hundreds of thousands of dollars, when we have enough Government-owned land, beautifully located, on which to build five as fine botanic gardens as there are in the world. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

Mr. JOHNSON of Kentucky. Mr. Chairman, is not my amendment first in order? If my amendment is adopted, that disposes of the other. The gentleman from Wisconsin moves to strike out "$10,000" and insert "$6,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

Mr. MANN. Did not the gentleman from Kentucky move to amend the amendment?

The CHAIRMAN. The amendment by the gentleman from Kentucky was to strike out $10,000.

Mr. JOHNSON of Kentucky. My amendment was to strike out $10,000 out of the amendment of the gentleman from Wisconsin.

The CHAIRMAN. The gentleman did not make it in that way. The question is on the amendment of the gentleman from Wisconsin, which the Clerk will report.

The Clerk read as follows:

Page 9, line 8, strike out "$6,000" and insert "$10,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and on a division (demanded by Mr. COOPER of Wisconsin) there were—ayes 44, noes 52.

So the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The question was taken and the amendment was rejected.

Mr. MANN. Mr. Chairman, I move to amend by striking out the last proviso.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN: Page 9, line 11, after the semicolon, strike out "*Provided further*, That no part of this sum shall be expended for traveling expenses other than those incurred by members of the commission for actual travel only in going to and returning from Washington to attend the meetings of the commission."

Mr. MANN. Mr. Chairman, I have no desire to defend the payment of any traveling allowances which ought not to have been allowed. There may have been some in this instance. We find that all through the Government. This Fine Arts Commission necessarily at times, either the commission itself or one of its members, must go to some point other than the city of Washington. Members of the Fine Arts Commission serve without pay. They are distinguished men, men who have earned their reputation by their actual works. I do not know how it will seem to the rest of you, but it seems to me that it will be mighty small for the Government of the United States to ask a great architect or a great painter or a great sculptor to go from New York to Philadelphia to serve the public without at least paying his traveling expenses. The rest of you may think it is a mighty fine thing for a great Government to do that, but I would not permit a man to do that for me personally, without at least offering to pay his expenses.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. LANGLEY. I want to suggest to him that these gentlemen do not have to serve in this capacity unless they wish to do so.

Mr. MANN. And neither does the gentleman from Kentucky, but we pay him four times his traveling expenses to come to Washington.

Mr. LANGLEY. Inasmuch as the gentleman has made that statement, I insist on stating that my mileage allowance is $235, and that I have spent out of my own salary on official business going to Kentucky and back nearly $1,000 in the past year. The gentleman, therefore, is mistaken and puts me in a false position.

Mr. MANN. The gentleman ought to have stayed in Washington.

Mr. LANGLEY. Oh, he might have stayed here and harangued the House every day, as some gentlemen do, but he did not see fit to do it, because he thought the trips were more in the interest of his constituents than interfering with other people's business, with which the people often had no concern. [Laughter.]

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. GRAHAM of Illinois. Was this proviso ever carried in any of these appropriations before?

Mr. MANN. It never has been carried before. It is a new thing, and I do not say there ought not to be some kind of a proviso here. I think that Congress will write itself down as ineffably little if in creating and maintaining a great arts commission, composed of the greatest artists in the country, we say that we want them to do the work and go to these places, but that they will have to bear their own expenses unless they happen to come to Washington.

Mr. WOOD of Indiana. Mr. Chairman, evidently the gentleman from Illinois forgets his own participation in the creation of this board. The gentleman from Illinois evidently had some doubts about it at the time the thing was passed. I take it for granted that he was here, and that he must have known, because nothing ever escapes him. He must have been fully aware of the limitations placed in the law. We have embodied the substance of the law as this limitation in this bill, and I want to read it to the members of the committee. I am reading now from the organic act creating this Fine Arts Commission, which this man Moore forced on the Government:

Such commission shall have a secretary and such other assistants as the commission may authorize, and the members of the commission shall each be paid actual expenses in going to and returning from Washington to attend the meetings of said commission and while attending the same.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. CHINDBLOM. If that is the law, why amplify it? Why not stand on the law? Why put any legislation whatever in the bill in addition to that?

Mr. WOOD of Indiana. The purpose in putting it in is, first, that we may call it to the attention of the gentleman who is responsible for this law, and also call his attention to the fact that he has been violating it ever since the Fine Arts Commission was created; second, it is to call the attention of the general accounting officer to the fact, so that in the future he would better not pass these things, and that he can not claim that he did so in ignorance of the law. We have put into this bill a limitation that the gentleman from Illinois himself helped put in, or consented to have put in. I say it is high time for Members of this Congress, instead of defending these petty peculators and small grafters, to bring to their attention the law, and notify them that if they wish to violate it they will do so on their own responsibility.

Mr. BUTLER. How did such a bill of expense as that get by the auditor?

Mr. WOOD of Indiana. It got by because of some hocus-pocus arrangement, where every one of these vouchers was passed without certification, without authorization——

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. MANN. Is that by order of the President?

Mr. WOOD of Indiana. No; it was hot by order of the President.

Mr. MANN. How did they get by without it?

Mr. WOOD of Indiana. I do not know, unless by order of the Secretary.

Mr. MANN. Is it not by order of the President?

Mr. WOOD of Indiana. No; take every one of these vouchers, and we had them all before the committee, and the gentleman will see that there is written in typewriting across the bottom, on almost all of them, the words "to be paid without certification."

Mr. LANGLEY. Does it not occur to the gentleman that the overpowering and consuming love of art on the part of these gentlemen ought to make them willing to pay their own expenses?

Mr. WOOD of Indiana. Oh, I am willing to pay these men. I would ten times rather pay them a good salary than to have them practicing this kind of fraud on the Government, and then coming and asking us to condone it. I am putting into this bill the law, and if you gentlemen are opposed to it you can vote it down.

Mr. JONES of Texas. If I understand that proviso, it permits the payment for actual traveling expenses.

Mr. WOOD of Indiana. Certainly; that is all the law permits.

Mr. ANDREWS of Nebraska. By what disbursing officer were these vouchers paid?

Mr. WOOD of Indiana. They were paid by the officers of the Treasury. They can not get through now, because the attention of the general accounting officer has been called to the fact that this outrage has been perpetrated.

Mr. ANDREWS of Nebraska. These vouchers there went to the Auditor for the State and Other Departments, but they were paid ordinarily through some disbursing officer. Who was it?

Mr. WOOD of Indiana. I do not know.

Mr. ANDREWS of Nebraska. Do the vouchers show?

Mr. WOOD of Indiana. They show that they were paid without certification. Who did it I do not know, unless, as I have

said, by the secretary of the commission. The photostatic copy does not show. That is one of the peculiar features of each one of these vouchers. Each one shows on its face for personal or official service, without even suggesting the nature of it. We had the gentleman before us——

Mr. LANGLEY. What is the effect of that certification? Does that mean it has got to be paid?

Mr. WOOD of Indiana. To be paid without question. But the present accounting officer tells me there will be no more paid like that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MANN].

The question was taken, and the amendment was rejected.

Mr. WOOD of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 10, line 21, before the word "and," insert the figure "9."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WOOD of Indiana. Mr. Chairman, I offer an additional amendment.

The CHAIRMAN. The gentleman from Indiana offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 10, line 21, after the comma following the figure "11," insert the following: "accruing during the fiscal year 1923 or any prior fiscal years."

Mr. WOOD of Indiana. Mr. Chairman, the purpose of this amendment is to pay those items that have already been passed upon, but have not as yet been paid, or may be passed upon, or paid out of the appropriation.

Mr. WALSH. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. WALSH. How does this appropriation compare with what has been carried heretofore?

Mr. WOOD of Indiana. It is more. It is $300,000 below the estimates, but a little bit more than the appropriation of 1920.

Mr. WALSH. Is the work of this commission increasing?

Mr. WOOD of Indiana. Yes. That is the trouble with it. They wanted $300,000 more than we gave them, and the hearings disclosed a number of claims were filed in the last year. They are on the increase, and have been on the increase for a certain length of time.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

FEDERAL POWER COMMISSION.

Not exceeding $4,000 of the appropriation contained in the Federal water power act may be used for necessary printing and binding, and not exceeding $500 for law books, books of reference, and periodicals, during the fiscal year 1923.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word. Will the chairman of the committee please explain the necessity for this commission?

Mr. WOOD of Indiana. Well, this commission was created by a law passed by this Congress a short time ago creating the Federal Power Commission, and an appropriation is fixed by that act. They are employed in various activities, and seem to be working and doing some business.

Mr. DOWELL. What are the functions of this commission?

Mr. WOOD of Indiana. Well, the Federal Power Commission has to do with all of the water powers of this country. It has supervision not only of the streams that are supposed to be navigable but also supervision over the streams that lead into these navigable streams, and it also has power to grant water powers on these lateral streams. In other words, they have supervision of the water-producing capacity of the United States, so far as the water is concerned.

Mr. NEWTON of Minnesota. Will the gentleman yield there?

Mr. WOOD of Indiana. Yes.

Mr. NEWTON of Minnesota. The Federal Power Commission consists of the Secretary of War, its chairman, the Secretary of the Interior, the Secretary of Agriculture, and then there is a paid secretary of the commission, and then there is an Army engineer, who is assigned, a colonel, to furnish engineering experience for the commission. It does not meet regularly. For instance, on last Monday they had a hearing as to the granting and licensing of water power on the high dam on the upper Mississippi between St. Paul and Minneapolis. And the three Cabinet officers who are on the commission draw no compensation, but the secretary does; and the engineer is paid, as I understand it, from the Army appropriation.

Mr. DOWELL. This commission has for its function the approval of these contracts and leases?

Mr. NEWTON of Minnesota. Exactly. I might mention that there is pending before the commission application on the part of any number of cities for the development of water power.

Mr. DOWELL. Is this commissioner that is appointed aside from the Cabinet officers essential to the approval of these leases?

Mr. NEWTON of Minnesota. He is not a commissioner.

Mr. DOWELL. He is a $4,000 man?

Mr. MANN. This $4,000 does not relate to him.

Mr. DOWELL. There is a secretary that draws some salary. What does he draw?

Mr. WOOD of Indiana. Five thousand dollars a year.

Mr. DOWELL. It is more than this, then?

Mr. WOOD of Indiana. Yes. All the clerical force is drawn from the Interior Department and War Department and Agricultural Department. There is a force of 22 employees, and they have their offices in the Department of the Interior.

Mr. DOWELL. In this department?

Mr. WOOD of Indiana. Yes. And I think there are 10 from the War Department, and possibly 11 from the Agricultural Department, and 9 from the Department of the Interior.

Mr. DOWELL. My inquiry is to ascertain if this commission is really accomplishing any good, and if so, I have no objection to it.

Mr. NEWTON of Minnesota. I can assure the gentleman that it is still working.

Mr. BARBOUR. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Certainly.

Mr. BARBOUR. Out in California there are a great many conflicting claims for power sites, and this commission passed upon these claims, to determine which one is entitled to a site.

Mr. DOWELL. I withdraw my objection.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Nebraska moves to strike out the last two words.

Mr. ANDREWS of Nebraska. Mr. Chairman, I want to call attention to some indorsements upon these photostat copies of vouchers. They show the indorsements on the back of the vouchers of the Fine Arts Commission. Payments were made by a disbursing officer. The person having a bill of expense made it out and presented it to the disbursing clerk, and he paid it and vouchered it in his account to the Auditor for the State and Other Departments who had jurisdiction of that business at that time. Col. C. S. Ridley was the disbursing officer. It will be found on the back of each voucher, and it shows that through the accounts of the disbursing officer these matters would be reported.

Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEDERAL TRADE COMMISSION.

For five commissioners, at $10,000 each; secretary, $5,000; in all, $55,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the sum of "$55,000."

The CHAIRMAN. In the first paragraph?

Mr. BLANTON. In the one that the Clerk just finished reading.

The CHAIRMAN. The gentleman offers an amendment to the first paragraph?

Mr. BLANTON. Yes.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 11, line 3, strike out the figures "$55,000."

Mr. BLANTON. Mr. Chairman, I do this in order to call attention to the number of large salaries provided for in this bill. The paragraph just read provides for five commissioners of the Federal Trade Commission at $10,000 each per annum. On page 14 a paragraph provides for 11 commissioners of the Interstate Commerce Commission, at $12,000 each. On page 18, the first paragraph provides for 9 members of the Railroad Labor Board at $10,000 each.

May I ask the chairman of the subcommittee what salaries the members of the Tariff Commission will draw under this bill? It is not stipulated. There is just a lump-sum appropria-

tion of $300,000. May I ask what salaries the members of the Tariff Commission will draw under this bill?

Mr. WOOD of Indiana. Seven thousand five hundred dollars.

Mr. BLANTON. Seven thousand five hundred dollars each?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. There are five now, I believe?

Mr. WOOD of Indiana. I think there are five of them.

Mr. BLANTON. There are five?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. And they will draw $7,500, as heretofore? There is no change?

Mr. WOOD of Indiana. Yes. We did not increase anybody's salary.

Mr. BLANTON. Why was their salaries not stated instead of putting in a lump-sum appropriation of $300,000?

Mr. WOOD of Indiana. The only way we have of appropriating is by a lump-sum until there is a classification, although we might have reduced them to the statutory roll.

Mr. BLANTON. On page 27 are seven commissioners of the United States Shipping Board at $12,000 each. Then on page 29, the second paragraph provides that not more than 13 officers or employees, including 7 attorneys, of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be paid an annual salary or compensation in excess of $11,000. It places no limitation whatever upon the maximum amount.

Mr. WOOD of Indiana. Oh, yes.

Mr. BLANTON. That is, with respect to 13 of them. It says not more than 13 of them shall be paid a salary of more than $11,000, but with regard to 13 of them there is no maximum whatever fixed. Is that the case?

Mr. WOOD of Indiana. No.

Mr. BLANTON. Then they can continue to pay $35,000 a year each to two attorneys, as they have been doing up to this time?

Mr. WOOD of Indiana. No; there is no attorney drawing $35,000 a year.

Mr. BLANTON. The report filed heretofore shows that it was paying $35,000 per year each to two employees.

Mr. WOOD of Indiana. The report does not show any attorney drawing $35,000.

Mr. CHINDBLOM. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CHINDBLOM. We have not reached the Shipping Board. I suggest that the gentleman is not talking to the section of the bill that is pending.

Mr. BLANTON. I am talking about a saving of $55,000 by moving to strike out that sum. Under that, I am discussing these large salaries. Whenever you provide in a bill that 13 men can draw a salary unlimited, any one of them—under the large sums we are furnishing to these boards—any one of them could draw a salary of $55,000, the exact amount that I moved to strike out. Does not the chairman think we ought to put in a limitation? Because one report that I have in my files shows that until recently, at least, two employees of the United States Shipping Board were drawing salaries of $35,000 a year each, and it had seventy-odd high-priced attorneys employed. There were four drawing salaries, I believe, up to $25,000 a year. A number of them were drawing salaries of $10,000 and $15,000 a year. When is that going to stop? Why not stop it in this bill by some kind of a limitation?

The CHAIRMAN. The time of the gentleman from Texas has expired. Without objection, the pro forma amendment is withdrawn.

Mr. WHITE of Maine. Mr. Chairman, I move to strike out the last three words.

The CHAIRMAN. The gentleman from Maine moves to strike out the last three words.

Mr. WHITE of Maine. Mr. Chairman, I hope I may be permitted to proceed out of order very briefly.

In the Appendix to the CONGRESSIONAL RECORD, on page 8880, there was published a list of alleged slackers, and in that list was included the name of James W. Lawrence, of Eastport, Me. The paper record which justified the inclusion of the boy's name is as follows:

On June 5, 1917, the boy was registered with the local board for Washington County, Me. On December 19 of the same year he was mailed a questionnaire, which he failed to return. On March following—that is, March, 1918—because of his failure to return the questionnaire he was certified to the adjutant general of our State as delinquent. The adjutant general of the State issued a delinquent order to him, ordering him to report for military duty on April 16, 1918, and on his failure to report for such military duty he was certified to the department as a deserter. On this record the department was justified in including him in this slacker list. But unfortunately this record did not tell the whole story.

It appears also as a matter of record that on August 7, 1917, the boy submitted himself to physical examination and was found physically disqualified for military service. At that time he was in the advanced stages of tuberculosis—consumption. Shortly after, in December, 1917, the boy was sent to a sanitarium, and in March, 1918, he returned home in extremis, to die, and in the following May the boy did die of tuberculosis. That was within 30 days of the time he was ordered to report for military service.

There is nothing in the case to show that the boy, while he was at the sanitarium, or after his return, received any of these notices, and it clearly appears from affidavits furnished that even had he received them, he was physically incapable of making any response to them. Evidence of these facts has been submitted to The Adjutant General's office of the War Department, and the boy's name has been stricken from the list of slackers.

It seems to me altogether proper, in justice to the boy's memory and to the sensibilities of his parents and relatives, that as full publicity should now be given to these facts and to the removal of his name from the slacker list as to his original inclusion in such list.

Mr. ANDREWS of Nebraska. Mr. Chairman, I rise in opposition to the pro forma amendment.

A moment ago criticism was offered by the gentleman from Texas [Mr. BLANTON] in regard to salaries. His criticism assumed that the item in the first paragraph under the Federal Trade Commission, on page 11, was without limitation. The language stands as follows:

For five commissioners, at $10,000 each.

That shows that there can be no increase of the salaries of these commissioners beyond the figure indicated, and the $55,000 would not be subject to an abuse, as suggested in the remarks of the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

We ought to stop this camouflaging, and we ought to stop making these smoke screens. I moved to strike out the amount of $55,000 merely to get the floor to call attention to all of these various large salaries provided for in this bill. The gentleman from Nebraska [Mr. ANDREWS] is a sensible, highly intelligent man, and he knows that I did it for that reason.

Mr. MADDEN. These positions are all created by law.

Mr. BLANTON. I know, but I was calling attention to the fact that an economical Congress, with a sense of what we owe to the people, and our duty to retrench expenses, are still carrying these big salaries for these boards and commissions. I called attention to the various ones. Let me repeat them for the benefit of the gentleman from Nebraska.

On page 11 we provide for five commissioners at $10,000 each.

On page 14 we provide for 11 commissioners at $12,000 each.

On page 18 we provide for nine members of a board at $10,000 each.

On page 26 we provide for five members of the Tariff Commission at $7,500 each.

On page 27 we provide for seven commissioners at $12,000 each.

On page 29 we provide that with respect to the Shipping Board and the United States Emergency Fleet Corporation there shall be paid to not more than 13 officers and employees salaries of more than $11,000 each.

In other words, with respect to 13 of them we place no limitation, except that after 13 of them get all the salaries they want, then with regard to the balance of them they shall not be paid salaries of more than $11,000 each, and we leave it to their discretion. In other words, as to the balance of their employees, as long as the money lasts of these millions of dollars that we furnish to them, if they want to they can pay as much as $11,000 to each one of them.

Mr. WALSH. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Massachusetts.

Mr. WALSH. With reference to these various boards and commissions to which the gentleman referred, I presume that the gentleman recalls that under the rule of the House this Committee on Appropriations would have no jurisdiction to reduce those salaries.

Mr. BLANTON. The distinguished gentleman from Massachusetts is passing the buck. He does not usually indulge in camouflage, but I call the attention of this Congress——

Mr. WALSH. The gentleman is indulging in bunk, because he knows the Committee on Appropriations can not reduce salaries thus fixed.

Mr. BLANTON. This committee is not the only committee we have. We have legislative committees that can change the salary of every man who draws a salary under the provisions of this bill, and the gentleman knows it. If these legislative committees wanted to do that, what is to keep them from bringing in a proper bill here to change these salaries?

The trouble is they do not want to do it. They want the salaries to be drawn.

Mr. WALSH. Will the gentleman yield further?

Mr. BLANTON. I will.

Mr. WALSH. Has the gentleman introduced a bill reducing any of these salaries?

Mr. BLANTON. I have called attention to them every time they have been passed.

Mr. WALSH. The gentleman is always calling attention and attracting attention.

Mr. BLANTON. That is the only way on God's earth to change matters and benefit the people of the country, to call attention to these extravagances. I am going to continue to call attention to them as long as I am in Congress.

Mr. WALSH. The gentleman can call the spirits from the vasty deep. [Laughter.]

Mr. BLANTON. Sometimes you need them, sometimes they help out considerably. They might stop waste and effect economy. Mr. Chairman, I withdraw the pro forma amendment.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent to extend my remarks on the post office matter.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill, H. R. 9981, the independent offices appropriation bill and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 848. An act to amend section 22 of the interstate commerce act by permitting the issuance of interchangeable mileage tickets on railroads, and for other purposes.

The message also announced that the Senate had passed with amendments the bill H. R. 9724, the Treasury Department appropriation bill, in which the concurrence of the House of Representatives was requested.

TREASURY APPROPRIATION BILL.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9724) making appropriations for the Treasury Department, disagree to the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take from the Speaker's table the bill (H. R. 9724) making appropriation for the Treasury Department, disagree to the Senate amendments and ask for a conference. Is there objection?

There was no objection.

The Speaker appointed as conferees on the part of the House Mr. MADDEN, Mr. MAGEE, and Mr. BYRNS of Tennessee.

EXTENSION OF REMARKS.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the President's address to the agricultural conference this morning.

The SPEAKER. The gentleman from Idaho asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. SEARS. Mr. Speaker, I ask unanimous consent to extend and revise the remarks I have already made.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, I think, in view of the statement this morning on the bulletin as to the order of business, it might be well for the gentleman to inform Members what the order of business will be to-morrow.

Mr. WOOD of Indiana. I understand we are to proceed with the bill H. R. 9981, the independent offices appropriation bill.

Mr. MADDEN. I understood the leader of the House to say that the antilynching bill would be taken up to-morrow and next day.

Mr. GARRETT of Tennessee. When did the gentleman get that information?

Mr. MADDEN. This morning.

Mr. GARRETT of Tennessee. I do not want to assume authority to speak for the majority leader, but it is rather important to know. Does the gentleman from Indiana know that this bill is to be taken up to-morrow?

Mr. WOOD of Indiana. I took it for granted that it would.

Mr. GARRETT of Tennessee. I will say that within the last half hour that has been my understanding from the majority leader himself—that we would proceed with this bill to-morrow.

Mr. MADDEN. Very well; I have not had any conference with the majority leader since morning.

ENROLLED BILL SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 7601. An act to amend an act incorporating Prospect Hill Cemetery, and for other purposes.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to the appropriate committee as indicated below:

S. 848. An act to amend section 22 of the act entitled "An act to regulate commerce," approved February 4, 1887, as amended; to the Committee on Interstate and Foreign Commerce.

LEAVE OF ABSENCE.

Mr. HILL, by unanimous consent, was given leave of absence for one week, on account of being in the Walter Reed Hospital.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 24, 1922, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JOHNSON of Mississippi: Committee on Interstate and Foreign Commerce. S. 1162. An act declaring Lake George, Yazoo County, Miss., to be a nonnavigable stream; with amendments (Rept. No. 587). Referred to the House Calendar.

Mr. SUMMERS of Washington: Committee on the Public Lands. H. R. 6750. A bill for the consolidation of forest lands within the Wenatchee National Forest, State of Washington, and for other purposes; with amendments (Rept. No. 589). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMICK: Committee on the Public Lands. S. 255. An act for the consolidation of forest lands within the Gallatin National Forest, and for other purposes; with an amendment (Rept. No. 590). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. S. 2211. An act authorizing the Secretary of the Interior to issue patents in certain cases to missionary or religious organizations; with amendments (Rept. No. 591). Referred to the Committee of the Whole House on the state of the Union.

Mr. VOLSTEAD: Committee on the Judiciary. H. R. 9979. A bill to amend an act entitled "An act granting a charter to the General Federation of Women's Clubs"; without amendment (Rept. No. 592). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. REED of New York: Committee on War Claims. H. R. 858. A bill for the relief of Alfred P. Reck; without amendment (Rept. No. 588). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McFADDEN: A bill (H. R. 10071) to amend section 13 and section 16 of the act approved December 23, 1913, known as the Federal reserve act as amended; to the Committee on Banking and Currency.

By Mr. OLDFIELD: A bill (H. R. 10072) to amend section 2 of the act entitled "An act authorizing the Director of the Census to collect and publish statistics of cotton," approved July 22, 1912; to the Committee on the Census.

By Mr. SNYDER: A bill (H. R. 10073) conferring authority on the Secretary of the Interior to consent to or approve of the alienation of certain Indian allotments; to the Committee on Indian Affairs.

By Mr. PARRISH: A bill (H. R. 10074) to amend an act entitled "An act to provide for the adjudication and payment of claims arising from Indian depredations," approved March 3, 1891; to the Committee on Indian Affairs.

By Mr. McARTHUR: A bill (H. R. 10075) providing for the deportation of aliens convicted of unlawful possession of or traffic in drugs or narcotics; to the Committee on Immigration and Naturalization.

By Mr. SHREVE: A bill (H. R. 10076) providing that any person who served in the military or naval service of the United States during the Civil War and received an honorable discharge, etc., is now entitled to a pension; to the Committee on Invalid Pensions.

By Mr. FOCHT (by request): A bill (H. R. 10077) authorizing the extension of the park system in the District of Columbia; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW of Massachusetts: A bill (H. R. 10078) for the relief of Mary W. Barber; to the Committee on Claims.

By Mr. FAUST: A bill (H. R. 10079) for the relief of the St. Joseph Stock Yards Co., at St. Joseph, Mo.; to the Committee on Claims.

By Mr. FIELDS: A bill (H. R. 10080) granting an increase of pension to Elizabeth Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10081) granting an increase of pension to Arviline Gilkison; to the Committee on Invalid Pensions.

By Mr. GILBERT: A bill (H. R. 10082) granting a pension to Isaac C. Livingston; to the Committee on Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10083) granting a pension to Ora Williams; to the Committee on Invalid Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 10084) granting a pension to Laura E. Streeter; to the Committee on Invalid Pensions.

By Mr. McPHERSON: A bill (H. R. 10085) granting an increase of pension to Celia Lucindia Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10086) granting an increase of pension to George R. Grubaugh; to the Committee on Invalid Pensions.

By Mr. PARKER of New York: A bill (H. R. 10087) granting an increase of pension to Sarah Christianson; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 10088) for the relief of L. D. Riddell and George W. Hardin, trustees of Milligan College, Tenn.; to the Committee on War Claims.

Also, a bill (H. R. 10089) granting an increase of pension to Thomas D. O'Shea; to the Committee on Pensions.

Also, a bill (H. R. 10090) granting a pension to Nick Simmons; to the Committee on Pensions.

Also, a bill (H. R. 10091) granting a pension to Anna E. Short; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10092) granting an increase of pension to Alexander Clayton Donnelly; to the Committee on Pensions.

Also, a bill (H. R. 10093) granting a pension to William Woodby; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 10094) granting a pension to Flora Johnson; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 10095) granting an increase of pension to Ebbin A. Irvin; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3616. By Mr. APPLEBY: Communication from Joseph Seemann, jr., of Perth Amboy, N. J., indorsing the suggestions of the Secretary of the Treasury for the modification of the Volstead Act; to the Committee on the Judiciary.

3617. Also, communication from Edward Whitehead, manager of Whitehead Bros. Co. of South River, N. J., suggesting the exemption from taxation of individuals, corporations, and institutions on municipals and mortgages on real estate to the extent of $50,000 each; to the Committee on Ways and Means.

3618. By Mr. DYER: Telegrams for various constituents in St. Louis in favor of House bill 9724; also letter regarding same; to the Committee on Appropriations.

3619. Also, letters from constituents, asking support for the creation of Federal local-option districts, etc.; to the Committee on Ways and Means.

3620. By Mr. ELLIOTT: Resolution adopted by the Central Trades and Labor Council of Richmond, Ind., indorsing protective tariff bill and American-valuation plan; to the Committee on Ways and Means.

3621. By Mr. FENN: Petition of president of the Men's Sunday Club of the South Church, New Britain, Conn., asking that Congress pass the Jones-Miller antimorphia bill and protect China from receiving smuggled opium; to the Committee on the Judiciary.

3622. By Mr. FROTHINGHAM: Resolution adopted by Norfolk Pomona Grange, No. 27, Patrons of Husbandry, of Dedham, Mass., indorsing the Conference for the Limitation of Armaments; to the Committee on Foreign Affairs.

3623. By Mr. FULLER: Petition of Kaskaskia Chapter, Daughters of the American Revolution, favoring the Zihlman bill (H. R. 2412); to the Committee on Roads.

3624. Also, memorial of the Legislature of the State of Oregon, urging legislation for the relief of soldiers of the Spanish-American War; to the Committee on Pensions.

3625. Also, petition of the Illinois Realtors' Association, favoring a sales tax; to the Committee on Ways and Means.

3626. Also, petition of the Philadelphia Protestant Federation, favoring House joint resolution 159, known as the "sectarian amendment"; to the Committee on the Judiciary.

3627. By Mr. GALLIVAN: Resolutions of the American Legion adopted during the recent convention at Kansas City relative to the attitude of the American Legion toward the proposed George Washington Memorial; to the Committee on the Library.

3628. By Mr. KAHN: Resolution by the North Beach Evening High School Alumni Association, urging continuance of the publication, School Life; to the Committee on Appropriations.

3629. By Mr. KISSEL: Petition of Court Unique, No. 369, Foresters of America, of Brooklyn, N. Y., urging the manufacture and sale of light wines and beer as a means of raising revenue for the soldiers' bonus; to the Committee on Ways and Means.

3630. Also, petition of the New York Agricultural Experiment Station at Geneva, N. Y., urging certain journals be published by the United States Department of Agriculture; to the Committee on Agriculture.

3631. By Mr. McCLINTIC: Resolution of Paul Garrett Post, No. 121, American Legion, of Mangum, Okla., relative to the action of the Attorney General in the release of Eugene V. Debs; to the Committee on the Judiciary.

3632. By Mr. MAGEE: Resolution adopted at a meeting of the Onondaga County Woman's Christian Temperance Union, of Syracuse, N. Y., on January 16, 1922, against tax on beer and light wines for the purpose of raising money for soldiers' bonus; to the Committee on Ways and Means.

3633. Also, resolution of the Plymouth Congregational Church, of Syracuse, N. Y., against the tax on the manufacture of beer and light wines for the purpose of raising money for soldiers' bonus; to the Committee on Ways and Means.

3634. Also, resolution of Brown Memorial Methodist Episcopal Church, of Syracuse, N. Y., adopted at a meeting of the ministers of Syracuse, N. Y., and petition of citizens of same place, against the manufacture and tax on beer and light wines for the purpose of raising money for soldiers' bonus; to the Committee on Ways and Means.

3635. By Mr. UPSHAW: Petition of citizens of Atlanta, Ga., urging the sale of Muscle Shoals plant to Henry Ford; to the Committee on Military Affairs.

3636. By Mr. VARE: Petition of Pennsylvania Division, Sons of Veterans, asking passage of legislation to increase pension of Civil War veterans; to the Committee on Invalid Pensions.

SENATE.

TUESDAY, *January 24, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, the God of our fathers, we come into Thy presence this morning realizing that without Thy help life would be a blank indeed. We would serve Thee with the full purpose of conscience, of life itself, so that when the record is completed we shall have the satisfaction of knowing that everything was done for the highest intentions of government, for the welfare of mankind, and the glory of Thy great name. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. MADDEN, Mr. MAGEE, and Mr. BYRNS of Tennessee managers of the conference on the part of the House.

The message also announced that the House had passed a bill (H. R. 9859) making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the President pro tempore:

S. 1099. An act to amend section 2372 of the Revised Statutes;

S. 2133. An act adding lands to the State of Texas and ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico;

H. R. 7601. An act to amend an act incorporating Prospect Hill Cemetery, and for other purposes; and

S. J. Res. 124. Joint resolution to prohibit the exportation of arms or munitions of war from the United States to certain countries, and for other purposes.

PETITIONS AND MEMORIALS.

Mr. STERLING. I present a petition of sundry citizens of Columbia, S. Dak., urging a revival of the United States Grain Corporation. I ask that the petition may be printed in the RECORD without the names, and that it be referred to the Committee on Agriculture and Forestry.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The body of the petition is as follows:

To THOMAS STERLING,
United States Congress, Washington, D. C.

DEAR SIR: We, the undersigned, request that you carefully consider the proposition which we propose below. We ask that you present our petition to Congress and the proper committees of Congress. We also ask that you, as our representative, assist us by introducing a bill to carry out the below proposal, or, if such a bill is introduced by anybody else, that you support it and do your best to have it passed.

We desire the revival of the Government Grain Corporation as soon as it can be brought about. We propose this as the only thing that will prevent another disastrous price year for grain farmers. Farmers are being foreclosed—going bankrupt—and many are leaving the farms. We see no hope of relief within a reasonable time unless the Government, through the grain corporation, undertakes to pool all the country's wheat and sell it as it did in the war. The grain corporation can and should fix a price on wheat that will assure cost of production to the farmers. A price to assure cost of production should be fixed at once on wheat now in the hands of the producer, his cooperative organizations, and country elevators. A price for the 1922 crop also should be fixed and guaranteed now by the grain corporation to cover cost of production and a living for the farmers who grow wheat in 1922.

The effect of this will be immediately to revive business and agriculture. The farmer then can get more credit at once to carry him over the winter and to pay his seed and help next spring. This would be brought about if it is known he will get a fair and adequate price for his products. The farmer can then buy what he needs and business will improve. The farmer is not buying anything now because he is broke and can not get credit, and does not know that he will be better off next year.

Wheat is the basic food. An adequate supply of it must always be assured, unless there is to be suffering. The price of corn and other grains follows that of wheat. A guaranteed, adequate price on wheat, that corn and other grains which follow wheat price will likewise be sold by the farmer at a price that will assure him a living. Or, if necessary, other grains may be included in the Federal pool.

As an emergency measure to assure the country its food supply, and to prevent further abandonment of the farms and suffering, in the interest of all the people, something must be done at once. We see no way out, and believe there is no way out except through the revival of the grain corporation and its management by officials not connected with grain exchanges, middlemen's interest, or millers. There are several cooperative pools started, but these are not cooperating with one another, and no one seriously claims they will be in a position to appreciably relieve the situation for several years, if at all.

We ask consideration of and action on this proposition immediately.

Mr. PAGE presented a telegram in the nature of a petition signed by 122 residents of Burlington, Vt., favoring the restoration of diplomatic relations between the United States and Greece, which was referred to the Committee on Foreign Relations.

Mr. WARREN presented a resolution adopted by the Sheridan (Wyo.) Rotary Club, protesting against the enactment of legislation to transfer the Forest Service from the Department of Agriculture to the Interior Department, which was referred to the Committee on Agriculture and Forestry.

Mr. HARRIS presented a resolution adopted by the board of directors of the Georgia Agricultural Experiment Station, of Experiment, Ga., favoring increased appropriations for experiment stations in the several States, which was referred to the Committee on Appropriations.

Mr. TOWNSEND presented a resolution adopted by the board of commerce of East Tawas, Mich., protesting against the enactment of legislation to transfer the Forest Service from the Department of Agriculture to the Interior Department, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Michigan State Farm Bureau, at Lansing, Mich., protesting against the enactment of legislation to transfer the Bureau of Markets from the Department of Agriculture to the Department of Commerce, and the Forest Service from the Department of Agriculture to the Interior Department, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution signed by sundry members of the American Association of University Women, of Birmingham, Mich., favoring the enactment of legislation creating a department of education, and protesting against the inclusion of a bureau of education in the proposed department of public welfare, which was referred to the Committee on Education and Labor.

TARIFF ON WRAPPER AND FILLER TOBACCO.

Mr. WATSON of Georgia. Mr. President, in the nature of a petition I present a letter in reference to the tobacco industry of North Carolina, Connecticut, Georgia, and Florida. I think the facts stated therein will be very interesting to the Senate, and I ask that it may be printed in the RECORD.

Mr. OVERMAN. Let it be read.

Mr. WATSON of Georgia. Acting upon the suggestion of my friend the Senator from North Carolina, I ask unanimous consent that the letter may be read at the desk. The facts are very interesting, and I think the Senate will be glad to hear them.

The PRESIDENT pro tempore. Without objection, the Secretary will read the letter.

The reading clerk read as follows:

EATONTON, GA., *January 20, 1922.*

Hon. THOMAS E. WATSON,
United States Senate, Washington, D. C.

DEAR SENATOR WATSON: The cotton-mill industry of the South is intensely interested in the tariff proposed to be placed upon cigar-leaf wrapper tobacco, because of its effect upon the shade-cloth manufacture in this section, and it is extremely important to the cotton mills that Sumatra tobacco be kept out of this country as nearly as possible.

Fifteen years ago the Cannon Manufacturing Co., of North Carolina, furnished about 2,000,000 yards of shade cloth to Florida growers and about 5,000,000 yards to Connecticut farmers. During 1919 the same company shipped about 25,000,000 yards of this cloth, and last season 32,000,000 yards were shipped to Connecticut alone, besides several million yards shipped to Florida. This gives an idea of the growth of the industry and will explain the necessity of protection. Connecticut and Florida are the two States interested in the growth of the tobacco, but every State where cotton is grown is concerned with that phase of the matter. This shade cloth is made up in tents, requiring about 5,000 yards to the acre. It is estimated by competent authorities that about $2,000,000 worth of this cloth was sold by the mills in the South last year, and as the tents can be used only one year you can readily see what it means to us.

Two States where this tobacco can be grown can easily supply the entire cigar-leaf wrapper tobacco, if the industry is encouraged, and, of course, the cotton growers will be proportionately helped.

If you can see your way clear to indorse and support the emergency tariff on wrapper tobacco, which is $2.35 per pound on wrapper and 35 cents on fillers, we will appreciate it, and we believe it much to our interest that this emergency tariff stand. We understand the

House committee has recommended $2.10 on wrapper and 45 cents on fillers; but we are sure, from a most diligent study of the question, that it would be best to allow the tariff to be as stated above—$2.35 and 35 cents.

It has been said, and we believe it to be true, that every bale of Sumatra tobacco that comes into this country makes unprofitable an acre of American tobacco, and as none of the Sumatra tobacco is re-exported, but all used in this country, we can see no reason why the American smoker should not help the American farmer.

Of course this Sumatra tobacco is produced by cheap labor under the lowest possible living conditions, and it should, we believe, be prevented from coming into this country and underselling our American product.

I am very much interested in this matter personally, and if you will discuss it with Senator HARRIS and Senators UNDERWOOD and HEFLIN, of Alabama, I will thank you so much.

I am writing these gentlemen and sending to the Alabama Senators copies of letter written by Mr. Charles A. Cannon, of the Cannon Manufacturing Co., of Kannapolis, N. C.

I thank you so much for your help in the premises, and with regards and good wishes, always, I am,

Sincerely, yours,

HIRAM L. GARDNER.

THE MOTION-PICTURE BUSINESS.

Mr. HARRISON. Mr. President, there was a meeting in the city of Washington on January 12 of the members of the board of directors of the Motion Picture Theater Owners of America, representing some 15,000 motion-picture houses. They issued a statement which I desire to have incorporated in the RECORD. I shall not take the time of the Senate to read it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *January 12, 1922.*

Members of the board of directors of the Motion Picture Theater Owners of America met Thursday in Hotel Washington, this city, for the purpose of completing arrangements for their national convention, which will be held in May. This convention will bring to Washington thousands of theater owners from all parts of the United States.

During the session, attention was called to a copy of the CONGRESSIONAL RECORD of Saturday, January 7, 1922, containing a report of a speech by Senator HARRISON, of Mississippi, to the effect that arrangements were being made with Postmaster General Will H. Hays to "Be at the head of the whole motion-picture industry of the country, at a salary of $150,000 a year," and suggesting the possibility of the screen being used for political propaganda.

The motion-picture theater owner realizes that the success of our business enterprise and the progress of our industry is dependent upon the good will and support of all the people, comprising those of every shade of political opinion, and we desire to assure the motion-picture going public that our theaters will never be used for the advancement of partisan politics.

No political propaganda of any kind will be permitted on our screens, except where the welfare of the theater-going public and the progress of our industry is threatened.

For several weeks newspaper reports indicated that an arrangement was being effected between the producing or manufacturing branch of the industry and Postmaster General Hays, through which he was to succeed Mr. William A. Brady as president of their association.

As theater owners—organized nationally in the Motion Picture Theater Owners of America—and comprising a membership of 12,000, representing every State in the Union, we did not feel called upon to make any public comment upon this matter until the speech of Senator HARRISON was brought to our attention.

We have no connection as theater owners with the manufacturers of the pictures, being separate and distinct from them and controlling in every way our own division of the industry, and therefore were not concerned with Mr. Hays's accession to the head of the producing or manufacturing branch. The president of our organization receives no salary.

If the advent of Mr. Hays or any other capable man into the manufacturers' division will correct some of the unsatisfactory business relations now prevailing, it will meet with the approval of every theater owner and real friend of the industry.

Our only purpose in presenting this statement now is to correct the erroneous impression that the Motion Picture Theater Owners of America is in any sense a party to any arrangement now under way affecting Mr. Hays. This we state that it may serve to clear up any misunderstanding which may exist, and make it perfectly plain to every official and individual in this country that the owners of the motion-picture theaters are separate and distinct in their relation, have no affiliation with the manufacturer or producer of pictures, and therefore have in no sense been parties to the move under discussion.

The month of November is considered a banner month in the motion-picture business. Consequent to the efforts of the theater owners to bring this form of entertainment within the reach of all the people, box-office receipts were approximately $12,000,000 less in November, 1921, than in the same month in 1920, while motion-picture producers exacted from motion-picture theater owners nearly $4,000,000 more for their pictures in November, 1921, than in the same month of the previous year. This fact is clearly substantiated by Government reports.

As theater owners, we have the direct contact with the public. We meet and serve the people of the United States daily, and in this relation we established the public service department of our organization under the direction of Dr. Francis Holley, of this city, whose efforts along these lines amply prove his efficiency in promoting and extending this highly commendable work. We feel responsible to the American public to maintain the freedom of the screen in every way. We realize that the motion picture is a medium for a high order of public service, and it is our determination to keep the theater screens of this Nation so free from partisan and kindred influences as to render this wonderful visualizing force, the screen press of America, of supreme value to all the people of the country.

We also want to make the theater owner the sole judge, guided by the people of his community, of what shall appear on the screen of his theater, and we hope to be able at all times to guarantee this kind of service to the public. We, therefore, stand in an independent position and would be opposed to any moves, no matter how well intended, which militate against this generally accepted American attitude.

The executive officers present were:
National president, Sydney S. Cohen, New York.
W. D. Burford, Aurora, Ill.
W. A. True, Hartford, Conn.
E. M. Fay, Providence, R. I.
Charles L. O'Rielly, New York.
John T. Collins, Rutherford, N. J.
John Manheimer, New York.
W. A. Steffes, Minneapolis, Minn.
D. A. Harris, Pittsburgh, Pa.
H. H. Lustig, Cleveland, Ohio.
Edward T. Peters, Dallas, Tex.
A. R. Pramer, Omaha, Nebr.
H. B. Varner, Lexington, N. C.
M. J. O'Toole, Scranton, Pa.
C. E. Whitehurst, Baltimore, Md.
G. G. Schmidt, Indianapolis, Ind.

REPORTS OF COMMITTEES.

Mr. PAGE, from the Committee on Naval Affairs, to which was referred the bill (S. 2674) to amend the act authorizing the Secretary of the Navy to settle claims for damages to private property arising from collisions with naval vessels, reported it without amendment and submitted a report (No. 451) thereon.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (S. 2179) for the relief of Richard Parke, reported it without amendment and submitted a report (No. 452) thereon.

Mr. JOHNSON, from the Committee on Patents, to which was referred the bill (H. R. 7077) to increase the force and salaries in the Patent Office, and for other purposes, reported it without amendment.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

A bill (S. 3060) authorizing the extension of the park system in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SPENCER:

A bill (S. 3061) conferring authority on the Secretary of the Interior to consent to or approve of the alienation of certain Indian allotments; to the Committee on Indian Affairs.

By Mr. PHIPPS (by request):

A bill (S. 3062) for the relief of N. Maxcy Tabor (with accompanying papers); to the Committee on Public Lands and Surveys.

By Mr. CURTIS:

A bill (S. 3063) granting a pension to Mary J. Henry (with accompanying papers);

A bill (S. 3064) granting a pension to Mary Miller (with accompanying papers);

A bill (S. 3065) granting a pension to Martha E. Ward (with accompanying papers); and

A bill (S. 3066) granting a pension to Thomas Anderson (with accompanying papers); to the Committee on Pensions.

By Mr. WILLIS:

A bill (S. 3068) granting a pension to Barbara Farrar (with accompanying paper); to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 3069) for the relief of Eric Larsson; to the Committee on Commerce.

COOPERATIVE MARKETING OF FARM PRODUCTS.

Mr. McCUMBER. Mr. President, I introduce a bill to create a Federal cooperative marketing system and to provide for the organization of cooperative marketing associations, and for other purposes. Inasmuch as that proposition has to come before the Senate in a very short time and there is one bill upon the calendar dealing with the same subject, at the close of routine morning business to-day I am going to ask the consent of the Senate that I may make a few remarks upon the bill. I ask that it be referred to the Committee on Agriculture and Forestry.

The bill (S. 3067) to create a Federal cooperative marketing board, to provide for the organization of cooperative marketing associations, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

Mr. KELLOGG. Has the bill introduced by the Senator from North Dakota been referred to the Committee on Agriculture and Forestry?

The PRESIDENT pro tempore. It has been so referred.

Mr. KELLOGG. I do not know whether that is the proper place to have it referred. I should like to say that a cooperative marketing bill passed the House of Representatives two years ago. It came from the Judiciary Committee there. It went to the Judiciary Committee of the Senate and was re-

ported back to the Senate and amended by the Senate and passed. It then went to conference, and I believe was in conference a good many months. The conferees could not agree. The Congress expired.

Another bill was introduced in the House at the last session, passed the House, came to the Senate, was referred to the Committee on the Judiciary, and that committee, after considering it for several months, reported a substitute. Those two bills, or rather the original bill and the substitute, are now on the calendar.

All these bills have come from the Judiciary Committee. I have no objection to the bill going to the Committee on Agriculture and Forestry, but I give notice to the Senator from North Dakota that I am going to call up the bill and see whether the contest between the Senate and the House can not be ended within the next year.

Mr. McCUMBER. Mr. President, it seems to me that a bill providing for a cooperative system of marketing farm products ought to have gone to the Committee on Agriculture and Forestry. It is purely an agricultural proposition. It ought to have the cooperation and advice of the Secretary of Agriculture and those who are connected with that great department. That is the reason why it seemed to me that we ought to take no action on a bill from another committee until the Committee on Agriculture and Forestry could at least pass judgment upon a matter which is assumed to be wholly or practically for the benefit of agriculture.

I would be perfectly willing that the Committee on the Judiciary should consider the same proposition, but it would seem to me that those whose whole training has been along the line of agricultural questions would be the proper persons to consider any matter relating to the cooperative distribution of farm products.

I do not desire to have any conflict, and I assure the Senator of that, but what I want to get is the very best possible bill, from whatever committee it may come, and have it become the law.

Mr. KELLOGG. I have not the slightest objection to the bill introduced to-day going to the Committee on Agriculture and Forestry. I had nothing to do with sending the other bill to the Judiciary Committee. These bills have resulted in a contest as to whether there should be any modification of the Sherman Antitrust Act. I am certainly opposed to going all over the subject in both Houses on a new bill. If the Senator wants to offer his bill as an amendment on the floor of the Senate, that is all right, but so far as I am concerned I shall insist that the bill on the calendar shall be taken up at the earliest possible date and be put through if possible.

Mr. McCUMBER. Of course, we will consider that matter when we come to the other bill. I do not know that the two bills have any close relation to each other, but if the bill on the calendar is a cooperative marketing bill it is a matter that ought to be considered by the Committee on Agriculture and Forestry.

Mr. WALSH of Montana. Mr. President, the suggestion made by the Senator from North Dakota that a bill of this character ought to go to the Committee on Agriculture and Forestry appears on its face to be altogether reasonable, but when considered in connection with the history of the legislation it would seem to be altogether inappropriate.

I shall make no objection to the bill going to the Committee on Agriculture and Forestry if the Senator from North Dakota desires to have that disposition made of it, but this is the situation: Those who are earnestly in favor of national legislation in regard to cooperative marketing believe that the Sherman antitrust law is something of an obstacle to the organization of cooperative associations that are dealing in interstate commerce. The bill which came from the House Judiciary Committee went to the Senate Judiciary Committee because those committees dealt with the Sherman antitrust law, and that law originated in bills which were dealt with by those committees. The Judiciary Committee has accordingly given very serious consideration to the various bills dealing with the subject which have come before the Senate now in several successive sessions.

The bill now pending on the calendar passed the House, went to the Committee on the Judiciary, as indicated by the Senator from Minnesota, and a report was made upon it. Unfortunately, the friends of legislation dealing with the subject have disagreed in relation to the form the legislation should take. An effort is now being made among them to endeavor to agree upon some substitute for the House bill. These negotiations are progressing, and I hope within a day or two we shall be able to agree upon some measure that will have the hearty support of all the friends of the legislation in this body.

In that situation of affairs, if the Senator from North Dakota desires to throw into the Committee on Agriculture and Forestry a bill the purpose of which is to relieve farm marketing associations from the operation of the Sherman Act, involving, as a matter of course, a consideration of the history of that legislation and of the intricate adjudications which have been made under it and how, if at all, that legislation will be affected by the farm marketing legislation, and to have the Committee on Agriculture and Forestry take up that question again, I have no objection to it. But it does seem to me, Mr. President, that as a matter of deference, to say the least, to some of us who have been giving the subject our very earnest consideration and who desire to work out some solution which will be satisfactory to all, the bill might naturally go to the Judiciary Committee. I am sure that committee in dealing with the matter will be very glad to have the views of the Senator from North Dakota as expressed in the bill which he now tenders or in any other measure.

Mr. McCUMBER. Mr. President, I think what both the Senator from Montana and I desire to secure is some comprehensive cooperative scheme of distribution for farm products. The Senator, of course, can not speak with much knowledge of a bill which I have just introduced, and which, of course, he has not read, and which, with the assistance of an expert from the Agricultural Department, I have carefully drafted. As drafted, I have not the slightest idea that the bill will in any way conflict with the Sherman antitrust law; but until I can finish my address on the subject, and in the hope that the Senator from Montana [Mr. WALSH] and the Senator from Minnesota [Mr. KELLOGG] will do me the honor to listen to the statement I shall make, and to read the bill, so that it may then be determined whether it ought to be submitted as a substitute or otherwise or should go to the committee, I shall ask at the present time that the bill simply be printed and lie on the table.

The PRESIDENT pro tempore. The order referring the bill will be rescinded and the bill will lie on the table.

Mr. BRANDEGEE. Without reference?

Mr. McCUMBER. Without reference to-day. I shall have the bill referred at some other time after it shall have been discussed.

ADJUSTMENT OF FOREIGN LOANS.

Mr. SIMMONS, Mr. McKELLAR, and Mr. WALSH of Massachusetts submitted amendments intended to be proposed by them to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF POST OFFICE DEPARTMENT APPROPRIATION BILL.

Mr. ASHURST submitted an amendment proposing to permit the use in the Phoenix (Ariz.) post office of special canceling stamps bearing the words and figures "Visit Phoenix, Ariz., April 24-29, U. S. Good Roads Week," intended to be proposed by him to the bill (H. R. 9859) making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

COMMITTEE SERVICE.

On motion of Mr. CURTIS, it was

Ordered, That the Senator from Pennsylvania [Mr. PEPPER] be assigned to service on the Committee on Military Affairs, and that the Senator from Pennsylvania [Mr. CROW] be assigned to service on the Committee on Naval Affairs.

HOUSE BILL REFERRED.

The bill (H. R. 9859) making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes, was read twice by title and referred to the Committee on Post Offices and Post Roads.

TREASURY DEPARTMENT APPROPRIATIONS.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments and agree to the conference asked by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to, and the President pro tempore appointed Mr. WARREN, Mr. CURTIS, and Mr. HARRIS conferees on the part of the Senate.

Mr. CURTIS. Mr. President, I have so many duties to perform that I ask unanimous consent to be excused from service on the committee of conference, and that the Senator from Washington [Mr. JONES], who is a member of the subcommittee, be substituted in my place.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent to be excused from service upon the committee of conference. Without objection, he is excused, and the Senator from Washington [Mr. JONES] is appointed in his place.

AMENDMENT OF THE RULES—APPROPRIATION BILLS.

Mr. JONES of Washington. Mr. President, the Committee on Rules is considering a proposal which was submitted the other day by the chairman of the Committee on Appropriations, the Senator from Wyoming [Mr. WARREN], with a view to having all appropriation bills go to one committee. If that should be done, in my judgment, additional changes should be made in Rule XVI. Under that rule now an item of appropriation if recommended by the committee is in order, whether or not there is any existing law authorizing it. Such an item is also in order if an estimate comes down from the executive department, whether there is an existing law for it or not. If the appropriation bills are all to go to one committee, I myself think that the power to which I have referred should be taken away from the committee, and that the legislative power should rest in the committee now having control of the subjects to which the appropriations relate.

With a view of having that suggestion considered, I propose an amendment to Rule XVI, and ask that it may be read and referred to the Committee on Rules.

The PRESIDENT pro tempore. The resolution submitted by the Senator from Washington proposing to amend the rules will be read.

The reading clerk read the resolution (S. Res. 225), as follows:

Resolved, That Rule XVI of the standing rules of the Senate be, and the same is hereby, amended as follows:

After the words "treaty stipulation," in paragraph 1 of said rule, change the comma to a period and strike out the remainder of the paragraph.

Strike out all of paragraph 2 of said rule.

Mr. FLETCHER. Mr. President, I desire to say in this connection that I think we ought to go very cautiously and slowly in the direction of changing the rules in reference to appropriations. I, for one, should very much regret to see the Senate get into the position in which another branch of Congress is at the present time with reference to appropriations. I am not willing to agree that all appropriation bills must be referred to one committee in the Senate. The rules as they stand, giving authority to various committees to provide for appropriations, such as those for the Army, the Navy, for the Department of Agriculture, and for rivers and harbors, are very safe and very sound rules, and I should not like to see those committees surrender that power and that authority and have the question of appropriations centered exclusively in one committee. If we shall do that, we shall have to enlarge or ought to enlarge the committee very materially. Of course, I do not know how far the Committee on Rules has gone in this direction, but it is a matter of very great consequence, and I hope the committee is proceeding very carefully in its consideration. However, I do not wish by silence to appear to acquiesce in the plan which seems now to be in contemplation here.

Mr. CURTIS. I desire to suggest to the Senator from Florida that the Committee on Rules has the question to which he refers now under consideration, and intends to consider it very carefully.

The PRESIDENT pro tempore. The resolution submitted by the Senator from Washington [Mr. JONES] will be referred to the Committee on Rules.

THE SHANTUNG QUESTION.

The PRESIDENT pro tempore. If there be no further concurrent or other resolutions, the Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The reading clerk read the resolution (S. Res. 221) submitted by Mr. WALSH of Montana on the 20th instant, as follows:

Whereas in an ultimatum dispatched by the Emperor of Japan to the Imperial German Government on August 15, 1914, which marks the entrance of the eastern empire in the World War, it is stated: "We consider it highly important and necessary in the present situation to take measures to remove the causes of all disturbance of the peace in the Far East. The Imperial Japanese Government sincerely believes it to be its duty to give advice to the Imperial German Government to carry out the following two propositions: First, to withdraw immediately from Japanese and Chinese waters the German men-of-war and armed vessels of all kinds; second, to deliver on a date not later than September 15 to the Imperial Japanese authorities, without condition or compensation, the entire leased territory of Kiaochow, with a view to the eventual restoration of the same to China"; and

Whereas on May 6, 1915, after the conquest of Shantung had been consummated by an Anglo-Japanese expeditionary force and the Japanese Army was in possession of Shantung districts greatly exceeding in extent the leased territory referred to in the ultimatum, the Secretary of State of the United States addressed to the Governments of Japan and China the following identic notes: "In view of the circumstances of the negotiations which have taken place or which are now pending between the Governments of China and Japan and the agreements which have been reached as a result thereof, the Government of the United States has the honor to notify the Government of the Chinese Republic that it can not recognize any agreement or undertaking which has been entered into between the Governments of China and Japan impairing the treaty rights of the United States and its citizens in China, the political or territorial integrity of the Republic of China, or the international policy commonly known as the open-door policy"; an identical note being at the same time handed to the Japanese Government by the American Embassy in Tokyo; and

Whereas on August 24, 1915, Count Okuma, prime minister of Japan, cabled the American press the following message: "As premier of Japan I have stated, and I now again state to the people of America and of the world, that Japan has no desire to secure more territory, no thought of depriving China or any other peoples of anything which they now possess"; and

Whereas in October, 1919, the majority party of the United States Senate recorded its disapproval of the Shantung award and adopted the following reservation to the treaty of Versailles known as the Lodge amendment, from the fact that it was drawn up and presented by the Hon. HENRY CABOT LODGE, chairman of the Committee on Foreign Relations, one of the Members of this body now serving with the American delegation to the conference, which reads: "The United States withholds its assent to articles 156, 157, 158, and reserves full liberty of action with respect to any controversy which may arise under said articles between the Republic of China and the Empire of Japan"; and

Whereas in the course of the same debate the minority party of the Senate voted for a reservation to the treaty whose ratification they advocated which, offered by the Hon. KEY PITTMAN, a member of the Committee on Foreign Relations, provided "That in advising and consenting to the ratification of said treaty the United States understands that the German rights and interests renounced by Germany in favor of Japan under the provisions of articles 156, 157, and 158 of said treaty are to be returned by Japan to China at the termination of the present war by the adoption of this treaty, as provided in the exchanged notes between the Japanese and Chinese Governments under date of May 25, 1915"; and

Whereas on July 1, 1921, the Hon. Charles Evans Hughes, Secretary of State, addressed a note to the Hon. Alfred Sze, Chinese minister to the United States, in which he stated the position of the American Government in the following terms: "The Government of the United States never has associated itself with any arrangement which sought to establish any special rights in China which would abridge the rights of the subjects or citizens of other friendly States; and I am happy to assure you that it is the purpose of this Government neither to participate in nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests a superiority of rights with respect to commercial and economic development in designated regions of the territories of China"; and

Whereas the text of the invitation sent to the Government of China by the President of the United States under date of August 11, 1921, reads: "It is quite clear that there can be no final assurance of the peace of the world in the absence of the desire for peace, and the prospect of reduced armament is not a hopeful one unless this desire finds expression in a practical effort to remove causes of misunderstanding and to seek ground for agreement as to principles and their application. It is the earnest wish of this Government that through an interchange of views with the facilities afforded by a conference it may be possible to find a solution of Pacific and Far Eastern problems of unquestioned importance at this time"; and

Whereas the Hon. Charles Evans Hughes, Secretary of State, has in the course of his correspondence with Japan and the other powers signatories of the treaty of Versailles declared "There would be no valid or effective disposition of the overseas possessions of Germany now under consideration without the assent of the United States"; and

Whereas the Arms Conference, at which Far Eastern problems were to be discussed, has been assembled in the city of Washington since November 12 of last year, and although no plenary public sessions of the conference have been held since December 10, 1921, it is officially communicated that the Shantung retrocession has not been officially discussed, although informal conversations have from time to time been pursued by the Chinese and the Japanese plenipotentiaries, hitherto without result, as to the manner of restoring the occupied territory to its rightful owners in accordance with the terms of the Japanese declaration of war upon Germany; and

Whereas it is contemplated in the so-called four-power pact about to be submitted for ratification that controversies likely to give rise to war affecting the insular possessions or dominions of the powers signatory thereto in the Pacific shall be composed, if possible, by conferences between them; and

Whereas the said powers are all now represented at the said Arms Conference in session in the city of Washington: Now, therefore, be it

Resolved, That the President of the United States be requested to communicate to the United States Senate, if it is not incompatible with the public interest, what steps, if any, have been taken to give effect in substance as well as in form to the foregoing declarations and policies.

Mr. WALSH of Montana. Mr. President, as I indicated a few days ago, I hope this resolution will receive the unanimous approval of the Senate, without any discussion, as being the expression of the undivided opinion of the country.

Mr. CURTIS. Mr. President, I have had a talk with the Senator from Massachusetts [Mr. LODGE], the chairman of the Committee on Foreign Relations, and as a result of that inter-

view I desire to say if this resolution may be acted on without debate he has no objection to action upon it this morning. If, however, the resolution is to be debated, he desires to be heard when the debate occurs. So I hope there may be no objection to the consideration of the resolution, and that it may be acted on without debate.

Mr. JONES of Washington. Mr. President, I am not going to object to the passage of this resolution. I am willing in a matter of this importance to accept the judgment of Senators who, I think, are better able to pass upon it than am I; but I do wish simply to express my own opinion, without arguing the matter or without questioning anybody else's judgment, that it is very inopportune and very unwise for the Senate to pass this resolution, and that instead of aiding in the accomplishment it will tend more to prevent the accomplishment of the great object that all of us would like to see accomplished by the Limitation of Armament Conference.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was rejected.

INTERNATIONAL HARVESTER CO.

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution coming over from a preceding day, which will be read.

The reading clerk read the resolution (S. Res. 223), submitted by Mr. NORRIS on the 22d instant, as follows:

Whereas in a suit instituted April 30, 1912, by the United States the International Harvester Co. was adjudged by the court on August 12, 1914, a combination repugnant to the antitrust laws; and

Whereas negotiations pending prior to the institution of said suit for suitable settlement and decree in the public interest were terminated and suit commenced because of the refusal of the Attorney General to accept any settlement and decree which did not provide for the complete separation of the McCormick and Deering plants and lines and their control, inasmuch as said plants and lines constituted the predominant elements of the combination; and

Whereas on November 2, 1918, a consent decree was agreed to by the then Attorney General and entered in said cause, then pending on appeal, by which consent decree it was provided that the International Harvester Co. should divest itself merely of certain minor and comparatively unimportant and unprofitable properties; and

Whereas said consent decree left the International Harvester Co. in possession of those predominant elements, the ownership of which had been the prime reason for the commencement of the action, to wit, the McCormick and Deering plants and lines, and thus surrendered the substantial results obtained, and for which the suit had been instituted; and

Whereas a report to the Senate dated May 4, 1920, entitled "Report of the Federal Trade Commission on the causes of the high prices of farm implements," and the entire record in the case, both show that the property to be disposed of in conformance to said consent decree would only divest the International Harvester Co. of certain minor and unprofitable portions of its business, and would leave the combination still in possession of the major and dominant elements thereof, to wit, the McCormick and Deering plants and brands; and

Whereas it is evident that under said decree effective conditions in substantial harmony with the law, including effective competition and reduced prices of farm implements to the farmers, can not result or be obtained while the International Harvester Co. is permitted to retain its said dominant elements; and

Whereas it is necessary and urgent in the public interest, without further and unnecessary delay, to procure complete separation of ownership and control, direct or indirect, of said McCormick and Deering plants and brands, together with such other division of the business of the International Harvester Co. as may be necessary effectively to restore competitive conditions in real harmony with the law: Therefore be it

Resolved, That the Attorney General be, and he is hereby, directed to inform the Senate what action, if any, is contemplated by the Department of Justice to bring about a modification of said decree, in order that the same may comply with the real judgment rendered by the court in said case; or, if such course be not practical, whether the Department of Justice contemplates any other separate and independent action against said International Harvester Co., for the purpose of effectively restoring competitive conditions between the various corporations composing and comprising said International Harvester Co.

Mr. WADSWORTH. Mr. President, the resolution submitted by the Senator from Nebraska was read at length yesterday. At that time I asked the Senator from Nebraska to give an opportunity for examination of the preamble, for, as I heard it read, the adoption of the preamble would at least give the impression that the Senate had accepted all the conclusions set forth therein. The Senator from Nebraska and I have discussed the preamble since that time, and I desire to offer three amendments to the preamble which I understand will not be objectionable to the Senator from Nebraska.

In the fifth paragraph of the preamble, being the second paragraph on page 2, in line 4, I move to strike out the words "both show" and insert the word "contend," so as to read:

Whereas a report to the Senate dated May 4, 1920, entitled "Report of the Federal Trade Commission on the causes of the high prices of farm implements," and the entire record in the case contend—

And so forth.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. WADSWORTH. In the next paragraph, in the first line thereof, I move to strike out the words "it is evident" and to insert the words "said report contends," so that it will read:

Whereas said report contends that under said decree effective conditions—

And so forth.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. WADSWORTH. In the next paragraph, in the first line thereof, after the word "Whereas," I move to insert the words "said report contends that," so that it will read:

Whereas said report contends that it is necessary and urgent, in the public interest—

And so forth.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

The resolution as amended was agreed to.

THE GENOA CONFERENCE.

Mr. McCUMBER obtained the floor.

Mr. KING. Will the Senator yield to me for a moment in order that I may propound an inquiry to the Senator from Connecticut [Mr. BRANDEGEE]?

Mr. McCUMBER. I yield to the Senator from Utah.

Mr. KING. I observe in this morning's Washington Herald the following statement:

Yesterday it was learned that a series of conferences, the first of which was held January 8 and attended by President Harding, Secretary Hughes, Secretary Hoover, Senator LODGE, and Senator BRANDEGEE, resulted in a decision that will in all probability exclude America from Genoa.

That is, from the Genoa conference, which will soon convene.

According to information at the Capitol, the conference grew out of a visit to the White House by Senator BRANDEGEE, who is known to be irreconcilably opposed to America's participation in any European economic affairs.

President Harding is said to have expressed a desire to consult Secretary Hughes and Senator Root, and this being highly satisfactory to Senator BRANDEGEE, a conference was called.

I do not want to be impertinent or too inquisitive, but I should like to ask the Senator from Connecticut if the statement which I have read is accurate, because it seems to me that, in view of the importance of the Genoa conference not only to Europe but to the United States and the world, that it would be rather unwise at this early juncture for our Government to determine not to enter that important conference. While I concede the constitutional rights of the President, it would seem that the Senate and the House of Representatives ought to have some voice upon a matter which so vitally affects us now and may affect this Nation in the future. May I inquire of the Senator from Connecticut whether it has been determined by the Republican Party that the United States will not participate in the Genoa conference?

Mr. BRANDEGEE. Mr. President, I regret that I am not the depositary of the information which the Senator would like to have at his disposal. I do not speak for the Republican Party, nor for the President, nor for the Secretary of State, and I do not know whether any determination has been arrived at by anybody in that important matter.

Mr. KING. This report seems to indicate that the Senator from Connecticut has taken the lead in this movement with a view to preventing our participation in the Genoa conference, and, of course, knowing the great interest which the Senator has in our financial welfare, I can not conceive that he would at this early date attempt to establish a policy, or have the administration formulate a policy, that would preclude the United States from participation in the Genoa conference.

Mr. BRANDEGEE. Well, if the Senator can not conceive that I would do it, I leave him to his conception.

Mr. KING. Will the Senator enlighten us as to whether or not he has attempted to do that, and whether his attempts have been powerful enough with the administration that it has been influenced thereby so that we are not to be in the Genoa conference. If that is what the administration has decided, we should be advised at once.

Mr. BRANDEGEE. I do not know what the administration has decided or whether the administration—if the Senator means by that the President—has decided anything about it. I do not know what is going on in his mind, I am quite sure.

I will say, however, to be perfectly frank with the Senator and with any one else who may be interested in the subject, that I have discussed the matter with the President and have given him my views. I do not flatter myself that he has made my view his view; but he had the temerity to ask me what I thought about it, and I had the audacity to reply in good faith. I regret that all my private conversations with the President

and other friends are not subject to extraction on the floor of the Senate "in invitum" so far as I am concerned.

Mr. KING. Of course, we admit the modesty of the Senator, but we congratulate the Republican Party upon having a man with such an astute mind—and I say that in all good faith—as the Senator from Connecticut. I would not have challenged the attention of the Senator to this matter except for the fact that it has become public property, and I presumed that, perhaps, the Senator had given the statement to the press, and, if he had given it to the press, I saw no reason why he should not make a statement concerning it to his colleagues.

Mr. BRANDEGEE. No; I do not spend my time issuing bulletins to the press or in getting my name in the headlines. I have occupied more time in denying the statements that have appeared on this subject than I have in admitting them.

Mr. KING. Then, as I understand the Senator, so far as he knows, the administration has not determined that our Government shall not participate in the Genoa conference.

Mr. BRANDEGEE. So far as I know they have not determined that we will and they have not determined that we will not. Inasmuch as I understand from the press that the President has received an official invitation to attend the Genoa conference from the Government of Italy, I assume that he is trying to acquaint himself with the views of public men, including Members of Congress and others, whose judgment he would like to have upon the question. He did ask what I thought about it, and I have views about it which, if it becomes necessary to state to an expectant world, in my own time and in my own way I shall take the liberty of stating. It may be an unwarranted assumption, but I assume that this country can not without the consent of Congress take part in a conference by the results of which it will be bound. As I have said on several occasions heretofore, I do not consider that the Government of the United States of America is the President or his Secretary of State, or the President and the other members of his Cabinet, or all three of them together; but when it comes to making contracts with foreign nations my idea is that the Government of the United States is not bound without the consent of Congress, unless it be by a treaty, in which case the Government is not bound without the concurring views of the President and two-thirds of the Senate. I know there are others who think that because the contract may commit the country to a foreign policy the President himself is supreme and can commit this country to foreign policies without the consent either of the Senate or of Congress. I never have entertained that view and I do not entertain that view. In my view the President is the executive branch of the Government and his business is to enforce the foreign policies which are determined upon by the constitutional authorities which can represent the Government, and he has no right to do what was once described by ex-President Wilson, as I remember before he was President, in his book, to wit, for the President to so maneuver things and manipulate things as to get the Government into a position where it could not extricate itself honorably without Congress agreeing to whatever position the Executive might have taken, is a gross abuse of power.

Whether ex-President Wilson featured that possibility of executive action in commendatory or condemnatory terms I do not know; but it makes no difference with my view upon the subject which view he took. I agree with him that it is possible for the President as Commander in Chief of the Army and Navy of the country so to manipulate the military arm of the Government as to create conditions from which the country can not extricate itself as a free agent, perhaps; and if it is so the powers of the President, not only as to the direction of the Army and Navy but as to his instructions to all ambassadors and ministers and diplomatic officials of the country, ought to be exercised with the greatest care.

Mr. WATSON of Indiana. Mr. President, may I ask the Senator a question?

Mr. BRANDEGEE. Certainly.

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Indiana?

Mr. McCUMBER. I think under the circumstances I should, Mr. President.

Mr. WATSON of Indiana. I desire to ask the Senator from Connecticut whether or not he wants us to infer, from the language he has been using, that the President has no authority to appoint a representative of this Government to the Genoa conference, or any other international monetary conference, without first consulting the Senate?

Mr. BRANDEGEE. I would not want to answer "yes" or "no" as the Senator states the question, but I will explain my position. The Senator asks as to the power of the President to appoint a "representative of this Government" to an international conference.

I admit the right of the President to send as many personal emissaries all over the world as he has the authority to pay for and pay the expenses of. In my view, they are his personal agents, but I do not think the views or the acts of one of those paramount officials—as they were designated when President Cleveland sent Mr. Blount to Hawaii as a sort of a paramount official—bind the country at all. If it comes to participating in a conference with other sovereigns, the results of which conference may be an agreement or a proposed agreement or an understanding between the representative sent by the President and the country to which he is sent or the body to which he is sent, I do not consider that such an agreement binds the United States of America without the consent of Congress, or, if the agreement be reduced to the form of a treaty, without the constitutional majority of the Senate required to ratify a treaty.

Mr. KING. Mr. President, may I interrupt the Senator for just a minute?

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. McCUMBER. Mr. President, I have some fear that whenever we get into the discussion of a constitutional question——

Mr. KING. I shall not discuss a constitutional question.

Mr. McCUMBER (continuing). The spirit of unrest in the bosom of a great many Senators will find some kind of expression, and so I wish that the Senator would bring the colloquy to an end. I think the Senator's curiosity is now satisfied.

Mr. KING. It is not curiosity; it is a desire for information.

Mr. McCUMBER. The Senator from Utah understands the position of the Senator from Connecticut as well as he did before he asked the question, and I should like now to go on.

Mr. KING. Of course, I shall have to submit to the Senator as he holds the floor——

Mr. McCUMBER. I yield a little further.

Mr. KING. I want to congratulate the Senator from Connecticut upon the ability which he has displayed in discussing constitutional questions, and upon his adroitness in avoiding a direct reply to the interrogatory which was propounded; but let me say to him that some of us have felt an interest in this important question. We are not in the administration's secrets; and, the Senator having taken so conspicuous a part, we felt—at least, speaking for myself, I felt—that the Senator might enlighten us upon a matter which is profoundly important to the American people at the present time.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Dakota further yield to the Senator from Connecticut?

Mr. McCUMBER. I yield to the Senator to answer the Senator from Utah.

Mr. BRANDEGEE. I do not want the Senator to place me, or attempt to place me, in a position which I do not think I have taken. In what respect have I failed to answer the direct inquiry of the Senator?

Mr. KING. I do not think the Senator has quite enlightened us as to the policy of the administration, or as to what the purpose of the administration is, whether we are to participate in the Genoa conference, whether it is a matter that the administration is holding in abeyance to determine at a future time, or whether it is a matter that will be brought to the attention of Congress, with a view to securing the approval or the disapproval of this body and the other body upon a matter so momentous and far-reaching in its consequences.

Mr. BRANDEGEE. If that is what the Senator means, I have no objection to his understanding, because I do not claim to have enlightened him. I can not let my light so shine before men as to satisfy the Senator unless I have some luminosity myself inside of me, which I have not on this subject; and I can not give him the determination of the administration, if, indeed, it has come to any determination in the premises, and I do not know whether it has or not. I simply objected to the Senator's saying that I had adroitly evaded his inquiry. I have tried not to do so, but to meet it with a frontal, a direct, and an acquiescing attitude.

COOPERATIVE MARKETING OF FARM PRODUCTS.

Mr. McCUMBER. Mr. President, this morning I introduced a bill which is a great advance step, I admit, in the matter of a most comprehensive system of cooperative selling and distribution of all farm products. I feel that I am forced to speak on it this morning, if at all, that it may have its proper consideration, before the bill on the same subject now on the calendar is brought up. I wish my remarks to be compact, and to express succinctly my reasons, as well as the provisions of the bill; and therefore I shall ask not to be interrupted until I have finished the statement.

Mr. President, the growing depression in the price of agricultural products for the last decade has constantly challenged

the attention of Congress and of the country. Many propositions have been advanced to alleviate the distress of the American farmer, who received less for his labor during the war and suffered more from the reaction which followed than any other class. Congress has promptly responded to his call of distress. It has provided every possible means to decrease the rate of interest on obligations which he has been compelled to incur. It has advanced money for seed grain. It has loaned hundreds of millions of dollars to the rural-credits banks. It has given renewed life to the War Finance Board to stimulate foreign markets for his products. But notwithstanding all of these efforts, which are more or less sporadic, the business of agriculture has gradually become more and more depressed. Our efforts have been helpful, but they have not reached the seat of the difficulty. Is there anything else that we can do? Let us diagnose the situation and see.

There are three main causes which are to-day responsible for the suffering of our agricultural class:

First. The general depression throughout the whole country and the whole world. Every industry and all our people have suffered from this cause, but not in the same degree.

Second. The overproduction of farm products, which forces us to dispose of our surplus in foreign countries whose financial stress and general poverty render it impossible for them to purchase those products at reasonable prices.

Third. The wide disparity, which has steadily been growing greater for half a century, between the earnings of the trades and business in our large cities, and the standard of living therein, as compared with the earnings and standard of living of the farmer and his family.

Forty years ago farm labor, which included the farmer's son and daughter, earned about as much as labor of like kind and skill received in other employments, taking into consideration cost of living on the farm. Through the gradual advance of the wage scale in our cities, carrying with it a like advance of spending capacity, increased extravagances, and a demand for higher profits on capital, the whole standard of living of our urban population has been steadily soaring skyward, until we have two classes of our American population—one living on a high wage scale, high profits, and consequently with greater extravagance; the other on a very much lower wage scale, with enforced frugality and economy.

This disparity in wage has brought forth a further evil. It has vastly increased the cost of everything the farmer must purchase, while the price of the product of his labor, which he must trade in the marts of the country for those things which he must buy, has remained at the old low level.

In the meetings before the Finance Committee during the last two or three months the question has often been asked the cloth maker, "What do you pay a weaver in your establishment?" The answer has been, "Anywhere from $8 to $10 per day." It may be said that, taking the industries as a whole, the wage of semiskilled labor will run from $40 to $50 per week, or from $160 to $200 per month. I believe, therefore, I am more than conservative when I say that one day of honest farm labor will not now purchase one hour of like labor in our cities. This disparity has continued so long that our urban populations would consider themselves robbed if they were compelled to pay the farmer for their food and for the cotton which clothes them a price that would give to the producers of that food and that cotton a remuneration equal to their own.

Mr. President, I think it can be easily demonstrated that a high wage scale, with a consequent high cost of living, is better for a country than a low wage scale with a low cost of living. I shall not take time now to demonstrate that truth; but this must always be predicated on the assumption that all the people have the benefits of the same high wage and standard of living. It is not only an evil but a rank injustice if half or two-thirds of the people have a per capita earning five times as great as the other half or other one-third.

Admitting, as we must admit, that such discrepancy in the matter of income does exist between the urban and the rural populations of the United States, taken as a whole, you will also agree that everything which law or national policy can do to equalize the conditions of these two classes ought to be done; and you will further agree, if possible, it ought to be done not by pulling the one class down but by lifting the other up.

What, then, can be done in a practical and permanent way toward this end?

Of course, this general world depression can not be remedied by any character of legislation. The flame of war has scourged the Old World, destroyed the accumulated wealth of centuries of labor, and left a mighty indebtedness which will require other centuries of labor to liquidate. Time alone can bring back a war-sick and a war-wounded world into normal and healthful activity. Time alone can bring that increased consumption and increased production which are the only foundation of all prosperity and all wealth. But, Mr. President, we can greatly assist in accelerating our speed toward that prosperity in this country. While it is often declared on this floor that the prosperity of this country is bottomed on the prosperity of the farmer, it is declaring but half of the truth. You can no more have a one-sided prosperity in a country than you can grow fat on one side and lean on the other at the same time.

Let us look the present situation fairly in the face. The price of farm products and of all cereals in my State is, on the average, considerably below prewar prices. We reached the peak of high prices of things which the farmer must purchase in 1920, and I think that increase averaged 250 per cent above prewar prices. I am speaking of retail prices, and, as you know, the farmer must purchase at retail. The manufacturer's price has been cut, say, one-third since then and the retailer's price, say, a quarter. Even admitting that these reductions, considering the wage scale in the factories, are as low as they can now be made, they are still at least 75 per cent higher than prewar prices, and raw material is about the same. Admitting, if you will, that the retailer's vastly increased overhead charges will not yet allow him to return to prewar prices, we still have the unsolved situation before us that the farmers in this country and the hundreds and hundreds of thousands of clerks and other breadwinners, whose earnings have not gone up in proportion to those in our factories, can not afford to purchase the products of those factories in such quantities as will keep them in operation. The result is stagnation and millions of men out of employment. And, Mr. President, that unemployment will continue until we increase the earning capacity of our agricultural populations to an extent that will enable them to consume, as they ought to consume, the usual quantity of the product of the factories.

What more can we do than we have already done to bring greater prosperity to that class most seriously in need of it?

The first step, Mr. President, is to assure the American farmer the American market. That he is entitled to, and to the exclusion of the farmers of any other country, so long as he can supply our market at a reasonable price for his products.

What do I mean by a reasonable price? I mean such price as will enable him to pay himself and his children who perform labor on the farm a wage that will secure for them the same comforts and enjoyments of life as laborers of like intelligence and skill in our cities. If a merchant operating a store employs his son and his daughter as clerks he pays them the same salary that he pays other clerks. Would it not be a grand thing for this country if every farmer could do the same with his son and daughter?

Would not that keep them at home, and would not it set the wheels of industry whirling throughout the land? It requires as much skill to perform farm work properly as it does to lay bricks, saw boards, or hang paper on the walls. I mean not only an earning capacity that will enable the farmer to pay a living wage to the adult and working members of his family but one that will bring in a reasonable return upon his capital invested in farm and equipment.

There is no danger in the world that the price of farm products at any time in the near future will reach an undue height. Even in these days of depression we are raising a surplus. Anything that will raise that price to a profitable basis will stimulate and increase the production and hold to normal requirements.

So, the first needful step is protection against foreign imports. When we are producing a heavy surplus of any agricultural commodity which must compete in the world's market the price of that particular product does not respond to the full protection given. But we always receive some benefit even in times of surplus production. If a small surplus reduces the price, a greater surplus from imports must necessarily accentuate that depression. And by excluding further importation we thereby prevent that further depression.

But when the crops are light and the production just about equalizes home demand, or in any section is slightly below it, then the full benefit of the tariff protection comes into existence, and it is at that time, when our crops are light, that we are most in need of the higher price secured through protection.

The next step for the upbuilding of our agricultural interests is reduction in freight rates. Through Government operation and Government control of railways the cost of operation was so enormously increased that it not only practically bankrupted every railway in the United States but so increased the cost of transportation that the freight charges alone on farm products were in many instances far greater than what could be received as a net price for such products. The railways are doing what

they can to help out the agricultural interests by decreasing the freights on all agricultural products, but these freights are still inordinately excessive and we must find means to secure a reduction.

I come now to the important feature of this discussion and the purpose for which I have taken the floor, namely, a nation-wide, comprehensive, and cooperative distribution of all farm products.

The world's business to-day is done through organization. Industrial organization dominates the production and marketing of all the products of our factories. Organized capital has been met by organized labor, each advancing its own interest. The unorganized farming industry, unable to fix the supply to meet the demand, unable to control the flow of what it has to sell into markets of the country, must suffer the consequences of this inherent weakness just so long as that weakness continues. I am seeking in the bill which I have introduced to bring about this very organization which I believe to be so necessary and to supplement this organization by a general and comprehensive system of marketing all farm products and bringing those products as closely as possible to the door of the consumer, steadying the flow of such products to prevent the flooding of the markets with its well-known disaster, stabilizing the prices of those products, in the producing of which one-third of our population must exist and on which all must live.

The cooperative system of marketing has been growing throughout our agricultural sections. But it has been sporadic only. There is no cohesion, no general assistance and mutual cooperation between the divers cooperative organizations. While such organizations eliminate some of the expenses of marketing, they have not as yet opened up and developed a system where the farmer's product may be brought into as direct contact with the consumer of that product as possible. Outside of the marketing of citrus fruits, they have done little toward stabilizing the price of their products by insuring a steady flow into the markets of the country in such quantities as will not glut that market and destroy the value of the products.

Some two or three years ago I visited the then Secretary of Agriculture and submitted to him the question of formulating and putting into operation a general plan of cooperative marketing of farm products which would be sufficiently comprehensive to cover the whole field, which would secure uniformity of organization and cooperative assistance, and which, as most farm products enter into interstate commerce, would be under the general supervision of the Federal Government. I did not consider myself sufficiently informed or conversant with the complexities of marketing of agricultural products, cooperative or otherwise, to draft the necessary legislation. I therefore asked the assistance of the Secretary of Agriculture, calling his attention to the fact that the many cooperative systems already in existence, and with which the Agricultural Department was familiar, might be called into consultation by that department for the purpose of drafting a general cooperative marketing bill. The Secretary assured me that he would take the matter up and would lend assistance.

I called him up periodically and was put off from time to time for about a year, when he informed me in substance that the matter was beyond him, and that he could not see any way to bring it about.

I then introduced and had referred to the Committee on Agriculture and Forestry of the Senate a resolution the substance of which was that the President of the United States, by and with the consent of the Senate, should appoint a commission consisting of three persons, one versed in the cooperative marketing of cereal products, one versed in the cooperative marketing of fruit products, and one in the cooperative marketing of dairy products, and that these three commissioners, representing the several systems of cooperative marketing, should formulate a general plan of cooperative marketing of all farm products. The principles which were sought to be obtained by such system were set forth in the resolution, and I will ask that the Secretary read the portion which I have not stricken out.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Secretary will read as requested.

The Assistant Secretary read as follows:

That it shall be the duty of said commission to investigate and report a plan or bill for a comprehensive system of cooperative marketing of all, or the principal, farm products, including grain, dairy, and horticultural products, raised or produced in the United States, and which, either in their original or raw state or in their manufactured or partly manufactured state, enter into interstate commerce.

That it shall be the duty of said commission to consider and, if practicable, to devise a plan or form of local organization of producers and of marketing agencies for each line of the above-mentioned products, including articles of incorporation and by-laws of such organizations and agencies.

That it shall be the further duty of said commission to provide in such report or bill a system for terminal marketing places and for the conduct of the same in the larger cities of the United States, having in view the purpose of bringing the producer of said products and the ultimate consumer thereof into as nearly direct relation and communication as possible and eliminating the now heavy prevailing expenses and charges due to intermediate handlings and profits which are borne by both the said producer and consumer; all of the said organizations and agencies, marketing and places of marketing to be under the supervision of the Government of the United States, such supervision to be exercised through and under rules and regulations to be adopted by the Secretary of Agriculture.

That the said commission shall carefully investigate the present systems of existing cooperative marketing organizations of the aforesaid products, with a view of adopting any portion of such systems or combining all into one general system.

That said commission shall, if possible, make its report to the two Houses of Congress at the next general or special session thereof.

Said report or bill shall be accompanied by full and comprehensive explanations which have governed the commission in its recommendations or which are necessary to a full understanding of the subject matter.

Mr. McCUMBER. Mr. President, this matter has been for more than a year before the Committee on Agriculture and Forestry. I am not complaining of the delay, because I know that that committee has been considering the general subject of cooperative marketing. The bill which I now introduce, in the preparation of which I have called upon those connected with the Department of Agriculture, is a comprehensive system of marketing of all farm products. While the system is more simple than that of the farm-loan associations, it is modeled somewhat upon that system. It provides:

For associations of farmers in each and every State in the Union for cooperative selling of all farm products. These associations are to be organized under a general plan, but the bill permits any organization already in existence to become a member. The several State organizations are to elect or appoint not less than one nor more than three agents, whose duty it is to represent, advise, and assist the State associations in the marketing of their products, whether within their own States or at any place of consumption, the expenses of these agents to be borne and paid as a part of the expenses of all cooperative associations in the State.

Mr. President, before the manufacturers of articles of general consumption begin the production of those commodities for the ensuing season, they carefully measure the field of consumption, the markets that may be secured, and they conform their production as nearly as they can estimate to the probable consumptive demand, to the end that they may not glut the market and have a heavy surplus on hand.

But the American farmer has nothing but his individual guess to guide him. He has a given number of tillable acres. He must plant every acre to something to meet his debts and give him a living. He does not even know what acreage his neighbor is going to plant, let alone what other countries or States have done or are doing. His work is mere chance; he merely gambles with fate.

Now, suppose that under a nation-wide cooperative system of marketing the agent of North Dakota meets with the agent of Oklahoma, of South Dakota, Minnesota, and every other wheat-producing State in the Union, and after a full investigation of world conditions, and especially of conditions in this country, they determine that the consumptive demand for wheat in this country will be a given number of bushels; that with the world crop conditions that production should not be increased. They could advise a reduction of wheat acreage and an increased acreage of some other crop. Would not this advice, if followed, be of immense value to the American wheat raiser? Would not it be a matter of great value to him to receive advice that the warehouses at the terminals were being overstocked and to withhold shipping until they were more nearly empty?

My colleague, Senator LADD, testifying before the Finance Committee the other day, said that with the proper protection on flax the North Dakota farmer could increase his flax acreage to two or three million acres, which he is now planting to wheat and other cereals. If he could do this he could reduce the surplus of No. 1 northern hard spring wheat to an amount that would more nearly meet the consumptive demand and thereby increase its price. Would it not be of great interest to the North Dakota farmer, the wheat and flax grower, to have this proper protection on his flax and then conform his acreage of each kind of crop to the probable demand of the country? Would it not be of inestimable value to him to have expert advice on that subject, followed by cooperative assent and action throughout the country? We need this farm organization and cooperation to put farming where it ought to be placed, on a plane of profit comparable with other lines of business.

All these associations and their agents will be brought under the general direction of a board consisting of five members, appointed by the President by and with the advice and consent of the Senate, all to be experts in cooperative marketing of farm products, their expenses to be borne by the Federal Government. Their duties will cover the whole field of marketing within and without the United States—to give advice to agents

and associations; to arrange for great marketing centers, as much as possible within the great consuming cities; to render advice at all times concerning the state of the market; to seek new markets; to secure the steady flow of farm products into those consuming centers; to prevent glutting the market at any time; to stabilize prices; and to perform such other duties as may be imposed upon them for the purpose of assisting in the distribution of food products, to the end that the producer may receive a living price for his product and the consumer may obtain food for himself and family at reasonable prices.

While the system that I have outlined will not change the great law of supply and demand in the determination of price fixing, it will, without question, assist the farmer in securing the full price to which he would be entitled under that law of supply and demand.

As soon as the organization becomes fully operative it will tend to conform the supply to the demand. It will prevent the recurrence of conditions which we have lately witnessed, where sheep raised in Wyoming, with good wool, hide, and everything, gave the farmer 32 cents per head at Chicago over cost of freight and marketing, while at the same time the Chicago housewife was compelled to pay as high as 40 cents for a single lamb chop. It would prevent the recurrence of a condition in which carloads of peaches were shoveled into the river because there was no market for them, while the people were paying exorbitant prices for peaches. It would obviate or eliminate a condition existing, and which has been existing in this very District and in the States of Maryland and Virginia, where fine apples were allowed to rot on the ground because the cost of marketing was more than the owner would receive for his product, while at the same time the consuming public in this city were being charged from 10 to 20 cents for a single apple.

I admit that it is a great advance step, but these are days of organization and organized endeavors. City organizations of employers, capitalists, and laborers have so advanced the price of all manufactured products that they are getting beyond the reach of the great food producing portion of the United States who are unable, through lack of organization, to determine even in the slightest degree the price for which they should sell their products.

We hear persons constantly bemoaning the fact that our population is drifting to the cities. To what part of our domain would they have this population migrate? If the depression of the prices of our farm products is due to a considerable extent to the fact that we produce more than we consume in this country, does any one expect to remedy that by increasing the number of producers and to that extent diminishing consumption?

Mr. President, the hope of the American farmer to-day lies in the ever-increasing numbers of the consumers of his products right here in the United States, right here at home. We have nearly reached the limit of our tillable acres, but the birth rate will continue. Population has no limit. In the light of this assurance let the American farmer take heart. The time is not far off when by reason of increased consumption in the United States, demanding every bushel of his grain, every pound of poultry and dairy products, every pound of beef and pork and mutton, the farmer can and will receive the full benefit of this protection which has made prosperous and built up our great city populations, a policy which since the Civil War has converted a population which at that time was two-thirds food producers into a population which is now more than two-thirds food consumers. Let the farmer not try to drive this great consuming population back into the field of food production.

Talk as he will, the United States which consumes 90 per cent of the farmers's products is his best customer, more so to-day than ever, due to the poverty of the old European consumers. Let the farmer help by his staying arm to maintain the prosperity of the consuming class right here at home, to give employment to every laborer in the United States at living wages so that he and his family may buy greater quantities of the farmer's products.

Let the American manufacturer and factory laborer remember that the principle of protection is mutual. Let them remember that their prosperity depends in like measure upon the prosperity of the farming class. I ask them, "Why are not your mills operating to-day and why are millions of workers idle"? If you do not realize it, let me tell you frankly the cause: Your cost of production and cost of distribution are so high that the great agricultural class, the prices of whose main products are far below prewar prices, can not purchase those products. Millions of bread winners can not purchase them. So just eliminate all selfishness from your hearts. Be willing, yes anxious, to pay for your food products a price that will result in prosperity to your best customer, the American farmer. Give him every possible protection. Help him in every possible way, except by charity. He does not want charity. He wants opportunity.

Population will always drift to the field of greatest remuneration for labor or for business. None of it will ever drift back to the farm so long as the earnings in the cities are from five to ten times as great as in the country. Most people who have had experience in living on the farm and in the city would by far prefer the rural occupation if it could be made as remunerative.

The whole effort of nations from a national standpoint should be to assist, so far as legislation can assist, in bringing about higher compensation for the producers of farm products. This can be done—

First, by holding the American market for the American farmer so far as he is able to supply that market for a reasonable compensation.

Second, by assisting in every possible way in the distribution of farm products, to the end that the farmer shall receive a living price for the things which he produces. This latter result can be obtained only through the methods of cooperative marketing, under general supervision, which I have indicated.

I shall therefore submit this bill to the committee with the earnest hope that it shall receive that consideration which its great purpose entitles it to receive. It may not be perfect. I submit it for such amendments as those who understand the agricultural situation in this country shall deem advisable. I am willing to place it side by side with any other scheme which has ever been proposed and allow it to stand upon its comparative merits.

President Harding, in his address before the two Houses of Congress at the opening of this session, declared:

> Something more than tariff protection is required by American agriculture. To the farmer has come the earlier and heavier burdens of readjustment. There is actual depression in our agricultural industry, while agricultural prosperity is absolutely essential to the general prosperity of the country.
>
> Congress has sought very earnestly to provide relief. It has promptly given such temporary relief as has been possible, but the call is insistent for the permanent solution. It is inevitable that large crops lower the prices and short crops advance them. No legislation can cure that fundamental law. But there must be some economic solution for the excessive variation in returns for agricultural production.
>
> It is rather shocking to be told, and to have the statement strongly supported, that 9,000,000 bales of cotton raised on American plantations in a given year will actually be worth more to the producers than 13,000,000 bales would have been. Equally shocking is the statement that 700,000,000 bushels of wheat raised by American farmers would bring them more money than a billion bushels. Yet these are not exaggerated statements. In a world where there are tens of millions who need food and clothing, which they can not get, such a condition is sure to indict the social system which makes it possible.
>
> In the main the remedy lies in distribution and marketing. Every proper encouragement should be given to the cooperative marketing programs. These have proven very helpful to the cooperating communities in Europe. In Russia the cooperative community has been the recognized bulwark of law and order and saved individualism from engulfment in social paralysis. Ultimately they will be accredited with the salvation of the Russian State.

There is the appeal for this experiment. Why not try it?

The time is propitious, the psychology of the country is en rapport with the idea of cooperative marketing, and that on a great scale. The farmers of the country are asking, not charity, but the best conditions which the laws of this country will give them to allow them to maintain their business outside the realms of charity. If they can secure an honest price for their crops when they do raise them, they will not be asking the Nation for appropriations for seed grain to meet the years of failure. Insure the agricultural population of this country a fair market price for its products and the money received therefrom will set in motion every wheel of industry in the United States.

Mr. President, I ask that the bill which I have introduced relative to cooperative marketing may be printed as an appendix to the statements which I have just made.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPENDIX.

The bill (S. 3067) to create a Federal cooperative marketing board, to provide for the organization of cooperative marketing associations, and for other purposes, introduced by Mr. McCUMBER January 24, 1922, is as follows:

Be it enacted, etc., That there is hereby established a board to be known as the Federal cooperative marketing board (hereinafter in this act referred to as the board), and to be composed of five members having special and expert knowledge and experience, as follows: One in the cooperative handling and marketing of grain; one in the cooperative handling and marketing of fruit; one in the cooperative handling and marketing of cotton; one in the cooperative handling and marketing of dairy products; and one in the cooperative handling and marketing of live stock.

Such members shall be appointed by the President, by and with the advice and consent of the Senate, for terms of five years, except that of such members first appointed, one shall be appointed for a term of one year; one for a term of two years; one for a term of three years; one for a term of four years; and one for a term of five years. Each member of the board shall receive a salary of $6,000 per annum. Any vacancies in the board shall not impair the powers nor affect the duties of the remaining members. A vacancy in the board shall be filled in the same manner as the original appointment, and any person appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds.

The board may make such expenditures for stationery, printing, telegrams, telephones, books, periodicals, postage, and other supplies and expenses, and may appoint and remove and fix the compensation of such officers, employees, and agents as they may deem necessary in order to carry out the provisions of this act. The Secretary of Agriculture shall furnish the board with quarters, furniture, and office equipment in the District of Columbia, and shall cooperate with the board in every manner possible in carrying out the provisions of this act. The expenditures of the board shall be allowed and paid upon the presentation of itemized vouchers therefor, approved by the board and signed by the chairman thereof.

SEC. 2. That it shall be the duty of the board—

(a) Immediately upon the appointment and qualification of the members, and annually thereafter, to organize by selecting from its number a chairman and a treasurer. The treasurer shall furnish a bond in such amount and upon such terms as the Secretary of the Treasury may prescribe.

(b) To promulgate rules and regulations for carrying out the provisions of this act.

(c) To prescribe and from time to time to amend by-laws, not inconsistent with the provisions of this act, for the governing of the associations hereinafter provided for.

(d) To gather, compile, and disseminate such information, statistics, and other data as may be useful in the cooperative handling and marketing of grain, fruit, dairy products, cotton, live stock, and of such other agricultural products as it may deem advisable.

(e) To study, investigate, and devise plans for a comprehensive system of cooperating handling and marketing and for the formation, control, and maintenance of terminal market places for the products of the members of the associations, in order to bring the producer and the ultimate consumer into as nearly direct relation and communication as possible, and to eliminate the existing heavy expenses and charges borne by the producer and the consumer resulting from intermediate handlings and profits.

(f) In order to secure uniformity, as nearly as may be possible, in the organizations becoming members of an association, to recommend articles of incorporation, articles of association, and by-laws, giving due consideration to varying conditions and needs; but failure to adopt any such recommendations shall not affect the eligibility of any member.

(g) To cooperate with the Secretary of Agriculture and with the agricultural departments or agencies of the States.

SEC. 3. (a) That there shall be in every State, if the board deems it advisable, a State cooperative agency (hereinafter in this act referred to as the agency), to be composed of not more than five members. The members of any such agency shall be appointed by the associations within the State for a term of office not exceeding three years. Each of such members shall receive a salary of not more than $4,500 per annum, to be prescribed by the association.

(b) It shall be the duty of every such agency—

(1) To organize, subject to the approval of the board, associations for the cooperative handling and marketing of grain, fruit, dairy products, cotton, live stock, or other agricultural products.

(2) To advise every such association, and the members thereof, upon the best disposition of their products, including advice upon financial methods, storage facilities, general market conditions, the most favorable market, the transportation situation, and upon such other matters as they may deem of assistance or upon which the association requests advice or assistance.

(3) To assist any association, upon request therefor, by acting as its agent or by appointing or recommending persons to act as its agents, in providing or arranging for financial assistance, storage facilities, transportation, or in marketing its products, or otherwise.

(4) To cooperate, with the approval or upon the direction of the board, with any other agency.

(5) To perform such other duties as the board or the associations may direct.

(c) Until such time as there are a sufficient number of members so that the associations within a State are self-supporting, the board may appoint an officer to perform the duties imposed by this act upon the agency for such State.

SEC. 4. (a) That any group of persons eligible for membership may petition the agency for the creation of a Federal cooperative marketing association (hereinafter in the act referred to as an association). Such petition shall contain the names, addresses, and occupations of the petitioners, a copy of the provisions, if any, proposed to be incorporated in the by-laws, a statement that each petitioner voluntarily adopts and agrees to be bound by the by-laws of the association, and such further facts or statements as the agency or the board may require. The agency shall transmit such petition, with its recommendations, to the board. Upon approval by the board the agency shall take such steps as may be necessary to create such association.

(b) Any individual, partnership, association, corporation, or other group or organization, eligible to become members, may petition the agency for membership in an association. Such petition shall contain the names, addresses, and occupations of the petitioners, the association in which membership is petitioned for, a statement that the petitioners know the by-laws of such association, and that they agree to be bound thereby, such facts as may be necessary to establish their eligibility to membership, and such further facts or statements as the agency or the board may require. If the agency approves such petition, in whole or in part, it shall notify each petitioner of its action. The petitioners to whom the agency has granted membership shall become members of the association as of the date of the mailing of such notification. In the event that the agency has denied membership to any petitioner, it shall transmit to the board the petition, its action thereon, and any statement such petitioner may file in relation thereto. If the board disapproves of the action of the agency, it shall direct the action to be taken by the agency. Every petition shall be transmitted by the agency to the board, and if the board disapproves the granting of membership to any petitioner, it shall order the agency to revoke the membership of such petitioner, and in such case a proportionate amount of the dues and fees paid by such member shall be refunded.

SEC. 5. That the board shall upon request therefor by an agency or a member of an association, and may upon request therefor by any interested party or upon its own initiative investigate the conduct of any member of an association. If the board finds that such member has violated any provision of this act or any by-law of such association, it may revoke the membership of such member, or it may take such other action as it deems advisable.

SEC. 6. (a) That an individual shall not be eligible to membership in an association unless—

(1) He is actively engaged in raising or producing the particular product for the cooperative handling and marketing of which the association was formed. An individual may be eligible to membership in more than one association.

(b) No partnership, association, or other group or organization shall be eligible to membership as such in an association unless each individual thereof is eligible, and no corporation shall be eligible to membership in an association unless it would be eligible as an individual.

(c) Each association shall be composed only of members raising or producing one of the following: Grain, cotton, fruit, live-stock or dairy products, or such other agricultural products as the board may authorize.

SEC. 7. That the by-laws of any association formed under the provisions of this act shall contain—

(a) The name of the association.

(b) Provisions for the creation of a State agency and the appointment of the members thereof.

(c) A provision that the purpose of the association is to secure more efficient and more profitable methods of handling and marketing the products of its members.

(d) A provision that every member shall use every effort to prevent a person who is not eligible to membership from becoming or continuing to be a member.

(e) A provision that only a member shall be entitled to the privileges and benefits of the provisions of this act, and that each member agrees not to extend any such privileges or benefits to other than a member.

(f) A provision for the payment of the expenses of the association and the share of the association of the expenses of the agency. Such provision may include membership fees of not more than $5 for each individual member and not more than $25 for each partnership, association, corporation, or other group or organization, and annual dues of not more than $5 for each individual member and not more than $25 for each partnership, association, corporation, or other group or organization, and shall include authority to raise the remainder of the amount to be paid by the association by levying a percentage assessment on the amount received by each member from the sale of his products through the association, but in no case shall such assessment exceed 1 per centum of such amount.

(g) Such other provisions not inconsistent with the provisions of this act as the board may prescribe for the association or which the association, with the approval of the board, may adopt.

SEC. 8. (a) That the expenses of the board shall be paid by the United States. The expenses of each association shall be paid by the association, and the expenses of the agency, including the salaries of the members, shall be paid by the associations in the State.

(b) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary, for the payment of the expenses of the board, including the payment of the salaries of the members and the officers, employees, and agents of the board, and the travel, subsistence, and other necessary expenses of such members, officers, employees, and agents incurred in the performance of the duties vested in the board in other places than the District of Columbia.

The PRESIDING OFFICER. Does the Senator from North Dakota desire to have the bill referred to the committee?

Mr. McCUMBER. I ask that the bill may be printed and lie on the table.

The PRESIDING OFFICER. Without objection, the bill will be printed and lie on the table.

Mr. FLETCHER. Mr. President——

Mr. McCUMBER. I yield to the Senator from Florida.

Mr. FLETCHER. I did not know but that the Senator from North Dakota had finished.

Mr. McCUMBER. I had concluded my speech and was going to suggest the absence of a quorum.

Mr. FLETCHER. I trust the Senator will defer that for just a moment.

Mr. McCUMBER. Certainly.

Mr. FLETCHER. Mr. President, I am merely going to say in connection with the Senator's remarks that I am glad to see that he has taken this step toward securing cooperative marketing or cooperative efforts in the distribution of farm products. It is a matter in which I have for a great many years felt a very deep interest, and I have endeavored heretofore to promote that object. One plan in which I had a little success was the extension of the parcel-post system so as to bring about to a larger extent direct dealings between the producers and the consumers. I think that has helped some, both in the matter of getting better prices for the producer and in getting supplies at a lower price by the consumer, but that, of course, was a comparatively limited factor. We need some system that will enable us to solve the problem of economical distribution; that is the great problem. We have done a great deal toward increasing production. The Agricultural Department has been most helpful to the people of the country; Congress has been very liberal in providing appropriations designed to assist in increasing production; but the problem of distribution has, up to this time, remained almost wholly unsolved. The result of the lack of system is something which should make us feel that somewhere and somehow we have been neglectful and derelict in that great field.

However, outside of that question and leaving that for the moment—for the Senator from North Dakota has very ably covered the matter this morning in his discussion, so far as his bill is concerned—I desire to say that there is no doubt, as the President stated yesterday, and as we all concede, that agriculture in this country is languishing and the situation ought to be taken hold of along various lines.

In 1916 we established what is known as the farm loan system. That system was intended to meet the financial needs of agriculture; it was established primarily in the interest of agriculture. The system has been operating splendidly; it has demonstrated its feasibility, workableness, and usefulness to the farmers of the country. Of course, we know that there were some 15 months during which the system was not functioning because of the litigation which had been instituted attacking the constitutionality of the law; but up to November 30, 1921, according to the fifth annual report of the Farm Loan Board, which I have before me, Federal land bank bonds of that system had been authorized and issued to the amount of $432,761,315.

Loans have been made through the 12 Federal land banks to November 30, 1921, to the amount of $415,173,150.81 and by the joint stock land banks to the amount of $81,734,869.48. The rate of interest the borrower pays is not exceeding 6 per cent, or not exceeding one-half of 1 per cent more than the bonds bear. The borrowers have obtained these loans at 5 per cent arising under the first issues of bonds and 5½ per cent under the later issues.

The funds which are loaned to farmers under that system are derived from the sale of the bonds. Those bonds can not be sold unless they are issued, and they are not issued except as authorized by the Farm Loan Board. Of course, if they are not issued there are not funds to meet the requirements and to accommodate the necessities of the farmers. We then come back to the proposition that, in order to supply the funds for which the farmers of the country apply and which they desire to obtain in taking advantage of the facilities of that system, the Farm Loan Board must offer for sale the bonds which are based upon collective mortgages, as the law provides. When those bonds are sold to the public, then the banks will have the proceeds with which to respond to the applications for loans which the farmers who are eligible under the act may make.

The farmers of the country never needed the assistance of that system so badly as they have needed it in recent years, say, since the close of the World War. When the constitutionality of the act was passed upon by the Supreme Court and it was declared to be constitutional on the 28th of February last, applications had accumulated in every Federal land bank throughout the country and demands for loans under that system have been most urgent and pressing upon the banks. In many instances farmers have lost their homes, have lost their hope, and are in despair because they have been unable to get the loans to which they were entitled under that system. One reason has been that there has been an insufficient supply of money. The only reason for that insufficient supply is that the Farm Loan Board has not offered to the public for sale the bonds out of which these funds could have been realized. Last May they offered an issue of $40,000,000.

Mr. HARRIS. Mr. President, may I interrupt the Senator just at this point? When the bill went over to the House the Farm Loan Board really used their influence to defeat the appropriation of $200,000,000 which the Senate made to buy these bonds on the ground that they did not need the money.

Mr. FLETCHER. They said they did not need the money, because, they said, "We can sell the bonds now"; and they could have sold the bonds, but they did not offer the bonds for sale in sufficient quantity. They offered $40,000,000 on last May 1. For some unaccountable reason, although the act was declared constitutional on the 28th of February, 1921, and although every bank was in existence, fully officered, and although the Farm Loan Board here was drawing pay and had been doing so steadily all the time, they never got functioning again until the 1st of June. Now, think of that! Here were the farmers of this country appealing for the opportunity to avail themselves of that system, which was established for their benefit, and the officials were not able to begin functioning again for all this time. To be sure, they suspended operations for a time by reason of the litigation which had been pending; but I do not entirely forgive them about that, because I have always contended that they need not have stopped functioning all that time. There never was any injunction against the Farm Loan Board. There never was an order or a decree of any court that prohibited them from proceeding with their work.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Georgia?

Mr. FLETCHER. I yield to the Senator.

Mr. WATSON of Georgia. I ask the Senator from Florida if he is sure he is right as to the date of the decision?

Mr. FLETCHER. The Senator will find that set out in the Fifth Annual Report of the Federal Farm Loan Board, page 1, wherein they say:

> On February 28 of the present year the litigation was finally disposed of by a decision of the Supreme Court of the United States confirming in all particulars the constitutionality of the farm loan act.

Mr. WATSON of Georgia. I will ask him for the privilege of saying, as an evidence of the eagerness with which these loans have been sought since May 1, 1921, that down to December 31, 1921, they loaned to North Carolina $2,332,000, to South Carolina over $4,000,000, to Georgia over $3,000,000, and to Florida $671,000, leaving off the odd figures, making in all $10,867,000 in these few months.

Mr. FLETCHER. Since the 1st of June. This report further shows that it was not until the 1st of May that the banks were ready to deliver their bonds. Then they say further that they then made a combined offering of $40,000,000 of 5 per cent bonds, with the proceeds of which their loaning activities were resumed by the 1st of June.

What I am getting to is this: There is a great agency which we have set up and have given authority and power to serve the farmers of this country in the matter of their long-term credits and their capital requirements. It has demonstrated fully that it can do what Congress intended that it should do. It can meet largely, if not entirely and fully, the demands of the farmers of this country in respect to long-term loans. It does not do it. From one end of the country to the other I am getting appeals from those who wish to borrow under that law and are entitled to borrow—cultivators, producers, farmers actually operating their farms—and the complaint is that they are receiving notices from the secretaries of the National Farm Loan Associations, by direction of the Federal land banks, to send in no more applications; that the applications on hand can not be considered for months and months; that they have not sufficient funds on hand to comply with the requests and demands that are already made; and therefore these farmers are not being served as they ought to be served under that system.

Mr. McCUMBER. Mr. President——

Mr. FLETCHER. The only thing to do is for the Farm Loan Board to offer these bonds. The public are ready to take them. It is simply a question in that respect of administration. I yield to the Senator if he wishes to ask a question; but they say in their report on page 4:

> In estimating the probable volume of business through the Federal land banks for a given period, two major questions must of necessity be considered—the supply of funds and physical capacity. Neither of these questions has been tested to such a finality as to admit of a definite estimate.

In the name of Heaven, when are they going to test them? There never was such call, such demand, such need for the full operation of this system as to-day. They have had the time before and since the 28th of February, 1921, to test the questions as to how many bonds the public will take and to test the question of their physical capacity to do the business. When are they going to test it? It is not a question of the Government giving them a dollar. It is not a question of the Government doing anything except to see that the officers of this Government, in charge of a great agency of the Government, shall do their duty; that is all.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. FLETCHER. They do not have to ask the Government for a cent, and they are not asking the Government for a cent—not a penny. The farmers of this country are not calling upon this Government to-day for any kind of favor of any sort—not a thing but that the officers of this Government who are sworn to do this duty shall do it; that is all.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield; yes.

Mr. SMOOT. I simply wanted to say to the Senator that I am quite sure that $75,000,000 worth of these bonds will be offered within a very few days.

Mr. FLETCHER. I hope so. There has been insistence enough. It is time they were being offered. They ought to have been offered before.

Mr. SMOOT. That is a question of judgment.

Mr. FLETCHER. I do not want to be diverted. That is very good information; but why have they hesitated all this time? Why is it that from one end of this country to the other these applications have been resting there for weeks and weeks and

weeks, and farmers are losing their homes and abandoning their farms because they have been unable to get the accommodation they were entitled to have? After this $40,000,000 was issued in April or May, there was $60,000,000 issued later on, in November.

Mr. McCUMBER. Mr. President, will the Senator yield to me now for a question, as I yielded to him?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from North Dakota?

Mr. FLETCHER. Yes; very cheerfully.

Mr. McCUMBER. Just for one question, right along the line that the Senator is now discussing.

I thought this system of getting money to the farmers was not the best system in the world, involving as it did the creation of a lot of banks with overhead expenses, and then having those banks issue bonds, and then selling the bonds and taking the money to loan to the farmers. I always considered that we might just as well do directly what we were attempting to do indirectly, and have a bureau in the Treasury Department that would make the loans, sell the bonds themselves, and take the money that they got and go on and make the next loan, and continue that. That proposal passed the Senate at one time, but we wanted to establish this great banking system. It has done good; I will admit that; but I do not think more than 1 per cent of the mortgages in my State during this whole time have been taken up and made through this system.

What is the merit of the system, and how can we get the money? Only by issuing tax-free bonds. That is correct, is it not? Assuming, then, that those bonds that are to be issued to obtain the money to make the loans upon the farms are tax free, and that that is the thing which will make them salable at par at the present time, the whole country is being honeycombed to-day to find tax-free securities. Men are sent out from Chicago by different firms to see little communities to get them to fix up their streets for pavements, and so forth, to the end that they may issue bonds, and then they assure them that they can find a market for the bonds. If that is to be done, tell me why you can not accomplish the same thing by saying to the widow who has a thousand dollars that she wants to loan to a farmer: "Loan him that thousand dollars and the interest upon it will be tax free." You can meet the need just as well by making the securities obtained on the loans upon farms tax free as you can by making the bonds which are to secure the money tax free.

I will say to the Senator that I am going to introduce a bill for that very purpose, and put it before the Agricultural Committee to see if it is not better, after all, to allow the mortgages directly to be tax free, and thereby get a lower rate, than it is to go around through this system of bonds; provided, of course, that the interest upon these mortgages shall not be above 5 or 6 per cent.

Mr. FLETCHER. Of course when we get to that question about tax-free securities, I shall be very glad to take it up with the Senator. I do not want to take the time to go into that now.

Mr. McCUMBER. We have five minutes now before the funding bill is called up.

Mr. FLETCHER. What does the Senator want done?

Mr. McCUMBER. I am ready to go on with that bill any time; but if the Senator wants to go on until 2 o'clock——

Mr. FLETCHER. I should like to proceed until 2 o'clock, and then I can proceed afterwards, if I like, without anybody's permission.

Mr. McCUMBER. Very well, Mr. President.

Mr. FLETCHER. I will say, with reference to the Senator's suggestion about this system, that it is operating admirably. There are no excessive overhead charges. There is nothing cumbersome about it. There is no objection anywhere being raised to it so far as the plan, the purposes of Congress, as expressed in the act, are concerned. It is a splendid, efficacious system.

As to what is being done in North Dakota under it, the report shows that there are 6,771 borrowers in North Dakota; that they applied for $24,349,930 and they got $21,741,750.

The total number of acres mortgaged in North Dakota was 1,508,905. I think they are doing quite a little business under that system in North Dakota, and I venture to say that the farmers in North Dakota do not want to see that system crippled. There is not any question but that it is a beneficent system of the greatest possible value to the farmers of this country; and as to the feature of exempting the bonds from taxation, that, of course, is for the benefit of the borrower. If they are not exempt from taxation, they will have to bear a higher rate of interest; and the law provides that the borrower shall not pay more than one-half of 1 per cent above what the bonds sell for, and the rate of interest is limited to 6 per cent. Never before in the history of this country were the farmers able to obtain their accommodations at 5½ per cent interest, and they are able to do so under this system and are doing so. Four hundred and odd million dollars have been loaned through these Federal land banks, and nearly a hundred million dollars through the joint stock land banks, a total of $500,000,000 to farmers in this country under this system at 5 and 5½ per cent, and that never was heard of before in the history of this country. You are not going to cripple that system.

Mr. SHEPPARD. Nor, Mr. President, have they ever had so long a time for repayment.

Mr. FLETCHER. Why, they get the accommodation practically on their own terms. They can pay 1 per cent per annum toward the principal and have the loan run for 35 years if they want to, or they have the right to pay it off at any time after five years if they desire to do so. There are other favorable provisions which I assume are well understood.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Georgia?

Mr. FLETCHER. I yield. I have only a minute left.

Mr. WATSON of Georgia. If it will not divert the Senator, what is his explanation of the fact that the State of North Dakota can get twice as much money under that system as the four States of Florida, Georgia, North Carolina, and South Carolina?

Mr. FLETCHER. This is a very interesting report, and I should like to examine it in some detail, but I presume it is because they have been more active and more insistent and more energetic out there, perhaps, than they have been elsewhere.

Mr. WATSON of Georgia. I can assure the Senator that that would not explain it, because I know they have been extremely insistent in my State, and my understanding is that the same thing is true of these other States.

Mr. FLETCHER. I think that is quite true, Mr. President. The plan that the Federal Farm Loan Board has adopted has been to parcel out the funds, distribute them so much to each Federal land bank. There are 12 Federal land banks in the country. In the Senator's district—North Carolina, South Carolina, Georgia, and Florida—the land bank is located at Columbia, S. C. That bank out of, we will say, the $40,000,000, is assigned so many millions, probably three millions and something. Of course, that is all they have to loan. For some reason or other the Farm Loan Board has assigned something more than that to North Dakota. Then in November they had another issue of $60,000,000, and those bonds were sold readily. The board apportioned the proceeds as they considered advisable to the different banks. There can not be any question about the public taking these bonds, because those bonds that were sold in November, now held by private parties, can not be bought for less than 103 or 104, and I was told by a bond house just the other day that if they had farm loan bonds they could sell at least $1,000,000 that day. There is not any valid reason why there should not be another issue of these bonds promptly. There ought to be at once. There ought to have been before this if they are short of funds, and they evidently are, or the people would not have been getting notices to cease filing applications and notices that there would necessarily be these interminable delays in dealing with their applications.

The trouble, in my judgment, is not with the banks. The trouble is not with the farm loan associations. The trouble is with the Farm Loan Board. There is no escape from that, because no bonds can issue until they authorize the issuance of the bonds. The Farm Loan Board has been extremely cautious, conservative, if you please, careful about issuing the bonds. In one statement which they made they seemed to indicate that the Treasury Department held them back and preferred that they should not issue the bonds.

As I said, there is no reason why they should not offer the bonds, and there is practically no limit, as far as we know now, as to the extent to which the bonds would be taken by the public; not by the Treasury at all, because we do not want the Government to have anything to do with it, except to offer the bonds to the public. The public will take them and the money will be there to be distributed to the Federal land banks and loaned by them to the actual farmers of the country who need the funds now.

The PRESIDING OFFICER. The Senator will suspend. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 8762) to create a commission authorized under certain conditions to refund or con-

vert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. FLETCHER. If the Senator from North Carolina [Mr. SIMMONS], who is entitled to the floor on the unfinished business, will permit me, I should like a little more time to go into this and to discuss the report a little further, but perhaps it is unnecessary to dwell longer upon it, since the Senator from Utah [Mr. SMOOT] has advised that within a short time there is going to be an issue of some $75,000,000 of bonds. That is what I am after, and if that is going to be done it will help the situation.

We may talk all we please about cooperative marketing and about other things that we want to provide for the farmer, but we have already provided a great system for the farmers of the country that is worth more to them than all the other things we have done or than there is in the air or in our minds, and yet the law is not being executed as it should be and the system is not allowed to function with that freedom and fullness of which it is capable. The officers in charge of it do not seem to realize the situation. They are not putting it into operation and having it function as it should function. The possibilities are there, the facilities are all provided, and there is no reason in the world why the farmers of the country should not be supplied with the money they need under that system.

To show the safety of it, the report of the Farm Loan Board shows that while it has been in operation ever since 1916, and $500,000,000 has been loaned to the farmers at 5½ per cent, the earlier loans at 5 per cent and the later loans at 5½ per cent, they have lost but $200 on one little loan on the entire business up to this time. The foreclosures are listed in the report. Some foreclosures have taken place and the property has sold in every instance at more than twice the amount of the loan held by the Federal land bank.

The system is there, the facilities are already provided, and all the people in charge of it have to do is to administer the law. The public is ready to take the bonds and let the money go to the people who are waiting for it, who are asking for it, who are pleading for it and have been for months, but who can not get action. That sort of thing should not be. Let us take up the slack; let us put into operation with real energy, as can readily and easily be done, the system which we have already provided and which has demonstrated absolutely its efficiency. Much has been already accomplished, and no serious obstacle in the original law or the plan stands in the way of most gratifying success.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. SIMMONS. Mr. President——

Mr. McKELLAR. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Hale	Moses	Smoot
Ball	Harreld	Nelson	Stanfield
Borah	Harris	Nicholson	Sterling
Brandegee	Harrison	Norris	Sutherland
Broussard	Heflin	Oddie	Swanson
Bursum	Johnson	Overman	Townsend
Calder	Jones, N. Mex.	Page	Trammell
Cameron	Jones, Wash.	Pepper	Wadsworth
Capper	Kenyon	Phipps	Walsh, Mass.
Caraway	Ladd	Pittman	Walsh, Mont.
Culberson	La Follette	Poindexter	Warren
Curtis	Lenroot	Pomerene	Watson, Ga.
Dial	McCumber	Ransdell	Watson, Ind.
Edge	McKellar	Robinson	Willis
Fletcher	McKinley	Sheppard	
Glass	McLean	Simmons	
Gooding	McNary	Smith	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present. The Senator from North Carolina will proceed.

Mr. SIMMONS. Mr. President, I wish to address myself briefly to the unfinished business now before the Senate.

On the 23d day of June, 1920, seven months ago, Senator Penrose introduced in the Senate a bill providing for the refunding of our foreign loans. That bill was drafted in the Treasury Department. It was transmitted by the Secretary of the Treasury to the President and by the President to the chairman of the Committee on Finance, then Mr. Penrose, with a letter approving the bill and urging prompt action upon it.

I wish to read to the Senate that bill, and Senators who honor me with their attention will discover later why I read the first bill upon this subject introduced in the Congress. I shall not read the whole of the bill, but only the part which relates to the powers conferred. It is as follows:

> That the Secretary of the Treasury, with the approval of the President, * * * is hereby authorized from time to time to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation), arising out of the European war, into bonds or other obligations of such, or of any other, foreign Government, and from time to time to receive bonds and obligations of any foreign Government in substitution for those now or hereafter held by the United States of America, in such form and on such terms, conditions, date or dates of maturity, and rate or rates of interest, and with such security, if any, as shall be deemed for the best interests of the United States of America, and to adjust and settle any and all claims not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

That bill lodged these broad, sweeping, unlimited powers in the Secretary of the Treasury.

It will be noted first, Mr. President, that these powers are not confined to obligations now due the United States by foreign Governments in whatever form those obligations may be attested, but it extends to any obligation or indebtedness which may hereafter accrue to the United States from any foreign Government.

There has been much controversy in the Senate since this matter was first brought to its attention with reference to the exchange of the obligations due the United States by one Government for the obligations of another Government. That matter was much discussed after this bill, embracing that broad power, was introduced, the very suggestion of which seemed to shock the country. The right of cancellation of these obligations was very much discussed before the matter was brought to the attention of the Congress and while the bill was still pending before the Finance Committee. It was shown that various suggestions, some of them emanating from foreign Governments, had been made of a cancellation of the indebtedness of our allies to us.

The question of the rate of interest and the extension of the time of payment of interest was much discussed in the country and in this body while the Finance Committee were investigating the bill which conferred upon the Secretary of the Treasury this unlimited and untrammeled authority. The question was discussed of whether this authority to the Secretary of the Treasury should be extended to other obligations that might in the future arise in favor of this Government from a foreign country.

Mr. WATSON of Indiana. Mr. President, will the Senator from North Carolina yield?

The PRESIDING OFFICER (Mr. EDGE in the chair). Does the Senator from North Carolina yield to the Senator from Indiana?

Mr. SIMMONS. I yield.

Mr. WATSON of Indiana. Does the Senator from North Carolina dispute that under the existing law the Secretary of the Treasury has a right to fund this debt?

Mr. SIMMONS. I am not talking about that now. I shall discuss that question later.

Mr. WATSON of Indiana. But I thought the Senator from North Carolina was talking about the broad powers proposed to be conferred.

Mr. SIMMONS. I am discussing the bill to which I have referred. I am talking about the discussion which took place in the Senate and in the country concerning the provisions of that bill while it was pending before the Committee on Finance. That is what I am talking about.

Mr. WATSON of Indiana. Yes; but I understood the Senator to inveigh against the broad powers that it was proposed should be granted to the Secretary of the Treasury.

Mr. SIMMONS. I am not inveighing at all; I am simply stating facts at this time.

Mr. President, while these discussions were going on in the Chamber and while they were going on in the press of the country the Secretary of the Treasury and his assistant Mr. Wadsworth, were called before the committee. There were various hearings, not all immediately following each other, but from time to time they were held before there was action upon the bill by the committee. The first hearing, I believe, was on July 14, 1921; another was held on July 15, another on July 18, another on July 20, and another on July 21. In those investigations the very questions to which I have referred, namely, the substitution of bonds of one debtor country for those of another, the question of the extension of the time for the payment of the interest, the question of the interest rate, and the question of the power of the Secretary to cancel or remit any part of

these obligations, were considered. There did not seem to be in this Chamber, there did not seem to be in the country, any sentiment in favor of granting the broad powers for which the Secretary was asking, and upon which he insisted. On the other hand there was opposition, and very serious and pronounced opposition, to the grant of these broad powers, greater powers than any official in our whole political life had ever asked; so great, in fact, that they would not in the past have received serious consideration from the Congress even if they had been asked.

Yet, Mr. President, notwithstanding the efforts of some members of the Finance Committee to impose reasonable limitations and restrictions upon these unbridled powers which the Secretary of the Treasury was asking for himself, the Finance Committee of the Senate, with a Republican majority strongly in favor of the administration, ignored all protests from the outside and from the inside of the committee, and incontinently voted down a proposition which was submitted by the junior Senator from Massachusetts [Mr. WALSH], who is a member of the committee, providing in effect that whatever the Secretary of the Treasury might do under the powers conferred upon him should be subject to the approval of Congress.

I myself did not offer any amendments in the committee, because it became apparent to the minority Senators that no amendment would prevail or would be seriously considered by the majority. So I refrained from offering any amendment until the bill was ordered reported out. I have portrayed, Mr. President, the attitude of the majority of the committee at that time. They voted down all proposed amendments and even refused to give serious consideration to any suggestion looking to a limitation of the powers to be conferred upon the Secretary of the Treasury. So the bill was reported out by the committee just as it had been introduced by Senator Penrose, the chairman of the committee; just as it had been drafted by the Secretary of the Treasury, without change, except the addition at the close of a provision that the powers proposed to be conferred should not extend beyond five years from the date of the approval of the act.

Mr. President, when the report of the committee was made and before any action was taken, I presented in the Senate an amendment, a portion of which I desire to put into the RECORD, vesting the power in the President instead of in the Secretary of the Treasury, and providing at the end of the grant of powers, as follows:

> That nothing herein contained shall be construed as authorizing or empowering the President to cancel or remit any part of the principal or interest of any obligation due the United States by any foreign Government, or to change the rate of interest of such obligations as prescribed in existing law: *Provided further*, That nothing herein contained shall be construed as authorizing or empowering the President to agree to the substitution for the obligations of any foreign debtor Government the bonds of any other foreign Government, or to postpone the payment of any interest accruing on any of such obligations after July 1, 1922.

That amendment was referred to the Committee on Finance, and to this good day it has not been taken up except in connection with the bill which came over from the other House.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. SIMMONS. I yield.

Mr. WALSH of Massachusetts. As a matter of fact, did not the Finance Committee at one time adopt the Senator's amendment, and then subsequently reverse its decision?

Mr. SIMMONS. I said the amendment was not considered except in connection with the pending House bill. The Senate bill, however, remained before the Senate after it was reported—and it was reported on the 19th day of August—and slept on the calendar for two months without being called up, without any effort to secure consideration for it at all, notwithstanding the fact that at the time the committee was considering the measure, as is well known to the country, promptness and expedition were being urged as essential, and it was declared that the proposed act was in the nature of emergency legislation. At the end of two months it was supplanted by the House bill now under consideration.

Mr. President, when that bill—I mean the Senate bill—was reported to the Senate the minority members of the committee filed their views in a minority report, in which attention was called to the sweeping powers granted by the bill, to the refusal by the committee to allow any restrictions whatsoever to be placed upon those powers, and to the fact that this course of action was pursued on account of the unrelenting insistence of the Secretary of the Treasury, even after it had been brought to his attention that certain of the powers proposed to be granted to him were such that it was certain that the Congress of the United States would desire to be consulted with reference to whatever action might be taken under them.

Mr. President, I have read this bill and have commented upon it in this way for two purposes: First, I wanted to call the attention of the Congress and of the country to the willingness of the majority party in this Chamber to confer upon the Secretary of the Treasury a power never before asked and never before granted, a power to act with reference to a matter involving $11,000,000,000, a sum more than twenty times as much as the Panama Canal cost the people of the United States. The majority party were willing to put that great interest of the Government in the hands of the Secretary of the Treasury to settle in any way that he might see proper, with power to substitute the bonds of one debtor for another without regard to difference in financial solvency or conditions; to cancel the debt to such extent as he saw fit; to fix the rate of interest, for, Mr. President, it was almost certain that the broad powers with reference to fixing a rate contained in the Senate bill would repeal the provisions of the second Liberty bond loan act with reference to interest and would put that question at large so as to make it absolutely within the discretion of the Secretary of the Treasury not only to remit the principal and the interest but absolutely to extend the time for the payment of interest at his own sweet will. The Finance Committee were willing to do that, Mr. President; they were willing to grant to the present Secretary of the Treasury broad and unlimited powers with reference to this matter, in the face of the fact that in time of war, when we were less concerned about the grant of power and were willing to give almost any power that seemed to be necessary in order to obtain quick and efficient action, we refused to give to the Secretary of the Treasury the very identical powers with reference to the creation of this debt with respect to the Liberty bonds without specific limitation upon such powers.

Mr. JONES of New Mexico. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Mexico?

Mr. SIMMONS. I will yield to the Senator.

Mr. JONES of New Mexico. I wish to ask the Senator from North Carolina if his position is not clearly exemplified by the fact that when the Secretary of the Treasury appeared before the committee and was questioned as to his intention to substitute the bonds of Germany for the bonds of our other debtors he said that he had no such intention?

Mr. SIMMONS. Yes; he said that.

Mr. JONES of New Mexico. I then asked the question if he would be willing to have written into the law that such a thing should not be done, and his answer was that he did not want to be hampered by any restriction whatsoever. I call attention further to the fact that the majority of the committee adopted his view of the matter at the time and wanted to give him complete authority without any restriction whatsoever.

Mr. SIMMONS. That is absolutely true. They not only refused to impose limitations with reference to powers that the Secretary insisted that he should have and intended to exercise, but they would not impose limitations as to powers which the present Secretary of the Treasury distinctly said he did not intend to exercise.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Nebraska?

Mr. SIMMONS. I do.

Mr. NORRIS. I want to ask the Senator if the bill gave to the Secretary of the Treasury authority to cancel the debt, or any part of it?

Mr. SIMMONS. I think that would be embraced within the powers that that bill conferred; yes. At least I insisted upon putting a limitation as to that in the amendment that I have suggested. The amendment was before the committee, and if the committee had wanted to restrict the Secretary about the matter of cancellation they could have adopted that provision in my amendment.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Montana?

Mr. SIMMONS. I do.

Mr. WALSH of Montana. If the Senator from North Carolina will permit me, it seems to me that the question addressed to him by the Senator from Nebraska is answered by the very language of the bill.

Mr. SIMMONS. That is what I said, I think.

Mr. NORRIS. Will the Senator read it? I do not want to have any doubt about it.

Mr. WALSH of Montana. The language is this: Power is given to this commission to adjust and settle——

Mr. NORRIS. It was the Secretary, was it not? It was not a commission at that time.

Mr. WALSH of Montana. Yes; but I am speaking about the bill that is before us.

Mr. SIMMONS. I am talking about the Senate bill. The Senate bill, to which I was addressing myself then, has the same provision, and I think in a little broader language. I did not want to stop to read it, but I will.

Mr. NORRIS. I had reference to the bill that the Senator was discussing, which I supposed was the other bill.

Mr. SIMMONS. The present bill is almost a copy of it, so far as powers are concerned.

Mr. WALSH of Montana. The Senator will notice that the power given in the first place is to refund, to convert, and to extend. That language, of course, would not accord the right to forgive any portion of the indebtedness due; but the power is not limited there, because on page 2, after reciting these things—that is, the case of obligations that have taken the form of bonds—in the case of obligations that have not taken the form of bonds we have this language:

> And to adjust and settle any and all claims not now represented by bonds or obligations.

It will be perceived that few of the obligations are represented by bonds; and, of course, when the words "adjust" and "settle" are used, that, of course, means an abatement of the principal of the claim.

Mr. NORRIS. It might mean a compromise. I should hardly think it would mean a cancellation of the debt; but if there was a dispute about it, that language would give him complete discretion to make any settlement, of course.

Mr. WALSH of Montana. Yes; but, Mr. President, one can very readily understand how a dispute might arise about many of these matters. Take the loans to Russia, for instance. The present government of Russia, as we understand—if we may speak of it as a government—repudiates that obligation entirely.

Mr. NORRIS. Yes.

Mr. WALSH of Montana. Suppose that after a time that government should be recognized by our Government and we should make a demand for bonds for the entire amount of the obligations. They say: "We do not owe it at all." Of course, the Secretary is given power to adjust and settle it and take a less amount beyond question.

Mr. SIMMONS. Of the advances to foreign Governments not covered by the bonds that were issued on account of advances made under the Liberty loan acts I think the aggregate amount is something over $700,000,000; but I want to say to the Senator that to make assurance doubly sure the amendment which I offered to the Senate bill, and which was not accepted at that time, not even considered, expressly provided that nothing contained in the bill should be construed as authorizing or empowering the President to cancel or remit any part of the principal or interest upon any obligation due the United States by any foreign Government.

Mr. President, as I stated, that bill was introduced in the Senate and was before the committee from early in June of 1921 until October of the same year. No action was taken about it. Why, in these conditions which were described as emergency conditions, that bill was allowed to sleep as it did I never have been able to understand; but it remained here in the pigeonhole of the document room all that time. On October 20 the House sent over to the Senate a bill providing for the refunding of the debt. That bill, so far as its grant of power is concerned, is almost in the identical language of the Senate bill.

Mr. WATSON of Indiana. Mr. President, will the Senator yield?

Mr. SIMMONS. Yes.

Mr. WATSON of Indiana. I do not desire to interrupt the thread of the Senator's argument.

Mr. SIMMONS. I yield.

Mr. WATSON of Indiana. The Senator says that he does not understand why that bill was not acted on during that period of some four months. In the first place the Senator will recall that we had many hearings on the question.

Mr. SIMMONS. Those hearings were closed.

Mr. WATSON of Indiana. Yes, they were closed; but the Senator will further remember that it was not deemed desirable—and I think he shared in the opinion—to have a debate on the floor of the Senate of the United States in regard to the funding of these debts, knowing what might be said with reference to certain of our allies while the present Conference on the Limitation of Armaments was being held and while the representatives of the very Governments about which discussion must of necessity be had were within our gates as our guests.

Mr. SIMMONS. Are they not here now?

Mr. WATSON of Indiana. Yes; but the conference is about to close, and the truth about the matter is that we had information that the conference would be closed by this time. Therefore the matter drifted along and was permitted to drift along.

Not only that, but the Senator will recall that in order to avoid unseemly debate on this question—that is, unseemly under the conditions—we tried to get an arrangement by which both parties would agree upon the provisions of a bill, and that in the committee I myself made a motion that the Senator from North Dakota [Mr. McCUMBER], the Senator from Utah [Mr. SMOOT], the Senator from North Carolina [Mr. SIMMONS], and the Senator from Mississippi [Mr. WILLIAMS] should get together for the purpose of determining, if possible, on the provisions of a bill composing their differences and arriving at a fixed conclusion with reference to the formulation of a measure that would adequately express the opinion of the committee, and that they did get together for that purpose.

Mr. SIMMONS. The Senator is anticipating matters of which I intended to speak.

Mr. WATSON of Indiana. But the Senator said he did not understand why this delay occurred, and I have explained the reason.

Mr. SIMMONS. The Senator has undertaken to explain why the delay took place, but I ask him the question why, if that was the reason, we are going on here now when the conference is still in session? There does not seem to have been any greater reason then why we should not launch this matter on the floor of the Senate and bring about the discussion of these questions—inevitable, inescapable questions—than that we should enter upon it now while the conference is still in session, if that, as the Senator alleges, was the reason and the only reason why the majority did not act upon it earlier.

Mr. President, as I have heretofore stated, the House bill, the one which we are now considering, is substantially the Senate bill upon which I have animadverted. The only differences are the following:

First, the House bill substitutes for the Secretary of the Treasury a commission, composed of the Secretary of the Treasury and four other members to be appointed by the President with the advice and consent of the Senate. I heartily approve that.

Second, the House bill changes the life of this authority conferred upon the commission from five years, as fixed in the Senate bill, to three years—a wholly immaterial change.

Third, the right of cancellation is denied, and the right to exchange the bonds of one Government for those of another is denied, in the House bill.

Those are the only differences between the House bill and the Senate bill that I have just been discussing. So far as the material question here is concerned, then, it may be said that the only difference between the Senate bill and the House bill, so far as it affects the powers of the Secretary of the Treasury or the commission—and that is where the controversy arises, with respect to these powers—is that the House bill which has been agreed upon and presented to the Senate prohibits the Secretary of the Treasury from canceling any part of the debt, and prohibits him from substituting the bonds of one Government for those of another. Those are the two things which the Secretary of the Treasury himself said, in his examination before the Finance Committee in the hearings upon the Senate bill, he did not expect to do; but the things which the Secretary of the Treasury in those hearings said he would not agree not to do are not limited in the House bill as they are not limited in the Senate bill. Those two things relate to the matter of the rate of interest and the extension of time for the payment of interest. That is the ground of controversy here. That was the ground of controversy before the Senate committee.

We tried, as the Senator from Indiana has said, to adjust these differences in the committee meeting held about the 12th of August, I believe, when we took up the House bill and dropped the Senate bill. When we went into that meeting then the atmosphere had changed. When we were considering the Senate bill, the minority were given no consideration at all. Every proposition they made was ignored. When we took up the House bill on or about the 12th of August—I am not certain of the exact date, but it was about that time—to consider what action we should take with reference to the Senate bill as a substitute for it, the Senators representing the majority said that

they would be glad if we could arrange a bill that would be satisfactory to both sides of the Chamber and which would not provoke any serious debate.

Senators were good enough to ask me what suggestions I had to make along that line, and I then stated to the committee that so far as I was personally concerned—and I thought the other members of the minority on the committee would agree with me—it could be settled upon substantially the basis of the provisions contained in the amendment which I had offered to the Senate bill and heretofore read by me.

Some additional suggestions were made which were entirely satisfactory all around and a proviso was drafted. That proviso was drafted by the Senator from North Dakota and myself, collaborating. It contained all of the provisions of my original amendment and some minor provisions in addition thereto. I want to read that proviso to the Senate. I want to show how far that proviso has now been disregarded. This provision follows immediately after the grant of power in the House bill:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any bonds or obligations due to the United States from any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 5 per cent per annum, payable semiannually, or to cancel or remit any part of the principal or interest of such bonds or obligations, except through payment. Nothing in this act shall be construed to authorize or empower the commission to exchange or agree to the substitution of the bonds or obligations of any foreign Government for those of any other foreign Government, State, municipality, corporation, or obligor; but such bonds or other obligations may be received and held as collateral security for any debt due from such foreign Government to the United States.

That was the basis upon which it was suggested that we might reach an agreement. Upon that basis we did reach an agreement in the committee, and the Senator from North Dakota [Mr. MCCUMBER], then acting chairman of that committee, was directed by the unanimous vote of the committee to report the House bill to the Senate with that proviso.

I wish to make it plain, Mr. President, that that agreement was reached after the Secretary of the Treasury and his assistant had been before the committee on the 12th day of November, earnestly, vigorously, persistently, and immovably insisting that we should not lay our hands upon his authority—his arbitrary, his uncontrolled, his unlimited authority—to extend the interest as he might see fit after he had investigated the situation with respect to the various countries. In the face of that we entered upon the agreement I have stated. The only controversy then, as now, revolved around the question of the rate of interest, the Secretary's control over that rate, and the unlimited right to extend the time of payment of interest.

Having overruled the Secretary and come to this agreement, as I said, the acting chairman of the committee was authorized to report the bill as expressing the unanimous views of the committee. He did stand on the floor of the Senate the next day, I think, after this agreement was reached and this proviso was written into the bill, and announced that he was ready to make the report of the committee that day, but that for some reason which he assigned he would not make it just at that moment but would make it later in the day.

Mr. KING. Mr. President——

Mr. SIMMONS. I yield to the Senator from Utah.

Mr. KING. The Senator suggested a moment ago that it was understood that a bill would be drawn fixing the interest at 5 per cent.

Mr. SIMMONS. At not less than 5 per cent.

Mr. KING. The question I have in mind is this: Did the committee discuss the proposition of the possibility, indeed the probability, of interest rates being materially reduced after the world returns to normal conditions, so that the bonds of the United States might be refunded at perhaps 2 or 3 per cent interest?

Mr. SIMMONS. I do not think there was any discussion of that matter.

Mr. KING. Did the committee consider the fact that there would be any reduction in the interest to be paid by foreign Governments under this refunding process in the event that world interest rates decline?

Mr. SIMMONS. No; I do not think so.

Mr. KING. There was to be no flexibility and no authority under the bill which was agreed upon, as I understood the Senator, by which there might be a reduction of interest as world interest rates were reduced?

Mr. SIMMONS. I do not think there was any discussion of that feature.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Nebraska?

Mr. SIMMONS. Certainly.

Mr. NORRIS. I am interested to know, and have been all the time since I have known in a general way of this rate of interest being fixed at 5 per cent, how it was that the committee reached the conclusion that 5 per cent is a proper rate. I think it must be admitted that it would be unfair for our Government, without the consent of the other Governments, to change the contract under which the money was borrowed, and that is specifically provided, as I understand it. That is one reason why it always seemed to me that this legislation is unnecessary, providing that the Secretary of the Treasury should change the form of the indebtedness and loan the money to these Governments practically on the same terms that he was borrowing money from our own people and that the rate of interest should be the same and the time of payment of principal and interest should be the same. As I understand it, while we have paid 5 per cent and perhaps more for some short-time certificates, the maximum interest on our bonds has been 4¼ per cent.

Mr. SIMMONS. If the Senator will permit me to discuss that a little later, I shall come to it then.

Mr. NORRIS. Very well.

Mr. SIMMONS. The committee never reported that bill as it had been agreed upon. I have been told, though I do not know whether it is true or not, that after the announcement of the acting chairman that he would make the report during the day the Secretary of the Treasury renewed his efforts and was influential to the extent of getting the bill back into the committee. It went back into the committee, anyhow, and another meeting was called some time later. In that meeting, in disregard of this consent arrangement, against the protest of the minority, following finally the request and the demand of the Secretary of the Treasury—for that was the only insistence that he had made, the only real insistence that he had made at any time—the committee struck out of the proviso all that part which related to the rate of interest and the extension of the time of the payment of the interest.

I wish to be entirely fair about this matter. I have no feeling about it one way or the other, either personal or partisan. I do not think it is a partisan question at all. I have no prejudice whatever against any of the Governments of the Old World who were our allies. I want this Government of ours to treat them with the utmost fairness and justice, taking into consideration all the circumstances of the several debtor Governments.

The Senator from North Dakota [Mr. MCCUMBER] on yesterday talked about what he conjured up in his mind that I desired as expressed in my opposition to his bill with reference to France and thought that I was without sympathy for that noble Government and people, and that I was willing to treat them with harshness and injustice. No, Mr. President, no man has a higher appreciation of the French people than I. No man would go further to aid them in their difficulties and in their distress than I. But I believe that France is able to pay this interest and ultimately the principal.

I select France because the Senator from North Dakota selected France as an example. The French people to-day are the most prosperous people upon the continent of Europe. While France suffered incalculable losses in men and in treasure during the war, she was the one country into which was poured practically all the money that was expended in Europe by the Allies in the actual prosecution of hostilities. To-day France is the only country in Europe in which there are no unemployed. France is the only country in Europe whose factories are running full time. France is the only country in Europe which to-day, compared with every other country in Europe, is said to be in a prosperous condition. She is able to maintain an army almost probably as great as the greatest army which the world had known before the World War. She is able to enter upon a broad program of naval expansion.

I do not believe that France is in a condition under which she is unable to pay this interest. The Secretary of the Treasury admitted that Great Britain can pay the interest. There is no trouble about Great Britain. I think he cautiously expressed the opinion that both France and Italy would be able to pay the interest.

But that is not the question here. The Secretary of the Treasury and his commission under the bill are not authorized and directed or appointed for the purpose of collecting this debt. The debt is due the United States from those nations. The law creating that debt has defined the amount of interest that should be paid and fixed the time of the maturity of the obligations. The only purpose and function of the commission is to obtain from the debtor countries duly authenticated, authorized and certified, in proper legal form, evidence of the amount of the indebtedness which is already known, and a promise of the interest payment, the amount of which can be calculated. The

Secretary of the Treasury has nothing to do with the collection of this money.

That is not what we are seeking to do. We are seeking only to do what every creditor has the right to do, to have his debt put in proper legal form. That is all. When it is put in proper legal form, then the question may arise as to what the people of the United States desire to do with respect to the enforcement of the payment of either the interest or the principal.

But the Secretary said, "No; I want authority now to determine for the people of the United States, in advance of any obligations being given, what is to be done with respect to the payment of the obligations after they have been duly authenticated." I say that is not a part of the duties for which the commission is to be created, and before I get through I shall argue that if that is a part of the duties that are to be conferred upon the commission, if the duties are those of the negotiation of delicate questions, questions which both collaterally and directly may touch vital and delicate international questions and relations, then Congress has no power to create it. Under the Constitution that is a power vested exclusively in the executive branch of the Government, to be exercised through the Department of State or by the President direct.

But I say that, in my judgment, the bill does not do that. It is not intended to do that and will not if properly drafted; but when we leave out this provision and when we authorize the Secretary of the Treasury to negotiate with these foreign Governments as to the rate of interest and the extension of interest payments, and all those things, then that proposition is injected and this in my judgment may become an unconstitutional measure. A little later I shall discuss that probably more at length.

Mr. President, the controversy here is twofold. First it is as to the rate of interest. The Senator from Nebraska [Mr. NORRIS] asked why the rate had been fixed at 5 per cent in the proviso which I offered. I desire to say to the Senator that it was fixed at that rate because that was the rate which had been practically agreed upon by this Government and the Government of Great Britain in an understanding which did not eventuate in a positive and final agreement because the negotiations were suddenly broken off, but which did go far enough to evidence the assent of Great Britain to that as a proper rate.

I will say to the Senator, further, that in his testimony before his committee the Secretary of the Treasury said that was the proper rate if we were to give effect to the declared will of the people at the time we issued bonds to borrow money to lend to the foreign Governments.

The Senator said that some of the bonds bear a less rate of interest than that. True; but all of those bonds, under the law of their creation, were entitled to be converted into bonds bearing a higher rate if a higher rate were afterwards established. All of them practically are convertible into bonds bearing 4¼ per cent, but that was the minimum rate prescribed in the law for Liberty bonds. We declared that it should not be less than that.

Why did we put it in that form? It was because it was known that the Government would have to expend a large amount of money in the floating of its own bonds, and it did have to do so. I do not now recall which issue it was, but I think it was the second Liberty bond issue, for which we appropriated $4,000,000 to pay the expenses of flotation, and my recollection is that we subsequently had to supplement that appropriation. That did not cover all the expenses which the Government incurred in connection with the issuance of those bonds.

I take it that it is agreed by all of us that in fixing the interest rate it is perfectly legitimate to consider that circumstance. The Secretary of the Treasury himself expressed the opinion that 5 per cent was the correct rate. I could show the Senator, if he wishes to pursue the matter and if he can get hold of a document which is called "The Loan of Foreign Obligations," a very lengthy correspondence carried on between Mr. Rathbone, Assistant Secretary of the Treasury, appointed by the Treasurer to go to Europe and negotiate the settlement of this indebtedness with Great Britain, through Mr. Blackett, the immediate representative of the English premier, Lloyd-George, in which it appeared that the negotiations proceeded to the point of agreement as to many things, and one of those things was as to the rate of interest, which was fixed at 5 per cent.

Mr. NORRIS. Mr. President, may I interrupt the Senator now?

Mr. SIMMONS. Certainly; though I have not answered all of the Senator's question.

Mr. NORRIS. I will interrupt the Senator later if he would prefer.

Mr. SIMMONS. I am glad to yield to the Senator now.

Mr. NORRIS. I have always been one who objected very strenuously to anything that would forgive and cancel any of the debts or interest of these foreign Governments. At the same time, I believe I have been just as anxious to preserve unsullied the honor of my own country in the collection of the debts.

These debts were contracted and this money was loaned by the Government of the United States to these other Governments under an act of Congress that had in it certain provisions, among which was a provision that the borrowing country should pay a rate of interest the same as we had to pay, and that if we had to borrow money later and issue more bonds with a higher rate they should pay that higher rate. They accepted the money and we loaned it to them under that kind of a law. That, as I understand, became a contract between us and the foreign Governments. They have no right, in honor and morals, to ask us to accept anything less, and we have no right in honor or in morality to ask them to pay any more.

It is true we did pay and are now paying on certain certificates of indebtedness as high a rate of interest as 5 per cent, and I think in some cases higher than 5 per cent on some of the issues. We also issued what we called a Victory loan, on which we paid as high a rate of interest as 4¾ per cent, that loan running for five years, but the Government of the United States has contended that the loans so made were not the loans that were referred to in the Liberty loan acts, though the acts authorizing them contained the same provision concerning the money being borrowed of our own people, to wit, that if the Government had to borrow money later at a higher rate the holders could refund the bonds and get new bonds bearing the higher rate.

The Government has successfully contended, and nobody that I know of has controverted it, that the Victory loan, which runs for five years, and the obligations, evidences of which are called Victory notes, as distinguished from bonds, was not and could not be a loan at a higher rate, because it was temporary only, and the holders of Liberty bonds in this country have never been permitted to surrender their 4¼ per cent bonds and to get 4¾ per cent bonds on the strength of the Victory loan.

Therefore it has seemed to me that in all honor we are bound to treat our foreign debtors the same as we treat our own people. It is probable, as the Senator says, that some of the higher rates are caused by reason of the expense to which we were put in floating the loans, and that expense ought to appear as a part of the debt; there is nothing unreasonable in that; but that was not stated in the law unless it be said that the words "not less" would mean that. I take that language, however, to have been put into the act for the purpose of meeting a condition that actually happened; that we would have to pay a higher rate for another subsequent loan than we were paying at the time we loaned our European debtors some of this money. We borrowed some of the money from our own people at 3½ per cent, some at 4 per cent, and some at 4¼ per cent; but we can not change that contract without the consent of the other parties to it. The fact that Great Britain has agreed to a different stipulation would make a new contract, it is true, but that would not bind France, that would not bind Cuba, that would not bind Liberia, nor Italy, nor any of the other Governments. So it has seemed to me that if we want to be perfectly square with our European allies we ought never to state in a law now that we were going to charge them 5 per cent for the money which we had loaned them. I think the rate ought to be 4¼ per cent, unless they agreed to a higher rate, and that we can not honorably ask them for any higher rate.

Mr. SIMMONS. I am not going to quarrel with the Senator about the point at which we shall fix the minimum rate of interest. I do, however, believe that we ought to fix it, because we promised the people of this country by our act of Congress, when we were asking them to subscribe to the Liberty bonds and were selling those bonds to them, that the foreign Governments should be required to pay in the form of interest not less than the highest rate which would be fixed on their bonds.

Mr. NORRIS. The Senator would not contend that that language would entitle us to charge any rate we saw fit, would he?

Mr. SIMMONS. No; but we should keep our contract with the people, because the people have got to pay the taxes and to meet the interest upon the bonds. They bought the bonds, now they must pay the taxes in order to meet the interest upon them, and we should keep faith with the people in accordance with our promise to them that the foreign Governments should pay at least as high a rate of interest as they would get. We impliedly promised them that if there was any other burden that they had to assume in connection with the issuance and flotation of the Liberty bonds, which had to come out of the pockets of the taxpayers of the country, when we went to fix

the rate of interest we might consider that element. Therefore the act stipulated not less than a certain rate of interest. However, I will not haggle about that. So far as I am concerned I would be entirely satisfied to fix the minimum rate at 4¼ per cent, but when we come to take the permanent evidences of this indebtedness I want to keep faith with the people, and I believe the people of this country will demand that those obligations be settled upon terms that will meet our promises and assurances given to them when our bonds were purchased.

Mr. NORRIS. I agree with the Senator from North Carolina as to that.

Mr. SIMMONS. Our taxpayers, as the Senator knows, rely very largely upon the interest received from the foreign Governments on this indebtedness to cut down the enormous taxes that they are now having to pay largely as the result of the creation of this monumental war indebtedness which now confronts and oppresses them.

Mr. McKELLAR. Will the Senator yield to me?

Mr. SIMMONS. I wish the Senator would let me finish just one thought which is in my mind, and then I will yield.

Mr. McKELLAR. Very well.

Mr. SIMMONS. Mr. President, the rate of interest is a pertinent question in this controversy, because the Secretary of the Treasury, at least impliedly, if not expressly, advises us that he may desire to accomplish some scheme of finance that has found lodgment in his fertile mind to enlarge the rate of interest. If he has a scheme by which he proposes to fix a rate of interest of 6 or 7 per cent, he may have in his mind in the case of some other nation a scheme to fix a rate below 4¼ per cent. He says that he desires authority to enable him to investigate the condition of every one of these foreign nations; to probe into their financial and economic and industrial situation; to find out to what extent they are solvent or insolvent; to what extent, in his judgment, they ought to be made to act promptly in the discharge of their obligations; to what extent, in his judgment, they are not able to meet them to-day or to-morrow or if ever; and when he goes over to Europe making that searching inquiry under the authority of Congress, a body denied by the Constitution the right to inaugurate negotiations with foreign countries or to carry them on, either directly or indirectly—when he goes over there to do that he may be persuaded, in connection with some of the smaller nations which owe rather small sums compared with others—the Secretary's mind deals with large figures and large things—he may be so influenced by his sympathies that he may let them off with much less than a 4¼ per cent rate.

I do not say that it would not be an exercise of a humanitarian impulse to do it. It may be that at some future time we may find that the promptings of the American heart may say to us, "Remit this debt to Czechoslovakia; remit this debt to Poland; remit this debt, or a part of it, to Jugoslavia"; and we may assent to the suggestion; but that time has not come; that is not what we are dealing with now. "Sufficient unto the day is the evil thereof." I am not willing, however, to give the Secretary that broad power; I would not embarrass and burden him to that extent; and, moreover, if we should undertake to give him that broad power for him to use in the way he says he will use it, we would probably render this bill obnoxious and subject to a very fundamental objection. In addition, I unhesitatingly assert that, even putting aside the question of constitutional authority, it would be improper and highly dishonorable for this Government to undertake to charge different rates of interest on loans to different nations, all made under and by virtue of the same acts of Congress, or to discriminate in that way against nations that may, because of particular circumstances and conditions, be more amenable to our demands than certain other nations.

Mr. McKELLAR. Mr. President, will the Senator yield now?

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from North Carolina yield to the Senator from Tennessee?

Mr. SIMMONS. I yield.

Mr. McKELLAR. I wish to call the Senator's attention to the fact that the money which foreign nations now owe to us was loaned to them under two acts of Congress, and that the interest rate was clearly fixed in those acts. The money was loaned with the statement that the rate of interest to be paid by our allies, or quasi allies, and other terms and conditions of the loan were to be exactly the same as those on which we borrowed it from our own people. If at this time we change those terms and stipulate a higher rate of interest, we violate the agreement and the contract made with those nations when we loaned the money. On the other hand, if we vary the contract and stipulate a lower rate of interest, then we violate our faith with our own people, from whom we borrowed the money. So, the conclusion seems to me to be inevitable that the only honest and the only straightforward thing for us to do is to charge by way of interest precisely what we told our own people at the time and exactly what we told the nations to whom we loaned the money we were going to charge. Any other arrangement will be dishonest to one side or to the other, and we ought not to enter into such an arrangement.

Mr. SIMMONS. Mr. President, that is the identical thought that I had and the idea that I was attempting to convey.

Mr. NORRIS. Mr. President, if the Senator will pardon me, that is the idea that I tried to convey; it is the idea I had in mind yesterday when I presented an amendment, which has since been printed and is now on the desks of the Senators, to strike out all after the enacting clause and insert a provision instructing the Secretary of the Treasury to take the bonds of foreign Governments in accordance with the laws that were in force at the time we loaned the money. It seems to me that is all we ought to do.

Mr. McKELLAR. That is the only honest thing to do.

Mr. SIMMONS. Mr. President, I will not pursue that subject any further.

I come now to the extension of the time of the payment of interest. That is the power which the Secretary above all things insists upon, and he is not willing to have it circumscribed in any way.

Mr. WATSON of Indiana. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Indiana?

Mr. SIMMONS. Yes.

Mr. WATSON of Indiana. I desire merely to make an observation with reference to the statement made by the Senator from Tennessee [Mr. McKELLAR], and to what I am about to say I direct his attention and also the attention of the Senator from Nebraska [Mr. NORRIS]. The first Liberty loan act, approved April 24, 1917, recites:

> That for the purpose of more effectually providing for the national security * * * the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase, at par, from such foreign Governments then engaged in war with the enemies of the United States their obligations hereafter issued—

I call particular attention to the following language—

> bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act.

That was the provision of the first Liberty loan act.

Mr. McKELLAR. That was the provision of the first act, and the second act was substantially the same.

Mr. WATSON of Indiana. No; the second act modified the first act. The second act was the act approved September 24, 1917, six months after the first act, and it provides:

> But the rate or rates of interest borne by any such obligations—

The foreign obligations issued to us—

> But the rate or rates of interest borne by any such obligations shall not be less than the highest rate borne by any bonds of the United States which, at the time of the acquisition thereof, shall have been issued under the authority of said act approved April 24, 1917, or of this act.

That is to say, the first act provided that the bonds that we were to receive from foreign debtor nations should bear the same rate of interest as that borne by the bonds which we issued in order to obtain the money to loan to them; but the second act modified that provision by stipulating that the foreign obligations which we may acquire shall not bear less than the highest rate of interest paid by us for the money.

Mr. McKELLAR. That would be all right as applied to the money loaned under that act, for that was the contract we made with them.

Mr. WATSON of Indiana. If the Senator will allow me to proceed for a moment, that means literally that 4¼ per cent shall be the highest rate; but by reason of the fact that our bonds are tax exempt, by reason of the cost of making the loans throughout the country in order to obtain the money which we loaned to the foreign Governments, it may be calculated that 5 per cent is a reasonable rate. Now, suppose that in the course of 15 years from now we refund our bonds, and suppose that we can then borrow all the money we want at 3 per cent, where would we stand with reference to these acts if we had an inflexible rate of 5 per cent written in the bond and are bound to charge the debtor nations that rate for the money loaned to them? Are we not within not only the spirit, but the letter, of the acts if we charge them a fair rate of interest?

Mr. McKELLAR. Not at all; we must settle with them on the basis of the two contracts we made with them. That portion of the loans which was issued under the act of April 24, 1917, should be dealt with, so far as interest rates are concerned and

in every other way, precisely in accordance with the terms of that act, because that was our contract.

Mr. WATSON of Indiana. I understand——

Mr. McKELLAR. That was our contract, not only with our own people but with them. Then, when it comes to the additional money loaned under the second act, why, we should carry out the provisions of that act to the letter, because that was our contract.

Mr. SIMMONS. Mr. President, I really do not desire to yield any further.

Mr. McKELLAR. I beg the Senator's pardon.

Mr. WATSON of Indiana. I should like to follow this up for just a minute, if the Senator will permit me. I do not desire to break into the thread of the argument of the Senator, of course, or the trend of his discussion.

Mr. SIMMONS. I yield to the Senator.

Mr. WATSON of Indiana. The Senator has made that observation, and I wanted to get from him his opinion as to how our course would be consistent if we wrote into this bill a fixed and inflexible rate of 5 per cent, and then afterwards renegotiated our own bonds at a lower rate.

Mr. SIMMONS. Let me ask the Senator a question. Is it the Senator's idea that in settling with Great Britain—a country that we all admit is able to pay its obligations—we should make a contract with it that left the rate of interest unfixed?

Mr. WATSON of Indiana. No; not at all. My idea is that we should follow out just what the negotiations called for originally, and provide for a rate of 5 per cent.

Mr. SIMMONS. Then, would the Senator write in the bond a provision that if the United States hereafter should be able to borrow money at less than 5 per cent, this rate shall be reduced to that point?

Mr. WATSON of Indiana. No; not at all.

Mr. SIMMONS. I do not understand the Senator, then.

Mr. WATSON of Indiana. The object in having a commission is that they may adjust these differences and agree in the beginning upon the rate of interest, but that when the commission does agree with our debtors that the rate of interest at this time shall be 5 per cent the bonds shall be squarely on that basis, so denominated in the bond, or, if you please, written in the law, and that they are obligated to pay us that rate of interest because we are literally paying that rate of interest for the money we got from our people to loan to them, with the further understanding that as we do refund our bonds at a lower rate of interest they shall enjoy that same rate of interest.

Mr. SIMMONS. Now I get the Senator's idea. The Senator's idea is that we will settle with them upon the rate of interest that the highest Liberty bonds carry?

Mr. WATSON of Indiana. Yes.

Mr. SIMMONS. And that we shall agree with them that if at some time in the future the United States shall fund those Liberty bonds at a less rate, then we are to reduce the rate of those bonds?

Mr. WATSON of Indiana. Precisely.

Mr. SIMMONS. And that possibly is one of the schemes that the Secretary of the Treasury has in mind when he wants unlimited power to fix the rate?

Mr. WATSON of Indiana. I think so.

Mr. SIMMONS. If the people of the United States are willing to enter into that sort of an arrangement, I myself should have no objection to it; but I will say to the Senator frankly that I do not believe that the people of the United States are willing to do that. I think that the people of the United States, who have already paid their money, and who for three or four years have been getting only 4 per cent on that money, want Great Britain and the other allies and countries of Europe to which we have furnished money to agree now to the rate of interest which they shall pay; not to agree to a flexible rate, one that to-morrow may be changed and made less than it is to-day. What would those bonds be worth to this Government if we wanted to use them for the purpose that I understood was agreed to, probably, by the White House and some of the President's advisers—that we are now proposing to take $4,000,000,000 of the bonds of Great Britain, as soon as they were negotiated, and turn them over to the public?

Mr. NORRIS. Mr. President, may I interrupt the Senator at that point again?

Mr. SIMMONS. Yes.

Mr. NORRIS. I should like to suggest to the Senator from North Carolina, and probably more especially to the Senator from Indiana, that there is nothing in the original statute which provides that we shall loan this money forever to these Governments.

Mr. McKELLAR. Not a thing, or that we shall make a change afterwards.

Mr. NORRIS. No. When the bond that they owe us is due, they must pay us the money or must come to us for a new contract, and we are under no obligation to pay any attention to any interest rate that has been in force in the past.

These bonds will mature as our bonds mature, and we will not change our bonds for bonds of a less rate of interest until they do mature, because the people who have them will not change them from a higher rate to a lower rate, and hence they will mature before any change can be made. When the bonds mature the contract is ended, and there is only one way to satisfy it, and that is to pay the money.

Mr. SIMMONS. I think what the Senator from Indiana has said is a valuable contribution to this discussion. I could not understand until now exactly the scheme that possibly was in the minds of the committee and possibly in the mind of the Secretary of the Treasury when this provision fixing the rate of interest was eliminated from the bill, which provision the committee had unanimously agreed upon and authorized to be reported to the Senate.

Mr. WATSON of Indiana. No; Mr. President——

Mr. SIMMONS. It now develops—if the Senator will pardon me a minute——

Mr. WATSON of Indiana. Yes.

Mr. SIMMONS. It now develops that outside of and independently of the purposes that I have heretofore disclosed as probably existing in the mind of the Secretary there is a definite purpose, tentatively formed and agreed to, that whatever rate of interest may be fixed in these bonds shall be made subject to revision in the future and to reduction in the future. I think the people of this country will be very interested to know, before this bill becomes a law, that it is not the purpose of the Secretary to demand of any Government, however able, the payment of the rate of interest that this Government promised the people would be exacted in their bonds, but that he only fixes that rate tentatively, subject to the condition that it may be in the future materially reduced.

Mr. WATSON of Indiana. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Indiana?

Mr. SIMMONS. I yield.

Mr. WATSON of Indiana. The Senator is ascribing to the Secretary of the Treasury views that I have expressed. If he has such views, I am not aware of the fact. I never have discussed that matter with him.

Mr. SIMMONS. Has the Senator such views?

Mr. WATSON of Indiana. Yes; I have those views.

Mr. SIMMONS. Have the majority members of the committee such views?

Mr. WATSON of Indiana. I never have heard another member of the committee express those views. Those are my individual views as to the situation. Those are my individual views as to why we should have a commission to adjust, settle, and determine this question of foreign indebtedness in order that we may keep not only the letter but the spirit of the law under which our bonds are issued, and under which we loaned money to the associated powers in the war. Those are my views.

Now the Senator asks, "What would a bond of that kind be worth?" There could not be any better bond in the world than an English bond guaranteed by the American Government carrying 5 per cent interest for any fixed number of years.

Mr. SIMMONS. No; but suppose it contained a provision that the Government——

Mr. WATSON of Indiana. No, no; the bond is not to contain any such provision, in my thought.

Mr. SIMMONS. But suppose the Government of the United States has entered into an agreement with the Government of Great Britain that the rate of interest carried by that identical bond which I buy in the market to-day, supposing that it is a 5 per cent bond, may, in the discretion of the Government of this country, hereafter be reduced to 3 per cent?

Mr. WATSON of Indiana. But in the negotiations between Great Britain and the United States, for instance, we would have determined by our commission and their representatives the length of time that these bonds should run and in which they could probably make payment. That is the reason why we can not by law fix with unyielding rigidity all the terms.

Mr. SIMMONS. The Senator has written into his bill that these bonds shall run until 1947.

Mr. WATSON of Indiana. Certainly; but suppose they run beyond 1947?

Mr. SIMMONS. Then a new contract will be necessary.

Mr. WATSON of Indiana. Suppose, let me ask, we limit them to 1947?

Mr. SIMMONS. But does the Senator suppose that in 1947, when these bonds are due and Great Britain and these other Governments are ready to pay them, there is going to be any necessity for the execution of bonds to be taken by the United States for a lower rate of interest?

Mr. WATSON of Indiana. No. I can not say about 1947. I am not a prophet and can not project myself into the future that far; but what I am trying to get at is that the necessity of having a commission to adjust and settle this whole question is to enable us to carry out the very provisions we wrote in the law, so denominated in the terms of the statute. That is all I want, and that is all we have attempted to do in this bill.

Mr. SIMMONS. I am perfectly willing to give the commission all the power that it ought to have. I want to see these debts settled. I will cooperate with the Senator in any arrangement that will facilitate the settlement of these debts; but I do not want, and I do not think the people of the United States want, to have Congress grant to the Secretary of the Treasury unlimited power with reference to this matter of rate and the forgiving of the interest or its extension. In view of the fact that this indebtedness to us from foreign nations will mature and become due in its principal under the bill at the date, approximately, of the maturity of our domestic bond issues, whose rate of interest is to govern the rate we are to charge on these foreign loans, I see no necessity to lodge anywhere in the executive department of the Government the dangerous and far-reaching power to reduce the rate of interest on these foreign loans. We shall not, and can not, change or reduce the rate of interest we pay on our United States bonds before they mature. Why grant to any official, then, the power to reduce the rate we charge on these foreign loans during the same period? As the Senator from Nebraska says, when our loans to these debtor nations mature they must pay us the money or make the best contract they can with us for a renewal.

Mr. WATSON of Indiana. Mr. President, I can not further take up the Senator's time now. He has been very kind to me in the matter of yielding; but later on I shall express my own views with reference to this question.

Mr. SIMMONS. I shall be very glad to hear the views of the Senator, and I hope and believe that he and I desire to accomplish the same purpose; but I am afraid that he wants to trust the Secretary of the Treasury with discretion to which I can not agree. I have not changed my views about this bill. The majority has changed its views three times with respect to it.

It has pursued the same wiggling and wabbling policy with reference to this matter that it has pursued with reference to every big question that has been before Congress since it came into power. At first the members of the majority positively refused to impose any limitation upon the power of the Secretary of the Treasury. Then they agreed to limit his powers as far as the minority members insisted upon it. Then they turned about and struck out of the bill which they had agreed to, and which had been authorized by unanimous vote of the committee to be reported here, the very essential provisions limiting the powers of the Secretary.

The trouble with this administration is illustrated in this bill. It has no fixed and definite policy by which it is willing to stand for much more than 24 hours. You have turned about-face three times already with reference to this matter. What I should like would be to see this administration demonstrate, if it can, the "constructive ability" which the Republican Party has so proudly boasted of in past years. It is a matter of humiliation to me as an American citizen to see the administration in control of the great affairs of this Government unable to reach a definite conclusion as to any matter of great importance that is not subject to change the next day. So far as I am concerned, with reference to this matter I stand here to-day right where I stood when the measure was introduced by the Senator from Pennsylvania [Mr. Penrose] seven long months ago. I have not changed my position about it at all. I said then that it would be dangerous to confer upon the Secretary of the Treasury unlimited powers as to rates and as to interest, and I adhere to that to-day.

Now, Mr. President, let me get on.

The Secretary of the Treasury came before us with regard to this extension of the rate of interest. He was subjected to very rigid cross-examination by Senators on the committee as to why he desired this great power. He said that he desired it because he felt that many of the nations that were indebted to us, if not all of them, possibly with the exception of France and Great Britain, would want a reduction in the interest; that they would not be able to pay the interest if we required in the bill that it should be paid semiannually; that we knew it would not be paid; that they knew that they could not pay it; that they would refuse to sign the obligation to pay it; and that he would have his hands tied and be unable to negotiate an agreement that would be to the best advantage of the people of the United States. For that reason, because he claimed he would be weakened in his ability to bring about adjustments in the interest of the people of the United States, he desired the bill to be passed in this form. Mr. President, as was urged in the committee, so I urge here that, on the contrary, if the Secretary of the Treasury has his powers circumscribed as provided in this bill, instead of his being weakened in his position as a negotiator in the settlement of these claims with our debtors he will be strengthened.

Why will he be strengthened, Mr. President? If he goes over there with unlimited power, do you not suppose that every Government in Europe that owes us a dollar will at once say: "We have only one man to deal with. It is only necessary that we shall induce him to be liberal and to make broad concessions," and all the power and all the ingenuity so characteristic of European diplomacy and financiers will be brought to bear upon the members of this commission in order to induce them to give the most liberal extension of the time of payment and the most liberal rate of interest?

Will they prevail? We know how weak is human nature. We know how weak, sometimes, are these commissions that we have to create. We know how easily these commissions fall under the spell and the influence of great, powerful interests in this country. You have heard the arguments here in this body to-day that a great commission that we appointed to administer the farm loan bank law is not discharging its duties to the farmers of this country, because it has fallen under the influence of competitive financiers. You have heard the charge made here and in the press of this country and by the farmers from one end of this country to the other that the great Federal reserve bank system, which was to be made up of strong men of iron, has been brought under the influence of what is termed "Wall Street," and that this great system, devised in the interest of the people, is now being administered in the interest of a few great financial institutions of this country. In Europe, I undertake to say, influences just as powerful as those will be brought to bear upon the Secretary.

Mr. President, suppose we require the Secretary to submit his action to Congress for its approval. Suppose we deny him the unlimited power to extend the interest, and thereby, as proposed by the amendment which I have offered, permit him to go on and make a settlement with those nations that are ready to agree to the 5 per cent and to pay the interest, and that settlement becomes final and operates as conclusive against the United States; but if he can not do it, if he has to make concessions, we provide that he can go on and make the concessions, formulate the contract and the agreement, take the bond, if he wants to, but that his action in that particular shall be subject to the consent and approval of Congress.

Now, suppose you limit him in that way, either by requiring him to report back his action to Congress for its approval or by requiring that he shall, in case he can not secure an agreement to pay the interest semiannually, report back his agreement to Congress for its ratification. In either instance, if you do that, do you not strengthen him? Would not that be notice to the Governments of Europe that any agreement they make with the Secretary postponing the payment of the interest shall be and will be subject to congressional approval, and would they then be so anxious to get him to enter into an unconscionable or improper agreement? Would not that protect him against those influences, and would he not in that way bring about among the Governments of Europe an atmosphere leading to a liberal and equitable adjustment of these matters, one which, in my judgment, would be so fair that it would be likely to receive the sanction of the Congress?

That is my amendment. It provides that this legislation shall not be construed to give the Secretary such unlimited powers without the approval and consent of Congress; in other words, without the consent of Congress he shall not fix the rate at less than 5 per cent, payable semiannually. If he can not get that arrangement and has to make some other, then it must be subject to the approval of the Congress.

I wish to suggest to the Senator from North Dakota in charge of the bill that I think that would be a very happy solution of the difficulty we are now confronting. I think that would remove to a very large extent the opposition which exists to his bill and would not weaken the position of the Secretary, but, on the contrary, would strengthen him.

Mr. President, I ask permission to incorporate in my remarks without reading the amendment to which I have just referred.

The PRESIDING OFFICER. Without objection, permission is granted.

The amendment referred to is as follows:

Amendment intended to be proposed by Mr. SIMMONS to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, viz:

On page 2, line 24, strike out the period and insert a comma and add "or without the consent and approval of the Congress fix the rate of interest at less than 5 per cent per annum, payable semiannually."

Mr. SIMMONS. Mr. President, having labored in vain with the Secretary and being unable to induce him to yield in his insistence that he should be given the unlimited power to extend the time of the payment of interest, not only that which has already accumulated but that which might accumulate within the two, three, or five years in which he said he might further have to extend the interest, we asked him what sort of an arrangement he would make to accomplish that purpose without forgiving the interest. The Secretary disclosed two schemes by which he said the arrangement could be put in operation and made to apply both as to the billion dollars of interest already accumulated and the other billion dollars that would accumulate, according to his view, before some of these Governments would become able to pay anything.

The first of those schemes was this: He said we might consolidate the interest with the principal, and we might charge in that consolidated arrangement interest upon the interest, but when the total interest was ascertained it should be added to the principal and become a part of the principal, subject to interest payment after a certain date. I am not going to quarrel with that proposition. If we are going along that way I think it might be as good a method as any.

But the second method suggested by the Secretary, and the one that evidently had lodgment in his mind as a proper method of accomplishing his purpose, was not to consolidate the interest with the principal, but to take bonds from the different Governments for the principal sum and to adjust or increase the interest rate high enough to cover the amount of interest that would be due at the time the extension of interest payment terminated; that is, let the interest which has accumulated and the interest which may hereafter accumulate, where extended, be absorbed by the rate of interest. That would necessitate, I think the Secretary mentioned, 6 or 7 per cent, 6 per cent upon bonds in the case of such Governments as would probably be able to begin payment of the interest now and thus only have to provide for the accumulated interest, and probably 7 per cent in the case of those Governments which would have to have further extension of interest.

Mr. President, I say that is a sinister suggestion, not that I mean to convey the idea that the Secretary of the Treasury had any sinister motive in his mind, but as affecting the interests of the American people it is a sinister suggestion. Why do I say that? If the bonds taken to-day are paid off to-morrow under that scheme what would be the result? The Secretary said that he did not contemplate denying the debtor the right to pay before the final date of maturity, and he said he would provide for optional payments.

These are always or almost always provided for, and the impression he made upon my mind was that he would probably, in fixing the date of maturity, provide an optional time of payment just as we did in the case of certain Liberty bonds. If that option was provided and the debt was extinguished at the time of the option, is it not clear that the people of the United States would lose all the interest that would otherwise arise out of the accumulated payment of that debt?

But that is not the chief danger. If the Government of the United States should take bonds with the past due and accumulated interest covered into the new rate of interest, and then this Government should for any purpose whatsoever place those bonds upon the market and sell them, while the high rate of interest, of course, as the Secretary said, would give them an easy marketable value and a ready sale, yet is it not apparent that if that shall be done and to the extent that that may happen the people of the United States will lose the interest?

For instance, we take $4,000,000,000 of bonds from Great Britain. To-morrow, following out the scheme which was hatched at the White House some time ago, given to the Associated Press and announced to the country, we sell upon the market those bonds covering only the principal and accumulated interest covered in the high rate of interest. If those bonds shall be issued and sold according to that White House scheme, of which I know and of which the Senator from North Dakota admitted yesterday there had been some discussion, and which the Secretary of the Treasury in his statement before the committee said had been discussed, then the United States would get the principal of its English debt of $4,500,000,000 and the great international bankers, who manipulate this sort of transaction, would get the half billion dollars or more of accumulated interest that Great Britain owes to this Government.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. SIMMONS. I wish the Senator would let me finish this thought and then I shall be glad to yield to him.

Mr. WATSON of Georgia. Very well.

Mr. SIMMONS. I wish to say that the Secretary of the Treasury in his testimony admitted, when he was asked the direct question, that this scheme of adjusting the past-due interest was not only attractive to him, was not only regarded by him as a good business transaction, but he further admitted that it had been discussed at the White House and in a Cabinet meeting, and that the President of the United States had given it his approval, or, rather, he said the President of the United States strongly recommended and approved it. I am told, though I did not see the newspaper articles referring to it, that the President of the United States, in a public address delivered in the city of New York, commented upon and strongly approved this plan.

Now, Mr. President, considering the fact that the Secretary of the Treasury leans to it, the fact that the head of the Government, the President, has commended it, the fact that it has been the subject of favorable comment and discussion in the Cabinet, coupled together with all the other facts that the administration is considering or has been considering—I do not know whether they have abandoned it or not—the scheme of providing for the soldiers' adjusted compensation by the sale of $4,000,000,000 of English bonds, possibly arranged for upon this basis, is it not natural that we should hesitate before giving unlimited authority to a commission headed by the Secretary of the Treasury and appointed by the President who tell us that they have that sort of scheme in mind?

Suppose we carried out such a scheme; suppose we take the English bonds for the principal and sell them in the markets of the country to-morrow at par or three or four points above par, is it not apparent what its effect would be upon the toiling masses of the country who are interested in this interest being paid, its effect upon their taxes and its effect upon the payment of interest upon the Liberty bonds which they have so patriotically taken?

Its effect must be apparent, because the result would be that the entire interest upon those $4,000,000,000 of bonds accumulated since the last interest payment by Great Britain, amounting now to a little over half a billion dollars, would be lost and lost forever to the people and that it would be safely lodged in the pockets of speculators in international bonds.

Oh, Mr. President, was there ever a scheme conceived by man that presented a more alluring and attractive opportunity to that class of speculators ordinarily designated by the term "international bankers"? Whence did the thought come? Did it come from international bankers? It is worthy of them and of the ingenuity and initiative and resourcefulness which they have ever displayed. I do not know whether it came from them or not, but I do know that it would offer them the finest opportunity ever afforded to greed.

Mr. WATSON of Georgia. Mr. President, if the Senator will allow me, I can answer his question.

Mr. SIMMONS. I certainly will allow the Senator to do so. I did not yield a moment ago because I did not want the Senator to break my line of thought.

Mr. WATSON of Georgia. I hope I have not done so.

Mr. SIMMONS. Oh, no; I am glad to yield to the Senator.

Mr. WATSON of Georgia. In answer to the very important question which the Senator just asked, I would call his attention to a copyrighted article sent from London to the New York World and published in the New York World on Saturday, May 28, 1921, in which it was said:

From an extremely important and influential American financial source in London, the identity of which can not be disclosed, the World was to-day given a summary of the Anglo-American debt situation from a standpoint which, up to the present time, has not been publicly presented by a responsible American business or banking magnate.

From the standpoint of this very refunding proposition which is now pending before the Senate and which the Senator from North Carolina said was recently passed on at the White House, that was the first announcement of the plan that I saw definitely made. It is a copyrighted cablegram from London, and the reference there would seem to apply to a member of the international banking firm of J. P. Morgan & Co.

Mr. SIMMONS. I wish to say to the Senator that I have no doubt, having heard the Secretary of the Treasury, that that is the scheme of settlement he is now disposed to make, if this authority is given him, and that is one of the chief reasons why he wants to have unlimited authority.

Mr. President, I desire to incorporate in the RECORD at this point, without reading, a portion of the hearings of June 29, 1921, on page 23, beginning with an interrogatory by the Senator from Missouri [Mr. REED], including an article written by Robert B. Armstrong, which was placed in the record of the hearings on that day.

Mr. WALSH of Massachusetts. I wish the Senator from North Carolina would state the pamphlet to which he has reference.

Mr. SIMMONS. I am referring to the report of the hearings which took place on June 29, 1921, on page 23.

Mr. WALSH of Massachusetts. Before the Committee on Finance?

Mr. SIMMONS. Yes; before the Committee on Finance.

I desire also to insert, following the reading of the article, a colloquy between Mr. Mellon and Senator REED and ending at a point I shall mark in the report which I shall hand to the reporter. The whole scheme is there discussed.

The PRESIDING OFFICER. Without objection, leave will be granted. The Chair hears no objection, and it is so ordered.

The matter referred to is as follows:

Senator REED. I understand you to say, Mr. Secretary, that there has been no general plan discussed for the handling of this business which is referred to in the bill. Now, I want to read you a statement here and see whether there is any truth in it or not. I am reading from a newspaper clipping of June 17. It is an article by Robert B. Armstrong.

(The article referred to is here printed in full, as follows:)

NEW BONDS TO PUBLIC LIKELY—ADMINISTRATION MAY FUND ALL FOREIGN DEBTS—NATION MAY OR MAY NOT GIVE ITS GUARANTY—TREASURY DEPARTMENT NOW HAS NO POWERS.

WASHINGTON, *June 17.*

"In announcing the decision of the Cabinet to request from Congress legislation to authorize the Secretary of the Treasury to fund and otherwise secure the obligations of foreign nations to the United States for moneys and supplies advanced, President Harding to-day confirmed the outline of several days ago of the manner in which the foreign loans were to be handled.

"The discussion of the proposed plan took up the greater part of the Cabinet meeting and, while the administration has worked out in considerable detail what it desires to do in connection with the ten billion or more in loans, it must have the cooperation of both the Senate and the House to make the plan possible.

"Briefly stated, the plan is to have all the foreign Governments which now owe the United States money for supplies place the obligations in the form of long-term bonds, these bonds to become the property of the United States Government, to be held by it or later offered to the investors of the United States in such amounts and at such times as it sees fit. The legislation asked will permit the Secretary of the Treasury to guarantee the principal and interest if, in his judgment, such course is desirable.

INTEREST OVERDUE.

"All of the loans now due the United States carry with them a lot of overdue and accrued interest which, under the plan contemplated, will be included in the bond issue proposed to represent these loans.

"The tentative plan contemplates that all of the accrued and overdue interest is to be either included in the amount of the bond issue to be pledged by the Governments which owe the large sums to the United States or that this interest be extinguished by increasing the rate on the long-time securities enough to absorb all the back interest and at the same time make the securities bear a higher rate of interest and become, therefore, desirable for the investors of the United States.

"If this is done, it is probable that the United States will not guarantee the bonds, but sell them on the interest rate and the security of the Government issuing them.

HAS NO AUTHORITY.

"As it is now the Secretary of the Treasury has no authority to whip these loans into good bankable shape, and has neither the specific nor implied authority to permit any obligations to remain unpaid either in principal or interest. If Congress will clothe the Secretary of the Treasury with broad powers under general limitations to fund all these loans, and also authorize him to refund them from time to time, if need be, the plan can be worked out in such a way as to stabilize conditions both here and abroad, and such action probably will correct to a great extent the wide fluctuations in foreign exchange which has been unsettled ever since the war began.

"Such an operation as contemplated in making this Government and the investors of the United States holders of long-time securities of the leading powers of the world will permanently intrench the United States as the creditor nation of the world."

I have read you the whole article, and I want to ask you if there is any truth in that statement?

Secretary MELLON. There was nothing so far as concerns any suggestion or anything originating with any foreign Government. There has nothing of that sort been suggested. There has been a great many suggestions generally by the press and by people of different methods of treating the indebtedness and of taking care of this accumulated interest, etc. There was a suggestion made and that was one which the President thought was a good one. It has not any significance so far as any particular government is concerned or so far as this refunding is concerned, excepting that it seemed a good business proposition. That suggestion was this: Here we had certain accumulated interest that it may be necessary or desirable to extend or defer the payment of. The thought there was this: That if, instead of adding that interest to the principal it was added to the rate of interest during the whole life of the bonds to be accepted, the refunding bonds, it would give those bonds a larger rate of interest than they otherwise would have. For instance, if we were going to accept refunding bonds at 5 per cent, that we add this accumulating interest into an additional rate of interest, and say, for example, that that made that rate of interest 6 per cent. That, then, would make the bonds more marketable. They would be bearing a higher rate of interest, and the benefit would come in the future from the fact that they bore a higher rate of interest and would be more marketable than they might be if they were at a lower rate of interest. That was merely an incidental suggestion.

Senator REED. You say you think that would be good business?

Secretary MELLON. It should be considered.

Senator REED. Let us put that in plain language. European Governments owe the United States in principal $10,000,000,000 and in interest $1,000,000,000. The proposition is to have them issue their bonds not for $11,000,000,000 bearing a rate of interest, but to have them issue their bonds for $10,000,000,000 bearing a higher rate of interest, the $1,000,000,000 to be devoted to the raising or increasing of that higher rate of interest. Thereupon these bonds will be sold to investors. In that event Uncle Sam loses the $1,000,000,000 of interest, does he not, that has already accumulated?

Secretary MELLON. If he does not sell the bonds, he gets the same money that otherwise would be gotten. Now, the matter of selling the bonds is a matter of judgment of Congress when the time comes.

Senator REED. But it will not be a matter of judgment of Congress under this bill; it will be a matter of judgment of the Secretary of the Treasury.

Secretary MELLON. No; this bill does not give authority to sell these bonds that are received, and if it did give that authority——

Senator REED. Under that arrangement——

Senator DILLINGHAM. May the witness complete his answer?

Secretary MELLON. I was going to say that there are no conditions now wherein anything of that sort could be accomplished. There is not any kind of a market.

Senator REED. Under that arrangement if Great Britain owes us four and a half billion dollars in principal, and she owes us $700,000,000 in interest, she would issue her bonds to us for four and a half billion dollars, not for $5,200,000,000. These bonds would have a high rate of interest. Thereupon Great Britain could immediately cancel the whole obligation by paying us the principal and thus escape the interest, could she not? That is just what an Englishman would do, is it not? He is a pretty smart fellow.

Secretary MELLON. I do not think he would do so under present conditions. But that is merely one of a great many suggestions, and the President thought it was a good one and talked of it. There may be circumstances where it would be desirable to make that kind of an adjustment.

Senator REED. In these discussions with the President was the question of the substitution of the obligations of other Governments for the present obligations discussed?

Secretary MELLON. I did not understand that question.

Senator REED. You say the President did discuss this one plan which we have just been over?

Secretary MELLON. That was his talk with the newspaper people.

Senator REED. Did you never discuss this question with the President?

Secretary MELLON. The letter that is with the committee was my letter to the President explaining the situation to him.

Senator REED. What I am trying to get at is whether the Cabinet or the President discussed the question of the substitution of the obligations of one government for the indebtedness of another.

Secretary MELLON. There has been no situation to discuss. There may have been just a general discussion of all these suggestions.

Senator REED. I am not asking you, Mr. Secretary, whether you discussed the proposition as to whether you would do a particular thing with Germany or a particular thing with England, but whether you discussed the proposition of the transfer of this indebtedness from one Government to the other by an exchange of obligations.

Secretary MELLON. The treatment of these loans or anything in the direction that you speak of was not a subject of discussion with the President or the Cabinet, excepting as relates to this act—that is, this question of requesting of Congress the authority to deal with it. That was discussed, and, of course, these other questions and suggestions that have been made came in, as always such questions do when there is a subject under discussion.

Senator WALSH. The authority sought in this bill, Mr. Secretary, is subject to the approval of the President?

Secretary MELLON. Yes.

Senator WALSH. Is there any reason you can state why it should not also be subject to the approval of the Senate the same as all foreign treaties and contracts are? I want to get your views on that.

Secretary MELLON. It would not be practicable. You could not come to a conclusion with the Government. If it had to come to Congress it would not be a practical method of settling these claims. I do not see how it could be done. It would take years to do it if it were done in that way.

Senator REED. We might have under some Secretaries of the Treasury two or three more billion dollars shoveled out—not under this one, I am very sure, and I would not reflect on Mr. Mellon for the world—but this is a matter that runs to the Secretary of the Treasury without any limiting clause.

Senator SIMMONS. I want to ask you one question with some matters propounded by Senator REED. In refunding under the plan that the Senator was inquiring about, in which you incorporate the interest with principal at the time when the bonds were issued and charge a higher rate of interest, I do not know whether I understood you to mean that you would incorporate the interest already accrued or would remit that interest.

Secretay MELLON. You do not understand the situation. There is no policy and there has been no policy adopted. That was only a suggestion that that would be a practicable way of putting these bonds into marketable shape.

Senator SIMMONS. Which was it? That you would include the accrued interest in the bonds as a part of the principal or that you would remit accrued interest?

Secretary MELLON. Oh, no. I have not even heard the suggestion that we would remit the interest. Remitting would mean canceling it.

Senator SIMMONS. I understand that, of course; that is the meaning of the word, and I thought that was the way you understood it, Senator REED.

Senator WATSON. That is the way Senator REED put it.

Senator REED. Oh, no; I did not—thereby include the one billion in the interest, and that then it would immediately take up its obligations then at the face and thus escape the accrued interest.

Senator SIMMONS. I did not understand it that way. Suppose that is true and that you do issue the bonds in that way. Will not that bond be due at a specified time, and could that bond be paid at the option of the debtor Government if the creditor Government was not willing to accept the payment at that time?

Secretary MELLON. It would depend upon the terms that you agreed upon in the bonds.

Senator SIMMONS. If you did that, would you enter into an agreement with the debtor nation that they might liquidate that at any time? If you did, the result that the Senator described would follow.

Secretary MELLON. That is a speculative situation.

Senator SIMMONS. The reason I asked that, Mr. Secretary, is this: I have understood that a long-term bond could carry a better rate of interest than a short-term bond; that it was because it was regarded as a more desirable thing. But a long-term bond would amount to nothing if the debtor had the option to liquidate it at any time he pleased.

Secretary MELLON. It is customary in these long-term bonds to make them optionable at certain times. The Liberty loan bond issues have certain options in them, and that has been customary. But as to these obligations, we have not come to that; we do not know what those particular Governments will ask us to do, and when they do ask us we are not obliged to do other than what might seem to the best interests of our Government.

The CHAIRMAN. As I understand it, Mr. Secretary, each Government will have to be treated separately and as a distinct proposition?

Secretary MELLON. Yes; the obligations are entirely separate, and we expect to take up one after another.

Senator REED. Can you tell me the amount of interest that England is now involved, or can Mr. WADSWORTH tell me the amount of obligations Great Britain now owes us?

Mr. WADSWORTH. I will do that in a moment.

Senator JONES. Recurring to the question of the substitution of obligations, would the situation or not be this, approximately: That the present debtor nations would not be particularly anxious to substitute obligations of another Government if the debtor nation had to guarantee the obligation of the other Government. But in the present contingency, when this money is due the United States, would it not be advisable from a business standpoint for this Government to accept obligations of other governments provided those obligations were guaranteed by the present debtor nation?

Secretary MELLON. Yes.

Senator JONES. Is not that about the situation?

Secretary MELLON. Yes.

Senator JONES. And assuming that they were German obligations, we would not be releasing——

Secretary MELLON (interposing). We would be adding.

Senator JONES. We would be adding to the security of our Government and getting payments which Germany might make on those obligations paid direct to the United States rather than through France, England, or Italy to the United States, when those Governments might see fit to make the payment?

Secretary MELLON. Yes.

Senator JONES. And then would there be any objection, Mr. Secretary, to our amending the bill by providing that in the event of such substitution that the present debtor nations should guarantee the obligation?

Secretary MELLON. I do not think so. I do not think that this authority should be limited, because you can not foresee what may arise. For instance, as I said before, there may be a country which in itself is not only in bad shape economically and financially, but that there is not any prospect of developing and rehabilitating; and suppose that that Government may have some securities which it might be able to release, it might be desirable to take that security and release the Government. I can imagine where that contingency might arise. I think it is not likely to happen; I do not know of any instance where there is any prospect of it happening, but there might be a case where a particular Government that might be in that unfavorable condition that they would have something where they would say, "If you will release us we will turn this over," and we might not be able to get that security without releasing. I can understand and you can understand, as a business proposition, that there could be such a contingency where it would be desirable to make that change. I do not think it is likely to happen.

But, so far as limiting this authority is concerned, why limit it? If we are going to go wrong in judgment and not do the right thing, it is not likely to be on some particular point that you would limit us; we would go wrong on something more important than that.

And so I think that if you are giving authority that the authority ought to be complete.

Senator JONES. Mr. Secretary, do you not believe that in the present state of the public mind that it would be of advantage to the administration to have some such limitation as that in this law, because it has been circulated throughout the country that there is a movement on foot to have this country take the obligations of Germany and release our present debtors, and if the contingency of accepting other securities free from any obligation of our debtors is remote, do you not think that it would have at least a good psychological effect to put a limitation in this bill to that effect?

Secretary MELLON. I think it is very much better to take that which is the logical and sound action, to give this authority where this authority can be used to the advantage of the Government and the people, and then any untoward psychological condition in the public mind will soon disappear.

Senator WILLIAMS. Or will not exist?

Secretary MELLON. Yes.

Senator REED. England owes us, I am informed by Mr. Wadsworth, in defaulted interest $407,303,000. What is the reason England can not pay us that interest to-day when she can expend $700,000,000 enlarging her navy?

Secretary MELLON. I do not know about her expending $700,000,000 enlarging her navy, but you can understand that it may be much easier to expend money at home where it does not require gold, where it does not require a rate of exchange that every dollar paid costs $1.60, or whatever it is—it is an entirely different proposition, because in the one case she has to pay in actual gold, in the other case it is merely a transaction between her own citizens. She buys something from domestic sources.

Senator REED. But the English gold sovereign is at par and exchange, less a small carriage and insurance rate, is it not?

Secretary MELLON. What is that?

Senator REED. The English gold sovereign is not suffering from the rate of exchange, is it, except that there is always a little rate of exchange?

Secretary MELLON. The gold sovereign is a gold sovereign, but if they do not have those gold sovereigns, then they must go out and buy exchange to make the equivalent of the gold sovereigns.

Senator REED. I understand that; that is to say, if they have inflated and depreciated currency, they must make that up. But if England was paying us in gold, she would not have to pay $1.60 in exchange, would she?

Secretary MELLON. But, to answer your question, she does not require gold sovereigns to pay for battleships at home.

Senator REED. But if she would give us $407,303,000 in gold, do you think she would be any worse off than if she expended at home $765,000,000 on her navy?

Secretary MELLON. You can answer those questions in many ways. It might be much better if, because of giving us that gold, which she could not do practically—could not ship us the gold, but she would go out and buy exchange, and the very fact of her buying that exchange and putting up the rate of exchange she to that extent protects her own trade, because it makes it harder for her people to buy in this country; the higher the exchange the more difficult it is for them to buy goods from us. So it is conceivable that by paying us that money she would do very much better and benefit herself rather than using the money at home.

You can answer those questions in many ways.

Senator REED. You do not mean to say—and I drop the question with this merely explanatory suggestion—that England could not pay us in gold if she had the gold? Now, has she not got the gold?

Mr. SIMMONS. Mr. President, I do not know that I wish further to discuss this bill, except as to one aspect. I said a little while ago that I somewhat doubted the constitutionality of the proposed act in the form in which it now appears. I do not now intend to enter into a discussion of that question, except in a most general way. I think very likely the Senator from Montana [Mr. WALSH] will discuss that phase of the matter later, but my contention is that under the Constitution the Congress has no power, directly or indirectly, through a commission or otherwise, to enter into any contract or to authorize anybody else to enter into a contract with foreign governments. I do not think the Liberty bond acts in any way violated that principle, for they could be predicated on the war powers of the Government. There is, however, no question of war powers now. We are dealing with this question in normal times.

The Constitution of the United States expressly denies to Congress the power to negotiate with foreign governments. It confers that power exclusively upon the executive department. Neither House of Congress has any voice until the President presents the question to the Senate in the form of a treaty.

Does this bill authorize negotiations? Mr. President, it authorizes the same sort of negotiations that the executive department under the Wilson administration, through regular channels, had inaugurated with Great Britain and possibly with other governments looking to the settlement of these foreign debts. The Secretary of the Treasury at that time appointed an Assistant Secretary of the Treasury as the representative of the executive department to go to Europe and to take up with our debtors there the question of negotiating a settlement of those obligations. He went first to Great Britain, and there, Mr. President, Assistant Secretary Rathbone, representing this Government, entered into negotiations with Mr. Brackett, the direct and accredited representative of the British premier, Lloyd-George.

I have here a volume which is full of communications between Mr. Rathbone, representing the executive department of the Government, and Mr. Brackett, representing the British Government, with reference to the adjustment of these claims. The negotiations assumed a broad scope. Agreement had been reached between these two representatives of the executive departments of the two Governments as to the rate of interest; and the negotiations were proceeding upon other lines when Lloyd-George interrupted, and in a letter advised Mr. Rathbone that the negotiations had reached a point of delicacy and involvement where reluctantly he had to bring them to a conclusion and announce that he could not agree to any arrangement for the adjustment of America's claims until the whole scope of interallied indebtedness could be taken up and considered. It is into that sort of negotiation that we are proposing to authorize a commission to enter. That commission will represent whom? The executive branch? No; it will represent the legislative branch in negotiations with foreign Governments.

Mr. President, let me read from a letter of Mr. Rathbone and from some observations made in the views of the minority of the Committee on Finance on the refunding bill, to which I have heretofore referred. This is what the minority of the committee say:

> Furthermore, the official documents which have passed between the United States and the debtor nations, the most important of which have not yet been made public, demonstrate that the negotiations contemplated by this act are not concerned merely with technical financial adjustments, but involve questions of foreign relations of such delicacy that in the words of Austen Chamberlain, chancellor of the exchequer of Great Britain, they raise "questions of great importance unsuited"—

"Unsuited," Mr. President—

> "for departmental treatment between our two treasuries"—

Unsuited for "departmental treatment," but suited for diplomatic treatment. He does not say that, but manifestly that is what is meant.

> Negotiations between Great Britain and the United States were accordingly taken completely out of the hands of the Treasury officials of the two nations—

It was held to be a matter for diplomacy, and was taken out of the hands of the Treasury Department, though it represented the Executive, as being too delicate to justify being left in any less experienced and expert hands than the diplomatic representatives of the two nations—

and were made the subject of direct communications—

They were made the subject of direct communications—

between Premier Lloyd-George and President Wilson. In the letter of the British prime minister to the President of the United States, dated August 5, 1920, an extract from which has been printed in the CONGRESSIONAL RECORD, the British premier proposes the cancellation of the entire indebtedness. It is true that President Wilson rejected this proposal for cancellation, but this does not offset the fact that the British prime minister has served formal notice that his Government would press for the reduction or cancellation of interallied indebtedness. The Senate has only a portion of this letter, and can only infer the considerations which may have been presented in the omitted sections. Nevertheless, in the portion which has been printed, the British premier makes this unequivocal statement:

"When the British Government decided that it could not deal with the question of the debts owed to it by its allies except as part and parcel of an all-around arrangement of interallied debts, the chancellor of the exchequer told Mr. Rathbone"—

The representative of the Treasury Department—

"that he could not proceed any further with the negotiations which they had been conducting together with regard to the postponement of the payment of interest on the funding of Great Britain's debts to America. I should like to make it plain that this is due to no reluctance on the part of Great Britain to fund its debt, but solely to the fact that it can not bind itself by any arrangement which would prejudice the working of any interallied arrangement which may be reached in the future. If some method can be found for funding the British debt which does not prejudice the larger question, the British Government would be glad to fall in with it."

Mr. President, can there be any question that negotiations such as Mr. Rathbone was conducting, and such as would be necessary to be carried on in order to bring this settlement to a consummation, particularly if the Secretary of the Treasury and the commission should undertake to open up such negotiations and extend them to the broader field to which he in his evidence said he would necessarily have to extend them—to inquiring into and investigating the economic, financial, and industrial situations of every nation in Europe and entering into an agreement with them adjusted and suited to such facts as he might find—would be such negotiations with a foreign nation by a commission created by Congress, representing Congress, speaking only for the Congress, as is prohibited by the Constitution of the United States, and would therefore be a usurpation of the powers of the executive?

I do not care to elaborate the idea, though I wash to suggest it. I do so in the utmost good faith. I do not know whether it has occurred to Senators on the other side or whether or not they think it is worthy of consideration. I do not claim to be a great constitutional lawyer, though I practiced law for 25 years, and enjoyed a very large practice in all the courts of my State. I have given some study, nevertheless, to the powers and functions under the Constitution of the various departments of our Government; and to my mind the kind of negotiation which we are proposing to authorize here to be conducted by a commission is unconstitutional. The fact that the Secretary of the Treasury is the chairman of it does not change the fact that it is only a commission, similar to the commissions which were authorized and appointed for various and sundry war purposes during the war under our war powers. In legal intendment it is merely a commission, a commission of individuals and not a commission of officials, although it be headed by the highest officer of the Treasury.

In my judgment, there is nothing in the Constitution to authorize it or that gives us the power to vest any such authority in a commission. If we have not the power to grant such authority, because we have not the power to do it ourselves, then the grant is void. If the grant is void, then the exercise of the power under the grant is void, and we may have a final and conclusive settlement of the English debt, bonds taken, and hereafter have it discovered that this Government had no authority to make the settlement in that way; that the men who entered into the agreement had no authority under the Constitution to act; that their settlement was void, and that the bonds were void.

Mr. KING rose.

Mr. SIMMONS. I do not want to elaborate that idea. The Senator from Utah knows that I have spoken very long. I leave the matter of the elaboration of this point to him and to the Senator from Montana [Mr. WALSH], if they think it worthy of discussion. I merely want to suggest it.

Mr. KING. I think it is worthy of discussion, and I was about to propound a question of the Senator, but in view of his last observation I shall not do so at this time.

Mr. SIMMONS. Mr. President, in conclusion I desire to offer to the pending bill an amendment intended to be proposed by me to the bill to create a commission authorized under certain conditions to refund the debt, and so forth. This amendment proposes a bonus for the soldiers, the ex-service men, of the United States. It is substantially a copy of the bonus bill introduced by the Senator from North Dakota [Mr. MCCUMBER] as acting chairman of the Finance Committee. I have not stopped with offering this amendment providing for the bonus for the soliders, but I have proceeded to provide the method for payment of the bonus, and I desire to read now the part of the amendment which provides the method. I do this because I am led to hope, from what the Senator from North Dakota said on yesterday and from what I have seen published in the papers respecting the plans that have been discussed, with approval at the White House, with reference to meeting this obligation, that the method of paying it will meet the approval of the majority side of this Chamber, and that the bonus proposition itself may meet their approval. I am going to read to the Senate this method of payment, because I know Senators do not always read the CONGRESSIONAL RECORD carefully:

There is hereby appropriated such amount as may be necessary to carry out the provisions of this title, to be paid out of any money and to be a first charge upon the interest received by the United States on obligations of foreign Governments. If at any time the amount of such interest is not sufficient to meet the appropriation hereby made, the Secretary of the Treasury is hereby authorized to issue certificates of indebtedness under section 5 of the second Liberty bond act, as amended, to be redeemed as far as practicable out of interest payments on such obligations of foreign Governments, or, with the consent and approval of the President, to sell, with or without the indorsement of the United States, such of the bonds of foreign Governments then held by the United States as he may deem necessary, and apply the proceeds as far as required to the payment of such deficiency.

We have had a great deal of wiggling and wabbling about this bonus business. Sometimes we saw it, and sometimes we did not; but all the time we have had the most emphatic assurance that everything was in readiness as soon as some means could be devised to raise the money. Recently I have heard that the administration has been inclined to look with favor upon raising the money in the way that I have indicated, through these bonds; but it was said that the interest might not be quite sufficient, and it was said that the President was not willing that the bonus bill should pass unless he knew right where he could put his hands on the money. I have provided here that if the interest is not sufficient, then he can issue certificates, such as we have issued during the war, and have been issuing since, when there has not been enough money in the Treasury to meet the Government's obligations, to meet the deficiency, if any, and then return into the Treasury the money so taken out whenever the interest was sufficient. Now, I have added that if that interest is not sufficient, the administration shall have the choice between paying the deficit by the issuance of certificates of indebtedness, to be paid out of future interest payments, or it may sell any of our foreign bonds as far as is necessary to get the money to make up that deficiency.

It has been stated that the President, or the administration—I suppose it was the President—had practically agreed at one time that it would be entirely feasible to sell enough of these bonds to pay the whole amount of the bonus. The bonds of Great Britain were expected to come first, because there was no doubt in the mind of anybody that Great Britain would begin to pay her interest without delay.

Mr. President, the interest on the British bonds will be nearly enough—not quite, perhaps, but nearly enough—to meet the annual cash payments. If it is not, then nobody would be hurt very much if we were to use these bonds for the purpose of paying the soldiers. Instead of keeping them waiting and waiting indefinitely, we can sell a few of those bonds and not hurt anybody.

I want to say, Mr. President, that in offering this bonus amendment to this bill I am in earnest. The majority can not criticize it, because I have been given to understand by the members of the majority of the committee that at one time while they were holding up this bill in their committee they were seriously considering joining with the refunding bill the bonus bill, and providing in that bill both for the bonus and for the payment of the bonus. They have abandoned that, for what reason I do not know; but certainly no amendment could be more pertinent to a bill than this one is. Certainly if a reasonable method of raising this money can be devised the soldiers are entitled to have the measure passed and the money paid. If it be true, as the President contended at one time, that the financial exigencies of the Treasury will not permit the money to be paid out of the Treasury, and that the distressed condition of the people will not permit of the imposition of higher taxes than they are now bearing, those arguments—and they are the only arguments that the other side have advanced as a reason for the delay of this measure of justice to the soldiers—do not apply to the amendment I have offered.

On the contrary, it is extremely fitting that these men who have sacrificed for their country should be paid; and I can think of nothing more appropriate than to pay them out of the money that we lent to our allies to help them fight with us in that gigantic struggle, the winning of which, although its present aftermath is overclouded, holds out the brightest hope that has been vouchsafed to man for the future of this world.

Mr. President, I ask that the amendment I have submitted be printed as an appendix to my remarks.

The VICE PRESIDENT. Without objection, it will be so ordered.

APPENDIX.

Amendment intended to be proposed by Mr. SIMMONS to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, viz: Add after section 5 a new section:

Sec. 6. Adjusted compensation.

PART I.—GENERAL PROVISIONS.

DEFINITIONS.

SEC. 1500. That this act may be cited as the "World War adjusted compensation act."

SEC. 1501. That as used in this title—

The term "veteran" includes any individual, a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918, but does not include (1) any individual at any time during such period or thereafter separated from such forces under other than honorable conditions, (2) any conscientious objector who performed no military duty whatever or refused to wear the uniform, or (3) any alien at any time during such period or thereafter discharged from the military or naval forces on account of his alienage; and

The term "adjusted service pay" means the amount of the payment to which the veteran would be entitled under the provisions of Part II of this title.

OPTIONAL PLANS.

SEC. 1502. That each veteran shall have the right to avail himself of any one, but only one, of the following plans:

(1) To receive "adjusted service pay," as provided in Part II;
(2) To receive an "adjusted service certificate," as provided in Part III;
(3) To receive "vocational training aid," as provided in Part IV;
(4) To receive "farm or home aid," as provided in Part V; or
(5) To receive "land settlement aid," as provided in Part VI.

APPLICATION BY VETERAN.

SEC. 1503. (a) That the veteran's choice among the plans enumerated in section 1502 shall be made by application filed with the Secretary of War if he is serving in or his last service was with the military forces, or with the Secretary of the Navy if he is serving in or his last service was with the naval forces.

(b) Such application may be made at any time after the passage and approval of this act.

(c) An application shall be made (1) personally by the veteran, or (2) in case of physical or mental incapacity or absence from the continental United States prevents the making of a personal application, then by such representative of the veteran and in such manner as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe. An application made by a representative other than one required by any such regulation shall be held void.

(d) The Secretary of War and the Secretary of the Navy shall jointly make any regulations necessary to the efficient administration of the provisions of this section.

PROOF OF VETERAN'S CHOICE OF PLAN.

SEC. 1504. (a) That as soon as practicable after the receipt of a valid application, the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the Secretary of the Treasury, if the veteran has chosen an adjusted service certificate, or to the Federal Board for Vocational Education if the veteran has chosen vocational training aid, or to the Secretary of the Interior if the veteran has chosen farm or home aid, or land settlement aid, a certificate setting forth:

(1) That the applicant is a veteran;
(2) His name and address;
(3) The plan chosen; and
(4) The amount of adjusted service pay to which he would be entitled if he had chosen that plan.

(b) Upon receipt of such certificate, the officer or board to which it is transmitted shall proceed to extend to the veteran the benefits conferred by the plan chosen, at the time, in the manner, and under the conditions provided for in the part of this title covering such plan.

PUBLICITY.

SEC. 1505. (a) That the Secretary of War and the Secretary of the Navy shall, as soon as practicable after the passage and approval of this act, jointly prepare and publish a pamphlet or pamphlets containing a digest and explanation of the provisions of this title, accompanied by such statements as to the comparative advantages of each of the plans enumerated in section 1502, as may be of assistance to veterans in making their choice among such plans; and shall from time to time thereafter jointly prepare and publish such additional or supplementary information as may be found necessary.

(b) The officer or board having charge of the administration of any plan or part thereof enumerated in section 1502 shall transmit to the Secretary of War and the Secretary of the Navy as soon as practicable after the passage and approval of this act full information and explanations as to the matters of which such officer or board has charge, which shall be considered by the Secretary of War and the Secretary of the Navy in preparing the publications referred to in subdivision (a).

(c) The publications provided for in subdivision (a) shall be distributed in such manner as the Secretary of War and the Secretary of the Navy may determine to be most effective to inform veterans of their rights under this title.

STATISTICS.

SEC. 1506. That immediately upon the passage of this act the Secretary of War and the Secretary of the Navy shall ascertain the individuals who are veterans as defined in section 1501, and, as to each veteran, the number of days of overseas service and of home service, as defined in section 1520, for which he is entitled to receive adjusted service pay; and their decisions shall not be subject to review by the accounting officers of the Treasury.

ADMINISTRATIVE REGULATIONS.

SEC. 1507. That any officer or board charged with the administration of any plan under this title, or of any part thereof, shall make such regulations, not inconsistent with this title, as may be necessary to the efficient administration of the matter of which such officer or board has charge.

DEDUCTION OF OVERPAYMENTS.

SEC. 1508. That after computing the amount of payment to be made to the veteran under any one of the plans enumerated in section 1502, or after using his adjusted service pay as the basis for any computation under this title, there shall be deducted from the amount thus obtained the amount of any overpayment previously made in respect to the service of the veteran in the military or naval forces.

SEC. 1509. That any officer or board charged with the administration of any plan under this title or of any part thereof shall make a full report to Congress on the first Monday of December of each year.

SEC. 1510. That no sum payable under this title to a veteran, or to his estate, or to any beneficiary named under Part III, shall be subject to attachment, levy, or seizure under any legal or equitable process.

PART II.—ADJUSTED SERVICE PAY.

SEC. 1520. That as used in this part—

The term "overseas service" means service on shore in Europe or Asia, exclusive of China, Japan, and the Philippine Islands; and service afloat, including the period from the date of embarkation for such service to the date of disembarkation on return from such service, both dates inclusive; and

The term "home service" means all service not overseas service.

SEC. 1521. That there shall be paid to any veteran, upon application in accordance with the provisions of section 1503 and in addition to any other amounts due him in pursuance of law, the following sums for each day of active service, in excess of 60 days, in the military or naval forces of the United States after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran: $1.25 for each day of overseas service, and $1 for each day of home service; but the amount payable to a veteran who performed no overseas service shall not exceed $500, and the amount payable to a veteran who performed any overseas service shall not exceed $625.

SEC. 1522. (a) That no such payment shall be made to—

(1) Any commissioned officer above the grade of captain in the Army or Marine Corps, lieutenant in the Navy, first lieutenant or first lieutenant of engineers in the Coast Guard, or passed assistant surgeon in the Public Health Service, or having the pay and allowances, if not the rank, of any officer superior in rank to any of such grades—in each case for the period of service as such;

(2) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces, for the period of service under such commission or warrant after the accrual of the right to pay thereunder;

(3) Any civilian officer or employee of any branch of the military or naval forces, contract surgeon, cadet of the United States Military Academy, midshipman, cadet of the Coast Guard, member of the Reserve Officers' Training Corps, member of the Students' Army Training Corps (except an enlisted man detailed thereto), member of the United States Guards, member of a development battalion (except an officer or enlisted man detailed thereto), member of the United States Disciplinary Barrack Guard, Philippine Scout, member of the Philippine Guard, member of the Philippine Constabulary, member of the Porto Rico Regiment of Infantry, member of the National Guard of Hawaii, member of the insular force of the Navy, member of the Samoan native guard and band of the Navy, or Indian scout—in each case for the period of service as such;

(4) Any individual entering the military or naval forces after November 11, 1918—for any period after such entrance;

(5) Any individual originally entering the service for special or limited service only—for the period of such special or limited service not overseas service;

(6) Any individual performing home service not with troops and receiving commutation of quarters or of subsistence—for the period of such service;

(7) Any member of the Public Health Service—for any period during which he was not detailed for duty with the Army or the Navy;

(8) Any individual granted a farm or industrial furlough—for the period of such furlough;

(9) Any individual detailed for work on roads or other highway construction or repair work—for the period during which his pay was equalized to conform to the compensation paid to civilian employees in the same or like employment, pursuant to the provisions of section 9 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes," approved February 28, 1919;

(10) Any individual who has been absent from duty on account of disease resulting from his own intemperate use of drugs or alcoholic liquors or from other misconduct—for the period of such absence; or

(11) Any individual who has been absent without proper authority for more than one day, or in confinement under sentence or awaiting trial and disposition of his case, if the trial resulted in conviction—for the period of such absence or confinement.

(b) The periods referred to in paragraphs (5) and (6) of subdivision (a) may be included in the case of any individual if and to the extent that the Secretary of War and the Secretary of the Navy jointly find that such service subjected such individual to exceptional hazard. A full statement of all action under this subdivision shall be included in the reports of the Secretary of War and the Secretary of the Navy required by section 1509.

(c) In computing the payments to any veteran under this part effect shall be given to all paragraphs of subdivision (a) which are applicable.

(d) If part of the service is overseas service and part is home service, the home service shall first be used in computing the 60 days' period referred to in section 1521.

(e) For the purpose of computing the 60 days' period referred to in section 1521 any period of service after April 5, 1917, and before July 1, 1919, in the military or naval forces in any capacity may be included, notwithstanding payment for such period, or a part thereof, is prohibited under the provisions of subdivision (a) of this section, except that the periods referred to in paragraphs (2), (3), and (4) of subdivision (a) shall not be included.

(f) For the purpose of section 1521, in the case of members of the National Guard or of the National Guard Reserve called into service by the proclamation of the President dated July 3, 1917, the time of service between the date of call into the service as specified in such proclamation and August 5, 1917, both dates inclusive, shall be deemed to be active service in the military or naval forces of the United States.

SEC. 1523. (a) That the payments authorized by the provisions of this title shall be made in installments, beginning on the 1st day of July or January next succeeding the fifteenth day after the date of filing the application, but not before January 1, 1923, as follows: (1) If the total amount payable is $500 or over, in 10 equal quarterly installments; and (2) if the total amount payable is less than $500, in quarterly installments of $50; except that any installment necessary to complete the payments may be less than $50.

(b) If before the completion of the installment payments the veteran is separated from the military or naval forces under other than honorable conditions, or is discharged therefrom on account of his alienage, no further installments shall be paid. Payment shall be made by the Secretary of War if the veteran is serving in, or his last service was with, the military forces; and by the Secretary of the Navy, if he is serving in, or his last service was with, the naval forces.

SEC. 1524. That if the veteran dies, after making application in accordance with the provisions of section 1503 for adjusted service pay and before receiving all the installment payments, the payments authorized by the provisions of this part shall be made to his estate.

SEC. 1525. That no right to adjusted service pay under the provisions of this part shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. The Secretary of War and the Secretary of the Navy shall not pay the amount of adjusted service pay to any person other than the veteran or his estate or such representative of the veteran as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe.

PART III.—ADJUSTED SERVICE CERTIFICATES.

SEC. 1530. That the Secretary of the Treasury, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, is hereby directed to issue, without cost to the veteran designated therein, an adjusted service certificate (hereinafter in this part referred to as a "certificate") of a face value equal to the sum of (1) the adjusted service pay of the veteran increased by 40 per cent, plus (2) interest thereon for 20 years at the rate of 4½ per cent per annum, compounded annually (such amount being approximately equal to three and thirty-eight hundredths times the adjusted service pay of the veteran). The certificate and all rights conferred under the provisions of this part shall take effect as of the 1st day of July or January next succeeding the date of filing the application, but not before January 1, 1923. The veteran shall name the beneficiary of the certificate and may from time to time, with the approval of the Secretary of the Treasury, alter such beneficiary. The amount of the face value of the certificate shall be payable (1) to the veteran 20 years after it becomes effective or (2) upon the death of the veteran prior thereto to the beneficiary named; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, the amount of the certificate shall be paid to the estate of the veteran.

SEC. 1531. That there is hereby established in the Treasury a revolving fund to be known as the "adjusted service certificate loan fund" (hereinafter in this part referred to as the "fund"). The Postmaster General is authorized to make loans out of such funds upon the certificate of any veteran. The amount of such loans to any one veteran outstanding at any one time shall not exceed—

(a) If the loan is made during the third to fifth years, inclusive, after the certificate becomes effective, 90 per cent of the sum of (1) the adjusted service pay of the veteran, plus (2) interest thereon, from the date the certificate becomes effective to the time of the making of the loan at the rate of 4½ per cent per annum, compounded annually, or

(b) If the loan is made during the sixth to twentieth years, inclusive, after the certificate becomes effective, 80 per cent of the sum of (1) the adjusted service pay of the veteran increased by 40 per cent, plus (2) interest thereon from the date the certificate becomes effective, to the time of the making of the loan, at the rate of 4½ per cent per annum, compounded annually.

SEC. 1532. That moneys in the fund shall be available to make all loans upon certificates. The Postmaster General is hereby authorized to set aside out of the fund such reserve moneys as may be required to make such loans, and the Secretary of the Treasury is authorized to invest the remainder of the moneys in the fund in interest-bearing obligations of the United States. Such obligations may, at the discretion of the Secretary, be sold and the proceeds reinvested in other interest-bearing obligations of the United States, and shall be sold and the proceeds made available for the purposes of the fund, whenever the Postmaster General certifies that in his opinion further amounts are required for the purposes of the fund. Any moneys in such fund not deemed necessary by the Secretary of the Treasury for the purposes of this part shall be covered into the Treasury as miscellaneous receipts.

SEC. 1533. That no loan shall be made upon any certificate within two years after the certificate becomes effective. Application for loans may be made to any postmaster of a first, second, or third class post office. The veteran shall give a note for the repayment of the loan upon an amortization plan by means of a fixed number of annual installments sufficient to cover (1) interest on the unpaid principal at the rate of 4½ per cent per annum and (2) such amount of the principal as will extinguish the debt within an agreed period not exceeding the life of the certificate. The veteran may, however, pay any or all installments of the principal previous to their due date. The Postmaster General shall by regulation prescribe the form of application and the duration, number, and amount of installments, and such other conditions as he deems advisable, of the loan. All payments in respect to the loan shall be made through a first, second, or third class post office. Any moneys received for the repayment of the loan shall be covered into the fund. Whenever the Postmaster General finds that the borrower is in arrears for more than two years in his installments upon the note or has violated any other conditions thereof, he shall certify such fact to the Secretary of the Treasury, who shall thereupon declare the certificate of the borrower to be forfeited.

SEC. 1534. That no certificate issued or right conferred under the provisions of this part shall be negotiable or assignable or serve as security for a loan other than one made under the provisions of section 1531. Any loan made in violation of any provision of this section shall be held void. Whenever the Secretary of the Treasury finds that any such certificate or right has been negotiated or assigned, or has served as security, in violation of a provision of this section, the rights of the veteran under this part shall be forfeited.

SEC. 1535. That in the case of the death of the borrower or the forfeiture of his certificate or rights under this part, any loan made upon the certificate and the note in respect thereto shall be deemed canceled. The Secretary of the Treasury shall thereupon reimburse the Postmaster General for all unpaid installments upon any canceled loan; and in case such loan has been canceled as a result of the death of the borrower, the Secretary of the Treasury shall deduct the amount of such reimbursement from the amount of the face value of the certificate in respect to which the loan is made.

SEC. 1536. That any certificate issued under the provisions of this part shall have printed upon its face the conditions and terms upon which it is issued and to which it is subject.

SEC. 1537. That if the veteran dies, after making application in accordance with the provisions of section 1503 and before the certificate becomes effective, the amount of the adjusted service pay of the veteran shall be paid by the Secretary of the Treasury to his estate.

PART IV.—VOCATIONAL TRAINING AID.

SEC. —. That the Federal Board for Vocational Education (hereinafter in this title referred to as the "board") upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, is hereby directed to pay to the veteran designated therein (if he is not receiving the benefits of the vocational rehabilitation act, as amended) the sum of $1.75 for each day of his attendance (on or after January 1, 1923), on a course of vocational training previously approved by the board as suitable for such veteran. Such payment shall be made without deduction for Sundays, holidays, or vacations not exceeding two weeks in duration, or for absence for other cause which the board deems justifiable; but the total payment shall not exceed 140 per cent of the amount of adjusted service pay which the veteran would be entitled to receive if he had chosen that plan.

Payments under this section shall be made monthly, or at more frequent intervals, as the board may determine generally or in special cases.

SEC. 1541. That the board shall establish such regulations as will insure the regular attendance of the veteran on his course of training, and no sum or sums shall be payable under this part unless the board has been furnished proof of such regular attendance. For each day of unjustifiable absence the veteran shall forfeit the sum payable for that day, and shall receive no reimbursement for it in any other form.

SEC. 1542. (a) That if the payment under section 1540 plus the amounts forfeited under section 1541 is less than 140 per cent of the adjusted service pay, either by reason of the duration of the course approved, or by reason of the veteran's discontinuing, with the approval of the board, his attendance on his course of training, he shall be entitled to receive an amount equal to the difference between (1) his adjusted service pay and (2) that proportion thereof which the payments made or accrued under section 1540 plus the amounts forfeited under section 1541 bear to 140 per cent of his adjusted service pay: *Provided*, That from the amount thus computed there shall be deducted an amount equal to the sums forfeited under section 1541.

(b) Such amount shall be paid to him by the board in such installments and at such times as will place him upon the same basis as if he had originally chosen to receive adjusted service pay as provided in Part II.

SEC. 1543. That if before the completion of the payments under this part the veteran is separated from the military or naval forces under other than honorable conditions, or is discharged therefrom on account of his alienage, no further payments shall be made under this part.

SEC. 1544. (a) That if the veteran dies, after making application in accordance with the provisions of section 1503 and before any payments have been made or have accrued under this title, the amount of the adjusted service pay of the veteran shall be paid by the board to his estate.

(b) If the veteran dies after the course of training has begun, his estate shall be paid by the board the same amount as would have been paid to the veteran under subdivision (a) of section 1542, treating for such purposes the date of his death as the date of discontinuance of attendance on his course of training.

(c) The amounts payable under this section shall be payable in the same manner as provided in subdivision (b) of section 1542.

SEC. 1545. (a) That the board is hereby authorized to cooperate with State boards for vocational education in such manner as will secure their assistance in the approval of courses of training for veterans and other assistance in carrying out the provisions of this part.

(b) Whenever any State provides funds for assistance to veterans in attendance upon approved courses or provides for free tuition in approved educational institutions, the board is authorized and directed to cooperate with the State board for vocational education of such State in securing the maximum educational opportunities to veterans entitled to the benefits of this part.

PART V.—FARM OR HOME AID.

SEC. 1550. That the Secretary of the Interior, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, is hereby directed, on or after January 1, 1923, to pay to the veteran designated therein, in one payment or in installments, an amount equal to his adjusted service pay increased by 40 per cent.

Such payment shall be made for the purpose, and only for the purpose, of enabling the veteran to make improvements on a city or suburban home, or a farm not selected under Part VI, or to purchase or make payments on such a home or farm.

SEC. 1551. That no such payment shall be made unless and until the Secretary of the Interior has approved the purpose for which it is desired by the veteran, and has suitable assurance that the money will be expended for such purpose. The Secretary of the Interior may, at the option of the veteran, or on his own motion, make the payment directly to the vendor or other persons to whom such payment is due from the veteran.

SEC. 1552. That for the purpose of enabling him to pass upon the desirability of the investment he may make use of the services of land bank appraisers of the Federal Farm Loan Board, to be designated by such board.

SEC. 1553. (a) That if the veteran dies after making application in accordance with the provisions of section 1503 for farm or home aid and before a contract has been entered into with the approval of the Secretary of the Interior, the amount of his adjusted service pay shall be paid by the Secretary of the Interior to the estate of the veteran in such installments and at such times as will place the beneficiaries thereof upon the same basis as the veteran would have been if he had originally chosen to receive adjusted service pay as provided in Part II, but no such payment shall be made if the veteran has been separated

from the military or naval forces under other than honorable conditions or discharged therefrom on account of his alienage.

(b) If before the veteran's death a contract has been entered into with the approval of the Secretary of the Interior and payments under this part on such contract are still due, such payments shall be made by the Secretary of the Interior to the vendor or other person to whom such payments are due from the veteran.

PART VI.—LAND SETTLEMENT.

SEC. 1560. That on the opening of public or Indian lands to entry, or the restoration to entry of public lands theretofore withdrawn from entry, such opening or restoration shall, in the order therefor, provide for a period of not less than 60 days before the general opening of such lands to disposal, in which period veterans who have chosen the benefits of this part shall have a preferred right of entry under the homestead or desert land laws, if qualified thereunder, except as against prior existing valid settlement rights and as against preference rights conferred by existing laws or equitable claims subject to allowance and confirmation.

Such preference right for such period shall also be accorded on all reclamation projects now in existence or hereafter established, whether such reclamation is made by irrigation, drainage, or other method.

Upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, approved by the Secretary of the Interior, there shall be paid by the Secretary of the Treasury, on or after January 1, 1923, to the veteran designated therein, in one payment or in installments, an amount equal to his adjusted service pay increased by 40 per centum. Such payment shall be made for the purpose, and only for the purpose, of enabling the veteran to make payments in connection with the lands as to which preference has been given under this section, or for the improvement of any such land, and shall be made only if the Secretary of the Interior has suitable assurance that the money will be expended for such purpose.

PART VII.—MISCELLANEOUS PROVISIONS.

SEC. 1570. That the officers and boards having charge of the administration of any of the provisions of this title are authorized to appoint such officers, employees, and agents in the District of Columbia and elsewhere, and to make such expenditures for rent, furniture, office equipment, printing, binding, telegrams, telephone, law books, books of reference, stationery, motor-propelled vehicles or trucks used for official purposes, traveling expenses and per diem in lieu of subsistence at not exceeding $4 for officers, agents, and other employees, for the purchase of reports and materials for publications, and for other contingent and miscellaneous expenses, as may be necessary efficiently to execute the purposes of this title and as may be provided for by the Congress from time to time. With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil-service laws, and preference shall, so far as practicable, be given to veterans.

SEC. 1571. That whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of Parts I, II, III, IV, V, or VI, or of any regulation made under any such part, shall, upon conviction thereof, be fined not more than $1,000, or imprisoned not more than five years, or both.

SEC. 1572. That there is hereby appropriated such amount as may be necessary to carry out the provisions of this title, to be paid out of, and to be a first charge upon, the interest received by the United States on obligations of foreign Governments. If at any time the amount of such interest is not sufficient to meet the appropriation hereby made, the Secretary of the Treasury is hereby authorized to issue certificates of indebtedness under section 5 of the second Liberty bond act, as amended, to be redeemed, so far as practicable, out of interest payments on such obligations of foreign Governments, or, with the consent and approval of the President, to sell, with or without the indorsement of the United States, such of the bonds of foreign Governments then held by the United States as he may deem necessary, and apply the proceeds as far as required to the payment of such deficiency.

Mr. SIMMONS. Mr. President, I send to the desk the amendment which I submitted a few moments ago and ask that it be printed and lie on the table.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. McCUMBER. Mr. President, if I understood the Senator correctly and understood all Senators correctly, there is no objection to one amendment that is offered by the committee, namely, the amendment adding, at the bottom of the second page:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond June 15, 1947.

I desire to add at the end of that:

Or to fix the rate of interest at less than that fixed by existing law.

In order that we may have the bill printed with that amendment, so that the discussion may be limited to what we all agree to be in the bill, I ask the Senators if there is any objection to presenting that amendment now?

Mr. SIMMONS. I will say frankly to the Senator that I see no objection to presenting the amendment now, and I am very glad the Senator proposes it, because it meets one of the serious objections—not by any means the most serious, but one of the serious objections—that I made.

Mr. McKELLAR. I hope the Senator will have the bill reprinted, so that it can go on the desks of Senators to-morrow. I think the amendment is perfectly proper, and I hope the Senator will have it reprinted, so that we can have the whole thing before us.

Mr. McCUMBER. I intended to ask that.

Then, Mr. President, I move to add, after the word "therefor," on line 20, page 2 of the bill as reported in, the following:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than that fixed by existing law.

The VICE PRESIDENT. Does the Senator move that as an amendment?

Mr. McCUMBER. Yes; I move that as a committee amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota on behalf of the committee.

The amendment was agreed to.

Mr. McCUMBER. I ask, then, that the bill may be printed with this amendment as it has just been adopted.

The VICE PRESIDENT. Without objection, it will be so ordered.

THE MUSCLE SHOALS PLANT.

Mr. McKELLAR. Mr. President, on July 8, 1921, Henry Ford submitted to the Government a proposition for the purchase of the Muscle Shoals plant on the Tennessee River. I desire to have the proposition submitted by Mr. Ford printed in the RECORD, and I ask unanimous consent that it may be printed in the RECORD without reading.

On January 20 I received from Mr. Ford's secretary a letter containing an amendment to the proposition, and the only amendment to the offer that has already been made by Mr. Ford in this matter. I desire to have that printed immediately after the contract, and then we will have the whole proposition before the Senate and before the country. I ask unanimous consent that that may be printed in the RECORD.

The VICE PRESIDENT. Is there objection to the printing of the documents? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

DEARBORN, MICH., *July 8, 1921.*

Gen. LANSING H. BEACH,
Chief of Engineers, United States Army,
Washington, D. C.

SIR: In response to your advice that the Government invites an offer for the power at the Muscle Shoals Wilson Dam, on my part or on the part of a company to be formed by me (and throughout this proposal to be called the company), I hereby and through you place at the disposal of the President, the Secretary of War, and Congress the following tender:

1. If the United States will promptly resume construction work on the Wilson Dam, and as speedily as possible complete the construction of the dam and progressively install hydroelectric facilities and equipment for generating 600,000 horsepower, then the company will agree to lease from the United States the Wilson Dam, its power house, and all of its hydroelectric and operating appurtenances, together with all lands and buildings owned by the United States connected with and adjacent to either end of the Wilson Dam, for a period of 100 years from the date of the completion of the dam and its power-house facilities; and the company will pay to the United States 6 per cent on the remaining cost of the locks, the dam, and power-house facilities, taken at $20,000,000, in payments of $1,200,000 annually, except that during the first six years of the lease period payments shall begin and be made annually as follows:

Two hundred thousand dollars one year from the date when 100,000 horsepower is generated and continuously ready for service, and thereafter $200,000 annually at the end of each year for five years. After the first six years payment of $1,200,000 shall be made annually at the end of each calendar year during the lease period.

2. At the beginning of the seventh year of the lease period, and annually thereafter, the company will pay to the United States a sum not greater than $39,537 to retire during the remaining period of 94 years the total cost of the Wilson Dam and its power house, substructures, superstructures, machinery, and appliances, including locks, all taken at $40,000,000; the sinking-fund investments to bear the highest rate of interest obtainable, but not less than 4 per cent per annum.

3. The company will further agree to pay to the United States $35,000 annually for repairs, maintenance, and operation of the dam, gates, and locks at Wilson Dam; all repairs, maintenance, and operation of the same to be under the direction, care, and responsibility of the United States during the 100-year period.

4. The company will furnish the United States, free of charge, delivered at a point on the lock grounds designated by the Chief of Engineers, electric power not to exceed 200 horsepower for the operation of the locks.

5. If the United States shall accept the above proposal for leasing the Wilson Dam and its power installation, then, as a condition of acceptance, the company will ask that immediately upon release of suitable construction equipment and facilities at the Wilson Dam, and upon the release of labor forces, the United States will forthwith proceed to construct and fully complete with reasonable promptness Dam No. 3, as designed and proposed by the United States Engineers, the power installation at Dam No. 3 to be taken in this proposal at 250,000 horsepower.

6. When the lock, dam, and power-house installations at Dam No. 3 are completed, the company offers to lease Dam No. 3, its power house, and all of its hydroelectric and operating appurtenances, for a period of 100 years, from the date of the completion of the dam and its power-house facilities, and the company will pay to the United States 6 per cent on the cost of the dam, lock, and power-house facilities, taken at a cost of $8,000,000, in payments of $480,000 annually, except that during the first three years of the lease period payments shall begin and be made annually as follows:

One hundred and sixty thousand dollars one year from the date when 80,000 horsepower is generated and continuously ready for service, and thereafter $160,000 annually at the end of each year for two years. If and when, after the first three years, the entire power house generat-

ing equipment of 250,000 horsepower is continuously ready for service, payments of $480,000 shall be made annually at the end of each calendar year during the remaining 97 years of the lease period.

7. At the beginning of the fourth year of the lease period and annually thereafter the company will pay to the United States a sum not greater than $7,010, to retire during the remaining period of 97 years the total cost of Dam No. 3 and its power house, substructures, superstructures, machinery, and appliances, including lock, all taken at $8,000,000, the sinking fund investments to bear the highest rate of interests obtainable, but not less than 4 per cent per annum.

8. The company will further agree to pay to the United States $20,000 annually for repairs, maintenance, and operation of dam, gates, and lock at Dam No. 3, all repairs, maintenance, and operation of the same to be under the direction, care, and responsibility of the United States during the 100-year period.

9. The company will furnish the United States, free of charge, at Dam No. 3, to be delivered at a point on the lock grounds designated by the Chief of Engineers, electric power not in excess of 100 horsepower for the operation of the lock.

10. If the United States shall accept the above several proposals in their entirety, then the company offers to purchase from the United States the following properties, viz:

(a) All of the property at nitrate plant No. 2, and its adjacent steam power plant, land, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs which have been acquired by the United States, and which the United States has a right to transfer and assign the use of to any purchaser of nitrate plant No. 2, together with the sulphuric-acid units now in storage on the premises.

(b) All of the properties of the United States at nitrate plant No. 1, its steam power plant, land, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs appertaining to said nitrate plant No. 1, which have been acquired by the United States; but nitrate plant No. 1 shall not be operated as an air nitrogen fixation plant, as designed to be.

"(c) All of the property at the quarry of the United States, known as the Waco Quarry, including all material, buildings, quarry tracks, machinery, railroad tracks, tools, and other equipment.

"(d) Also the steam plant built and owned by the Government at Gorgas, Ala., on the Warrior River, including material, buildings, machinery, fixtures, apparatus, appurtenances, tools, supplies, and the transmission line from the Gorgas steam plant to nitrate plant No. 2, at Muscle Shoals, the United States to acquire title to the right-of-way lands necessary along the transmission line, and also to acquire the title to the land and site occupied by the steam plant and by all Government buildings and other structures at the Gorgas steam plant."

For the foregoing plants and other properties, as set forth and described above under a, b, c, d, the company offers to pay the United States $5,000,000, the terms of payment to be agreed upon between the Secretary of War and the company, the Secretary of War having the authority to dispose of said plants and other properties as above enumerated.

11. At any time prior to the expiration of said lease period of 100 years the company shall have the right to negotiate with the Government for a renewal of the leases for the two above dams, their power houses, etc. In the event of disagreement as to terms of the renewal the United States and the company shall each appoint an arbitrator, and these arbitrators shall choose a third. The decision of the arbitration board of three shall be final and binding upon both parties.

12. If the United States agrees to sell and the company purchases these several properties, nitrate plants, quarry, steam-power plants, transmission lines, etc., and at prices and on terms mutually satisfactory, the company will operate nitrate plant No. 2 to approximate present capacity in the production of nitrogen and other fertilizer compounds, with the following special objectives:

"(a) To determine by research on a commercial scale whether by means of electric-furnace methods and industrial chemistry there may be produced fertilizer compounds of higher grade and at cheaper prices than the fertilizer-using farmers have in the past been able to procure, and to determine whether in a broad way the application of electricity and industrial chemistry may do for the agricultural industry of the country what they have economically accomplished for other industries.

"(b) To maintain nitrate plant No. 2 in a state of readiness to be promptly operated in the manufacture of materials necessary in time of war for the production of explosives."

13. If the above offers of the company are accepted by the United States, and if the agreement between the Secretary of War and the company can be made for the purchase of the above-described properties, it will naturally and reasonably follow that the buyers of fertilizers will desire to be assured that fertilizers produced at nitrate plant No. 2 shall be sold at fair prices and without excessive profits.

14. To meet this reasonable expectation on the part of the farmers of the country who buy fertilizer, the company proposes that the maximum net profits which it shall make in the manufacture and sale of fertilizer products at nitrate plant No. 2 shall not exceed 8 per cent. The company also suggests that a board be created composed of officially designated members and representatives of farmers' national organizations, such as the American Farm Bureau Federation, the National Grange, and the Farmers' Union, together with a representative from the Bureau of Markets of the Agricultural Department (to be an ex officio member of this board, serving in an advisory capacity, without right to vote), and two representatives of the company. It is expected that the board shall have access to the books and records of the company at any reasonable time, and that its duty shall be to investigate costs and revenues and to determine for public information whether the profits of the company are being kept within the established limit of 8 per cent, as above set forth; and it is also suggested that this board determine upon the territorial distribution of fertilizers produced at nitrate plant No. 2. If and when this board can not agree upon its findings and determinations, then the points of disagreement by the board at any time shall be referred to the Federal Trade Commission for arbitration and settlement, and the decision of the Trade Commission shall be final and binding upon the board.

15. Whenever, in the event of war, the United States shall require any part of the operating facilities of nitrate plant No. 2 for the production of materials necessary in the manufacture of explosives, then the United States shall have the immediate right, upon notice to the company, to take over and operate the same for the national defense of the country, and the company will supply the United States with hydroelectric power necessary for such operations, together with the use of all patented processes which the United States may need in time of war for munition purposes, and which the company owns and has the right to use, and any of the company's personnel and operating organization required in times of war for operating any part of nitrate plant No. 2 in the manufacture of materials for explosives shall be at the disposal of the United States. All duly authorized agents and representatives of the United States shall have free access at all reasonable times during the lease period to inspect and study all of the operations, chemical processes, and methods employed by the company at nitrate plant No. 2, provided such agents and representatives shall not use the information and the facts about any of the company's operations, except for the benefit and protection of the United States.

16. It will be obvious to you that, should the above proposals and offers of the company be accepted by the United States, there will be many details in the lease and purchase agreements to be worked out, but it is believed that the above will furnish all of the information required for decision by the United States upon the tender herein submitted.

17. The above proposals of the company are submitted as a whole and not in part.

18. The plans of the company with respect to its hydroelectric power needs are such that it is hoped that you, and those to whom you refer these proposals, will be able to arrive at prompt decisions regarding the company's offer, and that it can be confidently expected that the undersigned will very soon receive an answer to this communication.

Respectfully,

HENRY FORD.

—

DEARBORN, MICH., *January 20, 1922.*

Hon. KENNETH MCKELLAR,
United States Senate, Washington, D. C.

DEAR SENATOR: The only amendment which Mr. Ford has made to the Muscle Shoals proposal reads as follows:

"The company proposes to undertake the construction and completion at actual cost of all the work referred to, and when completed and ready for operation will pay to the United States Government as annual rental of the property an amount equal to 4 per cent of the total cost of such construction."

Very truly, yours,

E. G. LIEBOLD,
General Secretary to Henry Ford.

Mr. MCKELLAR. Now, I desire to offer for printing in the RECORD two articles, one from the Nashville Banner of January 18, 1922, entitled "The Trust in the Fight," and the other from the Knoxville Sentinel of the same date, entitled "Ford and Muscle Shoals." I ask to have these articles printed in the RECORD without reading.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[From the Nashville Banner of Jan. 18, 1922.]

THE TRUST IN THE FIGHT.

The National Fertilizer Association, 1016 Arch Street, Philadelphia, Pa., would be glad to furnish you printed matter intended to show that Henry Ford should not be permitted to make nitrate at Muscle Shoals.

The Banner knows that the National Fertilizer Association is eager to scatter alleged information of this kind abroad, because it has sent to this paper a printed circular in which the fact is asserted in big black type.

The circular is accompanied by typewritten matter that newspapers are licensed to use as their own production.

There is also a colored chart and many figures intended to show that Henry Ford would swindle the Government out of some millions of dollars and get too much for the money he offers.

And this same National Fertilizer Association would fight any proposal to have the Government complete the Muscle Shoals project and operate the industries there on its own account as assiduously as it is fighting Ford.

It would also encourage any plan to abandon or scrap the Government works at Muscle Shoals, as was urged in Congress, possibly under the association's influence, when it was proposed to appropriate money to complete the Government undertaking.

The circular from the National Fertilizer Association sent the Banner is marked in the upper left-hand corner "Muscle Shoals No. 1," meaning that there is more like it to follow. It is to be widely disseminated.

The association has evidently set to work in an active campaign of propaganda to defeat Henry Ford or anyone else who wishes to make nitrate at Muscle Shoals.

The purpose of its activities and the reason for its manifest anxiety can not be disguised, and that purpose is really an argument in favor of the Ford proposal. If the association did not believe fertilizer could be manufactured abundantly and cheaply at Muscle Shoals it would never have gone to the trouble and expense of this fight.

It is plainly and palpably fighting for its own selfish interest against the interest of the public. There is no disguise; there could not be any. Its attack has at least the merit of open fight, but its gall in asking that Ford's proposition to take over Muscle Shoals be defeated in order to serve the popular welfare is rather gigantic.

—

[From the Knoxville Sentinel of Jan. 18, 1922.]

FORD AND MUSCLE SHOALS.

We have received some literature from the National Fertilizer Association, entitled "Truth about Muscle Shoals," which figures out that by completing the plant at a further cost to the Government of $30,000,000 to $57,000,000, as variously estimated, and accepting Mr. Ford's offer to pay the interest on this money and to repay the Government a sum equal to every dollar of its outlay, and greatly in excess of it by the expiration of his lease, that the Government will be conferring a subsidy of some billion dollars and more on Mr. Ford, and the association is mortally opposed to the Government giving anybody a subsidy at the expense of the taxpayers of the country.

"The National Fertilizer Association," it tells us, "does not oppose private operation of the Muscle Shoals nitrate plant unless it involves a subsidy by the Government, but it does oppose either Government operation or Government subsidized operation in competition with the existing fertilizer industry."

We do not know by what method of mathematics the association arrives at its conclusion that the acceptance of Mr. Ford's offer to put into operation the plant—which otherwise is a "dead horse"—will cost

the taxpayers a billion dollars in the course of 100 years, but the association's literature makes no reference to the billions of dollars and many revolutionizing and far-reaching benefits that Mr. Ford's plan promises to confer on the taxpayers during the period of his lease.

And yet we suspect that these results were the objections that the association had fully developed in its mind in voicing its protest.

The association does not appear to have been worried about the billions of dollars the Government stood to lose in its mind by calculating the compound interest for the next 100 years on the investment the Government has already made in the plant of upward of $150,000,000, as we recall the figures.

"The Muscle Shoals enterprise was denounced over and over again as a raid on the Treasury," the Manufacturers' Record says, "A perfectly worthless thing, fit only to be junked. 'Let the Government take its loss and be glad that it is no more!' was the cry. Then Henry Ford made an offer for the property. Immediately it was charged in endless propaganda that he was endeavoring to rob the Government."

Let us accept for the moment that the Government throw from $30,000,000 to $50,000,000 more of its money after the $150,000,000 already sunk in the plant, in view of what Mr. Ford proposes to do it would be a splendid gamble compared with many of the extraordinary appropriations Congress is accustomed to make of the people's money.

"Mr. Ford states," says the Manufacturers' Record, "that he intends to create another Detroit in the vicinity of Muscle Shoals, a series of villages extending over 75 miles, providing a multitude of employees with city work and country lives. He promises cheap fertilizer," among other things, the Record says, "cheap power and cheap products. He proposes to show how water power can be made an asset of almost every community in the land. He visions, as it were, a new dispensation, not to be brought about by treaties or political expedients, but by the application of mind to matter and the utilization of resources now but imperfectly developed. The man is not an author of fiction, but a doer. Moreover, he has the cash."

Mr. Ford has declared that "the Fertilizer Trust, the power and chemical interests of Wall Street, the money brokers, and other interests that fear to have Muscle Shoals developed along lines that will serve all the people most are deluging Weeks and Congress with literature that grossly misrepresents the facts."

Whether the literature that we have received and referred to "grossly misrepresents the facts" or not, taking it at its own valuation, we do not think it sufficient for the purpose of turning down this splendid vision and development which, splendid as it is, is not in the least extravagant or impractical as we people of to-day know and have come to accept the potentialities of modern agencies and methods applied to industrial development.

"The whole South should get behind Mr. Ford in this matter, irrespective of any personal feelings, and so should the whole country," the Record says: "If he should fail, the country will be no worse off than it is; if he should succeed, who can tell what stupendously great things will result?

"Secretary Weeks has stated that he will submit the Ford offer to Congress. Dilatory tactics there would be deplorable. An agreement with Ford should promptly be brought to pass."

Mr. McKELLAR. Mr. President, one other word.

I wish to call the attention of the Senate to a pamphlet which is apparently issued by way of propaganda by the National Fertilizer Association, John D. Toll, secretary, 1010 Arch Street, Philadelphia, Pa. I call especial attention to the first page:

Do you want your Government to engage in a manufacturing business on a tremendous scale in competition with private industry?

Do you want any part of your tax moneys paid out of the Public Treasury to a single individual or corporation in order that he or it may compete on specially favorable terms in the manufacture of power, fertilizer, metallurgical products, or anything else?

Do you believe in open, fair, free competition in business, or would you advocate taxing all the people to give one company an advantage over its competitors?

Finally, do you realize that the Muscle Shoals project is being promoted as a means of initiating Government competition, either directly by a straight-out Government operation scheme, or indirectly by subsidizing a single private interest, that a nation-wide propaganda is being conducted for such a plan and it is actually gaining important support, and that it is simply the entering wedge for other socialistic schemes that would destroy private industry?

If you consider this issue important enough to enlist your interest, you will find it worth a few minutes of your time to read the following pages. They contain a plain statement of the facts regarding the Muscle Shoals project and the principles that should be applied to its development.

Mr. President, I wish to say that this propaganda of the National Fertilizer Association is being spread broadcast throughout the country. It is entirely a misleading document. It will be recalled by Senators that until Mr. Ford made his offer for Muscle Shoals in July, 1921, it was openly stated on the floor of this Chamber and stated elsewhere in many periodicals and newspapers that Muscle Shoals was a liability rather than an asset; and when that proposition from Mr. Ford came in it immediately galvanized that alleged liability into a splendid asset of this Government. It is the only proposition that has been offered that has any material substance to it. It is a proposition that will mean many, many millions of dollars to the Government. It will mean the upbuilding of a great section of our country. It will mean cheaper fertilizers for the farmers of this country; and I think that the propaganda that is being issued by the National Fertilizer Association ought to be condemned by every right-thinking man in this country.

If the man who wrote the article has any sense at all, he must know that this is not in any sense a subsidy. It is not in any sense a case of the Government entering into competition with private enterprise. It is merely the purchase by a private individual of a piece of property that belongs to the Government now, and which some of the Government's agents have heretofore said had no value at all. It is an offer of many millions of dollars for this property, and it is in no sense what this propaganda of the Fertilizer Trust is saying that it is.

I do not desire to put this propaganda in the RECORD, but I do desire to have the offer of a contract and the supplemental offer of a contract from Mr. Ford put in the RECORD, so that Senators may see it, and so that the country may be apprised of what Mr. Ford has really offered for this valuable property at Muscle Shoals.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 25, 1922, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 24, 1922.

UNITED STATES ATTORNEY.

Elliott Northcott to be United States attorney, southern district of West Virginia.

COAST AND GEODETIC SURVEY.

George Henry Everett to be aid, with relative rank of ensign in the Navy.

Daniel Edward Whelan, jr., to be aid, with relative rank of ensign in the Navy.

POSTMASTERS.

CONNECTICUT.

William E. Gates, Glastonbury.
John E. Casey, Kent.
John H. Delaney, Middlebury.

INDIANA.

Charles J. Sparks, Kewanna.
Earl L. Rhodes, Milltown.

MARYLAND.

Charles G. Tedrick, Clear Spring.
Clayton C. Wilson, Cordova.
Fred R. Tucker, Forest Hill.
Minnie B. Hadley, Galena.
Clayton J. Scarborough, Girdletree.
Audrey M. Lyon, Kitzmiller.
Anna Novy, Overlea.
George E. Lane, Queenstown.
Leon Clifton, Stockton.
Lafayette Ruark, Westover.
John F. Wiley, White Hall.

MONTANA.

Kirby G. Hoon, Helena.

NEW YORK.

John F. Maddock, Larchmont.
Daniel P. Townsend, Port Chester.

NORTH CAROLINA.

Bernard F. McLeod, Buies Creek.
Mary W. Turner, Gatesville.
Otto S. Woody, Whitakers.

RHODE ISLAND.

Annie J. Annis, Barrington.
Frank W. Crandall, Hope Valley.
John J. McGlynn, River Point.
Luke J. Ward, Wickford.

WITHDRAWAL.

Executive nomination withdrawn from the Senate January 24, 1922.

POSTMASTER.

E. J. Freiwald to be postmaster at Valparaiso, in the State of Florida.

HOUSE OF REPRESENTATIVES.

TUESDAY, *January 24, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the Father of us all, in Thy presence we wait again. As we look out upon all lands we behold the countless heads that are bowed and the hearts of the multitudes are deeply moved with great sorrow. Death has claimed one whose holy zeal, sustaining hope, and heavenly purpose were for Thy glory, the peace of earth, and for the salvation of mankind. May the eternal God be their refuge and His everlasting arms their unfailing support. O look upon us all according to our earthly limitations; accept and bless our humble petition as we thank Thee for all the good things that come to us from above. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MEMORIAL SERVICES—LATE REPRESENTATIVE TAYLOR OF ARKANSAS.

Mr. OLDFIELD. Mr. Speaker, I ask unanimous consent for the present consideration of the following order which I send to the desk and ask to have read.

The Clerk read as follows:

Ordered, That Sunday, the 26th day of February, at 12 o'clock, be set apart for addresses on the life, character, and public services of Hon. SAMUEL TAYLOR, late a Representative from the State of Arkansas.

The SPEAKER. Is there objection to the present consideration of the order?

There was no objection.

The SPEAKER. The question is on agreeing to the order.

The order was agreed to.

EXTENSION OF REMARKS.

Mr. HERSEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the antilynching bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. LARSEN of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the antilynching bill.

The SPEAKER. Is there objection?

There was no objection.

GREAT LAKES-ST. LAWRENCE WATERWAY.

Mr. DEMPSEY. Mr. Speaker, this was the morning on which the rereference of the St. Lawrence route matter was to be brought up. It was suggested in the discussion of the Speaker that the gentleman from Massachusetts [Mr. WINSLOW], the chairman of the Interstate Commerce Committee, and myself be allowed 20 minutes each in which to present our views to the House. I ask that that be done, and if it is agreeable to the gentleman from Massachusetts, I would like to use 15 minutes of my time and then have him use his 20 minutes and I use the remaining 5 minutes.

Mr. MONDELL. Mr. Speaker, can not the gentleman reduce that time somewhat?

Mr. DEMPSEY. Suppose we reduce it to 15 minutes on a side?

Mr. MONDELL. Ordinarily 5 minutes on a side is used in a matter of this kind. Would not 10 minutes on a side be sufficient?

Mr. DEMPSEY. That is a pretty short time in which to present the views that I want to present to the House. The committee has directed me unanimously to present the views of the committee. Mr. Speaker, at the suggestion of the floor leader, I would suggest to the gentleman from Massachusetts that we use 15 minutes on a side, that I use 10 minutes at first, that he then use his 15 minutes, and that I have the remaining 5 minutes in which to close.

Mr. HAWLEY. Mr. Speaker, will the gentleman from New York yield?

Mr. DEMPSEY. Yes.

Mr. HAWLEY. Mr. Speaker, the Committee on Ways and Means yesterday decided that they would submit to the House the claim of that committee for jurisdiction over the legislation on account of the bond issue involved. I see the gentleman from Michigan [Mr. FORDNEY], the chairman of the committee, has just come into the Chamber. I make this statement to preserve the rights of the Committee on Ways and Means in any discussion that is to be had.

Mr. GARRETT of Tennessee. Mr. Speaker, may I ask the gentleman if that is not taking the Speaker somewhat by surprise?

Mr. DEMPSEY. I think the gentleman from Oregon would not be able to tell whether the Speaker is surprised or not.

Mr. HAWLEY. I merely rise to state the fact that the Committee on Ways and Means yesterday took that action.

Mr. MONDELL. Mr. Speaker, in view of this new angle that the matter has taken, would it not be just as well to have the matter go over for a few days? These gentlemen may be able to agree among themselves. Evidently three committees are now contending for jurisdiction of this legislation. There may be more eventually.

Mr. WINSLOW. Mr. Speaker, may I ask what the proper procedure would be in such a case as this, where the matter takes a triangular form?

The SPEAKER. The gentleman from New York gave notice that he would move a rereference of the report upon the St. Lawrence waterway from the Interstate Commerce Committee to the Committee on Rivers and Harbors. The Chair was informed the other day that the Committee on Ways and Means had waived the claim, but he is now informed that the Committee on Ways and Means intend to insist upon it. Of course, any committee has the right to move a rereference to itself of legislation. However, unless some unanimous-consent arrangement is entered into the Chair does not see how more than one such motion can be pending at the same time.

Mr. FORDNEY. Mr. Speaker, in order to give us a little more time to look into the matter, I ask that the matter go over for to-day, because we intend to insist that that portion of the legislation which relates to the issuing of bonds must go to the Committee on Ways and Means.

Mr. DEMPSEY. The Committee on Rivers and Harbors is perfectly willing to have the matter go over, but we want to have it set for a definite time. We would like to have it heard on Thursday next, if it is possible.

Mr. BARKLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARKLEY. Would it be in order for the gentleman from Michigan [Mr. FORDNEY] to move as a substitute that the reference be to the Committee on Ways and Means, in lieu of the motion of the gentleman from New York?

The SPEAKER. The Chair thinks it would.

Mr. BARKLEY. So that in that way the two propositions would be pending at the same time. Of course, they could not be voted on at the same time.

The SPEAKER. No; only one could be voted on at once.

Mr. MONDELL. Mr. Speaker, will the gentleman from New York yield?

Mr. DEMPSEY. Yes.

Mr. MONDELL. I think it would be well if the gentleman from New York would withdraw his motion for the present, and that the chairmen of the three different committees meet to-day and arrange some time in the near future when the matter may be taken up.

Mr. DEMPSEY. Why can we not agree right now on the time?

Mr. MONDELL. I think that would be difficult in view of the parliamentary situation.

Mr. DEMPSEY. I mean as to time, simply.

Mr. MONDELL. The gentleman can make his motion at any time.

Mr. DEMPSEY. I know the chairman of the Committee on Interstate and Foreign Commerce is anxious to bring the matter up as speedily as possible.

Mr. FORDNEY. We will meet with the gentleman any time he suggests.

Mr. DEMPSEY. Then, say Thursday morning.

Mr. FORDNEY. All right. Thursday morning.

Mr. DEMPSEY. Thursday morning as soon as the Journal has been read.

Mr. FORDNEY. When do you want to meet in order to settle the question?

Mr. DEMPSEY. We will settle it right here. It is settled if it meets with the views of the gentleman from Massachusetts [Mr. WINSLOW].

Mr. DUPRÉ. There is no use of having any preliminary discussion with the Speaker. That has all been thrashed out.

Mr. FORDNEY. I just came in.

Mr. DUPRÉ. I very much regret that the gentleman is not aware of what has been going on.

Mr. WINSLOW. I would like to ask whether the Committee on Interstate and Foreign Commerce, to which the bill has been referred, is to meet all the contestants one at a time, or whether it is to be a free for all?

Mr. DUPRÉ. How would the gentleman like to have it? [Laughter.] Personally I should refuse to engage in any personal encounter with the gentleman from Massachusetts.

The SPEAKER. The regular order would be for the gentleman from New York [Mr. DEMPSEY] and the gentleman from Michigan [Mr. FORDNEY] to move to have it referred to their committee and the gentleman from Massachusetts [Mr. WINSLOW] to offer an amendment to refer it to his. Unless there is a unanimous-consent agreement, one of the gentlemen must move it be referred to his committee.

Mr. DEMPSEY. I have made such a motion, and my understanding is that the gentleman from Michigan [Mr. FORDNEY], the chairman of the Ways and Means Committee, will move to substitute that committee.

Mr. DUPRÉ. I think I may help the gentleman from New York [Mr. DEMPSEY] by saying that I think the majority will not object to the matter being disposed of this morning. [Laughter.] I will ask the gentleman from Wyoming if that is not true?

Mr. MONDELL. I have no objection to the matter being disposed of this morning. It would make no difference if I did object, if they insisted. I hope the gentleman will not take unnecessary time. I trust that the consideration of these matters may be made as brief as possible.

The SPEAKER. Does the gentleman from New York [Mr. DEMPSEY] put his motion now?

Mr. DEMPSEY. Yes; I make the motion.

The SPEAKER. The gentleman from New York, as the Chair understands, moves that the Committee on Interstate and Foreign Commerce be discharged from the consideration of the report of the International Joint Commission and the same be referred to the Committee on Rivers and Harbors.

Mr. FORDNEY. Mr. Speaker, as a substitute, I move that the matter be referred to the Committee on Ways and Means.

Mr. WALSH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALSH. Does that include pending measures that have been introduced?

Mr. DEMPSEY. The motion includes them.

The SPEAKER. The Chair thinks that by unanimous consent that could be done. Is there objection? [After a pause.] The Chair hears none. Of course the Chair in the future would be governed by the action of the House.

Mr. DEMPSEY. Mr. Speaker, the question now comes as to the time and distribution of the time.

The SPEAKER. That can be arranged by unanimous consent.

Mr. DEMPSEY. I ask unanimous consent that there be 45 minutes of time, 15 minutes to each of the three committees, and I ask that we be given the benefit of the division of the time, one speaker, as I understood, to be heard for each committee. And I ask in that connection——

The SPEAKER. The Chair thinks that each committee could dispose of its time as it desires.

The gentleman from New York [Mr. DEMPSEY] asks unanimous consent that each of the three committees be allowed 15 minutes in which to state its case. Is there objection?

Mr. DUPRÉ. Mr. Speaker, reserving the right to object, because this is a very important matter, I think we should have somewhat more time than that. For instance, I happen to know very well my distinguished chairman, and if I know him as well on the floor as I know him in the committee, he will probably consume the whole 15 minutes himself. [Laughter.] It does seem, in justice to some of us who have had to sit under him, that we ought to have a little more time than that. I should think that an hour and a half would not be objectionable to the majority leader.

The SPEAKER. Of course the House knows that unless there is unanimous consent there can be no debate at all.

Mr. DUPRÉ. That is what I understand.

The SPEAKER. The gentleman from Louisiana asks unanimous consent that there be an hour and a half debate.

Mr. MONDELL. Mr. Speaker, it seems to me that the regular order is to submit the request of the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. I think everybody would be satisfied to make it an hour, 20 minutes to each one, and then I can allow some time to the gentleman from Louisiana [Mr. DUPRÉ].

The SPEAKER. The gentleman from New York asks unanimous consent that an hour——

Mr. MONDELL. The gentleman has already submitted a request. Has he withdrawn it?

Mr. DEMPSEY. I have modified it.

Mr. MONDELL. Mr. Speaker, I shall have to object. I shall have to object to more than the original time in the original request of the gentleman from New York. I am perfectly willing to have the matter discussed for 45 minutes, which is all that the gentleman from New York asked for.

The SPEAKER. The gentleman from New York [Mr. DEMPSEY] asks unanimous consent that there be 45 minutes of time, 15 minutes to each side. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. Mr. Speaker, in view of the fact that the House is going to have this proposition before it and hear this argument, I make the point of no quorum.

The SPEAKER. The gentleman from Tennessee makes the point of no quorum.

Mr. WALSH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The roll was called, and the following Members failed to answer to their names:

Anderson	Hill	McSwain	Sanders, N. Y.
Brinson	Hooker	Mansfield	Shaw, Ill.
Britten	Hull	Morin	Sinclair
Brooks, Ill.	Husted	Mudd	Speaks
Brooks, Pa.	Johnson, S. Dak.	Nolan	Stiness
Burke	Kiess	Ogden	Sullivan
Clark, Fla.	Kitchin	Olpp	Swing
Classon	Kunz	Park, Ga.	Tague
Connell	Langley	Pringey	Taylor, Colo.
Copley	Lawrence	Purnell	Temple
Drane	Lee, N. Y.	Rainey, Ala.	Tyson
Dunbar	Lehlbach	Reavis	Vare
Edmonds	Lineberger	Reed, N. Y.	Volstead
Fess	Linthicum	Riddick	Ward, N. Y.
Funk	Luce	Riordan	Woodyard
Gilbert	McArthur	Rosenbloom	
Gould	McFadden	Rucker	
Hays	McPherson	Sabath	

The SPEAKER. On this roll call 360 Members have answered to their names. A quorum is present.

Mr. WALSH. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Massachusetts moves to dispense with further proceedings under the call. Without objection it is so ordered.

There was no objection.

The SPEAKER. The gentleman from New York [Mr. DEMPSEY] is recognized.

Mr. DEMPSEY. Mr. Speaker, I understand the gentleman from Michigan [Mr. FORDNEY] wishes to be recognized first.

The SPEAKER. The gentleman from Michigan is recognized.

Mr. FORDNEY. Mr. Speaker and gentlemen, the resolution in question relates to a matter that in my opinion does not belong to the Committee on Ways and Means, except that portion of the resolution that relates to a bond issue. Under the rules of the House all bills or resolutions affecting the revenues of the Government should go to the Committee on Ways and Means. The last two paragraphs of the resolution read as follows:

Resolved further, That the expenditure of the sum of $1,000,000 is hereby authorized to be paid from funds not otherwise appropriated, to be under the control of the American section of the International Board, to be transferred to the control of the International Board when completed by the legal appointment of the Canadian section of said International Board and the appropriation of an equal amount of money by the Dominion of Canada. This joint appropriation is to be used by the International Board for organization purposes and to start the work until additional funds are made available.

The resolution provides for the transfer of whatever money is appropriated for that purpose to that commission.

Mr. DUPRÉ. Mr. Speaker, will the gentleman yield and tell the House where that resolution was referred by the Speaker?

Mr. FORDNEY. I do not know where.

Mr. DUPRÉ. I should think you would know.

Mr. FORDNEY. It was referred to the Committee on Interstate and Foreign Commerce.

Mr. DUPRÉ. Why?

Mr. FORDNEY. Ask the Speaker or somebody else who knows more about it than I.

The last paragraph reads:

Resolved further, That the International Board is hereby authorized to issue bonds, guaranteed by the United States of America and Great Britain, in an amount necessary to pay for the construction of the navigation and power works.

There is no estimate of the amount of money to be invested. By the time this work is completed it will cost a billion dollars. The Committee on Ways and Means is asking the House to refer to the Committee on Ways and Means that portion of the resolution that relates to the issuing of bonds. That is all.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. I yield.

Mr. MANN. Does not the gentleman from Michigan know that under the rules of the House it is customary to refer one part of a resolution to one committee and another part to another committee?

Mr. FORDNEY. I know that under the rules the President's message can be divided up and different portions of it sent to the proper committees having jurisdiction of such portions.

Mr. DEMPSEY. The bill on the China trade act was referred to the Committee on the Judiciary, but it referred to the Committee on Ways and Means that portion which related to revenue.

Mr. FORDNEY. I think it would be proper, but at all events the Committee on Ways and Means is going to insist that that portion of the bill referring to a bond issue be referred to the Committee on Ways and Means. If it carries the whole bill, well and good. We do not want the bill, and do not believe that the balance of the bill relates to matters that should be referred to the Committee on Ways and Means; but certainly that portion relating to bond issues should go to the Committee on Ways and Means.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. MANN. The gentleman's motion is to refer the whole subject matter to the Committee on Ways and Means. Why does not the gentleman make a motion to refer that part of the President's message and the accompanying documents relating to the issuance of bonds to the Committee on Ways and Means?

Mr. FORDNEY. I do not remember just why I did not do that, but that is water that is over the dam.

Mr. BURTON. Mr. Speaker, will the gentleman yield for a question?

Mr. FORDNEY. Yes.

Mr. BURTON. Is it not true that before the question of the bond issue can be raised certain preliminary questions must be determined?

Mr. FORDNEY. Yes.

Mr. BURTON. As to adjustments with Canada or Great Britain as to the relative part which each country shall have in the construction of the canal?

Mr. FORDNEY. Yes.

Mr. BURTON. Is it not true that there is included in that an adjustment of boundaries?

Mr. FORDNEY. Yes.

Mr. BURTON. And a division of waterpower created?

Mr. FORDNEY. Yes. I will say to the gentleman from Ohio that there are many questions involved. The only one that I am contending should go to the Committee on Ways and Means is the bond issue for the raising of the money. Whether that is for payment of the expenses of the preliminary examination or the permanent construction of this waterway, the bond issue belongs to the Committee on Ways and Means.

Mr. BURTON. It is clear that numerous questions, such as the division of the amount to be raised by each country, must be determined before that question of a bond issue is pending before the House or is reported.

Mr. FORDNEY. But it provides for the authorization or transfer of $1,000,000. There must be a bond issue to get that money.

Mr. BURTON. The question of the construction of the Great Lakes waterway comes before this body, in the first place, not through a bill but through a message of the President of the United States transmitting certain documents. That is a mere incident. I may say further that there is yet the question of whether the canal is to be built to be decided before bonds are issued.

Mr. FORDNEY. Before a preliminary examination is made this money must be raised, and it must be raised by a bond issue.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LONGWORTH. When was the suggestion made in the Committee on Ways and Means that this resolution be referred to the Committee on Ways and Means?

Mr. FORDNEY. Just a few moments ago it was suggested.

Mr. LONGWORTH. I myself was not present at the meeting of the committee when that was done.

Mr. YOUNG. Mr. Speaker, if the gentleman from Michigan will permit, I may say that it was at a meeting of the committee on the day before yesterday, when the gentleman from Iowa [Mr. GREEN] presided over the meeting of the committee. We should not be overtechnical. The Nation wants the St. Lawrence deep waterway.

Mr. FORDNEY. Mr. Speaker, I yield three minutes to the gentleman from Georgia [Mr. CRISP]. [Applause.]

The SPEAKER. The gentleman from Georgia is recognized for three minutes.

Mr. CRISP. Mr. Speaker and gentlemen of the House, I have no personal interest in this controversy, and I realize fully that it is a case in which three or four committees can properly claim jurisdiction of the subject matter.

And while I have the utmost confidence in and respect for the judgment of the Speaker, and conceding there are reasons why he is justified in sending this case to the Interstate and Foreign Commerce Committee, in my judgment the proper committee to handle this report is the Committee on Rivers and Harbors. [Applause.] It frequently happens that bills are introduced in this House containing provisions that might properly go to one of two or three committees; and as the gentleman from Illinois [Mr. MANN] said a few moments ago to the gentleman from Michigan [Mr. FORDNEY], it is impossible to divide up a bill and send part of it to one committee and part of it to another. In this controversy before the House the provision in the report authorizing the issuing of bonds, of course, comes properly within the jurisdiction of the Ways and Means Committee. The provision for canal construction and for the transmission of hydroelectric power is within the jurisdiction of the Committee on Interstate and Foreign Commerce, but that part providing for the improvement of the St. Lawrence River and harbors is purely a river-and-harbor proposition. Now, the rules of the House say that any legislation for the improvement of rivers and harbors comes within the jurisdiction of the Committee on Rivers and Harbors. In my judgment there is only one course to pursue in cases where a bill or document is before the House containing different subject matters that might go to one of two or three committees, and that is to send it to the committee that has jurisdiction of the prime or principal subject matter of the bill. Now, the committee having jurisdiction of the principal object of this report is the Committee on Rivers and Harbors, because all must concede that the prime object of this international waterway project is the improvement of the St. Lawrence River and of the harbors on the Great Lakes for navigation purposes. These other matters flow from that. Therefore I think the Committee on Rivers and Harbors is entitled to handle the proposition. [Applause.]

Mr. DEMPSEY. Mr. Speaker, I ask the Chair to be good enough to advise me when I have used six minutes.

Gentlemen of the House, the history of this reference is as follows: In 1919 there was included in the river and harbor bill a provision referring to the International Joint Commission an investigation of the question as to what further improvement of the St. Lawrence River between Montreal and Lake Ontario is necessary to make the same navigable for ocean-going vessels.

There is your basis. That is what you start with. You start with a provision in the river and harbor bill for 1919. In pursuance of that provision the International Joint Commission made its report. It was brought before this body and was referred by the Speaker, and it is interesting to review what the Speaker had to say in making the reference. Now, what did he refer? He referred "the report of the International Joint Commission relative to the improvement of the St. Lawrence River and navigation from the Great Lakes to the sea." That is how he defined it, and he defined it in accordance with the terms of the report. It was the improvement of the St. Lawrence River, and navigation from the Great Lakes to the sea. Then the Speaker came to the reasons for referring this report, based on that provision of the river and harbor act of 1919, to the Committee on Interstate and Foreign Commerce. These are the reasons—

Because it seems to the Chair a main and dominant feature of the subject is the great Welland Canal.

Let us take the language of the report and see what they say about the great Welland Canal. They say that—

the new Welland Ship Canal be embodied in said scheme and included as a part thereof.

In other words, we open this project, the St. Lawrence scheme, and we embody and entomb and inclose in it the new Welland Ship Canal; and it is such a small part of the St. Lawrence scheme that it is embodied and swallowed up and engulfed in the scheme, yet the Welland Canal is denominated as a main and controlling and paramount feature of this report.

Moreover, the report expressly recommends that the construction of the Welland Canal be completed by Canada alone so that all this country will have to do with the Welland Canal will be to help pay the cost of construction, and that is a matter for the Ways and Means Committee and not for the Committee on Interstate Commerce.

Now, let us come to the second reason, which is the creation and transmission of power. The International Joint Commission is undoubtedly the best judge of what importance the pro-

duction and transmission of power are in this project. It has spoken on this subject, and I prefer not to characterize it myself but to turn to the report of the commission for its description of the part which power development plays in this project.

Mr. BURTNESS. Will the gentleman yield?

Mr. DEMPSEY. No; I prefer not to yield. I have not the time. I quote from the report of the commission as follows:

Obviously—

I ask gentleman who have the report to refer to page 342—

the first consideration is to take care of the "interests of navigation, and water power is only to be considered in so far as its development is not inconsistent"—

With what?—

with the primary purposes of navigation.

Why, is there anyone on this floor to-day who is in favor of the St. Lawrence route for power purposes? Does not that query answer itself? Is not the purpose of this project to send the wheat and send the grain and send the many products of the Northwest and the Middle West down the Great Lakes and then down the St. Lawrence to the sea? Is there anyone who claims that the dominant, controlling purpose which has inspired this project and which enables it to exist, is water power? Is that the dominant, controlling purpose back of this project?

The SPEAKER. The gentleman has used six minutes.

Mr. DEMPSEY. I thank the Chair. I will use but a moment more. Yet these are the two reasons which are assigned for referring this report to the Committee on Interstate Commerce.

I reserve the remainder of my time and yield five minutes to the gentleman from Louisiana [Mr. DUPRÉ].

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONGWORTH. Just what is the motion before the House?

The SPEAKER. The motion is to refer the report of the International Waterways Commission, and such bills or resolutions as relate thereto, to the Committee on Rivers and Harbors, and this is amended by the motion of the gentleman from Michigan [Mr. FORDNEY] to refer it to the Committee on Ways and Means.

Mr. LONGWORTH. Would it be in order to subdivide the motion so as to refer certain portions of the report to one committee and certain portions to another?

The SPEAKER. The Chair hardly sees how that can be done. It does not seem to the Chair at first blush that that could be done.

Mr. DUPRÉ. Mr. Speaker, the inquiry of the gentleman from Ohio [Mr. LONGWORTH] just now makes it important that the case should be stated here. The report of the International High Commission came to this House.

Among other things that came in was the bill introduced by the gentleman from Ohio [Mr. CHALMERS]. The Speaker, after hearing the controversy from three standpoints, not including, as I recollect, the Committee on Railways and Canals, referred this report, and therefore, as he has very properly said, will refer other bills on the subject, to the Committee on Interstate and Foreign Commerce. How he ever came to that conclusion is a matter that he and his parliamentary adviser will decide. After the statement of the gentleman from New York, who is very much more amiable than I am, he certainly could not have done it on the theory that the proposition which was conferred to that commission was not one that did not emanate from the Committee on Rivers and Harbors, which primarily was given authority to decide, with approval of the House, that the navigability of the St. Lawrence was the matter at issue, and, as the gentleman from New York [Mr. DEMPSEY] well said, it required the Speaker and his parliamentary adviser to find in some remote corner of the report that hydroelectric energy had to be generated after some remote time in order to send this matter to the Committee on Interstate and Foreign Commerce. I can conceive how the gentleman from Ohio [Mr. BURTON] could make a point that this measure should have been referred to the Committee on Foreign Affairs, but even that seems to have gone by, and yet it is the Committee on Rivers and Harbors, the very committee which in the nature of things knows more about it, at least should know more about it, and that committee has been ignored in the premises.

Mr. Speaker, I yield the balance of my time to the gentleman from Tennessee [Mr. CLOUSE].

Mr. CLOUSE. Mr. Speaker, how much time have I?

The SPEAKER. The gentleman has two minutes.

Mr. CLOUSE. Mr. Speaker, of course I can not begin to say anything on this question in two minutes' time, but it seems to me that the controlling question in this reference is that of navigation. The issuance of bonds will never be necessary unless it is first determined that the improvement of the St. Lawrence is a practical and advisable one. The negotiation of a treaty with Canada will never be necessary unless it is first determined as an elementary proposition that the improvement of the St. Lawrence River and the Great Lakes is a practical scheme. Therefore it seems to me that the reference should be made to the Rivers and Harbors Committee of the House, who are studying and have studied the conditions of navigation all over the country, the internal rivers, the improvement of harbors, and are in a better position to know about the advisability of this scheme than any other committee of the House. [Applause.]

Mr. WINSLOW. Mr. Speaker and gentlemen of the House, it is not for me to tell you what actuated the Speaker in coming to a decision.

It is perhaps worth while to note that he has come to a decision, and on slight reflection I think we can put a good deal of confidence in his conclusions in this matter or any other. This bill proposes various more or less indefinite things, but when you work it down to the heart it involves just two main propositions. One is commerce in connection with which transportation and navigation are to be considered, and the other is hydroelectric power. Both of these subjects with various subdivisions are the work of the Interstate and Foreign Commerce Committee. We are likely to have in this bill the consideration of railroad competition and all that means, telegraph and telephone lines, and it may be cables, all of which have been considered in the past, as long as any of us can remember, by the Interstate and Foreign Commerce Committee. The work of the Interstate Commerce Commission will also be involved. Not one of these subjects has ever been considered by any other committee of this House. Such is the kernel of the whole thing. We may have some foreign relations to take up, but the State Department will attend to that, no matter what committee has the bill. It may be that there will be an improvement of some harbor incidentally. The point which any committee will have to finally determine is this: Is it worth while for the United States, for the benefit of commerce, for the benefit of hydroelectric power in sections that can be favorably served, to undertake this proposition of the construction of a canal, and so forth?

For my part, I can not understand why the incidental work of foreign relations or foreign affairs, or the consideration of a possible bond issue, should interfere with this reference.

Get into your minds what it is that we are really to accomplish, not think unduly of the little frills, really no more than tags onto the tail of the kite. We believe, not by reason of superior ability but by training, men who have been brought up in the Interstate Commerce Committee dealing with the subjects really at the heart of this general proposition, are best equipped to handle legislation of this character.

Mr. CLOUSE. Will the gentleman yield?

Mr. WINSLOW. For a brief question.

Mr. CLOUSE. The report of the joint commission is directed to the improvement of the St. Lawrence River for the purposes of navigation.

Mr. WINSLOW. Well, say that it is.

Mr. CLOUSE. What end are you going to consider from, the development of the power project or the improvement of the river?

Mr. WINSLOW. I say that if we wish to develop it it must first be determined if we think it wise to develop it for the purposes represented to us as desirable. All these concrete considerations fall under the jurisdiction of the Committee on Interstate and Foreign Commerce.

Mr. SCOTT of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. SCOTT of Michigan. This project is not a river and harbor project within the United States, but it is an international waterway proposition.

Mr. WINSLOW. Absolutely, and no other committee has any business with legislation dealing with interstate and foreign commercial matters.

I yield seven minutes to the gentleman from Michigan, Mr. MAPES, a member of the committee.

Mr. MAPES. Mr. Speaker, there might be more uncertainty about this question than there is if it were a new question in the House of Representatives, but the matter is not new. Similar matters have been before the House of Representatives for a number of years, and the almost unbroken line of precedents is in favor of the reference to the Committee on Interstate and Foreign Commerce which the Speaker has made. Gentlemen will be impressed with the fact, I think, that the gentlemen who have argued in favor of a reference of this matter to other

committees have in no single instance cited a precedent for their argument or their conclusion. Hinds' Precedents says:

The Committee on Rivers and Harbors does not have jurisdiction of the subject of canals, and may not include provisions therefor in river and harbor appropriation bills.

Two precedents are cited for that statement, one where a provision was carried in the river and harbor appropriation bill to provide for the Hennepin Canal. It went out on a point of order on the ground that the committee had no jurisdiction of the matter. Later, in 1907, the same question came up on an amendment offered by Mr. J. Warren Keifer, of Ohio, to amend a river and harbor bill by inserting a provision to construct a canal to connect the Ohio River and Lake Erie, by way of the Miami River. Mr. MANN made the point of order against that amendment, citing the Hennepin Canal precedent. The Chairman of the committee sustained the point of order. He said:

It is perfectly clear to the Chair that this is not within the jurisdiction of this committee.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. MAPES. I am sorry, but I have only seven minutes, and I must decline to yield. I hope the gentleman will pardon me. To show that the Committee on Interstate and Foreign Commerce ought to retain jurisdiction of this matter, I desire to call attention to the Panama Canal legislation, to the Nicaragua Canal project, and other canal legislation. Such legislation has been practically invariably referred to the Committee on Interstate and Foreign Commerce for a great many years.

Almost the same identical question as we are now considering has been before the Committee on Interstate and Foreign Commerce in two former Congresses, and was reported on by that committee without any question as to its jurisdiction. In 1892 Mr. Lind, from the Committee on Interstate and Foreign Commerce, reported a joint resolution to promote the improvement of the waterway from the head of Lake Superior by way of the Welland and St. Lawrence Canals and the St. Lawrence River to the sea—almost the identical proposition that is before us to-day. The body of that resolution goes on to say that the President of the United States be, and is hereby, requested to invite negotiations with the Government of the Dominion of Canada to secure the speedy improvement of the Welland and St. Lawrence Canals and the St. Lawrence River.

In 1895 a Senate joint resolution came over from the Senate authorizing a preliminary inquiry concerning a deep waterway between the ocean and the Great Lakes and providing commissioners therefor. That resolution was referred to the Committee on Interstate and Foreign Commerce, and that committee, after considering the same, reported it out favorably. No question was raised as to the jurisdiction of the committee to consider that legislation. The Committee on Interstate and Foreign Commerce does not dispute the fact that the bond provision of this proposed legislation, if it ever comes to that point, ought to be handled by the Committee on Ways and Means.

Mr. YOUNG. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. YOUNG. I am in sympathy with the gentleman's argument, but I would like to ask this question: Will the gentleman's committee be willing to submit that question to the Committee on Ways and Means informally?

Mr. MAPES. I can not speak for the committee, but I have no doubt that the matter would in due course of time get before the Committee on Ways and Means. However, the legislation authorizing the construction of the Panama Canal was reported by the Committee on Interstate and Foreign Commerce without any part of it being referred to the Committee on Ways and Means. That legislation passed the House of Representatives without any bond provision. The bond section was put on as an amendment in the Senate, and was adopted by the House of Representatives without reference to the Committee on Ways and Means. What will happen in this case I can not tell, but there is a lot of preliminary investigation to be made. The International Joint Commission has not made any definite, concrete report or recommendation. It has made a general survey of the situation and referred the matter back to Congress. Its conclusion, almost the last thing it says in its report, after 300 typewritten pages of matter, is this:

Finally, the commission is strongly of the opinion that the subject matter of this investigation is one of such extraordinary importance to the people of the two countries, and involves engineering problems of such magnitude and diversity, that no effort should be spared to secure a plan which will beyond all reasonable doubt obtain from the upper St. Lawrence its maximum efficiency in navigation and power.

There is nothing said in that about "bonded indebtedness"; there is nothing said in that about the improvement of any river. It is a proposition to investigate and report a plan to secure the maximum efficiency in "navigation and power" of this route from the Great Lakes to the ocean by way of the St. Lawrence River. [Applause.]

Mr. WINSLOW. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Speaker, the Speaker of the House the other day when this message from the President and the report of the commission came in withheld its reference temporarily. After hearing from various gentlemen who urged the reference to different committees, the Speaker, impartially, having in mind the practice and the precedents of the House, referred the matter to the Committee on Interstate and Foreign Commerce. Personally, I am thoroughly satisfied that that is the correct reference under all of the precedents of the House.

The Committee on Rivers and Harbors has jurisdiction over the improvements of the rivers and harbors in the United States. They have no jurisdiction over the question of what is a navigable river. That question, raised, goes to the Committee on Interstate and Foreign Commerce. They have no jurisdiction over aids to navigation like lighthouses, life-saving stations, and so forth. Jurisdiction over that subject is with the Committee on Interstate and Foreign Commerce. Under all of the precedents of the House the Committee on Rivers and Harbors has jurisdiction only over the improvement of rivers and harbors in the United States, and they have a privileged status to report a bill to that effect.

The Panama Canal legislation, involving millions, was referred to the Committee on Interstate and Foreign Commerce, which always has had jurisdiction over all matters relating to it. The proposition now pending here is not a matter for the engineers of the War Department to pass on offhand. If this great work shall be concluded, it will not be commenced tomorrow without consideration. It will require long study on the part of many people—not an offhand proposition like the ordinary improvement of a river and harbor. Under all the practice of the House the reference made by the Speaker was correct, though I personally am of the opinion that it would have been proper to refer that part of the message and accompanying documents relating to the issuance of bonds to the Committee on Ways and Means.

Mr. FORDNEY. Mr. Speaker, I yield two and one-half minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Speaker, I think the gentleman from New York [Mr. DEMPSEY] was correct in saying that the most important matter contained in the bill ought to determine its reference, provided there be no way of separating the parts that belong to different committees. Whether or not there may be a separation of those matters and a reference to the different committees I shall not undertake to say at this time. That matter may arise hereafter, depending on how this motion is disposed of. I do undertake to say, however, that if the matter is to be treated as a whole the reference ought to be to the Committee on Ways and Means. The jurisdiction of that committee as applied to the bill under consideration is not confused with that of any other committee whatever. The rules require that measures pertaining to the bonded debt must be referred to the Ways and Means Committee. There is not the slightest conflict, not the slightest bit of overlapping, with reference to that.

With respect to the Committee on Rivers and Harbors and the Committee on Interstate and Foreign Commerce there may be points where it is difficult to determine where the jurisdiction of one begins and the other leaves off, but with respect to the bonded debt of the Nation there is no question of dispute about that. Bills pertaining to the bonded debt of the Government must be referred to the Ways and Means Committee, and which, in my opinion, is also the place where the action on the bill ought to start. The first thing to determine is whether we want to increase the bonded debt of the Nation, or whether, on the contrary, we are in a position at this time to undertake to determine that question. If the bill is considered in this manner, as I think it should be, the reference will be to the Ways and Means Committee.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. FORDNEY. Mr. Chairman, I yield two minutes and a half to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, I am sorry I do not find myself in exact accord either with my colleague from Iowa [Mr. GREEN] or my colleague from Michigan [Mr. FORDNEY]. It seems to me that the best interests of this whole matter can best be served at this time by voting down both amendments and leaving the general jurisdiction of this whole matter to the Committee on Interstate and Foreign Commerce. However, I am firmly of the belief that the gentleman from Michigan [Mr.

FORDNEY] is right; that eventually, where this bond issue is to be considered, it ought to be considered by the Ways and Means Committee. I intend, if some other gentleman does not do so, to move, if these two amendments shall fail, to refer that portion of the message and accompanying documents which deal with the question of a bond issue, to the Ways and Means Committee. But it does seem to me that at this time, where we have not the faintest notion as to the amount that is going to be involved, it will be wise to determine first whether or not we should adopt the contemplated project. If so, how much we are justified in expending upon it. The gentleman from Michigan [Mr. FORDNEY] said that he had heard that eventually this might cost a billion dollars. I do not know how much it is going to cost, but it seems to me before we determine upon a bond issue we should have some competent committee, with thorough jurisdiction of the subject, investigate the whole matter of the question of policy, and then we can determine as to how much it may cost and as to whether we are justified in issuing the requisite number of bonds.

Mr. BURTON. There has been an estimate made of $252,000,000 instead of $1,000,000,000, so that the amount we may use is within limits after careful investigation.

Mr. LONGWORTH. I confess utter ignorance on my own part as to how much this will eventually cost. It only shows there is great difference of opinion, and it seems to me the question of policy should be determined before the question of the bond issue.

The SPEAKER pro tempore (Mr. WALSH). The time of the gentleman has expired.

Mr. DEMPSEY. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. Four minutes.

Mr. DEMPSEY. Mr. Speaker, I will first answer the argument of the gentleman from Illinois, who said that the jurisdiction of the Committee on Rivers and Harbors was confined to waterways within the United States. If the gentleman will refer to Hinds' Precedents, volume 4, section 4126, he will find this:

> The Committee on Rivers and Harbors has exercised jurisdiction over legislation inviting the Government of Great Britain to join in the formation of an international commission to investigate into the conditions and uses of the waters on the boundary line whose outlet is the St. Lawrence River, and as to the advisability of locating a dam at the outlet of Lake Erie.

I wish further to say that the International Joint Waterways Commission was formed in 1902 by a provision of the rivers and harbors act. That commission made its reports—and it made several—to this House, and in each instance they were referred to the Committee on Rivers and Harbors. Not only was that the uniform practice of this House but even in one instance where the Senate referred that report to the Committee on Foreign Affairs the House preserved its uniformity of action and referred its report to the Committee on Rivers and Harbors.

Now, the gentleman from Massachusetts [Mr. WINSLOW] says that we may deal with telephone lines, we may have telegraph lines, we may have a variety of other things growing out of this report. That is all true. We do not know what we may have, but we do know what this report is, and it is this report we are considering, and this report does not mention telegraph lines; it does not mention telephone lines; it does not mention other means of commerce. It confines itself to the improvement of the St. Lawrence route, which was the only matter referred to it, and all that it had jurisdiction to consider, and to the improvement of that route for navigation purposes, and it says that the question of water-power development is entirely subsidiary to that.

The gentleman from Michigan says that the Committee on Rivers and Harbors never have had jurisdiction of canals. I will take the time of the House to read a list of the canals which have been improved under the jurisdiction of the Committee on Rivers and Harbors, as follows: Albemarle & Chesapeake Canal, Bee Tree Shoals Canal, Benton Harbor Canal, Black Rock Canal and Ferry Street Bridge, Calaveras River, Cape Cod Canal, Cascades Canal, Chesapeake & Delaware Canal, Colbert Shoals Canal, Dalles-Celilo Canal, Des Moines Rapids Canal and Dry Dock, Dismal Swamp Canal, Elk River Shoals Canal, Estherville-Minin Creek Canal, Illinois & Mississippi Canal, Lake Washington Canal, Muscle Shoals Canal, Portage Lake Canals, Port Arthur Ship Canal, Sabine-Neches Canal, and St. Mary's Falls Canal.

The SPEAKER pro tempore. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. FORDNEY] to the motion offered by the gentleman from New York [Mr. DEMPSEY]. The amendment of the gentleman from Michigan is that the report of the International Joint Commission and proposed legislation relating thereto be referred from the Committee on Interstate and Foreign Commerce to the Committee on Ways and Means.

The question was taken, and the amendment was rejected.

The SPEAKER pro tempore. The question is on the motion of the gentleman from New York that the report of the International Joint Commission and legislation relating thereto be referred from the Committee on Interstate and Foreign Commerce to the Committee on Rivers and Harbors.

The question was taken, and the Speaker pro tempore announced that the noes seemed to have it.

Mr. DEMPSEY. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 74, noes 153.

So the motion was rejected.

Mr. LONGWORTH rose.

The SPEAKER pro tempore (Mr. WALSH). For what purpose does the gentleman rise?

Mr. LONGWORTH. I rise to move that such portion of this report and accompanying documents as refers to the question of a bond issue be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on Ways and Means.

The SPEAKER pro tempore. The gentleman from Ohio moves that such portion of this report and accompanying documents as refers to the question of a bond issue be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on Ways and Means.

Mr. STAFFORD. A question of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. STAFFORD. The House having virtually by vote decided on that proposal adversely, is it in order now to bring it up anew?

Mr. MANN. The House did not decide.

The SPEAKER pro tempore. The Chair does not understand that the House passed upon that question.

Mr. BARKLEY. Did the gentleman's motion include all bills and joint resolutions?

Mr. LONGWORTH. All questions referring to a bond issue.

Mr. BARKLEY. That report is one thing and the resolution is another.

Mr. LONGWORTH. That is a question.

Mr. BARKLEY. I make the point that the report and the resolution both having been disposed of already, they can not be dissected and part referred to a different committee.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Speaker, the motion of the gentleman from Ohio [Mr. LONGWORTH], as I understand it, relates to the message of the President and the documents accompanying that, and not to the bill. Logically I think there is no question but that the gentleman's motion should prevail, but I can see where its prevailing will bring the Speaker face to face with the question as to where he shall refer bills that make reference to a bond issue. We can not divide the bill that has been referred, as I understand. Whether that is going to follow with other bills, I do not know.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. MANN. Under the old practice the House passed a resolution referring the President's message, such parts of it relating to so-and-so, to certain committees, and——

Mr. GARRETT of Tennessee. Yes.

Mr. MANN. If the House determines that the main issue here goes to the Committee on Interstate and Foreign Commerce, that is where bills referring to that measure will go, although they may have attached features relating to a bond issue. So far as the reference of the bond issue is concerned, I think it ought to be referred to the Committee on Ways and Means.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent to proceed for two additional minutes. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. Of course, the importance of this matter lies in the possibilities of future action and the status of bills that may be reported upon the subject matter. If a bill carrying a revenue proposition were reported from the Committee on Ways and Means the question would arise as to

whether it was privileged. It might, of course, be reported from the Committee on Interstate and Foreign Commerce, but it probably would not be.

Mr. MANN. It would not be privileged if coming from the Committee on Rivers and Harbors or any other committee.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr.. DEMPSEY. The gentleman is familiar with the fact that the China trade bill was referred to the Committee on the Judiciary and that that committee referred the revenue feature to the Committee on Ways and Means?

Mr. GARRETT of Tennessee. Yes.

Mr. DEMPSEY. Why could not that which was done in practice between committees be as well done by the Presiding Officer of the House and the House itself?

Mr. GARRETT of Tennessee. As a matter of fact, I assume that if any legislation comes out of this matter at all it probably will not carry a bond issue, and that that matter will be referred to the Committee on Ways and Means, as a matter of fact, before it is passed upon by the House.

Mr. MANN. Then, why not do the proper thing under the old precedent, to refer that part of it to the Committee on Ways and Means? It would not hamper the Committee on Interstate and Foreign Commerce.

Mr. GARRETT of Tennessee. I think that would be logical, but I was referring simply to the question of the position it would leave the Speaker in with respect to the reference of the bond issue.

The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Ohio [Mr. LONGWORTH] that such portion of the President's message and the report of the International Commission and the accompanying documents as refers to a bond issue be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on Ways and Means.

The question was taken, and the Speaker pro tempore announced that the "noes" appeared to have it.

Mr. LONGWORTH. Mr. Speaker, let us have a division.

The SPEAKER pro tempore. A division is demanded.

The House divided; and there were—ayes 129, noes 41.

So the motion was agreed to.

The SPEAKER pro tempore. The rereference is made.

Mr. DEMPSEY rose.

The SPEAKER pro tempore. For what purpose does the gentleman from New York rise?

Mr. TOWNER. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

Mr. DEMPSEY. I move, Mr. Speaker, that the portion of the report of the International Joint Commission referring to the scheme of improvement on the St. Lawrence River between Montreal and Lake Ontario be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on Rivers and Harbors.

The SPEAKER pro tempore. The gentleman from New York moves that such portion of the report of the International Joint Commission as relates to the improvement of the St. Lawrence River between Montreal and Lake Ontario be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on Rivers and Harbors. The question is on agreeing to that motion.

The question was taken, and the motion was rejected.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

ANNOUNCEMENT.

The SPEAKER pro tempore. The gentleman from Iowa, by unanimous consent, is recognized for two minutes.

Mr. TOWNER. Mr. Speaker, there has been a call for a conference of the majority. It seems to be understood that it was called for Wednesday night. Instead of that, it is called for Thursday night. In order that there may be no misapprehension of the matter, I desire to state that the conference is called for Thursday night at 8 o'clock.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 6119. An act for the coinage of a Grant souvenir gold dollar in commemoration of the centenary of the birth of Gen. Ulysses S. Grant, late President of the United States; and

H. R. 244. An act to provide for the disposition of abandoned portions of rights of way granted to railroad companies.

The message also announced that the Senate had insisted upon its amendment to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WARREN, Mr. JONES of Washington, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 6262. An act to add certain lands to Mount McKinley National Park, Alaska;

H. R. 4598. An act to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii;

H. R. 1460. An act for the relief of the William Gordon Corporation;

H. R. 1459. An act for the relief of Charles R. Powell;

H. R. 2865. An act authorizing the Secretary of the Interior to sell and patent to J. D. Calhoun, of Lincoln Parish, La., certain lands;

H. R. 7290. An act to confirm private land claim of the widow and heirs of Joseph Etier;

H. R. 7600. An act authorizing the adjustment of the boundaries of the Deschutes National Forest in the State of Oregon, and for other purposes;

H. R. 1318. An act granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes; and

H. R. 9050. An act granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia.

The message also announced that the Senate had passed bills, joint resolution, and concurrent resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2774. An act to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920;

S. 1034. An act to establish a game sanctuary in the watershed of the South Fork of the Flathead River in the Flathead National Forest to perpetuate a breeding place for game animals;

S. 2147. An act to patent to the Ed E. Richardson Co. (Inc.) certain lands;

S. 2471. An act to amend the act entitled "An act authorizing the survey and sale of certain lands in Coconino County, Ariz., to the occupants thereof," approved July 28, 1914 (38 Stats. L., 558);

S. 1878. An act to permit the State of Montana to exchange cut-over timberlands granted for educational purposes for other lands of like character and approximate value;

S. 2411. An act to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia, and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thireenth Street to Blair Road, and for other purposes;

S. 2556. An act for the relief of Edwin Gantner;

S. 2736. An act providing for the conveyance of certain unused military reservations in the State of Massachusetts to the city of Salem and the town of Marblehead;

S. 2810. An act to amend and reenact section 113 of chapter 5 of the Judicial Code of the United States, as amended and reenacted by an act approved the 22d of August, 1914;

S. 2173. An act to loan to the College of William and Mary, in Virginia, two of the cannon surrendered by the British at Yorktown on October 19, 1781;

S. 2616. An act to empower the Commissioners of the District of Columbia to convey certain land;

S. 1074. An act to prescribe the method of capital punishment in the District of Columbia;

S. 1312. An act to amend the charter of the Potomac Insurance Co., of the District of Columbia;

S. 386. An act authorizing a right of way for the transportation of water for improvement of grazing and development of the live-stock industry upon public and national forest lands in Arizona;

S. 160. An act for the relief of Kristina Furjak;

S. 978. An act for the relief of the Alaska Steamship Co.;
S. 841. An act for the relief of Elizabeth Marsh Watkins;
S. 1767. An act for the relief of the owner of the derrick *Capitol;*
S. J. Res. 28. Joint resolution to provide for appropriate military records for persons who, pursuant to orders, reported for military duty, but whose induction or commission into the service was not, through no fault of their own, formally completed on or prior to November 11, 1918, and for other purposes; and

Senate concurrent resolution 1.

Resolved by the Senate (the House of Representatives concurring), That legislation dealing with private pensions, either original or increases, with private claims, and with the distribution of war trophies to municipalities or organizations, shall hereafter be initiated by petition upon suitable forms provided for that purpose, which petition shall be referred to its appropriate committee without printing other than by title in the CONGRESSIONAL RECORD; and that any bill resulting therefrom shall be printed only when reported favorably by the committee.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 386. An act authorizing a right of way for the transportation of water for improvement of grazing and development of the live-stock industry upon public and national forest lands in Arizona; to the Committee on the Public Lands.
S. 2736. An act providing for the conveyance of certain unused military reservations in the State of Massachusetts to the city of Salem and the town of Marblehead; to the Committee on Military Affairs.
S. 160. An act for the relief of Kristina Furjak; to the Committee on Claims.
S. 2774. An act to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920; to the Committee on Military Affairs.
S. 1878. An act to permit the State of Montana to exchange cut-over timber lands granted for educational purposes for other lands of like character and approximate value; to the Committee on the Public Lands.
S. 1312. An act to amend the charter of the Potomac Insurance Co., of the District of Columbia; to the Committee on the District of Columbia.
S. 2616. An act to empower the Commissioners of the District of Columbia to convey certain land; to the Committee on the District of Columbia.
S. 2810. An act to amend and reenact section 113 of chapter 5 of the Judicial Code of the United States as amended and reenacted by an act approved the 22d day of August, 1914; to the Committee on the Judiciary.
S. 2471. An act to amend the act entitled "An act authorizing the survey and sale of certain lands in Coconino County, Ariz., to the occupants thereof," approved July 28, 1914 (38 Stats. L., 558); to the Committee on the Public Lands.
S. 1767. An act for the relief of the owner of the derrick *Capitol;* to the Committee on Claims.
S. 978. An act for the relief of the Alaska Steamship Co.; to the Committee on Claims.
S. 2556. An act for the relief of Edwin Gantner; to the Committee on the Public Lands.
S. 2173. An act to loan to the College of William and Mary in Virginia two of the cannons surrendered by the British at Yorktown on October 19, 1781; to the Committee on Military Affairs.
S. 1034. An act to establish a game sanctuary in the watershed of the south fork of the Flathead River in the Flathead National Forest to perpetuate a breeding place for game animals; to the Committee on Agriculture.
S. 1074. An act to prescribe the method of capital punishment in the District of Columbia; to the Committee on the District of Columbia.
S. 2147. An act to authorize patent to the Ed E. Richardson Co. (Inc.) of certain lands; to the Committee on the Public Lands.
S. J. Res. 28. Joint resolution to provide for appropriate military records for persons who, pursuant to orders, reported for military duty, but whose induction or commission into the service was not, through no fault of their own, formally completed on or prior to November 11, 1918, and for other purposes; to the Committee on Military Affairs.
S. 841. An act for the relief of Elizabeth Marsh Watkins; to the Committee on Claims.
S. 2091. An act for the relief of George E. Yeadon; to the Committee on the Public Lands.
S. 2411. An act to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Blair Road, and for other purposes; to the Committee on Military Affairs.

Senate concurrent resolution 1.

Resolved by the Senate (the House of Representatives concurring), That legislation dealing with private pensions, either original or increases, with private claims, and with the distribution of war trophies to municipalities or organizations, shall hereafter be initiated by petition upon suitable forms provided for that purpose, which petition shall be referred to its appropriate committee without printing other than by title in the CONGRESSIONAL RECORD; and that any bill resulting therefrom shall be printed only when reported favorably by the committee—

to the Committee on Rules.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill (H. R. 9981).

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 9981, with Mr. TOWNER in the chair.

The CHAIRMAN. The Clerk will proceed with the reading of the bill.

The Clerk read as follows:

For all other authorized expenditures of the Federal Trade Commission in performing the duties imposed by law or in pursuance of law, including personal and other services, supplies and equipment, law books, books of reference, periodicals, printing and binding, garage rental, traveling expenses, including actual expenses at not to exceed $5 per day or per diem in lieu of subsistence not to exceed $4, newspapers, foreign postage, and witness fees and mileage in accordance with section 9 of the Federal Trade Commission act, $800,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last line.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last line.

Mr. TREADWAY. Mr. Chairman, I realize that in a bill of this character nothing can be done affecting the organic act establishing these various boards and commissions, but I would like to ask the committee having this matter in charge whether or not the Government is getting a fair return for such an appropriation as this? In line 3, on page 11, we allow $55,000 for salaries of the Federal Trade Commissioners, and then we make a lump-sum appropriation of $800,000 for the general expenses of that commission. As nearly as I have been able to find out, the greater part of the work of the Federal Trade Commission is hamstringing business. I myself have not seen much else as the result of this board's activities during its period of life. To-day is a time when business ought to be encouraged and not discouraged, and every minute detail of the manner in which business is conducted should not be subjected to the review of such a commission as this. As I look over the report of the Federal Trade Commission it seems to me that the job which that commission conceives to be its duty is largely to make trouble for business. If there is one thing that wants to be done in this country it is to reverse that policy; and while to-day in the consideration of this bill, of course, nothing can be done except to vote the necessary appropriations for the support of such a commission as this, I for one wish to record my opposition to the continuation of such boards whatever their name may be or whatever may be their activities. We have gone the limit in regulating affairs of a private character and of a business nature purely, through some official head here in Washington, and I object to a continuation of that policy. I would like the gentleman having the bill in charge to explain the activities of the Federal Trade Commission and to state whether in his judgment the Government is receiving $855,000 of value from a continuation of such a commission.

Mr. HUDSPETH. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. HUDSPETH. Mr. Chairman, it was my purpose to offer an amendment increasing the appropriation in line 13 to $900,000 instead of $800,000. I want to state to my friend from Massachusetts that this is the estimate of Mr. Dawes, who seems to be as explicit and accurate in his estimates as he sometimes is in the language he employs.

With reference to the statement which my friend from Massachusetts [Mr. TREADWAY] makes that this Federal Trade Commission is destroying business or interfering with business, I want to say that it was through the Federal Trade Commission that the public were given the truth relative to the immense profits made by the packers of this country and their combination to fix prices on live stock. Was that disturbing legitimate business? Until the Federal Trade Commission made its report the packers gave out the statement broadcast throughout this country that they were making only $1 a head on the slaughtering of animals; but the evidence taken by the Federal Trade Commission showed that the profits of the five big packers of this country were between 6, 8, and 10 per cent on capital invested. In making that finding they did not take into consideration the branch businesses of the packers in Argentina and other South American countries where the reports of the Federal Trade Commission show that they have made as high as 30 per cent, as I now recall. Does the gentleman from Massachusetts state here that the Federal Trade Commission in giving those facts to the people concerning the profits of the packers of this country was disturbing legitimate business? Mr. Wilson, the representative of one of the big packing concerns, stated before the farmers' congress yesterday that his packing concern last year lost $30,000,000. I want to say to you that if Mr. Wilson's concern lost $30,000,000, it was not reflected in the prices that the cattlemen and the sheepmen got for their products. If Mr. Wilson's concern lost $30,000,000, the cattlemen and the sheepmen lost 50 to 75 per cent on the price of their products below what they were in prewar times. I want to state to the gentleman from Massachusetts that I think this estimate given by Mr. Dawes for the expenses of the Federal Trade Commission should be reinstated, and that this great commission in its efforts to give the people the truth should not be "ham strung" as he says they are "ham-stringing business."

Now, gentlemen, I am not an enemy of the packers; neither am I an enemy of any legitimate interest, be it large or small, in this country. I simply desire that this Federal Trade Commission be not hampered by a curtailment of its estimated appropriation so that it can not investigate when the people are being imposed upon by profiteers and unscrupulous concerns and shed the true light upon their transactions. Let me call your attention to the action of this committee in its treatment of the Federal Trade Commission in cutting off $100,000 from the Budget submitted by Mr. Dawes and its liberal treatment of the Shipping Board. The salary given the lawyers in the Shipping Board run as high as $11,000 a year and average as a whole, so I am informed, $8,000 per year. The salaries of the lawyers in the Federal Trade Commission average $3,400. Will any man contend that the legal help in the Trade Commission do not have to cope with as strong legal talent on the other side as the lawyers in the Shipping Board? Yet, Mr. Chairman, so far as I can find from reading these hearings, this $100,000 was lopped off from the Trade Commission's estimate without rhyme or reason.

Mr. BROWNE of Wisconsin. Mr. Chairman——

Mr. HUDSPETH. I should like to offer an amendment.

Mr. BROWNE of Wisconsin. I am offering an amendment which I think is along the same line as that which the gentleman proposes.

Mr. HUDSPETH. Increasing the appropriation?

Mr. BROWNE of Wisconsin. Yes.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BROWNE of Wisconsin: On page 11, line 13, after the word "act," strike out "$800,000" and insert in lieu thereof "$900,000."

Mr. HUDSPETH. That is the amendment I intended to offer.

Mr. BROWNE of Wisconsin. Mr. Chairman, this amendment simply proposes to reinstate the amount of the appropriation of last year of $900,000. I want to say that the Dawes Commission, as the gentleman from Texas remarked, left the appropriation at $900,000. The Dawes Commission, it is needless to remark, was not a very sympathetic commission and had its pruning knife out to cut off unnecessary expenses. There has not been a time in the history of this country when the services of the Trade Commission are as much demanded and as greatly needed as at this time. What does this Trade Commission do? What are some of its many duties? For one thing it prevents unjust competition. Another thing, it investigates foreign competition and foreign trade. Another thing, it has the enforcement of the antitrust law. Every one of these duties are very important and are absolutely necessary at this time if we expect business to revive.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BROWNE of Wisconsin. Yes.

Mr. HUDSPETH. I would like to call the gentleman's attention to what Mr. Gaskill said to the chairman, Mr. WOOD. Last year they had between 600 and 700 more applications for matters to investigate than any other year. Besides, additional duties were placed upon them, under the Ladd resolution to investigate the Furniture Trust and to investigate the Flour Trust, and yet the appropriation is cut 10 per cent. This cut of 10 per cent in this appropriation is without rhyme or reason.

Mr. BROWNE of Wisconsin. The gentleman is correct. Only a short time ago a number of new duties were placed upon the Federal Trade Commission. They were asked to investigate the Flour Trust, to investigate the manipulation of foreign markets in regard to grain. I hold in my hand the decision of the Federal Trade Commission just rendered in regard to the conditions in the tobacco industry. What does that decision hold? It holds that the old Tobacco Trust, which we thought had been dissolved a number of years ago, is still alive and still keeping up prices of manufactured tobacco and holding down the price of the raw material raised by the farmers. The jobbers are in the combine, and this decision holds that they are guilty of a conspiracy. The Federal Trade Commission tried to get the correspondence between these different tobacco corporations, but their safes were locked, and some of the very important letters and documents were destroyed. The commission, however, got enough evidence to show conclusively that the great Tobacco Trust is still alive.

Investigations of that kind bring hope to the producers of all agricultural products. We know to-day that the price that the farmer is getting for his products is far below the cost of production. Farming is not paying a living wage. The high cost of living stands about as it did a few years ago. Go down to the Center Market with your basket and you will buy what you eat very little cheaper than you did a few years ago. The Federal Trade Commission is the organization that points out all these things. We would not have the facts upon which we passed the legislation against the packers if it had not been for the Federal Trade Commission. They had one of the most bitter fights that every took place in this country in obtaining these facts. To-day this administration is boasting that one of its greatest achievements is the packer legislation, but it would not have had that legislation if it had not been for the Federal Trade Commission. And yet this committee proposes to cut their appropriation 10 per cent.

Mr. BLACK. Will the gentleman yield?

Mr. BROWNE of Wisconsin. Yes.

Mr. BLACK. Speaking of packer legislation and the wonderful benefits that have resulted from it, I would like to know what the gentleman bases that information upon. I know, so far as my own observation goes, that I have seen the price of hogs and cattle go down, and sheep go down, and every other meat product go down since the passage of that law.

Mr. BROWNE of Wisconsin. That legislation did not go as far as some Members thought it ought to go, but it went far enough, so that the packers are here trying to have the decree modified and asking the Attorney General to modify it in that respect. I say to-day that there are complaints made by five or six legislatures in Western States asking this Federal Trade Commission to begin certain activities—one against the steel companies for their ruling in regard to the "Pittsburgh base" freight proposition—which holds that, no matter if the steel is produced at Gary, Ill., or any other place far away from Pittsburgh, the freight from Pittsburgh shall be added to the price, which makes a difference of $7.60 a ton on steel. As I say, there are many of these activities now under way and I have not heard any criticism to speak of except from people or corporations who are violating the law and who have been exposed by the ruling of the Federal Trade Commission and the unfair combinations that have been trying to wring out of the people unjust profits, until I heard my friend from Massachusetts complain that the Federal Trade Commission was hamstringing business.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BROWNE of Wisconsin. Mr. Chairman, I ask for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BROWNE of Wisconsin. Mr. Chairman, I want to say in regard to the expenses of this Federal Trade Commission that $900,000, compared with the money they have saved the people, is negligible. Let us examine what lawyers of this commission are paid. The average price paid the lawyers connected with the Federal Trade Commission—and they had to fight some of the greatest trusts and combinations in the coun-

try—is $3,400. The average price paid for economic force is only $2,300, while the administration service is paid $1,400. Contrast these salaries with the prices paid by the Shipping Board. The statement was made a day or two ago on this floor, and was not contradicted, that the Shipping Board are employing 78 attorneys and paying them $600,000 a year. Contrast this with the Federal Trade Commission force that has to meet the best lawyers in the land, and has new and difficult legal questions to decide. A great many of their cases have gone to the Supreme Court of the United States. If a decree is not paid any attention to they have to proceed by mandamus for the United States Circuit Court of Appeals to enforce their decrees. It takes good lawyers to meet what they are up against.

If you cut their appropriation down 10 per cent, you cut down by 10 per cent their activities. I have a letter here from the chairman of this commission. I asked him if it would make any particular difference in regard to their activites, and he said, "Yes"; that it would; that they would have to practically cut down a great many of their activities. I do not believe the people of this country at this time, when the high cost of living has mounted away up in the skies, when 40,000,000 people, the producers of this country, are producing large crops and receiving less than enough to give them a living wage at present prices, want this commission's activities curtailed or hampered for lack of $100,000. I do not believe it is good policy for this administration or for any Member here to vote to hamstring this valuable commission, which is needed more now than at any time in its existence. It is about the same proposition as cutting down the forces of a hospital when we have a pestilence in the country. I do not believe the people want it done. If there is any commission that has the confidence of the people of this land, especially the great producing element, it is the Federal Trade Commission. I hope this amendment will be agreed to.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HUDSPETH. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for two minutes in order that I might ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HUDSPETH. Mr. Chairman, I would like to state this to the gentleman in reply to my colleague from Texas, that the prices of cattle and sheep have gone down; yes, they have; but they went down before the packer legislation was enacted, before and after. I want to say this to my friend, that this law has just begun to function. It was placed under the Agricultural Department, under Mr. Wallace. It has not been fully functioning more than a few weeks, but in that time they have controlled the stockyards and the price of hay, and no man on this floor can deny that the price of hay to the stockman has been reduced since the matter was placed under this splendid Secretary of Agriculture, Mr. Wallace. [Applause.]

Mr. BROWNE of Wisconsin. The gentleman from Texas states the positive fact in regard to the matter. He is absolutely correct.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BROWNE of Wisconsin. Yes.

Mr. ANDREWS of Nebraska. Does the gentleman think it is fair for the Commissioner of Internal Revenue to pay $4,500 for an appointment clerk while only $3,400 is paid for the lawyers to handle those important questions under consideration?

Mr. BROWNE of Wisconsin. No; I think that the lawyers are underpaid. Take the Assistant Attorney General of the United States to-day, Mr. Goff. He receives $7,500 a year, and yet he could go out and command $25,000 in any city in the land. When people are working and performing services they ought to receive good, fair compensation, and I am in favor of it.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. DICKINSON. Mr. Chairman, I am in sympathy with the work being done by the Federal Trade Commission. The reduction involved here does not involve a reduction in the efficiency with which this commission can function. I want to give a few figures here with reference to this. I do not believe we can ask one department of the Government to reduce its force and then permit another department of the Government to expand its force.

For the year 1921 there is an unexpended balance of $65,000, and there is an estimated unexpended balance of $50,000 for the year 1922, with the present working force doing all of this work that these gentlemen here contend is being done at the present time.

Mr. HUDSPETH. I see by the report here that the number of employees for the year 1922–23 is reduced by only 11.

Mr. DICKINSON. We do not reduce them 11. We keep them from increasing the number by 11, and that is what I am going to show to the gentleman.

Mr. HUDSPETH. Then I want to ask my friend if Mr. Gaskill, the chairman of the commission, did not state that the commission could not do the amount of work that would be brought to them?

Mr. DICKINSON. They always say that, and they have a 25 per cent cushion in their estimate to take care of this new work which they claim is going to be brought in.

Mr. JONES of Texas. Does not the evidence show that the work is very rapidly increasing at the present time, and if it keeps on the commission can not possibly take care of the situation with the appropriation which is granted?

Mr. DICKINSON. There is no doubt that you can expand this commission to involve a personnel of 1,000, but the question is whether we ought to do it.

Mr. HUDSPETH. It would not be any detriment to the people of the country if we did expand it.

Mr. DICKINSON. But can they not perform this function and take care of the work with the personnel they have at the present time? They are going through the biggest year right now that they have ever been through, and they have produced more results than in any other year. They have a field of work ahead of them for the next year, and when you go back and look at their estimates for the year 1923 you will find that they have reduced their rental item, their printing and binding item, their furniture and equipment item, by reason of economies being made, and that the total reduction amounts to $38,600. However, they turned right over and on the next page in the other estimate and put on one man at $5,000, one man at $4,800, one man at $4,500, one man at $4,200; two men at $3,600, and three men at $3,300, and in that way eat up the savings accomplished by creating new positions in their personnel.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. BYRNS of Tennessee. I have understood that the Federal Trade Commission in 1921 had 444 employees, but that they have reduced that number to 315, a reduction of 129, and that their salary roll now with this reduced number of employees is $683,000. If that be true——

Mr. DICKINSON. But it is not true.

Mr. BYRNS of Tennessee. Understanding, of course, that the Federal Trade Commission has increased duties, would not this reduction serve to greatly hamper them?

Mr. DICKINSON. This is not true. In 1921 the personnel was 444, but in 1922 this year the personnel is only 301, and they are increasing in this estimate, with this $38,600, their personnel by 11 over the 1922 force, and that is the year when they have done the best work they have ever done. This is not an effort to curtail the Federal Trade Commission, it is an effort to keep them working on the same basis they are working on now. This would prevent their taking into their department 11 more men at an estimated salary of $38,600.

Mr. GRIFFIN. Will the gentleman yield?

Mr. DICKINSON. I yield.

Mr. GRIFFIN. The gentleman stated it was not true that the personnel of this commission had been reduced. I want to call his attention at this point to the testimony on page 161. Mr. WOOD, chairman of the committee, asked the question:

> I see that in 1920 you had 489 civil-service employees and 318 in 1921. How many are you asking for in this estimate?
> Mr. DUGANNE. Three hundred and eleven total employees.

And then further on in the testimony it appears that in 1921 they had 444 employees. On December 31, 1921, the number of employees had been reduced to 315.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DICKINSON. Mr. Chairman, I ask unanimous consent for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GRIFFIN. I just wanted to state so much for the information of the gentleman that the testimony bears out the statement of his colleague, the gentleman from Tennessee [Mr. BYRNS], that the personnel of the commission has been reduced 129 employees.

Mr. DICKINSON. That is between 1921 and 1922, which I do not contradict; but the question I am talking about is between 1922 and 1923. They are claiming here that we are making a curtailment of the operations of this commission. I say that we are not. We are simply keeping them from employing additional men.

Mr. BROWNE of Wisconsin. I think I read the testimony very carefully, but I want to call your attention to a letter dated January 23, 1922, written by the chairman of the commission, Mr. Gaskill. He says:

I regret that some of the Appropriation Committee seem to have misunderstood my testimony. I was asked what relation the incidental expense of the commission bore to its pay roll. And I replied that out of the total expended about 75 per cent was salaries and 25 per cent was used in the field work of the commission for mileage, per diem allowance, contract stenographic services, and so forth. Out of this 25 per cent comes in addition to the items mentioned all of our expenses for stationery, furniture, printing and binding, rent of our branch offices in New York, Chicago, and San Francisco, and so forth, the larger portion being used for field-investigation work. In many departments, of course, the salary roll with some little additional expense covers the department's work. But practically everything which this commission is called upon to do involves field investigation and travel for the trial of cases. To take this 25 per cent away from us means that we will have to discontinue a part of the work which the citizens of the country want.

I ask the gentleman whether he wants this commission to discontinue any of this work that it is doing at the present time?

Mr. DICKINSON. In reply to the gentleman I wish to say that they will not have to curtail any of the work, and they cite here on their own estimates they have reduced the traveling expenses $12,000. If they have made a mistake in that item, it is not shown in the testimony.

Mr. NEWTON of Minnesota. The gentleman, I am sure, does not want to reduce the work or efficiency of the commission. On page 161, Mr. Gaskill told the subcommittee:

We have need for a few more men in our trial force and a few more men in the legal examiners' force, because that work is damming up on us. We receive applications for complaint in excess of one a day. It is impossible, particularly when we get a big case, to carry through the work of examination and completion at anything like the same rate with the present force, and a few more men in the examiners' office and in the trial force will give us the sufficient dispatch, and we can handle that increase in personnel without any increase over the former year's appropriation.

I get the idea that they are not keeping up the work the way they should, and they have been cut down $35,000 in their expenses, and they are seeking with that amount to keep up the work.

Mr. DICKINSON. That is not the position at all. Their position is this, that under this appropriation they can reduce their overhead expenses next year on account of the economies, and they want to take on these additional men. I know, and you know, if they get the 11 men this year you are going to have trouble in getting them off the pay roll next year. Now, why should we go on and enlarge this commission to as large a personnel as they seek?

We will keep expending it from year to year, because we will have demands for investigations and investigations for years to come. And I see no reason why the demands for 1923 for this commission should be larger than for 1922, because there was more chaos in business and more profiteering going on in 1922 than in 1923.

Mr. HUDSPETH. The gentleman sees no reason why that increase for 1923 should be as great as 1922. Under the commission for investigating the Furniture Trust, and in view of the statement of Mr. Gaskill that this last year he had between 600 and 700 more investigations than he had in any other previous year, I think the gentleman's statement is not justified.

Mr. DICKINSON. Would you think——

The CHAIRMAN. The time of the gentleman has expired.

Mr. DICKINSON. Mr. Chairman, I ask unanimous consent for five additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DICKINSON. I would like to ask the gentleman from Texas if he thinks these new problems taken on by this commission are going to impose greater duties on the commission than the investigation of the Steel Trust and the Packers' Trust?

Mr. HUDSPETH. I want to say to my friend that there is a probability of another packer investigation, and I want to ask if it is fair to the agricultural and live-stock interest to limit these men here? That is, they are giving their attorneys $3,400 a year, men who have to cope with the best legal talent the packers can procure, and the gentleman knows that they do not hire any shysters. We all know that. Under the Shipping Board you allow the attorneys there an average of over $11,000 a year——

Mr. DICKINSON. Oh, no; we do not.

Mr. HUDSPETH. Many of them get that.

Mr. DICKINSON. That is the maximum. I think six men get that. I think we will reduce all of those in another year.

Mr. HUDSPETH. Do you think these gentlemen will have to deal with any more complex questions than that of the packers?

Mr. DICKINSON. I certainly do. I have studied this question very seriously and carefully.

Mr. JONES of Texas. Does not the gentleman think the committee could well afford to take a few thousand dollars from the amount paid the attorneys of the Shipping Board and transfer them to this commission?

Mr. DICKINSON. With 3,500 cases now pending, with $300,000,000 in claims, the gentleman says that we might well curtail the legal department of the Shipping Board. The fact is that if you do not maintain the legal department of the Shipping Board you are going to have an eyesore in connection with that establishment for many years to come.

Mr. JONES of Texas. You have more lawyers there than anywhere else, and yet conditions are in worse shape than in any other department.

Mr. BROWNE of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. BROWNE of Wisconsin. You say that if you gave them all these employees you would never get rid of them. In the year 1918 did they not have over 700 employees?

Mr. DICKINSON. Yes.

Mr. BROWNE of Wisconsin. And they voluntarily cut them down?

Mr. DICKINSON. Oh, no.

Mr. BROWNE of Wisconsin. The evidence shows that they kept cutting those down until to-day they have got only 311.

Mr. DICKINSON. Why, Congress cut them down. They did not do it.

Mr. BROWNE of Wisconsin. They did not use all their appropriation. The gentleman himself says that they did not use all their last appropriation. That is called "a cushion" for this department. They ought to receive some credit for it.

Mr. DICKINSON. This commission does that because they have a cushion on which they work. They can not tell what the demand may be. In 1917 they had $1,494,000. In 1918 they had $1,472,000, and this is simply an effort to get somewhere near back to normal.

Mr. BARKLEY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kentucky moves to strike out the last word.

Mr. BARKLEY. Mr. Chairman, I hope this amendment, offered by the gentleman from Wisconsin [Mr. BROWNE], will prevail. The Federal Trade Commission was created in order to meet a special condition of affairs which had grown up in this country and to relieve the Federal courts not only of the onerous burdens of hearing and considering every unfair practice in commerce that might be brought to their attention, but it also offered to the commercial world and to the people of the United States a tribunal before which they could go to lay those difficulties and charges of unfair practices and unfair competition on the part of competitors. That was made necessary on account of the inevitable delay that ensued by reason of the inability of the Federal courts to deal with those questions as efficiently and rapidly as they needed to be dealt with, and power was given to the commission, after hearing complaints that might be filed with it, either formally or informally, to issue orders that would abate the conditions complained of. That condition still exists, and the efficiency of this Federal Trade Commission has been demonstrated over and over again in dealing with the thousands upon thousands of cases that have been brought to their attention, and in the solution of the economic, industrial, and commercial problems to the satisfaction of the people of the United States, and in the very nature of things that work has grown.

Now, the gentleman from Iowa [Mr. DICKINSON] refers to the fact that there is an unexpended balance of $50,000. I suppose that is the remains of the so-called "cushion" to which he refers. I do not think you ought to take the cushion away from the appropriation that you now have under consideration, which is done by the reduction of this amount from $900,000.

Mr. DICKINSON. There will be no necessity for taking away that cushion, because we are leaving the force exactly as it was, and the appropriation to pay them.

Mr. BARKLEY. They have not had enough money even in the past. I want to refer to the tobacco investigation. This House passed a resolution in the Sixty-sixth Congress directing the commission to investigate the tobacco industry. The commission did that, and made a report, which has been printed, but the commission did not have enough money to print enough copies of that report for the Members of Congress each to have one, and you can not get copies now. They are not available unless you are able to purchase them from somebody. They ought to have enough money when they make an exhaustive report of this sort at least to print enough copies so that the

report will be of some value to Congress and to the people who are interested in the subject.

Mr. DICKINSON. The business world can buy them, can they not?

Mr. BARKLEY. I suppose they could buy them if some publishing company publishes them. But you can not get them in the document room or in the folding room, and they have only a few of them in the Government Printing Office.

The Federal Trade Commission was not a war commission. It was not created for war purposes, and it did not increase its force during the war, except as an incident in the difficulties that arose and the controversies that developed between business concerns. But fundamentally the Federal Trade Commission did not increase its personnel and its expenses due to the war. It has been increased by virtue of the demands made upon it by the people of the United States and by business, big and little, calling upon it to deal with questions which heretofore the Federal courts were charged with, but which they did not have time to consider.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BARKLEY. Yes.

Mr. COOPER of Wisconsin. Is my understanding correct that the Director of the Budget, Mr. Dawes, recommended $900,000?

Mr. BARKLEY. That is correct, and I think that should be evidence of the fact that that much is needed, because I think the Comptroller General has not established the reputation so far, and I hope he will not establish the reputation of being extravagant or loose in his recommendations for appropriations by Congress. It is perfectly apparent that $800,000 will not be sufficient to enable them to carry on the work they already have in prospect and whatever emergency work may be thrown upon them in the next fiscal year. It seems to me that certainly when Congress provided for a considerable reduction of the force of the Federal Trade Commission at the end of 1921, we ought not to handicap them, we ought not to put them in a financial strait-jacket, so that they will be unable to perform the functions that were originally intended to be performed by them without their coming back to Congress asking for a deficiency appropriation.

I believe this $100,000 ought to be added. It is not a real addition, but it is simply the retention of the same amount that was given last year and the same amount recommended by the Bureau of the Budget for this year. And even with that amount last year they were not able to carry on the investigations with which Congress charged them or which Congress referred to them and instructed them to make in such a way as would meet the greatest needs of the country at large. I hope the gentleman's amendment will prevail.

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, the question was asked by the gentleman from Wisconsin [Mr. BROWNE] whether $900,000 was the amount recommended by the Bureau of the Budget and whether we had reduced it. In answer I will say we reduced the estimate $100,000. There seems to be an impression among many gentlemen here that because the Bureau of the Budget recommends a certain amount of money it is sacrilegious to reduce it. If that is the case, we have been great offenders. In this bill we have reduced the total below the estimates of the Budget very nearly $10,000,000. I am not criticizing the Bureau of the Budget for their recommendations.

Mr. HUDSPETH. Will the gentleman yield?

Mr. WOOD of Indiana. In a few minutes. They did the best they could with the light that they had. We have tried to bring some additional light upon these various proposals in the bill. We have tried to save the Government some money, and in our judgment we think we can. In this particular instance we feel that we are perfectly justified in making the reductions that we have made, without in the least crippling the activities of this organization. The reduction here is made up very largely of incidentals, of material, equipment, and things that were very much higher last year than they are now. But this is just a sample of what every committee of this Congress has had to contend with where the head of the organization is constantly trying to increase that organization. It is for Congress to determine whether they will limit them or whether they will let them go unlimited. I am not here to discuss the merits or the demerits of the Federal Trade Commission, about which much may be said. I think if I were expressing my individual opinion I would say that while they have done some good, they have done more harm to the business interests of this country than any other official organization that was ever gotten together.

I want to call your attention simply to one example to show you how they cripple the industries of this country to its very great detriment. You will all remember that it was through this very organization that the steel corporations of this country were put upon the rack, and that suits were instituted for the purpose of dissolving them, on the ground of unjust and unfair competition, and on the charge that they were doing more business, some of them, than they were authorized to do under the law by virtue of their investment. The war came on, and the great heads of these institutions were sent for by Secretary of War Baker and Secretary of the Navy Daniels, who asked them to give the Government an estimate of how much steel they could produce in a given length of time. They asked a few days in order to prepare their answer. They came back with it and gave it in tonnage. It was very satisfactory, but the Secretary of War and the Secretary of the Navy said, "Can you not produce more steel than that?" Then they were reminded that there were suits pending against them to dissolve them, because they were said to be violating the law in having produced too much steel. That was the result of the work of this commission. You have never heard anything more of those suits. Had it not been for the wisdom of those two Secretaries in permitting these organizations to go on and produce more steel and more steel and more steel, we do not know what the result of the war would have been.

Reports come to us from all over the country that because of the intermeddling of this commission in little bits of petty affairs—not in the great, big matters for which they were created—they are destroying fair competition and destroying the business of this country. I have said here upon this floor, and desire to say again now, that the people of this country are becoming tired of the intermeddling with their business. One gentleman told me that it used to be one of his favorite pastimes to go to the post office to get his mail, and in consequence he did not have it delivered by the mail carrier. "This is no longer a pleasure to me," he said, "because I go with fear and trembling each day to the post office fearing that I will get a long envelope from the Federal Trade Commission asking for a new report with reference to some branch of my business."

The result is that instead of encouraging competition, which is the life of trade and the life of the Nation, they have a tendency to destroy it; and I know that one gentleman, who was selected as a member of this commission because of his great business experience and because it was thought he might be helpful, resigned because he found the activities of that commission were being prostituted to persecution and to the detriment of the business interests of this country. So that much might be said against the entire thing. We need not deceive ourselves. There is a very great sentiment in this country in favor of abolishing the Federal Trade Commission altogether.

Much has been said about the report of that commission concerning the packers. I think of all the infamy that was ever consummated under the guise of law and order it was the report of this commission on the packers.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask for five minutes additional.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. WOOD of Indiana. That investigation was organized, if you please, not to do justice to anybody, but to do injustice to one of the great industries of this country. But we in our committee are unmindful of the criticisms that justly may be urged against this commission, and are desirous only of saving some money to the Treasury of the United States without crippling in the least the activities of this commission, and we have reported appropriations that will permit them to go on and do just as much work next year as they did last year, and we are all hopeful that they may not have so much to do. We are all hopeful that the furnace fires may be lighted again, that business may have a new life throughout this country, that employment may be given to men who are now idle, and we can best subserve that purpose by giving men who have money to invest some encouragement to believe that they will not be interfered with by governmental intervention.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. WOOD of Indiana. I yield to the gentleman from Illinois.

Mr. GRAHAM of Illinois. I should like to know for my own information how the amount of the appropriation and the num-

ber of the personnel compare with what they were in 1917 before the war began.

Mr. WOOD of Indiana. In 1916 the appropriation for the Federal Trade Commission was $355,000. In 1917 it was practically the same. It grew during the period of the war. Some one has said that it did not expand by reason of the war. It did expand from some cause or other until in 1920 and in 1921 in each year they received $955,000. I know that many of you gentlemen have been receiving telegrams in support of this proposed amendment. I am not bothered with any of them. I suppose they thought they might as well save their money. I know that propaganda can be started in favor of any measure and it will find a supporter in this body. I wish to admonish you that we have another duty to serve beside the desire to enlarge this organization. We have been talking about economy. We have been talking about reducing the expenses of the Government, and yet there is not a single measure that comes up before this body but what some apologist will be found to increase every appropriation that may be suggested to support it.

Mr. BROWNE of Wisconsin. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BROWNE of Wisconsin. I would like to ask the gentleman a question. Is it not a fact that the packers, or any other concern that this commission investigates, can before anything is done to injure them have their matters passed upon by a competent court—the United States Circuit Court of Appeals?

Mr. WOOD of Indiana. That is true.

Mr. BROWNE of Wisconsin. Then how can they be hurt?

Mr. WOOD of Indiana. The very fact that you stop an industry in any quarter temporarily, the mere fact that an investigation is made and becomes public, is an injury to the business. It is a good deal like the Chinese proposition, hang the man first and try him afterwards. You destroy the industry or greatly cripple it.

Mr. BROWNE of Wisconsin. But they do not stop the concern, they do not stop the business, they simply investigate and make a report.

Mr. RAYBURN. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. RAYBURN. I can say in the case of the packers that they were injured in public opinion irreparably, and it was shown before the committee that reported the bill that half of the conclusions of the commission were not justifiable.

Mr. WOOD of Indiana. I am glad to have the corroboration. Now, gentlemen, do not let us be carried away by propaganda hysteria, let us remember that we are going through the most precarious time in the history of this country, in so far as the business of this country is concerned.

Mr. HERRICK. Will the gentleman yield?

Mr. WOOD of Indiana. Wait a moment, I would like to finish my sentence. If it is understood that we are appropriating extra money especially to one activity in this Government, while we are trying to reduce it in other activities of the Government, and that activity which is receiving our partiality is inquisitorial in nature with the business interest of the country, it will be hurtful. There is nothing quite so sensitive in this world as money, and if there was ever a time that we should encourage it to come out of its hiding and into investment, it is now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. So that if we are wise we will not by any act of ours give notice that we are attempting to interfere with money coming out of its hiding and into legitimate investments.

Mr. HERRICK. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HERRICK. Is it not a fact that here in Washington you have to pay $1.25 for a decent steak, while down in Oklahoma all I can get is $12 for a 1,200-pound animal, or a cent a pound? Does not the gentleman think that there ought to be an investigation of what becomes of the money between the price paid by the consumer and that paid by the purchaser?

Mr. WOOD of Indiana. Oh, that is the price the gentleman pays for living in Washington. We are all subject to the profiteers in Washington, and they seem to be above the reach of the law.

Mr. HERRICK. Then the gentleman admits that there is profiteering, and yet at the same time he does not want the profiteer investigated; is that it?

Mr. WOOD of Indiana. The trouble is with this investigation board, that it is like the foxes, they do not investigate around their own holes.

Mr. JONES of Texas. Mr. Chairman, the gentleman was speaking of propaganda. I think this is but another evidence of the effort of certain interests to get rid of the Federal Trade Commission. There are some people in this land who do not want the investigations that are conducted by the Federal Trade Commission. It is said in the Scriptures that men love darkness rather than light, because their deeds are evil. You would think from some speeches made here that the Federal Trade Commission has the opportunity, authority, and right to interfere with the operations of business, to make regulations, and forbid certain things in business. As a matter of fact, the primary purpose of the Federal Trade Commission is investigation, and practically in the last few years much of the important legislation that has been passed has been the result of facts furnished by the Federal Trade Commission. Now, these gentlemen do not want the facts brought to light. Is it that they do not want Federal interference? No; it is that they do not want the public to know the facts and the conditions under which they are doing business. I am as much opposed to Federal interference in business as a lot of other men. I have voted against a number of such bills and I expect to vote against similar bills in the future, but I do not believe that any honest man or any honest concern has anything to fear from the true facts being brought to light.

My colleague from Texas [Mr. HUDSPETH] stated that the packers claimed they were making less than $1 per head on all stock until the Federal Trade Commission made the investigations. It was shown in the hearings before the Committee on Agriculture that they actually made from 7 to 9 and 10 and in some instances as high as 13 and 15 per cent, according to their own figures, taking their own estimates of their costs and expenses.

Mr. BLACK. Mr. Chairman, I am glad the gentleman corrected my colleague from Texas, because I understood him to say the packers stated they made only 1 cent a head.

Mr. HUDSPETH. I said a cent a pound on the hundred.

Mr. JONES of Texas. Everyone knew that the gentleman did not mean a cent a head, if he said that. That is a mere incident in the discussion. The head of the Federal Trade Commission says that "the work of the commission is damming up" at the present time, and they need some men to conduct some of the investigations they are called on to make. As to the estimate of the amount they wanted Mr. Gaskill was asked the question:

> Are these the Budget Bureau's figures, or are they your figures?

The reply made by Mr. Duganne was:

> The figure originally was $950,000, and the Budget Bureau cut it to $900,000. That is the lump-sum appropriation.

That amount is needed, Mr. Chairman, according to the man who appeared before the committee to maintain their present personnel and conduct investigations they are called on to conduct.

I believe in economy. But in this same bill there is an appropriation for $650,000 for attorneys for the Shipping Board. That should be reduced to not more than $100,000. By doing this the Trade Commission could be taken care of and still this appropriation could be reduced $450,000, which would be a great saving.

I do not claim they have not made some mistakes. I do not claim that their figures are altogether always accurate, but I do know that in the investigations that have been conducted before a certain committee, in respect to the packers and other matters, each member of the committee in conducting the cross-examination of witnesses has held before him a report of the Federal Trade Commission, and has pulled the facts out of the witnesses by virtue of information that is furnished by the Federal Trade Commission.

I believe we ought to be very reasonable in our regulations and rules with respect to the conduct of business, but I believe that any American who engages in business or who buys the products of business ought to be able to know that the laws are being complied with, and he ought to have the right to know and realize and believe and expect that the proper department of the Government will be furnished with the proper information through this institution that is established for that purpose.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. JONES of Texas. I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JONES of Texas. On page 161 of the hearings, Mr. Gaskill says:

> We have need for a few more men in our trial force and a few more men in the legal examiner's force, because the work is damming up on us. We receive applications for complaints in excess of one a day.

When the various committees are able by virtue of this source of information furnished to secure valuable methods of getting needed information with reference to legislation, I do not think they ought to hamstring and try to destroy the very institution which furnishes the information. Something has been said about propaganda, and I want to say in answer to one suggestion that was made a while ago, that I have not received a single letter or telegram with reference to this matter.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. DAVIS of Tennessee. Is it not a fact that there has been no more continuous, persistent, or effective propaganda than that in behalf of the Packer Trust?

Mr. JONES of Texas. The gentleman is correct. They of all people have said, "Save us from the Federal Trade Commission." They were exceedingly anxious to have a dagger thrust into the body of the Federal Trade Commission in any legislation that affected them or which may be enacted, and they have worked to that end. Let me tell you with reference to some of the activities of the Federal Trade Commission. When they sought to investigate the Shoe Trust propaganda was started to the effect that it interfered with business, and I notice that the gentleman from Massachusetts—which State is a famous shoe State—does not want the Federal Trade Commission to have even the amount of appropriation here allowed. They have not much use for the Federal Trade Commission, and the same thing will be true whenever they go after any of these great concerns. They do not want the facts brought to light.

Mr. WASON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. I want to say that there must be some good reason which ought to be brought to light, when hides are rotting on the carcasses, and can not be sold for even the cost of skinning, and yet shoes are still $10 and $12 a pair.

Mr. WASON. Will the gentleman inform the House some of the benefits to the public that they have earned through this investigation of the shoe trade?

Mr. JONES of Texas. If there is any use for an Attorney General's Department in the United States, if there is any use for an antitrust law, or if there is any use for any of the other laws that have been enacted for the purpose of securing a proper relationship between men and honesty in dealing, then the information furnished to these departments is valuable in carrying out the laws, as well as in enacting new legislation.

Mr. WASON. I was asking for specific information and not for the reason for the law. I approve of the law, but in this particular instance the gentleman referred to the shoe industry——

Mr. JONES of Texas. As a matter of fact, taking packer legislation——

Mr. WASON. I am referring to the shoe industry.

Mr. JONES of Texas. They can not do everything at once, but they have some of these profiteers sweating blood. The packers were able prior to the creation of this commission to save any legislation being enacted at all. There might be other instances I could mention with reference to information. They say they have one complaint a day, and need a number of men to conduct prosecutions that arise from information that they get. I do not believe in hamstringing business or in enacting every law that they want or that any other organization wants, but I believe that when there is need of legislation to protect honesty in business that legislators ought to have all of the information they can secure. Anyone who has sat on a committee during a hearing with reference to any legislation that involves matters that have been investigated by the Federal Trade Commission, I know, has found some very valuable information which that commission was able to furnish.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. WOOD of Indiana. Mr. Chairman, I move that debate upon this paragraph and all amendments thereto close in 10 minutes.

Mr. GRIFFIN. Mr. Chairman, I hope the gentleman will withhold that until I have something to say on the proposition as a member of the committee.

Mr. WOOD of Indiana. I can not modify it now.

The CHAIRMAN. The gentleman can by unanimous consent.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent that the motion be modified to 15 minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to modify his motion to limit the time of debate to 15 minutes. Is there objection?

Mr. SPROUL. I object.

The CHAIRMAN. The question is on the motion of the gentleman from Indiana to limit the debate to 10 minutes.

The question was taken; and on a division (demanded by Mr. WOOD of Indiana) there were—ayes 26, noes 29.

Mr. WOOD of Indiana. Mr. Chairman, I raise the question of no quorum.

The CHAIRMAN. The gentleman makes the point of no quorum. The Chair will count. [After counting.] One hundred and eleven gentlemen are present, a quorum. The gentleman from New York [Mr. GRIFFIN] is recognized.

Mr. GRIFFIN. Mr. Chairman, there is an old couplet, very brief, that runs this way:

> No rogue ere felt the halter draw
> With good opinion of the law.

And I think it is particularly applicable to the opposition to the Federal Trade Commission, a commission organized in 1915 as the Bureau of Corporations and altered to become the Federal Trade Commission, a commission that has functioned throughout the war, in the most critical period of our history, and has exposed the doings of profiteers in numerous reports to this House, a commission whose work has been above reproach in every particular. And yet it is not liked. I am not surprised that gentlemen do not like the Federal Trade Commission. Oh, no; it is too embarrassing. It goes into too many secrets as to the affairs of corporations which are defying the law. What is the Federal Trade Commission? It is an instrumentality of our Government, an aid to the President and to Congress. It inquires into unfair competition, which is the reverse of the character given it by the chairman, who expressed the belief that it was to prevent fair competition. It has no such purpose; it is not its aim; it is not its practice. Its purpose is to go into the details of unfair competition. It is its function under section 6, as the agent of the President or of Congress, to make economic studies or investigations with reference to conditions in the various trades and industries.

If you do not want this commission to function, by all means abolish it. But be fair and frank about it. Pass an act here if you feel that you can go before the country on that proposition, but do not throttle it by depriving it of its means of subsistence. That is an old game for cutting off instrumentalities which Congress does not like, but it is not a fair method of procedure. There is no justification whatever in the hearings for the action of the committee in cutting down this appropriation $100,000 a year. They estimated that they needed $950,000. Why? Because on October 31, 1921, they had 344 cases before them and the calendar piling up.

Mr. WASON. Will the gentleman yield?

Mr. GRIFFIN. I will be very glad to do so.

Mr. WASON. In considering this particular item of the bill did my friend from New York discover any evidence on the part of any of the committee of wishing to injure or abolish the commission, and did he make any such suggestions as that when, I assume, he agreed to the bill, or, at least, he did not disagree?

Mr. GRIFFIN. The gentleman calls for a revelation as to what goes on in the committee room.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. Mr. Chairman, that would not be fair to the other men who wish to speak.

Mr. GRIFFIN. I think it is particularly fair, if the gentleman will permit me, in view of the fact that this is the first time I have arisen to speak on this bill.

The CHAIRMAN. The gentleman from New York is recognized for five minutes more.

Mr. GRIFFIN. The gentleman from New Hampshire asks for a revelation of what went on in the committee. I do not think I ought to do it, but since he challenges I will say this, that it became obvious to me——

The CHAIRMAN. It seems the duty of the Chair to admonish the gentleman from New York that although challenged to do so it is not in order for him to reveal what took place in a committee of the House.

Mr. GRIFFIN. There is good deal of animus behind this provision. What more do we want as an illustration of the animus of the chairman of the committee, who is a good and estimable friend of mine and who is to be complimented for the way in which he has handled this bill. The work of the committee was

long and arduous, and involved many departments and bureaus, and he was unfailing in his courtesy and in his handling of his responsibilities, both with witnesses and with gentlemen of the committee. And I have no complaint to make against the gentleman personally. But as to his political and economic ideas I am in utter and complete disharmony.

I can not feel any sympathy with the gentleman when he tells you that the purpose of the commission is to meddle with business. It is not to meddle with business. It is only working on behalf of the President of the United States and of this Congress and of the entire people in endeavoring to prevent unfair competition and profiteering wherever it may exist, and I think it is a great mistake for this House to cut down this appropriation, thus throttling its work and making it almost useless. It is the duty, it seems to me, of every man who has the interest of the consumers of the country at heart, rather than that of the profiteers and monopolists, to vote for the restoration of this appropriation. It estimated its needs at $950,000. The Budget Bureau allowed it $900,000, and yet this committee, without any cause, without any evidence in the hearings, arbitrarily cuts the appropriation down to $800,000.

Mr. WALSH. Did it carry on its statutory duties in 1918 and 1919?

Mr. GRIFFIN. It surely did. You will find that in the hearings between pages 168 and 177.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLACK. Mr. Chairman, as I understand it, there are now two amendments pending: One is the amendment offered by the gentleman from Massachusetts [Mr. TREADWAY] to eliminate the appropriation for the support of the Federal Trade Commission altogether, and the other, offered by the gentleman from Wisconsin [Mr. BROWNE], to increase the appropriation from $800,000 to $900,000.

Now, I am opposed to both of these amendments. I am opposed to the amendment to strike out the appropriation altogether, because I believe that the Federal Trade Commission has done some very useful work. I feel absolutely certain that some of its investigations have been of value, although possibly some of them have been without value. That is probably true of most commissions. Taking the whole work of the Federal Trade Commission and viewing it in its entirety, I think we must conclude that it has done much good work and should be continued. So, while I am opposed to the Treadway motion to strike out the entire appropriation, I am also opposed to the Browne motion to increase it $100,000.

We do not have to go any farther back than 1918 to find out the amount of money we were expending for the support of the commission during normal times. I have here the appropriation bill for the fiscal year 1918, which was during the war. It carries the largest amount that had been appropriated for the commission up to that time. The first item is for the salaries of the commission and the personnel of the commission. These amount to $172,920. The next item is for all expenses necessary for compensation, travel, per diem, special attorneys, special experts, the general work of the commission, and so forth, $300,000. The next item is for $20,000—scientific papers, books, law books, filing cabinets, materials, equipment, and things of that sort, $20,000. The next item is for rental of buildings, $15,000; and the next and last item is for witness fees and mileage, $15,000, making an aggregate appropriation of $522,920.

I will say in order that I may be exactly accurate that there was a special item carried in the bill for that year to investigate the packers and the food supply in general. The amount thus appropriated was $250,000. That was a special investigation, and a special appropriation was provided. I do not know of any special investigation of this kind that the commission plans to make during the ensuing year.

So in 1918 we find that the ordinary expenses for this commission were $522,000, as against $850,000 carried in this bill. Yet some gentlemen argue very earnestly that we should increase this amount by the sum of $100,000 and that it is evidence of unfriendliness to the commission to not do so. The trouble is my friends on the other side seem not to take into consideration the fact that if we are ever to get any economy in this Government service we have got to begin to economize somewhere. When I was a boy we used to have camp meetings in the summer, and we had a good many people who attended to profess religion, but I always noticed that a great many more professed religion than joined the church, and that is the trouble in these economy fights. We have too many of our Members who are ready and willing to profess economy, but the trouble is that not enough of them join the church. [Laughter.] It is getting to be time, gentlemen of the House, when we should pursue a consistent policy of economy. I do not want to be understood as making an attack on the Federal Trade Commission in any sense, but we have got the same situation here with respect to this commission as we will doubtless have with respect to the next commission that we come to in the bill. If there has been a reduction in the appropriation for that next particular commission, there will probably be another group of Members in the House who will come to the rescue of such commission and say, "Oh, no; let us lay off of this one. It is a useful activity of the Government. We must under no circumstances cut it down any."

This attitude reminds me of a little poem I used to read in McGuffey's Fourth Reader. The subject of it was "Which." It told the story of a mother and father who were poor and had seven children, and one day they received a letter from a rich brother asking that they give him one of the seven. And so that night, when all the children were snugly asleep in their cradles and beds, they decided they would go around and pick out the one of the seven which they were willing to spare. First to the cradle they stepped where the baby slept; softly the father stooped and laid his rough hand in loving way, when dream or whisper made her stir, and huskily he said, "No; not her." And so around to each child the mother and father went until they came to the eldest lad, so like his father, and then the mother said, "No, John; no; I can not, will not, let him go." And so they wrote in courteous way, "We can not give one child away."

And so we face very much the same situation in these appropriations for the support of the several boards and commissions. If we take the advice of our colleagues on this particular proposition that we now have before us, we will go ahead and increase this amount by $100,000, and then when we take up the consideration of the next commission some able, persuasive advocates will take the floor in its behalf and we will be constrained to follow the same precedent, and we should wind up by not reducing any at all. As I understand it, what the Committee on Appropriations is trying to do is to lop off enough of all these various appropriations so as to effect savings enough for the next fiscal year to make the expenditures balance with the revenue, and I am going to cooperate with them in that effort every time I get a chance and where the effort seems to be based on sound reason. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. KELLER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. WOOD of Indiana. Mr. Chairman, I move that the debate on this section and all amendments thereto be now closed.

The CHAIRMAN. The gentleman from Indiana moves that the debate on this section and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. BROWNE], which, without objection, the Clerk will again report.

The Clerk read as follows:

Amendment offered by Mr. BROWNE of Wisconsin: Page 11, line 13, after the word "act," strike out "$800,000" and insert in lieu thereof "$900,000."

The question was taken; and on a division (demanded by Mr. BROWNE of Wisconsin) there were—ayes 30, noes 63.

Accordingly the amendment was rejected.

The Clerk read as follows:

GENERAL ACCOUNTING OFFICE.

For carrying out the provisions of the act of June 10, 1921, establishing the General Accounting Office, including salaries of officers and employees, traveling expenses and per diem in lieu of subsistence while absent on official business outside the District of Columbia not to exceed $50,000, rent, purchase, and exchange of books, and contingent and miscellaneous expenses, $2,468,601.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Strike out lines 15 to 21, inclusive, on page 11 and insert the following:

For salaries: Comptroller General, $10,000; Assistant Comptroller General, $7,500; assistants to Comptroller General, 4 at $6,000; chief clerk, $3,600; chiefs of division, 3 at $3,600, 3 at $3,000; chief of appointment division, 1 at $2,500; assistants to chief of division, 3 at $2,750, 2 at $2,500, 1 at $2,250; chiefs of section, 9 at $2,500, 12 at $2,250, 2 at $2,000; assistant chief of section, 1 at $2,250, 10 at $2,000, 1 at $1,900; chiefs of subsection, 3 at $2,000; disbursing officer,

1 at $3,000; deputy disbursing officer, 1 at $1,800; private secretary, 1 at $1,800; attorneys, 1 at $5,000, 4 at $4,000, 4 at $3,600, 1 at $3,100, 5 at $3,000, 1 at $2,750; law clerks, 1 at $2,750, 1 at $2,500, 4 at $2,400, 4 at $2,250, 2 at $2,200, 9 at $2,000, 4 at $1,800, 1 at $1,600; accountants, 1 at $2,500, 2 at $2,400, 3 at $2,100, 3 at $2,000; investigators, 1 at $3,000, 25 at $2,000; principal clerks, 18 at $2,000; clerks, 214 at $1,800, 268 at $1,600, 305 at $1,400, 367 at $1,200, 78 at $1,000, 90 at $900; reviewers, 8 at $2,100; check assorters, 4 at $1,000; duplicating-machine operator, 1 at $900; carpenter, 1 at $1,400; foreman of messengers and laborers, 1 at $1,400; chief messenger, 1 at $1,000; messengers, 1 at $1,000, 15 at $840; assistant messengers, 29 at $720; laborers, 1 at $720, 21 at $660; messenger boys, 14 at $480, 1 at $420; forewoman of charwomen, 1 at $660; charwomen, 22 at $240.

"For traveling expenses, $50,000; rent, $40,000; telephone service, $2,000; books, purchase and exchange, $1,353; office supplies (including stationery) and equipment, $45,950; repairs and maintenance, $1,807; miscellaneous items, $9,151."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment, that it is legislation on an appropriation bill and unauthorized by law.

The CHAIRMAN. Will the gentleman please state his objection more explicitly?

Mr. BLANTON. This amendment would make statutory positions with stated salaries, and in that way would change the law, and it would change the law in other particulars. It is clearly legislation on an appropriation bill.

The CHAIRMAN. Let the Chair understand the gentleman clearly. The bill provides a lump-sum appropriation. As the Chair understands it, this amendment is not permanent legislation. It makes appropriations to pay these particular individuals for the fiscal year ending June 30, 1923, but that does not change existing law as the Chair understands it.

Mr. BLANTON. As I understand the Chairman's comment, it relates to the merits of the proposition; and as to that I will say that if you specify these certain positions with certain salaries attached to them we will have a hard time next year and in all succeeding years in ever reducing them.

The CHAIRMAN. The Chair can not consider that in passing on the point of order. The point of order is overruled.

Mr. BYRNS of Tennessee. Mr. Chairman——

Mr. WOOD of Indiana. Will the gentleman yield before he begins his remarks?

Mr. BYRNS of Tennessee. Yes.

Mr. WOOD of Indiana. There is no total given in the gentleman's amendment. Has the gentleman the total of the figures he has submitted?

Mr. BYRNS of Tennessee. Yes. I want to say first to the gentleman from Texas [Mr. BLANTON], who always insists that he favors economy and is anxious to hold down the heads of departments and bureaus, that if his point of order had been sustained he would have opened wide the door to the general accounting office to pay any salaries it pleased, at any amount. This amendment seeks to fix these salaries at a definite sum, so that Congress will have some voice as to what shall be paid.

I will say to the gentleman from Indiana [Mr. WOOD] that this amendment does not reduce the appropriation one dollar. I have taken the list submitted by the Comptroller General of the persons whom he expects to employ during the fiscal year 1923, at the exact salaries fixed by him, and have incorporated them in the amendment which I have offered, and it carries the exact amount that is proposed to be appropriated in a lump sum in the pending bill.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for another question?

Mr. BYRNS of Tennessee. I yield to the gentleman from Iowa.

Mr. DOWELL. What is the aggregate of the items submitted in the amendment as compared with the lump-sum appropriation in the paragraph?

Mr. BYRNS of Tennessee. The aggregate of the amendment is $2,468,601, and if the gentleman will observe the bill the lump sum sought to be appropriated by it is exactly the same amount.

Mr. DOWELL. This merely itemizes the expenditures for the purposes named?

Mr. BYRNS of Tennessee. Yes; in exact accordance with the explanation submitted with the estimates by the Comptroller General himself. It does not change the name of a single position or the amount of any salary which the Comptroller General fixed for any one of those positions.

Mr. WALSH. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman from Massachusetts.

Mr. WALSH. Are these the salaries that are now being paid?

Mr. BYRNS of Tennessee. Not all of them, because the bill increases the appropriation over that for 1922 by $318,000, so there will be more employees under this amendment than there are during the present year.

Mr. WALSH. Has the gentleman given any consideration to the salaries paid under the provisions of this amendment as compared with those paid for similar services in other departments of the Government?

Mr. BYRNS of Tennessee. I have not with reference to this particular amendment, but I say very frankly to the gentleman that if I had my way I would reduce a number of these salaries.

But that was not the proposition I had in mind in preparing the amendment. The subcommittee headed by the gentleman from Indiana [Mr. WOOD], in whom we all have the utmost confidence, and who we know is as anxious to practice economy as any man in this Chamber, decided that the accounting office should have the increase of $318,000, and I am willing to accept their judgment in the matter. What I seek to do by the amendment is to fix these salaries. I do not know of anything that is more objectionable than a lump-sum appropriation. This bill carries a great number of lump-sum appropriations. It carries a lump-sum appropriation for the Federal Trade Commission. It carries a lump-sum appropriation for the Interstate Commerce Commission. We have a lump-sum appropriation for the Shipping Board, and we know what it means in a majority of instances. Take the Shipping Board and, as was said here this morning, they have an average salary for attorneys of over $8,000. Take the Interstate Commerce Commission and run through the list of salaries, and you will find that they are a great deal higher for employees under the Interstate Commerce Commission than for similar employees in other departments of Government. That is not true, so far as I have been able to ascertain, of the Federal Trade Commission; but in nine cases out of ten when Congress makes a lump-sum appropriation the heads of these departments always fix the salary a great deal higher than Congress would fix it if it should undertake to do so.

Why should we make this appropriation in a lump sum? It has never been appropriated in a lump sum. We know that this general accounting office was created by the Budget law. It performs the work of the Comptroller of the Treasury and the six auditors, whose positions were abolished. The salaries of the clerks of these officials were fixed by statute.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS of Tennessee. The General Accounting Office is now operating with the assistance of the statutory employees provided for the six auditors and the Comptroller of the Treasury. Why should we now place in charge of the General Accounting Office a lump sum of $2,468,601 and permit him to pay such salaries as he pleases to such employees as may be employed?

I am making no attack on the present head of the Accounting Office. We know how he will be besieged by friends and others to increase salaries. I think it is a protection to the Comptroller General's Office, and if you believe that he ought to have $2,468,601 to carry on the work of his office during the fiscal year of 1923, give him that amount, but give it to him in specific terms, with the number of employees and the salaries he says he intends to pay.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. ANDREWS of Nebraska. What are the highest grade of salaries provided for in the gentleman's amendment. I think under the accounting act four places were provided for at $6,000 and some at $5,000. Those at $6,000 were outside of the classified service and those at $5,000 were inside.

Mr. BYRNS of Tennessee. This amendment provides for four assistants at $6,000 who under the law are appointed outside of the classified service. The highest salaried position other than these four and the Comptroller General and his assistant are those paid attorneys and the chief clerk at $3,600 and chiefs of divisions at $3,600.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. BLANTON. All of these various positions specified in the gentleman's amendment are in the estimates with the positions which it is desired to fill through the lump-sum appropriation. That being the case, is not it the fact that in the spending of this lump-sum appropriation under the law the commissioner

would be limited to these specific situations and positions which are specified in the estimate?

Mr. BYRNS of Tennessee. By no means. We do not make the explanatory statements a part of the law. They may be bound by it morally.

Mr. BLANTON. Under the rules of Congress.

Mr. BYRNS of Tennessee. Not at all. They should be bound by it, but legally would not be bound by it. Suppose he comes before Congress a year from now and we find that instead of paying the chief clerk $3,600 he has paid him $5,000. He might say, I felt that those clerks who showed particular aptitude ought to have $5,000 instead of $3,600. Conditions are changed from what they were when I told you that I did not expect to pay more than $3,600. What is there in the law that prevents him from doing it? That is what I want to make impossible. I want Congress, if it will, to fix these salaries, and I have drawn the amendment so as to fix them at the very sum he named and so that he will have no power or authority during the year to increase the salary of any particular man in his office.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. ANDREWS of Nebraska. What kind of service is expected to be performed by the four designated assistants outside of the classified service at $6,000 per annum?

Mr. BYRNS of Tennessee. They have very important duties, if the office functions as Congress expects it to function under the law.

Congress specifically provided in the Budget law that there should be or might be four assistants who would draw more than $5,000 a year, and who should be outside of the classified service. I do not want to do a single thing to cripple this office. This office was created by the Budget law. I want to see this office function as Congress expected it to function under the Budget law. I do not want any opportunity given to the Comptroller General or anyone under him to say that they have not been able to function as Congress expected because of a limited appropriation. I am perfectly willing, so far as I am concerned, to appropriate every dollar they think is necessary, but with the express understanding that they are to function and are to perform the duties prescribed under that law, but which have not been performed, I may say to the gentleman, up to this time, but which I hope will be performed hereafter.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. ANDREWS of Nebraska. Are these four expected to be selected with respect especially to their legal and accounting ability, or some other special service?

Mr. BYRNS of Tennessee. That is a matter which must necessarily rest in the discretion of the Comptroller General. He is charged with responsibility for the conduct of his office. Of course, the question as to their qualifications—that is, with respect to those outside of the civil service—must necessarily rest with him, where I think it properly belongs.

Mr. ANDREWS of Nebraska. My purpose in asking the question was this: It occurs to me that when we fix a salary at that grade there ought to be some definite understanding on the part of Congress as to the nature of the services to be rendered and the qualifications to be secured.

Mr. BYRNS of Tennessee. I agree with the gentleman as a general proposition, but the law has already fixed their salaries.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. MANN. We abolished the auditors, who received $5,000 a year. Do not these four assistants practically take the place of the six auditors?

Mr. BYRNS of Tennessee. They do.

Mr. MANN. We decreased the number and increased the pay.

Mr. BYRNS of Tennessee. Yes; and, as I say, I have no objection to that, if they perform the services required by the law.

Mr. MANN. That was one of the great reforms of the Budget law which I failed to appreciate.

Mr. CAMPBELL of Kansas. We decreased the number and increased the pay, because we believed four men could do the work if we could get the right kind of men.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN. We decreased the number of assistants from the number of auditors and then increased the number of clerks.

Mr. BYRNS of Tennessee. I do not think the gentleman from Illinois is entirely correct in that statement. We cut out six auditors who were drawing, two of them $5,000, four of them $4,000 each, which would make $26,000. We supplanted them with four officials who draw $6,000 each. There is, therefore, a reduction of $2,000.

It is expected that these four will perform more important service than the six did under the old law, because something more is required of them under the Budget law than the mere auditing of expenses. They are expected to advise Congress, they are expected to make suggestions as to legislation with regard to expenditures and things of that sort. It is to be hoped that this will be done, although it has not been done up to the present time.

Mr. MANN. I hope it will recommend something that will decrease expenses outside of its own office, because we know that all of its recommendations with respect to its own office will be to increase expenses there.

Mr. BYRNS of Tennessee. I did not rise so much for the purpose of discussing the amount of the appropriation. My object was this: Accepting the amount that was suggested and recommended by the committee—and I am not prepared to defend that particular amount nor am I prepared to dispute it—I do believe that if we are going to allow any such sum as two and a half million dollars we ought not to begin the administration of this office by placing it at the disposal of the head of the office as a lump sum, no matter who the official may be. Therefore I hope the amendment will be adopted.

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, I have such a high regard for the good judgment and the fairness of the gentleman from Tennessee [Mr. BYRNS] that I am loath to oppose the amendment that he has suggested. I wish, however, to point out some objections which I think will appeal to him.

The appropriation, as stated, is a lump-sum appropriation. I agree with the gentleman from Tennessee that there has been much abuse of lump-sum appropriations, and there is none who will hail with more delight than I the time when this can be reduced to a statutory roll. We have made several attempts to have that thing done, without success. There is a project now on foot, with evidences that it is to be carried out in good faith, that in all of these activities where there is a lump-sum appropriation they will be classified and determined according to an efficiency survey now being had under the Executive order of the President. Gentlemen will remember that I called attention to that the other day.

Here is a particular item or two I wish to call attention to concerning the general accounting office. The appropriation, as stated by the gentleman from Tennessee, this year, in round numbers, is $318,000 more than it was last year. The appropriation last year was $675,000 less than the previous year. Some things have developed within the last year, in which we are all interested, requiring this additional appropriation. I fear if the amendment suggested by the gentleman from Tennessee should be agreed to, it might result in additional expenditure rather than a reduction. The additional $318,000 was asked by the general accounting officer for the purpose of completing a work which has been undertaken by him which should have been completed in many respects a long while ago. All of the checks, all of the accounts, all of the things material to a general accounting of all of the creditors and debtors of the United States are under the control of this general accounting officer. Many of these records are almost worn out. Something must be done to preserve them, if we are to preserve them at all. There are more than 4,000,000 checks coming in each quarter for payment of interest on United States bonds issued during the war. In addition to that, there can not be found an accurate account of a single soldier who served in the World War, a single soldier who served in the Civil War, in the Mexican War, the War of 1812, or the Revolutionary War without recourse to this accounting officer.

They are scattered, as I said the other day, in 15 different buildings all over this city. It requires, if you please, immediate attention that they may be preserved, else there will be great loss and great embarrassment eventually coming to this Government. Now, it is the purpose of the general accounting officer out of this $318,000 additional to get these records in such a state of preservation that they may be had for all time. To complete these records which have been undertaken, and which should be completed, in his opinion, this $318,000 can be employed in the payment of cheap clerks that can do this sorting just as well as higher paid clerks. Now, it may take the entire year or it may not. But in the event it does not take the entire time we are fixing a salary here that is compiled upon

this lower priced labor that might be better used for the doing of some other kind of work.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. BYRNS of Tennessee. Is it not a fact that in submitting his estimate for $2,318,240 as a salary roll, the Comptroller General stated to the committee in explanation the exact number of positions, the exact number of clerks he was expected to employ at the salaries for the entire fiscal year 1923?

Mr. WOOD of Indiana. That is absolutely correct.

Mr. BYRNS of Tennessee. I can not understand the point made by the gentleman that he might employ somebody at a cheaper compensation. I have not found anything in the hearings to substantiate that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection. [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. The general accounting officer, appearing in person before the committee, entered into great detail with reference to this thing, and he explained to us that because of the uncertainty of this work he did not know, and therefore submitted this as his best estimate. He may be wrong. It may require all of the estimate that he has made; it may not require quite so much. Possibly he may fail in this estimate and not complete the work required to be done which we all think should be done. We are in this position: We are all wanting a reclassification of the salaries of the civil service of the United States. We do not, I think, want to interfere with the Executive order of the President that is now being worked out, whereby through this survey there shall be fixed salaries of the various civil-service employees in these estimates where they have a lump-sum appropriation in the general accounting office.

Mr. WALSH. Does not the gentleman think that this paragraph ought to be a little more specific than the general language that is carried for this particular activity?

Mr. WOOD of Indiana. In what respect?

Mr. WALSH. As to how the money is to be spent. We require it all through governmental departments. Why should not the department which has the supervision of the accounting be required to specify how they are spending the money and have their authority regulated the same as the other departments?

Mr. WOOD of Indiana. I think it is just as specific as any other lump-sum appropriation that is made. It is just as specific as that of the Federal Trade Board or the Interstate Commerce Commission. The head of the general accounting office has submitted an estimate in detail as to what he believes the work will be like these other gentlemen have submitted an estimate with reference to what their expense may be.

Mr. WALSH. Will the gentleman yield further?

Mr. WOOD of Indiana. I yield.

Mr. WALSH. Of course, if the amendment of the gentleman from Tennessee [Mr. BYRNS] is adopted and the reclassification measure becomes a law, it would not in any way interfere with the operations of these departments? They could be reclassified, could they not?

Mr. WOOD of Indiana. Yes; so far as the reclassification is concerned, and if it was passed it would be the last expression and the last law of Congress. Suppose that it does not, and the Executive order that is now being worked out, and which we understand will be worked out, is put in force, what position will we be in then?

Mr. BYRNS of Tennessee. Will the gentleman yield for another inquiry?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. The gentleman knows that in practically every case where Congress has made lump-sum appropriations for new activities it has been practically impossible to get away from the lump-sum appropriation. That is true of the activities to which I referred a while ago, like the Interstate Commerce Commission, the Federal Trade Commission, and many others to which I could refer. Now, Congress has always insisted that it should keep its hand upon the salaries paid, and it should have something to say about the accounts that should be paid for various services. Now, why should we put the general accounting office, which is under the Budget law, and which is supposed to be in a position to set an example for the various departments, under a different sort of procedure? Why not hold it down, as we do the others, to the statutory roll?

Mr. WOOD of Indiana. Admitting there is force in it, the same thing should be applied to every institution that has these lump-sum appropriations. I think it would be a very great mistake to single out one of these activities and fix fast the salaries of that particular activity and let the others go. If this thing is to be done with reference to the general accounting office, it ought to be done with reference to the Federal Trade Commission, and we should do it with reference to the Interstate Commerce Commission and all other bureaus receiving lump-sum appropriations.

Mr. CAMPBELL of Kansas. Is there any reason why it should not be done with all these commissions?

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. The only reason why I should suggest it should not be done is the possible interference with the Executive order of the President. Now, it is a completed scheme, has been worked out, and duly considered, and I think and I believe would appeal to the conscience and reason of every man here, if he gave the time to examine it. But we have not the time to consider it. We have not the opportunity. But suppose this thing were done. What position will we be in with reference to that thing?

Mr. CAMPBELL of Kansas. My judgment is that unless you do that you will not reduce the expenses of the Government, and the creation of the Budget will result in great disappointment and failure.

Mr. WOOD of Indiana. I have reason to believe and I know from what information I have that the application of this general order will reduce the general amount of the salaries paid in each one of these institutions where that lump-sum method is now had.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. The gentleman has allowed in his opinion only sufficient to take care of this service in the year 1923. In the gentleman's opinion it will require $2,458,601 for all these purposes, or something like $2,318,000 in salaries for the year 1923.

Mr. WOOD of Indiana. In addition.

Mr. BYRNS of Tennessee. The Comptroller General says that if allowed this $2,318,000, he proposes to employ so many officials in his office and pay them certain salaries, and he sets forth the number of positions and the salaries to be paid. What possible objection can there be to Congress adopting his suggestion as to the number of employees and giving them the exact salaries which he says he proposes to pay them?

Mr. WOOD of Indiana. If we were proceeding upon the assumption that there were to be increases of salaries rather than a reduction, or that all of this money was to be expended, whether it was needed or not, then I would say that the gentleman is exactly right.

My main objection is that if we establish this as a precedent we should go through the whole thing. Otherwise we shall simply add confusion to what now amounts to "confusion worse confounded." But in my opinion there should be a reclassification at the earliest possible moment, and for us to do by piecemeal what this would result in having done would be a great mistake and cause more dissatisfaction than anything else.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. ANDREWS of Nebraska. What kind of talent does the gentleman expect to be employed under four salaries at $6,000 each?

Mr. WOOD of Indiana. The act creating this system provides for certain officers. They are expecting to employ experts, expert lawyers and expert accountants, men who are specialists, for these four positions, and I understand that they have already been filled except one. That is a purely administrative matter that I do not know anything about.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the text. The other was a substitute.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 11, line 17, strike out the words "salaries of officers and employees, traveling expenses," and in line 21 strike out "miscellaneous expenses, $2,468,601."

Mr. BLANTON. Mr. Chairman, I am against all lump-sum appropriations, but with regard to this particular amendment of the gentleman from Tennessee [Mr. BYRNS], whenever you fix specific positions and salary items in an appropriation bill

the chances are they are going to be carried through all the years in the future without any change, whether they are necessary or not. You are going to be called upon to provide for that same number of employees at the same salaries in the future, even though they should be dispensed with, because we shall not be able to get rid of them.

Take, for instance, the items of expense with regard to our Chief Executive. We are still carrying them on every year as they once appeared, whether they are needed or not, and they are expended each year. I called attention to this when my party was in power, so that I can not be accused of partisanship in calling attention to it again. Note the items we are providing for in this bill for the Chief Executive. Besides his salary of $75,000 a year, upon which he pays no income tax, we are giving him 41 employees, at an expense of $80,880. Then we are providing for his contingent expenses, including automobiles, expenses of garage and special services, $36,000, to be expended in his discretion. That is $6,000 more than ordinary. Then for his traveling expenses the usual amount of $25,000 is provided. Then we provide the following:

For ordinary care, repair, and refurnishing of Executive Mansion, to be expended by contract or otherwise, as the President may determine, $50,000.
For fuel for the Executive Mansion and greenhouses, $ 8,000.
For care and maintenance of greenhouses, Executive Mansion, $9,000.
For repair to greenhouses, Executive Mansion, $3,000.
For reconstructing one greenhouse, Executive Mansion, $5,000.
For improvement and maintenance of Executive Mansion grounds (within iron fence), $10,000.
For constructing new iron fence in grounds of Executive Mansion between the mansion and the south lawn area, $4,000.
For lighting the Executive Mansion, grounds, and greenhouses, including all necessary expenses of installation, maintenance, and repair, $8,600.

We have been carrying these particular items with approximately these same particular appropriations every single year in every single one of these appropriation bills. We can not get rid of them. It is this same money that must be expended over and over again year after year.

Now, when Mr. Wilson was in the Executive office I called attention to these same items, and stated that these same imaginary repairs should not be carried on every year. Proper repairs? Yes. I want the Chief Executive of this Nation to live in the style and according to the way that the chief citizen of our land should live, but I say that we are going too far in this lavish expenditure of the public funds.

Mr. Chairman, I would like to have five additional minutes to bring out my point. I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. WALSH. Reserving the right to object, I think if the gentleman is going to get five additional minutes he ought to talk about the amendment he has offered. He has not mentioned it yet.

Mr. BLANTON. I am coming to that now.

I am in favor of discarding lump-sum appropriations and making every item specific ordinarily.

The CHAIRMAN. Is there objection to the request of the gentleman that his time be extended five minutes?

Mr. WALSH. Reserving the right to object, the gentleman's amendment strikes out some of the very specific items which are carried in this paragraph, and unless he is going to discuss his amendment I shall object.

Mr. BLANTON. I am going to discuss my amendment.

Mr. WALSH. Very well; I will not object.

The CHAIRMAN. Is there objection?

Mr. MOORES of Indiana. I object.

Mr. BLANTON. I will get time later.

Mr. MANN. Mr. Chairman, this bill carries a number of lump-sum appropriations. The gentleman from Indiana [Mr. WOOD] thinks that the lump-sum appropriation for the General Accounting Office ought not to be changed unless the others are changed. I do not know why the Committee on Appropriations has never reported particularly instead of generally for the Federal Trade Commission. Personally, I think it would be a very good thing, and probably that is true about the Interstate Commerce Commission; but when we had an appropriation for the Commission of Fine Arts, carrying the enormous sum of $6,000, not $2,468,000, as is carried for the General Accounting Office, the Committee on Appropriations was very specific, and said that there should be only one man employed at $1,800 a year. They could not employ very many men at $100 a year each out of the $6,000. But here is an item of $2,468,000, and my friend from Indiana [Mr. WOOD] thinks there ought to be no limitation on that. We abolished the auditor's offices by the Budget law. The General Accounting Office takes the place of the auditor's offices. The auditor's offices were specifically appropriated for and the number of employees fixed by the appropriation. I submit that it is a step backward and not a step forward when you abolish an office with a statutory roll, or two offices, or six offices with statutory rolls of employees, and then in place of them substitute an office with a lump-sum appropriation over which no one in legislative authority has any control whatever. I do not see why we should not make the appropriations for the offices and have some control over them, because everyone knows that when these lump-sum appropriations apply to the employment of clerks in the departments, invariably they have led and always will lead to gross extravagances.

Mr. TILSON. Is there not a possibility that a number of these employees have duties quite different from what they were under the old organization, and that it may take some time for them to shake down into their places and find out just the right way to put square pegs into square holes?

Mr. MANN. In the main, the accounting is the same now as it was before. There is no substantial difference.

Mr. TILSON. They have changed from six auditors to one big establishment.

Mr. MANN. They have changed from six auditors to four assistants and a lot of higher-priced clerks than they had before to act as chiefs of divisions. I do not say that it is a bad thing. I do not know. I do not believe anybody here knows.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. MANN. I yield to the gentleman from Indiana.

Mr. WOOD of Indiana. The gentleman has called out this suggestion: The general accounting officer tells us that if provision can be made whereby he can combine these various auditors' offices that are now scattered all over the town, in his opinion he can reduce the expense of the office from one-third to one-half.

Mr. MANN. There will be nothing in this to prevent him.

Mr. WOOD of Indiana. There might be something in this to prevent him.

Mr. MANN. Oh, no.

Mr. WOOD of Indiana. For the very reason, as suggested by the gentleman from Connecticut [Mr. TILSON], that this is a new piece of machinery, and while in the main it takes the place of these old auditors, we are hoping that a reformation can come from this new system; and while I am not complaining about the proposition to put these people on the statutory roll, I doubt whether that should be done here until this new piece of machinery can be put into adjustment. I have great faith in the accounting officer, and think that he is trying to save some money. I know that he is, by reason of his advice.

Mr. MANN. I have no doubt of that. I have great faith in him, and he has recommended the specific proposition which is contained in the amendment.

Mr. BLACK. Mr. Chairman, I am in favor of the amendment offered by the gentleman from Tennessee [Mr. BYRNS], for the very reason that the gentleman from Indiana [Mr. WOOD] has just suggested. He says that the Comptroller General may find it possible during the next fiscal year to reduce the number of his employees. If that be true, and we have a statutory roll such as the gentleman from Tennessee [Mr. BYRNS] has suggested, then when he drops an employee we save that much money; but if we have given him a lump-sum appropriation and he starts in with a certain number of employees and finds later that he can drop 25 of them during the year he could increase the salaries of the remaining employees so as to absorb all the savings which would result from a reduction in the force and thus use up all of the lump-sum appropriation. We do not have to go any further than page 175 of the hearings to find a concrete illustration of what I have in mind. In the hearing on the appropriation for the Federal Trade Commission the gentleman from Iowa [Mr. DICKINSON] brought out the fact that for the fiscal year 1921 the Federal Trade Commission had estimated an appropriation of $683,000 to be necessary for the pay of 444 employees. The gentleman from Iowa [Mr. DICKINSON] asked:

How is it that you have estimated $700,000 for 311 employees for the fiscal year 1923?

I do not want to be unfair to the Federal Trade Commission. Mr. Duganne, the gentleman who was giving the testimony, stated that they had not used 444 employees at any particular time, but that they had employed that many during the whole of the year. But it was also brought out that when employees were dropped from the roll increases had been given to the other employees who were retained, and generally this increase absorbed all the savings which had resulted from a reduction in the force. The gentleman from New York [Mr. GRIFFIN] interrogated Mr. Duganne on that particular point, and I will take the opportunity to read the statements that were made:

Mr. GRIFFIN. Is the increase to $700,000 for 311 employees affected in any way by the increase of salaries?
Mr. DUGANNE. That covers the increases that have been made during the year and salaries for the additional attorneys and examiners necessary to handle the increasing work.
Mr. GRIFFIN. Have those increases been shown anywhere in your report?
Mr. DUGANNE. You mean in the promotions that were made during the year?
Mr. GRIFFIN. Yes.
Mr. DUGANNE. No, sir.

The hearing continues:

Mr. GRIFFIN. Could you indicate what promotions have been made to account for this increase?
Mr. DUGANNE. That is based on the current pay roll, plus the estimated new positions.
Mr. GRIFFIN. What increases in salaries have been authorized since 1921?
Mr. GASKILL. You want a statement of all promotions that were made during the fiscal year 1921 and 1922?
Mr. WOOD. We want a statement showing the difference in the salaries paid now and the salaries during the war.
Mr. GASKILL. Yes, sir.
Mr. WASON. And also the new positions created during the war.
Mr. GASKILL. I do not believe there have been any new positions.

Mr. Gaskill then stated he would insert a table showing the increases, but I have looked through the hearings, and I find no table showing any information on this point. If we want to prevent these increases, the way to do it is to put the employees on the statutory roll. I am not charging that the comptroller will take advantage of Congress, but I have consistently favored the statutory roll method of making appropriations and I shall do so in this case.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Tennessee [Mr. BYRNS].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

UNITED STATES HOUSING CORPORATION.

Salaries: For officers, clerks, and other employees in the District of Columbia necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Secretary of Labor, and to collect the amounts advanced to transportation facilities and others, $60,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $5,000 per annum and only one person may be employed at that rate.

Mr. WALSH. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee having the bill in charge how much property has been disposed of, owned by the United States, during the past year as a result of the Housing Corporation's activity.

Mr. WOOD of Indiana. Does the gentleman mean pieces of property or dollars?

Mr. WALSH. How many tracts of land, including houses and property, have been sold?

Mr. WOOD of Indiana. They have submitted a statement to the committee showing that they have sold in amount $19,555,082, and have received payment for that to the amount of $3,505,501, leaving a balance due, the difference of $16,044,000.

Mr. WALSH. Are these figures in the hearings?

Mr. WOOD of Indiana. They are.

Mr. WALSH. In the tabulated list?

Mr. WOOD of Indiana. Yes; on page 266.

Mr. WALSH. Is there some property yet to be disposed of?

Mr. WOOD of Indiana. Yes; and the showing made as to the disposition of property was very encouraging. There are some pieces of property yet unsold in other parts of the country.

Mr. MANN. May I ask the gentleman an innocent question?

Mr. WOOD of Indiana. The gentleman may ask me a question. I will determine whether it is innocent or not.

Mr. MANN. In the last Congress the House passed a House bill abolishing the housing corporation. The Senate did not pass the House bill, but passed a Senate bill to abolish the housing corporation. I heard furious assaults upon the housing corporation here in the House. Does anybody know why the House never acted upon the Senate bill and why the Senate never acted on the House bill?

Mr. WOOD of Indiana. The gentleman's question shows on its face that it is not the character of question that the gentleman was going to submit. He said "an innocent question." [Laughter.]

Mr. MANN. I am certainly innocent.

Mr. WOOD of Indiana. Yes; the submitter may be innocent, but the question is guilty. [Laughter.] I can not answer it.

The Clerk read as follows:

Contingent expenses: For contingent and miscellaneous expenses of the offices at Washington, D. C., including purchase of blank books, maps, stationery, file cases, towels, ice, brooms, soap; freight and express charges; telegraph and telephone service; printing and binding; and all other miscellaneous items and necessary expenses not included in the foregoing, and necessary to collect moneys and loans due the corporation, $11,000.

Mr. BLANTON. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

On page 12, lines 13 and 14, strike out the language "miscellaneous expenses at Washington, D. C."

Mr. BLANTON. Mr. Chairman, under that amendment I desire to finish some remarks I attempted to make on miscellaneous expenses in Washington, D. C. I had called attention to the fact that in this bill we are appropriating for the Chief Executive, among other items, the following:

For fuel for the Executive Mansion and greenhouses, $8,000. For care and maintenance of greenhouses, Executive Mansion, $9,000. For repair to greenhouses, Executive Mansion, $3,000. For reconstructing one greenhouse, Executive Mansion, $5,000. For improvement and maintenance of grounds, $10,000. For lighting the Executive Mansion, grounds, and greenhouses including all necessary expenses of installation, maintenance, and repair, $8,600.

With regard to the Executive's greenhouses I want to call attention to an item that appeared in the New York Times for Thursday, January 19, 1922. It reads as follows:

[Special to the New York Times.]

WHITE HOUSE DEMAND FOR FLOWERS HEAVY—"HARD TO MAKE ALLOWANCE MEET CALLS," COL. SHERRILL TELLS HOUSE COMMITTEE.

WASHINGTON, *January 18, 1922.*

It is difficult even for Mrs. Harding to realize the cost of flowers nowadays, testimony before a congressional committee reveals. In asking for an appropriation of $3,000 for the White House greenhouses, Col. Sherrill of the office of Public Buildings and Grounds and also aid to President Harding, testified before the House Appropriations Committee that he found it hard to make the demands fit the allowance.

"In all these cases we simply give the White House everything that the money provided will afford," he said. "Mrs. Harding, of course, is doing a great deal more entertaining, and we are having a hard time to make ends meet and get enough flowers, because a lady does not appreciate how much money is involved. They see the White House decorated, and so on, and they just call for flowers, and so on, and we must provide them.

"The position is such that I am criticized if I do not provide all of the flowers and decorations called for. It does not make any difference whether I have the money or not. I have got to get the flowers, that is all. So sometimes we have had to send 15 or 20 miles out in the country and get decorations from places like Camp Humphreys to take the place of flowers—leaves and branches of trees, and so on."

Col. Sherrill also said that at a recent dinner for the arms conference delegates the flowers at the White House cost $300 or $400, but if they had been bought on the open market they would have cost $1,500, according to the head gardener at the Executive Mansion.

The value of the bulbs and plants cut during the year is $42,000, said Col. Sherrill.

I merely mention these items, Mr. Chairman and gentlemen, for this reason: If there is to be economy—that economy which President Harding seeks and which this Budget Committee and Gen. Dawes seek—every officer of this Government from the Chief Executive down must practice it and Congress must practice it. We are spending too much money on greenhouses and flowers. I want to see the White House properly decorated, I want to see plenty of flowers at important receptions, but study the items in this bill. All of the sums necessary to provide for additional repair and for this, that, and the other with respect to greenhouses. Every year we are providing for them. Of course, we must make repairs. Father Time insists on repairs being made, but should we incorporate the same items in the bill every single year when estimates are sent in to the Appropriations Committee whether they are necessary or not? I am afraid our Appropriations Committee does not study the items that are provided for the Chief Executive. We do not mention the *Mayflower*, which the people of this country imagine is a little yacht, when as a matter of fact it is a luxurious seagoing vessel. We do not mention the fact that we provide for nearly 200 men to man that vessel and that we keep them on the yearly pay roll so that the vessel may be run for the pleasure of our President and certain Representatives and Senators who enjoy the privilege of it once in a while. We have also to pay for the manning of a destroyer down there merely to dock the *Mayflower* whenever she comes in. These are items we ought to study carefully in making up these appropriations.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GREEN of Iowa. Mr. Chairman, I just want to remind the gentleman from Texas that, unlike conditions under the

previous administration, the gates of the White House premises are now open and the public roam unrestricted through those grounds. These flowers are not solely for the President. They are for the people of the United States. The people of the United States use them also for the entertainment of these foreign guests, and the people of my district, I know, would not grudge the money, when such an important conference is present in Washington as the arms conference, to see to it that the dinner provided for members of that conference at the White House was properly decorated, so far as flowers are concerned.

Mr. BLANTON. They are for the public; but I notice the gallery to-day was filled most of the time with colored people. How many of them have ever gotten the benefit of the White House flowers?

Mr. GREEN of Iowa. Oh, they went through there New Year's Day.

Mr. BLANTON. Yes; but probably through the back gate.

Mr. GREEN of Iowa. Oh, no; they did not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

Collections: For the collection of money due from the sale of real and other property under the provision of the act approved July 19, 1919, the collection of rentals from unsold properties, including necessary office and travel expenses outside of the District of Columbia, $33,700.

Mr. STEVENSON. Mr. Chairman, I move to strike out the last word to get some information about this item. I notice in the first item, under "United States Housing Corporation," on page 12 of the bill, provision is made for certain clerks and other employees in the District of Columbia to collect and account for receipts from the sale of property and receipts from the operation of unsold properties of the United States Housing Corporation, and that the amount of $60,000 is appropriated therefor. Under the item just read, on the same page lower down, under the subheading "Collections," provision is made for the collection of money from the sale of real and other property under the provisions of the act approved July 19, 1919, the collection of rental from unsold property, and so forth, and $33,700 are appropriated. This looks like a duplication. What is the difference?

Mr. WOOD of Indiana. There is no duplication. One item refers to the work that is performed within the District of Columbia and the other to that performed outside of the District of Columbia. There are a great many properties scattered all over the country, from coast to coast almost, outside of the District of Columbia, which need attention, and the last item is for the purpose of looking after that unfinished business.

Mr. STEVENSON. I could not make out that either one of them is restricted to the District of Columbia. The first item does not so state, does it?

Mr. WOOD of Indiana. Yes; it does.

Mr. STEVENSON. And outside of the District of Columbia seems to be for necessary traveling expenses.

Mr. WOOD of Indiana. Yes.

Mr. STEVENSON. It does not say that the properties are outside of the District.

Mr. WOOD of Indiana. It is for the purpose of looking after the properties outside of the District of Columbia.

Mr. STEVENSON. And the gentleman asserts that it is not a duplication?

Mr. WOOD of Indiana. No; it is not.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

Washington, D. C., Government hotel for Government workers: For maintenance, operation, and management of the hotel and restaurants therein, including replacement of equipment, personal services, and printing, $925,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $5,000 per annum, and only one person may be employed at that rate.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I was not present when the gentleman referred to this matter during general debate. What is the status with reference to these Government hotels? Are they self-supporting at the present time?

Mr. WOOD of Indiana. Yes; they are self-supporting. The amount of the appropriation asked for the maintenance of these hotels this year is $925,000, against an appropriation of $949,000 last year. The receipts from the institution last year amounted to $1,013,000.

Mr. WALSH. Is it expected that these properties will be maintained and operated as long as they can show they are self-supporting?

Mr. WOOD of Indiana. I do not know that they will be operated as long as they can show that they are self-supporting; but, in the opinion of the committee, we thought they ought to be conducted at least until such time as ample provision is made to care for those occupying them now some place else in the city.

Mr. WALSH. Why should a thousand or two thousand clerks in the city have the advantage of the low rates which these hotels charge just because they happen to have been accepted there as tenants and boarders while the vast majority of Government clerks have to seek quarters, rooms, and accommodations elsewhere in the city at much higher rates?

Mr. WOOD of Indiana. There seems to be some little hardship in that, but the best answer to it is that if it were not for these buildings the clerks who are now housed in private buildings would be subjected to the profiteer more than they are subjected now, and this reservoir that takes care of 1,800 of these girls, if empty, and the girls were thrown out into the city, would mean that the girls would have to find other places and would be subject to incredible hardships, as they were subjected to prior to the time when the Government buildings were erected.

Mr. WALSH. Is there some particular class living in the city of Washington that is not subjected to the profiteer at the present time, outside of these Government clerks?

Mr. WOOD of Indiana. I do not know that I have ever heard of any particular class of that character, but I guess all are pinched when the chance is offered to pinch them, but these people would be pinched a great deal more if it were not for the fact that we are providing, temporarily at least, for these extra clerks now housed in these buildings. There are 1,800 of these girls.

Mr. WALSH. They occupy all of these buildings now?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Are they running to capacity?

Mr. WOOD of Indiana. Yes; and there is a long waiting list.

Mr. WALSH. Of course, the total number of clerks and employees in the District has been very greatly reduced since 1919?

Mr. WOOD of Indiana. Yes; it has been considerably reduced. There were 117,000 here during the war; there are now about 75,000, in round numbers, but there still seems to be a very great demand for accommodation for clerks.

Here is the situation that prevailed here during the war. Rooms that owners were glad to rent to clerks for $15 a month were suddenly raised to $60 a month, or they would provide for four clerks at $15 a month each. The housing condition in this city was most deplorable, and it was exposed here time and time again; and in my opinion and, I think, in the opinion of the committee, we thought that until some sort of an arrangement is made whereby these girls may be protected from profiteers of this kind there is some reason why these buildings should be operated, so long as they are operated without any expense to the Government.

Mr. WALSH. And the gentleman thinks the operation of these buildings has a sort of a beneficial effect upon those who are operating rooming houses and boarding places?

Mr. WOOD of Indiana. Yes; I do. I believe that if it were announced to-morrow that these buildings were to be closed up and these 1,800 girls turned loose to find other places, the profiteers would be increasing their rents and turning those out of rooms who are now in them, in order that they might get a better-paying class of roomers.

Mr. CAMPBELL of Kansas. If that is true, why the law against profiteering? If it is necessary to keep up a Government hotel in order to protect from profiteering in rent, let us repeal the rent law.

Mr. WOOD of Indiana. The trouble is that the Ball rent law would not apply to the necessity that would be occasioned by the abolishment of these hotel houses.

Mr. KREIDER. Mr. Chairman, I move to strike out the last two words for the purpose of asking one question. I notice the bill here says, "For maintenance and operation and management of the hotel and restaurant therein," etc., $925,000. Does the Government run the restaurant and serve meals?

Mr. WOOD of Indiana. It does in a way; yes.

Mr. KREIDER. And is the cost of those meals included in the expenditure of $925,000?

Mr. WOOD of Indiana. All of the expenses included in this item, and I will state to the gentleman that all of the receipts are covered into the Treasury.

Mr. KREIDER. This is a question I wanted to ask. The total receipts, I think you stated, are a little more than $1,000,000?

Mr. WOOD of Indiana. That is covered into the Treasury and used next year.

Mr. KREIDER. Including food?

Mr. WOOD of Indiana. Yes.

Mr. BLACK. Will the gentleman yield until I can give him some of the figures in reference to this? For the two fiscal years preceding this one I see that the total receipts that were covered into the Treasury from these hotels was $2,024,710.94, and the total expenses of their operation were $1,964,175.37, leaving a surplus for those two fiscal years of $60,535.57. That shows that there is no loss in the operation of these hotels, but, rather, a small surplus in the Treasury.

Mr. KREIDER. The loss will come when it comes to disposing of the property.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph for the purpose of asking a question.

Does the chairman of the committee know anything about this Government hotel doing a regular outside hotel business?

Mr. WOOD of Indiana. No; the chairman does not know that. He knows, to the contrary, that they are not doing it.

Mr. BLANTON. I want to state to the chairman that I can cite him to two or three parties who are in the hotel business who have come to me and represented the fact—of course, I do not know whether their representations are true or not—that this Government hotel has runners go down to the station and solicit people to come over and stay all night, and that they rent rooms to them at 75 cents a night. They seem to be reputable citizens of the District of Columbia who have been to my office and made that complaint.

Mr. WOOD of Indiana. I must state to the gentleman that those reports came to the committee and that we made a special examination into the truth or falsity of them, and found that they are absolutely untrue. We also heard that some of the employees there were boarding their families at the expense of the Government. We inquired into that and we found that was not true.

Mr. BLANTON. I want to give the gentleman a concrete case, of a good woman from my own State, who lives at El Paso and who came here to Washington to see about her son, who had been in the service, and who later on was an applicant for a Government position. During the summer months of this last summer, when a certain young lady employed by the Government had gone home on leave, this lady took that young lady's room and occupied it, and paid the money herself to the person who was running the Government hotel for the rent of the room and for her meals, the same as the Government employee had been doing. I know that to be true, because the lady told me about it.

Mr. WOOD of Indiana. I do not think there is any doubt but that is correct. I understand that there is a practice there, that where a woman is occupying a room and goes away on leave, for sickness or other reasons, the expense goes on against her and she has a right to get somebody to occupy that place during the interim, otherwise she would lose her room. That is what occurred in your case.

Mr. BLANTON. Mr. Chairman, I withdraw the pro forma amendment.

Mr. MILLS. Mr. Chairman, I ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed out of order for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MILLS. Mr. Chairman and gentlemen of the committee, there appears in the CONGRESSIONAL RECORD of January 12, 1922, the extension of remarks of the Hon. LESTER D. VOLK, my colleague from New York. In the speech which I have referred to the distinguished gentlemen, who is a doctor by profession, undertakes to make a severe personal attack on the honesty of purpose and the integrity of the following gentlemen: Dr. Royal S. Copeland, health commissioner of the city of New York; Drs. E. Eliot Harris, S. Dana Hubbard, and Alfred C. Prentice, and Mr. Alfred C. Greenfield, a member of the bar.

I gather from the remarks of this gentleman that in his professional capacity—and he is a doctor by profession—and not as a Member of Congress he disagrees with the views held by these gentlemen as to the solution of the drug-addiction evil, and that he is opposed to the Harrison law as interpreted and administered by the Internal Revenue Department. But I do not purpose at this time to become involved in any technical discussion as to the merits of the respective theories. I do, however, take serious exception to the following statements which have nothing whatsoever to do with the merits of the controversy but seek by innuendo to attack the motives, the integrity, and the honor of honorable men of high standing in the community, and who have rendered genuine public service. My colleague from New York states:

> Reliable records, reports, scientific information, and experience have been swept aside by these men and in their place has been set up a campaign of publicity intended in the end to benefit this small coterie who seek to control the avenues of narcotic treatment throughout the country.
>
> Apparently it takes but a twist of the wrist of the Revenue Department at the bidding of ignorant and egotistic, self-centered, and perhaps criminally involved professional men and administrators to put in force in these United States a set of regulations, drastic in their inception, unethical in their administration, and calamitous in their effect.
>
> From this point on in the discussion of addiction as a disease or as a habit I proceed with extreme care, because I realize that there stands against me a ring of self-seeking sanitarium aggrandizers, physicians, and administrators whose misrepresentations of addiction subjects has brought sorrow and shame, suffering, and mortality upon a great section of our American public.

The only possible conclusion to be drawn from these statements is that these men, in advocating what they believe to be the proper solution of the drug-addiction evil, are actuated by a desire for personal profit, either through their personal connection with sanitariums or sanitarium cures.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I have only five minutes, and I desire to make this statement.

On behalf of these gentlemen, I desire to deny categorically that any one of these men has any interest in any sanitarium, has benefited or could possibly benefit personally in any way through measures taken by the New York City department of health and by the Bureau of Internal Revenue.

I desire, furthermore, to call the House's attention to an article which appeared in the Brooklyn Daily Eagle of January 18, 1922, in which the gentleman from New York admitted that he could not prove any connection between the gentlemen mentioned and sanitarium owners. I challenge the gentleman to produce proof to sustain the charges which he has publicly made, or, if he has not such proof, to withdraw those charges. The fact that the Constitution provides that no Member may be questioned in any other place for a speech made on the floor of this House places on him a great responsibility. Surely it was never intended that that privilege should authorize a Member of Congress to blacken the character and impugn the integrity and honor of his fellow citizens without proof of any kind to sustain the charges, while denying to his victims adequate opportunity of refuting them. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

> In all, $1,050,000: *Provided*, That no part of the appropriations heretofore made and available for expenditure by the United States Housing Corporation shall be expended for the purposes for which appropriations are made herein.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GREEN of Iowa. I do so for the purpose of asking the chairman of the committee in charge of the bill a question in reference to the item on the preceding page, on line 7 of page 13, Nine hundred and twenty-five thousand dollars is to be appropriated there. Do we get back any portion of that amount?

Mr. WOOD of Indiana. Yes. I stated a while ago that against the appropriation $900,000 last year we got something over $1,000,000 back.

Mr. GREEN of Iowa. Does this cover all the overhead?

Mr. WOOD of Indiana. Yes; all that there is to cover.

Mr. GREEN of Iowa. No charges, of course, are made for interest or depreciation?

Mr WOOD of Indiana. No; no charge is made for depreciation. This is for the actual expense in the conduct of the institution.

The CHAIRMAN. The gentleman withdraws the pro forma amendment. The Clerk will read.

The Clerk read as follows:

> For all other authorized expenditures necessary in the execution of laws to regulate commerce, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, $2,150,000, of which sum there may be expended not exceeding $50,000 in the employment of counsel; not exceeding $3,000 for necessary books, reports, and periodicals; not exceeding $100 in the open market for the purchase of office furniture similar in class or kind to that listed in the general supply schedule; and not exceeding $75,000 for rent of buildings in the District of Columbia: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission: *Provided further*, That the Interstate Commerce Commission may employ by contract or otherwise expert stenographic reporters for its official reporting work: *And provided further*, That the commission shall sell, at a rate per page equivalent to the cost of making them, copies of transcripts of its proceedings.

Mr. BANKHEAD. Mr. Chairman, I reserve a point of order against the second proviso of the section. I do so for the purpose of securing information from the chairman of the committee. Is this provision authorized by any existing law?

Mr. WOOD of Indiana. No; it is not authorized by existing law, and it would be subject to a point of order. But I believe that when I have explained it to the committee it will not be interposed.

Under the present arrangement they let their stenographic work out by contract. They have not been realizing enough from the returns to cover the expense. They are of opinion, after investigation, that if this is done they would save to the Government about $90,000 a year, according to the estimate of these gentlemen.

Mr. BANKHEAD. How much is the Government at the present time paying for the service of these reporters?

Mr. WOOD of Indiana. It is costing between $80,000 and $85,000 a year.

Mr. BANKHEAD. Is it the gentleman's opinion, after a careful investigation of the evidence submitted, that this proviso, if enacted, would result in real economy to the Government?

Mr. WOOD of Indiana. We are of that opinion, or we would not have recommended it. We have done it after the fullest hearing and the examples given by the gentlemen who have been observing this thing, and they tell us that if the legislation is had it will result in the saving of this entire amount, which they think next year will amount to $90,000.

Mr. BANKHEAD. Well, with that explanation, Mr. Chairman, I withdraw my reservation.

The CHAIRMAN. The reservation of the point of order is withdrawn. The Clerk will read.

The Clerk read as follows:

Valuation of property of carriers: To enable the Interstate Commerce Commission to carry out the objects of the act entitled "An act to amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, and all acts amendatory thereof," by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities, approved March 1, 1913, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and including not exceeding $20,000 for rent of buildings in the District of Columbia, $1,300,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I should like to make an inquiry as to the status of this valuation work. I have asked the question every year heretofore and have always been told that it is just about to be brought to a close within a short time. Is it still in that situation?

Mr. WOOD of Indiana. Yes; it is still in that situation; and perhaps a little nearer to the close than it was last year.

Mr. WALSH. That is the stock answer.

Mr. WOOD of Indiana. The field work has been completed. They are now tabulating and reducing to form all of the results of the field work, which brings the entire activity to the city of Washington; and we are told that within the coming year, if my memory serves me right, they expect to have this general valuation work completed, so that hereafter the only appropriation necessary for a continuation of this work will be in order to keep it current. If that is correct, this appropriation will be very materially reduced the next time.

Mr. WALSH. Will the gentleman state what he means by "keeping it current"?

Mr. WOOD of Indiana. Under the legislation passed here recently the Interstate Commerce Commission is required, in fixing rates, and so forth, to base it upon the valuation of these roads. In order that they may do that in a given case either 5 or 10 years from now, they must have the valuation at that particular time, and in order that they may have the constant, present valuation of these roads, if it is to be kept up, it will require a force of men for that specific purpose.

Mr. WALSH. For field work?

Mr. WOOD of Indiana. Some field work, but not so much of that. But it will be just like a finished house. There will have to be certain repairs to bring it down to date. If an addition is made to a railroad, that will enter into its then present valuation; or if no addition is made, the depreciation with reference to that particular time will have to be inquired into in this branch of the Interstate Commerce Commission's work.

Mr. WALSH. Can the gentleman state without much research or delay how much we will have expended upon this work if this appropriation of $1,300,000 is allowed?

Mr. WOOD of Indiana. In round numbers it will amount to $25,000,000.

Mr. WALSH. Of what value is this information at the present time?

Mr. WOOD of Indiana. That is speculative. If I were expressing my personal opinion I should say that we had wasted more than half of this amount of money in a valuation that was made at a time when true valuations could not be had; but we do not gain much by talking about the water that has gone over the wheel. We are more interested now in saving the water behind the wheel.

Mr. WALSH. I see. Of course, this valuation work was begun six or seven years ago, as I recall it.

Mr. WOOD of Indiana. Longer ago than that.

Mr. WALSH. And it was continued rigift through the war. Now, as a result of the use which was made of these railroad properties during the war, when they were overburdened necessarily, their equipment, as a result of our participation in the war, has become depreciated, and the roads well-nigh ruined. We have a lot of information as to the valuation, based upon their condition previous to that. What particular use can be made of this work that has been done both in the field and here in Washington?

Mr. WOOD of Indiana. This work was begun in 1913. The original appropriation was $100,000, and I think a two-years' limitation of time was put upon it. It has been extended from time to time, until it has dragged its weary length along to this time. Never before have they been able to report that they have completed the field work. I say I think there has been a waste of more than half of this $25,000,000, and that all of the work that was done during the war, when inflation was so great, was an utter waste. But it is now nearly completed, and they claim they have sifted or squeezed out all of the inflation and false values, until now they think they have a practical valuation of the railroad systems of the country. If they have that it is a good thing.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WALSH. I ask for three minutes additional time.

The CHAIRMAN. The gentleman from Massachusetts asks that his time be extended three minutes. Is there objection?

There was no objection.

Mr. WALSH. How much was the recommendation of the Budget bill for this activity?

Mr. WOOD of Indiana. The recommendation of the Budget was $1,500,000, and we thought that they might get along with a little less, so we appropriated $1,300,000.

Mr. WALSH. And saved $200,000 as a sort of nest egg for another million-dollar appropriation next year?

Mr. WOOD of Indiana. We did not save it for a nest egg for next year. We saved it in the hope that it would be of lasting benefit to the country, and that if these gentlemen were pinched a little they could get along with a little less money.

Mr. WALSH. Have they reduced the number of employees?

Mr. WOOD of Indiana. Very materially.

Mr. WALSH. And now they will increase the clerical force to tabulate this information?

Mr. WOOD of Indiana. They are not increasing the clerical force. The fact is they have reduced their clerical force, and they think it is necessary to have this additional amount of money for the purpose of closing out this field work in the District offices.

Mr. WALSH. Does the gentleman believe that the work of the Interstate Commerce Commission would be at all interrupted or interfered with if this $1,300,000 was stricken from the bill?

Mr. WOOD of Indiana. Well, I think it would be. We are now in the midst of a revolution of rate fixing that must be based upon the valuation and upon the earning capacity, and unless they have the valuation and earning capacity they are at a loss to know how to fix the rates.

Mr. WALSH. They could not take this much into consideration, in view of the present wages being paid to railroad employees. When they come to the question of revising the rates, they do not get very much further than the wages that have been paid, and these gentlemen do not make much inquiry into the valuation of the property.

Mr. WOOD of Indiana. I will give you a sentence from the hearings by Mr. Artaud, the gentleman who has charge of this business, with reference to the purpose:

I am firmly convinced that this valuation will throw more true light upon and do more to restore the financial stability of the railroads than anything I know, and I think that the public will have a much clearer conception of the railroad problem, and expenditures will be more clearly explained and scrutinized than has heretofore been possible. Congress will have available all necessary facts on which to base further legislation.

That is the estimate of value of this service by the man who is in charge of it. We have trusted him in the discharge of this duty and we must rely, to some degree at least, on his judgment.

Mr. WALSH. He has only come in recently, has he?

Mr. WOOD of Indiana. I do not know.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word in order to ask the chairman a question. What was the appropriation for the fiscal year just passed?

Mr. WOOD of Indiana. For this item, $1,750,000.

Mr. BANKHEAD. I understood the gentleman to say that the field work has been practically completed?

Mr. WOOD of Indiana. That is correct.

Mr. BANKHEAD. The remainder of the work to be done under the original authorization of this service consists of a recapitulation or summary and the drawing of conclusions of the work that the field agents have been gathering as to the physical property.

Mr. WOOD of Indiana. That is the opinion of the committee.

Mr. BANKHEAD. I want to express the hope that these facts will be of real value to the people of this country. I regard this question of excessive freight rates now charged by railroads as the most depressing influence, the most paramount influence paralyzing the business of this country. [Applause.] I was not here when this measure was passed, but I understand the purpose was to get the real basis of facts, the value of the assets of the railroads, so that the roads, instead of paying dividends upon fictitious or watered values, might be appraised at the legitimate rate of earnings, based on the real value of the property, and I hope now that this survey has been completed the Interstate Commerce Commission will make it the basis of a substantial relief to the shippers and consumers as to the freight rates which now paralyze the business of the Nation. [Applause.]

Mr. BRIGGS. Mr. Chairman, I move to strike out the last two words. I want to ask the chairman a few questions in relation to the present status of this valuation. How soon is it expected that the Interstate Commerce Commission will complete it? The gentleman says they are working now on tabulations.

Mr. WOOD of Indiana. It is the estimate of the gentleman having charge of this particular work that it will be completed in 1924 or within a year after the expiration of this bill. He said:

In 1924 the initial valuation will be absolutely finished.

Mr. BRIGGS. Is it the purpose of the Interstate Commerce Commission to continue the fixing of rates based on the present tentative valuation of the service under the system now employed, without regard to this special completed investigation, until the actual value of all the roads has been found and tabulated? Are they going to fix the rail rates upon the basis of the actual valuation in those cases where the work has been completed, and leave the rates in other cases based upon the tentative valuations now used?

Mr. WOOD of Indiana. They expect to use the information they have in fixing the rates on all sorts of earning capacity and all sorts of overhead and if this is of any avail in fixing the rates to take into consideration the value fixed by this valuation board.

Mr. GREEN of Iowa. If the gentleman will yield, I may add that they are using such information as they have already obtained, according to the information I have received in talking with members of the commission. Some time ago the valuation of one large system, the Chicago, Rock Island & Pacific, was completed, and I think there are some others now. I know at that time there was only one large system and some small systems completed. They make use of that in a comparative way as well as of the roads for which the valuation has been furnished. They seem to think it gives them some help.

Mr. BRIGGS. I would like to ask how does the value differ with respect to these investigations that have been completed and the tentative value—whether or not the tentative value is greater or less than the actual value?

Mr. WOOD of Indiana. I do not know.

Mr. BRIGGS. I have heard that the system employed by the Interstate Commerce Commission in fixing the valuation upon which to make a basis for rates in certain territory is by sections or zones of the country, rather than with respect to individual States—that is, the commission has divided the country into large sections or zones, instead of State areas, and then determines what it conceives to be a fair and reasonable rate for all territory in each of such zones or group areas, embracing often a number of States, and establishing the same level of rates with respect to intrastate traffic, irrespective of the fact that such a practice or system often results in the gravest injustice by making shippers using the railroads within some States for intrastate traffic pay a higher charge than is justified by the cost of construction, maintenance, replacement, or operation of a railroad within such States.

Mr. WOOD of Indiana. I do not think that is true.

Mr. BRIGGS. I have heard it charged that the result of that is to increase very much the rail rates by reason of the fact that the expense of building and maintaining roads is very much greater in certain territory than in others, and by averaging such costs and expenses it raises the average cost of maintenance, as well as of construction and operation, and therefore saddles a higher level of rates upon the users of railroads in some of the States of this country than would otherwise obtain.

Mr. WOOD of Indiana. If they were fixing an equitable rate, they would have to take into consideration the cost of construction. It costs more to build a road on a mountain than it does on a prairie, consequently the rates are higher on the western roads than in the Central West.

Mr. BRIGGS. My inquiry particularly relates to the employment of a rate system, with reference to States, which does not take into consideration the distinction just made by the gentleman from Indiana. It can not be fair to include in the intrastate rates in a State of great rolling prairies, the higher costs of building, operating, and maintaining in a mountain State, with which the other State is grouped for rate making. The Interstate Commerce Commission under the transportation act is approving and authorizing rates intrastate and controlling those as well as interstate rates. They are basing rates with reference to intrastate rates—that is, rates on traffic wholly within a State—largely upon the zone system; that is, the commission is alleged to be fixing rates on intrastate traffic not based upon the cost of construction or operation or maintenance of railroads wholly within the State.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BRIGGS. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BRIGGS. But, based upon the cost of construction, maintenance, and operation of one or several of them in the zone area, which generally embraces other States, where the cost of construction may be higher, therefore fixing on some individual State higher intrastate rates than would otherwise legitimately obtain.

Mr. WOOD of Indiana. The gentleman is mistaken with regard to fixing it with reference to State and zones, except as those zones may be practical in fixing rates. There is no discrimination as between States, one as against another. They are trying as best they can equitably to fix these rates with reference to all these things that must enter into the cost of construction, present value, cost of maintenance, which would enter into a fair and equitable determination of that proposition.

Mr. BRIGGS. The gentleman will understand that I am not charging that the Interstate Commerce Commission is guilty of willfully making any such discrimination. I am asking for information, because the information has come to me that that is really the effect of the action of the Interstate Commerce Commission, and it increases the rail rates within the States higher than they otherwise legitimately would be and very much higher than would be sanctioned by the State railroad or public service commissions within such States.

Mr. WOOD of Indiana. I think that is just like other samples of misinformation that come from those who desire to criticize.

Mr. BRIGGS. Did the chairman of the subcommittee hold any hearings on that phase of the question?

Mr. WOOD of Indiana. In a general way. Whatever we have are in the hearings. We did inquire into the basis of this examination and manner of fixing rates.

Mr. BRIGGS. Do the hearings show anything with reference to the zoning question?

Mr. WOOD of Indiana. There is nothing with reference to the zoning question. That is an entirely new proposition to me.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BRIGGS. Yes.

Mr. GREEN of Iowa. I think the misunderstanding to which the gentleman refers arises out of the fact that the making of rates is extremely complex. Ordinarily no rate can be made without affecting rates elsewhere, and in making rates the Interstate Commerce Commission is always obliged to take into consideration not only the road for which it is making the rate but also other rates. Some roads could operate and make

a profit under certain rates, under which certain other roads in competition would show a deficit.

Mr. BRIGGS. I understand that. The point I am making is not with reference to interstate rates but intrastate rates.

Mr. GREEN of Iowa. That has to be taken into consideration also.

The Clerk read as follows:

For printing and binding, $150,000, including not to exceed $10,000 to print and furnish to the States at cost report-form blanks; and including not to exceed $1,500 for printing orders of the Interstate Commerce Commission, other than that done at the Government Printing Office.

Mr. STEVENSON. Mr. Chairman, I move to amend by striking out after the semicolon in line 3, page 17, all of the language included in lines 3, 4, and 5.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 17, line 3, after the semicolon, strike out all the remainder of the paragraph.

Mr. STEVENSON. Mr. Chairman, this is a small item. I do not see the majority members of the Joint Committee on Printing here. This is one of the ways the departments have of attempting to run around the Joint Committee on Printing, to which they must come when they want to have printing done outside of the Government Printing Office.

Mr. WOOD of Indiana. We inquired into that. They are given this in the discharge of the duties of this office when it is very essential that their orders be printed. We modified the language submitted by the Budget, confining this entirely to orders. It might be necessary to issue an order over night, and it would be not only inconvenient, but almost impossible to have the order printed under the rules of the Printing Committee. It was limited to these emergency cases. If the gentleman will read the hearings, I think he will agree with us that this latitude should be given to them.

Mr. STEVENSON. I understand it is confined to orders, and, as I stated, it is a very small matter. I wanted to direct attention to it, because they can always, when they can show an emergency, get an authorization from the chairman of the Joint Committee on Printing. That is always backed up by the committee. That authorization will permit them to have something printed that is absolutely necessary outside of the Government Printing Office. That is frequently abused. Within the last two weeks they got out a hurry call from the Shipping Board that they wanted authority to have $50,000 worth of printing done outside of the Government Printing Office. I was not well at the time and was not able to be here. I was phoned to know if I would agree to it. I declined to agree to it, but I am inclined to think they got that order for the $50,000 worth of printing.

I am inclined to think that they were using that $50,000 worth of printing when they printed the advertisement which the gentleman from Florida [Mr. SEARS] read here the other day about the people going to Europe and elsewhere. And, so far as I am concerned, I propose to direct attention to these short cuts that they take to run away from the regulation of the Printing Committee.

So far as this matter in question is concerned here, I think it is reasonable. Sometimes they have to have an order over night, and can not wait. But I think, generally, this printing business is very much abused.

Now, Mr. Chairman, I withdraw the amendment if I may do so.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9981 and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. REAVIS (at the request of Mr. ANDREWS of Nebraska) was granted leave of absence indefinitely, on account of illness in his family.

DISTRICT OF COLUMBIA APPROPRIATION BILL (REPT. NO. 598).

Mr. DAVIS of Minnesota, from the Committee on Appropriations, reported the bill (H. R. 10101) making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1923, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. SISSON. Mr. Speaker, I reserve all points of order.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, I would like to ask the gentleman from Indiana if he can inform the House what the program for to-morrow will be?

Mr. WOOD of Indiana. I am informed that if the calendar for Wednesday is set aside we will go forward with the anti-lynching bill to-morrow.

Mr. GARRETT of Tennessee. That is definitely determined?

Mr. WOOD of Indiana. Yes.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 15 minutes p. m.) the House adjourned until Wednesday, January 25, 1922, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FIELDS: Committee on Military Affairs. S. 2492. An act to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1922, and for other purposes," approved June 30, 1921; with an amendment (Rept. No. 597). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. COLE of Iowa: Committee on Claims. H. R. 1941. A bill to provide for the refund of entrance and clearance fees erroneously collected by the customs authorities from the Peninsular & Occidental Steamship Co.; without amendment (Rept. No. 593). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims: H. R. 9048. A bill to authorize the California Débris Commission to reimburse the city of Sacramento, Calif., for money expended by said city in the construction of the Sacramento weir; with an amendment (Rept. No. 594). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Claims. H. R. 1009. A bill for the relief of H. C. Mullins, his wife, and minor children; with an amendment (Rept. No. 595). Referred to the Committee of the Whole House.

Mr. CRAGO: Committee on Military Affairs. S. 667. An act for the relief of John B. H. Waring; without amendment (Rept. No. 596). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CHANDLER of Oklahoma: A bill (H. R. 10096) to confer jurisdiction upon Federal courts in the eastern district of Oklahoma to hear and determine suits and actions involving the validity of certain deeds executed by members of the Five Civilized Tribes of Indians, providing for the removal of such causes from the State courts of Oklahoma to the Federal courts, and the procedure therein, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 10097) to validate certain deeds executed by members of the Five Civilized Tribes, and for other purposes; to the Committee on Indian Affairs.

By Mr. GLYNN: A bill (H. R. 10098) to provide for the purchase of a site and the erection of a public building thereon in the village of Winsted, in the town of Winchester, State of Connecticut; to the Committee on Public Buildings and Grounds.

By Mr. MONTAGUE: A bill (H. R. 10099) for the purchase of a site and the erection of a public building at Williamsburg, Commonwealth of Virginia; to the Committee on Public Buildings and Grounds.

By Mr. MOORE of Virginia: A bill (H. R. 10100) to provide an increased water supply for the District of Columbia; to the Committee on the District of Columbia.

By Mr. DAVIS of Minnesota: A bill (H. R. 10101) making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1923, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. DENISON: A bill (H. R. 10102) to prevent the use of the United States mails and other agencies of interstate commerce for transporting and for promoting or procuring the sale of securities contrary to the laws of the States, and for other purposes, and providing penalties for the violation thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. OVERSTREET: Resolution (H. Res. 271) authorizing the Committee on Agriculture to make a thorough investigation of the Crop Reporting Bureau of the Department of Agriculture; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of Iowa: A bill (H. R. 10103) granting a pension to William D. Scott; to the Committee on Pensions.

By Mr. CRAGO: A bill (H. R. 10104) for the relief of J. B. Orndoff; to the Committee on Claims.

By Mr. GENSMAN: A bill (H. R. 10105) granting an increase of pension to General B. Cherry; to the Committee on Pensions.

By Mr. HARDY of Colorado: A bill (H. R. 10106) granting a pension to Francis F. Kavanaugh; to the Committee on Pensions.

By Mr. HAUGEN: A bill (H. R. 10107) providing for the retirement of Alice E. Cannon; to the Committee on Reform in the Civil Service.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10108) for the relief of the Methodist Episcopal Church South; to the Committee on War Claims.

By Mr. KETCHAM: A bill (H. R. 10109) granting a pension to Maria E. Huff; to the Committee on Invalid Pensions.

By Mr. LUHRING: A bill (H. R. 10110) granting a pension to John S. Nixon; to the Committee on Invalid Pensions.

By Mr. MICHAELSON: A bill (H. R. 10111) for the relief of Brown & Maimon; to the Committee on Claims.

By Mr. MOORE of Illinois: A bill (H. R. 10112) granting an increase of pension to Frank G. Himes; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 10113) granting a pension to Sarah Ann Rickels; to the Committee on Invalid Pensions.

By Mr. SHAW: A bill (H. R. 10114) granting a pension to Sarah Jane McCormick; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3637. By the SPEAKER (by request): Resolutions of the First Italian Baptist Church, of St. Louis, Mo., indorsing the proposed amendment to prohibit sectarian appropriations (H. J. Res. 159); to the Committee on the Judiciary.

3638. By Mr. BEEDY: Resolutions adopted by Ensign Worth Bagley Post, Veterans of Foreign Wars, urging the passage of House bill 4, providing relief for widows, orphans, and nurses of the Spanish-American War; to the Committee on Pensions.

3639. By Mr. CURRY: Petition of the Retail Grocers' Association, of Stockton, Calif., against the statement of Attorney General Daugherty in reference to profits made by retail grocers; to the Committee on Interstate and Foreign Commerce.

3640. By Mr. DYER: Letters and telegrams from various residents of St. Louis, Mo., urging support for the Senate amendment to House bill 9724; to the Committee on Appropriations.

3641. By Mr. FULLER: Petition of H. W. Mumford, director of live stock department, Illinois Agricultural Association, protesting against the discontinuance of the publication of the Market Reporter; to the Committee on Printing.

3642. By Mr. GALLIVAN: Petition of the George H. Lloyd-Mansfield Co., of Boston, Mass., urging the passage of a law regulating the practice of optometry in the District of Columbia; to the Committee on the District of Columbia.

3643. By Mr. KELLY of Pennsylvania: Petition of the Pennsylvania Bankers' Association, opposing exemption from taxation of incomes from building and loan associations; to the Committee on Ways and Means.

3644. By Mr. KISSEL: Petition of the law department and the department of taxes and assessments of New York City, N. Y., relative to House bill 9579; to the Committee on Banking and Currency.

3645. Also, petition of the National Association for the Advancement of Colored People, of New York, N. Y., relative to the antilynching bill (H. R. 13); to the Committee on the Judiciary.

3646. By Mr. KNUTSON: Petition of the Wallace S. Chute Post, No. 76, American Legion, of St. Cloud, Minn., indorsing the fivefold compensation plan, etc.; to the Committee on Ways and Means.

3647. By Mr. SINCLAIR: Petition of citizens of Hettinger, Mohall, Rolla, Perth, Velva, Sawyer, Werner, and Halliday, N. Dak., urging the revival of the United States Grain Corporation and the stabilization of prices of farm products; to the Committee on Agriculture.

3648. Also, six petitions by citizens of Walhalla, Neche, Dunn Center, Powers Lake, Svold, Sutton, Glenfield, and Cherry, N. Dak., urging the revival of the United States Grain Corporation and the stabilization of prices of agricultural products; to the Committee on Agriculture.

SENATE.

WEDNESDAY, *January 25, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, as the recipient of Thy mercy we desire to thank Thee this morning and to look to Thee for all guidance through the duties of the day. Remember all upon whom there have come great responsibilities in these days of anxiety. So regard the President, we beseech of Thee, and his official family, and all those in this Chamber who have to do with the great issues of the Nation and of the world, and guide us, we beseech of Thee, with the understanding of Thy wisdom and of Thy will. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

INVESTIGATION OF EXAMINING DIVISION, CIVIL SERVICE COMMISSION.

The VICE PRESIDENT. Pursuant to Senate resolution 199, to appoint a special committee to investigate the proceedings of the Examining Division of the Civil Service Commission, agreed to January 19, 1922, the Chair appoints the Senator from South Dakota [Mr. STERLING], the Senator from Iowa [Mr. CUMMINS], the Senator from Rhode Island [Mr. COLT], the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Louisiana [Mr. RANSDELL].

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 1318. An act granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes;

H. R. 1459. An act for the relief of Charles R. Powell;

H. R. 1460. An act for the relief of the William Gordon Corporation;

H. R. 2865. An act authorizing the Secretary of the Interior to sell and patent to J. D. Calhoun, of Lincoln Parish, La., certain lands;

H. R. 4598. An act to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii;

H. R. 6262. An act to add certain lands to Mount McKinley National Park, Alaska;

H. R. 7290. An act to confirm private land claim of the widow and heirs of Joseph Etier;

H. R. 7600. An act authorizing the adjustment of the boundaries of the Deschutes National Forest, in the State of Oregon, and for other purposes; and

H. R. 9050. An act granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a letter, in the nature of a petition, from Hilliard S. Ridgely, of Cheyenne, Wyo., praying for the imposition of a protective tariff duty on potash, which was referred to the Committee on Finance.

He also presented resolutions adopted by a meeting of the Douglas Stock Association, at Buckeye, January 8, 1922, and the Laramie Rotary Club, of Laramie, both in the State of

Wyoming, protesting against the enactment of legislation to transfer the Forest Service from the Department of Agriculture to the Interior Department, which were referred to the Committee on Agriculture and Forestry.

Mr. ODDIE presented a petition of sundry citizens and corporations of Reno, Fallon, and Yerington, Nev., praying for the enactment of legislation extending the life of all prospecting permits of oil and gas for a period of one year, etc., which was referred to the Committee on Public Lands and Surveys.

RESTRICTION OF IMMIGRATION.

Mr. HARRIS. Mr. President, an Associated Press dispatch in the morning Post reads as follows:

SEVENTY-FIVE THOUSAND EX-SERVICE MEN AMONG NEW YORK JOBLESS—MORE THAN 200,000 UNEMPLOYED IN CITY—UNITED STATES AND STATE ARE URGED TO PROVIDE WORK.

[By the Associated Press.]

NEW YORK, *January 24.*

The worst unemployment situation of the winter has descended on New York, Bird S. Coler, commissioner of public welfare, told directors of the welfare bureau at a conference to-day.

A census of the jobless taken by the Industrial Aid Bureau and the American Legion, he said, reveals that there are more than 200,000 unemployed in the city. Seventy-five thousand of the job seekers are listed as former soldiers. To-day, he added, the bureau received 800 applications for work, nearly all from high-class men and women skilled along professional or technical lines.

As remedies the conference decided to urge stimulation of the United States Shipping Board building program in New York Harbor, seek a part of the $11,000,000 Federal appropriation for road building, speed city repair work and new construction, appeal to the Government to do the repair work on the steamer *Leviathan* at this port, and call on Gov. Miller to authorize immediate beginning of State road work.

I have a letter signed by a number of ex-service men in my State in which they say:

We as a class are without funds, as the conditions that confront us to-day are very far from good. Some of us are without employment and have been for a long time, and there is no immediate prospect for us.

These ex-service men have unjustly been denied by Congress the adjusted compensation to which they are entitled. I desire to call attention to the fact that there have been before the Committee on Immigration bills to prohibit immigration. Most of the army of unemployed is in the large cities, principally in the East, where the emigrants coming to this country usually go for work. The farmers' bloc, of which I am a member, is not directly concerned in the matter of foreign labor, as very few go to the farms after landing in this country. The manufacturers' bloc is responsible for the defeat of the measure prohibiting immigration to this country for a period of five years. Members of the Senate from the manufacturing section of the country voted against the measure. The men who are coming to this country from Europe—the pauper labor—are competing with our labor, with hundreds of thousands of ex-service men and others out of work.

I wish to call the attention of the Senate to a statement in the newspapers from the head of the leading Negro college of the South, Prof. Moton, the successor of Booker Washington, of Tuskegee, in which he stated that although the farmers in the South were suffering more than almost any section, there was not one instance in which a Negro farm laborer or tenant had been discharged, although the farmers were having to mortgage their lands and other belongings to pay their debts and to keep from going into bankruptcy. Mr. President, no labor is treated with more consideration anywhere than the tenants on farms in the South.

I do not see the chairman of the Committee on Immigration present in the Chamber at this moment, but I have already discussed with him the matter of calling the committee together to consider this matter. The American Legion had a meeting here recently and went on record as being opposed to emigration to this country during the next five years as provided in the bill I introduced some time ago. In New York City, where there are 75,000 ex-service men out of work, they are bringing in every day or two from Europe thousands of foreigners to take the places which these men are entitled to work and make a living for their families. I shall urge that the committee be called together to consider these measures to shut out emigration for five years, and if the committee declines to recommend relief along this line I shall bring it to the attention of the Senate. The present act limiting immigration expires June 30, 1922, and unless something is done by Congress the steamship companies only interested in the profit in their business will flood this country with foreign pauper labor to compete with our labor. We already have several million idle men, many thousands of them ex-service men, and we should do everything possible to help and encourage these men instead of bringing in pauper labor from Europe to compete with them.

THE TOBACCO INDUSTRY (S. DOC. NO. 121).

Mr. SMITH. Mr. President, I am directed by the Committee on Agriculture and Forestry, to which was referred a communication from the chairman of the Federal Trade Commission, transmitting, in response to Senate resolution 129, a report on prices, profits, and competitive conditions in the tobacco industry, to present the report to the Senate and ask unanimous consent that it be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED.

Mr. SUTHERLAND, from the Committee on Enrolled Bills, reported that on January 24, 1922, they presented to the President of the United States enrolled bills and a joint resolution of the following titles:

S. 1099. An act to amend section 2372 of the Revised Statutes;

S. 2133. An act adding lands to the State of Texas and ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico; and

S. J. Res. 124. Joint resolution to prohibit the exportation of arms or munitions of war from the United States to certain countries, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKINLEY:

A bill (S. 3071) to extend the benefits of the employers' liability act of September 7, 1916, to Edward N. McCarty; to the Committee on Claims.

By Mr. STERLING:

A bill (S. 3072) providing for the placing of Government employees engaged in the enforcement of national prohibition under the civil service; to the Committee on Civil Service.

By Mr. ODDIE:

A bill (S. 3073) granting a pension to Harry J. Martin; to the Committee on Pensions.

By Mr. POINDEXTER:

A joint resolution (S. J. Res. 158) to authorize the Secretary of the Interior, in his discretion, to furnish water to applicants and entrymen in arrears for more than one calendar year of payment for maintenance or construction charges, notwithstanding the provisions of section 6 of the act of August 13, 1914; to the Committee on Irrigation and Reclamation.

WORK OF UNITED STATES SUPREME COURT.

Mr. TRAMMELL. Mr. President, I ask leave to introduce a bill, and I would like to make a brief explanation of it after it is read by title.

The bill (S. 3070) to relieve the congestion of the docket of the Supreme Court of the United States and the Chief Justice and Associate Justices from all duties concerning the United States Circuit Court of Appeals and the district courts of the United States, was read twice by its title.

Mr. TRAMMELL. Mr. President, I would like to make a brief explanation of the object and purpose of the bill. The statute sought to be repealed by the measure requires that the Chief Justice and the eight Associate Justices of the Supreme Court of the United States shall attend the Circuit Court of Appeals of the nine judicial circuits, one of them being allotted to each circuit, and sit in those courts, and also requires the Chief Justice to consider applications for the assignment of circuit and district judges from one circuit to the district court in another circuit for the purpose of relieving or assisting the district judge in disposing of accumulated business.

These are all duties inconsistent with the jurisdiction and, one might say, the dignity of the Supreme Court of the United States and the Chief Justice and Associate Justices thereof. If the duties are discharged as provided by law, it will require much of their attention and time. They should be relieved of these duties so that they may devote their entire time to the hearing and consideration of cases pending in their own court.

While conditions are somewhat improved in the Supreme Court there were, according to the report of the Attorney General for the fiscal year 1921, 975 cases upon the docket of that court, of which 608 were disposed of, leaving undisposed of at the close of the 1920 October term 367 cases. These cases or most of them are of great importance, many of them involving great constitutional questions affecting the validity of legislation and the powers and limitations of the other two coordinate departments of the Government.

The duties required of the Chief Justice and of the Associate Justices must, under the provisions which my bill seeks to repeal, require some time which could be devoted to the disposition of cases in the Supreme Court. If the justices do not attend the Circuit Court of Appeals or do not render any service there, then the law requiring them to do so should be repealed. There should be no duties imposed upon judges or courts which they do not discharge, because a dereliction of duty in such high offices will necessarily cause criticism of the judges and the courts.

Mr. President, I introduced a resolution some three or four weeks ago seeking to get information in regard to the condition of the docket of the Supreme Court, setting forth in the resolution the object of affording some relief, if it could be afforded, so that cases in the Supreme Court could be disposed of expeditiously and with promptness and in order that there would not continue long delays in reaching a decision in that court.

Unquestionably, from the information which seems to have been submitted by the Attorney General, the court is considerably behind with its work.

The object of the bill I have introduced is to relieve them of certain duties connected with the circuit court. There is no necessity and there is no reason, in policy or otherwise, why they should be assigned to sit in the circuit courts. By relieving them of that duty we will then give them a greater amount of time to attend to the business that is before their own court, and in that way I hope to bring about some relief, at least, toward having cases more promptly disposed of in our courts.

It is for these reasons that I have introduced the bill.

The VICE PRESIDENT. The bill will be referred to the Committee on the Judiciary.

Mr. NELSON. Mr. President, in reply to the statement of the Senator from Florida in regard to the resolution introduced by him, I beg leave to state that the resolution was brought to the attention of the Committee on the Judiciary, and that committee directed me to communicate with the Chief Justice and get the information desired. This I did, and I have the communication which has been received from the Chief Justice in response to the matter contained in that resolution. I ask leave to read the letter, which is as follows:

SUPREME COURT OF THE UNITED STATES,
Washington, D. C., January 23, 1922.

Hon. KNUTE NELSON,
United States Senate.

MY DEAR SENATOR NELSON: I inclose herewith a letter from Mr. Stansbury, clerk of the Supreme Court, which gives the information sought by Mr. TRAMMELL in his resolution. It is partly contained in an extract from the report of the Attorney General for the fiscal year 1920. I hope this will furnish all the information you desire. With a view of facilitating the dispatch of business, the court has had prepared a bill revising the jurisdiction of the Supreme Court by review, in order that, by enlarging the certiorari jurisdiction of the Supreme Court and reducing the obligatory jurisdiction, the dispatch of business in that court will be much facilitated. I should like to confer with you about the bill in the course of a day or two.

With best wishes,
Sincerely, yours,
WM. H. TAFT.

This is the letter of the clerk of the court to which he refers:

SUPREME COURT OF THE UNITED STATES,
Washington, D. C., January 21, 1922.

Hon. WILLIAM H. TAFT,
Chief Justice of the United States.

MY DEAR MR. CHIEF JUSTICE: As directed by you, I submit herewith such data and information as may be necessary for you in giving the Judiciary Committee the information called for by Senate resolution 198 requesting the Chief Justice to furnish certain information as to the status of litigation in the Supreme Court, introduced by Mr. TRAMMELL, December 20, 1921, and referred to the Committee on the Judiciary January 4, 1922.

I inclose herewith extract from the report of the Attorney General for 1921, showing the work of the court from 1910 to 1920. An examination of this table shows a steady decrease in the number of cases on the docket. Only five cases argued and submitted at the last term were brought over undecided to the present term; 705 cases were on the docket January 19, 1922, of which 227 had been disposed of at that date, leaving 478 cases on the docket yet undisposed of.

At the present time it takes from 15 to 18 months to reach a case on the docket in the regular call. This time would be much reduced if it were not for the large number of cases entitled to advancement which take precedence over the regular call. An examination of the cases reported in volumes 254, 255, and 256 of the United States Reports shows that the average time between the argument and submission of cases contained in those reports and the decision thereof is about 60 days. Of course, a number of cases are decided in much shorter time, and only a few cases are held longer before decision.

Very respectfully,
W. R. STANSBURY,
Clerk of the Supreme Court of the United States.

The report of the Solicitor General is as follows:

REPORT OF THE SOLICITOR GENERAL.

[William L. Frierson, Solicitor General until June 30, 1921. James M. Beck, Solicitor General since July 1, 1921.]

THE SUPREME COURT.

The following table shows the result of last year's work of the Supreme Court of the United States, so far as the number of cases present it. There was a decrease of 25 cases listed on the appellate docket and a decrease of 4 in the number of cases disposed of. The number of cases remaining undisposed of decreased from 386 to 343.

	Appellate docket—October term.										
	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920
Cases at close of previous term not disposed of	586	640	671	604	535	524	522	532	495	408	386
Cases docketed at the term....	509	530	509	524	528	545	647	582	582	580	555
Total.....	1,095	1,170	1,180	1,128	1,063	1,069	1,169	1,114	1,077	988	941
Cases disposed of at the term..	455	499	576	593	539	547	637	619	669	602	598
Cases remaining undisposed of.....	640	671	604	535	524	522	532	495	408	386	343

A reference to the foregoing table shows a total of 988 cases on the appellate docket during the 1919 term. The number decreased during the 1920 term to 941.

At the close of the October term, 1919, there remained undisposed of on the appellate docket 386 cases and on the original docket 24 cases, making a total of 410. The number of cases docketed at the October term, 1920, was 565, of which 555 were on the appellate docket and 10 on the original docket. These, with the 410 cases remaining undisposed of, make the total number of cases pending at the last term 975, of which 941 were on the appellate docket and 34 on the original docket. Of this number 608 were disposed of during the term, 598 of which were on the appellate docket and 10 on the original docket, leaving undisposed of at the close of the October term, 1920, 367 cases, 343 being on the appellate and 24 on the original docket.

The number of cases actually considered by the court was 574, of which 227 were argued orally and 347 submitted on printed arguments. Of the 598 appellate cases disposed of, 139 were affirmed, 92 reversed, 83 dismissed, 47 were settled by the parties and dismissed, in 7 questions certified were answered, and 230 were denials of petitions for writs of certiorari.

I wish to add that I think this gives a complete answer to the resolution of the Senator from Florida.

MAILING PUBLICATIONS OF AMATEUR JOURNALISTS.

Mr. MOSES submitted an amendment intended to be proposed by him to the bill (S. 3020) to classify as second-class mail matter periodical publications published by amateur journalists, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

ADJUSTMENT OF FOREIGN LOANS.

Mr. DIAL submitted an amendment intended to be proposed by him to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. ODDIE submitted an amendment proposing to appropriate $150,000 for the acquisition of a site and erection and construction thereon of an 8-room public school at the intersection of Rittenhouse Street and Blair Road NW. and adjoining land for a school playground, District of Columbia, intended to be proposed by him to House bill 10101, the District of Columbia appropriation bill, which, with accompanying papers, was referred to the Committee on the District of Columbia and ordered to be printed.

PROSECUTIONS UNDER ESPIONAGE AND OTHER WAR ACTS.

Mr. BORAH. Mr. President, I have here a resolution of inquiry directed to the Attorney General which I desire to submit and for the immediate consideration of which I ask unanimous consent. The information called for by the resolution, I think, will not require any extra effort upon the part of the Department of Justice, for, as I understand, the information is already available.

Mr. CURTIS. I ask that the resolution may be read before unanimous consent is given for its consideration.

The VICE PRESIDENT. The Secretary will read the resolution submitted by the Senator from Idaho for the information of the Senate.

The reading clerk read the resolution (S. Res. 226), as follows:

Resolved, That the Attorney General be, and he is hereby, directed to furnish the Senate with the following information in regard to persons prosecuted by the Government under the espionage act or for conspiracy to violate war laws, where such persons are either in prison or on parole or whose cases are still in the courts, either untried or on appeal:

1. The names and home addresses of each of the defendants.
2. The statutes under which each indictment was brought, with synopsis of the offense charged.
3. The date and place of each conviction wherever trials were had.
4. The sentence, showing the time of expiration.

5. The appeals taken, if any, and the result thereof.

6. Action taken by the Executive in commuting sentences and by the pardon board in paroling defendants, or any review of the case resulting in unfavorable recommendations for commutation or parole.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

Mr. STERLING. I do not know that I understand the first part of the resolution. I inquire does it relate to those persons who are at present confined under sentence?

Mr. BORAH. Yes.

The resolution was considered by unanimous consent and agreed to.

THE SOLDIERS' BONUS.

Mr. BORAH. I ask unanimous consent to have inserted in the RECORD the letter of Mr. Mellon, the Secretary of the Treasury, on the question of the soldiers' bonus. I had supposed it had been inserted in the RECORD by some Senator on the other side of the Chamber, but I do not find that to be the case.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
January 24, 1922.

DEAR MR. CHAIRMAN: I received your letter of January 21, 1922, and am glad, in accordance with your request, to present the latest figures as to the probable receipts and expenditures of the Government for the fiscal years 1922 and 1923, and to indicate in that connection what public-debt operations the Treasury will have to carry on between now and June 30, 1923, in order to finance its current requirements and provide for maturing obligations. I am at the same time transmitting for your information the four attached statements as to receipts and expenditures and the public debt.

It appears from these statements that for 1922 the Budget estimates indicate a deficit of over $24,000,000, and for 1923 a deficit of over $167,000,000. These figures make no allowance for expenditures not covered by the Budget, as, for example, $50,000,000 already requested by the United States Shipping Board for the settlement of claims, $7,000,000 to be spent by the United States Grain Corporation on account of Russian relief under the act approved December 22, 1921, $5,000,000 to be paid as the 1923 installment under the treaty with Colombia, and a possible $50,000,000 on account of additional compensation to Government employees—a total of $112,000,000, chiefly for 1923.

The results of the first half of the fiscal year 1922, after making due allowance for extraordinary items, indicate that the Budget estimates for the year are substantially correct. It is still too early to say whether deficits can be avoided, but it is almost certain that in neither 1922 nor 1923 will there be any surplus.

MORE ECONOMIES NECESSARY.

At any rate, it is clear that in order to balance the Budget expenditures must be still further reduced, rather than increased, and that the net reductions below the Budget figures within the two years must aggregate about $300,000,000, in order to overcome the indicated deficits. At the same time the Government faces a heavy shrinkage in receipts, and internal-revenue collections in particular are subject to great uncertainty. As a matter of fact, in view of the depression in business, there is grave doubt whether the estimates of receipts which appear in the Budget can be realized, and up to date the shrinkage has rather more than kept pace with the shrinkage in expenditures.

It is clear that under these conditions there is no room for new or extraordinary expenditures, and that if new items should be added which are not included in the Budget it would be necessary to make simultaneous provision for the taxes to meet them.

One of the chief factors in the gradual return to normal conditions throughout the country has been the marked reduction in Federal expenditures which has already occurred, and this has in turn permitted the lightening of the burdens of taxation. What has been accomplished along these lines within less than a year, through the cooperation of the Congress and the Executive, makes a concrete record of achievement in economy which is worthy of our highest efforts to maintain.

The economies effected, moreover, have been made without stinting in any way the relief of disabled veterans of the late war, for the figures show that the Federal Government spent for this purpose in the fiscal year 1921 about $380,000,000 and will spend for the same purpose in the fiscal year 1922, and again in the fiscal year 1923, about $450,000,000 a year, or more than will be spent for any other one purpose except interest on the public debt.

VAST REFUNDING OPERATIONS.

The overshadowing problem of the Treasury at this time, of course, is the handling of the public debt, and particularly the conduct of the refunding operations which will be necessary within the next year and a half on a scale unprecedented in times of peace. Some progress has been made in these operations, but the great bulk of the refunding still remains to be done.

The gross public debt of the Government on December 31, 1921, on the basis of daily Treasury statements, amounted to $23,438,984,351, of which almost $6,500,000,000 falls due within the next 16 months, over $3,500,000,000 of it in the form of Victory notes, which mature May 20, 1923; about $2,200,000,000 in the form of Treasury certificates, which mature at various dates within a year, and nearly $700,000,000 in the form of war savings certificates, which mature January 1, 1923, or may be redeemed before that time.

The refunding of this vast maturity will require the Treasury's constant attention from now on. Altogether it makes up an amount almost as large as the fourth Liberty loan, and considerably more than the first and second Liberty loans combined. The Liberty loans were floated during the stress of war through great popular drives and with the help of a country-wide Liberty loan organization that comprised perhaps 2,000,000 persons. To conduct refunding operations on a similar scale in time of peace, to the amount of $6,500,000,000, is a task of unparalleled magnitude; and it is of the utmost importance to the general welfare that it be accomplished without disturbance to business or interference with the normal activities of the people. This can not be done if the refunding is embarrassed by other operations.

VICTORY LOAN GREATEST PROBLEM.

The greatest problem is the Victory Liberty loan, which amounted to $3,548,000,000 on December 31, 1921. A maturity of this size is too large to pay off or refund at one time. And it is accordingly necessary that the Treasury should adopt every means at its command to reduce the outstanding amount in advance of maturity. To this end it will be the Treasury's policy to continue to issue short-term notes from time to time, when market conditions are favorable, and to use the proceeds to effect the retirement of Victory notes, accomplishing this, if they can not be had otherwise, through the redemption of part of the notes before maturity. It will likewise be the policy, so far as possible, to apply the sinking fund and other special funds available for the retirement of debt to the purchase or redemption of Victory notes.

The $2,200,000,000 of Treasury certificates outstanding and the $700,000,000, or thereabouts, of war savings certificates raise similar problems and will likewise require refunding operations on a large scale during the next year and a half. The Treasury has already placed on sale, on December 15, 1921, a new issue of Treasury savings certificates, which are designed to provide in part for the outstanding saving certificates to be redeemed. It is clear, however, that an important part of the maturity on January 1, 1923, will have to be refunded, at least temporarily, into other obligations.

The bulk of the Treasury certificates of indebtedness will also have to be refunded, probably into other Treasury certificates, for it is almost necessary, while Government expenditures are so large and tax payments so heavy, to float a substantial amount of Treasury certificates in order to carry current operations without money strain.

If the situation continues to develop in an orderly way and no complications are introduced in the form of extraordinary expenditures which would force new borrowings, the Treasury expects to be able to proceed with the program already outlined and such other refunding operations as may prove to be advisable within the limits of its existing authority and without interference with the business of the country or disturbance to the investment markets. The time is coming, perhaps in the near future, when it will be possible to undertake refunding operations for a longer term, with a view to the distribution of the debt among investors on a more permanent basis.

It is important in this connection, however, not to overlook one special characteristic of the Treasury's debt operations since August 31, 1919, when the gross debt reached its peak, namely, that the operations since that date have been accompanied by gradual but steady debt retirement, and that even the refunding operations now in prospect will not increase the public debt. Generally speaking, the Treasury has been floating a constantly decreasing total volume of securities, and its borrowings have accordingly not taken new money or absorbed funds that would otherwise go into business.

If the Government, on the other hand, were increasing the public debt, quite different problems would arise. Treasury offerings would then take up new money, and there would be danger of inflation, of higher rates for money, and of strain on the investment markets, with consequent prejudice to the Government's own inevitable refunding operations and to business and industry generally. The whole character of the operations would be altered.

ESTIMATES DO NOT PROVIDE FOR BONUS.

The estimates which have been given as to the prospects for the fiscal years 1922 and 1923 and the program which has been outlined for the refunding of the short-dated debts do not make allowance for any extraordinary expenditures within the next few years for a soldiers' bonus, or so-called adjustment compensation for veterans of the World War. The figures show that there will be no available surplus but more probably a deficit, and that with the enormous refunding operations which the Treasury has to conduct it would be dangerous in the extreme to attempt to finance the expenditures involved in the bonus through new borrowing. The position of the Treasury remains unchanged, but if there is to be a soldiers' bonus it is clear that it must be provided for through taxation and through taxation in addition to the taxes imposed by existing law.

ESTIMATES BONUS AT $3,330,000,000.

It is difficult to estimate how much additional taxation would be necessary, for the last bonus bill considered was S. 506, reported by the Committee on Finance of the Senate on June 20, 1921. From the report of the committee and the estimates of the Government actuary it would appear that the total cost of the bonus under this bill would be about $3,330,000,000, of which at least $850,000,000 would fall in the first two years of its operation, with varying amounts over intervening years and an ultimate payment in the twentieth year of over $2,114,000,000.

The minimum cost would apparently be about $1,500,000,000, in case substantially all the veterans should take the cash plan, and the maximum cost about $5,250,000,000 in case substantially all of the veterans should elect to take the certificate loan in lieu of cash. If an unexpectedly large proportion of the veterans should choose cash, the cost within the first two years might run well over $1,000,000,000. It would seem reasonably certain, however, that at least one-half would elect the cash payment plan, in which event the cost in the first two years would be about $850,000,000, and the total cost would fall between the two extremes, or at about $3,330,000,000.

These estimates take no account of expense of administration or the possible cost of vocational training aid, farm or home aid, or land-settlement aid to veterans who elect such benefits, which would involve substantial additional cost. The expenditures involved, moreover, would be in addition to already substantial expenditures on account of veterans of the World War, chiefly for relief to disabled veterans, which amount to about $450,000,000 a year, according to the estimates for 1922 and 1923. The Government's obligation to the disabled veterans is continuing and paramount, and heavy expenditures for their relief will be necessary for many years to come.

On the most conservative estimates, therefore, the cost of a soldiers' bonus in the first two years would probably be not less than $850,000,000. This would necessitate additional tax levies to a corresponding amount during the same period. The taxes already in force are too onerous for the country's good, and are having an unfortunate effect on business and industry. The field of taxation, moreover, has already been so thoroughly covered, owing to the extraordinary revenue needs growing out of the war, that it is exceedingly difficult to discover new taxes that could properly be levied to yield as much as $850,000,000 within two years.

In these circumstances, should Congress determine to adopt the policy of paying a soldiers' bonus, it would become necessary to impose general taxes on broad classes of articles or transaction in order to pay it.

For such taxes, in their nature of wide application, much might be said as substitutes for existing taxes, but the Treasury would hesitate to recommend them as additional taxes, except to meet some extraordinary purpose.

Whatever additional taxes might be levied, provision for them would have to be made in the same bill with the bonus. The Budget system is now firmly established, and the Budget already submitted has pointed out the relation between receipts and expenditures for this year and next year. If the Congress decides to authorize large expenditures outside of the Budget it is fundamental that it should make simultaneous provision for the additional taxes necessary to meet them.

TAXPAYERS MUST PAY ANY BONUS.

It is also well to keep in mind that no indirect means of financing the bonus could make it any less an expense that will have to be borne in the long run by the taxpayer. Thus it would be futile, as well as unwise, to attempt to provide for the bonus through the use of the principal or interest of the foreign obligations held by the United States or through the sale of any such obligations to the public. For the most part, the foreign obligations are still in the form of demand obligations, and it is impossible in the present state of international finance and in advance of funding arrangements to estimate what may be collected on them in the near future by way of principal or interest.

The obligations are not in shape, moreover, to sell to the public, and to offer them to investors with the guaranty of this Government would seriously interfere with our own refunding operations, upset the security markets, and in the long run prove more expensive to this Government than would the sale of its own direct obligations. At the same time, it would enormously complicate the international situation and certainly embarrass the funding negotiations. Even if enough could be realized on the foreign debt in time to pay the bonus, it would accomplish nothing to set it aside for that purpose. As the law now stands, and in justice to the millions of Liberty bondholders, the Government is bound to apply any principal payments by foreign Governments, as well as any proceeds of sale, to the retirement of outstanding Liberty bonds, about $10,000,000,000 of which were issued in the first instance to provide for the advances to foreign Governments.

Interest collected on the foreign obligations should likewise go to provide for the interest on Liberty bonds, and it has been the Treasury's plan in the funding to adjust the dates and amounts of the interest payments as nearly as may be to the interest payments on our own bonds. In any event, it is clear that if the proceeds of the foreign obligations should be applied to different purposes, the Government of the United States to that extent would have to provide for payment of the principal and interest of the Liberty bonds from other sources, which means that the people would have to pay taxes for this purpose that would otherwise be unnecessary. The plan to use the foreign obligations to pay a soldiers' bonus, therefore, would still leave the burden on the shoulders of the American taxpayers.

I have made this extended analysis of the country's financial position and of the Treasury's plans and prospects for 1922 and 1923 in order that the Congress may have before it in definite form the facts as to what financial consequences the soldiers' bonus would entail and what added burdens it would inevitably place upon the country.

I am sending a copy of this letter to Senator McCUMBER for the information of the Committee on Finance of the Senate.

Very truly, yours,

A. W. MELLON,
Secretary of the Treasury.

MEAT PACKERS IN UNRELATED LINES OF BUSINESS.

Mr. LA FOLLETTE. Mr. President, on January 16 I presented a resolution (S. Res. 211) with the request that it be printed and lie on the table. I wish this morning to present an amendment intended to be proposed by me to that resolution, which I ask to have printed and lie on the table with the resolution. I give notice that if opportunity presents I shall call up the resolution to-morrow morning.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

COOPERATING MARKETING OF FARM PRODUCTS.

Mr. WALSH of Montana. Mr. President, on yesterday the Senator from North Dakota [Mr. McCUMBER] introduced a bill (S. 3067) to create a Federal cooperative marketing board, to provide for the organization of cooperative marketing associations, and for other purposes, and asked that it be referred to the Committee on Agriculture and Forestry.

Some observations were submitted by the Senator from Minnesota [Mr. KELLOGG] and by myself concerning the propriety of that reference. I have since examined the bill and my study of it convinces me that there is no necessary conflict between the measure proposed by the Senator from North Dakota and the bill which was pending before the Committee on the Judiciary and is now on the calendar. So far as I am concerned it is perfectly agreeable that the bill should be referred as requested by the Senator from North Dakota to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, the bill will be so referred.

ADJUSTMENT OF FOREIGN LOANS.

The VICE PRESIDENT. Morning business is closed.

Mr. McCUMBER. I move that the Senate proceed to the consideration of House bill 8762, being the refunding bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. DIAL. Mr. President, I offer an amendment to the pending bill.

The VICE PRESIDENT. The amendment proposed by the Senator from South Carolina will be stated.

The READING CLERK. On page 1, line 4, after the word "created," it is proposed to strike out the remainder of section 1 and to insert in lieu thereof the following:

Consisting of the members of the War Finance Corporation and the Secretary of the Treasury, who shall serve as chairman.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from South Carolina.

Mr. McCUMBER. I desire to ask if the Senator from South Carolina desires the amendment which he has offered to be acted on at the present time?

Mr. DIAL. No; I do not care for action on the amendment now.

Mr. McCUMBER. As I understand, the Senator has simply presented the amendment in order that it may lie on the table and be voted on later?

Mr. DIAL. I desire that the amendment may lie on the table and be subsequently considered.

The VICE PRESIDENT. The amendment will lie on the table and be printed.

Mr. WALSH of Montana. Mr. President, toward the close of the able address of the Senator from North Carolina [Mr. SIMMONS] on yesterday he advanced the idea that the bill under consideration is beyond the power of Congress to enact and falls within a domain over which Congress, as such, has no authority under the Constitution. I fully concur in that view. Indeed, it is to me so perfectly plain that I can not understand how the bill can be either justified or defended. In fact, Mr. President, I can not see any reason why legislation of this character should be enacted at all. In my mind full power now exists in the President of the United States to carry on such negotiations and to make such adjustments as he may see fit, submitting the result of his investigations, whatever it may be, to the Senate of the United States for confirmation, exactly the same as any other arrangement he may care to make with any foreign power.

That this question may be understood, Mr. President, attention should be given to exactly what this bill provides. As the bill has been revised it provides for the appointment of a commission, which is called a World War foreign debt commission, consisting of five members, one of whom shall be the Secretary of the Treasury and the other four of whom shall be appointed by the President, by and with the advice and consent of the Senate. It is then provided that the commission so created shall have power either—

to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration), arising out of the World War, into bonds or other obligations of such foreign Government.

That is to say, Mr. President, that this commission is authorized and directed to enter into negotiations with foreign Governments severally and to arrange for the exchange with them of bonds and obligations due from them now to the Government of the United States and to accept in exchange for such bonds or obligations other bonds and obligations, the rate of interest of which may be reduced and the time of payment of which may be extended beyond the limits of those obligations with respect to interest and time of payment as they now exist.

It is clearly disclosed in the report of the committee of the Senate, as well as in the report of the committee of the House of Representatives, that it is intended to extend toward these foreign Governments thus owing us these various obligations, aggregating some $11,000,000,000, some leniency; that is to say, to accept obligations or bonds less onerous upon the debtor than those now held by the Government of the United States. Of course, that is the meaning of the language "to refund." If the bonds or obligations are refunded, it necessarily implies at least that the time of payment may be postponed. The language is "refund or convert."

Then it is expressly provided that the commission shall be empowered "to extend the time of payment of the principal or the interest, or both" and to accept in lieu of the same "bonds or other obligations of such Government in such form and of such terms, conditions, date or dates of maturity, and rate or rates of interest, and with such security, if any, as shall be deemed for the best interests of the United States of America."

You will observe, Mr. President, that in these negotiations the commission may insist upon and may accept security for any obligations or they may not do so, as they see fit and as they agree with the foreign Governments. It will be recalled that during the World War the Governments of Great Britain and

France came over to this country and borrowed from private parties, before loans were made to them by the Government of the United States, large sums of money, which, strange to relate, in the case of independent Governments, were secured by collateral of one kind or another.

This proposed legislation, Mr. President, of course, contemplates the exchange of views between the commission to be created under it and the foreign Government and eventually arriving at a contract with the foreign Government in relation to the matter intrusted thus to the commission. The bill touches, however, so far as I have read, only the obligations that are apparently evidenced by some kind of writing. The language of the bill is "bonds or obligations of such foreign Government." Then further provision is made in relation to indebtedness of one kind or another not represented by bonds or obligations, for—note the language which gives the commission authority—

to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

So, Mr. President, it will be observed that power is being given to this commission not alone to make provision for the payment of the indebtedness due us on account of money loaned to foreign Governments, with respect to which they are given power only to refund, convert, and extend, but with respect to all other obligations of foreign Governments to the Government of the United States, whether those obligations now exist or whether they may exist in the future. Authority is given not alone to refund, convert, or extend, but to adjust and settle those obligations.

Of course, "to adjust and settle" means to arrive at some arrangement through which some portion, and, for that matter, any portion, of the indebtedness may be forgiven and a less sum accepted. Bear in mind that the commission are to have authority not alone with reference to obligations arising out of moneys loaned to foreign Governments or obligations or indebtedness which may arise by reason of contracts of any character which may be made with foreign Governments, but they are to have power to adjust and settle all claims which we may have against foreign Governments, from whatever the source the claims may arise, such as claims for depredations upon our territory, for instance, or for the confiscation of ships belonging to our citizens, or any of the multitudinous claims which may arise in favor of our Government on behalf of its citizens or on behalf of itself against the foreign Governments. As a matter of course, that means the power to accept very considerable sums less than the amount which is justly due, or, at least, which we claim is justly due.

For instance, Mr. President, I am not quite sure but I assume that in the case of every dollar that was advanced under the Liberty loan act to foreign Governments some kind of a written acknowledgment was taken. The schedule which appears in the report of the committee, at pages 3 and 4, of the sums thus due would so indicate, because it gives a list of—

Obligations of foreign Governments * * * received from the Secretary of War and from the Secretary of the Navy—

And also—

Obligations of foreign Governments held by the Treasury.

So I assume that the foreign Governments gave some kind of a written receipt or a promise to pay. In the case of a number of the foreign countries, Great Britain and France, for instance, the obligations are due upon demand, and that is also true in the case of other countries.

But I was speaking about the significance of the terms "to adjust and settle," as used in the bill before us. Take the case of Russia, for instance. Loans were made by the Government of the United States to what was known as the Kerensky government. The existing government of Russia, if we may so call it—that is to say, the soviet government—recognizes no obligation on its part for obligations which arose during the Kerensky government; but our Government insists upon the principle, as it often has, that each succeeding government, although it comes into power by reason of revolution or other uprising, becomes responsible for the obligations of the government which preceded it. Soviet Russia, however, may insist, for instance, if we shall eventually recognize that government or some other government which may displace it, that the Kerensky government never did really exist; that it was a paper affair; that it never represented the people of Russia, and so on; and therefore they refuse to acknowledge the obligation. In that situation of affairs the commission would be entitled to sit down with representatives of the Russian Government and arrange with the Russian Government as it shall exist in the future that, instead of the entire obligation, we shall content ourselves with one-half of the amount which was advanced, or one-fourth of the amount which was advanced, or 10 per cent of the amount which was advanced; or they may say, Mr. President, that the amount thus advanced to the Russian Government was advanced to certain persons who had therefore represented or attempted to represent the Kerensky government in this country, but that a large amount of money was advanced after the Kerensky government was overthrown; and, from information which was brought to the Committee on the Judiciary, I am inclined to think that that is the case. It is perfectly well known that until at least very recently the gentleman who was accredited to this country by the Kerensky government occupied expensive quarters in this city, the maintenance of which cost no inconsiderable sum of money, and he continued to occupy that embassy here for many months after the Kerensky government was entirely overthrown.

Mr. BORAH. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Idaho.

Mr. BORAH. Is it not a fact that our Government still recognizes as the ambassador from Russia the gentleman who came here to represent the Kerensky government?

Mr. WALSH of Montana. I am not advised as to that.

Mr. BORAH. It seems very difficult to obtain accurate information with regard to it, but sometimes we acquire information which leads us to that conclusion. For instance, at the reception given a few nights ago to the representatives of foreign Governments accredited to Washington, I observed among the list of those present the ambassador from England, the ambassador from France, and the ambassador from Russia, Mr. Bakhmeteff. So I presume that he is still recognized as the ambassador from Russia, for I can not imagine the social authorities of the Government making a mistake and recognizing him unless he actually is recognized by the State Department. Whether any of the money thus advanced was utilized for the payment of expenses in the maintenance of that embassy I do not know, but let us assume that some Russian Government may claim that to be the situation and that they ought not therefore to pay the entire sum which was thus advanced by the United States, the proposed commission would be authorized to settle and adjust those differences and take whatever, in their judgment, would be proper under the circumstances, being the amount which the Russian Government might be willing to pay.

Mr. WALSH of Montana. Some effort was made in the investigation conducted by the Judiciary Committee to ascertain whether any portion of the amounts thus loaned to the Russian government were being utilized in the manner I have indicated for the maintenance of the ambassador appointed in this country under the Kerensky government and his entourage here; but it did not yield very satisfactory results. I speak of it, however, simply as illustrating the extent of the power and authority granted to the commission under this bill.

Mr. McCUMBER. Mr. President——

Mr. WALSH of Montana. I yield to the Senator.

Mr. McCUMBER. If the Senator will yield, I think it but proper to say that as far as I know there is no one recognized here at the present time as representing the government of Russia, either the eastern republic or the western soviet section of it. I suppose that the persons sending out invitations to attend a reception may send for anyone they see fit or call him by any name they see fit; but I have not heard at any time that we have recognized anyone as representing the Russian government.

Mr. BORAH. Mr. President, of course they may send out invitations to whom they see fit; but it would be a most extraordinary matter if, in giving a reception to the foreign ambassadors, they should include, unless it was intentional, a man who has not actually represented a government for four years.

Mr. ASHURST. Mr. President, will the Senator from Montana yield to me?

Mr. McCUMBER. May I add just one word? It is very easy, if anyone wants to ascertain, even to telephone down to the Secretary of State and ask him whether or not this Government has recognized anybody as representing the Russian government or any part of the old Russian government, and I think undoubtedly a correct answer would be received.

Mr. BORAH. The Senator says it is very easy to ascertain. If he had experienced as much difficulty as some of us have in finding the relations of Bakhmeteff to this Government, he would find that it is not easy to ascertain. I know that he was dealt with and recognized to all intents and purposes as an ambassador long after the Government which he represented had disappeared from the face of the earth, and long after he had been rejected by the people who purported to represent Russia.

Mr. ASHURST. Mr. President, it will not be necessary even to telephone. Ever since our Government entered the Great War and until this date, including the most recent issue of the Congressional Directory—the one issued in December, 1921, page 397—there has been carried and is now carried the following:

Embassies and legations to the United States.

RUSSIA.

Mr. Boris Bakhmeteff, ambassador extraordinary and plenipotentiary.

With the residence, and the various members of the entourage given. That has been published; and I am amazed that Senators should believe that there was ever, in the diplomatic world, any idea that the recognition of Mr. Boris Bakhmeteff was withdrawn.

Mr. WALSH of Montana. Mr. President, this is altogether aside from the argument. I speak of this matter merely for the purpose of illustration. It may be followed in this way:

There are others of these nations to which loans have been made which are, as it is perfectly well understood, in the direst financial straits, if not verging upon complete bankruptcy; and it is not a strained thing at all to say that in that situation of affairs, even though the indebtedness were acknowledged by the foreign Government, the commissioners would be authorized to deal with countries in that situation in exactly the same way that an ordinary creditor would deal with a failing debtor or a bankrupt debtor. That is to say, he would be willing to take something less than the amount of his obligation, particularly if it were secured; and I dare say that that was the reason for inserting in the bill the power to the commission to take security.

Enough has been said to disclose that the bill purports to give the commission thus created the power to deal with and to make contracts with foreign Governments in relation to these obligations; in other words, to make treaties with those Governments.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Massachusetts?

Mr. WALSH of Montana. I yield.

Mr. WALSH of Massachusetts. I should like to ask the Senator if there is any difference in principle between making a contract relating to financial obligations between a foreign Government and this Government and a contract relating to political obligations?

Mr. WALSH of Montana. The Constitution makes no difference and the authorities make no difference whatever. Clearly, Mr. President, this kind of transaction falls within the treaty-making power. If the President of the United States, for instance, having in mind the condition in Russia which I have assumed to exist, whether it does or not, should enter into an agreement with a perfectly stable Russian government which shall come to rule over that country, and which shall be recognized by this country, and which shall deny its obligation to pay the indebtedness represented by loans made to the Kerensky government—if the President of the United States, I say, should enter into an agreement with that government to the effect that we will accept 50 per cent or 75 per cent of the amount which we thus loaned, which amount shall be secured by obligations satisfactory to the President of the United States, and if the President should then submit that agreement for ratification to the Senate of the United States, certainly no one could be heard to say that he had acted without his powers or without his authority, nor could anybody say that the Senate of the United States was not acting strictly within its rights in either ratifying or rejecting that agreement, as it saw fit.

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. WALSH of Montana. I yield to the Senator.

Mr. BORAH. Speaking now exclusively of the question of indebtedness, here, we will say, is Great Britain, which owes the United States between four and five billion dollars. Does it require an exercise of the treaty-making power for our Government to take the bonds of Great Britain in lieu of the evidences of indebtedness which now exist, and may not that be done without a treaty?

Mr. WALSH of Montana. Mr. President, there is no doubt that the President of the United States may carry out the law as it now exists, namely, to accept payment of the obligations upon exactly the terms upon which Great Britain secured the loan; but if those terms are to be modified in any particular the President of the United States has no authority to modify that contract. It is not claimed that he has. It becomes necessary, in order to change the terms, to enter into a new contract with Great Britain.

Mr. BORAH. That is true; but may we not pass a statute authorizing him to do that?

Mr. WALSH of Montana. I do not see how we could pass a statute authorizing him to do it. In fact, I shall call attention presently to a veto message of President Jackson, expressly declaring that Congress has no such power.

Mr. BORAH. I am not taking a position in the matter. I am asking for information.

Mr. WALSH of Montana. That is my view about it.

Mr. BORAH. I presume that one of the objects in passing this statute is to give authority not only to negotiate but to conclude the negotiation.

Mr. WALSH of Montana. Undoubtedly.

Mr. BORAH. I take it that the view of the Senator is that it can not be concluded, that we can not give authority to conclude it, because it comes under the treaty-making power.

Mr. WALSH of Montana. The Senator has expressed my view exactly—that no matter what arrangement is entered into by the President of the United States, or anybody purporting to represent him, it is not a binding obligation in any way until it is ratified by the Senate of the United States.

Mr. McCUMBER. Mr. President——

Mr. WALSH of Montana. I yield to the Senator.

Mr. McCUMBER. Does the Senator question the constitutionality of the law under which the loans were made to these foreign Governments and their obligations taken?

Mr. WALSH of Montana. Not at all.

Mr. McCUMBER. Then if we could at that time, without bringing into force the Executive power alone, through its treaty-making functions, make an arrangement whereby we would loan money to a foreign Government and accept the obligations of a foreign Government, what is there, then, to prevent us in the same way now either extending that loan by a law and a provision of the same character or making further arrangements with reference to its payment?

Mr. WALSH of Montana. The question is a very simple one. It is very easy. Of course, the loans could not be made except by an appropriation made by Congress, because the Constitution expressly provides that no money shall be paid out of the Treasury except in pursuance of an appropriation by law; so that Congress made the appropriation and laid down the terms upon which the foreign Government could take it or let it alone, as it saw fit. When the foreign Government took it, it took it upon the terms prescribed by Congress, and the obligation thereupon arose. There was not any necessity of any negotiation at all. The foreign Government had to take it upon the terms laid down by Congress.

Mr. McCUMBER. But, independently of the appropriation feature, Congress had authority at that time to authorize the Secretary of the Treasury to purchase these foreign obligations——

Mr. WALSH of Montana. Exactly.

Mr. McCUMBER. And to convert them into long-time obligations carrying a rate of interest not less than the highest rate of interest borne by our bonds.

Mr. WALSH of Montana. There was not any opportunity for negotiation. If the act had authorized the President of the United States to enter into arrangements with foreign Governments upon such terms as he saw fit in relation to the loans, I should say that the Congress had no such authority. It did not purport to do so at all. It made the appropriation of the money, and it said to the foreign Governments, "You can take this money upon these terms. If you take the money, you have obligated yourself to us to that amount."

Mr. McCUMBER. Yes; but the terms were to be fixed, and they were to be fixed by the Secretary of the Treasury.

Mr. WALSH of Montana. The terms are fixed.

Mr. McCUMBER. The interest was to be fixed and the time in which the bonds were to be paid was to be fixed, of course limited by whatever time the Secretary of the Treasury should fix in the matter of the interest and the maturity of our own bonds; but, nevertheless, the power lay there to accept those foreign obligations and fix the time of maturity and the rate of interest. If that could be done without a treaty, I fail to understand why we have not the same power to do the same thing over again, or, that which is similar, to fix different terms for the payment.

Mr. WALSH of Montana. It is perfectly simple to anybody who wants to see. The Secretary of the Treasury said, "Here are the terms. Take this or leave it, just as you see fit." He was not called upon to enter into any negotiations whatever with respect to the matter.

Mr. McCUMBER. I shall not take any more of the Senator's time. I will answer him in my own time.

Mr. PITTMAN. Mr. President, may I call to the attention of the Senator a thought which he may develop later if he thinks it is of any importance?

During the war we exerted, as a Congress, a great many powers that we recognized we would have no right to exert under normal conditions or under peaceful conditions. We did that under the authority of Congress under the Constitution to conduct war; and in many of those cases, if I remember correctly, there was an apparent conflict between the act of Congress under the authority of the Constitution and other limitations or restrictions of the Constitution. We acted as though the superior authority in case of war allowed us to perform those acts. Even if the purchase of these bonds or the lending of this money by our Government was in the nature of the negotiation of a contract, it was done under the conditions that I have named. Congress was acting under the constitutional authority to carry on war. That condition does not now exist. If the purchase of these bonds and the lending of this money was a contract, then that contract was completed during the war. If there is to be any change in that obligation, it would be a change in the contract, or the making of a new contract. Does the power now exist in Congress to make a contract that did exist in Congress under war conditions?

Mr. WALSH of Montana. I think the observation of the Senator from Nevada is altogether pertinent, and it might even be considered as a grant of war power to the President; but that is not the proposition altogether. It need not rest upon that basis at all. One can very readily understand many circumstances and conditions under which an implied obligation of a foreign power to this country may arise other than by virtue of any negotiations in the nature of a treaty. For instance, if a foreign Government should appropriate in the most perfect good faith some of the property of the United States abroad, an implied obligation would arise that that Government pay this country, and that is substantially what took place here; but here, Mr. President, is a proposition in time of peace to make contracts with foreign Governments to the extent at least of something like $11,000,000,000, and to negotiate with those foreign powers and Governments in relation to the terms upon which payment is to be made, the time for which the bonds are to run, and the rate of interest which they are to bear; and moreover, Mr. President, with respect to claims that are not bonds or obligations evidenced by some writing, evidently entire power is given to adjust and settle those claims. That this is a contract between our Government and the foreign Governments no one can undertake to deny; and so it falls clearly within the definition of a treaty.

Let me read, briefly, some of the definitions of a treaty:

An agreement between two States is a treaty.

This is the language of Butler's Work on Treaties, 193, note.

Treaties are contracts between States.

Crandall on Treaties, section 4.

A treaty is a contract between nations.

Thirty-eighth Cyclopedia, 962, the article by Associate Justice Day and Mr. Butler.

A treaty is primarily a contract between two or more independent nations.

This is the language of Whitney *v.* Robinson (124 U. S., 194).

It differs from an ordinary contract only in being an agreement between independent States instead of private parties.

Fourteen Diamond Rings *v.* the United States (183 U. S.).

Every agreement between them—

That is, two nations—

regarding any obligation whatever is a treaty.

Oppenheim on International Law, 501.

And according to Halleck, an American writer, in his work on International Law, at page 284, public debts are a proper subject of treaty.

Mr. President, it can not be disputed that being a contract between two independent Governments it must of necessity be a treaty between those Governments arising through negotiations. That is to say, the different Governments must treat with respect to the matter. It must of necessity be a treaty and fall within the treaty-making power.

That it can not be delegated, of course, is indisputable. The treaty-making power is vested by the Constitution of the United States in the President of the United States, subject to ratification by the Senate.

The House of Representatives has absolutely nothing whatever to do with the making of a contract with a foreign Government, nor can power be delegated by it to any commission or body created by it.

This is not a new question in the history of this country, nor is the attempt to legislate on this matter now before us for the first time. A similar attempt was made during the administration of President Jackson. Certain claims were urged by citizens of the United States against the Kingdom of The Two Sicilies arising out of the confiscation of American ships during the Napoleonic war. Those claims were referred to a commission by virtue of a treaty between the two nations, and the amount of the claims adjusted. A bill was then introduced in Congress authorizing the Secretary of the Treasury, with the consent of the claimants, to adjust, settle, and compromise those claims. The bill went to the President of the United States, Andrew Jackson, for his approval. The bill is brief, and I will read it.

Mr. SWANSON. Was that a public claim or a claim of private individuals?

Mr. WALSH of Montana. These were private claims which were preferred by the Government of the United States on behalf of private individuals against the Kingdom of The Two Sicilies, and they were adjusted. The bill reads, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and empowered to compromise with the King of The Two Sicilies, or to dispose of to any other person or persons, for a sum of money to be paid presently, the rateable proportions of the amount allowed and found due to the several claimants by the commissioners appointed under the treaty aforesaid, on such terms and conditions as may be thought just and reasonable: *Provided*, The claimants shall signify to the Secretary of the Treasury their assent thereto.

JOHN BELL,
Speaker of the House of Representatives.
M. VAN BUREN,
Vice President of the United States and President of the Senate.

That went to the President of the United States. Perhaps this might interest the Senator from North Dakota [Mr. MCCUMBER], if he will kindly give me his attention.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. Certainly.

Mr. WALSH of Massachusetts. We are dealing with a question involving $11,000,000,000, one of the most important questions before the Senate during the present session. We are now discussing a very important aspect of that question, namely, whether it involves the treaty-making powers of the Constitution or not. I think we ought to have a quorum call and have a larger attendance to hear the discussion. Yesterday when the Senator from North Carolina [Mr. SIMMONS] was presenting his views, after studying the question and considering it for months, there was a mere handful present. There is only a handful here to-day. I think, under the circumstances, I ought to ask for a quorum.

The PRESIDING OFFICER (Mr. LADD in the chair). The absence of a quorum is suggested, and the Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	McNary	Smith
Ball	Harreld	Moses	Smoot
Borah	Harris	Myers	Stanfield
Broussard	Heflin	Nelson	Sterling
Capper	Johnson	Norris	Sutherland
Caraway	Jones, Wash.	Oddie	Swanson
Culberson	Kellogg	Page	Trammell
Curtis	Kenyon	Pepper	Wadsworth
Dial	Keyes	Phipps	Walsh, Mass.
Dillingham	Ladd	Pittman	Walsh, Mont.
du Pont	La Follette	Poindexter	Warren
Edge	Lenroot	Ransdell	Watson, Ind.
Ernst	McCumber	Reed	Williams
Fletcher	McKellar	Robinson	
Glass	McKinley	Sheppard	
Gooding	McLean	Simmons	

Mr. CURTIS. I was requested to announce that the Senator from Connecticut [Mr. BRANDEGEE], the Senator from Ohio [Mr. WILLIS], the Senator from North Carolina [Mr. OVERMAN], and the Senator from Tennessee [Mr. SHIELDS] are detained on official business.

Mr. WALSH of Massachusetts. I wish to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Ohio [Mr. POMERENE] are absent on account of illness.

Mr. HARRIS. I desire to announce that my colleague [Mr. WATSON of Georgia] is absent on official business.

Mr. MCKELLAR. I wish to announce that the junior Senator from Utah [Mr. KING] is detained by illness.

The PRESIDING OFFICER. Sixty-one Senators having answered to their names, a quorum is present. The Senator from Montana will proceed.

Mr. MCCUMBER. Mr. President, I think the Senator from Montana asked me a question while my attention was diverted.

Mr. WALSH of Montana. I did not ask the Senator a question, but I was about to refer to a document of some considerable historic importance which I thought reflected some light upon the question before us, and I imagined very likely the Senator would like to know about it. I observed that his attention was being diverted by some other Senator.

Mr. McCUMBER. I thank the Senator for calling my attention.

Mr. WALSH of Montana. I was calling the attention of the Senate to the bill which went to President Jackson which, like the pending measure, sought to empower the Secretary of the Treasury to settle and adjust claims against a foreign Government. The bill went to the President of the United States and was vetoed by him in a brief message under date of March 3, 1835, which I find in the twenty-fifth volume of the Senate Journal, as follows:

WASHINGTON, *March 3, 1835.*

To the Senate:

I respectfully return to the Senate, where it originated, the act to authorize the Secretary of the Treasury to compromise the claims allowed by the commissioners under the treaty with the King of The Two Sicilies, concluded October 14, 1832, without my signature.

The act is, in my judgment, inconsistent with the division of powers in the Constitution of the United States, as it is obviously founded on the assumption that an act of Congress can give power to the Executive, or to the head of one of the departments, to negotiate with a foreign Government. The debt due by the King of The Two Sicilies will, after the commissioners have made their decision, become the private vested property of the citizens of the United States to whom it may be awarded. Neither the Executive nor the Legislature can properly interfere with it without their consent. With their consent, the Executive has competent authority to negotiate about it for them with a foreign Government, an authority Congress can not constitutionally abridge or increase.

ANDREW JACKSON.

President Jackson has been criticized about many of his official acts, and a great many people do not like his politics, but when it comes to a question of interpretation of the Constitution of the United States his words command respect in this body and before any tribunal where that great document is the subject of consideration. He lays down the proposition with perfect clarity that so far as negotiation with foreign Governments is concerned in relation to obligations due from them to this Government the Legislature can neither add to nor detract from the power of the President of the United States.

If the Senator from North Dakota will pardon me, I should like to address this inquiry to him: If the President of the United States did enter into negotiations with Great Britain, for instance, and made an agreement with that Government by which the obligations now represented by demand obligations from that Government and other obligations in the nature of bonds maturing 25 years hence, bearing interest at 4 per cent or 4½ per cent, payable annually or semiannully, as the case may be—if he made such an agreement as that with them and submitted it to the Senate for ratification, I inquire of the Senator if the President would be acting within his rights and within his powers under the Constitution?

Mr. McCUMBER. Mr. President, there are two methods provided by the Constitution for enacting laws which shall become the laws of the land. The first method is by acts of Congress. The second method is by treaties made pursuant to the Constitution of the United States. There is no strict line of delimitation between those two characters of law. I can not conceive at the present time, nor have I in mind at present, any law that we could make by a treaty that we could not also make by an act of Congress in harmony with the other government if it also provided a like act to meet ours. I can not for a moment believe that while we could do that which the Senator says we ought to do through the treaty-making power, that is the exclusive method.

Take the settlement of any claim or set of claims between two Governments for arbitration. We may have a treaty between the two nations that each shall select an arbitrator and those two may select a third and the Governments will abide by whatever their decision may be; or we may pass an act of Congress which will provide that this Government or the President, for instance, shall select arbitrators without any treaty, and if the other nation acquiesces and also appoints its arbitrators the results will be exactly the same, and we have accomplished the same purpose.

As the Senator has stated, we may have trouble with a nation like Russia. Of course when we finally settle a claim with Russia, we will have to settle it with a government whose bonds we will receive, and undoubtedly before that is done the President of the United States will be compelled to recognize some particular government. That is one of the difficulties, of course, that we will have to deal with. If we had the power in the first instance to create these obligations without a treaty, I can not for the life of me see why we have not the same power to extend or to modify the old obligations without any additional treaty. In other words, it can be done by law now, in my opinion, exactly the same as it was done by law without a treaty when the obligations were first created.

I have answered the Senator, as I understand his question.

Mr. WALSH of Montana. No; the Senator has not even tried to answer me. I put a perfectly plain question. I asked if the President of the United States should enter into negotiations with the Government of Great Britain and should enter into an arrangement for the extension or conversion and refunding of its obligation, and we should submit that to the Senate of the United States and the Senate should ratify that agreement, whether the President of the United States would be acting within his powers, and whether the Senate would not be acting within its power.

Mr. McCUMBER. Why, certainly. I thought I answered in the affirmative when I stated the two methods.

Mr. WALSH of Montana. Now, I desire to comment on what the Senator has said. The Senator said that exactly the same result which can be attained by a treaty can be attained by cooperative legislative acts of the two Governments concerned. I am astonished to hear such sentiments avowed by so able a lawyer as the Senator from North Dakota.

Let us understand, Mr. President, what that means. The President of the United States can not make an agreement with a foreign Government under the treaty-making power unless he can get the assent of two-thirds of the Senate of the United States. He can not get that assent.

Mr. POINDEXTER. Mr. President——

Mr. WALSH of Montana. Just a moment, and then I shall be glad to yield.

The Senator from North Dakota proposes that under those circumstances he would suggest to the foreign Governments that the parliament and Government of that country pass a certain law in substance the same as the treaty contemplated, and he will get the same law passed through the Congress of the United States by a majority of both Houses, and therefore he will beat the Constitution in that way. That is the contention made by the Senator from North Dakota. I deny, Mr. President, that the treaty-making power confided by the Constitution of the United States in the President and two-thirds of the Senate can be contravened by any such device as that.

I now yield to the Senator from Washington.

Mr. POINDEXTER. I should like to ask the Senator from Montana a question. I understand that the Senator contends that the Congress of the United States has no jurisdiction and no authority to legislate in regard to this property of the United States, these foreign bonds.

Mr. WALSH of Montana. I do not.

Mr. POINDEXTER. It seems to me that that would inevitably be the conclusion following the Senator's statement.

Mr. WALSH of Montana. Oh, no.

Mr. POINDEXTER. Because that is all that this bill is. The Senator, as I understood him, was arguing against the authority of Congress to enact this bill.

Mr. WALSH of Montana. I was.

Mr. POINDEXTER. This bill is merely legislation affecting the condition of this property which belongs to the United States.

Mr. WALSH of Montana. That is quite aside from the argument that I am making. It is not affecting this property. Congress can dispose of this property in any way it sees fit.

Mr. POINDEXTER. That is what it is proposing to do by the passage of this bill.

Mr. WALSH of Montana. Oh, no; Congress is not proposing to do that at all.

Mr. POINDEXTER. If this legislation is enacted, it certainly does affect this property and fix its conditions and disposition, and I understand the Senator admits that Congress has a right to do that.

Mr. WALSH of Montana. Congress undoubtedly has the right to dispose of this property; it has a right to declare war; it has the right to create indebtedness; it has a right to do many things; but when it comes to dealing with a foreign Government, that is another matter. It is perfectly plain to me, although it may be confused to the Senator.

Mr. POINDEXTER. I should like to ask one more question. Did I understand the Senator from Montana to argue that Congress could not pass any law affecting the foreign relations of the United States?

Mr. WALSH of Montana. I did not say "affecting." I would not make that argument.

Mr. POINDEXTER. How about immigration laws and tariff laws?

Mr. WALSH of Montana. I would not make any such statement as the Senator from Washington has attributed to me.

Mr. POINDEXTER. We frequently pass tariff laws and immigration laws.

Mr. WALSH of Montana. Oh, well, those——

Mr. POINDEXTER. Let me complete the question. Either one of those subjects is a very fit and proper subject for a treaty between this country and a foreign country if we choose to deal with it in that way; but this is the first time that I have ever heard it intimated that if Congress as a whole chooses to legislate with reference to our foreign relations it has no authority to do so.

Mr. WALSH of Montana. The Senator from Montana is not confused about it; his mind is perfectly clear on the subject. Let us take the subject of immigration, to which the Senator from Washington refers. We may pass exactly such laws as we see fit concerning the admission of foreigners to this country; that affects our own country, and we may keep them out; but if we want to make an agreement with some other country concerning the admission of their citizens to this country, that agreement must be made, as such agreements always have been made, by the President and the Senate of the United States. That was the case as to the treaty with China. We made a treaty with China under which we agreed that certain Chinese should be excluded from this country, and we afterwards legislated upon the subject. The treaty relative to that matter has been abrogated; it does not now exist; but we legislated upon the subject as we saw fit.

Mr. POINDEXTER. Then, does the Senator contend——

Mr. WALSH of Montana. So that, if the Senator will pardon me, Congress may pass laws which in some way or other affect foreign countries, but when it comes to making an agreement with a foreign country, such agreement must be made by the President and the Senate and not by the Congress.

Mr. POINDEXTER. The Senator has just stated that a treaty could be made, if both countries agreed to it, between this country and some foreign country with reference to immigration or with reference to a tariff?

Mr. WALSH of Montana. We have done so.

Mr. POINDEXTER. But the Senator admits at the same time, in so far as our own rights in those matters are concerned, that we may proceed by the enactment of legislation. Now, why should not the same rule apply to these foreign bonds? We could deal with them, as the Senator has just stated, by treaty, but we may also deal with them by legislation. The same rule applies to this foreign matter which applies to immigration and to the tariff or to any other foreign question.

Mr. WALSH of Montana. Reiteration is not argument. It is perfectly plain that when we make an agreement with a foreign Government we make a treaty with it, and it falls under the treaty-making power. If we proceed without an agreement with it, as a matter of course, we may legislate as we see fit.

Mr. POINDEXTER. The Senator from Montana is undoubtedly familiar with the fact that the Supreme Court of the United States has decided time and time again that treaties may be modified or repealed by an act of Congress?

Mr. WALSH of Montana. The law as it affects the people of this country, as it is construed by the courts, of course, may be modified by a later statute; but the Senator from Montana, although perfectly familiar with the principle, does not see that it has any application to the matter which is now before us.

Mr. POINDEXTER. It seems to me it has a very immediate and a very direct application to the matter before us, because the Senator is arguing that this relates to a foreign question which can only be dealt with by treaty. I am suggesting to him that if it were dealt with by a treaty, the treaty could be modified by an act of Congress unless the act of Congress should affect some contractual relation and interfere with a moral obligation. If Congress sees fit to act before the treaty is negotiated or before any obligation is entered into limiting the conditions which might be dealt with in any such treaty, it certainly has the right to do so.

Mr. WALSH of Montana. Of course, the Senator from Washington has a right to his opinion.

Mr. McCUMBER. If the Senator will yield to me, I desire to say that I understand the Senator admits that the law under which the obligations were created was properly passed by the Congress without the aid of the Executive in negotiating a treaty?

Mr. WALSH of Montana. I do not care to enter into a discussion whether it was or was not; but I had expressed my view about it, that it could be justified upon the ground of an obligation arising from a mere statement of the conditions by the Congress, or it might be justified under the war power of Congress. However, we are not discussing the validity of the law now.

Mr. McCUMBER. The point I would make is this: Outside of the mere matter of appropriation the Executive could have accomplished exactly the same result through the aid of a treaty, could he not?

Mr. WALSH of Montana. He could not without the appropriation.

Mr. McCUMBER. I have said outside of the matter of the appropriation.

Mr. WALSH of Montana. Undoubtedly, if Congress had appropriated $4,000,000,000 and had authorized the President of the United States to loan that money to foreign Governments, he could then have entered into negotiations with foreign Governments with respect to the loan and have reported his proceedings to the Senate and said that he had loaned that money to the Government of Great Britain, for instance, upon terms that they were to deliver bonds payable in 25 years at 4 per cent and ask for the concurrence of the Senate.

Mr. McCUMBER. I can hardly agree with the Senator that if we take the shorter method of dealing by law with a foreign Government and the foreign Government accepts that method by such action we are avoiding the constitutional provisions relating to a treaty. I do not think that President Wilson at the time he made the recommendation felt that he was avoiding the constitutional provision respecting treaties and escaping the provision making it necessary to have a two-thirds majority in order to ratify a treaty in the Senate. If we take the same method of accomplishing the same result now in extending the time or in fixing a different time when these foreign obligations shall be due or in fixing a higher rate of interest, I do not think we are avoiding the constitutional provision relating to treaties by so doing.

Mr. WALSH of Montana. Of course, I think it quite likely, if the Senator will pardon me, that President Wilson did not enter into any consideration of the subject at all; neither did the Congress of the United States. They simply assumed, exactly as the committee has done at the present time, that both of them had the power; that there was entire power to enact the law; and until now at least there has not been any serious question about it; but that does not establish that such power exists by any means.

Mr. President, if the Senator will give me his attention a little further I want to submit a further observation as well. I called attention to the obvious impossibility of the doctrine being created, which was stated by the Senator from North Dakota, that by concurrent action of the two Governments the requirement of the assent of two-thirds of the Senate may be obviated in the case of any treaty whatsoever that the President of the United States cared to negotiate, merely by the passage of reciprocal legislation of the two Governments involved. Mr. President, bear in mind that the Senator from North Dakota agrees that the President of the United States, if he negotiated a treaty with Great Britain for the refunding of this indebtedness and submitted it to the Senate, would be entirely within his rights; but if this question falls within the legislative power of Congress at all we can get rid of the participation of the President of the United States, for he may refuse to give his assent to this legislation; and yet it may be passed by a two-thirds vote of both Houses, and, according to the contention of the Senator, it becomes a law, the objections of the President of the United States to the contrary notwithstanding. Bear in mind that in the case of a treaty the President of the United States has his say about it, and no man and no body of men can take it away from him.

Moreover, Mr. President, not only does he participate in the original negotiation of the treaty, but after the treaty is ratified by a vote of two-thirds of the Senate, if it is not satisfactory to him, he may put his veto upon it, and no man can gainsay his action.

So, under the scheme of legislation which is now proposed, we are not only outside of the domain of legislative action, as I shall show directly from the Federalist, but we are placing the power to enact legislation of this character in the hands of Congress, where it may carry out its will in defiance of the President of the United States, who is charged with the whole power and duty of taking care of our foreign relations.

Mr. POINDEXTER. Mr. President, that was the doctrine of President Wilson, and that was disputed——

Mr. WALSH of Montana. It does not make any difference as to that; I do not want to enter into a dispute with the Senator; but, if it was, it was just as erroneous if entertained by President Wilson as though it were entertained by the Senator from Washington.

Mr. POINDEXTER. Probably more so, but the views entertained by the President in that respect were not approved by Congress and did not prevail and were not approved by the country.

Mr. WALSH of Montana. So, conceding now, as it is conceded, that this matter does fall within the treaty-making power, if it likewise falls within the legislative power, the

President of the United States may be robbed of his absolute veto in relation to a matter of agreement with a foreign power.

But there is another view, Mr. President, and that is that it does not fall within the legislative power at all; it is not legislation. The question of the treaty-making power had some little consideration from Alexander Hamilton at the time the Constitution was before the country for ratification, and he laid down the doctrine, which I think has never been controverted, that the legislative power deals with domestic matters exclusively—that is to say, laws passed by Congress have no power or effect beyond the jurisdiction of the United States, while those things which fall within the treaty-making power and are crystallized into treaties extend beyond the limits of the United States and are effective as well within the country with which the treaty is made.

Mr. McCUMBER. Mr. President, as I am compelled to leave the Chamber in a few moments, will the Senator allow me to ask him a question at this point?

Mr. WALSH of Montana. Yes.

Mr. McCUMBER. I think the question is pertinent. Let us suppose that we pass this bill and that the commission appointed under it negotiates an agreement with a similar commission appointed by the French Government; they settle upon bonds, and the bonds are issued by the French Government and accepted and received by the United States, would the Senator say that those bonds were void? Would they not be legal obligations of the French Government?

Mr. WALSH of Montana. I do not imagine the French Government would repudiate them.

Mr. McCUMBER. But I ask the Senator, irrespective of the French Government repudiating them, would the bonds be legal? Of course, when I speak of "legality" I mean in the sense that they are recognized by the other Government.

Mr. WALSH of Montana. I am not an expert on the French constitution and can not answer that question; but I will say to the Senator that if the situation were reversed and the obligations were due from this country to France, I should say that, under the Constitution of the United States, those bonds of the United States would not be legal, although, as a matter of course, the Government of the United States would doubtless not repudiate its obligations.

But, Mr. President, I want to follow this matter just a little further. Assume, for the purposes of the discussion which we are pursuing, that the President of the United States vetoes this bill; that it comes back and is passed by two-thirds of both Houses and becomes a law; that the commission enters upon its work and carries on negotiations and makes agreements with the foreign powers against the express desire of the President of the United States, who repudiates the whole transaction. Thus, Mr. President, we would rob the President of the United States of a power that is conferred upon him by the Constitution of the United States.

Now, I will read from the Federalist, at page 500 of Ford's edition:

> With regard to the intermixture of powers, I shall rely upon the explanations already given in other places of the true sense of the rule upon which that objection is founded, and shall take it for granted, as an inference from them, that the union of the Executive with the Senate in the article of treaties is no infringement of that rule. I venture to add that the particular nature of the power of making treaties indicates a peculiar propriety in that union. Though several writers on the subject of government place that power in the class of executive authorities, yet this is evidently an arbitrary disposition, for, if we attend carefully to its operation, it will be found to partake more of the legislative than of the executive character, though it does not seem strictly to fall within the definition of either of them.

So, Mr. President, a matter which falls within the treaty-making power is necessarily excluded, according to Alexander Hamilton, from the legislative power; and legislative powers are all the powers the Congress of the United States possesses.

> The essence of the legislative authority is to enact laws, or, in other words, to prescribe rules for the regulation of the society; while the execution of the laws and the employment of the common strength, either for this purpose or for the common defense, seem to comprise all the functions of the executive magistrate. The power of making treaties is plainly neither the one nor the other. It relates neither to the execution of the subsisting laws nor to the enaction of new ones, and still less to an exertion of the common strength. Its objects are contracts with foreign nations, which have the force of law, but derive it from the obligations of good faith. They are not rules prescribed by the sovereign to the subject, but agreements between sovereign and sovereign. The power in question seems, therefore, to form a distinct department and to belong properly neither to the legislative nor to the executive.

So, Mr. President, when the Senator from North Dakota admits that transactions of this character fall within the treaty-making power prescribed by the Constitution, he confesses that it does not fall within the legislative powers that are confided to the Congress of the United States by the Constitution.

Mr. President, that being the case, I inquire of the Senators what occasion there is for this legislation. Confessedly, the President of the United States has all the power he needs to carry on negotiations with these foreign Governments to make just exactly such arrangements as he may see fit to make. If he cares to do so he may appoint commissioners to carry on negotiations without even submitting the matter to the Senate of the United States for ratification. No one questions that. Indeed, Mr. President, this legislation, which ties down the hands of the President of the United States so that he can not, if it has any force at all, appoint commissioners except they are confirmed by the Senate of the United States, robs him of a power conferred upon him by the Constitution, and a power that has been frequently exercised. In other words, the President of the United States by the Constitution is given the power to negotiate treaties; and he may conduct those negotiations in person, as did President Wilson by going to Versailles, or he may designate our ambassadors abroad to carry on the negotiations, as he did in the case of the treaty of Berlin with Germany, or as was done in the case of the purchase of Louisiana, he may appoint his special representatives to carry on the negotiations; and the Congress of the United States can not take that power from him and say: "You shall appoint no commissioner unless the appointment of that commissioner is ratified by the Senate of the United States." He has the undoubted power to appoint just such commissioners as he may see fit to appoint to carry on these negotiations.

Mr. President, I ask what is the need of this legislation? The President of the United States unquestionably has the power to carry on the negotiations. He has the power to appoint his commissioners to carry on the negotiations. He has the power to make just such arrangements as are satisfactory to him for the adjustment and settlement of these claims.

Mr. BORAH. Mr. President——

Mr. WALSH of Montana. I yield to the Senator.

Mr. BORAH. Mr. President, I see by the news dispatches that the soviet government, if it attends the economic conference, is going to present very large demands upon other governments, including the United States, for the wrongs and injuries inflicted by the United States upon the Russian people. I assume that they have in mind possibly the fact of our sending soldiers into Archangel in connection with the Japanese. If we can authorize a commission to settle this matter without reporting back to the Senate of the United States for ratification, would we not be wholly within our rights if we should authorize a commission to adjust any claims between Russia and the United States without reporting back to the Congress of the United States?

Mr. WALSH of Montana. I understand that to be the contention of the Senator from North Dakota—that we can appoint commissioners under an act of Congress, and they can appoint commissioners under an act of their legislative body, and that these two can get together and make an agreement, and that that is strictly in accordance with the Constitution.

Mr. BORAH. A settlement of that kind might involve the transfer of territory, as it often has, in the adjustment of a situation. I take it no one would contend that we might go so far as to authorize a commission either to part with territory or to take territory without the ratification of a treaty.

Mr. WALSH of Montana. I do not know why we should not, under the contention that was made. Take the Aleutian Islands: We agree to give the Aleutian Islands to Russia in adjustment of the claims, and Russia passes a statute accepting the Aleutian Islands in satisfaction of the claims, and the Congress of the United States passes a statute granting the Aleutian Islands to Russia in satisfaction of the claims.

Mr. JOHNSON. Mr. President, I should like to inquire what difference it would make whether this commission dealt with $10,000,000,000 or with territory worth $1,000,000?

Mr. BORAH. There could be no difference so far as the principle is concerned.

Mr. POINDEXTER. Mr. President, my understanding is, if I may be permitted to suggest it, that one of the express powers of Congress, conferred by the Constitution of the United States, is the power to deal with the territory of the United States.

Mr. WALSH of Montana. And the Senator understands that that means that Congress may cede territory to a foreign government?

Mr. POINDEXTER. I certainly do.

Mr. BORAH. I have not that view of that provision of the Constitution.

Mr. WALSH of Montana. Mr. President, let me add that it is even doubted whether through the treaty making power a thing of that kind can be done.

Mr. POINDEXTER. I do not concede the view of the Senator from Montana that the President and the Senate are superior to the Congress of the United States. I think, on the con-

trary, that the Congress has much vaster powers than have the President and the Senate in the treaty making power, both as to the territory of the United States and as to the finances of the United States, and as to every other vital interest of the United States.

Mr. BORAH. I do not understand, however, that the Congress of the United States could authorize an exchange of territory between this country and a foreign country. That must necessarily come as the result of a contract with the foreign country, and that contract must necessarily be a treaty.

Mr. POINDEXTER. Suppose Congress passed a law ceding certain territory to a foreign country. We have already passed laws appropriating money to pay for territory that foreign countries have ceded to us. I think the Congress is less likely to do such a thing than, perhaps, the treaty-making power would be. Neither one of them is likely to do it, and we are only dealing with supposititious and hypothetical and rather far-fetched cases, but we are talking abstractly about the power of Congress. If we should assume that Congress would convey one of the Aleutian Islands to some foreign country, for reasons that were satisfactory to Congress, and that foreign country, through its proper law-making power, should accept that island, would not the transaction be complete and constitutional in every way?

Mr. WALSH of Montana. It would be exactly the same thing as if they came and took it by force. They would have it, and that would end the transaction.

Mr. POINDEXTER. I think there is quite a difference between an act of Congress and force.

Mr. BORAH. I was only calling attention to this as an illustration, but the thing that interests me, is where the line of demarkation is; in other words, where we are to find it. If we can authorize, through a commission, the settlement of $11,000,000,000 of indebtedness without reporting back for confirmation, I can not understand why we may not go practically all the way with reference to those things which have heretofore been considered as covered by the treaty-making power. I am suggesting this not as concluding my views but thinking aloud, as it were.

Mr. POINDEXTER. I think the Senator is entirely right that no commission would have a right to dispose of or to deal in any way with the bonds of the United States unless it was approved by some constitutional authority, but that approval can be either after the act of a commission that was authorized without definite limits to its powers or it can be approved in advance, and that is what this bill proposes to do—to lay down the terms and conditions under which this commission can act, and it must be confined to those limitations laid down by Congress. If it is confined to the terms that are laid down by an act of Congress, what is the occasion to repeat the act of Congress after the negotiations have been completed? The commission will have already complied with the limitations made by Congress.

Mr. BORAH. Mr. President, the argument of the Senator from Washington would cover every possible power that comes under the treaty-making power. If his argument is good, of course it seems to me, to follow it out to its logical conclusion, that there is nothing that we can not authorize in advance to be done with reference to a treaty, and there will be no necessity for reporting back at all.

Mr. President, we may be approaching a solution of a matter which has been a source of a great deal of difficulty and trouble to some of our foreign friends. It has been stated for months in the foreign press, particularly in England, that one of the reasons why England and other foreign countries could not do business with the United States was because they could not deal directly and alone with the Executive, but must deal not only with the Executive but with the Senate of the United States. The late Viscount Bryce, in his brilliant lectures at Williams College last year—although it was afterwards cut out of his book, I understand, and very properly, I think—suggested that before we could have convenient methods of dealing between foreign countries and this country the Senate of the United States must be shorn of some of its powers with reference to treaty making. He called attention to the fact that when Great Britain made a treaty or France made a treaty through its executive that was the end of it, but that they had had some experience within the last two or three years showing that that was not the end of it in the United States. That was supposed to be a great inconvenience to them. It led to misunderstandings and presented obstacles that were difficult to overcome. We may have reached the solution of it, Mr. President, because if we can authorize this, may we not authorize anything to be done which may be thought proper at the economic conference and make that the end of it, whether it is ratified by the Senate of the United States or not?

Mr. WALSH of Montana. Let us go further. Why not pass an act here accepting in its entirety the treaty of Versailles? Possibly some day or other we may again have a President of the United States who is in favor of that treaty, and we may have a majority in both Houses of Congress who are in favor of it. According to the contention now seriously made on this floor, the treaty having been accepted by 41 nations—by all of the nations signatory to it, I believe, except the United States—it would be possible by a simple act of Congress to make that the law of the United States.

Mr. POINDEXTER. Did we not do that? Have we not just done that?

Mr. WALSH of Montana. Oh, well, that is all right.

Mr. POINDEXTER. I think it is all right, but I understood the Senator——

Mr. WALSH of Montana. Will the Senator tell us when and where we ratified a treaty by the action of a majority of both Houses of Congress?

Mr. POINDEXTER. Why, by legislation recently enacted by resolution of Congress.

Mr. WALSH of Montana. What does the Senator refer to?

Mr. POINDEXTER. The resolution declaring a state of peace between the United States and Germany and approving and ratifying the treaty of Versailles.

Mr. WALSH of Montana. We made a treaty with Germany ratifying it. We recognized that our resolution was utterly insufficient, and we proceeded to make a treaty; but if the contention now is correct a very easy opportunity is made, if there should be a political revolution in this country and a bare majority of one in both Houses of Congress, to ratify the Versailles treaty under the doctrine now announced.

Mr. President, the treaty-making power is not coordinate at all. It is exclusive. It was so declared by the present Chief Justice of the United States when he was Solicitor General of the United States. His opinion on the subject will be found in the nineteenth volume of the Opinions of the Attorney General. It is to the effect that whenever a matter falls within the treaty-making power the power is exclusive.

Mr. President, I was discussing the need of this legislation, the occasion for it, the full power now being vested in the President of the United States to make just such arrangements as he may care to make with respect to these obligations, subject, of course, to the ratification of the Senate.

Mr. BORAH. Mr. President, may I suggest that the need of it arises out of the fact—there is no concealment about it—that the Executive does not desire to report back these contracts for confirmation. Any amendment to this bill submitted for the purpose of requiring the Chief Magistrate to report back will reveal very quickly what the need of it is in the minds of the negotiators.

Mr. WALSH of Montana. I understand that an amendment to that effect has been tendered.

Mr. BORAH. Yes; and in my judgment it will be rejected by all who are in favor of this bill.

Mr. WALSH of Massachusetts. Mr. President, three similar amendments were offered in the Committee on Finance, and all were voted down; and the Secretary of the Treasury plainly stated that he did not want to have his power limited so as to be compelled to report back any negotiations that he made, for fear lest the negotiations with one country would interfere with his negotiating with another country.

Mr. WALSH of Montana. But, Mr. President, while in my judgment the bill would be improved by an amendment of that character—it contemplates, as I understand, practically a ratification by the Congress; that is to say, by a legislative act in which the House of Representatives shall participate with the Senate—I insist, as a matter of course, that that, while it would improve it from the standpoint of policy, would be equally without the power of Congress.

Mr. BORAH. The only difference would be that if it comes back in the form of a treaty under the recognized power it would take a different vote.

Mr. WALSH of Montana. Exactly.

Mr. BORAH. It takes only a majority vote if it is a legislative act.

Mr. WALSH of Montana. Exactly; so it becomes exceedingly important at this time to determine whether this falls within the legislative power of the Government or whether it falls within the treaty-making power of the Government. In the one case ratification, even if a provision for ratification is incorporated in the bill, will come by a majority of both Houses of Congress. In the other case it will come by a vote of two-

thirds of the United States Senate. So, from any point of view whatever, it becomes a matter of vast importance, practically and legally.

I was discussing, however, the question of the necessity for the legislation. Whatever may be said concerning the wisdom of those provisions of the bill which deal with the bonds and obligations of these governments now held by our Government evidencing loans of money which are made to them, what shall be said concerning the provision of the bill which gives to that commission, which lasts forever—there is no limit whatever to its life—the power "to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government, and to accept securities therefor"? I wish the chairman of the committee were here to advise us as to the occasion for the enactment of such sweeping general legislation in addition to the powers granted dealing with the disposition of these obligations arising out of the Government loans. What justfication is there? I should like to hear from any member of the committee reporting this bill as to how they can justify that provision of it.

Mr. WALSH of Massachusetts. Mr. President, I am unable to answer the question which the Senator has just propounded; but I understood him to state that the powers granted to this commission were unlimited, and did not terminate at a fixed time.

Mr. WALSH of Montana. Yes.

Mr. WALSH of Massachusetts. I want to call the Senator's attention to section 4. It says:

That the authority granted by this act shall cease and determine at the end of three years from date of the passage of this act.

Mr. WALSH of Montana. Quite right. I had overlooked that in that connection. I am thankful to the Senator; but within that time any and all claims that may arise they may settle and adjust as provided in the bill; and I am curious to know why that provision was inserted in this bill, and what justification there is for it.

Mr. President, I think enough has been said in this connection to impress upon Senators who will give any attention at all to it the very grave nature of the duty that is before us.

Mr. POINDEXTER. Mr. President——

Mr. WALSH of Montana. The obligation to preserve the Constitution in its entirety must address itself to every Senator in this connection; and a scrupulous effort ought to be made, particularly by us, the present repositories of that power, not in any way to detract from the powers of the United States Senate confided to it by the Constitution.

I yield to the Senator from Washington.

Mr. POINDEXTER. If the Senator will permit me, I would like to call his attention to a few lines in the joint resolution of Congress with relation to the Versailles treaty to which I referred a moment ago and which seems to be very similar, so far as its relation to dealing with the question of foreign relation which also might be dealt with in a treaty is concerned, to the question which the Senator is discussing.

In that joint resolution, approved July 2, 1921, the joint resolution terminating the state of war between the Imperial German Government and the United States of America and between the Imperial and Royal Austro-Hungarian Government and the United States of America, among other provisions which bear out the same principle, is the following in section 4:

That in making this declaration, and as a part of it, there are expressly reserved to the United States of America and its nationals any and all rights, privileges, indemnities, reparations, or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed November 3, 1918, or any extensions or modifications thereof; or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals have thereby become entitled, or which, under the treaty of St. Germain-en-Laye, or the treaty of Trianon, have been stipulated for its or their benefit; or to which it is entitled as one of the principal allied and associated powers; or to which it is entitled by virtue of any act or acts of Congress; or otherwise.

All of those matters were matters which could properly have been dealt with in the treaty and under which the President undoubtedly could have proceeded to conduct negotiations under his constitutional power of treaty making, but they were dealt with and disposed of by this act of Congress.

Mr. WALSH of Montana. We did not make any agreement with any foreign power.

Mr. POINDEXTER. We are not making any agreement with any foreign power in this bill.

Mr. WALSH of Montana. No; but we are authorizing the commissioners to do it.

Mr. POINDEXTER. So it was in the joint resolution, which I have just read, laying down the terms and conditions of any treaty which might be made.

Mr. WALSH of Montana. No; there is nothing in the joint resolution which the Senator has read which reposes in any body power to negotiate a treaty.

Mr. POINDEXTER. I am not speaking about reposing in any body power to negotiate a treaty, neither is there in the bill any provision for negotiating a treaty. There is nothing about any treaty in the pending refunding bill. It simply lays down certain conditions and terms upon which this debt can be refunded. It does not require a treaty.

Mr. WALSH of Montana. It authorizes the commissioners to enter into agreements with foreign powers, which all authorities agree is a treaty.

Mr. BORAH. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Idaho.

Mr. BORAH. A different interpretation, which has been put upon this joint resolution which the Senator from Washington has just read, was the construction placed upon it by the Secretary of State who proceeded immediately, when he came to deal with Germany, to put it in the form of a treaty and send it here for ratification. This part of the resolution which the Senator has quoted fixed the status of the properties supposedly in this country, but in order to have the ratification or the approval of Germany to that it was put in the form of a treaty and sent here for ratification.

Mr. WALSH of Montana. Unquestionably.

Mr. POINDEXTER. There was nothing undertaken by the President of the United States in conflict with that joint resolution. I do not apprehend that the President would have undertaken to negotiate a treaty—to carry on any negotiation in conflict with the terms of that resolution which refers to the rights and privileges of the United States acquired under the armistice with Germany, all of which were dealt with in the treaty of Versailles. That treaty included every subject matter which is disposed of in the joint resolution, and the joint resolution is the law of the land. It has not been modified or annulled in any way whatever by any treaty which has been negotiated by the President.

Mr. WALSH of Montana. Of course, it is the law of the land, whereas a state of war existed prior thereto, and certain responsibilities and certain liabilities and certain situations arose with respect to our citizens by reason of which we declared that that status no longer existed. Furthermore, we said that we did not waive any rights which we might have under the treaty of Versailles, and it was recognized that no rights accrued to us so far as Germany was concerned without a treaty with Germany, and we then proceeded to make a treaty with Germany.

Mr. President, I have said all that I care to say about this matter. I think it can not be denied—in fact, it is admitted upon the floor—that the power to enter into these agreements or contracts with a foreign Government falls within the treaty-making power; that if the President of the United States entered into negotiations with a foreign Government and made an agreement with such Government and submitted it to the Senate of the United States and it was ratified by the Senate, both the Senate of the United States and the President would be entirely within their power.

Now it is proposed to take that power out from the classification in which it legitimately falls, and to say that the Congress of the United States may legislate upon the subject and appoint a commission by a legislative act, against possibly the veto of the President of the United States, and that such commission can negotiate treaties and agreements with those foreign powers in relation to this indebtedness and thus deprive him of his right under the Constitution to say whether the agreement with the foreign Governments shall or shall not be entered into. I should think the President of the United States, charged with preserving the prerogatives of that office, could not for a moment give his sanction to legislation of that character, any more than Andrew Jackson could when the very same matter was presented to him. He safely guarded the obligations and the duties of that great office which were reposed in him by the people of the United States.

We have a responsibility to the people who have intrusted us with these powers. They have said to us, "Whenever an agreement is made with a foreign power we expect you to have something to say with respect to it, and we insist that it shall not be chargeable as a part of the law of our land until it is ratified by two-thirds of the body to which we elect you as Members." We can not, consistent with our duties to our constituents and to ourselves, not to speak of the obligation of our oaths, give sanction to a measure of this kind which so obviously intrenches upon the limits prescribed by the Constitution.

Mr. BORAH. Mr. President, I desire to submit some observations upon another phase of this question. The consideration of

the funding of the foreign debt has brought out again in accentuated form what is supposed to be our duty and our obligations to the people of Europe. We have had in this country from the close of the war until the present time a zealous presentation of our duties and obligations to the people of that continent. The discussion is now renewed, and from many quarters comes the advice of what we should do, which includes everything from feeding the hungry to the cancellation of the foreign debt. I read a single paragraph from a late issue of the Fortnightly Review, published in London, in which it is said:

The time is not yet ripe to attempt to persuade the bulk of the Americans that cancellation of the war debts is not only fair but is good business; that in the long run the noncancellation of war debts is not only unjustifiable but is a luxury that not even America can afford. Europe, for that matter, is not yet ripe for cancellation; it is regarded as pro-German and unfriendly in many quarters even to mention the possibility of cancellation, because Germany might suggest that the corollary is a more cooperative and less unilateral arrangement in Europe. Nor is the time ripe to urge that America should shoulder what are, after all, her ineluctable responsibilities in Europe.

I recognize that it is both our duty and to our interest to assist in all practical ways in the rehabilitation of Europe. If our work is carried on along certain lines and within certain limitations, there is no doubt about either our obligation or our economic and financial interest to take part in the rehabilitation of Europe. But before America can do anything more for Europe, Europe must consent to do something for herself. She must put herself, it seems to me, in the attitude, both politically and economically, where the assistance which we may seek to render may be helpful and beneficial. Nothing is to be gained by withholding plain discussion of the real facts. Europe is not doing her part, and justice to our people requires that facts be stated.

We may continue to pour out vast sums of charity into Europe, and we may postpone the payments of the debts which Europe owes to the United States. We may forgive entirely, if we choose, the interest, but under the present policy and under the present conditions which obtain in Europe by reason of those policies, our assistance will be of little moment. Indeed, in my judgment, it will not reach the great mass of the people at all. Whatever assistance we may seek to render will reach no further than the bureaucracies of Europe and those who are still engaged in building up and maintaining vast armies and military establishments. In other words, to speak concretely, so long as the Versailles treaty remains in its present terms, unrevised, and so long as there is an attempt to execute it, any assistance which we may seek to render will be of little or no avail. Indeed, we can have nothing in common with the nations of Europe so long as the policies and principles embodied in that treaty constitute the law of that continent. The imperialism, the distinctive terms, the manifest purposes, so plainly embodied in the treaty, are not only politically and economically unwise but they are at variance with everything in which we as a people believe.

We are expected, so we are advised, particularly upon the part of certain distinguished individuals abroad, to take part in the conference at Genoa, the economic conference called for the purpose of devising plans for the rehabilitation of Europe. I observe that in the program or the agenda to be presented to the conference under No. 3 it is said:

Conditions necessary to the restoration of economic confidence without endangering or altering existing treaties.

No one has yet undertaken to disclose how it is possible to restore economic confidence or sanity in Europe without changing or altering existing treaties. That is the first and indispensable step to be taken; that is the beginning. Without that we shall do in the future as in the past three years—temporize and go from bad to worse.

Shortly after the Versailles treaty was written a number of economic experts were convened for the purpose of considering economic questions in the light of that treaty. Without division of sentiment or opinion and without conflict of views, they early in the history of that treaty arrived at the conclusion that Europe could not be restored so long as its terms were maintained. That view has continued to prevail, and has been more largely and more generally entertained in late months than ever before. Indeed, outside of a narrow official life no other view anywhere prevails.

The present premier of France in his first address to the French Assembly used this language:

So long as these clauses are not executed we will not only have the right to preserve integrally the penalties which have been provided, but to institute others if need be, and we will be in a position to declare that the time for evacuation of the left bank of the Rhine has not begun to run. That is the point of view which the French Government has constantly maintained. More now than ever is it necessary to maintain it.

I take it, Mr. President, that that has become the settled policy of the French Government for a time at least. It is an announcement of grave concern, and we in the United States may well ponder it in shaping our course. A great many people in this country and in other parts of the world were impressed by the speech of the then premier of France made to the Washington conference. It was thought to be warlike, harking back to conditions which existed three and four years ago. It seems now that it was entirely too peaceful in its import and in its intent to satisfy those who are now in charge of affairs in France. I do not know of anything more discouraging than such a policy as just announced in the address, a paragraph of which I have read.

Of course, as to the internal policy of France or the particular viewpoint which France may entertain with reference to these questions we can have very little to say, but in so far as it bears upon the action or conduct of the American Government or the American people, it is a matter of legitimate discussion and of great concern.

Let us go back, therefore, to-day, Mr. President, and briefly review the facts connected with the making of the Versailles treaty, its attempted execution, and its present effect upon the affairs of Europe.

In the issue of the New York Times of January 15, 1922, is found one of the articles now being written by Mr. Ray Stannard Baker upon what is said to be the contents of the steel box—that is to say, the box in which President Wilson kept his private or confidential papers. This reveals, as it has never been revealed before to my knowledge, the wide conflict of views between the American delegation and other delegates in Paris as to what the Versailles treaty should contain, its terms, and the principles which should be embodied in it. I am happy to say that the facts as disclosed are altogether to the credit and to the honor of the American delegation. This article said, referring to the things advocated by the President of the United States:

Among other things, compulsory military service was to be abolished not only in Germany but everywhere, "all powers subscribing to the treaty of peace." The manufacture of "munitions and implements of war by private enterprise or for private profit" was to be forbidden. "Full and frank publicity as to all national armaments" was to disturb the corner stone of secrecy upon which, under the old system, military preparation had always rested. And, above all, there was a new standard of armament proposed, that of "domestic safety." It was as though Samson had given a first shake to the pillars of the temple.

When one of the French representatives, M. Bourgeois, at one time premier of France—

Introduced the French plan for a league of nations (in the League of Nations Commission two weeks later) it was found to harmonize completely with Marshal Foch's military plan. It filled in the details of the organization behind the line of defense. It provided for an international army and navy with a permanent staff to see that this force was kept up to standard and to prepare plans for its speedy and effective use. So far from forcing the abolition of compulsory military service, it provided for the possible adoption of that principle by the entire world, for it permitted the international body to require a member State to adopt compulsory service on recommendation of the general staff.

This, Mr. President, was the outline of the League of Nations as proposed by the French Government, embodying a general staff in control of an international army and an international navy, with power to regulate and morally enforce compulsory military service upon the nations of the world. The league was to keep the peace by sheer brutal military domination; the world was to be governed by military force. Such were the apostles of peace at Versailles.

Again—and this, Mr. President, is the most vital part of the suggestions there made and here recorded:

In order, therefore, to be absolutely safe, the Allies must not only impose military disarmament upon Germany with the control of the Rhine frontier, backed by an armed League of Nations, but Germany must also be disarmed or crippled economically.

Germany should not only be disarmed by virtue of the destruction of her navy and the disbandment of her army, but the plan included that which was afterwards, in my judgment, to a marked degree incorporated—the economic destruction of Germany. That is the key to the policy of Europe at this time; that is the real policy, the policy which is fast working the ruin of a continent and sacrificing the fortunes, health, and life of millions. It is not a question of security against aggression by a German army, which does not exist, but it is the security which they conceive to arise out of the destruction economically of an entire people.

President Wilson—

Says the article—

was vigorous in his expression regarding the findings of M. Loucheur, which Gen. Bliss had also opposed when they were advanced earlier in the supreme war council. He even went so far as to call it a "panic program."

Indeed it was a panic program, and much worse, as subsequent events have disclosed.

Here is his exact comment (secret minutes, Feb. 7):

President Wilson considered the recommendations contained in the Loucheur report to be a panic program. The report not only called for the surrender of big guns, which, in his opinion, should be given up, but it also went into details of aircraft and factory production. * * * He thought that if officers were sent there they would get into trouble and would have to be supported by military force.

* * * * * * *

Two days after the President returned to France—

Quoting further—

when these proposals came up in the council he attacked them vigorously and secured sweeping modifications. He called them "an instrumentality for permanently limiting the sovereignty of Germany," and this he could not accept, for it meant an "indefinite continuation" of the military control of Germany. It also meant constant interference, meddling, and prying into trade secrets, which would certainly lead again to war.

Again quoting from the secret minutes, President Wilson said, on March 17:

If the allied armies were to be maintained forever in order to control the carrying out of the peace terms, not peace but allied armed domination would have been established. His Government would never agree to entertain such an arrangement, and, were he to enter into such an agreement, he would be far exceeding his authority under the United States Constitution.

This discloses, Mr. President, the real object and purpose of the Versailles treaty—not alone to disarm Germany but to go much further and to control all her economic affairs and ultimately lead, it was no doubt hoped and believed, to her dismemberment. I know that these are matters which will give rise to a difference of opinion and criticism, but in the interest of the American people it is time that these facts were being stated. We as a nation pledged the German people during the war that we were not seeking their destruction but the destruction of their masters. But even had we made such pledge, such a policy is so destructive, so fraught with ruin to a whole continent, so inhuman, that we can have no part in it and no sympathy with it.

Mr. Clemenceau, in his preface to Tardieu's book, gives his view of this treaty, and it is not different from the view which I am now expressing. I do not in my views of the treaty do him an injustice. He says:

Bernhardi it is who said that war is only the continuation of the pursuit of peace by other means. I can see in that nothing but the brutal assertion of a fact.

He further says:

I note the fact, and none the less maintain, according to Bernhardi himself, that the treaty of Versailles, like all treaties, is and can only be a prolongation of war activities until complete fulfillment.

And thus the Versailles treaty has been and is to-day a continuation of the war and of war activities in Europe, notwithstanding we have supposedly been at peace since the signing of the armistice. It involves activities which relate to a condition of mind and to a condition of affairs which obtain alone, or ought to obtain alone, with reference to war. I quote from the famous Frenchman, Mr. Cambon, who says:

The situation created in Europe by the various treaties of peace that brought the World War to an end is still so disturbed and so obscure that we scarcely dare to characterize the cessation of hostilities by the word "peace." In the East fighting continues between the nations of central Europe; new nationalities that have been set up on the ruins of the three great Empires have collapsed and are still endeavoring to find their definite foundations.

This, Mr. President, has been the effect of the treaty of Versailles, and this will continue to be its effect so long as it remains unmodified and unrevised. This condition will render utterly useless any attempt upon the part of the American people to serve the cause of rehabilitation in Europe.

The treaty was not only made in contravention of the advice and the principles advocated by the American President and delegates, but the prophecies which he delivered with reference to its effect have been carried out to a certain fulfillment, as revealed in the condition of affairs which now obtains throughout the Continent.

It may be that the political masters of Europe will wish to maintain this treaty just as it is and execute with the zeal of a Shylock. If so, there is nothing left for this country to do but to preserve as best we may our own economic life. I am well aware that while Europe suffers much, we can not entirely escape, but I am also convinced that to join in these policies is to hasten our sufferings and to accentuate them. But whatever we may suffer, if we disown and denounce this ruinous program, we will at least have been no part of a political crime, second only to that of bringing on the war.

I venture to say, Mr. President, that the situation in Europe with reference to human suffering and to the sacrifices which are now being made in order to maintain and carry out this treaty are very little less than those which obtained during the actual conflict up to 1918. Three years have had their toll of misery, their story of searching distress. Is not that sufficient? Shall we go on until the world falls back into barbarism?

I quote from another distinguished person who participated in the making of this treaty. I take some time of the Senate in making these quotations, in order that a mere statement upon my part, having as little weight as it would, may not be the sole evidence of the facts which this record will contain. The quotation which I am about to make is from Gen. Smuts. In an article published in the New York Times of January 8, 1921, which is entitled "An estimate of Wilson's place in history"—and a very friendly article it is—he says:

There were six months of agonized waiting, during which the world situation rapidly deteriorated. And then he emerged with the peace treaty. It was not a Wilson peace, and he made a fatal mistake in somehow giving the impression that the peace was in accord with his 14 points and his various declarations. Not so the world had understood him. This was a Punic peace, the same sort of peace as the victor had dictated to the vanquished for thousands of years.

The late Viscount Bryce stated in regard to this treaty:

Comparing the treaties they framed with those which were made by the Congress of Vienna in 1814–15, European critics observe that the men of Vienna, Alexander and Metternich, Talleyrand and Hardenburg and Castleragh, may have had bad principles and employed despotic methods and misconceived the interests of their people, but they at least knew what they were doing and gave effect to their principles.

Their work bestowed upon Europe a tolerable peace, which lasted for more than 30 years. But there is not one of the treaties of 1919–20 which is not now already admitted to need amendment, while some are seen to lead straight to future wars. One hears people say, "The sort of peace that those negotiations have given us is as bad as was the war."

Viscount Bryce declared further:

There is no blacker cloud pregnant with future storm hanging over Europe now than that which darkens the bank of the Rhine.

Mr. Baruch, in the introduction to his book entitled "The Making of the Reparation and Economic Sections of the Treaty," says:

Not a few among the Allies were so intent upon momentary gains as to imperil the entire structure of world peace, which, after all, was the real purpose of the conference. * * * Americans and others had the charity to remember that the horrors of war were still heavy upon the world. Try as men might—and I submit that they did try—the spirit of vengeance or of selfish advantage could not be entirely eradicated from the minds of the framers of the treaty.

It was perhaps too much to expect of human nature that a treaty should be written under the circumstances there obtaining free from the unwisdom and shortsightedness, of selfishness and vengeance. But it is not too much to expect, after three years of observation and experience, after the dire effect of such a treaty is everywhere apparent and known to all, that a treaty should be now framed upon different lines—upon lines which will admit of world recovery, upon principles which look to rebuilding rather than to destruction, which look to the future rather than to the past. If the powers which control the situation in Europe continue to disregard the principles and policies upon which alone the rehabilitation of Europe can be had, what shall it profit anyone that condign punishment has been administered to a particular people or nation?

Mr. President, what is the present situation in Europe with which we are asked to deal and what is the cause of it—not the sole cause but the dominating cause—a cause which must be removed before any effective rehabilitation can take place? I read a single paragraph from a copy of the last issue of the Outlook which has come to this country, on page 453:

"The interchange of commodities between one nation and another is the lifeblood of modern European civilization," remarks a writer in the Current Round Table. "In the last few months the stream of international trade, dammed here and there, diverted, has steadily dwindled." No survey of economic conditions on the Continent, even when these are compared with what they were six months, or even three months, ago, can leave the observer other than aghast.

Aghast, yes, aghast! The term is not too strong. Only the indifferent and the grossly uninformed stand other than aghast. Not alone over what has happened but over what must inevitably come to pass. How could the situation be otherwise? Throughout centuries, modern Europe, through adaptation and experience, through habit and custom, had been building up her economic system—her system of exchange, of transportation, of trade, of economic units. This treaty runs counter to and athwart the whole structure. It defies even the laws of nature and challenges the geography of a continent. It spurns at the all but divine law of nationality. People heretofore dependent upon or related to one another by reason of economic laws, transportation, and trade are readjusted and rearranged in harmony with no law and no principle, save the principle of destruction. Nothing was permitted to stand against the terms of the treaty. I could read volumes to support the foregoing quotation. Indeed, the whole of Europe

seems to know the cause of the evil and perhaps the extent of the evil, but helpless to remedy it.

Mr. President, the people of the United States during the last three years have poured millions of dollars in the way of charity into Europe. Possibly it has postponed for a time the death of some of those people. We have foregone urging the payment of our loans, and it is now proposed to go further in this respect. I venture to say that there is no Senator here but would be very glad to contribute to the restoration of Europe, not only as a matter of humanity but as a matter of enlightened selfishness. I venture further to say that we may continue to pay the taxpayers' money into Europe, and we may postpone our debt or even cancel it, but the condition of the masses of Europe will never be benefited so long as this treaty and kindred treaties continue to be the law of the land. I am not interested in fattening the bureaucrats and militarists of Europe. I am interested in serving the people, the men and women who are being starved and decimated by these policies. When my vote here can serve them it will be a generous vote. But no language can express my disapproval and abhorrence of these policies which are now resting like a blight upon the countless millions who must pay with their lives for the follies and crimes of leaders.

It is time, Mr. President, that we at least act intelligently with reference to our efforts to serve the European people, and before we can be of help to them we must have a change of policies.

We are told, of course, that one of the reasons for the maintenance of the Versailles treaty in its present terms and conditions is that of insuring security from the military aggressions of Germany. That continues to be the slogan in this country of all those who visit us and seek to enlighten us with reference to the conditions in Europe. We remember very well the great speech of the French premier in which he pictured with telling effect the danger under which France constantly lived and the necessity of maintaining vast land armaments in order to protect her.

It has always been difficult to understand why it was necessary to maintain eight hundred thousand or a million men to take care of the military situation against the aggressions of Germany, whose army has been reduced to 100,000. It is still more difficult to understand this since reading a speech made by the same distinguished Frenchman a few days before he left France to come to this country. From this speech I quote a single paragraph. It was delivered before the French Senate. He says:

> All the demands made upon Germany for execution of the terms of the interallied ultimatum have been satisfied to the utmost extent. Thus, at the present moment—and, indeed, I should not be doing my duty if I failed to inform the country of this—France is certainly protected against the dangers of war.

I think comment is unnecessary. It speaks for itself. It carries us back to reflection to the proposal at Versailles to destroy Germany not as a military force alone but as an economic force.

At the meeting of the conference held between the different premiers of the British Empire, in which Canada, Australia, the mother country, and all the different parts of the Empire were represented on June 20 last, Lloyd-George, speaking of the disarmament of Germany, said:

> The disarmament of Germany, I think, may be stated to be a settled problem. The German fleet has disappeared, and so has the Austrian. The German army has disappeared as a great, powerful force. It numbered millions; it now numbers little more than 100,000 men. It had tens of thousands of guns, great and small; it has now got a few hundreds. It had an enormous number of machine guns and trench mortars; these have gone. Millions of rifles—they surrendered about 30,000 rounds of big ammunition—all that has gone. It is true they have still got some rather irregular formations which we have not succeeded in completely getting rid of. It is not so much Prussia that is giving us trouble as Bavaria. That difficulty will, I think, be overcome in a very short time. So that the problem of disarmament, which was a very vital one because so long as Germany had a big army and big armaments there was no guarantee of peace, will disappear.

Gen. Smuts, at the same conference, said:

> The other great advance that has been made—and it is an enormous advance—is the final disarmament of Germany. That the greatest military empire that has ever existed in history should be reduced to a peace establishment of 100,000 men is something which I considered practically impossible. It is a great achievement, so far-reaching, indeed, that it ought to become the basis of a new departure in world policy. We can not stop with Germany; we can not stop with the disarmament of Germany. It is impossible for us to continue to envisage the future of the world from the point of view of war. I believe it is impossible for us to contemplate the piling up of armaments in the future of the world and the exhaustion of our very limited remaining resources in order to carry out a policy of that kind.

If the statement of the ex-premier of France be correct, and if the statements of the premier of England and the premier of the Union of South Africa be correct—and they are certainly in a position to know, and none of them supposed to be prejudiced in favor of Germany—upon what possible basis can it be asked that the American people continue to forego debts and forego interest in order that these people may continue to maintain such armies and such military equipment as the world never before saw? Do you think it is security that is the basis of this policy? I do not.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Florida?

Mr. BORAH. I yield.

Mr. FLETCHER. It is true, I believe, that the estimated wealth of Germany at the outbreak of the war was about $80,000,000,000; and, as the war was not fought on German soil, that wealth has not been very greatly disturbed. The Allies, those nations that were opposed to Germany in that conflict, propose to collect $55,000,000,000 from Germany, some part of which has already been collected. Out of that $55,000,000,000 is there not a chance for them to take care of their obligations to the United States?

Mr. BORAH. I do not know that I caught the Senator's question exactly.

Mr. FLETCHER. I understand that Germany is required to pay about $55,000,000,000, and, I say, her national wealth is such that she probably can do that. If she does pay the $55,000,000,000 to her former enemies and to our debtors over there, would there not be an opportunity to have some of that $55,000,000,000 go in liquidation of their debts to the United States?

Mr. BORAH. Yes; I should think that if Germany, under present conditions, can be called upon to pay these large sums and take care of the reparations which the treaty provides for, at least these foreign Governments could pay their interest. It would seem that way. But my opinion is, Mr. President, that the sum which has been assessed against Germany is one which Germany can not pay, and that so long as it is insisted that she shall pay, the present economic conditions will continue in Europe.

Germany was the most powerful economic unit in Europe. She was not only powerful within herself but the system which had been built up made her essential to the prosperity and to the life of other nations. If you destroy a great economic unit in the midst of a continent you must necessarily inflict untold misery upon those who are not within the confines of the particular unit which you are seeking to destroy. There may be those—I do not know—who would like to see such punishment and sums put upon Germany as indicated by Locheur at the conference at Versailles; that it would destroy her economically, dismember her, and send her back to her original parts, which Bismarck welded together. There may be those who think that it is a mere matter of justice to enforce that kind of a decree; but the unfortunate part of it is that such a decree can not be enforced without bringing disaster and ruin to all parts of the European Continent, and indirectly to the whole world. It was this suggestion which President Wilson made, in effect, at Versailles, when Locheur made his suggestion—that it would result not only in taking possession of Germany but in destroying her, and thereby inflicting injury and ruin upon other peoples of the world.

It is my opinion—and it is pretty well borne out by the facts, and I think the statements of the public men of Europe justify it—that it is not fear of the German Army, and certainly not of the German Navy, not fear of the fighting forces of Germany, which these nations entertain; but they believe, I shall in charity assume, that their safety and their security in the future depends upon the destruction of Germany as a great economic unit. I am not here to quarrel with their fears. They may be really entertained. It may be that when Germany rebuilds herself as a great power these nations will again be in danger. I do not entertain that belief; but I am not here to quarrel with it. It is too vague a subject to discuss; but I invite the attention of those who have the making of these policies to the consideration of the fact that while they are pulling Germany down to ruin they are pulling the entire Continent down with her, including themselves.

Mr. President, I desire to call attention now to the views of those who have some right to speak of the present conditions in Europe and the cause of them.

Mr. Darwin P. Kingsley, the president of the New York Life Insurance Co., returned from Europe a short time ago and gave out an interview. I have since had the honor of talking with him about this interview. He had some hesitancy in giving it out, because while he said it was in accordance with the facts, he felt that it would be regarded as pessimistic and unnecessarily disturbing in its effect. I take it, therefore, that there is nothing overstated in the mind of this financier with reference to the matter which he was discussing. He would have been disposed to be overcautious rather than to exaggerate.

Mr. Kingsley does not believe that there is any chance of a restoration of the Hohenzollerns.

Germany seems to have made up its mind on that score. No monarchist restoration would appear to be possible. The elements opposed to such a change in policy are too numerous and widely distributed.

Again, he says that the Continent is more or less of a financial madhouse, and he does not see that any concrete move forward in the direction of a new order of international relationship has been effected since November, 1918.

I think the relationships of the principal nations toward one another are worse now than they were before the war. The mental and spiritual attitude of the people is more bitter, more pronounced. That is the most hopeless feature of it. In the essentials that contribute to peace I should say there has been virtually no progress since the armistice. * * * There is nothing new or enlightened about the way in which she (France) is exasperating Germany in the occupied Provinces. She is doing all she can to "Frenchify" this territory. Further afield, her main effort is directed at breaking up the former German Empire. The political advantages of this to her are obvious.

Quoting further along:

For, make no mistake, Germany is working. And she has precious little unemployment—a total of something like 40,000 unemployed, I believe, throughout the country. I remember on entering Berlin at 6 in the morning I saw long lines of workmen tramping to work. It is the same everywhere.

These facts, Mr. President, seem to me, if they be correct—and there is plenty of evidence that they are correct—to constitute a sufficient basis upon which to found a European policy resting in tolerance and upon the theory of peace, and a reconstruction policy which has to do with peace. You may study from day to day the deliverances of the public men of Europe, and you will find nowhere any suggestion of a policy of rebuilding or reconstruction; but they are still fighting over the propositions which arose immediately out of the war, which are war propositions and which should have been buried with the conflict itself.

Mr. Speyer, the New York financier, lately returning from Europe, gave out the following interview. It needs no comment. It speaks for itself:

Europe unfortunately is still in a very unsettled political and economic condition. There are four little wars being carried on now, with a prospect of one or two more. A large part of Russia remains cut off.

We ought to be very grateful, indeed, that we are not members of the so-called League of Nations, and the spectacle that Europe presents ought to strengthen our resolve not to be drawn into this complicated political caldron, and not to assume any guaranties whatsoever, either direct or contingent, for protecting or maintaining any foreign boundaries.

In Great Britain and other countries the policy that France is pursuing toward Germany is not considered a wise one. It is not calculated to allay animosities or to help restore normal conditions in Germany and economic equilibrium in Europe. To this might be added that nothing has been done to correct the Versailles treaty, which ignored the economic interdependence of large sections, so essential to the welfare of their peoples.

FINANCIAL OUTLOOK.

As to the financial outlook, Mr. Speyer said:

"People are beginning to realize what Keynes and other calm observers stated two years ago, that the reparation payments, imposed on impoverished and diminished beaten countries, are beyond their capacity to meet, and that the efforts they are forced to make to comply therewith are largely responsible for their depreciated currencies.

"As the great creditor Nation of the world, we have now a very direct and substantial interest in the economic affairs of Europe. It is rather curious to hear Frenchmen claim that they can not even pay us the interest on what they owe us when at the same time they declare that Germany is able to pay about 10 times the amount of the principal of their debt.

"Of course, we are bound to be affected unfavorably by the depreciation of foreign currencies. Their decreased purchasing power naturally must curtail our export of raw material, like copper, cotton, etc. This is particularly true of the decline in the value of the mark, Germany having been one of our best customers.

"This has the further disadvantage for us that Germany, paying her workmen wages in the low-priced marks, can and must undersell in the markets of the world our manufacturers, who pay higher wages in dollars."

I quote now from an article in the London Nation under date of November 26, 1921:

If Europe is to escape the approaching calamity of a complete and general breakdown of her finances, with an attendant paralysis of industry and commerce, some early and vigorous action must be taken by her. We are all going the same way at different paces. For three years the disease has been spreading.

The lowered productivity from war damage, public extravagance and private recklessness, the inability to balance budgets, the excess of imports over exports, tariffs, embargoes, and blockades to cripple commerce, have all led to inflation, the collapse of exchange, the distrust of money, the shrinkage of credits, the stoppage of industry, and unemployment. Warning has followed warning. Financiers and leaders of commerce in the various countries have pointed out the perils. A year ago an authoritative conference at Brussels analyzed the situation in the plainest and most uncompromising language, and recognized that the effective economic remedies hinged upon the making of a real peace. But the Governments paid no attention to these warnings. They have gone on degrading their currencies, erecting new tariff barriers, stifling enterprise, plastering poverty and discontent with doles, and refusing to pay their way by honest industry and sound finance. Every sane man knows that the trouble lies in the peace treaties and in the treatment of the vanquished Central Powers and of Russia. Nay, in a gathering of business men or of uncommitted politicians in any country there would be substantial agreement, not merely on the nature of the malady but upon the immediate remedies. First and most urgent would be the demand for a drastic reduction of the German indemnity to dimensions which would at once stop the frenzied rush of German exports into foreign markets and check the impending bankruptcy of Germany with its attendant perils to the economic and political life of all her neighbors. So long as the present impossible task is imposed on Germany no peace is possible for Europe, no reduction of military preparations, no recovery of national finances, and no restoration of trade and employment for any of those countries linked with her in a common economic system.

Now, Mr. President, the real matter in controversy here in regard to the pending bill, aside from the very interesting constitutional question raised by the able Senator from Montana [Mr. WALSH], is a question of whether or not we shall insert a clause requiring the payment of interest semiannually or annually at least. It is said that these nations can not pay their interest, that they will not give the securities if they have interest payments attached, and that therefore we must forego the collection of interest until such time as these nations feel able to take care of their interest, until such time as they feel that they can unquestionably meet the obligations and not default and stand before the other nations of the world as defaulters.

I beg to say that under the present policies and under the existing treaties of Europe, no man can foretell at what time these nations will be in a position where they can meet the interest. They are in more financial distress now than three years ago, many of them. If the Versailles treaty could be revised in accordance with principles which would permit Germany to pay and still exist, and not destroy her economically, and if the other nations would reduce their land armaments and their military forces even to a reasonable degree—not the rule which some of us would invoke, but even to a reasonable extent—they could meet not only the interest payment but they could meet a portion of the principal.

The result of the postponement of this interest and the result of the postponement of the debt in its practical workings is to impose upon the American people the maintenance of the military armaments of Europe, for that is what the money is being used for; that is the manner in which it is being expended. If this money were going into the rehabilitation of those countries and was designed and being used for the purpose of buying the things that enable men to produce, to raise crops, and take care of families, no one would care whether the interest was paid this year or five years from now. But I maintain that it is more or less a challenge to the intelligence of the American people to ask them to postpone a demand which, if not met, will be utilized for a purpose not only destructive of the peace of Europe but of the entire world.

The seriousness of the situation, not only with reference to this matter but others, not only here but elsewhere, is accentuated, because we refuse to look facts in the face. We delude ourselves with theories and placate our souls with anticipations which never happen. We pass laws, or put something down on paper, trusting that by some necromantic power not yet explained these laws and these treaties will start factories, open mills, plant and raise crops, and bring prosperity. We postpone the payment of debts in order to get a little time to create more. We appropriate millions of the people's money and send it abroad to feed the hungry, knowing full well, if we know anything at all, that under present policies it is but an amelioration for a short time only of the situation. Anyone who argues that we can go into Europe and rehabilitate Europe or effectively assist in rehabilitating Europe under present policies and treaties is simply leading the American taxpayer to his utter ruin and in the end not even serving Europe. Anyone who urges the postponement of interest or the giving of charity, without insisting upon the adoption of principles and policies wholly different from those which now obtain, is simply deceiving the American people and also misleading the people of Europe to their ultimate undoing.

I am perfectly aware that I will be met by the suggestion that if the European powers which have signed the treaty want this treaty that it is useless for us to decry against it. I concede it all. But that does not answer the argument that when they come to us asking for relief or asking for time or asking for assistance in rehabilitation it is not only our right but it is our most solemn duty to say to them, "You can have all that is within our power as a prudent people to give, for we recognize both our obligations to humanity and our material interest in the cause, but you must conform your treaties to the law of live and let live; you must subscribe to the principles of reconstruction and not destruction; you, too, must become advocates and apostles of rehabilitation." I think a definite, determined policy upon the part of the United States will lead these powers to reflect, and ultimately to modify and revise their programs.

A most distinguished divine declared a short time since:

In all countries thoughtful men and women are coming to see that the world can not live on hatred. Burying the hatchet is not only right in morals but is also prudent in politics. Every step toward peace and good will between nations and classes will hasten the return of prosperity, for it will bring back confidence, which is the lifeblood of industry.

The most dangerous foe to humanity to-day is the public man who plays upon the fears and passions of the people—the statesman, so called, whose chief capital is hate is a menace to civilization.

Mr. McCUMBER. Mr. President, I am not going to take up any particular time in the discussion of the constitutional question raised by the Senator from Montana [Mr. WALSH]. I do not claim to be a great constitutional lawyer, nor do I claim to be a constitutional lawyer in the sense in which that term is generally used in the country. My practice before coming to the Senate was in an agricultural section, in which the great constitutional questions which we have before us day in and day out were never alluded to. Our cases were most always those that involved simply the constitution and laws of our State.

I have been in the Senate of the United States for 23 years. During that time I have heard a great many arguments by the constitutional lawyers of the Senate, and during that time I think I can say that without a single exception, in every instance in which the self-styled constitutional lawyers have declared that a proposition before the Senate was unconstitutional, in each and every instance in those twenty-odd years the Supreme Court of the United States has overruled them and held that it was constitutional. If there has ever been an instance in which the Supreme Court has held that a law was unconstitutional which had been enacted by the Senate, it has been upon grounds which the constitutional lawyers did not happen to think of during the time the same was discussed in the Senate.

I think we all understand to a considerable extent the Constitution of our country and the methods by which we obtain the laws that govern the people of the country, both in its international relations and in its domestic relations. I think we all agree, without going into any fine-spun and delicate arguments of the construction of words, that there are two methods by which we secure legislation governing us in our relations, both domestically and in reference to foreign affairs.

We may, under our treaty-making provision of the Constitution, provide for a treaty, and in that treaty, which we make the supreme law of the land, we require a two-thirds vote in the Senate. In that way we may enact a law without the action of the House; the House of Representatives need not intervene in the making of that law. It is equally true that, so far as governs the people of the United States, both in their domestic affairs and in their relations to foreign Governments, we may, by an act of Congress passed by a majority vote, abrogate or set aside a treaty made by the President by and with the advice and consent of the Senate.

I know of no law governing us internationally or governing us in our domestic affairs that we can not change, modify, or annul by a subsequent act of Congress. If we can modify it by a subsequent act of Congress, we can initiate the same law which we could modify by an act of Congress.

Let us look at this for a moment from the common-sense standpoint and our everyday method of dealing with affairs. If a warship of France should come into collision with a warship of the United States in the open sea, there might arise a question as to which one of the commanders was guilty of negligence. If the commander of the French vessel was so negligent that he ignored all laws relating to the navigation of war vessels and rammed an American war vessel and sunk it, we could very properly request the French Government to settle for that. But the French people might have entirely a different version of the cause of the collision. Then we might meet the situation in one of two ways. We might enter into a treaty with France whereby we agree to submit the matter to arbitration, the United States to select an arbitrator, France to select an arbitrator, and the two to select a third. That treaty would require a two-thirds vote in the Senate in order to become a law. Is there any conflict of authority if, instead of going through the process of a treaty, we provide by an act of Congress, reciting the fact of the collision, that we will settle the matter by arbitration and that we will instruct the President of the United States to appoint one arbitrator on condition that the French Republic will appoint another, those two to select a third, and that we will agree to abide by the result and findings of those arbitrators?

Suppose that we so act and pass that law, and the French Government, in accordance with the provisions of the laws of France, concede that it is a question which she may properly arbitrate, and she answers our legal proposition by appointing a French arbitrator. Does any one in the world contend for a single moment that we could not pass a law of that kind and that the Governments would be just as morally obligated to settle whatever those findings were as though it had passed through the other method of obtaining the same results by a treaty which would be ratified by the Senate? I do not think there can be any possible question in that respect.

The French Government owes us about $2,350,000,000. Does anyone question for a moment that it is not as clear a legal obligation as any Government can make with another? How did she come to owe us that sum? She became our debtor, not through a treaty, but through a law passed by the Congress of the United States, which authorized the Secretary of the Treasury to give a credit and provided that he could determine the amount of the credit which might be given France, as well as the amount that might be given Great Britain or Italy. He could fix the terms of payment, limited in the matter of interest and the length of time according to the law, and yet both the interest and the length of time were still discretionary with him because his authority to issue and sell our bonds was not limited in reference either to the rate of interest or the time at which those bonds should become due. Therefore, entire authority was extended to the Secretary of the Treasury, with the approval of the President of the United States, to determine what sum of money should go to any one of these nations, what interest that debt should bear, and when it was to be paid.

The Senator from Montana [Mr. WALSH] does not for a moment question, if I understand him correctly, that this was a constitutional law. I think, perhaps, one of his expressions later on in his argument would indicate that he had some doubt about it, and that it might be a power which could be exercised as a war power.

Mr. President, we either had the power or we did not have it. If we had the power to enact a law of that kind during the war, I think every Senator must agree that we have the same power to-day. If we had the power to create a debt in that form and to fix the terms of payment entirely through a congressional act, then who can doubt for a single moment that we have the same power to-day to extend the time, fix a different rate of interest, or make any other arrangement that we may see fit to make by the law itself?

To-day France owes us $2,350,000,000. She owes us unpaid interest. Suppose she says that she can not pay any interest at the present time. We pass a law to-day, a congressional act, declaring that notwithstanding the fact that we have the French obligation of $2,350,000,000, signed by the French Government, by its duly authorized representative, and bearing 5 per cent interest, nevertheless, if France will give us her obligation to-day which will be due in 10 years instead of on June 15, 1947, we will accept that and give her a rate of interest of 3½ per cent and authorize the Secretary of the Treasury to receive the French bonds, if they will accede to our request, and to cancel their other obligation. Why, the Congress of the United States has complete control over the property of the United States. If we saw fit, we could by an act of Congress release the French Government entirely. I do not think anyone would doubt that, and we would not need a treaty to do it. We can make different terms with them.

Another question that may arise soon is this—and let us see if it is absolutely necessary to have a treaty. We have still some unsettled claims with the German Government for our citizens, where the German Government took their property. Germany, of course, in her treaty agrees to settle these claims, but we do not know what the claims are. Is there any question in the mind of any Senator that we could pass a law instructing the President to appoint an arbitrator to act in conjunction with an arbitrator appointed by the German Government, and that those two could determine what the claims of our citizens were? Is it necessary to go through the forms of a treaty in order to accomplish that result? I do not think, Mr. President, there can be anything whatever in the contention that we are forced to go to the Executive department in order to secure a treaty before we may obtain from foreign Governments obligations which would be binding.

I do not care to take any further time, except to answer what I understood was a question asked by the Senator from Montana with reference to one portion of the bill. I think he stated he did not exactly understand what was meant by these words:

and to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

Mr. President, the view that is taken by the majority, at least, of the Committee on Finance, the view that is taken by the Secretary of the Treasury and by the administration, is that the interest as it falls due will of itself be an obligation, and whenever six months elapse, and the interest has not been paid for those six months, the interest will be a demand obligation at that time. Interest will be falling due from time to time upon these obligations before they are settled, and therefore, in order that there should be no question about the right not only to settle for past-due interest but for any interest that may accumulate prior to the time when the final settlement is made, it was thought proper to use words covering the interest which may become due.

Now, Mr. President, I am ready to go on with any amendments which Senators may desire to offer.

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Glass	McKellar	Robinson
Borah	Gooding	McKinley	Sheppard
Brandegee	Hale	McNary	Simmons
Broussard	Harris	Moses	Stanfield
Cameron	Heflin	Nelson	Sterling
Capper	Johnson	Nicholson	Sutherland
Caraway	Jones, Wash.	Norris	Swanson
Cummins	Kellogg	Oddie	Trammell
Curtis	Kenyon	Overman	Warren
Dial	Ladd	Page	Watson, Ga.
Ernst	La Follette	Pepper	Watson, Ind.
Fernald	Lenroot	Phipps	Weller
Fletcher	Lodge	Ransdell	Williams
France	McCumber	Reed	Willis

Mr. CURTIS. I desire to announce the absence of the Senator from New Hampshire [Mr. KEYES] on account of illness.

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, there is a quorum present.

Mr. McKELLAR. Mr. President, I desire to call the attention of the Senate to several matters in connection with the pending bill. Speaking generally, I think that the amendment in the nature of a substitute offered by the Senator from Nebraska [Mr. NORRIS] is greatly preferable to the bill as reported by the committee. Under that bill it is left in great doubt as to what is going to be done with the accrued interest.

In answer to a question which I asked, the chairman of the committee stated that it might be deemed wise by the commission which is to be created by the proposed act to increase the interest rate on the bonds to be taken so as to absorb in whole or in part the past due interest. I think that would be a very unwise thing to do and it ought not to be permitted. It would be violative of the contract under which we loaned the money. For that reason I do not think that this bill without amendment should be passed, and I am going to offer an amendment at the proper time prohibiting that from being done.

Again, Mr. President, I call attention to the time that is allowed within which interest payments shall begin to be made and to the full power which is proposed to be given to the commission to extend at will the interest payments. If that authority shall be given and shall be exercised, then the debts will be in exactly the same condition as they are now. The Government has the authority now to take bonds; indeed, under the acts of Congress already passed, it is the duty of the executive department to take bonds. The Secretary of the Treasury was directed under the law to take bonds for these debts, and that action should have been taken long ago. For years in this body I and others have been demanding that this indebtedness be placed in the form of bonds as directed by the law.

Under the late Wilson administration efforts were made under existing law to put this indebtedness into the form of bonds, but the effort was not completed during that administration, and since the advent of the present administration no step has been taken by the Secretary of the Treasury under existing law to put this great indebtedness into the form of bonds.

It is now claimed that the Secretary of the Treasury would have no authority to cover the back interest into bonds. That may be true, and if it is true then we ought to authorize the Secretary of the Treasury to put the back interest into bonds; but surely, Mr. President, we should not go beyond giving the necessary authority for that purpose. We ought not under any circumstances to give to anyone the authority continuously to extend the interest payments on this debt. I wish to submit to the Senate that if the Secretary of the Treasury, without authority to extend the interest on the debt, extends it for three or four years, indeed, for five years as to a part of it, how long will it be extended if we allow unlimited time in which the interest may be extended? Instead of giving further time during which the interest on this indebtedness may be extended, we ought to fix a definite time when the interest shall begin. If we leave it to the proposed commission to fix the time when the interest on this indebtedness shall be collected, we need not expect the collection of any interest.

Mr. President, the Senator from North Dakota says that it is not intended that this commission will extend the time for the payment of the inferest after the interest is once started. Whether that is true or not, I do not know. They certainly have the power to do it under this law; and if they have the power I see no reason why they can not proceed to exercise it, and I think that if it was the intention of the committee not to let this commission have the power to extend the interest we ought to say so in this bill.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I yield to the Senator.

Mr. REED. I am not certain that it is recorded in the hearings, because a part of the hearings were taken down, and then there were a number of colloquies which were not recorded; but I can say to the Senator that the very purpose of the language to which he is now referring is to do the very thing he anticipates might be done. The purpose is to leave it in the hands of the Secretary of the Treasury to extend the interest payments at will; and the bill as once agreed upon by the Senate committee, if the Senator can have access to it, will disclose that the change made was made for the purpose I have indicated and could have had no other purpose. If the bill remains in discussion over to-morrow, I shall have something to say about that myself.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. McKELLAR. I do.

Mr. SIMMONS. I wish to say to the Senator from Missouri that the proviso to which he refers as having been agreed to was presented to the Senate by me on yesterday.

Mr. REED. The Senator did present it?

Mr. SIMMONS. Yes.

Mr. REED. Very well.

Mr. McKELLAR. Mr. President, I shall not agree to any such provision. That will leave this indebtedness precisely as it is. It will be just as badly muddled as it is now. The only difference will be that we will have a lot of bonds the interest on which will or will not be payable, according to the directions of this commission; and if the Secretary of the Treasury has postponed the collection of the interest for nearly five years without any authority, what will the commission do when it has full authority to postpone it? The result will be that it will be in such a muddled condition that nothing will be done, and we will have a lot of bonds that are bearing no interest, a lot of securities that are not salable, that are not usable, that will not be of any practical value to this Government. What we ought to do is to go along and do what the law now provides.

We are under a moral obligation on this debt matter. We borrowed this money from our own people to be loaned to these foreign Governments. We made a contract with our own people that we would lend it to these foreign Governments on exactly the same terms on which we borrowed it from them. If we change those terms so as to make better terms to our creditors, then we violate our moral duty to our own people, from whom we borrowed the money. On the other hand, if we make those terms harder upon our creditors, then we violate our moral duty to those creditors as stated in those acts. The result is that we can morally do nothing in this matter except to settle this indebtedness strictly in accordance with the contracts we made at the time of lending it, which consisted of the two acts, and further to provide that we will take bonds of similar tenor and effect for the past-due interest already accumulated, for the debts brought about by the sale of Army and Navy property, for the debts brought about by the sale of property of the Food Administration, and of some other organizations of our Government. That is the only thing that we can in honor do; and therefore I think that the substitute offered by the Senator from Nebraska [Mr. NORRIS] is the only proper provision that we can put into the law at this time. I am going to read it right here. It is to strike out the whole bill and to insert in lieu thereof the following:

The Secretary of the Treasury is hereby authorized and directed to refund or convert the principal and interest of any obligation of any foreign Government now owing to the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administra-

tion), arising out of the World War, into bonds of such foreign Government in accordance with the law in force at the time such obligation was incurred.

That is the sum total of our duty; and, as a matter of fact, if we go beyond that all that we do is to violate our solemn pledge, either to our own people or to those who borrowed the money from us. I take it that no one wants to violate a contract that we have made. I can not understand why we should want to do it.

Mr. President, it has been suggested that the reason why it is desired to do it is that the international bankers have arranged the wording of this particular bill so that under it we can, in substance, remit the past-due interest on these debts. I am wholly opposed to any such remission of that interest. I am wholly opposed to the remission of these debts. I know that there has been a propaganda going on in this country for years to remit these debts.

There are some gentlemen who honestly believe that it will add to our own prosperity to remit these debts. I am not one of those. I do not believe that we ought to remit them. I do not believe that we ought to be asked to remit them. I do not believe that it would do these European countries any good if we did remit them. I know that it would do the taxpayers of this country incalculable harm if we did do it; and I do not believe that any patriotic American citizen, if he will think about the matter, will for a moment believe that these debts ought to be remitted.

Why this peculiar wording if there is not something behind this bill such as has been suggested, if it was not intended to put these bonds in a nonnegotiable state? When you have a commission to say when the interest shall fall due, you have a nonnegotiable bond; you have not a bond that you can sell on the market. As long as a commission has in its power the right to postpone the collection of interest on the bond you have a nonnegotiable bond. Why do that? What is the object of it? What is the purpose of it? It has not been explained. Why did you change your bill? Why did you take out of the bill the part of it that would make these bonds negotiable and put into it a provision which will make them nonnegotiable? What is the purpose of dealing with the matter in such a way?

In some respects you have improved this bill as it came from the House; but you still have it in such a shape that it will produce a nonnegotiable security, even when it is taken, if you give this commission the authority that it now has under the bill.

Mr. President, we do not want to be hard on these people. If anybody connected with the Government has verbally agreed that they are to have two years' time or three years' time from the close of the war, then let us give them that time, but let us not take a nonnegotiable bond.

Mr. McCUMBER. Mr. President, why does the Senator say that the bonds which will be taken will be nonnegotiable?

Mr. McKELLAR. I say that for the reason that they will be not only nonnegotiable but nonsalable. If you take a bond from Great Britain and leave it in the power of the commission to extend the interest on it at will, even for the entire length of time that the bond runs, you have a nonnegotiable bond, because nobody will buy it.

Mr. McCUMBER. But who on earth has ever contended that that power would be granted to the commission?

Mr. McKELLAR. The Finance Committee has granted it.

Mr. McCUMBER. Oh, no; the Senator is mistaken. There is nothing of that kind in the bill.

Mr. McKELLAR. Let us see what your language says. I will read just what you have done:

That, subject to the approval of the President, the commission created by section 1 is hereby authorized to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America—

That is absolute authority to the commission to extend the interest not only to 1947 but to any time that it sees fit; and if the commission were, with the approval of the President, to come in here and say that it had agreed with any foreign Government under this act to extend the payment of the interest until the maturity of the bonds, we could not interfere with it, and it would be a perfectly good act under this authority.

Mr. McCUMBER. Does the Senator contend that under that authority, after the commission had settled and received a bond with interest beginning to be paid at a certain time and paid annually or semiannually thereafter, there is any authority in the commission to provide that afterwards they can change that and fix a differet rate?

Mr. McKELLAR. Why, absolutely. There is no such limit. I know that the Senator, as he stated yesterday or day before, thinks that after the commission acts, that ends its authority; but this bill does not limit the authority in any such way. This bill is absolute authority to the commission. I read again:

To extend the time of payment of the principal or the interest, or both.

Mr. McCUMBER. Yes.

Mr. McKELLAR. It does not limit the commission up to the time that it actually takes the bonds, but at any time during the life of the commission it has the right to extend the interest. Even though it may have made a contract with the foreign Government, even though it may have taken the bonds, the commission would still have a right to exchange those bonds and extend the interest to any time it saw fit.

Mr. McCUMBER. If the Senator will allow me——

The PRESIDING OFFICER (Mr. CARAWAY in the chair). Does the Senator from Tennessee further yield to the Senator from North Dakota?

Mr. McKELLAR. I shall be delighted to yield.

Mr. McCUMBER. The only authority that is given is the authority to extend the time at which the principal shall become due—now the principal must become due in accordance with the terms of our own national obligations——

Mr. McKELLAR. Yes; there is a limitation on that.

Mr. McCUMBER. Also to extend the time of the payment of the interest, not the interest on the new bonds that may be taken but the interest that shall be due and become due prior to the time that they accept the new bonds. The moment they accept any new bonds those bonds then, in their new form, become the property of the United States and can not be changed except by an act of Congress. I did state to the Senator that that was the intention and that it did not mean anything else, but that if any Senator thought it meant anything else I was not averse to agreeing to any amendment that anyone thought would be at all necessary to make that definite and certain. I think it is definite and certain now, and I simply wanted to disagree with the Senator on the proposition that they had such power under the proposed law.

Mr. McKELLAR. The Senator so stated on day before yesterday; but I am compelled to believe under this broad language that the Senator is mistaken in his view of the matter, and I am glad to know that he will accept an amendment which will make it certain. There can not possibly be the slightest doubt, legally speaking, that this commission has the absolute power to extend the payment of the interest until 1947. There are no limitations upon its extension of interest. The Senator says that it may extend the principal but not the interest. The words are:

And to extend the time of payment of the principal or the interest.

Language can not make a thought plainer than that; and this commission could take these bonds and postpone the payment of any interest or all interest until 1947, and it would be a valid contract.

Mr. McCUMBER. Mr. President, if the Senator will allow me——

Mr. McKELLAR. Yes.

Mr. McCUMBER. The Senator did not even read the entire contents of the section which bears on that matter.

Mr. McKELLAR. No. I am going to read it, though, in a moment.

Mr. McCUMBER. Let me make clear what I think the Senator has omitted.

Mr. McKELLAR. All right.

Mr. McCUMBER. Let us take section 2:

SEC. 2. That, subject to the approval of the President, the commission created by section 1 is hereby authorized—

To cut out any possible construction such as the Senator has given, the committee recommended an amendment there. The House had inserted the words "from time to time." We cut out the words "from time to time"——

Mr. McKELLAR. That is wholly immaterial.

Mr. McCUMBER. So that there would be only once that they could take those bonds—

is hereby authorized—

Not "from time to time to refund," but just to refund once.

Mr. McKELLAR. It does not say so.

Mr. McCUMBER. Let me finish it—

to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America—

An obligation now owing to the United States of America—

or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration) arising out of the World War—

Into what?

into bonds or other obligations of such foreign Government—

In other words, we can take the interest and the principal of those obligations and give an extension, and take new bonds or other obligations of such foreign Governments—

in substitution for the bonds or obligations of such Government now or hereafter held by the United States of America.

It simply authorizes us to include that interest, to extend the time of interest, to extend the time of the principal, and to substitute these new bonds, including the interest and the principal and what other time is given, in lieu of old obligations, and when we receive those new bonds there is no authority whatever given to do anything with them or with their interest other than to hand them over to the Treasury of the United States.

Mr. McKELLAR. If that is the case then the Senator will certainly accept this amendment to go at the end of that section. The proviso reads as follows:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of such bonds or obligations due the United States by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than that fixed by existing law.

I propose to add immediately thereafter the following:

Or to extend the time of payment of the principal or of the interest after the bonds, with interest coupons attached, are once taken.

Mr. McCUMBER. I have not the slightest objection to putting that in proper language at the proper place, if it is thought necessary, because there is no question that that is the meaning.

Mr. McKELLAR. With the understanding that such an amendment will be accepted, I will pass on to something else.

Mr. McCUMBER. The Senator can offer it.

Mr. McKELLAR. We will agree on the language.

Mr. McCUMBER. I think that we can agree on an amendment of that nature, because that is what we all understand the present language to mean.

Mr. McKELLAR. The wording of the amendment just proposed by me is not accurate anyway, because the word "coupons" is in it, and that ought to be stricken out.

Mr. SIMMONS. Mr. President——

Mr. McKELLAR. I yield to the Senator from North Carolina.

Mr. SIMMONS. I introduced an amendment, which I commented upon to some extent on yesterday. The proviso reads:

That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond July 15, 1947.

That is the language of the bill. At the end of that I proposed to add this:

Or, without the consent or approval of Congress, to fix the rate of interest at less than 5 per cent payable semiannually.

On yesterday, after I had concluded my argument, the Senator from North Dakota offered an amendment to that same provision and at the same point at which I offered my amendment, adding these words:

Or to fix the rate of interest at less than that fixed by existing law.

That is satisfactory to me, as I stated yesterday.

Mr. McKELLAR. It is satisfactory to me.

Mr. SIMMONS. I care nothing about the 5 per cent. I would just as soon, so far as I am concerned, have the interest 4½ per cent, but the Senator left out the balance of my proposed amendment. I am going to suggest to the Senator now the balance of it, which I wish to add to the amendment which was agreed to yesterday. The amendment offered by the Senator yesterday and agreed to was as follows:

Or to fix the rate of interest at less than that fixed by existing law.

Now, I wish to add to that the following:

Or, without the consent and approval of Congress, extend the time of payment of interest.

Mr. McKELLAR. It would be entirely satisfactory to me, and I hope it will be satisfactory to the chairman of the committee.

Mr. SIMMONS. I think that is substantially what the Senator has in mind, though I have not examined his amendment.

Mr. McKELLAR. Oh, no; that is quite different. I favor the Senator's amendment, but it is quite different from the one I have offered and which has been virtually accepted.

Mr. SIMMONS. I desire to say that if the Senator from North Dakota will accept as an addition to his amendment that part of my amendment which he did not include in his, I will personally make no further objection to the passage of the bill, although I would like to amend it in some other respects.

Mr. WATSON of Indiana. Mr. President, will the Senator state the amendment which he has in mind, which, if incorporated in the bill, will cause him to vote for it? Some of us did not clearly understand it.

Mr. SIMMONS. I meant that the bill would be acceptable to me, but, of course, I did not include in that my bonus amendment, which I should also insist be added. I meant as to the bill itself, if that amendment were put in, it would be satisfactory to me. Now I will state what it is.

The amendment which I offered and which I said yesterday, in substance, was the only subject of controversy that I had to discuss, was to add, after the words "June 15, 1947," the time at which we fixed the maturity of these obligations and said it should not be extended any further, the words:

Or without the consent and approval of Congress, fix the rate of interest at less than 5 per cent.

The Senator from North Dakota amended that and accepted part of it by fixing the rate of interest at not less than that fixed by existing law. That is satisfactory to me, and I so stated to him yesterday. But he left out that part of my amendment which provided for the semiannual payment of the interest. I am suggesting that it will be satisfactory to me if the Senator will add after the amendment which he offered yesterday and which was agreed to—that is, fixing the rate of interest at not less than that fixed by existing law—the following:

Or without the consent and approval of Congress, extend the time of payment of interest.

Mr. McCUMBER. That is the only difference. The Senator is correct. I think we practically agreed on everything but that, and at one time, as between the Senator from North Carolina and myself, as a compromise matter we even agreed upon that proposition. But the whole question arises as to whether we shall say to the commission that no matter what the political condition or the financial condition of any country may be they must compel that country to issue a bond and to provide that it will begin to pay interest at the end of six months from the date of the issue of that bond.

While that might be all right if we had only one of the most important countries to deal with, we are certain that we could not make that arrangement with all of the countries. If we provide for an extension of time not to exceed one or two years, then every one of the countries would want the same extension. I believe that it is quite essential that some discretion be given to the commission with reference not so much to the amount of interest or whether it is due annually or semiannually, but when it shall begin to be paid.

Mr. McKELLAR. The difficulty about the Senator's proposition is that whenever we leave that discretion in the commission we have a nonsalable bond. I called it a nonnegotiable bond. It is not nonnegotiable in the legal sense that it can not be negotiated, but it is a nonsalable bond, because no investor would take such a bond.

Let us for a moment consider a railroad company issuing a bond which has a provision in it that it has appointed a commission which can defer or extend the time of the payment of the interest on the bond. How many purchasers of that kind of a bond could be found? Yet that is what we propose to do here. It is proposed here to put it in the discretion of the commission to extend the interest payments on the bonds. The Senator will see that by accepting the amendment I have suggested it will remedy that defect. It will remedy that defect if the bonds are once fixed, but suppose this commission before it acts agrees to postpone the collection of the interest for 10 years, then we have a nonsalable bond for 10 years, and that is all there is to it.

The Senator from North Carolina wanted me to yield for him to reply just a moment, and I am glad to do so at this time.

Mr. SIMMONS. I was simply going to call the attention of the Senator to that because of his remarks a few moments ago. The language that I used was "without the consent or approval of Congress" they shall not have the power to extend the payment of interest. Under that language the Secretary would have power to go ahead and make a final and conclusive settlement of the indebtedness of such of these foreign Governments as were willing to agree to begin paying interest at once. But if he found it was necessary in some instances to extend the time of payment of interest that would not interfere with his going ahead and making a contract, but that contract would have to be approved by the Senate.

Mr. McCUMBER. I understand the position of the Senator from North Carolina, but the Senator from Tennessee always gets back to his first proposition that under the bill as it now reads, after the bond has been taken the power is still in the law for the commission to change the time for the payment of interest fixed in the bond accepted by the commission.

Mr. McKELLAR. That part has been corrected by the Senator's agreement to incorporate the amendment which I sug-

gested, but the Senator does not fully understand me. My proposition is this: I understand that Italy is not in funds and would like to have an extension of time. Suppose the commission comes back with a lot of Italian bonds for the entire amount owed us by Italy, with the interest payment on those bonds to begin in 1932, on the 1st of January 10 years hence. The commission under the bill has complete authority to do that very thing. It could make it 1943 when the interest payments should start if it so desired. During that time of either 10 or 20 years the United States would have locked up in its vaults some $2,000,000,000 of Italian bonds, that would be nonsalable and, of course, nonnegotiable, because the Government could not sell them under any circumstances. That is what I meant to say.

Does not the Senator concede that this commission would have the authority to defer the payment of interest by Italy until 1932? I would be very glad to have the Senator's opinion about that.

Mr. McCUMBER. I will answer the Senator if he will give me time.

Mr. McKELLAR. I am glad to do so.

Mr. McCUMBER. The provision of the bill as it now is laid before the Senate fixes no time limit in which the interest must begin to be paid.

Mr. McKELLAR. That is true.

Mr. McCUMBER. That may be true. Now, the Senator can say, "Why, they could grant until June 15, 1947."

Mr. McKELLAR. That is true; and they can do so under this power.

Mr. McCUMBER. We will say that they grant until June 15, 1947, and then provide that all the interest and principal should be paid on the same day. If they made such a bond as that I will agree that they would have a great deal of difficulty in selling it unless they sold it extremely below par, and so low that it would be equivalent to a discount for the rate of interest and then something in addition to that.

Mr. McKELLAR. It would be a nonsalable bond.

Mr. McCUMBER. It would not be nonnegotiable.

Mr. McKELLAR. No; it would not be nonnegotiable in a legal sense, but it would be a nonsalable bond.

Mr. McCUMBER. Yes; at least for any price within reason.

Mr. McKELLAR. It would be a mere equity.

Mr. McCUMBER. Suppose Italy said to the commission, "I am willing to pay 5 per cent; I am willing to give my bonds to-day, but I do not want the interest to begin to run or the first interest to be paid until July, 1924. I can meet it by July, 1924, and if you will give me that time before the first interest begins to run I will execute the bonds now." The commission can answer one of two things. It can say, "We will accept that and will make the bonds accordingly," or it can say, "Very well, we will do that provided you will compute the interest up to the time that you say you can begin to pay and let us put that into the bond itself, so that we will not be losing any of the interest in those two years."

I assume that that would be more liable to be the kind of an agreement that any sensible set of men would make, and I must assume that the President of the United States, who must approve these agreements, the Secretary of the Treasury, and the four other good, intelligent, patriotic American citizens who will be confirmed by the Senate of the United States, will not make a ridiculous agreement, but will make one that the Senate of the United States undoubtedly would feel to be the right one if they knew all of the conditions that influenced the commission.

So we must look at this proposed legislation from a reasonable standpoint as to what the commission would probably do. The Senator sees as well as I do the dangers of fixing a particular time at which the first interest must be paid, knowing that if it were put two or three or four years ahead every nation would ask for the privilege and we would not want to grant it to every nation.

Mr. McKELLAR. The Senator appeals to what good, sensible, business men would do. We are in that attitude to-day. The United States Senate in dealing with this matter is to deal with it in a good, sensible, businesslike way. We have been elected here for that very purpose.

Here is what is proposed to be done by the pending bill: We give an unnamed commission, composed of five men to be hereafter appointed, the power to extend the interest on $11,000,000,000 of indebtedness until 1947. The Senator says that as sensible men they are not likely to do it. If they are not likely to do it, why give them the authority to do it? Why ought the Congress to give this commission the authority to extend this interest until 1947 on this entire indebtedness?

The Senator said they are not likely to do such a thing. There are a great many people in this country who want to yield up the entire indebtedness, and if we give this commission such authority, immediately there will be a propaganda in the country urging the commission, as the only safe way to handle the matter, to extend the interest payments until 1947.

I say with such authority as that this indebtedness will be in an infinitely worse condition than it is to-day. We have their simple obligation to pay the principal that is due. We have no specific bond. We have no specific agreement to pay interest. They owe us the interest and it is accumulating all the time; but that is better than to surrender the matter to a commission of undesignated men.

We are delegating to that commission the authority of Congress to extend the time of payment for the whole term until 1947. That ought not to be done. We would not be sensible business men if we did it. We would not be doing what our constituents have sent us here to do if we were to grant any such authority as that in reference to this enormous indebtedness, and it ought not to be granted. There ought to be safeguards placed around the matter.

I am willing as to some of the debtor nations that their interest payments be extended for a reasonable time, but we ought not permit the proposed commission to extend the interest payments for the entire life of the bonds. If we do so we shall not be doing our duty by the American people. That is all I have to say about that.

Now, Mr. President, I wish to ask the Senator from North Dakota a question. The committee has embodied in this bill the language "including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration." There are nearly a billion and a half dollars of past-due interest to be dealt with. Why did not the committee include that past-due interest as a part of the obligations for which bonds should be taken by the commission?

Mr. McCUMBER. That is included.

Mr. McKELLAR. Why not include it specifically?

Mr. McCUMBER. The bill speaks of these obligations, both principal and interest, and then it includes the other obligations referred to; so, of course, it includes both interest and principal.

Mr. McKELLAR. Would the Senator from North Dakota be willing to have the bill amended, beginning in line 4, page 2, so as to make it read in this way:

hereafter received by the United States of America, including past-due interest, obligations held by the United States Grain Corporation—

And so forth. In other words, only a few hundred million dollars are owing to us on account of the Grain Corporation and for the supplies sold by the Army, the Navy, and the American Relief Administration; but there are a billion and a half dollars of past-due interest. Why not specifically include that interest as a part of the outstanding obligations that shall be converted into bonds?

Mr. McCUMBER. The bill is not framed in that way for the reason that it is desired that it shall be properly phrased, so as to avoid the ungrammatical method of stating the same thing twice in the same sentence.

Mr. McKELLAR. But there is no reference at all in any place in the bill to the billion and a half dollars of past-due interest.

Mr. McCUMBER. Yes; there is.

Mr. McKELLAR. Not at all; there is no specific reference to it; there is no place in the whole bill in which the billion and a half dollars of past-due interest is referred to, nor is there any specific authorization to fund that interest into bonds such as we propose to take for the principal indebtedness.

Mr. McCUMBER. Let me read the language of the bill.

Mr. McKELLAR. I shall be very glad to have the Senator point out any such provision as that to which I have referred.

Mr. McCUMBER. Let us get back to section 2 of the bill, which reads:

SEC. 2. That, subject to the approval of the President, the commission created by section 1 is hereby authorized to refund or convert and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration).

The very first line on page 2 provides for the "time of payment of the principal or the interest, or both," not only of the obligations, funds for which were provided out of the proceeds of the sale of Liberty bonds, but also including the obligations, both principal and interest thereon, arising out of the other obligations which are mentioned.

Why indulge in repetition when it is provided clearly and definitely that the past-due interest to which the Senator refers is included?

Mr. McKELLAR. Mr. President, I am sure the Senator from North Dakota if he will examine the language embodied in the bill will not make that argument about it. Reading from section 2 of the bill, it provides:

Authorized, to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation.

The words "the principal or the interest" there do not refer to the refunding or converting, but refer solely and alone to the extension of the time of payment.

Mr. McCUMBER. The Senator is mistaken. The language is set off by commas, and the very purpose of the punctuation marks is to indicate exactly the opposite of what the Senator contends.

Mr. McKELLAR. That may be the purpose, but, if it be the purpose, the provision it so poorly phrased as not to express it at all, because the power is confined to the extension of time in this language:

And to extend the time of payment of the principal or the interest, or both.

That relates merely to the extension of the time of payment and has nothing in the world to do with the refunding under the language "to refund or convert."

Mr. President, I judge from the statement that was made on yesterday or the day before by the Senator from North Dakota that it is the purpose to increase the rate of interest on some bonds in order to make the bonds more salable, as I understood the argument of the Senator——

Mr. McCUMBER. On the contrary, I stated that that could not be done under the bill as it is now presented.

Mr. McKELLAR. I understood the argument of the Senator two days ago to be to the effect that under this authority the commission could receive bonds of a higher rate of interest than provided under the acts of 1917, some of the rates being as high as 8 per cent, so as to make a salable bond, and in that way also to absorb some of the past-due interest. Did I misunderstand the Senator?

Mr. McCUMBER. Now, let me make that clear.

Mr. McKELLAR. I shall be very glad to have the Senator do so, if I misunderstood him.

Mr. McCUMBER. I desire to make it plain to the Senator, if I possibly can, but because of my difficulty in following the Senator in his construction of the language of this bill, I am afraid that I shall have some trouble in agreeing with him even as to what my position was.

Mr. McKELLAR. I shall be very glad to have the Senator restate his position, in order that we may have no misunderstanding about it.

Mr. McCUMBER. There is no question that while the amount of interest fixed on the foreign bonds may not be less than that provided for in existing law, it may be more. It is equally clear in another portion of the bill that the commission can not accept any payment and can make no contract which would authorize the payment of less than the actual amount due. Therefore, I said that it might have been a good policy to have given the commission the authority to provide for a greater rate of interest, so that the past-due interest might be absorbed into that, to the end that we could probably then sell the bonds at a higher rate of interest without a guaranty, provided there was a stipulation in the bonds that would require that they should run for the full time, or, if they were redeemed before that time, that the country redeeming them would have to pay the entire amount, including the past due interest which was included; but I distinctly stated that, under the provisions of the bill which require the commission in entering into contracts to provide for the payment of the entire principal and entire interest, they could accept no bonds which would give the right to the debtor nation to include in the bonds the past-due interest in a higher rate and then redeem them and prevent this country from obtaining the full amount that was actually due. Under the bill as it now stands the commission could not make an agreement of that kind.

Mr. McKELLAR. Mr. President, I am quite sure that that is the Senator's opinion, but I am just as sure that under the provisions contained in the bill the proposed commission could do the very thing which the Senator says can not be done.

This brings me, Mr. President, to the proposition that the only thing that we ought to do is to provide that the bonds of foreign Governments shall be taken under and in accordance with the terms of the acts under which the money was loaned and then, in addition, to provide authority to the commission to receive bonds for the past-due interest and for the indebtedness of the United States Grain Corporation, for the War Department indebtedness, for the Navy Department indebtedness, and the indebtedness of the American Relief Administration, and stop right there. We ought not to enact a law under which the rate of interest may be changed, and the commission ought not to have the power to extend the time of the interest payments. That time has already been extended quite long enough; it has been extended longer than we were asked to extend it; and, of course, if we continue to give authority to extend the time for the payment of the indebtedness, we know that it is going to be extended; there is not a particle of doubt that that is what the commission is for, namely, to extend this indebtedness. The international bankers of this country want to have it extended. They have appeared before the committee, as I understand, and have urged the passage of this bill, so it must be to their satisfaction. An amendment was put on to which they objected, and it was afterwards changed. This bill is so worded as to permit the extension of the interest at will, and that ought not to be permitted.

For these reasons I shall support very heartily the amendment offered by the Senator from Nebraska [Mr. NORRIS], which is a simple amendment, an honorable amendment. It is an amendment which provides that we shall stand by our agreements just as we made them; that we shall stand by our people from whom we borrowed the money; stand by the contract which we made with our people at the time of borrowing it; and stand by the contract that we made with the people to whom we loaned the money. It is the only honorable, straightforward course to pursue. We ought not to give the commission the enlarged powers which are proposed, and we ought not, above all things, to give the commission the right at will to extend this indebtedness to 1947.

AGRICULTURAL CONDITIONS.

Mr. SWANSON. Mr. President, if no other Senator desires to speak on the pending bill this afternoon, I wish to make a few remarks in connection with the condition of agriculture and the farmers of the country.

Mr. President, the most important problem awaiting solution to-day is to relieve the depression existing in agriculture and to make farming permanently profitable. When agriculture has been sensibly and scientifically organized and placed upon a remunerative basis the most serious barrier to our material betterment has been removed. Experience discloses that every panic and every financial and industrial depression which has cursed this country invariably has been preceded by a great fall in agricultural products, and hence a great reduction in the profits derived from the farm. The severe panic of 1893, with its long-continued depression, was accompanied by the lowest prices that had ever previously been received for the varied agricultural products. No relief came from these distressed conditions until the prices of agricultural products increased and farming became again profitable. The beginning of the present frightful financial and industrial depression was first heralded by the great fall in the prices of all the varied agricultural products. No relief will come from these wretched conditions, as the past has clearly demonstrated, until the prices of farm products have greatly increased and this business again becomes profitable. The history of the past discloses this fact beyond contradiction. The reason of this is plain when you give the matter thoughtful consideration. One-fourth of the entire wealth of this Nation is invested directly in farming. Thirty-five per cent of our people are directly engaged in agricultural pursuits. If we add to these the varied industries that use the products of the soil in manufacturing, the mercantile establishments that traffic in farm products, the transportation and shipping companies which distribute these, and those industries that furnish implements and supplies to the farmers, it may be fairly estimated that almost practically one-half of our population is either directly or indirectly dependent upon the prosperity of the farms.

Agriculture is without doubt our basic and most important industry, and the prosperity of all of us is largely dependent upon it. When farming ceases to be profitable, the factories, mines, and other industries have lost their largest market, are compelled to close, and depression and business paralysis strike all of our industrial centers. The inability of the farmer to buy or sell causes the varied transportation companies to lose a very large part of their traffic. The farming communities, directly or indirectly, furnish about 40 per cent of the traffic of the transportation companies. Thus railroads and the large shipping companies soon acquire the depression that afflicts agriculture. But for the farms the streets of the cities would grow in grass and be filled with hunger and want and crowded with unemployed.

The most important of our problems to relieve the Nation from its present depression is to put agriculture on a lasting

profitable basis. When this has been accomplished prosperity will again bless this Nation, and we will not be cursed by frequent recurring panics and financial distress.

It is remarkable on examination to ascertain that the last products greatly to advance in price are farm products and the first to receive the severe shock of falling prices are farm products. This was strikingly illustrated during the last seven years. All other products had greatly increased in price long before farm products had a material advance, and the first great depression that came in falling prices came to these products. Thus, under present conditions, the agricultural interests enjoyed a much shorter period of prosperity than other industries. In rising prices what they buy advances earlier and much more rapidly than what they sell. This condition detracts largely from their profits in prosperous years. When falling prices and depression come, they are confronted with a serious condition by having raised a large crop at great expense which they are compelled to sell at a great loss, thus quickly eliminating all the profits made in the short period of prosperity. This was forcibly illustrated by the farmers' crop of last year. This crop was a large crop. Providence was generous and bountiful to the farmer. He had an unusually splendid crop, raised at more than double the cost of all previous crops, on account of the high prices he had to pay for everything he put into the making of it, so when falling prices and depression came his losses were immense, and he lost on this one crop more than he had made on the three previous crops.

The Department of Agriculture estimates this crop of 1921 at $5,675,877,000, which is $3,400,000,000 less than receipts for the crop of 1920 and $8,000,000,000 less than receipts for the crop of 1919. This entailed a great loss. The Agricultural Department estimates that if a fair wage is allowed the farmer for his work in production and then 5 per cent on the capital invested, that the selling price received for the crop of last year would not return more than 50 or 75 per cent of cost of production. The evil effect of this great loss is seen to-day in idle factories, in bankrupt merchants, in reduced railroad traffic, in embarrassed banks, and in general business depression. Every phase of our material national life is interested in returning prosperity to the farm. Banks, merchants, and manufacturers are, indeed, nearsighted and suicidal to their best interests if they do not recognize this and will not aid in putting farming on a stable and profitable basis.

Mr. President, when we consider the products needed for mankind and which are indispensable to his comfort, life, and well-being, those of the farm surpass all others. With mankind requiring his products more than the products of all others, if farming was as well organized as other industries, the profits of the farm ought to at least equal, if not exceed, those of other channels of business. I have often thought that it was remarkable that in the long run farming, the most important and indispensable business to mankind, shows less profit to those engaged in it than in the secondary undertakings of mankind.

A most careful estimate has been made of the value of the products produced per person engaged in agriculture and of those engaged in manufacture. This estimate, which is the most accurate and best that can be furnished, shows that in 1899 the product per person of those engaged in agriculture was $340, and the value of products per person for that year of those engaged in manufactures was $930. Thus for the year 1899 the value per annum per person engaged in manufactures over those engaged in agriculture was more than 250 per cent.

In 1909 this estimate shows that the value of the product per annum per person of those engaged in agriculture was $559 and the value of product per annum per person of those engaged in manufactures was $1,100. Thus, for the year 1909 a person engaged in manufactures made twice as much as those engaged in agriculture. This estimate shows that for the year 1919 the value of the product of those engaged in agriculture per person per annum was $1,540 and the value of the product per person per annum of those engaged in manufactures was $2,500. This was the most prosperous year that agriculture has known, and yet in that year a person engaged in manufactures, on the average, received $840 per year more than those engaged in agriculture. This disparity becomes more striking as we reflect that the hours of work of those engaged in agriculture far exceed the number of hours per day of those engaged in manufactures. The farmer begins work almost before light and works until far into dark, and yet these statistics show that in these 20 years he received less than one-half of the compensation derived by those engaged in manufactures.

When we reflect that the products of the farm furnish the raw material largely for the manufacturer, and are absolute necessities for mankind, it is remarkable that his compensation should be so far less than those engaged in other industries. If we take the enterprises of this Nation, like banking, transportation, and merchandizing, we will find the disparity still greater. In the last 10 years farm indebtedness has more than doubled. The present low price of farm products has more than doubled lately this great increase. These dry figures tell more forcibly than language the injustice that has been inflicted upon the farmer and the heavy burden that he has been carrying. They tell more vividly than language the story of how the profits of his labor have been transferred into pockets other than his own. In them can be read the story of our last census, which discloses how the people have left the rural sections and are congregating in the great industrial centers, where compensation for labor far exceeds that derived by working on the farm.

Unless the farming business is organized on a better basis and the profits of the farm are made greater we will each year have less and less people in the rural sections and more and more in the great manufacturing and industrial centers. Unless this is arrested and the profits of the farm are increased the day is not far distant when this Nation will cease to produce its own supply of agricultural products, and we will be dependent upon other nations, and instead of being exporters of farm products we will be great importers. This day will mark a sad day in the history of our Nation and will add greatly to its trouble and bring national decadence.

Mr. President, the question naturally presents itself, how has the farmer been deprived of his natural superior advantages over other industries and been forced to obtain far less compensation for his efforts? There has been a great improvement in production in agriculture. Scientific methods have been inaugurated, modern machinery has been utilized, and the farmer has made a great advance in the development of production. It is in his wretched methods of selling and distribution where his great losses occur, and these have prevented him from availing himself of his natural superior advantages.

A very careful statistician has estimated that out of every dollar of farm products sold to the consumer the farmer gets only 38 cents; that 62 cents of this dollar goes to the other agencies that handle the products of the farm before it gets to the consumer. It is generally estimated that the cost of distribution of the varied farm products to the consumer range from 50 to 65 per cent. In these estimates we read the story which largely tells the cause why farming is not as profitable as other industries.

In Denmark, by a cooperative system of selling and distribution, it only costs the farmer 10 per cent to sell and distribute the product of his farm.

This great disparity between the cost of selling and distribution in this country and Denmark, amounting to almost 50 per cent, vividly portrays the reason why farming is so much less profitable in America than it is in Denmark. In this country, except in a few isolated cases, this system of selling and distributing has not been inaugurated. The farming that is the most profitable in this country is the farming whose products have been organized in a cooperative system of selling and distribution, and this great cost in selling and distribution has been saved. The farmer is the only one engaged in any business who has no voice in fixing prices of things he produces. He has been compelled to take any price he can get. It is one business in which large production is penalized. Unless a fair and just system of cooperative selling and distribution is organized in this country farming will become less profitable. The small farmer will more and more disappear, and the only farming that will ultimately survive will be the immense farms organized on monopolistic principles. When this occurs it will mean great detriment and disaster to this country. The great mass of farmers can only be saved by a scientific, fair, and just system of cooperative selling and distribution. Such Federal legislation should be enacted to make this legally permissible. It is the only way to save the small farmers and prevent farms from being merged into large estates owned by a few. When this occurs this country will then be cursed with what has cursed so many civilized nations of the past—a large land monopoly.

Legislation should be promptly enacted and properly safeguarded which will bring to the masses of the farmers the blessings and benefits to be derived from cooperative selling and distribution.

Not only is the farmer under present conditions forced to sell at wholesale prices with great competition among themselves, and thus at low prices, but he is compelled to buy at retail prices with consequent great increase of price to him. You can readily understand the present deplorable condition

of the farmer under the existing situation when you realize that what the farmer sells under this system has fallen more than 52 per cent and that what he buys has only fallen 23 per cent. The Department of Agriculture estimates that, taking the country as a whole, an acre of crops produced in 1920 will buy only 67 per cent of what the same acre produced in 1914 and only 60 per cent of what it produced in 1919. The yield of an acre of corn this year will only exchange for three-fourths as much as the five-year average before the war. This is the lowest in 20 years. A similar situation exists, if not worse, with oats. Thus, the farmer is seriously discriminated against both in selling and buying. These figures tell why his profits have disappeared and why he is cursed with losses.

The farmer should also be permitted to buy cooperatively and thus get the benefits of reduced prices, thereby making great savings in the cost of production. When the farmer is enabled to purchase cheaper and sell and distribute cheaper it will result in a great benefit to the mass of consumers in this country. Such legislation properly drawn and safeguarded, enabling the farmer cooperatively to sell and cooperatively to buy, will redound to the great betterment of the masses of the American people.

But, Mr. President, no system of relief would be effective to agriculture unless this great interest had extended to it a larger and longer system of credit. A restricted and insufficient credit to our manufactures, industrial, and merchantile enterprises would result in a great retardation of these varied industries and produce instant depression. As important as is credit to furnish the lifeblood for such enterprises, it is far more important to agriculture. The turnover in manufacturing and commerce is far shorter than it is in farming. The turnover in these enterprises is many times each year.

The raising of an agricultural crop takes almost a year and its sale and distribution six months more. In our usual agricultural products completion of production, sale, and distribution means a year and a half. In our stock-raising industry it takes a longer time than this, frequently running into several years before completion. Under these conditions agriculture needs more credit, and a longer credit, in order to be successfully conducted than do our other industries. The farmer in order to economically and successfully produce needs the loan of money for machinery, implements, and various improvements upon the farm, which would require several years before he would be able to pay. A large part of our farm products are exported to foreign countries for sale and distribution, which requires some time before full payment therefor can be made. These conditions, which can not be denied, confronting our agriculture require the creation of a system of credits which can meet these needs and relieve the situation. No system of credit to the farmer can give him full benefit that does not include an extension for sale and distribution along with production. The farmer's transaction is not completed until his products have been distributed and sold. To extend to the farmer credit to enable him to produce and then to withhold it and not permit him to sell and distribute is to put him completely at the mercy of speculators who have the means to buy what he is forced to sell. One reason that farming has not been as profitable as other businesses is that the farmer has not been given sufficient credit to complete his transaction by sale and distribution, but he has been forced to sell in a few months the products of his farm to rich speculators able to hold them for higher prices and reap the profits. This should not be permitted. A certain and sufficient part of our credit facilities should be set aside for the movement of crops and should be made available for the farmer. With our banking resources equal almost to that of the rest of the world, we are amply able to furnish our credit facility to the farmer to raise, sell, and market his products in an orderly way with the best possible results. It is an outrage to deny him the credit facilities that are now obtained by dealers, jobbers, and speculators in his products. The farmer is entitled to the credit and our resources are amply able to provide it.

Mr. President, every effort should be made to furnish credits by which industrious and frugal farmers can buy farms, improve them, and thus become freeholders. This constitutes the most splendid citizenship of the country.

The great Federal reserve system extended many benefits to the farmers never before possessed by them. All benefits given them under this system should be further extended and the system should be administered in the most liberal way to carry out the benefits conferred upon agriculture in this great measure. I believed at the time, and so stated repeatedly to members of the Federal Reserve Board, that I thought further extension of credits to farmers during the last year, when farm prices were falling with such disastrous results to the agricultural interests, and a lower rate of discount than that given by the Federal reserve banks would have gone far to relieve the situation at that time and would have greatly lessened the depression to farming and all business and enterprises in the country. I believed and urged at that time that the farmers, being unable to sell on account of the cessation of foreign markets, should have credits extended so as to give them longer time for the sale and distribution of their products. I believe if this had been done that the business situation would have been far more encouraging than it was then and is now.

Believing that agriculture, which is such a basic industry and upon the prosperity of which all others are so greatly dependent, should be fairly represented in the Federal reserve system, I supported and did what I could for the passage of the amendment recently passed giving representation to agriculture along with commerce and finance upon our Federal Reserve Board.

Recognizing that the farmer needed longer credits for the purchase of his home or farming implements, machinery, and improvements, Congress passed a measure known as the Federal farm land bank act. I earnestly supported this measure and did all I could to secure its passage. It has been beneficial in its results. It has proven its usefulness in many directions.

These banks should be given larger resources and their usefulness further extended. These banks, properly organized and operated, made large and resourceful, would bring untold benefits to the agricultural interests and all other enterprises of our country. A system should be devised, either independent of or a part of the Federal reserve system, which would extend to the farmers, upon a safe and sound basis, a larger and longer personal credit. This can be made secure by a proper State or National warehousing system, with a proper and fair credit on farm products deposited and the issuance of certificates as security. These certificates properly graded, secured, and insured, furnish a safe basis of credit, as the products represented are indispensable for the world's life and comfort. When farming is organized on a businesslike and scientific basis like other industries the products of the farm will become a safer basis of credit for a limited period than the products of the factory. Frequently the products of a factory, on change of style and depreciation, become as unsalable and undesirable as any farm products. All that is needed to make farm products form as safe a basis for credit as products of the factory is for the farm to be organized equally as well on a business basis. I believe a just and fair system of cooperative buying and selling will enable the farming business to be thus established. A proper system of State or National warehouses to be effective should have farm products fairly and properly graded. This grading should be done by persons who will do it justly and fairly to the seller and the buyer. The complaint of the farmers in the past is that this grading has been done for the benefit of the buyer and unjust to the seller. Frequently the wheat graded to the farmer has been sold to the consumer at a far higher grade than the farmer was paid for. Some of the elevators disclosed that often first grades of wheat sold to consumers far exceed the number of bushels of first grade paid for to the farmer. This should not be permitted, and there should be no question of the fairness and justice in grading. I hope to see enacted at this session of Congress these legislative measures of reform extending proper and legitimate grades to the farmer which will permanently relieve the situation and go far toward making farming stable and permanently profitable. The farming communities should also have provided better wholesale terminal facilities for handling surplus at large primary markets and more thorough organization of depots of distribution at large consuming centers of the country.

Mr. President, no effective or lasting relief can come to the farmers until they are provided with a cheaper and better system of transportation. It is useless to disguise the fact that much of the present depression in agriculture and industry is due to excessive freight rates now paid to our railroads for the transportation of farm and other products to the markets. Freight rates for farm products have increased in an average of 80 per cent since 1913. The increase on live stock is much greater than this. I have seen an estimate, which I assume to be correct, made by the economic committee of the Georgia Farm Bureau Federation, that the average freight rate per ton on live stock and farm products in 1913 was $3.74, and in 1920 was $6.74, and that for the year 1920 the increased cost for freight rates over those of 1913, either to be deducted from the price of purchasers or added to the price paid by consumers, or both, amounted to $599,094,719. This is the estimated increased cost for one crop movement in that year.

This will give us an idea of the amazing increase of freight rates upon farm products, and it can but have a most injurious result upon the profits derived from farming. Many cases were disclosed before the Joint Commission of Agricultural Inquiry, directed in this Congress, where the freight rates upon many products were equal to the price received. Many cases were disclosed where the freight rates were one-half of the price received, and many cases were less or more. The railroads get a much larger proportion of the value of farm profits. Farm products are reduced greatly in value while railroad rates are stationary. The inquiry disclosed to this commission that the present freight rates are entirely too high upon agricultural products and have resulted in the great retardation of agriculture and prevented the shipment and rapid sale and distribution of farm products. Many cases were disclosed where farm products were allowed to rot on the farms because the freight rates were equal to, if not exceeding, the price received for the products. These rates have been so excessive that it has prevented many shipments over the railroads and thus has worked to the detriment of the railroads. Their profits have been far less than they would have been with a fair and reasonable rate.

These excessive rates have permitted foreigners, who had cheap water transportation, to drive our farmers out of the markets of cities on the seaboard. Especially is this true of the shipment of farm products from South America. The effect of these high freight rates is practically to double the distance of the farm from the market. It has dislocated long-established markets, disarranged business, and produced chaos. These rates must be reduced and should be fixed with a fair consideration of the development and prosperity of agriculture.

The interests of the railroads are inseparably connected with the prosperity of agriculture and they should not be permitted to charge rates which are equally injurious to themselves and to the farming interests. If they are so shortsighted as to pursue such a suicidal policy, they should not be permitted to do so. The recent reduction of rates upon agricultural products was a step in the right direction and should be extended in territory and made greater in amount. As agriculture furnishes a very large part of the business of the railroads, this great interest should be properly represented upon the Interstate Commerce Commission, so that it should be permitted to receive fair and just treatment. The best interests of not only agriculture but the entire country demand this. The misfortunes of the railroads have come largely from the misfortunes of farming. Their improvement will not come until improvement in agriculture occurs. Agriculture being dependent upon the railroads for access to the markets and for returns upon the products shipped, these rates should be regulated fairly and justly to the farming interests.

In addition, it must be remembered that our farm products must meet the farm products of other nations of the world. High freight rates here to the port of shipment causes inability to meet foreign competition. When foreign competition is not met in the markets of the world it means a large surplus here unsold. This means further depression in agriculture, further loss, and further curtailment of the purchase of goods and shipment of goods by the farming communities. The failure to ship abroad ultimately will make a balance of trade against us to be met by shipment of gold abroad. This means banking and financial trouble and disturbance. Thus from whatever standpoint we view it the interests of the farmer and the interests of all our varied enterprises demand that agriculture must and should have a fair and reasonable freight rate, which if not given must result in serious detriment to all sections and all the varied interests of our country. I am satisfied that high freight rates have been one of the causes that have largely contributed to a great reduction in our foreign commerce and exports. Freight rates must be promptly reduced.

Mr. President, no system of transportation can be complete as far as our farming interests are concerned unless it is supplemented by a splendid system of public roads. The farmers can not produce economically and profitably unless they have good roads over which to haul their products from farm to depot. It is estimated that the average haul of the products of the farm to depot is 9.41 miles. It is also estimated that where these roads are bad and muddy it costs almost as much to the farmers to haul their products to the depot as it does from the depot to the markets for sale and distribution. Thus, with high cost to the farmer on the road from the farm to the depot and the increased freight rates, we can readily understand why his profits so rapidly disappear. The first bill I introduced in Congress was one providing for the Federal Government to cooperate with the States in improving public roads. One of the first speeches I ever made in Congress was in advocacy of this plan. I supported in every possible way, and was on the committee and the conference committee that prepared the present road plan of Federal aid to public roads. I believe this Federal aid to public roads should be continued and increased as rapidly as our financial conditions will permit, that farms may be brought into closer touch with the cities and depots for the shipment and sale of their products. This is indispensable to the successful and profitable operation of farms—a part of the transportation system so badly needed by them.

Another matter in which I am deeply interested as part of the transportation system for farmers is the parcel post. This system should be further extended and improved. I was a member of the joint commission which investigated the subject and reported the present system of parcel post, which report was adopted by Congress. This has been most beneficial to the farmers, and it should be further extended and enlarged.

As a part of the parcel-post system for farming communities it is necessary to continue and enlarge the rural free delivery system. Parcel post in the country is impossible without a continuance and extension of this system. With rural delivery, parcel post, good roads, and fair and just freight rates, and good, prompt, railroad service the domestic transportation for our agriculture will be secured. But agriculture needs additional cheap and efficient transportation. A large part of our agricultural products must find sale in foreign markets, and in order to reach foreign markets we must have ocean transportation. In order to meet our competitors ocean transportation must be reasonable, prompt, and regular. We have now the second largest merchant fleet in the world. With this merchant fleet our great agricultural and commercial interests have the facility of reaching foreign markets and successfully meeting their competitors. We can never have foreign trade in agriculture, mine, or factory successful and remunerative when we are dependent upon other nations for our ocean transportation.

To be dependent upon another nation for transportation would be like two competitive department stores in a city, one store being dependent upon the other for the delivery of its goods sold. The store that was dependent upon its competitor for the delivery of its goods would not survive many years of the competition. The preference given to the sale of its own goods over those of the competitor would soon drive the dependent concern from business. This was the condition we were in as to foreign markets when we did not have our merchant marine for the delivery of our own goods. This great merchant marine, built up by so much money and sacrifices to the American people, should be used for the development of our foreign trade from factory, mine, and agriculture. When the work of this great merchant marine is properly organized and efficiently run, it will insure our agricultural and commercial prosperity. Its success is interwoven with our own success.

Mr. President, agriculture can be benefited in other directions. The work of our statistical division of the Department of Agriculture should be further extended—broader and more accurate statistics can be obtained. As it takes a year for the farmer to raise his crop, and since when he once commences raising it he is compelled to complete it or else he sustains a great loss, it is of the utmost importance that he should have his statistics regarding the condition of the world's markets pertaining to his crops before he commences his crops. Farming in its best phases is a great venture, and one of the most effective ways of lessening the risk incident to farming is providing the farmer with complete statistics both in this country and other countries as to the conditions of the crops he is engaged in raising. I have always believed that farming could be greatly improved by the procurement of these statistics.

The Government should also make more experimental and scientific investigations for the benefit of agriculture which should be more generally distributed. The risk and expense of these experiments should be incurred by the Government. The extension of this would be a great benefit to farming and result in a greater production, and would enable him more successfully to overcome difficulties he encounters in connection with insect and other pests which destroy the crops. The Government can well aid in such commendable work.

In addition to that, our Government should have agricultural attachés in order to obtain statistics and to find markets for our products in the principal foreign countries producing and consuming agricultural products. These would give us statistics in regard to production in other countries and aid in procuring markets and let us know where profitable markets can be found. This work would bring great benefits to the agricultural interests if properly developed and operated.

Mr. President, no system of farm life or development would be perfect without increased educational facilities in every

farming community. Rural high schools, increased facilities for primary schools, instructive agricultural schools and experimental stations should be more extensively set up in rural sections. These are indispensable and in order to make rural life complete and successful the best educational facilities should exist in the country.

Mr. President, these are some of the urgent measures for betterment of farming and which I hope to see promptly enacted. There are some others which could be enumerated, but these are the most pressing and urgent. I have and will continue to cooperate with those interested on both sides of this Chamber in the procurement of this legislation. I favor these measures as an act of justice to the farmer, putting him in a position of equality with other industries of the country, and which we believe will go far toward stabilizing farming and making it permanently profitable. I believe until this is done there can be no betterment of our material and financial conditions, and that the very best interests of this country demand that agriculture should be made one of the stable and profitable industries of this Nation. Until this is done we will be cursed with financial panics, curtailed markets, lessened sales, and general business depression. Agricultural prosperity means national prosperity, a healthier, stronger, and better Nation.

Mr. McCUMBER. Mr. President, I wish to thank the Senator from Virginia for his splendid argument in favor of the bill which I introduced yesterday providing for a general and comprehensive system of marketing of all farm products. I bespeak for the Senator that he will study that bill and will advise with me, and that we may join our efforts in securing legislation along the line of a complete and comprehensive system of marketing and distribution of farm products under Government supervision.

Mr. SWANSON. Mr. President, I wish to state to the Senator from North Dakota that while I am not acquainted with the details of the bill to which he refers, yet I assure him that I shall earnestly cooperate with him in having enacted into legislation the suggestions contained in my speech to the Senate this afternoon.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 21, 1922, the President approved and signed the bill (S. 2776) to authorize the construction of a bridge over the Columbia River at a point approximately 5 miles upstream from Dalles City, Wasco County, in the State of Oregon, to a point on the opposite shore in the State of Washington.

REPORT OF BOARD OF DIRECTORS OF PANAMA RAILROAD CO. (S. DOC. NO. 120).

The PRESIDING OFFICER (Mr. HEFLIN in the chair) laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals and ordered to be printed, as follows:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Seventy-second Annual Report of the Board of Directors of the Panama Railroad Co., for the fiscal year ended June 30, 1921.

WARREN G. HARDING.

THE WHITE HOUSE, *January 25, 1922.*

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. McCUMBER. Mr. President, I understand there is no Senator ready to proceed with the discussion of the pending bill. I hope that after we have had a short executive session we will recess until to-morrow, and that if possible we may complete the discussion of the measure to-morrow and pass the bill.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 12 minutes p. m.) the Senate took a recess until to-morrow, Thursday, January 26, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 25, 1922.

UNITED STATES COAST GUARD.

Lieut. Commander Andrew J. Henderson to be a commander, to rank as such from January 19, 1922, in place of Commander H. B. West, retired.

Lieut. Thaddeus G. Crapster to be a lieutenant commander, to rank as such from January 19, 1922, in place of Lieut. Commander A. J. Henderson, promoted.

REGISTER OF THE LAND OFFICE.

Walter Spencer, of Craig, Colo., to be register of the land office at Glenwood Springs, Colo., vice Dallas C. Weyand, removed.

PROMOTIONS IN THE REGULAR ARMY.

MEDICAL CORPS.

To be captains.

First Lieut. Foster Cannon Howard, Medical Corps, from January 17, 1922.

First Lieut. Charles Francis Shook, Medical Corps, from January 17, 1922.

CHAPLAIN.

Chaplain Julius Joseph Babst to be chaplain with the rank of captain from January 19, 1922.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY.

AIR SERVICE.

Lieut. Col. Arthur George Fisher, Cavalry, with rank from April 23, 1921.

Capt. Burt Eugene Skeel, Infantry, with rank from July 1, 1920.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 25, 1922.

POSTMASTERS.

CALIFORNIA.

George W. Bull, Weed.

ILLINOIS.

Lewis D. Leach, Bridgeport.
Henry M. Fritscher, Dieterich.
Leonard Ott, Prophetstown.
Herbert L. Rawlins, Thomson.

KANSAS.

Maud Aten, Goodland.
Walter Holman, Sharon.

MARYLAND.

Benjamin F. Woelper, jr., Baltimore.

MICHIGAN.

Perry F. Powers, Cadillac.
Robert H. Benjamin, Mackinac Island.

NEW HAMPSHIRE.

Myrtle M. Marsh, Greenville.
James E. Collins, Lisbon.
Almon W. Eaton, Wolfeboro.

NORTH CAROLINA.

Pearle R. Luttrell, Shulls Mills.
William A. Goodwin, West Durham.

OREGON.

Stephen A. Easterday, Clatskanie.
Ronald G. White, Falls City.
Ronald E. Esson, Sandy.
Frank B. Hamlin, Springfield.
Edgar B. Watters, Stayton.

SOUTH CAROLINA.

Edward W. Shull, New Brookland.

TENNESSEE.

Mabel W. Hughes, Arlington.

TEXAS.

Clarence V. Rattan, Cooper.
Florence B. Burke, Elgin.
Jerra L. Hickson, Gainesville.
Simon J. Enochs, Georgetown.
Alonzo Phillips, Loraine.
Ruby E. Butler, Odem.
Alphonse A. Bast, Robstown.
Wade Arnold, Wellington.

UTAH.

Joseph F. MacKnight, Price.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *January 25, 1922.*

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious Lord, we know there is power and there is virtue in Thy love which never ceases. We have not lived up to Thy blessed benedictions. As a Father Thou art great to provide and most gracious to forgive. O it is a comfort to know that there is redemption as well as a providence. For the goodly measures of health and strength we thank Thee. Do Thou accept this expression of our gratitude as our hearts' testimony. Surely wide is mercy's door and loud is wisdom's call. Hear us now while we whisper our vows of fidelity to all the vital needs of our country. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

STATUE OF GEN. E. KIRBY SMITH.

Mr. SEARS. Mr. Speaker, I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Florida asks unanimous consent to address the House for five minutes. Will the gentleman say on what subject?

Mr. SEARS. It is on a concurrent resolution accepting the statue of Gen. E. Kirby Smith.

The SPEAKER. Is there objection?

There was no objection.

Mr. SEARS. Mr. Speaker, in 1918, as I recall, the State of Florida presented to the United States Government the statue of Gen. E. Kirby Smith, one of her most distinguished sons. For reasons unknown to myself, I am informed this statue has never been accepted by the Government, and I therefore trust unanimous consent will be given for the passage of the concurrent resolution which I am sending to the Clerk's desk to be read for the information of the Members.

As my colleagues know, I have never made a sectional speech since I have been in Congress, and while I knew my course was right along this line, after reading the life of this distinguished son of Florida, I am more convinced than ever that my course has been correct. As I have often stated, there should be no North, no East, no South, no West, and we should be a united Union, as our people are one, and to make sectional speeches can but do harm.

I shall not ask the House to go through the formality of unveiling Gen. Kirby Smith's statue, which has been in the Statuary Hall of the Capitol for several years, because of the length of time that has elapsed. However, I briefly desire—in justice to the memory of Gen. Kirby Smith—to give you a short history of his life.

In 1821, the father of this distinguished general was appointed judge of the superior court of Florida by President Monroe and immediately removed to that territory and fixed his residence at St. Augustine. On the 16th of May, 1824, there was born to him this distinguished son, who, though descended on both sides from Connecticut people, was a native southerner. When a young man he entered the Alexandria Boarding School, which was at that time a training school for students who desired admission to West Point. From there he went to West Point, where he was graduated with honors. He played a distinguished part in several of the Indian wars, but his most distinguished service for the Union was during the Mexican War. When the War between the States came on, although many of his relatives were in the Union Army, which was natural, as they lived north of the Mason-Dixon line, Gen. Kirby Smith was true to the State of his birth, resigned his commission in the Federal Army, offered his services to his native State, and joined the forces of the Confederacy.

Several resolutions were introduced in the Confederate Congress, in 1864, evidently for the purpose of annoying the President of the Confederacy, asking for an investigation of Gen. Kirby Smith, and to show you in part in what high esteem he was held I quote the resolution which was passed by the Confederate Congress:

Resolved, That Gen. E. Kirby Smith has distinguished his administration of the trans-Mississippi department by his justice, his firmness and moderation, his integrity and conscientious regard for law, his unaffected kindness to the people, the protection of their rights and the redress of their wrongs, and has thus won the confidence of congress. That the thanks of congress are due and are extended to Gen. E. Kirby Smith and to the commanders of the armies, Gen. Sterling Price, in Arkansas, and Gen. Richard Taylor, in Louisiana, and to all officers and soldiers of their commands for the brilliant campaign in Arkansas and Louisiana in the months of April and May, 1864. That the president be requested to communicate these resolutions to the officers named and to the armies of the trans-Mississippi.

As evidence of the character of this great man and to show you that he was not only a brave and fearless fighter but also a good loser, I quote you, in part, the following, which was perhaps his last communication to what was left of his command:

Your present duty is plain. Return to your families. Resume the occupations of peace. Yield obedience to the laws. Labor to restore order. Strive both by counsel and example to give security to life and property. And may God in His mercy direct you aright and heal the wounds of our distracted country.

Just after the war he wrote a private letter to Gen. Grant, in which he stated, in part, as follows:

I am most anxious to return and am determined that I will do so if practicable. I see that a change is taking place in the policy of the Government. The organization of the State governments and the end of military rule can not be long delayed. The South is too important an element in the political organization not to be conciliated and courted by the Government. Her coalition with the Democratic Party of the North is the aim of the President and will soon be accomplished with the ultimate triumph of those principles which we failed to establish with the sword and bayonet.

A few weeks later he wrote another letter to Gen Grant, much in the same strain, in which he said:

I did not fight for the Negro nor for the perpetuation of slavery. I took up arms through a sense of duty and in defense of principles whose complete triumph I shall live to see, if not by force of arms by the awakened sense of the people of the United States to their true interests and to wisdom.

These show the true character of the man.

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. SEARS. Mr. Speaker, may I have two minutes more?

The SPEAKER. The gentleman from Florida asks unanimous consent to proceed for two minutes more. Is there objection?

There was no objection.

Mr. SEARS. Shortly afterwards he was restored to citizenship and established a school at New Castle, Ky., which he conducted wisely. In 1870 he became chancellor of the University of Tennessee, where he still pursued and followed his high ideals. In 1875 he went to the University of the South, at Sewanee, and there he rounded out the great work for the betterment of the young men of the country.

On the 28th day of March, 1893, the spirit of this great general and educator "passed over the river to rest in the shade of the trees," and in order that you may know the life that he lived it is only necessary for me to say his last words, so far as history records, were, "Yea; though I walk through the valley of the shadow of death, I will fear no evil."

To my mind that part of the biography of his life which stamps him as a truly great man are the beautiful letters which he wrote to his father and mother throughout all of the years of his life, and especially those written prior to the beginning of the Civil War.

In memory of such a man Florida presents this statue to the United States Government, and I sincerely hope it will be accepted and that the concurrent resolution will be unanimously adopted.

I send this resolution to the Clerk's desk, and ask unanimous consent for its immediate consideration. [Applause.]

The SPEAKER. The gentleman from Florida asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. SEARS. Mr. Speaker, it is in the usual form.

Mr. MANN. Reserving the right to object, let us know what it is. I do not think it ought to come up in this way.

Mr. SEARS. Mr. Speaker, I ask that the concurrent resolution be read.

The SPEAKER. The Clerk will report the concurrent resolution.

The Clerk read as follows:

House concurrent resolution 42.

Resolved by the House of Representatives (the Senate concurring), That the thanks of Congress be given to the people of Florida for the statue of Gen. E. Kirby Smith.

Resolved, That the statue be accepted, to remain in the National Statuary Hall, in the Capitol of the Nation, and that a copy of these resolutions, signed by the presiding officers of the House of Representatives and Senate, be forwarded to his excellency the governor of the State of Florida.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. MANN. What has been the practice in the past? Has it not been usual to have these resolutions come from the Committee on the Library, and does not that add a little bit to the value of them?

Mr. SEARS. I understand that has not been the usual practice. So far as I can understand, this is the usual practice in asking for the acceptance of the statue, because it has been in Statuary Hall since 1918.

Mr. MONDELL. Mr. Speaker, reserving the right to object, the gentleman from Florida did not suggest, when he asked for unanimous consent, that he cared to have the resolution considered at the present time. It seems to me it would add dignity to the resolution to have it considered in the regular form, through the committee. I do not assume that there will be any question about the adoption of the resolution at the present time.

Mr. SEARS. Of course, Mr. Speaker, I recognize the fact that under the congested condition it is liable to sleep there three or four more years.

Mr. MONDELL. I do not think so.

Mr. SEARS. But I will follow the suggestion of the majority leader if he desires. This man's parents came from the State of Connecticut.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS.

Mr. MONDELL. I am sure the House will consider the resolution at the proper time. Mr. Speaker, I ask unanimous consent to dispense with the business in order under the Calendar Wednesday rule.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to dispense with the business in order under the Calendar Wednesday rule. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, what business is it proposed to take up under suspension?

Mr. MONDELL. The antilynching bill.

Mr. GARRETT of Tennessee. I object.

Mr. MONDELL. Mr. Speaker, I move to dispense with Calendar Wednesday business to-day.

The SPEAKER. The gentleman from Wyoming moves to dispense with Calendar Wednesday business to-day. The question is on agreeing to that motion.

The question was taken.

The SPEAKER. In the opinion of the Chair two-thirds——

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman from Tennessee asks for a division.

The House divided; and there were—ayes 69, noes 26.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is clear that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. As many as are in favor of the motion to dispense with the business in order on Calendar Wednesday will, when their names are called, answer "yea," those opposed will answer "nay."

The question was taken; and there were—yeas 252, nays 109, answered "present" 2, not voting 67, as follows:

YEAS—252.

Ackerman	Crago	Hardy, Colo.	Luce
Andrew, Mass.	Cramton	Haugen	Luhring
Andrews, Nebr.	Curry	Hawley	McCormick
Ansorge	Dale	Hersey	McFadden
Anthony	Dallinger	Hickey	McKenzie
Appleby	Darrow	Hicks	McLaughlin, Mich.
Arentz	Davis, Minn.	Himes	McLaughlin, Nebr.
Atkeson	Dempsey	Hoch	McLaughlin, Pa.
Bacharach	Denison	Hogan	MacGregor
Barbour	Dickinson	Hukriede	Madden
Beck	Dowell	Hull	Magee
Beedy	Dunbar	Husted	Maloney
Begg	Dunn	Hutchinson	Mann
Benham	Dyer	Ireland	Mapes
Bird	Echols	James	Merritt
Bixler	Elliott	Johnson, Ky.	Michaelson
Blakeney	Ellis	Johnson, S. Dak.	Michener
Boies	Evans	Johnson, Wash.	Miller
Bowers	Fairchild	Jones, Pa.	Mills
Brennan	Fairfield	Kearns	Millspaugh
Brooks, Pa.	Faust	Keller	Mondell
Browne, Wis.	Fenn	Kelley, Mich.	Montoya
Burdick	Fess	Kendall	Moore, Ill.
Burroughs	Fish	Kennedy	Moore, Ohio
Burtness	Fitzgerald	Ketcham	Moores, Ind.
Burton	Focht	King	Morgan
Butler	Fordney	Kinkaid	Mott
Cable	Foster	Kirkpatrick	Murphy
Campbell, Kans.	Frear	Kissel	Nelson, A. P.
Campbell, Pa.	Freeman	Kleczka	Nelson, J. M.
Cannon	French	Kline, N. Y.	Newton, Minn.
Chalmers	Frothingham	Kline, Pa.	Newton, Mo.
Chandler, N. Y.	Fuller	Knight	Norton
Chindblom	Gahn	Kopp	Olpp
Christopherson	Gallivan	Kraus	Osborne
Clague	Gensman	Kreider	Paige
Clarke, N. Y.	Gernerd	Lampert	Parker, N. Y.
Codd	Glynn	Larson, Minn.	Patterson, Mo.
Cole, Iowa	Goodykoontz	Layton	Patterson, N. J.
Cole, Ohio	Graham, Ill.	Lea, Calif.	Perkins
Colton	Green, Iowa	Leatherwood	Perlman
Connolly, Pa.	Greene, Mass.	Lehlbach	Petersen
Cooper, Ohio	Greene, Vt.	Little	Porter
Cooper, Wis.	Griest	London	Pringey
Coughlin	Hadley	Longworth	Purnell
Radcliffe	Sanders, Ind.	Summers, Wash.	Volstead
Ramseyer	Scott, Mich.	Sweet	Walsh
Ransley	Scott, Tenn.	Swing	Walters
Reber	Shelton	Taylor, N. J.	Wason
Reece	Shreve	Taylor, Tenn.	Watson
Reed, N. Y.	Siegel	Temple	Webster
Reed, W. Va.	Sinclair	Thompson	Wheeler
Rhodes	Sinnott	Tilson	White, Kans.
Ricketts	Smith, Idaho	Timberlake	White, Me.
Riddick	Smith, Mich.	Tincher	Williams
Roach	Snyder	Tinkham	Williamson
Robsion	Speaks	Towner	Winslow
Rodenberg	Sproul	Treadway	Wood, Ind.
Rogers	Stafford	Underhill	Woodruff
Rose	Stephens	Valle	Woodyard
Rosenbloom	Stiness	Vestal	Wurzbach
Rossdale	Strong, Kans.	Voigt	Wyant
Ryan	Strong, Pa.	Volk	Yates

NAYS—109.

Almon	Dominick	Lanham	Rucker
Aswell	Doughton	Lankford	Sabath
Bankhead	Drewry	Larsen, Ga.	Sanders, Tex.
Barkley	Driver	Lazaro	Sandlin
Bell	Favrot	Linthicum	Sears
Black	Fields	Logan	Sisson
Bland, Va.	Fisher	Lowrey	Smithwick
Blanton	Fulmer	Lyon	Steagall
Bowling	Garner	McClintic	Stedman
Box	Garrett, Tenn.	McDuffie	Stevenson
Brand	Garrett, Tex.	McSwain	Stoll
Briggs	Goldsborough	Martin	Sullivan
Brinson	Griffin	Mead	Sumners, Tex.
Brown, Tenn.	Hammer	Montague	Swank
Buchanan	Hardy, Tex.	O'Connor	Taylor, Ark.
Bulwinkle	Hawes	Oldfield	Thomas
Byrnes, S. C.	Hayden	Oliver	Tillman
Byrns, Tenn.	Herrick	Overstreet	Upshaw
Carter	Hooker	Padgett	Vinson
Clouse	Huddleston	Park, Ga.	Ward, N. C.
Cockran	Hudspeth	Parks, Ark.	Weaver
Collier	Humphreys	Parrish	Wilson
Collins	Jacoway	Pou	Wingo
Connally, Tex.	Jeffers, Ala.	Quin	Woods, Va.
Crisp	Johnson, Miss.	Raker	Wright
Cullen	Jones, Tex.	Rankin	
Davis, Tenn.	Kincheloe	Rayburn	
Deal	Kindred	Rouse	

ANSWERED "PRESENT"—2.

Chandler, Okla. Robertson

NOT VOTING—67.

Anderson	Funk	Lawrence	Riordan
Bland, Ind.	Gilbert	Lee, Ga.	Sanders, N. Y.
Bond	Gorman	Lee, N. Y.	Schall
Britten	Gould	Lineberger	Shaw
Brooks, Ill.	Graham, Pa.	McArthur	Slemp
Burke	Harrison	McPherson	Snell
Cantrill	Hays	Mansfield	Steenerson
Carew	Hill	Moore, Va.	Tague
Clark, Fla.	Houghton	Morin	Taylor, Colo.
Classon	Jefferis, Nebr.	Mudd	Ten Eyck
Connell	Kahn	Nolan	Tyson
Copley	Kelly, Pa.	O'Brien	Vare
Crowther	Kiess	Ogden	Ward, N. Y.
Drane	Kitchin	Parker, N. J.	Wise
Dupré	Knutson	Rainey, Ala.	Young
Edmonds	Kunz	Rainey, Ill.	Zihlman
Free	Langley	Reavis	

So the motion to dispense with business under the Calendar Wednesday rule was agreed to.

The Clerk announced the following pairs:

Mr. BLAND of Indiana and Mr. GORMAN (for) with Mr. LEE of Georgia (against).

Mr. GRAHAM of Pennsylvania and Mr. ODGEN (for) with Mr. DUPRÉ (against).

Mr. MORIN and Mr. BROOKS of Illinois (for) with Mr. WISE (against).

Mr. SNELL and Mr. VARE (for) with Mr. GILBERT (against).

Mr. EDMONDS and Mr. MCARTHUR (for) with Mr. DRANE (against).

Mr. KAHN and Mr. MCPHERSON (for) with Mr. MOORE of Virginia (against).

Mr. FREE and Mr. LINEBERGER (for) with Mr. KITCHIN (against).

Mr. KNUTSON and Mr. FUNK (for) with Mr. HARRISON (against).

Mr. BURKE and Mr. LAWRENCE (for) with Mr. CANTRILL (against).

Mr. BRITTEN and Mr. KIESS (for) with Mr. TYSON (against).

Mr. HAYES and Mr. ZIHLMAN (for) with Mr. MANSFIELD (against).

Mr. CROWTHER and Mr. CONNELL (for) with Mr. RAINEY of Alabama (against).

Until further notice:

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. HOUGHTON with Mr. RIORDAN.

Mr. JEFFERIS of Nebraska with Mr. TAGUE.

Mr. ANDERSON with Mr. RAINEY of Illinois.

Mr. GOULD with Mr. TEN EYCK.

Mr. REAVIS with Mr. CAREW.

Mr. NOLAN with Mr. O'BRIEN.
Mr. COPLEY with Mr. KUNZ.
Mr. SHAW with Mr. TAYLOR of Colorado.
The result of the vote was announced as above recorded.
The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

ANTILYNCHING.

Mr. VOLSTEAD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13, the anti-lynching bill, and pending that motion I ask unanimous consent that the time for general debate be extended two hours, one hour on a side.
The SPEAKER. The gentleman from Minnesota moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of H. R. 13, and pending that he asks unanimous consent that the time for general debate be extended two hours, one hour on a side. Is there objection?
There was no objection.
The SPEAKER. The question is on the motion that the House resolve itself into the Committee of the Whole House on the State of the Union.
Mr. GARRETT of Tennessee. Mr. Speaker, on that I ask for the yeas and nays.
The yeas and nays were ordered.
The question was taken; and there were—yeas 247, nays 103, not voting 80, as follows:

YEAS—247.

Ackerman	Fenn	Layton	Robsion
Andrew, Mass.	Fess	Lea, Calif.	Rodenberg
Andrews, Nebr.	Fish	Leatherwood	Rogers
Ansorge	Fitzgerald	Lehlbach	Rose
Anthony	Focht	Little	Rosenbloom
Appleby	Fordney	London	Rossdale
Arentz	Foster	Longworth	Ryan
Atkeson	Frear	Luce	Sanders, Ind.
Bacharach	Free	Luhring	Scott, Mich.
Barbour	Freeman	McCormick	Scott, Tenn.
Beck	French	McFadden	Shelton
Beedy	Frothingham	McKenzie	Shreve
Begg	Fuller	McLaughlin, Mich.	Siegel
Benham	Gahn	McLaughlin, Nebr.	Sinclair
Bird	Gallivan	MacGregor	Sinnott
Bixler	Gensman	Madden	Smith, Idaho
Blakeney	Glynn	Magee	Smith, Mich.
Boies	Goodykoontz	Maloney	Snyder
Brennan	Graham, Ill.	Mann	Speaks
Brooks, Pa.	Greene, Mass.	Mapes	Sproul
Browne, Wis.	Greene, Vt.	Mead	Stafford
Burdick	Griest	Michener	Steenerson
Burroughs	Griffin	Miller	Stephens
Burtness	Hadley	Mills	Strong, Kans.
Burton	Hardy, Colo.	Millspaugh	Strong, Pa.
Butler	Haugen	Mondell	Sullivan
Cable	Hawley	Montoya	Summers, Wash.
Campbell, Kans.	Hersey	Moore, Ill.	Sweet
Campbell, Pa.	Hickey	Moore, Ohio	Swing
Cannon	Hicks	Moores, Ind.	Taylor, N. J.
Chalmers	Himes	Morgan	Taylor, Tenn.
Chindblom	Hoch	Mott	Temple
Christopherson	Hogan	Murphy	Thompson
Codd	Hukriede	Nelson, A. P.	Tilson
Cole, Iowa	Hull	Nelson, J. M.	Timberlake
Cole, Ohio	Husted	Newton, Mo.	Tincher
Colton	Hutchinson	Nolan	Tinkham
Connolly, Pa.	Ireland	Norton	Towner
Cooper, Ohio	James	O'Brien	Treadway
Cooper, Wis.	Jefferis, Nebr.	Olpp	Underhill
Coughlin	Johnson, Ky.	Osborne	Vaile
Cramton	Johnson, Wash.	Paige	Vestal
Cullen	Jones, Pa.	Parker, N. Y.	Voigt
Curry	Kearns	Patterson, Mo.	Volk
Dale	Keller	Patterson, N. J.	Volstead
Dallinger	Kelley, Mich.	Perkins	Walsh
Darrow	Kelly, Pa.	Perlman	Walters
Davis, Minn.	Kennedy	Petersen	Wason
Dempsey	Ketcham	Porter	Watson
Denison	King	Purnell	Webster
Dickinson	Kinkaid	Radcliffe	Wheeler
Dowell	Kirkpatrick	Rainey, Ill.	White, Kans.
Dunbar	Kissel	Ramseyer	White, Me.
Dunn	Kleczka	Ransley	Williams
Dyer	Kline, N. Y.	Reber	Winslow
Echols	Kline, Pa.	Reece	Woodruff
Elliott	Knight	Reed, N. Y.	Woodyard
Ellis	Kopp	Reed, W. Va.	Wurzbach
Evans	Kraus	Rhodes	Wyant
Fairchild	Kreider	Ricketts	Yates
Fairfield	Lampert	Riddick	Zihlman
Faust	Larson, Minn.	Roach	

NAYS—103.

Almon	Briggs	Collins	Fields
Aswell	Brown, Tenn.	Connally, Tex.	Fisher
Bankhead	Buchanan	Crisp	Fulmer
Barkley	Bulwinkle	Davis, Tenn.	Garner
Bell	Byrnes, S. C.	Deal	Garrett, Tenn.
Black	Byrns, Tenn.	Dominick	Garrett, Tex.
Bland, Va.	Cantrill	Doughton	Goldsborough
Blanton	Carter	Drane	Hammer
Bowling	Clarke, N. Y.	Drewry	Hardy, Tex.
Box	Clouse	Driver	Hawes
Brand	Collier	Favrot	Hayden
Hooker	Logan	Parrish	Stoll
Huddleston	Lowrey	Pou	Sumners, Tex.
Hudspeth	Lyon	Quin	Swank
Humphreys	McClintic	Raker	Taylor, Ark.
Jacoway	McDuffie	Rankin	Thomas
Jeffers, Ala.	McSwain	Rayburn	Tillman
Johnson, Miss.	Martin	Rouse	Upshaw
Jones, Tex.	Montague	Rucker	Vinson
Kincheloe	O'Connor	Sanders, Tex.	Ward, N. C.
Kindred	Oldfield	Sandlin	Weaver
Lanham	Oliver	Sisson	Wilson
Lankford	Overstreet	Smithwick	Wingo
Larsen, Ga.	Padgett	Steagall	Woods, Va.
Lazaro	Park, Ga.	Stedman	Wright
Linthicum	Parks, Ark.	Stevenson	

NOT VOTING—80.

Anderson	Edmonds	Langley	Riordan
Bland, Ind.	Funk	Lawrence	Robertson
Bond	Gernerd	Lee, Ga.	Sabath
Bowers	Gilbert	Lee, N. Y.	Sanders, N. Y.
Brinson	Gorman	Lineberger	Schall
Britten	Gould	McArthur	Sears
Brooks, Ill.	Graham, Pa.	McLaughlin, Pa.	Shaw
Burke	Green, Iowa	McPherson	Slemp
Carew	Harrison	Mansfield	Snell
Chandler, N. Y.	Hays	Merritt	Stiness
Chandler, Okla.	Herrick	Michaelson	Tague
Clague	Hill	Moore, Va.	Taylor, Colo.
Clark, Fla.	Houghton	Morin	Ten Eyck
Classon	Johnson, S. Dak.	Mudd	Tyson
Cockran	Kahn	Newton, Minn.	Vare
Connell	Kendall	Ogden	Ward, N. Y.
Copley	Kiess	Parker, N. J.	Williamson
Crago	Kitchin	Pringey	Wise
Crowther	Knutson	Rainey, Ala.	Wood, Ind.
Dupré	Kunz	Reavis	Young

So the motion was agreed to.
The Clerk announced the following additional pairs:
On the vote:
Mr. MICHAELSON (for) with Mr. LEE of Georgia (against).
Mr. OGDEN (for) with Mr. DUPRÉ (against).
Mr. GORMAN (for) with Mr. WISE (against).
Mr. SNELL (for) with Mr. GILBERT (against).
Mr. MCPHERSON (for) with Mr. HARRISON (against).
Mr. KAHN (for) with Mr. TYSON (against).
Mr. BLAND of Indiana (for) with Mr. MANSFIELD (against).
Mr. LINEBERGER (for) with Mr. KITCHIN (against).
Mr. KIESS (for) with Mr. RAINEY of Alabama (against).
Mr. GRAHAM of Pennsylvania (for) with Mr. SEARS (against).
Mr. EDMONDS (for) with Mr. BRINSON (against).
Mr. MORIN (for) with Mr. MOORE of Virginia (against).
Until further notice:
Mr. LANGLEY with Mr. CLARK of Florida.
Mr. JOHNSON of South Dakota with Mr. TAGUE.
Mr. KNUTSON with Mr. KUNZ.
Mr. VARE with Mr. COCKRAN.
Mr. LAWRENCE with Mr. SABATH.
Mr. REAVIS with Mr. RIORDAN.
Mr. CHANDLER of Oklahoma with Mr. CAREW.
Mr. BROOKS of Illinois with Mr. TAYLOR of Colorado.
Mr. BURKE with Mr. TEN EYCK.
The result of the vote was announced as above recorded.
Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, with Mr. CAMPBELL of Kansas in the chair.
The Clerk reported the title of the bill.
Mr. VOLSTEAD. Mr. Chairman, I submit now for the information of the House the amendments which I intend to offer in lieu of the last paragraph of section 3 and section 4 of the committee substitute, and I ask that they be read in my time.
The CHAIRMAN. The gentleman from Minnesota sends up amendments which he desires to have read in his time for the information of the committee. The Clerk will read.
The Clerk read as follows:

Strike out the last paragraph of section 3 and insert in lieu thereof:
"Any State or municipal officer acting as such officer having under authority of State law in his custody or control a prisoner who shall conspire, combine, or confederate with any person to put such prisoner to death without authority of law as a punishment for some alleged public offense, or who shall conspire, combine, or confederate with any person to suffer such prisoner to be taken or obtained from his custody or control for the purpose of being put to death without authority of law as a punishment for an alleged public offense, shall be guilty of a felony, and those who so conspire, combine, or confederate with such officer shall likewise be guilty of a felony. On conviction the parties participating therein shall be punished by imprisonment for life or not less than five years."
Amend section 4 so as to read as follows:
"SEC. 4. The district court of the judicial district wherein a person is put to death by a mob or riotous assemblage shall have jurisdiction to try and punish, in accordance with the laws of the State where the homicide is committed, those who participate therein, provided it is first made to appear to such court that the officers of the State charged with the duty of prosecuting such offense under the laws of the State fail, neglect, or refuse to apprehend or punish such participants, or that

the jurors obtainable for service in the State court having jurisdiction of the offense are so strongly opposed to such punishment that there is no reasonable probability that those guilty of the offense can be punished in such State court. A failure for more than 30 days after the commission of such an offense to apprehend the persons guilty thereof shall be prima facie evidence of such failure, neglect, or refusal."

Mr. VOLSTEAD. Mr. Chairman, I yield 30 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, in the last 32 years—that is, from the year 1889 to 1920, inclusive—3,372 persons were killed in the United States by murderous and lynching mobs. That is at the average rate of 105 per annum. Of these 712 were whites, including Mexicans in that category, and 2,660 were Negroes. Among this number were 11 white and 51 colored women and girls.

It is true that, taking the country as a whole, there has been a gradual and a very considerable decrease in the average number of lynchings per annum, but this decrease has been to a very considerable extent in the sections of the country that were formerly comparatively sparsely settled and where, with the increase of population and the establishment of courts, lynchings have become infrequent. On the other hand, there are sections of the country where there has been no decrease but a tendency to an annual increase in the number of lynchings, and therefore it can not be said that in the sections of the country where this crime against life and against civilization has been most prevalent there is any tendency to a decrease. On the other hand, there has developed an increasing tendency toward the practice of the most brutal, savage, and fiendish cruelty in connection with the commission of mob murder.

One shudders at the bare recital of the fiendish torture to which mob victims are subjected. The most degraded and brutal savages never indulged in more heartless and inhuman acts of outrage and torture than those which have become comparatively common in this twentieth century, in this land which we like to consider the haven of the downtrodden and the oppressed and the hope of the world. [Applause on the Republican side.]

Let us not forget that the taking of human life by mobs, the atrocious brutalities which so frequently characterize these crimes in our country, are practically unknown in times of peace over most of the civilized world; that we are subject to the condemnation and the odium of all the world by reason of these frightful atrocities; that notwithstanding the exalted and honorable place America, by reason of her method and system of government, her unselfish and altruistic foreign policy, her boundless generosity, has acquired in the minds and hearts of most of the peoples of the earth, our most emphatic and enthusiastic well-wisher anywhere may be shamed to silence by the perfectly plain and truthful recital of the facts of these frightful crimes.

I do not propose to discuss the constitutionality of the measure before us. That question has been ably handled by others very much better qualified than I, but I do want to propound to the gentlemen on both sides this question, In the light of these awful facts, and in view of this intolerable condition, what do you propose to do about it? Shall we simply drift along regretful, apologetic, shamed before all the world, making no definite attempt to cure this awful situation, or shall we say, as we should, this evil must cease; this blot upon the escutcheon of the Republic must be removed; this menace must be lifted; this vile fester must be cured.

Of course, we shall get nowhere so long as we assume an attitude of futile regret, a shoulder-shrugging posture of avoidance; or worse, an attitude of blind hostility to even a discussion of this frightful evil or the suggestions of remedy. Not until we bring ourselves to the proper attitude of righteous determination that this evil shall cease shall we even make a start toward its cure and its removal.

No Member on this floor is less disposed than I am to extend the police powers of the Federal Government, and I am not saying that as an idle and empty utterance; I state it as a fact supported by my more than 20 years' record on this floor, and known to all who care to know.

I voted to submit the national prohibition resolution to the States because I believed the people of the States were entitled to determine what they wished to do in that regard. I supported the adoption of the resolution, but I did it with serious misgivings as to the ultimate effect of the tremendously far-reaching extension of Federal police power involved—an extension that goes far beyond anything that could occur under the bill before us if it were a law. Yet, curiously enough, gentlemen who were enthusiastic in support of the extension of Federal police authority over every individual and every habitation in their States shrink from the comparatively limited extension of Federal authority and control contemplated under this act.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Very briefly.

Mr. SUMNERS of Texas. The gentleman voted for the constitutional amendment, but would he have voted for prohibition legislation which would have assumed that the prohibition amendment to the Constitution had already been adopted?

Mr. MONDELL. I do not understand the gentleman.

Mr. SUMNERS of Texas. The gentleman would not have voted for the Volstead Act before he amended the Constitution, would he? [Applause on Democratic side.]

Mr. MONDELL. There is some applause at that inquiry, but I do not understand how the inquiry quite applies to the matter before us.

Mr. SUMNERS of Texas. I would like to explain it to the gentleman.

Mr. MONDELL. Clearly that tremendous extension could not have been made—no one believed it could have been made—without a modification of the Constitution. This legislation would not be possible except for the fourteenth amendment. The trouble with the gentleman from Texas is that he would fight even more vigorously a Constitutional amendment authorizing the Federal Government to punish mob violence than he is fighting the bill now before us. [Applause on Republican side.]

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I can not yield any further. If I have time at the end of my 30 minutes, I shall be very glad to yield. I have very high regard for the gentleman from Texas. He is a good lawyer, a good Member of this House, an honest, conscientious man, but I have not been quite able to follow the workings of his mind in respect to this particular matter.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. If I have time later, I shall.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman from Wyoming declines to yield.

Mr. MONDELL. There are few bold enough to frankly indorse and approve the torture of human beings, as they have been tortured by mobs in innumerable cases, for any reason, real or alleged, and yet there are many who suggest the impossibility or the improbability of any authority preventing the practice of lynching men, particularly black men, accused of certain crimes. There is no man worthy of the name who will not admit to the impulse in his own heart to visit swift and sudden punishment on those guilty of crimes against womanhood. [Applause.] But the fact is that in less than one-fifth of the cases of lynching in America was there a charge or allegation of infamous crime against women, and the cases, all told, in which there was any allegation of attacks upon women number considerably less than one-third of the total. Mob violence grows on what it feeds upon, and we all know that in those sections where mob violence has been prevalent almost any sort of a pretext, from bad manners to murder, is sufficient to arouse the mob spirit and lead to the most frightful excesses.

In apology or extenuation for mob violence men complain because, as they say, black people harbor criminals of their race. One of the black man's shining virtues is loyalty, and he has exhibited it toward white master and white friend through all of his history to a degree that has challenged the admiration of all. It is not to be wondered, therefore, that he shall be loyal to his own people; but how in Heaven's name can you expect a black man to deliver one of his own race to the almost certainty of torture and death? Can we ever hope or expect the black man in all cases to assume the attitude toward lawbreakers of their own race which the better class of white men do until and unless they may have some assurance of protection from torture and a fair and impartial trial?

The news dispatches recently brought the story of a young Negro in Canada fighting against an attempt to return him to his former home in the South for trial. Whether or no his story of outrages heretofore committed on his family in his native State are true, I have no means of knowing, but we are shamed in the face of proceedings like this, because of the fact that on the record it can not be denied that some men who return to certain parts of the country at least are in danger of mob violence, torture, and death.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MONDELL. Mr. Chairman, I ask that I may have five minutes more.

Mr. VOLSTEAD. I yield five minutes more to the gentleman.

Mr. MONDELL. Mr. Chairman, I am not supporting this legislation wholly or principally because of the fact that in a majority of cases in America those that have suffered mob violence are black men. White men and white women have been the victims of these awful crimes, and any student of history must realize that lawlessness of this character allowed to go unchecked and unpunished will eventually seek out as its victims any against whom there may be a local prejudice.

Race prejudice is not limited to white and black men. It becomes almost as fierce at times between the various branches of the white race, and when to this is added the prejudices which differing religious beliefs sometimes engender, antagonisms become deep-seated and as easily aroused to violence as are the differences and prejudices between men of the white and black race.

We have a condition under which mob violence is now principally invoked in certain sections against black men, but allowed to go unpunished it will spread to the farthest confines of the Republic, leaving no man, no woman subject to local prejudice safe or secure in this land of the free and home of the brave, for this is the one crime we never seem to punish. He who commits any other crime, aye, even the slightest misdemeanor, stands in some danger of punishment, but seemingly never the fiend who applies the torch to one of his fellow men. None of them has been punished. In Oklahoma the other day they did sentence some men for the crime of mob violence. They were black men. Oklahoma has at least reached the point where black mobs must not murder black men, but so far no white men have been convicted as members of a mob taking the life of a colored man or woman.

Mr. BANKHEAD. I wish to say that in my own State of Alabama last year there were 10 or 15 white men convicted and sent to the penitentiary for lynching a white man.

Mr. MONDELL. I am glad to know that. They have gotten far enough along in the gentleman's State that they sometimes punish a white man for lynching a white man. But if his victim is black or brown or yellow no law is invoked against them. I am willing to admit that in the history of these frightful crimes in America there have been a very few cases where white men have been punished to some extent for the mobbing of white men——

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. MONDELL. And where black men have been punished for the murder of black men. But the cases are so rare that they simply prove the rule.

Mr. SUMNERS of Texas. Will the gentleman yield for a question?

Mr. MONDELL. Mr. Chairman, I have not the time.

Mr. SUMNERS of Texas. I yield a minute to the gentleman.

Mr. MONDELL. All right.

Mr. SUMNERS of Texas. I have lots of time.

The gentleman has just made the statement that in no circumstances are white men punished for lynching——

Mr. MONDELL. The gentleman has told me of an instance, and I will take the gentleman's word for it. There have been a few cases and they are so rare that I want the gentleman in his time to blazen them to the world. It will at least hold out a little hope to us in this situation, in which we sometimes almost despair. [Applause.]

Mob violence is anarchy, and left unchecked and unpunished no man can say to what extremes it may go, to what proportions it may grow. And these crimes have largely gone unpunished. However tardy and uncertain justice may be in the punishment of other misdeeds, for no man committing any other crime or mere misdemeanor but stands in some danger of punishment, he who murders as a member of a mob and as such commits crimes of savagery and torture of the most revolting character has, however, been reasonably certain of going scot free. Few have ever been punished, and, as matters now stand, few are likely to be.

And so these men go forth in their communities, men who have indulged in the practice of the most fiendish torture of their fellow men, to become heroes of a certain sort, at least to the immature and thoughtless. Around these scenes of lynching and torture hundreds, even thousands, frequently gather, witnesses of the ghastly and revolting details, their hearts and consciences seared with the brutalizing and never-to-be-forgotten spectacle.

And so I say again, "What are you going to do about it?" Shall we close our eyes, stop our ears, seal our consciences against these frightful happenings in the vain hope that in some providential way they shall cease? Or shall we, as men charged with high responsibility, go on record as determined to do what we can toward removing this fester from the body politic, toward ridding the Nation of this frightful menace to its future, toward making punishment swift and sure, both to him who as an individual commits crime and to him who in the now safe shelter of the mob, a coward and a villain at once, sets up the standard of anarchy?

In the far West in years past, before the machinery of organized society had been set up and law had established its reign, unofficial organizations of citizens did take into their hands, with much justification, punishment of the criminal and the desperado, but that was a temporary expedient to meet a temporary condition. Those sessions of "judge lynch" were in the main without undue prejudice, and the judgments of his court were carried out without unnecessary violence and cruelty. But the disease we are combating in America to-day is in no way related to the reign of the vigilantes in the new and sparsely settled West. It is savagery in its most abhorrent and degrading form; it does not mete out justice and does not deter from crime. If allowed to go unchecked, it will break down and destroy law and order and civilization. It is in my opinion high time that the Federal Government assert its authority, the States having failed utterly to assert theirs. If we are not willing to attempt to do this, then we must confess ourselves indifferent to these crimes and their consequences or lacking in the courage necessary to take drastic and unusual action to meet frightful and intolerable conditions. [Applause.]

Mr. Chairman, I have said mob violence is anarchy; it is anarchy in its most vicious and repulsive form. It is a thing that if not stamped out will grow and spread until it will undermine the foundations of the fairest Commonwealths of the Union. I realize that men on the Democratic side in their hearts know that to be true, but they hesitate to apply the cure. This bill may not be perfect; it may contain provisions that will require decisions of the courts as to their constitutionality, but we have done the best we could in the light of all of experience and of judicial decisions to write upon the statute books a law that is at least a forward step toward the prevention of these fearful crimes; that will, we hope, start in operation the causes and influence that will eventually rid our fair country of this great menace. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself five minutes. [Applause.]

I endeavored to give the distinguished gentleman who has just taken his seat an opportunity to correct the statement that he has just made, and he failed to appreciate the opportunity that I tried to give him. I am under the necessity of doing it myself. The gentleman just referred to a lynching in the State of Oklahoma in connection with the statement that the States make no attempt to prosecute those engaged in lynching. I understand on yesterday they were exhibiting the picture of the man who was lynched there. I read from the Washington Post of this morning:

FIVE CONFESS LYNCHING; LIFE TERMS IMPOSED.—"DESERVING OF ELECTRIC CHAIR," IS OPINION OF OKLAHOMA JUDGE AT TRIAL.

(By the Associated Press.)

OKLAHOMA CITY, OKLA., *January 24.*

Justice was speedily administered in district court here to-day when five self-confessed members of the party that lynched Jake Brooks, Negro packinghouse worker, here on the night of January 14, pleaded guilty before Judge James I. Phelps and were sentenced to life imprisonment. The five are Lee Whitley, 29 years old; Charles Polk, 18; Elmer Yearta, 19, white men; and Robert Allen, 27; and Nathan Butler, 40, Negroes.

Whitley and Yearta are members of the Butcher Workmen's Union, on strike at the packing plants here, while Polk is an admitted strike sympathizer. Allen is a cousin of the Negro, who was lynched.

Judge Phelps told the defendants their conduct warranted the electric chair.

As soon as this lynching occurred the governor of the State of Oklahoma offered a reward for the arrest and conviction of these men.

Now, gentlemen, I have never apologized for lynching. I am ashamed of the fact that it is sometimes committed in my State. The position I take is that in the discussion of this question men ought to be fair to the States and to the people as a whole who are doing their best to deal with the situation. The gentleman from Missouri [Mr. DYER], in the opening speech on this bill, said:

A mother and her five children were lynched by a Texas mob in 1918, the mother having been shot as she was attempting to drag the bodies of her four dead sons from their burning home. The crime in this case was not rape. It was alleged conspiracy to avenge the killing of another son by officers who had come to arrest him for evading the draft law. Those are some of the facts.

I wired the State senate, and these are the facts. I wired the State senator who resides at Huntsville, the place where this offense is alleged to have occurred, for the facts. He replied that three members of the family were draft evaders; that in trying to effect the arrest of one he was killed. The other members armed themselves, a battle ensued between a posse led

by the constable and the Negroes. They were in a state of siege. They had seven guns and several hundred rounds of ammunition; that the Negroes fired over a hundred rounds in the battle the Negroes were killed. This, of course, was regrettable, but the point I make is that it is not fair to any State or to any people to exaggerate such occurrences in order to swell the total of lynchings charged against any section. Through an error of my office in affixing the date to a news item clipped from the Washington Post I have made an erroneous statement with reference to the date of the Duluth lynching, and have been led into a criticism of the Tuskegee Institute for having excluded that occurrence from the total of last year's lynchings. My attention has been called to that error, which I greatly regret.

Mr. VOLSTEAD. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I will yield if you yield me time.

Mr. VOLSTEAD. I do not know that I have got very much time. I just wanted to say——

Mr. SUMNERS of Texas. Briefly; I yield to you time to make a statement.

Mr. HAMMER. Mr. Chairman, will the gentleman yield for a second?

Mr. SUMNERS of Texas. Yes.

Mr. HAMMER. I desire to state that I tried without success to get the gentleman from Wyoming [Mr. MONDELL] to give me opportunity to make a brief statement. In 1908, when I was prosecuting attorney in North Carolina, a most brutal murder occurred in one of the counties. An old man, 75 years old, and his old wife and young grandchild were murdered by three Negroes and the house partly burned. When these Negroes were brought to trial they were lynched, and the leader of the mob was convicted, and I prosecuted him, and he was sentenced to 15 years in the penitentiary, the maximum penalty. Three years ago in North Carolina there were seven men sent to the penitentiary, or rather to the road, for engaging in an attempt to lynch Negroes, and last year there were three, all white men, convicted in the State court.

Mr. SUMNERS of Texas. When men get up on the floor of this House and say nothing has been done in the South to enforce the law against mob violence, they do that section an injustice.

The CHAIRMAN. The time allowed himself by the gentleman from Texas has expired.

Mr. SUMNERS of Texas. I will yield myself five minutes more.

The CHAIRMAN. The gentleman from Texas is recognized for five minutes more.

Mr. SUMNERS of Texas. Gentlemen, I have nothing against the people of color who sit in the gallery yonder. I played with black children when I was a boy. I sympathize with their situation. I confess it, gentlemen, that while I am anxious that every person have protection, I am not so much concerned about the criminal charged with crime as I am interested in the great body of black men who are not charged with the commission of any crime. In so far as this bill is concerned, and those who are behind it make their interest manifest, the concern is wholly for the criminal, that relatively small element which is causing so much trouble and race friction. But the innocent, the law-abiding, you put them in the big game class, with a 12 months' per year open season. [Applause.] That is your bill. This bill would not touch the East St. Louis rioters nor any race rioters. Under this bill black men and women may be killed with impunity just so long as they are above the suspicion of having violated the law.

Mr. DAVIS of Tennessee. Furthermore, this bill proposes to pay $10,000 life insurance to the relatives of the criminal, and both the innocent Negroes and the innocent white people must pay the taxes to meet that penalty.

The CHAIRMAN. The time that the gentleman from Texas has allowed himself has again expired. Gentlemen must not interrupt without recognition.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Georgia [Mr. BRAND].

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. BRAND. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. BRAND. Mr. Chairman, the general principle of the bill is, as indicated by the title, to secure to all persons in each State "the equal protection of the laws," and the specific intent is to punish the alleged crime of lynching.

The title refers to lynching as a crime. There is no such crime as lynching eo nomine in the common law or in any statute of any country or any State. It is true that in 1896 the General Assembly of Ohio passed a law which refers to lynching and in the first section thereof attempts to define it. This law is entitled "An act for the suppression of mob violence." In the first section defining what constitutes a mob and in the last paragraph thereof this language is used, "and any act of violence exercised by them upon the body of any person shall constitute a lynching." This is not the common usage and meaning of the term "lynching." With this exception, so far as my investigation discloses, there is no such thing as the crime of lynching eo nomine.

We must therefore look to the common usage of the term and the lexicographer to ascertain what is the meaning of the term "lynching."

Winston's Simplified Dictionary defines it to be—

> The infliction of punishment, especially death, by hanging without legal trial.

The Century Dictionary defines the word "lynch" as follows:

> To punish by lynch law; punish summarily for a crime or public offense of any kind without authority of law; specifically, to punish with death in this manner.

Black's Law Dictionary, under the words "lynch law," gives this definition:

> A term descriptive of the action of unofficial persons, organized bands, or mobs, who seize persons charged with or suspected of crime, or take them out of the custody of the law, and inflict summary punishment upon them without legal trial and without the warrant or authority of law.

Lynching is, therefore, as the term is ordinarily defined by the lexicographer, homicide, which is the killing of a human being, and is of three kinds—murder, manslaughter, and justifiable homicide. As a general rule, lynching, as the term is ordinarily used, is murder, though in some cases the killing may be manslaughter. In some cases involving the usual crime which provokes lynching, though not lynching as defined, the killing may be justifiable homicide.

It is a well-settled rule of law that parents and children may mutually protect each other and justify the defense of their person or reputation of each other. A father may kill another to prevent a felonious assault upon his wife or daughter, in which case the killing would be justifiable homicide. A brother may kill another to prevent a felonious assault upon his sister or his mother, in which case the killing would be justifiable homicide. A sister may kill another to prevent a felonious assault upon herself or upon her sister or upon her mother, in which case the killing would be justifiable homicide. A father may kill any Negro or white man who attempts to rape any female member of his family in order to prevent it, or to kill such a person who is in the act of committing this offense, in which case the killing would be justifiable homicide.

If one person a citizen of, a resident of, or a temporary sojourner in a State kill another without authority of law, it is murder or manslaughter, and is punishable by the laws of the State in which the crime is committed.

If there is nothing peculiar in the place where the crime is committed, as if on ceded territory, and nothing peculiar in the character of the slayer or the slain, as if killing or being killed while in the discharge of duty as a Federal officer, the courts of the State and of the State alone have jurisdiction to try the offender. The principle is the same whether the killing is done by one person or by a mob.

When the Federal Government was organized and the distribution of powers between it and the States was made as a result of a delegation of power to the Federal Government and a denial of power to the States, the pre-existing power of the State to punish for crimes against the State when there is nothing peculiar in the crime, the condition of the offender or the place of commission, remained unaltered and unimpaired. Therefore, as a general rule, murder is an offense against the laws of the State and not against the laws of the United States. The whole scheme of the bill with the exception of section 15 is founded upon the proposition that a lynching in a State deprives the victim of the "equal protection of the laws"—that is, the murder of a person by a mob is a denial of the "equal protection of the laws."

The phrase "equal protection of the laws" appears is only one place in the Constitution; that is in the second clause of the first paragraph of the fourteenth amendment, where it is declared:

> Nor shall any State * * * deny to any person within its jurisdiction the equal protection of the laws.

The limitations in the clause in question are upon the power of the State in its organized capacity. It is provided that "No

State" shall do certain things "nor shall any State" do certain other things.

The prohibitions of the amendment operate on the State and only on the State. But it operates on all the agencies of the State, the legislative, executive, and judicial departments, and all administrative agencies under the one or the other. If the State, through any of its agencies, deny to any person the equal protection of the laws, the act is within the prohibition. But the act must be done under State authority or under color of State authority. If one be denied the equal protection of the laws by an individual who acts on his responsibility, not by virtue of the authority of the State nor under color of authority from the State, the act is not within the prohibition, and if the act be wrongful the redress is by appeal to the State authority. If a denial of equal protection of the laws results from such an act which is criminal under the laws of the State, which is denounced by the laws of the State and punishable under the laws thereof, the offender neither acting under the authority of the State nor under color thereof, but in violation and defiance of the laws of the State, a fortiori, the act is not within the prohibition.

In Virginia *v.* Rives (100 U. S., p. 318) the court says:

The provisions of the fourteenth amendment of the Constitution all have reference to State action exclusively and not to any action of private individuals.

In United States *v.* Cruikshank et al. (92 U. S., p. 554) the court says:

The fourteenth amendment prohibits a State from depriving any person of life, liberty, or property without due process of law; but this adds nothing to the rights of one citizen as against another. It simply furnishes an additional guaranty against any encroachment by the States.

The court adds:

Every republican government is in duty bound to protect all its citizens in the enjoyment of the equality of the rights of citizens, if within its power. That duty was originally assumed by the States, and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, but no more.

In Civil Rights cases, One hundred and ninth United States, page 11, in discussing the fourteenth amendment, the court says:

It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation. The wrongful act of an individual, unsupported by State authority, is simply a private wrong or a crime of that individual, and is to be vindicated by resort to the laws of the State for redress.

While the fifth section of the fourteenth amendment authorizes Congress to enforce by appropriate legislation the provisions of said amendment, this simply gives authority to enact legislation corrective of wrongs committed by the State and not of wrongs committed by individuals.

As stated in Ex parte Virginia, One hundredth United States, page 46:

The prohibitions to the fourteenth amendment are addressed to the States.

They are:

No State shall make or enforce a law which shall abridge the privileges or immunities of citizens of the United States * * * nor deny to any person within its jurisdiction the equal protection of the law.

They have reference to actions of the political body denominated a State. The State acts by its legislative, its executive, or its judicial authorities. It can act in no other way.

In Civil Rights cases (109 U. S., p. 13) the court says:

Until some State law has been passed, or some State action through its officers or agents has been taken, adverse to the rights of citizens sought to be protected by the fourteenth amendment, no legislation of the United States under said amendment, nor any proceeding under such legislation can be called into activity, for the prohibitions of the amendment are against State laws and acts done under State authority.

In the case of United States *v.* Harris (106 U. S., p. 639) the court says:

When the State has been guilty of no violation of its provisions; when it has not made or enforced any law abridging the privileges or immunities of citizens of the United States; when no one of its departments has deprived any person of life, liberty, or property without due process of law, or denied to any person within its jurisdiction the equal protection of the laws; when, on the contrary, the laws of the State, as enacted by its legislative and construed by its judicial and administered by its executive departments, recognize and protect the rights of all persons, the amendment imposes no duty and confers no power upon Congress.

On April 20, 1871, Congress passed an act similar to the pending bill, being section 5519 of the Revised Statutes, which sought to punish a denial of equal protection of the laws by a mob, the said act being as follows:

If two or more persons in any State or Territory conspire to go in disguise upon the highway or on the premises of another for the purpose of depriving, either directly or indirectly, any person or class of persons of the equal protection of the laws or of equal privileges or immunities under the laws, or for the purpose of preventing or hindering the constituted authorities of any State or Territory from giving or securing to all persons within such State or Territory the equal protection of the laws—

And so forth, shall be punished as prescribed therein.

It was attacked as unconstitutional and so held in United States *v.* Harris (106 U. S., p. 632, supra).

In the case of Re Rahrer (140 U. S., p. 554) Mr. Justice Fuller, delivering the opinion of the court, said:

The fourteenth amendment, in forbidding a State to make or enforce any law abridging the privileges or immunities of citizens of the United States, or to deprive any person of life, liberty, or property without due process of law, or to deny to any person within its jurisdiction the equal protection of the laws, did not invest, and did not attempt to invest, Congress with power to legislate upon subjects which are within the domain of State legislation.

All of these decisions are from the same source, the Supreme Court of the United States. Most of the cases cited, and the principles announced taken therefrom, were called to my attention by a friend, to whom I acknowledge credit therefor. While illness prevented an elaborate investigation of the question, I may say, since my recovery, I reviewed all these decisions and many others from the Supreme Court. All clearly demonstrate that the Dyer bill, with the exception of the treaty provision, is clearly unconstitutional, and would be so held by any unbiased court anywhere if judicially determined. For any other view to be judicially maintained it would be necessary to overrule a line of decisions extending back to 1879.

I can understand why a Member of Congress who is not a lawyer may get his consent to vote for this uncalled-for and vicious legislation, but for a lawyer to do so means one of two things: First, that he has little regard for the oath he took when he solemnly swore that he would support the Constitution of the United States; or, second, that his study of law and the Constitution, and particularly his investigation of the decisions of the courts upon the question involved, has been in vain.

Lynching by hanging or killing people without legal trial did not originate in the South. The distinguished gentleman from Ohio [Mr. BURTON], in a well-prepared speech, though I disagree with his legal conclusions, in quoting history only partly, impliedly, if not in express terms, charged the State of Virginia with being the author of lynching. His historical reference was to the law administered by Charles Lynch, a Virginia planter. During the career of this man and his neighbors, Robert Adams and Thomas Callaway, not a human being was killed. The mode of inflicting punishment was short of death.

Different writers have attempted to trace the origin of lynching to Ireland, England, South Carolina, Pennsylvania, and Virginia. The point I am making is that it is not a settled historical fact that Virginia or any other Southern State originated lynching as it is commonly known at this time.

The first killing of a human being for the rape of a white woman dates back centuries before the States known as the South were ever dreamed of. Absalom, the son of David, had a sister whose name was Tamar, and a half brother by the name of Amnon. Amnon was in love with Tamar, and claiming to be sick and by the help of his friend Jonadab, Tamar was allowed to go to his house to prepare his food and otherwise wait on him. When Tamar arrived at his room, Amnon tried to persuade her to yield to his lustful entreaties, when she refused, telling him not to force her, for no such thing ought to be done in Israel. The Bible declares that he did not harken unto her voice, but being stronger than she, he forced her and lay with her. This conduct constituted the offense of rape. Two years thereafter Absalom got up a crowd of his servants and at an appointed time and place where had gathered the king's sons, including Amnon, and while Amnon was drinking wine he ordered his servants, who went for that purpose, to kill Amnon, which they did. This is the first rape and the first killing for rape of which history furnishes any record with which I am familiar.

As I stated on the floor the other day in a brief colloquy with the Congressman from New York [Mr. FISH], Georgia never began or initiated the lynching business, but a company of Yankee soldiers did, which was the first lynching in Georgia and probably in the South. A Negro man in 1865 had committed a rape upon a white woman near Lawrenceville, Ga., and after committing the act he fled to Lawrenceville, thinking that these soldiers would protect him from violence by the family and friends of the outraged woman. When his pursuers arrived at Lawrenceville the officer in charge of the company was told what the Negro had done. He thereupon took the Negro in custody, purchased a rope, and had it tied around the Negro's neck. He called upon an old Negro man who was present with a wagon and yoke of oxen. The rapist was placed on the wagon and the old Negro man was ordered to drive under a certain tree in the courthouse square. One of the soldiers

climbed the tree and hung the rope over a limb and the Negro driver was ordered to move off. He hesitated, but at the point of a bayonet finally moved and left the rapist swinging to the limb until he died.

Our people are opposed to lynching, though many are charged up against us. They abhor the cause which usually provokes lynching, because there is not a father with whom I ever discussed the subject who would not infinitely prefer to see his daughter dead and for all his remaining years hear the sound of the clods of clay as they fall upon her coffin than for her to become the victim of a Negro's lust; and yet, in all this discussion by the majority, not a thought has been uttered nor a word of sympathy expressed by any Republican who has spoken upon this question for the desolate and helpless victim of these brutes.

The truth is, this proposed legislation is partisan and political. It is a blow at the white people of the South—nothing more and nothing less. The bill was introduced and is being prosecuted in order to promote the welfare of many of the Republicans in this House. It was introduced and is being prosecuted at the instance of their Negro constituents, among others, and the Negro societies in the North, who are not so much interested in preventing lynching of Negroes for assaults upon our white women as they are for establishing social and political equality with the white people. This is the expected climax of their efforts. This is the fruitage which they hope and pray may grow out of the agitation of the Negro question and be the result of the pending legislation. Human villainy has sounded no lower depths than is here fathomed in this political effort to bring about such an infamous heritage.

The Negro associations and societies and the Republicans who are encouraging these conspirators are doing the white and colored races of the South an irreparable injury. Those of you who are actors upon the stage for these Negroes are playing with lightning. You are sowing to the wind, when the harvest may be a revolution.

The people of Georgia, notwithstanding she has been denounced in severe terms on this floor, are against lynching. The courts, the press, the pulpit, the bar of the State are a unit in opposition to lynching in all of its forms. All these classes are using their brains, talents, and influence to put an end to it, and yet this does not mean that they will stand for or submit to social equality for which these Negro agitators and their Republican brethren are longing.

Social equality may come to pass in the territory north of the Mason and Dixon Line, but the stars will cease to shine and the heavens will be rolled up as a scroll before this state of affairs will ever exist among white people of the South.

Mr. DRIVER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. DRIVER. Mr. Chairman, in the course of the discussion of the pending measure, House bill 13, practically all authorities in point from the court of last resort have been cited and construed by the advocates and opponents of the measure, and in my opinion an examination of such decisions by an unbiased and unprejudiced mind would inevitably reach the conclusion that such proposed legislation is without constitutional warrant. The arguments advanced and the construction given by the proponents revolve about the opinion of Hon. G. D. Goff, assistant to the Attorney General, whose conclusion may be summed up in the contention that the question of whether or not a State is remiss in affording to its citizens the constitutional guaranty of protection of life, liberty, and property is exclusively a question for legislative determination, and when so expressed by the Congress is conclusive on that question of fact, rendering the legislation impervious to attack, for explanation, or for meritorious showing to the contrary, and he blandly admits, on page 43 of the committee hearings, that the principle would carry to the extent of embracing all crimes known to the calendar. In other words, in its logical conclusion and in the last analysis, an amendment to the pending bill to include murder, larceny, and breach of the peace, with the sanction of congressional approval, would immediately oust the jurisdiction of the separate States and vest such power in the Federal tribunals, thereby destroying the last vestige of authority of the State courts and rendering impotent the most valued institutions created under State sovereignty.

If the situation necessitated such destruction of State rights as an expedient for strict enforcement of the law prohibiting the crime of lynching, then who will argue against the expediency with respect to the crime of murder? Statistics disclose that during the period of more than 30 years the crime of lynching has gradually diminished. This record maintains during the past three years, while it is a matter of general knowledge that during the same period all other crimes increased tremendously. In fact, we are engulfed in a wave of crime, especially murder and robbery, which rocks the very foundations of law and order. The Federal courts, in my opinion, exercising their utmost energies to cope with the situation, are so congested that the services of 22 additional judges are imperative, according to the record as made up before the Judiciary Committee of this body. Reports from the State jurisdictions are to the effect that their dockets are equally congested. The recent action of the Postmaster General in engaging the services of the marines for the protection of the mail is an acknowledgment that the ordinary and usual forces engaged in enforcing the law are unable to control the situation, and evidently, in the minds of the Congress, to an extent to justify the unauthorized act of such official in so employing the armed forces of the Nation.

In view of the conditions thus stated, the argument for such legislation as a matter of policy is entirely without force, if, in fact, such arguments have amounted to more than a specious plea or smoke screen behind which its advocates undertake to hide their hypocrisy. Many of the Members advocating this legislation declare themselves free of partisan spirit and sectional animosity, but I am constrained to accept the position of the distinguished young Representative from New York [Mr. FISH] as reflecting its purpose. He said:

I fail to follow the logic or political tactics of my Republican colleagues who try to pretend that this legislation is not aimed at special sections of the South.

I may differ with the gentleman on his estimate of the Negro generally, and am not disposed to dispute his assertion that the Negroes under his command made good soldiers, for I believe that when officered by brave white men the Negro is capable of bearing arms bravely. I also fully agree with him in the suggestion that a certain party could better employ his talent in directions other than the effort to inquire into the conduct of the American Expeditionary Forces in dealing with black rapists in France. However, much may be said to the credit of any particular Negro soldier, or any organization composed of Negro soldiers, this will be said, and it is borne out by the record, that the disposition of the Negro to commit the crime of rape was manifested in France, just as it is in his native land, and the perpetration of such crime on the women of France resulted in putting to death many Negroes in the uniform of the American soldier. I do not mean by this allusion to detract in the least from the value of the service performed by the Negro in the war. On the contrary, I am convinced that the conditions there but reflected the conditions here; that it was the brute, one of numbers, who committed the crime, thereby disgracing not only himself and his fellow Negro soldiers but in the minds of the people there reflecting upon the American organization as a whole. I repeat when I say that such is the danger confronting every community in which the Negro lives to-day the inability to distinguish the one brute out of the mass before his savage proclivities are viciously asserted.

The majority of those advocating the measure assert that it is not a party measure, and I take issue with this assertion. The able gentleman from my sister State, Missouri [Mr. ELLIS], is in full accord with my view. He said:

I want to say to the gentleman—

Referring to Mr. HERSEY, Republican, of Maine—

that if his interpretation of the Chicago platform be accepted, if his advice to his colleagues on the majority side shall be followed, his party and my party will be guilty of a dastardly breach of faith, and he will soon learn whether the Republican Party owes any obligations to the Negro voters and Negro people of this country—

and the gentleman proceeds to give his reasons for the commitment in this language—

Let me tell him some more for his enlightenment. In many communities, congressional districts, and in some States of the area I have mentioned Negro voters hold to-day the balance of power. Will the gentleman argue that the Republican Party owes no obligations whatever to these people? Shades of the immortals!

Of course, he is right. It is not a question of the constitutionality of the measure, it is not a question of the protection of constitutional rights, it is not a question of civil policy; but it is one exclusively of political expediency, and a reiteration of many proposals launched in this legislative body for the same reason. It seems to be the temper and purpose of the majority party as now constituted to agitate this racial question whenever in power, driven to it no doubt by the urgency of the Negro organizations of the North and Negro-phile supporters whose utterances are equally vicious, actuated by an unyielding animosity for and prejudice against the Southern States of the Union, both sources inimicable to the best interests of both races wherever located.

I append here a list of measures introduced in the Senate and House of Representatives since the 1st day of December, 1889, which measures sought to interfere with the local affairs of the South:

REFERENCE LIST OF BILLS AND RESOLUTIONS INTRODUCED IN CONGRESS SINCE THE FIFTY-FIRST CONGRESS ON ELECTION REFORM.

"Force bills," Federal control of State elections, qualifications of voters, and kindred subjects aimed at protection and encouragement of Negro suffrage in Southern States.

[51st Cong., 1st sess., Dec. 1, 1889–Oct., 1890.]

SENATE BILLS.

S. 2. By Senator John Sherman, of Ohio: To make and alter regulations as to times, places, and manner of holding elections for Representatives in Congress. Referred to Committee on Privileges and Elections.

S. 206. By Senator Spooner, of Wisconsin: To provide for the more efficient enforcement of the laws of the United States relating to elections at which Representatives or Delegates in Congress are to be voted for, and for other purposes. Referred to Committee on Privileges and Elections.

S. 207. By Senator Spooner, of Wisconsin: To punish offenses committed at elections at which Representatives or Delegates in Congress are to be voted for, and for other purposes. Referred to Committee on Privileges and Elections.

S. 302. By Senator Chandler, of New Hampshire: Making regulation prescribing the time, places, and manner of holding elections of Representatives in Congress of the United States in certain States. Referred to Committee on Privileges and Elections.

S. 589. By Senator Spooner, of Wisconsin: To protect Federal election officers in the discharge of their duties. Referred to Committee on Privileges and Elections.

S. 1009. By Senator Chandler, of New Hampshire: To amend Title XXVI of the Revised Statutes of the United States relative to election franchise. Referred to Committee on Privileges and Elections.

S. 2617. By Senator Hoar, of Massachusetts: To prescribe in part the manner of the election of Members of Congress. Referred to Committee on Privileges and Elections.

S. 3652. By Committee on Privileges and Election of Senate: To amend and supplement the election laws of the United States and to provide for the more efficient enforcement of such laws, and for other purposes. (Debated, p. 3760—passed over, p. 6079.)

HOUSE BILLS.

H. R. 685. By Representative Grosvenor, of Ohio: To make and alter regulations as to the times, places, and manner of holding elections for Representatives in Congress. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 798. By Representative Houke, of Tennessee: Same title as above. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 5166. By Representative Frank, of Missouri: to amend sections 5511 and 5512 of Revised Statutes of United States respecting illegal voting at elections, etc. Referred to Committee on the Judiciary.

H. R. 5175. By Representative Lacey, of Iowa: to amend election laws. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 268. By Representative Holman, of Indiana: To preserve the purity of the elective franchise. Referred to Committee on the Judiciary.

H. R. 269. By Representative Holman, of Indiana: To maintain the purity of the ballot box, prevent bribery, and corruption in elections and appointments, and punish perjury for the violations of its provisions. Referred to Committee on the Judiciary.

H. R. 5985. By Representative Kelley, of Kansas: To amend title 24 of Revised Statutes of United States relative to the elective franchise. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 6785. By Representative Wickham, of Ohio: To provide that congressional districts for election of Representatives in Fifty-second Congress shall be same in territory as those from which Representatives in Fifty-first Congess were or may be elected. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 7712. By Representative McComas, of Maryland: To regulate in part the time and manner of holding elections of Representatives in Congress and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives. Reported back with amendment (H. Rept. 1882).

H. R. 8796. By Representative Atkinson, of West Virginia: Amending and reenacting section 5515, Revised Statutes, relating to the misconduct of officers of election and custodians of ballots where Members of Congress are elected. Referred to Committee on the Judiciary. Reported back with amendment (H. Rept. 3016).

H. R. 8242. By Representative LODGE, of Massachusetts: To regulate elections of Representatives in Congress. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 8286. By Representative Kelley, of Kansas: To provide for the election of Members of the House Representatives. Referred to Committee on Election of President. Vice President, and Representatives.

H. R. 9889. By Representative Ewart, of North Carolina: To make and alter regulations as to times, places, and manner of holding elections of Representatives in Congress. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 10084. By Representative Rowell, of Illinois: To amend and supplement the election laws of the United States and to provide for the more efficient enforcement of such laws, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives.

H. R. 10958. By Representative LODGE, of Massachusetts: To amend and supplement the election laws of the United States and to provide for the more efficient enforcement of such laws, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives (H. R. 11045 reported as substitute).

H. R. 11045. By Committee on Election of President, Vice President, and Representatives in Congress: Same title as above and as substitute therefor. Reported (H. Rept. 2493). Debated on pages 6505, 6537, 6591, 6672, 6700, 6761, 6843, 6923. Passed House, 6941. Reported back in Senate with amendment, page 8277.

H. R. 12026. By Representative BURTON, of Ohio: To regulate the division of the respective States of the Union into congressional districts. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

(51st Cong., 2d sess., Dec. 1, 1890–Mar. 3, 1891.)

H. R. 11045. Committee substitute for Lodge bill (H. R. 10958). Debated in Senate, RECORD, pages 18, 48, 71, 74, 114, 166, 167, 201, 240, 279, 297, 325, 365, 378, 407, 503, 558, 616, 620, 674, 708, 712, 757, 763, 804, 834, 853, 864, 894, 906, 1323, 1358, 1398, 1432, 1537, 1564.

H. R. 8796. By Representative Atkinson, of West Virginia. Debated in and passed House, page 342; died in general committee.

S. 4842. By Senator Quay, of Pennsylvania: To prevent force and fraud in Federal elections, and to insure the lawful and peaceful conduct thereof. Referred to Committee on Privileges and Elections.

H. Res. 272. By Representative Langston, of Virginia: To limit suffrage to those who can read and write. Referred to Committee on Election of President, Vice President, and Representatives in Congress. (See also H. Rept. 4009; S. Ex. Docs. 3, 4, 28.)

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(52d Cong., 1st sess., Dec. 7, 1891–Aug. 5, 1892.)

H. R. 106. By Representative Holman, of Indiana: To maintain the purity of the ballot box, prevent bribery, and corruption in elections and appointments, and punish perjury for the violation of its provisions. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 9222. By Representative Johnson of Ohio: Providing for the election of Representatives by proportional representation. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

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(53d Cong., 1st sess., August 7–Nov. 3, 1893.)

H. R. 2890. By Representative Johnson, of Ohio: Providing for the election of Representatives by proportional representation. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 3328. By Representative Holman, of Indiana: To maintain purity of ballot box, etc. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

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(53d Cong., 2d sess., Dec. 4, 1893–Aug. 23, 1894.)

(See S. Ex. Doc. 23, report Attorney General for violations of laws regulating elections since 1870. S. Rept. 113, pt. 2, report Committee on Privileges and Elections. S. Res. to investigate election in Alabama, debated in pp. 8362, 8412, 8449, 8500, 8507, 8559, 8602.)

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(53d Cong., 3d sess., Dec. 3, 1894–Mar. 2, 1895.)

H. Res. to appoint committee to investigate elections in Tennessee; Record, p. 1902. S. Mis. Doc. 67, petition for investigation of Alabama elections. S. Mis. Doc. 70, petition for investigation of South Carolina elections.)

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(54th Cong., 1st sess., Dec. 2, 1895–June 11, 1896.)

H. R. 9322. By Representative Shafroth, of Colorado: Concerning election of Representatives to Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

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(54th Cong., 2d sess., Dec. 7, 1896–Mar. 2, 1897.)

H. R. 9528. By Representative Gibson, of Tennessee: To prevent and punish frauds in elections of Representatives and Delegates in Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 9757. By Representative Murray, of South Carolina: To insure minority representation in Federal elections. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. Res. 543. Resolution in House for investigation of elections in South Carolina. Reported by Representative Atwood, of Massachusetts, from Committee on Election of President, Vice President, and Representatives in Congress (H. R. 3065).

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(55th Cong., 1st sess., Mar. 15–July 24, 1897.)

H. R. 2405. By Representative Gibson, of Tennessee: To prevent and punish frauds and irregularities in the elections of Representatives and Delegates in Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 2811. By Representative Shafroth, of Colorado: Concerning the election of Representatives in Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

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(55th Cong., 2d sess., Dec. 6, 1897–July 8, 1898.)

H. R. 4580. By Representative Maxwell, of Nebraska: To punish corruption, coercion, or intimidation of voters at elections held in pursuance of the laws of the United States. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 6657. By Representative Maguire, of California: To prescribe the manner of holding elections for Representatives in Congress of the United States. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 7393. By Representative Crumpacker, of Indiana: To prevent an educational qualification upon the right to vote under certain conditions. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

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(55th Cong., 3d sess., Dec., 1898–Mar. 3, 1899.)

H. R. 11982. By Representative Crumpacker, of Indiana: Requiring the Director of the Census to furnish Congress with statistical information to be used as a basis for representation under Twelfth Census. Referred to Committee on the Census. Reported back (H. Rept. 2354).

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(56th Cong., 1st sess., Dec. 4, 1899–June 7, 1900.)

S. 4252. By Senator Chandler, of New Hampshire: For the prevention of the denial or abridgment of the right of citizens of the United States to vote on account of color. Referred to Committee on Privileges and Elections.

H. R. 18. By Representative Gibson, of Tennessee: To prevent and punish frauds and irregularities in the elections of Representatives and Delegates in Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

(56th Cong., 2d sess., Dec. 3, 1900–Mar. 4, 1901.)

H. R. 13461. By Representative Pearce, of St. Louis, Mo.: To punish frauds at elections for Representatives and Delegates in Congress, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 13952. By Representative Lentz, of Ohio: To promote the purity of elections. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

(57th Cong., 1st sess., Dec. 2, 1901–July 1, 1902.)

S. 3260. By Senator Deboe, of Kentucky: To punish fraud at elections for Representatives and Delegates. Referred to Committee on Privileges and Elections.

H. R. 24. By Representative Bartholdt, of St. Louis, Mo.: Same title as above. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 4406. By Representative Gibson, of Tennessee: To prevent and punish frauds and irregularities in the elections of Representatives and Delegates in Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 9211. By Representative Bartholdt, of St. Louis, Mo.: To punish frauds at elections for Representatives and Delegates in Congress, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 10298. By Representative Gibson, of Tennessee: To punish frauds and wrongs at elections for Representatives in Congress, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. Res. 10. To investigate abridgment of rights of suffrage in certain States. Record, page 58.

H. Res. 165. To name special committee to investigate State laws relative to elections. Record, page 2764.

(57th Cong., 2d sess., Dec. 2, 1902–Mar. 4, 1903.)

H. R. 15375. By Representative Jay: To punish frauds at elections of Representatives and Delegates in Congress, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

H. R. 16063. By Representative Jay: To punish frauds at elections of Representatives and Delegates in Congress, and of electors for President and Vice President, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

(58th Cong., 1st sess., Mar. 5–Dec. 7, 1903.)

H. Res. 10. By Representative Crumpacker, of Indiana: Providing for select committee to investigate election laws of the several States. Referred to Committee on Rules.

H. Res. 19. By Representative Dick, of Ohio: Providing for a committee to investigate the denial of rights to the election franchise. Referred to Committee on Rules.

(58th Cong., 2d sess., Dec. 7, 1903–Apr. 28, 1904.)

H. R. 13418. By Representative Bonynge, of Colorado: In relation to elective franchise, defining offenses against same, and prescribing punishment therefor. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

(59th Cong., 1st sess., Mar. 5, 1905–June 30, 1906.)

H. R. 224. By Representative Bonynge, of Colorado: Same as 13418 of Fifty-eighth Congress. Referred to Committee on Election of President, Vice President, and Representatives in Congress. Reported back with amendment (H. Rept. 3927). Debated, see Record, page 6515.

(60th Cong., 1st sess., Dec. 2, 1907–May 30, 1908.)

H. R. 132. By Representative Pearre, of Maryland: To prevent intimidation and corruption of voters at all primary elections and at all general elections, and for other purposes. Referred to Committee on Election of President, Vice President, and Representatives in Congress.

(61st Cong., 1st sess., Mar. 15–Aug. 5, 1909.)

H. R. 10757. By Representative Cowles, of North Carolina: To reenact sections of Revised Statutes repealed February 8, 1894. Referred to the Committee on Election of President, Vice President, and Representatives in Congress.

(61st Cong., 2d sess., Dec. 6, 1909–June 25, 1910.)

H. R. 17421. By Representative Pearre, of Maryland: To prevent intimidation and corruption in elections of officers provided by the Constitution. Referred to the Committee on Election of President, Vice President, and Representatives in Congress.

It will be noted that the activities during that period of time were confined to our elections, and, notwithstanding the fact that the highest court in our land repeatedly upheld our State election laws, we still have at least one Member of this body who persists in an effort to hound this people on the same old score. But that theory has been overworked, and, in the face of the decisions mentioned, but little attention is now paid to such effort, largely due to the fact that equally rigid qualifications for an elector are written into the law of many States of the North, East, and West. In fact, I may plead guilty to an admiration for the splendid law of the great State of Massachusetts, prescribing the qualifications of an elector, more rigid than the great majority of the Southern States.

Now that the effort to regulate our election affairs has spent its force, we are confronted with this new threat and a more serious one. At best, not more than two States could have been outraged had you succeeded in forcing Negro political domination upon us by voting every ignorant Negro in the South. It would have aroused the white man to his danger and caused every one of that element to be polled, and even in the two States, as degrading and embarrassing as the rule of the ignorant and immoral Negro would be to the decent people, yet only office was at stake, while through this measure, and its misconceived, misunderstood, and misinterpreted promise to those whom you seek to protect, you present a threat to the home of every man residing in a community with a Negro population, and menace the sanctity and the lives of the mother, wife, and daughters of that man. We realize this. We believe, in your ignorance of the character of the Negro race, many of you do not realize the consequences. It is inconceivable to me that the splendid men with whom I have associated here from the majority side of the body, men of conscience, rectitude of conduct, and manly bearing, could do this thing in the consciousness of its consequences. I prefer to believe that it is through the want of information rather than inclination, however strong may be your party demand. I am surprised at the response, voiced in your utterances on the floor, to the appeal of your distinguished colleague from Maine [Mr. HERSEY], in which he said:

Do not, I beg of you, allow partisan appeals and party prejudices to blind you and destroy the peace and harmony of our national household, and do a terrible injustice and wrong to our own people in any section of this great and united Nation.

The statistics of lynchings relied upon is compiled by the Tuskegee Institute, a Negro school. It seems to be the only record available, but it is inaccurate in that it fails to include the lynching of three Negroes in the city of Duluth, Minn., in July, 1921. I believe that it is inaccurate in the percentage of lynchings attributed to the crime of rape. In many instances the crime of rape is mercifully followed by the murder of the victim, in which event the cause is charged to murder. I believe that I am corroborated in this view from the number of cases quoted by the Members discussing the circumstances of particular crimes in which the death of the victim ensued.

It has been suggested by some of the speakers that if the measure as now offered is not constitutional amendments may be made which would effectuate compliance with constitutional demands. Of course no one takes this promise seriously. If the measure fails in constitutional warrant, it is fundamentally so, and therefore beyond the reach of an amendment which would bring it within the purview of its sanction.

I reiterate the expressions heard from other speakers on the probable effect of the bill should the question of legality be waived and it be conceded as carrying the power necessary to enforce its mandates. It is beyond possibility to discuss the measure without discussing the race question, which will be a live issue so long as the white and other races occupy the same country. It is the theory of the sociologist that two nonassimilable races could not exist in harmony in the same environs. We of the South believe that we have disproved this theory, and are demonstrating by the conditions existing to-day that such life is possible, notwithstanding the constant nagging and interference by those who can not and do not appreciate the limitations of the Negro race. I do not believe an inflexible rule will serve in determining such relations. The application of the expedients necessary to adjust the relations of the white and yellow races on the Pacific coast may prove a lamentable failure when applied to the white and black races of the North, South, and Middle West. Recognition must be given to the social, political, and economic distinctions, and tranquillity demands that the status be fixed and definite. In addition, there must be a sentiment between the races, which has proven in the South to be the foundation upon which orderly life of the two people are based, the only medium which will bring about tolerance and mutual forbearance. This sentiment was a part of the life of the former slaveholder, and it abides in the sons and grandsons of these men to-day. They early realized that segregation offered the only possible solution, thereby removing the principal cause of friction. They provide and maintain separate accommodations on public utilities and separate schools. We are unable to subscribe to the theory of political equality as announced by the Chief Executive in Birmingham recently. We accord to the occupant of our political offices a social recognition which runs counter to such doctrine. The social barrier is fixed and immutable, and I believe our practice in that respect is supported by the unprejudiced judgment of the country at large.

As an evidence that the Negro is wholly unfitted for participation in political affairs, I invite the attention of this body to the hearings on the Senate resolution for the investigation of preconvention campaign expenditures in the year 1920, which resulted in eliminating the two principal contenders for the Republican nomination for President from the race. I especially direct you to the testimony of Hon. GEORGE H. MOSES, in charge of the Southern States campaign for Gen. Leonard Wood,

and one Henry Lincoln Johnson, in charge of the Lowden candidacy in the State of Georgia. You will no doubt recall that Henry Lincoln, notwithstanding the putrid record there made up, and assuredly known to every candidate before the Republican convention, was more recently appointed to the office of recorder of deeds for the District of Columbia, but the body which swallowed NEWBERRY and his gilded chair were nauseated with the record of Henry Lincoln and placed the toe of the boot to him. The record referred to discloses individuals, township, county, and State conventions bought, time and time again, and which would not stay bought. They sold to MOSES' lieutenant, Pickens, and turned to Johnson, and from Johnson to Pickens, and when the aggregation reached Chicago no one dared claim it for his own for fear an overnight change had occurred. Read that record and tell me from that reiteration of the character of the Negro in politics from the very beginning, whether he is qualified for the discharge of official duties. It is the source of much wonder how the industrial life of Ohio is maintained in view of the number of her citizens employed in gainful political occupations, but I fail to hear of the appointment of many Lincoln Johnsons from that State. Thousands of postmasters have been appointed since the 4th of March, 1921, in the sections where more than one-fifth of the Negro population have their habitat in the North, East, and West. How many Negroes are intrusted with your mail matter? How many Federal judges, district attorneys, port customs officials, registrars, receivers, and so forth, are serving the citizens of that section? Surely they are loyal Republicans. While Ohio may not have a Henry Lincoln Johnson, Maryland has the Right Rev. Harvey Johnson, and who entertains strong convictions on political affairs and is not at all timid in expressing his view:

RACE PREJUDICE AND PRIDE.

[By Rev. Harvey Johnson, of Baltimore, Md.]

The white race can not tell when they began to be known as such. This being a fact, for a fact it is, why is the white man so proud, haughty, and boastful of his race, which has such an uncertain origin, and what have they done since they became a race that had not been done long before they came on the stage of action? Yes, so great were the works and deeds done by the race of Ham that the white man is still digging, exploring, searching, and excavating all over Africa, Egypt, and Ethiopia among the bones and skulls of the long buried dead in the effort to find out their great refinement and culture. And there is at the present time an English excavating society in east Africa digging up the bones and skulls of the dead, with an effort to prove that these Africans are not Africans but Caucasians, and yet at the present day the white man thinks and acts as if he knew it all, and what he does not know is not worth knowing.

The day has gone by, and gone forever, that the colored people of this country will take the white man's religion for the religion of Jesus Christ. What! Take the white man's religion for Christianity, when white preachers join the mobs that murder, lynch, and burn members of the colored race, and that, too, simply because they are colored. No, I say thrice no! For the white man's Christianity and religion is but a pretense. Not only so, it is hypocrisy gone to seed. So we, the colored race, are refusing to receive it. Not only so, but we are no longer taking the white man's doings and sayings as a criterion, for we have known and studied him carefully for more than 300 years. We have weighed him in the balance of divine justice, and he is found woefully wanting in every capacity that is necessary to make him a proper custodian of the affairs of the people and the Nation. Yes, we have found him, and still find him, totally unfitted for that great and ponderous task. For everything he undertakes, no matter how prosperous at the time, soon becomes entangled through his misguided machinery, and is perverted from its design and purpose, and so goes down or becomes more and more involved and entangled. Yes, the white man is a colossal failure in government all over the world wherever he is found attempting to govern. One has only to call to mind his recent war management, and the whole field of his mismanagement at once looms up before you, and you are morally and economically shocked and dismayed at the white man's war failure and waste; and yet he does not seem to be the least ashamed of the condition in which affairs are at the present writing.

What can the white man be other than a failure in business, when he deals entirely on a theoretical and sentimental basis? No sitting down and collecting the facts, and then undertaking to do business according to the facts acquired. Oh, no; none of that; but he just rushes in pell-mell, and the first thing the subscriber of the stock knows is the whole thing has gone in the hands of a receiver. The white man's system of government is conflicting and nullifying, for one officer can and does nullify the acts of another, and the first thing one knows he is in court, and then from one court to another, and all this because of the white man's incapacity to form a proper system of management.

The white man has no regard for business rectitude and honesty, but everything is a scheme, a political bargain and trade, with no regard to the best interest of the people, country, and State, "but what is in it for me, my party, or friend," and in no case is the best good taken into consideration; hence the people are greatly taxed and burdened to meet personal and selfish ends. Yet the white man, in his egotistical pride and blindness, thinks he is all of it, and only he. So he, in his selfish pride, says the colored man should have no part in the movement, though we are citizens born here and not naturalized, so have the fullest right to participation in all of the affairs of the State and Nation.

Yes, there is corruption in everything concerning the Government, in high places and low places, on your right and on your left. It is being exposed and shown up, and the colored people all over this country know this. The people of this country were only 3,000,000 when they entered a protest against what they considered the unfair government of Great Britain, but we are now 15,000,000, so have entered our most solemn protest against what we know to be a very unfaithful and corrupt Government.

The white man thinks he is fooling us, to use that slang expression, "by pulling the wool over our eyes," but we see through and through him as one that looks through an open knitted tidy, and we know him from head to foot. He is not fooling us; no, not a bit of it. And when he gets his eyes open he will find that we know far more about our rights than he has been willing to give us credit for. We have documentary proof that we were on this continent long before Columbus got lost and found himself on this continent. We know our rights, but the unfair and unjust white man has taken advantage of our numerical weakness and kept us out of them. But now all over this country we are contending for them, and will continue to do so until they are granted and given us, for we can take care of them much better than he has up to the present time. Indeed, we have found him incompetent to take proper care of his own, therefore we ask why should we longer trust him with ours? We will not do it, and the sooner he ceases to try to direct and lead us, the better it will be for all, for we will no longer follow his lead contentedly. If the white people want us to respect them, their religion, and Christianity, they must unload and throw off their great race prejudice and race hate and take on the manner and life of Christians.

But let us revert again to the white man's failure at government, and what do we find? Simply a state of wreckage and ruin everywhere. And who are the wreckers but the all-wise, proud, haughty white man; yet the Good Book says: "Pride goeth before destruction and a haughty spirit before a fall." I again ask, What do we see? A probe here, an investigation there; up high and down low; and the newspapers fairly groan with the stories of pillage, steals, and frauds everywhere. We know all this, and are governing ourselves accordingly.

Another reason why the white man fails in business is because he is a compromiser, and compromises settle nothing, but simply sidetracks them. But sidetracking is not settling things; it is just putting them off to come up again to perplex and plague their authors. Hence all compromises are economically wrong in that they are not business settlements, and this is another reason we are not willing longer to follow the white man's lead. We believe matters of business ought to be settled, and settled right.

This is the stuff which your type of Negro offers his race, and with which the National Association for the Advancement of Colored People and other kindred organizations are circulating over the country, breeding discontent and inviting enough serious trouble without the aid of this body or encouragement by special legislation.

The charge that the southern white man is prejudiced against the Negro is only asserted by those with an entire lack of information. As has been stated in the course of this discussion, a race riot is a thing unknown to the South, while those who are not familiar with his character and without sentiment for him, when an atrocious crime is committed, are prone to indulge their prejudice against the race. It matters not how horrible may be the crime committed by the Negro in the South, that particular Negro is sought for, apprehended, and dealt with, and that is the end of the affair. I hale from the cotton plantations of the Mississippi Valley, which contain a large Negro population, where their relations are established and a spirit of tolerance and good will is displayed by both races. The people there realize the limitations of the Negro, and will make him accountable only to the extent that such limitations warrant. They realize he was not a volunteer to our shores, but came in chains, and was dealt with as a chattel. We were an unhospitable host to him. He was carried from the cold climate of the north to the more friendly atmosphere of the southland, and when the fortunes of war struck the shackles from his limbs he elected to remain under the sunny skies rather than follow his emancipators. By this decision he placed an unusual and wholly difficult responsibility upon the prostrate South, and we have worked with that monumental problem until the respective status of the white and black man is definitely reached. The Negro of the South is contented and will remain so just so long as the agitators do not disturb him with propaganda and hold out the false promises contained in measures of this kind.

We must remember that we are the product of a civilization of thousands of years, while the Negro is comparatively a child in moral training. He is an emotional being without our mental processes and control of passion, and therefore with but little moral restraint. He is a slave to his appetite and will respond to a mere suggestion without thought of consequences. This may not portray the character of the Negro you know or the Negroes generally of your community. There are many very intelligent Negroes with high ideals, but I am frankly dealing with the mass. To the average Negro of the mass, when the language of this bill is mentioned to him, with his distorted and immoral conception, the probabilities are only too great that he will feel himself licensed to yield to his unbridled passion, and I shudder at the consequences. We must recognize the fact that when a brute, black or white, places his lecherous hand upon our women, he commits suicide. Hell contains nothing to deter when that crime is committed.

Notwithstanding the sentiment I cherish for the black man, I can express but little regret that he is migrating to the industrial States of the North and East. In the year 1910 13 Southern States, to wit, Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, and Texas, contained 8,327,287 Negroes. By the same census it is disclosed that all

of the other States and the District of Columbia contained 1,510,189. In the last decade we find that the addition of 521,949 Negroes made to the population of such States and District, or 29 per cent, while the increase of 113,419, or 1.3 per cent, appears in the 13 States mentioned. I append a table showing population under the census of 1910 and 1920, in accordance with the statement made:

Statement showing population under the census of 1910 and 1920.

States.	1910	1920
NEW ENGLAND.		
Maine	1,363	1,310— 53
New Hampshire	564	621+ 57
Vermont	1,621	572— 1,049
Massachusetts	38,055	45,466+ 7,411
Rhode Island	9,529	10,036+ 507
Connecticut	15,174	21,046+ 5,872
MIDDLE ATLANTIC.		
New York	134,191	198,483+64,292
New Jersey	89,760	117,132+27,372
Pennsylvania	193,919	284,568+90,649
EAST NORTH CENTRAL.		
Ohio	111,452	186,187+74,735
Indiana	60,320	80,810+20,490
Illinois	109,049	182,274+73,225
Michigan	17,115	60,082+42,967
Wisconsin	2,900	5,201+ 2,301
WEST NORTH CENTRAL.		
Minnesota	7,084	8,909+ 1,825
Iowa	14,973	19,005+ 4,032
Missouri	157,452	178,241+20,789
North Dakota	617	407— 210
South Dakota	817	832+ 15
Nebraska	7,689	13,242+ 5,553
Kansas	54,030	57,925+ 3,895
SOUTH ATLANTIC.		
Delaware	31,181	30,335— 846
Maryland	232,250	244,479+12,229
District of Columbia	94,446	109,966+15,520
West Virginia	64,173	86,345+22,172
MOUNTAIN.		
Montana	1,834	1,658— 176
Idaho	651	920+ 269
Wyoming	2,235	1,375— 860
Colorado	11,453	11,318— 135
New Mexico	1,628	5,733+ 4,105
Arizona	2,009	8,005+ 5,996
Utah	1,144	1,446+ 302
Nevada	513	346— 167
PACIFIC.		
Washington	6,058	6,883+ 825
Oregon	1,492	2,144+ 652
California	21,645	38,763+17,118
Total	1,510,189	2,032,038
Less		1,510,189
Increase in other sections		521,949
SOUTHERN.		
Virginia	671,006	690,017+19,011
North Carolina	697,843	763,407+65,564
South Carolina	835,843	864,719+28,876
Georgia	1,176,987	1,206,365+29,378
Florida	308,669	329,487+20,818
Kentucky	261,656	235,538—26,118
Tennessee	473,088	451,758—21,330
Alabama	908,282	900,652— 7,630
Mississippi	1,009,487	935,184—74,303
Arkansas	442,891	472,220+29,329
Louisiana	713,874	700,257—13,637
Oklahoma	137,612	149,408+11,796
Texas	690,049	741,694+51,645
Total	8,327,287	8,440,706
Less		8,327,287
Net increase		113,419

13 Southern States	8,440,706
All others	2,032,065
Total	10,472,771
Population in the United States, 1920	10,463,131
Population in the United States, 1910	9,827,763
Net increase	635,368
Increase in South	113,419
Increase in other sections	521,949

This problem is therefore being rapidly transferred to sections not heretofore met with such conditions, and it remains to be determined how well you succeed in establishing a plane upon which peace and order may reign.

As an economic factor, the Negro is a distinct loss to the South. The State of Pennsylvania alone contains more wealth than six of the prominent Southern States, which wealth was produced largely within its border and without the raw material with which the Southern States abound. It will not do to ascribe the cause to the difference in the character and capacity of men, for the South has drawn on that State and other States from the North and East for business material with which to man many of their business enterprises. The answer is only found in the value of labor which is readily observed and unfavorably commented upon by those qualified to speak, and the condition only obtains and continues to exist through the attachment of the black man to his only real white friend.

My good friend, the gentleman from Ohio [Mr. CHALMERS], mentioned the lynching of one Henry Lowery in the State of Arkansas, and details circumstances in connection with the death of O. T. Craig and daughter at the hands of Lowery. He says that a controversy arose between Mr. Craig and Lowery, a tenant, over business transactions. I know the circumstances were misrepresented to him. The facts, as I am creditably informed, were practically as detailed by the gentleman from New York [Mr. ANSORGE]. O. T. Craig resided with his family upon his plantation fronting the Mississippi River and was a splendid citizen, peaceful, law-abiding, and very popular with his neighbors and the citizens of the county. He was a man of mature age and the father of an excellent family of men and women. On Christmas day in 1920 there was gathered about the fireside of that plantation home this man, his devoted wife, his daughter, and her husband and his three sons and their wives. While at the family table, partaking of the Christmas dinner, the wife of Henry Lowery, a tenant on the plantation, rushed into the room, terrified and panic-stricken, begging for protection from the murderous assaults of her passion-crazed husband. Mr. Craig rushed out, followed by his daughter, and as he appeared, this fiend fired point-blank, killing him instantly, then turned the weapon on the defenseless daughter, dropping her lifeless form upon the dead body of the father. The sons appeared, and the Negro fired upon them, wounding two. I cite this as a fair example of the distortion of facts in the reports often circulated about affairs of this nature.

The motive behind this movement renders it unworthy of the support of the splendid manhood represented on the majority side. The legislation is unconstitutional and unwarranted by the facts, dangerous in precedent, and the effect of such laws will be inimical to the peace and tranquillity of our people. Any political party moved to such extreme action on account of expediency forfeits its right to longer exist as a major party in this country. You may be sure that your action will operate to the serious disadvantage of the black man about whom you appear so solicitous for the sake of his vote; that it will seriously embarrass the efforts of his friends to assist him. It will hasten the day when he will be compelled to remove in larger numbers to your sections of the country, thus compelling you and your posterity to wrestle with a big and serious problem which your vote here is the best indication on earth of your inability to either comprehend or solve.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. HAWES].

Mr. HAWES. Mr. Chairman, during the last four or five years the entire world has been debating the question of self-determination. The discussions in Ireland asking for the control of their officers of peace and asking the right that Americans secured to select their own officials is now for the first time in our history challenged in this House. In the State of Missouri we have 114 counties. In each of those counties is elected a sheriff and in each county is elected a prosecuting attorney. In each of the subdivisions of the county is selected a constable for that subdivision, all by the direct vote of the people, understanding the qualifications of these men, and all paid by the local communities which elect them. We have great cities in the State of Missouri. St. Louis has its own police department, Kansas City has its police department, St. Joseph has its police department. All of these are metropolitan systems, directed and controlled by the governor of the State. In each one of these cities is found a circuit attorney elected by the people in that community, and all of these officials, numbering some 5,000 in the State of Missouri, are paid by the people of Missouri. The prosecuting attorney is a man graduated from the law schools, selected because of his legal fitness. Yet for the first time since the days that immediately followed the Civil War the Congress proposes to place over 5,000 peace officers in my State under the direction and control of the United States Government.

In New York City there is a police department of 10,000 men. In Chicago there is a police department of 5,000; in Philadelphia, 4,500; in Boston, 1,500; and so on, until we extend to the smaller cities of the State, who elect their marshals to represent the police power in that particular community. Yet this bill proposes that the Federal Government shall assume control over 5,000 police peace officers in my State and 150,000 State and municipal peace officers in the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMNERS of Texas. I yield to the gentleman five minutes more.

Mr. HAWES. This bill describes a mob as five men. If this mob of five men commit murder against a man suspected of crime or guilty of crime, then the city of St. Louis may be fined $10,000.

Mr. MOORE of Virginia. May I suggest to the gentleman that if it is proper to do that there is no bar whatever upon the Federal Government fining a State.

Mr. HAWES. None at all. If this bill was properly drawn it would not deal with the county, but would deal with the State, and in my own State it brings the governor of Missouri under the jurisdiction of this law. It brings the adjutant general, in control of our militia, under the jurisdiction of this law, and the spectacle is presented that the executive heads of 48 States in this Union may be haled before a Federal tribunal, prosecuted by a man sent from Washington, fined or imprisoned for some act that this special agent of the United States Government picks out as a crime. If this can be done, where has sovereignty gone? Not one of these State and municipal officials receives $1 from the Federal Government. Gentlemen try to draw a comparison between this law and the Volstead prohibition law. There is no comparison. The people of the United States amended their Constitution, and until the eighteenth amendment was placed upon our statute books Congress did not attempt to deal with the liquor question. It has only dealt with it so far and no farther than the amendment to the Constitution permitted.

My friends, what will you say when you return home in the canvass this fall? When you meet the sheriff of your county and call him by name, and he asks you the question, "Why have you placed me under peace bonds of $5,000 and threatened me with five years in the penitentiary? Have I not performed my services well, have I not been elected by the people of this county, exercising their choice, that I should enforce the law? Why should I now be placed in effect under bonds to obey a Federal statute?"

My friends, the crime of lynching is one that has my utter detestation. I am opposed to it. Every man in this House is opposed to it, but the question is, Shall the remedy be applied by the United States Government or shall the remedy be applied by the local community? This law means that if the United States Government can say that five men can be punished for murder, then the United States Government can say that one man can be punished for murder, and if the Government of the United States can punish one man for murder, it can punish another for theft, it can punish another for gambling, it can punish another for all crimes that may be upon the State statute books. When the United States reaches that stage, she must establish a national constabulary of police to enforce her regulations, and a national constabulary of police is the first step toward a monarchy. This bill is violative of those things which have been prohibited by our Constitution. Even in the days that followed the Civil War, when the South was not represented in the Congress of the United States, men tried to pass bills that violated the fourteenth amendment, and the courts declared their efforts unconstitutional, and when the National Bar Association holds its annual meeting and the State bar associations and the local bar associations hold their meetings there will be condemnations coming from one end of America to the other, denouncing the unconstitutionality of this law. [Applause.]

Mr. VOLSTEAD. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. COCKRAN].

Mr. COCKRAN. Mr. Chairman, it would be idle to deny and lacking in candor to ignore the fact that this bill, though general in its scope, is actually leveled against the practice of lynching in the Southern States. It is as one aspect of the Negro problem—the gravest probably—now confronting this Nation, that I propose to discuss it.

That problem may be defined, I think, as how to find for the Negro a place in the political and economic life of the country where all his rights of person and property will be safeguarded, and these being made secure his productive efficiency will be encouraged and enlarged. This question is not, as is usually assumed, one that concerns solely the people of the Southern States. It concerns even more seriously the people of the North.

I think it may be said with perfect confidence that in the South all the most difficult features of this Negro problem have been solved, except the one under discussion. In the North practically no progress has been made toward establishing a place for the Negro in our industrial system.

In the South the Negro is excluded largely from political activity, but he is encouraged and welcomed to practically every field of industrial activity. In other parts of the country these conditions are reversed.

In the North he is allowed to vote without hindrance, but he is allowed to work only under conditions that permit hardly any prospect of remunerative employment. In the South he is allowed without restriction to work, but he is not allowed to vote, except under conditions where his vote is not likely to be decisive of electoral results.

To the great credit of the Negro it must be said that when reduced to a choice between freedom to vote and freedom to work, he has elected for work; and until recently the theater of his largest growth in numbers and possessions was the South.

If we realize the Negro's condition under the system where he is welcome to carry a torch in political processions every fourth year, but is not allowed to carry a dinner pail in the industrial procession every day of every year, and compare it with his condition under the system where he is not allowed to carry a torch in political processions, but is welcome to carry a dinner pail in the industrial procession, we will find the contrast so astounding that it taxes severely our ability to comprehend it.

Mr. Chairman, I have here a report issued very recently by the Census Bureau giving the number and value of farms owned by Negroes in the whole country, and in each of the States. It shows the total value to be $2,257,645,325. Think of it! That stupendous amount of property has been produced by their hands since the conclusion of the Civil War, and under conditions more difficult than any that ever before confronted a branch of the human family.

Conceive for one moment the condition under which this marvelous result has been achieved. In slavery the Negro was a chattel. His subsistence was assured. In the main he received kind treatment, as the affection existing almost universally between the Negro slave and his master amply attests. Besides ties of affection, motives of self-interest impelled his owner to keep the slave healthy, comfortable, and contented, because his value as property depended largely on his condition and disposition. It was a vicious system, a horrible system, one that necessarily entailed the dreadful conflict through which it was ended. Its direst consequences, however, fell on the Negro, not during its continuance but after its abolition.

Freedom came to the Negro originally, not as a dispensation from conditions that were difficult but as an imposition of conditions still more onerous. Without warning or preparation of any kind he was suddenly required to find for himself means of subsistence, and thus forced under the most difficult circumstances to meet the crucial test to which civilization subjects all its members. Wherever civilization meets a man it exacts either his labor or his life. If he can not work, he must die. It met the Indian, and he is dead or he is disappearing. It met the Negro, and behold the result of freedom as he has exercised it! Property valued at $2,257,000,000 in farm lands alone is the proof, the unimpeachable, conclusive proof, of his right to a place in civilized society. It is also the monument, the impressive monument, of the shining success achieved by the white people of the South in leading and guiding the Negro from the deep abasement of slavery to the high dignity of self-supporting manhood. And this enormous volume of wealth, remember, is in farm lands alone. Estimating the personal property he has acquired as equivalent to one-half the value of his farm lands—a very moderate estimate—he has actually created and now possesses wealth amounting in value to some $4,000,000,000.

But more extraordinary even than the volume of wealth which he possesses is the manner in which he has produced it.

Substitution of free labor for slave labor in the Southern States was not a measure of progress freely adopted by a prosperous country. It was a hostile measure of war imposed upon a conquered country.

In a land completely desolated by war, the most devastating war ever waged up to that time on this earth, its fields ravaged, its cities sacked, its commerce destroyed, every dollar of its capital consumed in conflict, the flower of its youth—on whom direction of its industry would naturally depend after restora-

tion of peace—killed in battle, its entire industrial system subverted, these Negroes, utterly unfamiliar with the methods of finding a theater of employment where their hands could be used to provide their own support, the women untrained even in the duties of motherhood, called almost in a night to face all the problems of freedom, have met the challenge with such success that in the course of little more than two generations they have produced and own a volume of property greater than the national debt which the United States incurred in setting them free. History records no achievement that parallels this for the interest it inspires or the hopes that it awakens.

But, Mr. Chairman, right here we are brought face to face with a very portentous phase of the Negro problem, but which, so far as I know, has been quite generally overlooked. Of the property in farm lands owned by Negroes in the whole country we find that 97 per cent is in the South. The exact figures are $2,191,005,642 in the South and $66,639,688 in the rest of the country. Fifteen per cent of the colored people, according to the census, live in the North, the East, and the West; 85 per cent of them in the South. Yet, instead of possessing 15 per cent of the total property which that race possesses, the Negroes outside the South possess but 3 per cent. If this striking fact prove anything, it is that elsewhere in the country the productivity of the Negro is just one-fifth what it is in the South. And, strange as it may seem, it is in those States where treatment of the Negro has been the subject of harshest criticism that he has produced and now holds the largest volume of property.

It is, of course, true that a statement of the total property owned by Negroes in different parts of the country, without giving their numbers in each place, might easily be misleading, and therefore I deem it necessary to state the authority on which the figures I have given are based.

Besides the paper already mentioned, I have here another issued by the Census Bureau entitled "Population of the United States by Color and Race." It shows that in the South—counting as the South all States from Delaware to Florida, and thence westward to Texas and Oklahoma, including Kentucky and Tennessee—the Negro population is 8,912,231. They own, as we have already seen, farm land worth $2,191,005,642. In all the rest of the country the Negroes number 1,550,900, and they own similar property worth $66,639,688. From these figures I have myself computed the average value of lands owned by Negroes in each section, with this result: In the South it is $245.84 and in the rest of the country $49.65 per capita.

In the light of these figures the statement will hardly be questioned that in the South the economic status of the Negro is established on foundations which indicate a future of growing prosperity, while in the North his industrial condition is little short of deplorable.

Mr. Chairman, there is another feature of the statistics furnished by the Census Bureau which is of even deeper interest.

From 1900 to 1910 the Negro population of the whole country increased 11.2 per cent. From 1910 to 1920 its increase was only 6.5 per cent. In the South, notwithstanding the enormous volume of wealth possessed by Negroes, the Negro population increased during the last 10 years less than 2 per cent—1.9. In the North during the same period it increased 43.3 per cent and in the West 55.1 per cent.

Now, the portentous significance of these figures is that in many of these States to which the Negro is going his opportunities of employment are practically nil. According to the census the greatest increase of Negro population is in the States containing large cities. In Michigan it reached the largest proportion—251 per cent—and in that State the census shows 60,082 Negroes own farm property worth $2,566,855—$43 per capita. In New England they own $13.62; in Pennsylvania, $11; in Massachusetts, $8; in New York, $7 per capita.

It is surely ominous, as it is startling, to find the Negro leaving States where his wealth per capita is extraordinarily large in farm lands alone—$303 in Texas, $326 in Oklahoma, $386 in Arkansas, $430 in Mississippi, and going in large numbers to territory where the average of his wealth is less than $50.

Mr. Chairman, I call attention to these figures and urgently ask gentlemen on both sides to consider them carefully. They are of portentous significance. I believe they show that this movement of Negroes from land where their prosperity is assured and their wealth already extensive to seek a livelihood in other lands where their position is difficult, their possessions few, and give their prospects of improvement fewer still can be explained only on one ground, and that is the prevalence of lynching in the States where they have succeeded in acquiring the largest measure of property.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. COCKRAN. I have not time now, but at the conclusion of what I have to say I will be glad to answer any question the gentleman may propound.

Mr. Chairman, that it must be some overwhelmingly powerful force which is driving the Negro from the South will be clearly apparent, I think, if we realize the conditions under which he lives in northern cities. The worst feature of them is that instead of improving with the lapse of time they have been growing more difficult from year to year until now they are probably the most dismal we can conceive.

In the North, at least in New York, when I was a young man—a good many years ago now—the Negro had a recognized place in the field of labor. He had practically a monopoly of domestic service. He was almost the only bootblack to be found in great cities. He was a waiter in almost every restaurant. I never knew anybody in those days to handle a whitewash brush except a Negro. But all this is changed. White men and women will not work alongside him. He is no longer to be found doing household work, except in rare instances. Bootblacking is now an occupation of white boys, who will not accept the Negro as a companion nor tolerate him as a competitor. The unions will not admit him to membership, and this has resulted in his exclusion from employment as a waiter in hotels—at least in those of any importance—and prevented him from wielding the whitewash brush or from working as a mechanic in any branch of industry. Except for occasional chances to do work for which white men are not available there is no legitimate occupation open to the Negro that I know of except that of porter on a Pullman car. And for the occasional job that he finds a chance to perform he receives less wages than a white man for the same order of labor. Indeed, it is no exaggeration, but a sober statement of actual fact, to say that the whole industrial system of the country, outside the Southern States, practically excludes the Negro from all opportunity of gaining an honest livelihood.

Even this does not exhaust the list of his difficulties. Driven by imperative necessity to seek the shelter of a roof, he is invariably charged higher rent than a white man for similar accommodations. And the moment he finds a lodging in any locality, white men and women fly from it as if a plague were scourging it, with the result that in New York and in all other great northern cities large areas are given over exclusively to the occupation of Negroes.

Into these Negro quarters, except a police officer or a sanitary inspector, no white man ever enters, unless he is compelled to pass through them in going from one part of the city to another. The white resident of a great city is hardly conscious that Negroes in large numbers are part of the population unless as he passes through certain streets, extending for miles in New York, he sees from the windows of a street car or automobile innumerable houses tenanted solely by colored folk and crowded sidewalks on which not a single white pedestrian can be discerned. Isolated in quarters usually squalid, paid less than the white man for what he does, charged more for what he requires, his opportunities for industrial improvement ever narrowing, is it any exaggeration to say that his condition and his prospects are well-nigh desperate? And yet notwithstanding all these difficulties and disabilities, we find him moving in ever-growing numbers to New York, Pennsylvania, and other States containing great cities.

I wonder if gentlemen here realize that at this moment there are more Negroes in Pennsylvania than in Maryland.

Now, Mr. Chairman, this, to my mind, is a very serious feature of our national existence. It is not alone the Negro who suffers from it. The entire body politic is deeply affected by it. The whole country and the civilization of which this country holds the primacy is gravely injured by any condition which tends to drive from the South, where they have shown productive efficiency that is quite remarkable, vast numbers of Negro workmen to take a worse than doubtful chance of obtaining a livelihood in northern cities. Surely no one will deny that it is a situation full of evil portent to find in any great community large and steadily increasing numbers of people who are excluded from a full share in its industrial life.

For the deplorable condition of the Negro in the northern States he himself can not be blamed. There is no complaint or ground for complaint against the way in which he discharges the duties of citizenship. No one dreams of withdrawing the ballot from him. He is, in the main, law-abiding—remarkably so when we consider the complete isolation from any influence by more intelligent white men in which he lives. He has shown no lack of capacity or willingness to work. In the one field of employment still open to him—the Pullman car service—he renders service immeasurably superior to that rendered by

white men on the best appointed trains in foreign countries, as everyone who has traveled abroad must realize.

I think it will be conceded that nowhere can be found a body of workers more intelligent, painstaking, polite, diligent, and efficient than these same Pullman car porters.

Mr. SPROUL. Will the gentleman yield.

Mr. COCKRAN. I would like to have an agreeable colloquy with the gentleman, but I want to finish this argument first.

I submit to the judgment of this committee that where the Negro or any other man shows exceptional abilities in any field of industry it is a crying shame, a grave injury to our country, that he should be excluded from full opportunity to exercise his productive capacity in other fields. But how is this shame to be removed? How is this injury to be ended? I confess I am unable to answer.

Exclusion of the Negro from industrial opportunity in northern cities is not the result of any elaborate combination or conspiracy by white men. It is spontaneous, and therefore it can neither be removed nor controlled by law. You can not by law force labor unions to admit Negroes, nor force white men to work alongside them. It is neither possible nor desirable to make white men live alongside them.

We can not prohibit Negroes from leaving the South, where their opportunities to gain property are ample, for the North, where their opportunities are few, and their growth in numbers constitute a menace to the welfare of the community, and, indeed, of the whole country. But we can ascertain the causes for that movement, and if we find it is due to any violation of their elemental rights in any part of the country we should take measures to deliver them from that oppression.

Mr. Chairman, I can not conceive any explanation of this movement northward by Negroes, so radically opposed to their material interests, unless it be their horror of death by lynching. It is perfectly natural that when human beings have advanced in civilization to a degree where they have acquired property and education, a sense that by reason of their race they are exposed to such a barbarity would suffice to make them forsake States where their material condition is high and steadily improving for States where their industrial condition is difficult, if not desperate, but where their safety from such personal violence is assured. But whether this be the true explanation of the Negro's exodus from Southern States or not, the fact remains that lynching is abhorrent to every instinct of humanity and destructive of civilization itself. It must, therefore, be driven from this country and from every part of it. About this there is no division of opinion here or elsewhere.

I agree with everything the gentleman from Wyoming has said against lynching. But he has said nothing stronger than has been said on this side of the House. Everybody agrees that it is a crime which has no parallel in the annals of human depravity. But when it comes to considering this or any measure for its suppression, we are met with the objection that it is unconstitutional. When we ask what measure would at once be constitutional and effectual, we get no answer except "Leave it to the States." Well, it has been left to the States these many years, and behold the result: More persons have been put to death in certain States by lynching, according to figures given here, which remain uncontradicted, than by the regular processes of law. If, in face of such a dreadful condition and the insistent popular demand that it be remedied, we can do nothing—give no answer except a non possumus—we will neither satisfy the awakened conscience of the country nor meet the requirements of its security.

For my part, I am unwilling to admit that the constitutional system under which I live forbids all attempts to end a crime so dreadful. That Constitution by its own preamble declares its object first and above all is to establish justice. I am unwilling to believe it can ever be invoked to entrench monstrous injustice and prevent its overthrow. I am not an admirer of this particular measure. Its terms are muddy and misleading. If its description of lynching be accurate, then the bill is utterly unconstitutional. The remedy it proposes is of very doubtful efficiency. The hope that by merely transferring jurisdiction of an offense to the Federal from a State court a revolution will be effected in the administration of law so profound as to remove conditions under which convictions for the crime of lynching are difficult, if not impossible, to secure is puerile—indeed, preposterous.

But none the less I believe it to be of some value. Its enactment will be a solemn declaration by the American Congress that something must be done to end this awful crime—to eradicate it in every part of the country, and cleanse our political system from the stain of it.

As this bill is now amended, it will not become effective if the Southern States themselves take action to end lynching. And I believe this curse can be removed by none but the southern people. They who have achieved such marvelous success in establishing wholesome industrial relations between the two races can, and I believe they will, complete their glorious service to humanity by devising measures—lawful, civilized measures—which will prove even more effective than lynching to prevent the unspeakable atrocity out of which the horrid custom arises.

Much of what has been said here in explanation of lynching is entirely comprehensible to me. I know that were I in the place of a man whose wife or child or sister had undergone the unspeakable profanation of which all women throughout the Southern States stand in constant fear, I would hardly be bound or restrained by regard for law. The animal in me would undoubtedly be let loose. I would probably be a savage demanding savage vengeance on the wretch baser than a savage who had done me an injury which nothing could atone. But for that very reason I would be the last person who should be intrusted with administration of the law or with the right to determine the guilt of any person accused of so monstrous a crime. To restrain me from obeying the impulses of savagery would be essential not merely for the credit of civilization but for the welfare of the community where the crime was committed.

For let me say this to you gentlemen: The community in which a lynching occurs is more deeply injured than the individual who is its victim, even though he be burned by the torch. After all, his tortures are necessarily brief, soon ending in death; and in the grave there is surcease of all suffering. But the men who have perpetrated the lynching can never again be the same law-abiding loyal citizens they were before taking a human life by such barbarous methods. Nor can the community which permits it ever pass from out the dark shadow of it. Never again can it be felt sure that there the law will be supreme. For lawlessness once let loose is hard to bring under restraint. When the castle walls that surround the citadel of the law are broken down in one direction by armed bands to avenge in lawless fashion one offender against the law, the breach remains after the vengeance has been effected. Other invaders will enter through it to wreak lawless vengeance upon men accused or suspected of other offenses. This has actually come to pass in the South where of all those who suffered death in this manner only a small number were accused of the crime which is said to have provoked the savage custom of lynching.

And so, Mr. Chairman, we come back to the fundamental proposition: Lynching is barbarous, savage, unspeakably criminal, a blot on our civilization which must be removed. But how can it be ended?

Although we have debated this bill for a long time, I can not help feeling that the precise character of the barbarity with which we are dealing is but very imperfectly understood. I have heard it stated here that lynching was worse than cannibalism. I can not concede the accuracy of this description. Anyone who has studied the subject will realize that lynching is a peculiar manifestation of American life. And, strange as it may seem, this form of lawlessness—reprehensible, savage in the last degree—nevertheless embodies not dislike or disregard but passionate regard for the law. It is the uprising by a community against methods of administering law which do not satisfy its sense of justice and substitution for these ineffective officers of the regular Government other agencies selected for the purpose of making sure that persons accused of heinous offenses shall not escape the death penalty.

I think it must be obvious that a lynching could not occur anywhere unless with practically unanimous approval of the community. And this explains why it is that while the body of the Nation has always abhorred lynching, the people in the place where it occurred have not usually shared in that general reprobation.

Lynching did not originate in the South. The South adopted it from the West. And there the memory of past lynchings do not generally awaken regrets. I do not think you will find anybody from California denouncing the vigilantes as having injured the prosperity or discredited the civilization of that State. I doubt very much if the gentleman from Wyoming [Mr. MONDELL] would denounce the regulators—I think that is what they were called—who 25 or 30 years ago lynched horse thieves in Montana and Wyoming, with half the vehemence which he displayed in denouncing lynching in the South here this afternoon. But in all these Western States lynching was a desperate remedy applied to desperate conditions, and these conditions, in

the nature of things, were temporary. When they passed away the lynching which ended them and which they provoked disappeared with them.

But in the South lynching has continued to be of frequent occurrence, and the States having failed to prevent it, the Federal Government must take steps to end it or else it must be suffered to continue indefinitely.

I regret very much to find lynching defined in this bill as "mob violence" and persons engaged in it as a "riotous assemblage." It is the exact opposite of both. If that description were true this bill should never pass, for it would be a solemn enactment by Congress that the State should be abolished. The very object for which a State is organized is to maintain peace. If it can not discharge this function against mobs or rioters it has no excuse for existence whatever and it should no longer be tolerated. But lynching is not mere rioting, and it is more—much more—than "mob violence." It is, in fact, revolution—a temporary revolution, it is true—but none the less revolution.

Riot is forcible resistance to law and government. Lynching is the forcible maintenance of law, but by agencies outside the law. Mob violence is directed against order. Lynching is the enforcement of law and order by methods and agencies different from those of the established government. Lynching is a rebellion against the lawfully constituted authority of a State, and an attempt to substitue for the republican form of government established by the Constitution, another government established by an armed band composed of persons dissatisfied with existing methods of administering the law. When the lynching is completed the rebellion is successful, and successful rebellion is revolution.

This was clearly enunciated when the Duc de Liancourt reported to Louis XVI the fall of the Bastile, and the startled King said, "This is rebellion." "Sire," answered his wiser minister, "it is revolution."

No one will dispute that when a lynching occurs the regular government is displaced for the time being, and its power assumed by the armed men who impose the death penalty on a human being in defiance of its authority. The duly constituted government established by the Constitution remains a government de jure, but the lynchers are the government de facto. This must be clear to anyone who realizes the nature of government.

Government is the depositary of sovereignty. The supreme test of sovereignty is the power to take human life without incurring responsibility to anyone. That is precisely the power exercised by the lynchers. They are, therefore, the sovereign. There can not be two sovereigns within one sovereignty. While a lynching is in progress, the lawfully constituted authorities are set aside, and the lynchers are in supreme control. The armed band is therefore the actual sovereigns. When the lynching is accomplished the usurping government—the de facto government—dissolves; then, but not till then, the regularly constituted officers once more become the government de facto, as well as the government de jure. To prevent such a subversion of republican government is obviously within the powers of the Federal Government and within the scope of the duty imposed on it by Article IV of the Constitution. Can there be any doubt about this?

Suppose lynchers undertook to extend their operations and dispossess every colored man in a State of his property, threatening to execute by lynching anyone who was found occupying the land after a certain date, and the duly constituted government refused or failed to interfere, so that the whole State was in the hands of this revolutionary body. Can anyone doubt that under such conditions the Federal Government would intervene and restore republican government? How would this differ from the condition of an ordinary lynching, except that in one case usurpation of power extended over the whole State, and in the other it was confined to part of it? Taking property by lawless methods would certainly not be as heinous an offense as taking human life. It is true that these lynchings do not displace republican government in the whole of a State. But if it would be the duty of the Federal Government to interfere for restoration of republican government when it had been subverted in the whole State, surely it is equally its duty to interfere for its restoration in every part of the State. If it can prevent total subversion of the Government, it can prevent partial subversion of it. Punishment is ordinarily the most effective prevention for crime, and therefore to punish lynchers for the purpose of putting an end to lynching is not merely within the power, but it is among the duties of the Federal Government.

It may, however, be objected that even though this bill is consistent with the letter of the Constitution, yet it is in clear violation of the principle that matters affecting the administration of law in any particular place should be left for settlement to the people and laws of that locality. That principle I have always regarded as the very essence of democracy.

I have defended it all my life. I have invoked it on the floor more than once since I returned to service in this House, but each time without avail. It is entirely true that until recently this bill would have been irreconcilable, not, perhaps, with any specific provision of the Constitution, but with the general constitutional polity of this country. But the time when that objection could have had weight was before the passage of the eighteenth amendment. If it be consistent with our scheme of government that the Federal authority can, as the gentleman from Wyoming [Mr. MONDELL] said, step into every village, town, and household to regulate and control what a citizen may drink, it can step in to save human life. I am not much concerned about the army of spies which the gentleman from Missouri [Mr. HAWES] believes will be brought into existence by the passage of this law and which he views with such alarm. A huge army of spies is already organized and in active operation throughout the length and breadth of this country to enforce the Volstead Act. And surely if the Federal Government can step in to take a mug of wholesome beer from the hand of the workingman, it can step in to take a murderous halter from the hands of the lyncher. [Applause.]

It may be that this act is inconsistent with the American constitutional polity that was, but of the constitutional polity that is it is the very embodiment.

Mr. Chairman, although I shall vote for this measure, I do not believe lynching can be cured by legislation. It must be cured, if cured at all, by voluntary cooperation of both races in providing measures that will end the crime that produced it.

I have here a speech made by the gentleman from Louisiana [Mr. ASWELL], which contains the best constructive suggestion that I have heard so far. After having pointed out that in the South both races are animated by feelings of mutual good will, and that it is by these kindly relations the extraordinary prosperity achieved by the Negroes in that part of the country has been established, he says:

> It is out of these kindly relations that the whole racial problem will be solved. It is imperatively important that these ties be actively strengthened by the enlistment of Negroes themselves in preventing the crimes that provoke mob violence.

To that sentiment I say, Amen! Gladly I accept it as my own. It is by the methods he suggests that we may hope to reach full solution of this whole race question.

While I do not believe this measure of itself will end lynching, I believe that the personal safety of the Negro will be decisively promoted by passing it. I am quite confident that the Southern States rather than suffer it to become effective will themselves establish some method by which his life and person will hereafter be made secure—as his property is now—from invasion of any sort except through due process of law.

Mr. Chairman, when this last phase of the race problem shall have been finally settled in the South, as I am sure it will be, there will remain many other phases confronting the rest of the country. We can not in the North count on that affection between the races to the existence of which in the South every one from that section who spoke here has testified. I do not see in the North how we can ever enlist the sympathy of the Negro. We do not know him. Without sympathy or understanding it is difficult to see how we can find the proper place for him in our civic life, or guide him to it even if it were discovered.

Yet I do not despair.

I do not believe that the instinct which abhors anything like social intercourse between the races can ever be overcome, and I do not think it ought to be. But I am one of those who believe that every human instinct, every appetite which is given to man, every quality with which he is equipped, every tendency to which he is subject is a force which, though it must lead to deep abasement if suffered to master him, will, if mastered by him, contribute powerfully to his improvement, moral and material.

The appetite which when abused has caused the worst and most terrible diseases that affect humanity is the same impulse which when it finds proper expression brings into the world that sublime, most wonderful, most beautiful element of creation, the human child, radiating in some measure the glory of the Creator from whose hands it has freshly come. And I believe this tendency of the races to remain apart—the necessity of keeping them apart socially—may in the providence of God be made the means of bringing them together in closer, more effective, industrial cooperation, with results infinitely valuable to the whole human family.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COCKRAN. I have just one word to add.

Mr. VOLSTEAD. Mr. Chairman, I yield to the gentleman one minute more.

Mr. COCKRAN. Mr. Chairman, I support this bill in the fond hope that its enactment will cause the Southern States to take effective measures for the suppression of lynching. And then this particular phase of the race problem having been settled, we in the North may hope to be afforded the assistance and guidance of the people who have met all its other phases so triumphantly in enlisting and marshaling both races and all the moral forces of the country in a successful effort to secure for the Negro a place in our civic life, where he will be able through industry and frugality to attain in every part of the country the measure of prosperity which he has already achieved and the prospect of further progress which he enjoys in all the States of the South. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. KETCHAM having taken the chair as Speaker pro tempore, a message in writing from the President of the United States, by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed joint resolution of the following title:

On January 21, 1922:

H. J. Res. 30. Joint resolution to amend a joint resolution entitled "Joint resolution giving discharged soldiers, sailors, and marines a preferred right of homestead entry," approved February 14, 1920.

ANTILYNCHING BILL.

The committee resumed its session.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, I gather that my friend from New York [Mr. COCKRAN] is in favor of the bill. Even if I were left in doubt by his somewhat uncertain expressions, I should suspect that he is in favor of it from the fact that he obtained his time from the gentleman from Minnesota [Mr. VOLSTEAD], and, by the way, it is certainly the first time that the gentleman from New York has ever willingly accepted a gift tagged with the name of Volstead. [Laughter.] Mr. Chairman, the gentleman is always eloquent and entertaining, and he is usually sound. This time, however, I must say that, in my opinion, he is unsound. He seemed to forget in one part of his speech a very strong statement contained in another part. He said, in substance, that the colored man is held in a sort of economic bondage elsewhere than in the South. He wanted to know how he can be relieved of that condition. His answer was that he can only be relieved by the growth of a healthy public sentiment; and that is correct. He then turned and argued that this bill should be approved because it is the only method, in his opinion, of dealing with mob violence, his assumption being that you can not deal with it unless by Federal legislation of this or some other character.

I respectfully suggest to him that the best remedy, the only effective remedy, in my opinion, that can be found to check and eradicate mob violence is the growth of the same sort of public opinion that he relies upon to rescue the Negro from the economic bondage in which the gentleman thinks the Negro is held. Public opinion, I say to my friends on the other side with great confidence, is the only process that will get the results we all hope to achieve; and we do hope for the advent of the time when mob violence will entirely disappear in every part of the Union. [Applause.] Many of us have heretofore exerted ourselves to bring about that consummation, and will continue our exertions in the future. And the effort to bring a great public opinion effectively to bear in the attempt to do away with mob violence in the southern country has been in large measure successful. Take my own State of Virginia. In Virginia lynching has decreased and is decreasing.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. SUMNERS of Texas. I yield to the gentleman four minutes more.

Mr. MOORE of Virginia. It is decreasing more rapidly, for instance, than in the State of Missouri. The gentleman from Missouri [Mr. DYER] brings this bill here directing it against the southern States. He is its patron. Yet in Virginia in the period of 34 years ending in 1919, and also in the decade ending in 1919, the record has been better than that of Missouri. In Virginia instances of mob violence resulting in homicide have become so infrequent that we can regard lynching as practically a thing of the past in that State, due to the enforcement of the laws, supported by a strong public opinion.

And what has happened in Virginia is going on in the other Southern States. He must be a very pessimistic American who thinks we will not work the problem out in the manner now pursued and without formal legislation, and he must be a very blind Member of this body who can not see that legislation of this kind is more than apt to increase the offenses that we all desire to do away with. There are strong possibilities in that direction. It is not improbable if this bill is enacted into law it will defeat its declared purpose. It may serve to discourage and weaken the operation and influence of public opinion in upholding and insisting on the enforcement of State laws. There has been a great deal of talk about the constitutionality of the measure. I have no opportunity to discuss that matter now, but shall make a few observations on it later during the 5-minute debate. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. HARDY].

Mr. HARDY of Texas. Mr. Chairman, for eight years I was district judge in the State of Texas. On two occasions I stood with the sheriff in my court to prevent lynching. [Applause.] I know that the white people of the grand old State of Texas oppose lynching and do all that can be done by mortal men to stop it. [Applause.]

I was somewhat gravely impressed by the fact that the gentleman from Wyoming, when he recited the alleged facts of a great number of lynchings, solemnly asked, "What are 'we' going to do about it?" And all his talk was along the lines that we had no other government in the United States to handle or punish crime except the Federal Government.

That is the line of argument of many advocates of the bill. There are crimes, there are evils existing in the States. What are we going to do about it? That same question will be asked when the political exigency calls for another injection of Federal power into the proper sphere of the State's power. Advocates of this bill have admitted that under the principle on which it is based any other crime can be punished by the Federal Government. This bill is shrewdly drawn to apply practically only to the commission of rape, and is aimed specially at the South, because it eliminates any mob violence resulting in death that is not for the punishment or prevention of a crime; so that race riots in the North and in the East do not come within the purview of the bill. If under the heat of that passion which God has planted in the hearts of white men to protect their women some man with his friends takes the life of a fiend in human form who has violated her who is dear to him, this law applies to that man, but we then can have a race riot such as we had in Springfield, Ill., which burned down half of that city's Negro habitations, or in East St. Louis, in the same way, and it does not call for Federal intervention, because the law does not apply.

I hope I shall have time to say just a few other things. Oh, this bill would wake the shades not only of Thomas Jefferson but of Alexander Hamilton himself, if they could but have a consciousness of what is going on. In passing this bill, gentlemen, you break faith with the fathers who founded the Government and formed the compacts between the States. It has been said that the United States is an indissoluble Union of indestructible States. This bill, instead of tending to keep the Union indissoluble, will tend toward the destruction of that Union by the destruction of the States. This is the entering wedge, this is the precedent under which you can pass and justify by analogy any other legislation violating the rights of the States.

The last man on the floor of this House that I expected to see champion this bill was the gentleman from New York, the Hon. BOURKE COCKRAN.

Since the time when Cromwell put his iron heel on the neck of Ireland that great old country, with which we have sympathized, has been struggling to regain the privileges and the rights of local self-government, and I presume the gentleman's heart has beaten in unison with that people. For over 200 years Ireland has struggled to obtain the privilege of local self-government, which we in a moment of political exigency are now proposing to throw away. In this bill we surrender the right of local self-government, and—God save the mark!—the gentleman from New York is for the surrender. Oh, that I could but call the shades of Curran and of Grattan here to the presence of the gentleman from New York [Mr. COCKRAN] and ask them, "What think you of your son from old Ireland?" Has the time come when our States are so weak that they can not take care of themselves? The gentleman said that the South

had solved all their other race problems. Why not then, in God's name, leave them to the solution of this? [Applause.] By this bill you inject the Federal authority into the administration of the criminal laws of the different States, and you have done much to destroy the friendly relations that at present exist between the white man and the black in the South; yes, and you do it in the North, too, because they are going to your homes, they are going to your communities, and you will be confronted with the crime of lynching when after the rape of a fair daughter the irresistible tendency of man to protect his own makes him commit this offense. If you by this law say that you will not leave the punishment of any crime to your own people, but will put it into the hands of the Federal Government, then you will find that you have destroyed the very essence of our Constitution.

Leave aside the question of constitutionality, although I must say that upon that point you have broken faith with the fathers and treated as a scrap of paper the sacred document that I still revere, whether anyone else does or not. It was for local self-government that the world plunged into the Great War. The Serajevo assassination took place, and the little Government of Serbia wanted the right to punish her own criminals. She yielded on every demand of Austria except on the right to judge and try her own people accused of crime. Austria wanted the right to go in and administer justice by establishing courts there, and that brought on the World War. To-day you want to say to the people of Texas, to the people of Minnesota, when a lynching occurs, that the Federal Government will administer the law. That their courts and their people are unfit to try the offenders against their law. I am here to tell you that Thomas Jefferson was right when he said that the gradual absorption into the central Government of the power of local administration was fraught with danger to the liberties of the people, and this law is fraught with vast dangers of that kind. When you subject the heretofore independent judiciary of the States to supervision and to possible punishment at the hands of the Federal judiciary you destroy, if not the last, at least the highest symbol of State sovereignty. Had we guarded and not usurped the powers of the States we might invite adjacent countries to join our Union. But we are proving that we can not be trusted to keep faith once plighted, and Canada to our north wisely prefers to remain with England, who is expanding and confirming the rights and powers of local jurisdictions rather than join the United States and lose her freedom. I warn gentlemen from the North that in the years to come the principles of this bill, if it is enacted and allowed to stand by the courts, will return to plague them. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. LOWREY].

Mr. LOWREY. Mr. Chairman, I ask permission to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LOWREY. Mr. Chairman, it is to be lamented that in a debate on so serious a question as this the ever present and ever deplorable partisan spirit should be aroused or appealed to, and more to be lamented that local or sectional prejudices should come in. Yet I congratulate the House and the country that this particular debate has been rather unusually free from these features.

Every thoughtful man, be he northern or southern, Republican or Democrat, must realize that the mob and the mob spirit as a fact can not be otherwise than hurtful and dangerous, and that the safety of our civilization depends on our getting away from it and attaining a stage in organized society where we can and will punish all crimes, settle all public disturbances, and administer all justice by the strong hand of the law. This principle obtains whether we contemplate the management of an industrial strike, North or South, or the punishment of a Negro for assault on a white, North or South. And these troubles occur in both sections and have been dealt with by the mob in both.

And just here let me say that I am a friend to the Negro, as every true southern white man is. We prefer for him to be a black Negro. If he has the misfortune to be a mulatto, it is not his fault. It shows that his parents, or some of his ancestors, have been guilty of the foulest crime that stains the record of the two races.

There are few questions on which there has been so broad a misunderstanding as on the real spirit that prevails between the southern white man and the southern Negro. Note, please, that I say Negro, and not colored man. I beg no man's pardon for adopting the terminology of B. K. Bruce and Booker Washington, and the ablest and best men generally of the race. You do the race an injustice when you teach them to be insulted at their correct and historic name and the most honorable name by which they can be called.

But back to my thought. I borrow an illustration: The pessimist reads in the morning paper that Bloody Bones got up at 6 a. m. and took the hatchet and split his wife's head open. Whereupon the pessimist begins to moralize, "What is the world coming to? We have fallen upon evil times, when nobody's life is safe. Any man or woman may be murdered any hour, and by the nearest and seemingly the dearest friend or relative." But the pessimist forgets that on that very morning a hundred thousand loyal and loving husbands each got up and split kindling with the hatchet, made the fire, and helped the cheerful and patient wife through the morning work, and sat down and reveled in her love and smiles as she served the wholesome breakfast, and then hurried away to his day's work singing in his bounding heart, "For my bonnie Annie Laurie I would lay me doon and dee." But none of the hundred thousand cases got into the newspapers.

So some people form their whole idea of the race situation in the South from a few horrible things that are paraded under big headlines in the papers. "Pity, 'tis, 'tis true" that these people know nothing of the hundred thousand and more cases that do not get into the papers where white men of financial ability bestow all kinds of patience and consideration upon needy Negroes and maintain between labor and capital the finest spirit to be found anywhere on earth.

As a southern man who has spent more than a half century in a State where the population is less than half white, I say to you, I like the Negro. His spirit, in the country where I live, is generally kindly; his wit and humor are often rich and startling, and his philosophy unique. Take, for instance, the case of Henry, who was just out from serving a three months' sentence in jail. Ed asked him, "Well, Henry, how did you injoy stayin' in jail?" "Oh, purty good," replied Henry, "it ain't much hard, but its mighty constant." Or the life philosophy of the aged minister, the Rev. Tommy Giles, "Now, if a man will consider the latitude of life and not agrieve hissef' 'bout bein' pore, his poreness ain't gwin' to hurt him." Or the superstitious awe of Foster when he protested against being sent on an errand that took him by the church and graveyard at night. "No, suh, I don' 'zactly spec' anything to hirt me, I'm jest kinder sceered somp'n might sort o' jump up in dat graveyard and make me hirt mysef." And, finally, the reasonable conclusion of Arkansas Bill, in his argument with Susan about the elephant. "Dat thing eat hay wid his tail." "Why, you fool nigger, dat ain't no tail." "Well, if it ain't a tail, I don' know what you gwine to call it. It hang down jest lak' a tail, and it curl up lak' a tail, and it shore look lak' a tail to me." "Naw, fool, dat ain't no tail; dat's his trunk." "His trunk? Well den dat little one what he carry back behin' him, I reckon dat's his suit case."

But while the Negro is generally unique, docile, and humorous, yet those who have tried hardest to befriend him know best his weaknesses and have often found in him a preponderance of the animal. This is exhibited in his reckless indulgence of physical appetites and passions, and in a trend toward cruelty, which is seen in the merciless and frequent abuse and beating of his children, and in his savage fights with knives and razors. Out of these two traits has come the crime which has been the prolific source of the lynching evil. Understand, I do not say the crime for which the greatest number of lynchings now occur. Yet southern men know that the foul source from which the foul stream of mob violence flows—in our section—is the crime of rape. But for this crime the stream would never have reached its large proportions. And with the same proportion of black population and the same number of assaults on white women in any other section, much the same conditions would follow.

With a feeling of horror and revulsion, but with a very serious purpose, I refer to one of these unspeakable crimes, the account of which I received from a young man who had lived in my own home, and from other certain sources. The young woman assaulted and murdered was of a family bearing a most honored name. One man of the family has been chief justice of the supreme court of his State, one has been State superintendent of education, and one has been president of a great college, another president of a large national bank, and another pastor of a great church. The young woman was found dead in her home. She lay on the floor with her head thrown back, her white marblelike face, in horrid contrast with the pool of red blood which clotted her hair and in which her head and body lay. The blood had flowed from two great razor wounds, one of which half severed her neck, close up to her chin, and the other, as ghastly and deep down next to her collar bone. Her skirts were torn to shreds by the brutal rage of the author of the crime.

Through the agency of a Negro woman the guilty man was detected. He made a full confession, outlining the gruesome details of the crime. He told how he went into her home to assault the lady, after seeing her husband leave for his day's work. How she fled into the back yard, where he caught her, choked her senseless, and then dragged her back into the house and there committed the nameless deed while his victim was seemingly dead. Then he had gone through the house to see what he could steal. Finding a razor in a dresser drawer he decided he would best be sure she was really dead, lest she might recover and identify him. So he went back and inflicted the two razor wounds, and after that committed the nameless crime again, which accounted for the blood on his clothing, through which he had been detected.

I hesitated, and I beg pardon for afflicting human ears with an account so horrible. But I want Members to realize just what we are exposed to. This occurred in the county adjoining that in which I live; I have known other cases equally as horrible. I want to say that I do not approve of mob violence under any conditions. It is known through my State that for 20 years I have spoken out against it and in many instances have taken issue with papers and public men who spoke in approval of it. I do not speak in defense of the devil in human form who commits a crime like this. No penalty given him in this world could approach adequacy. But I do speak for the men and boys who come together in a mob to execute on him the tortures of a death even less excruciating than he has inflicted on his innocent victim and less excruciating than his guilt deserves. I do not believe that they can witness or take part in such proceedings without having their consciences and their ideals somewhat debased or without coming away a little nearer capable of taking human life than they were before. I at least do not want my boy to have any part in it, and it can not be done without somebody's boys taking part. So I am opposed to its being done at all. It is bad for individuals, bad for public morals, and bad for the cause of law, order, and good government.

Yet I can not find it in my heart to abuse a community that under the shock of crime like this loses control and resorts to almost any measure. And I can not vote for a Federal law to punish the officers of a State or county with dismissal and the whole people with a heavy fine because the people of one community did thus demonstrate an indignation which was in itself righteous. And that, too, when in many cases the bulk of the fine would be paid by people who knew nothing of the lynching till it was over and who were as innocent of it as one of you gentlemen in your home a thousand miles away. What kind of justice do you call that? I call it both travesty and infamy.

I do not believe that a Federal law to penalize the county or State, even if it were constitutional and in accord with fundamental principles, would help matters. Again, if we are going to give somebody $10,000, I have the temerity to suggest that it might be as well to give it to the family of the victim of the rape as to the family of the rapist, and that the officers of a county might as reasonably be punished for allowing a rape to occur as for allowing the mob to occur.

No, gentlemen, we will never cure the mob evil with a law like this. My candid opinion is that we would aggravate it. And we are in a fair way to do this at the cost of the Constitution which we have sworn to maintain.

Mr. SUMNERS of Texas. Mr. Chairman, I yield to the gentleman from Maryland [Mr. LINTHICUM] five minutes.

The CHAIRMAN. The gentleman from Maryland is recognized for five minutes.

Mr. LINTHICUM. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. LINTHICUM. Mr. Chairman, I am opposed to this bill for a number of reasons, but there are three in particular which I shall mention:

First. I believe it to be absolutely unconstitutional and takes from the State its police power, which is practically the last vestige of State rights remaining.

Second. It will accomplish no good, will not prevent mob action, but, on the contrary, will have a tendency to increase the number of those crimes which cause lynching.

Third. It will establish a supergovernment throughout this Union, which the Negro will conclude has been established solely in his interest.

I shall not enter upon the constitutionality of the bill, because, in the first place, I believe it to be so absolutely apparent that discussion is unnecessary, and its constitutionality has been debated by able Representatives and constitutional lawyers on the floor of the House. I am sorry, however, in this connection that the Attorney General's office was called into the hearing. It is regrettable that it had its authorities and discussions so absolutely selected and arranged as to argue upon one side without the consideration of the other at all, and then to indicate that whether the bill is constitutional or not it would be well to put it up to the Supreme Court, showing conclusively the partisan consideration of it by the Department of Justice, when it should have been considered impartially and without regard to politics.

We have for years been drifting too much to Federal control in State affairs and there is but little independent State action remaining save the police power, which is still retained almost wholly by the States, with the exception of that group of men who are traveling the country in an endeavor to enforce what is known as the Volstead Act under the eighteenth amendment to the Constitution. It has been well said that if Congress can validly make this kind of offense a Federal crime, there is no felony or misdemeanor known to the laws of any State which can not be made a Federal crime and impose upon the Federal authority for detection, protection, and punishment. If, then, there should remain any vestige of police power and reserve rights of the States they could also be centralized until nothing remained but the mere name of State's rights; in fact, when the gentleman from Minnesota [Mr. VOLSTEAD], the chairman of the Judiciary Committee, and in charge of this bill, was questioned by the gentleman from Illinois [Mr. MANN], Mr. VOLSTEAD admits that it is his view that if a State does not punish a man for committing a crime, whatever it is and wherever it is, the National Government has the power to do it under act of Congress, if it be maintained that the State had not used due diligence or asserted its power to prevent the crime or to apprehend the offenders.

Note you that the same judge who is to determine the case has jurisdiction over the question as to whether the State has exercised due diligence in the prosecution and punishment for the crime committed. If this be the view of the chairman of the committee, then under that construction of the Constitution certainly all power will have been diverted from the States and centralized in the National Government—the very situation which the framers of our Constitution protested against and endeavored to prevent by the use of all available language in the drafting of the Constitution and its amendments. Allusions have been made to the laws of England upon this subject, but the fact is overlooked that Parliament enacts all legislation for England, and there is no dual government like that of the United States where all powers not conveyed by the Constitution to the National Government are reserved to the States.

I am as deeply opposed to lynchings as any Member of this House. It is degrading to civilized people. No good citizen approves of lynchings or mob violence under any condition, and every Member of Congress is diametrically opposed to such infractions of the law. I do not believe, however, that any good can be accomplished by this bill. It is in thought sectional and aimed at the Southland. I am proud, however, of the fact that some Members on the Republican side are opposed to the measure. I believe the Negro population of our country was awakening to the fact that the protestations of friendship and love by the Republican Party for the Negro were not sincere except at the time of voting. When offices were to be bestowed or special privileges granted, for which the Republican Party is so noted, they were not given to the colored voters who helped to swell the Republican vote. The Negro had begun to realize what he had been told for so many years—i. e., that the white people of the South were his best friends, and after disappointment for lo these many years he was beginning to observe and to vote accordingly, or not to vote at all. The Republican Party is therefore endeavoring to placate this feeling among this large class of its voters.

The gentleman from Missouri [Mr. DYER], with a large colored vote in his district, rushes into the arena, introduces this bill, with the desire to again procure the solid colored vote for the Republican Party. I am convinced that those supporting the bill do not believe it will ever become a law, or if it is passed they do not believe it will stand the constitutional test. They have added a provision which declares that if any portion is decided to be unconstitutional it shall not affect the rest of the act. What if it does not become a law or, if it does, is declared to be unconstitutional? Yet Mr. DYER and his associates can claim they did what they could, and that is all they care for. It is political pure and simple, and I believe will prove a boomerang to those who so insistently demand its passage. If this were all the damage it could do, we might feel somewhat consoled, but it will establish in the minds of the colored population a belief that the National Government has taken them

under special care and protection, that they are immune from State law and are subject to prosecution for the crime mentioned by the National Government alone. I have no doubt but what some Republican statesman, in meeting assembled, with his strong right arm extended, will declare that the great Government at Washington has taken his colored brethren under its special care and protection, and that no longer will he be subject to the laws of the State under which he has been reared, educated, and lived. This will not suppress lynching, but will create race strife, race conflict, race riots, and lawlessness throughout those sections where vast numbers of the colored population live.

I say the Republican Party recognizes that the colored voters are awakening to the insincerity and hypocrisy of its leaders and are enacting this measure as a sop to appease them. They are doing more than this. They are trying to regain them by the offer of appointments to Federal offices. In Maryland they have appealed to President Harding, by letter dated December 13 last, for their appointment. He is urged to put Negroes in office. The situation in the State is declared acute; a substantial recognition for them is requested. The letter was signed by Senators O. E. WELLER and JOSEPH I. FRANCE, Representatives FREDERICK N. ZIHLMAN, SYDNEY E. MUDD, JOHN PHILIP HILL, and A. A. BLAKENEY, State Chairman Galen L. Tait, and National Committeeman William P. Jackson. I insert the letter:

BALTIMORE, MD., *December 13, 1921.*

Hon. WARREN G. HARDING,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: The Republican organization of Maryland is deeply concerned to secure recognition for its colored Republican members by presidential appointment to Federal office.

The well-being of our party in Maryland—its continued advance or retrogression—is largely contingent upon receiving such visible token of recognition for an important constituent element.

An acute situation confronts us. Its gravity was manifested in the candidacy of a colored Republican for United States Senator last year, and an aftereffect was noted in the 1921 election just passed.

The foremost necessity for party recognition of the colored voter in the United States is in Maryland. The following are reasons:

1. About 90,000 colored Republicans of both sexes are now registered in Maryland, approximately 40 per cent of the total Republican registration.

2. Maryland has the largest colored Republican voting strength of any State where colored people actually vote without hindrance and where their support is essential to success. Three desperate attempts to destroy the colored vote by State constitutional disenfranchisement amendments have been heretofore made and defeated.

GIVES RESULTS IN STATE.

3. (a) In 1913 all six Congressmen and both United States Senators from Maryland were Democrats. (b) In 1914 we elected one Congressman. (c) In 1916 we elected two Congressmen and a United States Senator. (d) In 1917 we controlled the legislature on joint ballot, elected a State treasurer, and enacted a party program of legislation. (e) In 1918 we elected three Congressmen, gaining one. (f) In 1919 we came within 165 votes of electing a governor and did elect an attorney general. (g) In 1920 we elected four Congressmen and a second United States Senator, giving us both Senators and four out of the six Congressmen; also carrying the State for Harding and Coolidge by 55,000.

These successive advances prove that Maryland is the only Southern State with a well-organized and active Republican Party. The cheerful and loyal adherence of the colored element has been and is essential to its maintenance and progress.

4. We also call attention to Maryland's Republican national record for 30 years. With every Republican national victory Maryland has gone Republican or split its electoral vote (viz, 1896, 1900, 1904, 1908, 1920) and has elected all Democratic State electors only in the years of national Democratic successes (viz, 1892, 1912, and 1916).

Mr. President, is it logical to attempt to gain States far to the South on the enemy's rear if proper measures are not taken to hold and consolidate the successive gains made by us along the real firing line on the border in Maryland.

SIGNERS ARE DESCRIBED.

The undersigned are members of the Maryland conference, consisting of the national committeeman, State chairman, two United States Senators, and four Congressmen, whose recommendations on Federal appointments have been heretofore received by you, including the request made by us for recognition of colored Maryland Republicans.

An interview with Mr. John T. Adams, chairman of the Republican national committee, was had recently by Senator Weller and State Chairman Tait in behalf of the undersigned on this subject, and Mr. Adams advised that the matter be presented to you.

We therefore feel it our duty officially as representing our party, including its colored members, and each of us personally, to again earnestly urge and appeal to you to grant substantial recognition through presidential appointments of the loyal Republicans of Maryland.

Note that they allege that the well-being of their party in Maryland and its continued advance or retrogression is largely contingent upon such visible token of recognition. Note also in paragraph 1 that they allege 90,000 colored Republicans of both sexes are registered, and that this constitutes 40 per cent of their total registration; in other words, Maryland to-day is represented in the United States Senate and by four Members of this House by 40 per cent of colored votes. Is it not time that the people of our State should awaken to the conditions mentioned in the letter of those distinguished gentlemen?

I wish also to say that since the writing of this letter some five white officeholders have been ousted from the Internal Revenue Service in Baltimore and five colored Republicans appointed to fill their places.

Lynching is rapidly decreasing, and the method to further accentuate this decrease is to my mind by education to eliminate the crime, which causes such outbursts of passion and hatred of the mob. In this work the cooperation of the Negro is absolutely essential. The vast number of our Negro population is just as much opposed to the outrages which are committed as are the white people themselves. In my State they are almost wholly a law-abiding people, and have practically eliminated the crime and its effect—lynching.

It must not be thought, however, that no progress is being made in eliminating lynching in this country. The average number lynched for the first 16 years since 1899 was over 128—the average for the last 16 years has been 65. The largest number lynched during the 16 years from 1889 was 208, in 1892, while for the last 16 years the largest number has been 83. Gradually the States supported by public sentiment and enriched by higher education have improved conditions. Lynching has decreased 50 per cent in the past 20 years. When you realize that lynching has decreased 50 per cent and other criminal affairs in the United States district courts have increased over 80 per cent during the last 10 years, that over 9,000 homicides are now being committed in the United States, that a wave of murder, highway robbery, and grosser crimes have been sweeping over the country, it would seem that we should also bend our energies to the elimination of these evils.

The passage of such an act will establish a supergovernment throughout the Union. It will extend Federal control over all the constables, marshals, sheriffs, States' attorneys, and even the governor of every State in the Union. It proposes to control and punish county and State officials wherever situate, and yet not pay one dollar of their salary for duties performed. This vast army of elected or appointed officials of any State are to be investigated by Federal agents, prosecuted by Federal agents, tried by Federal judges, and face confinement in Federal prisons if it be the decision of the judge.

The police power of the great city of Baltimore, the metropolis of the Southland, will be absolutely subject to the dictation of the Federal Government. If any official on that force should neglect his duty, it would be determined by the Federal judge that the State has not used due diligence in the apprehension and punishment of the mob, which may consist of five or more people; the State authorities may be punished by the Federal judge, who also would judge as to whether or not the State has used due diligence.

Under this bill a State or municipal official charged with the duty, or who possesses the power or authority as such official to protect the life of any person that may be put to death by any mob or riotous assemblage, or who has any such person in his charge as a prisoner, and neglects, in the opinion of the Federal judge, to make reasonable effort, or any person participating in a mob causing death of prisoner, may be imprisoned for five years or pay a fine not exceeding $5,000, or both. Any county in which a person is put to death by a mob shall forfeit $10,000, which sum may be recovered for the use of the family. If such forfeiture is not paid by the county upon recovery of a judgment therefor, the court shall have jurisdiction to enforce payment by execution upon any property of the county, or may cause, levy, and taxation therefor. Therefore a county of 10,000 people may be sleeping soundly in their beds, a crime may be committed, and five men who, perhaps, beheld the assailant in his criminal assault may apprehend him, lynch him, and yet that county is subject to $10,000 fine, and the people are compelled to pay it by taxation. They absolutely deplore the occurrence, have had nothing to do with it, the county may be the most orderly in the country, and yet be subject to this fine.

I can not imagine any bill more drastic and fraught with so many dangers as this. Certainly the wildest imagination of those fathers of our country who believed in a central Government could have imagined anything of a more centralizing nature than this proposed act.

I can not believe that in the final analysis the party now in power will barter the sovereign rights of 48 independent States for political preferment, and if they do, I have an abiding faith that the Supreme Court of the land will not allow such absolute disregard of the powers reserved by the States under the Constitution.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. DOWELL].

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. DOWELL. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. DOWELL. Mr. Chairman, the bill under consideration should pass the House. It is intended to apply to every State and community.

Our Government, under a Constitution and laws, has provided for a trial and punishment for the commission of all crimes and misdemeanors, and every citizen under the Constitution and laws is entitled to a fair and impartial trial. If he be innocent, he should be acquitted under this law. If he be guilty, he should be punished as provided by law.

Mob law has no place in American institutions, and has no place in civilized society. The report that more than 3,000 persons have been lynched in the United States is a reflection upon our civilization.

Everyone who has spoken upon this bill has denounced the mob and mob law, and it is the unanimous opinion that lynching is a crime and a blot upon civilized society.

Our friends on the other side of the House, however, who openly denounce the mob and mob law do not approve of the method suggested in this bill to stop it. In fact, they apparently do not approve of any method by our Government to assist in blotting out this crime. They claim that any effort on the part of our Government to interfere is unconstitutional, and they raise their hands in holy horror that our Government should attempt to interfere in the punishment of this crime in the various States. Now if you really want to stop lynching pass this bill.

You will recall a few years ago when this same argument was directed with equal force against the national child labor bill then under consideration in the House. The bill passed the House, however, and became the law of the land, and has been of great benefit to our people. At the time this bill was unmercifully denounced as unconstitutional and interfering with the rights of the State.

The constitutional question involved in that bill was the same as the question involved in the Dyer antilynching bill.

The constitutional authority of Congress to pass the bill under consideration, it seems to me, was clearly set forth by the gentleman from Massachusetts [Mr. DALLINGER] in the citation of the case of Ex parte Virginia, and I quote from this opinion of the Supreme Court of the United States the following:

> A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision, therefore, must mean that no agency of the State or of the officers or agents by whom its powers are exerted shall deny to any person within its jurisdiction the equal protection of the laws. Whoever by virtue of public position under a State government deprives another of property, life, or liberty without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State, and is clothed with the State's power, his act is that of the State. This must be so, or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or to evade it.

Lynching has been tolerated in the United States already too long. The time has arrived when it must cease. It is plain to all that it will not cease without the use of the strong arm of the Federal Government.

I earnestly hope this bill may pass, and it should receive the unanimous sanction of this House. [Applause.]

Mr. Chairman, I yield back the remainder of my time.

Mr. VOLSTEAD. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. GRIFFIN].

The CHAIRMAN. The gentleman from New York is recognized for 15 minutes.

Mr. GRIFFIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. GRIFFIN. Mr. Chairman and gentlemen of the committee, it has been very difficult for me to bring my mind to the support of this measure. Brought up in a school of political philosophy which draws a very distinct line of demarcation between Federal and State functions, I have found it difficult to assent to the invasion of State sovereignty which in some degree it will inevitably entail. But my respect for State sovereignty is necessarily bounded by the limitation that States must respect the Constitution of the United States.

I do not propose to consider the question before us from a racial standpoint. It is not a race question. Having lived in the South, it is difficult to assent to the proposition that the Negro in that section is as harshly treated as is so often represented. In my experience I have found our southern brothers and their colored neighbors living together in peace and amity. There has been, and I believe there still is, the greatest good will among them.

The occasional outbursts of indignation against the most heinous of all human offenses can not help but be looked upon with indulgence by any man who has the red blood of true manhood coursing through his veins. But while abhorring the crime and despising the criminal, we can not help but perceive the manifest dangers of trial by a mob instead of by a judge and jury.

We can not help but perceive the pitfalls of mistaken identity and the inherent unfairness of trying any man, whatever the charge against him, without giving him the opportunity to appear before the regularly constituted courts of our country protected by all of the safeguards provided by our Constitution, of being confronted with the witnesses against him, having the opportunity to procure witnesses in his own defense, the aid of counsel and a fair trial by a jury of his peers.

We can not help but feel that every instance of lynching demoralizes the participants, lessens their respect for law and order, and opens the pathway to a repetition of such summary measures of punishment where the provocation may not be so grave or tormenting.

Two wrongs can not make for right, and whatever the provocation the first duty of the citizen is respect for the laws of his country, which are, as they ought to be, predominant and superior to the laws of the jungle.

When a mob gathers in order to inflict condign punishment upon a criminal in any community the perpetrators of this form of justice do not ride with masks, but in the open daylight, followed by a crowd of admiring men, women, and children. What a baleful influence must that necessarily exert upon the moral fiber and stamina of the community.

I think that it is a fatal error on the part of my colleagues on this side of the aisle to take a stand in opposition to this measure. I know, of course, that it is not their desire to stand as defenders of lynching. That is sufficiently denied here upon the floor by every man who has spoken against this measure. They do not believe in lynching, but the misfortune is that they do not believe in stopping it. I think also that my friends on this side of the aisle are rather too sensitive to the implications contained in this measure. They consider it as a blow at the South. It may affect the South in greater degree—that is, in the number of cases involved—but the truth is that lynching has become a national habit and has permeated every State in the Union with the exception of six. I am sorry to say that the names of the six States on the honor roll do not include my own. The States with a perfectly clean record in upholding the law are Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Utah. The bill therefore is not directed at the South. It can not even be said that it is especially intended for the protection of the colored men of the South, because lynching has gotten to be such a habit that white men are lynched, and it can not be said that lynching is resorted to only in cases of rape and crimes against womanhood for only 20 per cent of the three thousand and odd cases in the last 30 years were for such crimes.

The rest were for various other offenses; and there, gentlemen, is the danger. You may talk as you please of these atrocious crimes and present harrowing pictures of women wallowing in their blood after assaults of this character, but that is not relevant nor convincing. Once indulge the passion for the gravest crime and you open the door to the usurpation of that authority by mobs for lesser offenses which may happen to arouse their indignation.

I am glad to see that many southern papers take an indulgent attitude toward this bill, that they are not so sensitive or so high strung as are many of my colleagues. They are the Atlanta Constitution, of Georgia; the Jacksonville Times-Union, of Florida; the Albany Herald, of Georgia; the San Antonio Express, of Texas; the Dallas Morning News, of Texas; the Dallas Journal, of Texas; the Bristol Courier, of Virginia; the Chattanooga Times, of Tennessee; the Elizabeth City Independent, of North Carolina; the Greensboro Daily News, of North Carolina. When southern papers of the standing of these take a friendly view toward this measure I question whether my colleagues are echoing the intelligent, sane sentiment of their constituency in opposing this step toward the enforcement of law and order, and I question very seriously the wisdom of their attitude in trying to ingraft such ideas into the structure of the Democratic Party. To make opposition to this legislation the test of loyalty to Democratic principles would be "the most unkindest cut of all," and perhaps the most futile and ill-considered act of party leadership in the past 30 years. I warn you that Democrats of the North can not be dragoned into such policies.

Democracy need make no compromise with race prejudice. If you want to detroy the Democratic Party in the North just

hitch up with such reactionary policies and the deed is done. The Civil War is over, and Copperheadism is as dead as Vallandingham.

I venture to suggest to my friends on this side of the aisle that the best policy to pursue is to get in line behind the Constitution and support the fourteenth amendment with the same enthusiasm that you have manifested in the enforcement of the eighteenth amendment.

The prolonged argument on this bill has actually degenerated into a quasiconstitutional defense of the inalienable right to resort to lynch law.

It is marvelous how keen we become in the interpretation of the Constitution when some impending law threatens to tread on our prejudices.

I was somewhat inclined that way myself when the Volstead Enforcement Act was before the House, and I notice that the men who are now conspicuous in shouting for States rights and the sacred police power of the sovereign States were very willing at that time to surrender all their cherished rights to the Federal Government. I warned my friends at the time of what they were inviting, in a speech on this floor, but the warning fell on deaf ears.

The crucial point really seems to be: "Whose ox is gored."

They surrendered their police power then, and the Supreme Court of the United States has ratified their act, so that now there is not enough left of the police power of the States to put through the eye of a needle.

We ought not to refrain from exercising our prerogatives as a legislative body simply because the charge of unconstitutionality is flaunted before our eyes. This is the easiest criticism to urge and the hardest to answer before the issue is adjudicated. Even though the criticism had a modicum of merit, the wisest course is to proceed with the legislation and leave the issue to be contested before the proper tribunal by those who were willing to put their prophetic powers to the test.

The protection of the law means security and the burden is thus imposed upon the individual States to make and enforce laws to render life and liberty and property secure. To secure these objects, the mere enactment of laws purporting to protect the citizen in these fundamental rights is not sufficient unless they are enforced; so that enforcement of the laws is even more vitally essential than the passage of such laws.

LAW AND ENFORCEMENT GO TOGETHER.

But what I am most solicitous about is the answerability of our Nation to other Governments in cases where its nationals are abused or murdered by mob frenzy. There have been such cases, you know, and the Federal Government has had to stand in the pitiable situation of admitting its powerlessness over the States.

Either we are a nation or a loose confederacy or an association of nations.

It is in effect now, maintained by our hypercritical experts:

1. That the States are doing their best to abolish the practice.

2. That even though they fail, the Federal Government has no interest in the matter.

Therefore the Federal Government has no right to interfere.

I shall show that both of the premises upon which this conclusion has been reached are fallacious.

As to the first premise:

There were 63 lynchings last year. The States where they occurred were evidently impotent to prevent them. Further than that, they made no attempt to apprehend or punish the lynchers.

The perpetrators of these brutal and barbarous crimes carried on their inhuman practices unmasked, often boldly in the broad daylight, with no attempt to conceal their purpose, their persons, or their proceedings.

The participants were even applauded in their respective communities. They were held up as heroes, upholders of the chastity of womanhood and of white supremacy.

Without the spur of popular disapproval there was no incentive to punish them and any district attorney or prosecuting officer who ventured the task would be the most unpopular man in his community. If he performed his sworn duty he would never be reelected and would sink into obloquy and obscurity. Under such circumstances it is mere trifling with our intelligence to say that the States addicted to this vicious practice are doing the best they can. They can never assert that they are doing the best they can until the communities disgraced by this scourge are educated to the honest conviction that the man or men who take the law in their own hands, even for the most laudable of human impulses, are guilty of an unpardonable crime against law and order which are the most cherished of the institutions of our country.

As to the premise, upon which so much emphasis is laid, that even though the States fail in their duty to abolish lynching the Federal Government has no interest in the matter, I wish to submit these observations:

First, the Federal Government is the Government of a nation. It is under the obligation to protect its citizens in those inalienable rights of life, liberty, and the pursuit of happiness promulgated in our Declaration of Independence, and which, even earlier than that, were foreshadowed in Magna Charta, where we find them expressed in these words:

To none will we sell, to none deny or delay, right or justice.

So deeply were these words embedded in our traditions that the very first Congress held after the adoption of the Federal Constitution proposed to the legislatures of the various States the first 10 amendments, which have become generally known as the American Bill of Rights.

It is more profitable to study these basic principles than to attempt an analysis or comparison of conflicting judicial decisions, which, after the most tedious research, only establish one point, namely, that Federal offenses are triable by Federal courts. And that is practically what we would expect; so that our inquiry only leads us back to where we started. The real point is: What offenses may be made a Federal crime? Is it not obvious that any offense that flouts the National Constitution is per se a subject of Federal legislation? Of what value are the guaranties of the Constitution unless Congress has and asserts that power?

We are controlled by the Federal Constitution. Where that forbids a State to do or not to do certain things Congress clearly has the power to enforce such provisions by appropriate legislation. The sole question is whether, where the Federal Constitution forbids an individual to do or not to do certain things, Congress likewise has the power to provide for enforcement.

The question raised in this debate hinges on the fact that in the fourteenth amendment the prohibition as to interference with life, liberty, and property is directed against the State and not against the individual. Therefore, it is agreed that if an individual or individuals trangress those rights, the offense is one to be handled by the police power of the States in the courts of the States and not by Federal officers in Federal courts. No one can dispute that. But on the other hand, it can not be reasonably doubted that if the States deprive an individual of life, liberty, or property, the offense is properly a subject of congressional action and by proper legislation may be made the subject of trial in the Federal tribunals.

This is precisely what is done in this bill. It appearing that States do not properly protect the citizen in his constitutional guaranties of life, liberty, and property, Congress proposes in this measure to impose certain penalties on the States offending. In so far therefore as this measure punishes the State, no voice can be justly raised against it. The bulk of the opposition is based on those paragraphs in the bill where provision is made for the punishment of individuals who participate in mobs or actively conduct the lynching. Participants (lookers-on) as well as actual executioners are stamped with infamy and made amenable to punishment.

While these paragraphs of the bill have my hearty moral support I believe that they can not, in view of the decisions, be justified by the fourteenth amendment. They can, however, be amply justified by the fifth and sixth amendments, to which in this debate, no attention seems to have been given.

The fifth amendment merits our attention now, because among the rights guaranteed to all persons in the land are these:

No person shall be held to answer for a capital or otherwise infamous crime unless on a presentment or indictment of a grand jury—

And so forth.

This is one of the guaranties which individual lynchers violate. Then there is also this further guaranty:

No person * * * shall be deprived of life, liberty, or property without due process of law.

Here, you will notice, is no interdiction as to the State, nor limitation of any kind. The language is, "No person shall be deprived" of the rights in question. Inferentially, then, they shall not be deprived of their rights either by the State or by individuals.

The sixth amendment to the Constitution reads:

In all criminal prosecutions the accused shall enjoy the right to a speedy and public trial by an impartial jury * * * and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor; and to have the assistance of counsel for his defense.

Where are these rights ever known to be accorded to the victim of a lynching party? If they are not, the State is justly entitled to bear the blame. It has the duty imposed upon it to provide a safe place for the incarceration of its prisoners.

It has the duty imposed upon it to employ sufficient guards, men who will lay down their lives if necessary, to protect their charges.

If the State fails in these duties, it is justly chargeable with responsibility under the fourteenth amendment. But since the courts have construed this amendment so as to shift the responsibility from the State to the individual offending, there is no recourse now for Congress but to accept the invitation contained in the fourteenth amendment and enforce, "by appropriate legislation," the guaranty in question, making it certain, beyond peradventure, that States shall not escape their just responsibility by winking at and throwing the blame on the individual. That is the gap in the law that must be stopped.

"But, oh," it is said, "the Federal Government can not go into the various States and punish men for murder." Of course not. The Federal Government would not go into the States to punish for murder; they would go in to punish lynching. Lynching is not murder. It may involve murder, but it is more than murder. It is defiance of the law. If we were to punish a man under this proposed law for usurping the roll of executioner at a lynching bee, the indictment would not be for manslaughter, it would be based on his defiance of the United States Constitution under the terms of the law thus provided for its enforcement.

The right to lynch is no more nor less than the assertion of the right to usurp the functions of government and to nullify every guaranty embedded in our National Constitution for the preservation of civilized society. It creates for the time being a supergovernment under which all constitutional safeguards are cast aside and the recognized, duly elected, or appointed officers of the law are flouted, insulted, and ignored. This is the empire within an empire set up by night riders and Ku-Klux regulators. It has no limit, and may, as often, be resorted to to revenge a private score as to punish an actual offender. It is a dangerous menace to our country.

The lynching spirit is doubtless responsible for the inception, revival, and growth of the Ku-Klux Klan. It would seem that the men who take delight in that sort of regulating were anxious to give an atmosphere of sanctity to their viciousness. They hypocritically based their ritual on respect for the American Constitution and for the flag which they dishonor. Another pretense is solicitude for the protection of female honor, although only 20 per cent of the recorded lynchings are traceable to crimes of that nature.

No man can be a citizen of this secret, invisible empire and be a good citizen of the American Republic, for, though he may pretend allegiance and great love for America, his professions are utterly negatived by the indirect, but nevertheless clear, implication that the citizens of this secret empire have no confidence in the American Constitution or in the established laws to punish crime, protect persons or property, or otherwise achieve good government. The very existence of this empire is, therefore, a direct impeachment of the wisdom, the virtue, and the adequacy of American institutions and laws.

Mr. SUMNERS of Texas. I yield to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman, of course, it is impossible to fully discuss this question in the time allotted to me. Up until the last speech this has been a real debate, and I do not know that I can add much to what has already been said. It has been a debate involving constitutional questions. But the last speech was by all odds a speech on a very much lower plane than that on which the debate has heretofore been pitched. [Applause.] It was filled with gratuitous insults upon the South and southern people. He knows nothing about the question. That was evident from his remarks. Of course, we all know that his remarks are made for home consumption and to capture a few Negro votes. But this speech was a departure from the rule in this debate. Those who are opposed to the passage of this bill have conducted a real debate. The speeches are illuminating and convincing.

But I have been struck with one thing about this debate. I have not heard one single human being who advocated this bill express one particle of sympathy for the victim who suffers most in the event of lynching for the crime of rape. Not one particle of sympathy seems to have gone out for the people who have suffered more pangs of pain than the brute who has been mobbed.

I want to say to the gentleman who has just taken his seat that there is less race prejudice in the South against the Negro than there is in his own country. But I want to say to him and to you that it is race knowledge and not race prejudice. Go into San Francisco and if a Chinaman goes into the Palace Hotel there is a race riot. "Get out of here; we won't stop with a Chinaman." That is your race problem in San Francisco. Down in New Orleans if a Chinaman goes to stop at a hotel there would be nothing but a little curiosity, but you let a Negro go into the St. Charles Hotel, and you have immediately a race riot. It is race knowledge and not race prejudice.

Now, I know that there is not a man on this floor who has among the Negroes acquainted with him more friends than I have. I work them on a little plantation which I own. All these Negroes are my friends. But I will tell you what I do not want; I will tell you what I am not going to have; I will tell you what every good white man on this earth will not have—I do not want him as a son-in-law and I do not want her as a daughter-in-law. [Applause.] Not one of you who will vote for this bill would be proud of a Negro grandchild. No; you hang you heads in shame even at the thought of it.

Any man who gets up on the floor of this House and endeavors to play national politics with this question is not sincere; not one of you will rise up in your seats and deny that proposition. The man who does it is a common enemy to the white race. Sir Benjamin Kidd, in his history of Social Evolution, says it is implanted in the heart and mind of the Anglo-Saxon, the Scandinavian, and, in fact, the entire white race to preserve the purity and integrity of its blood, and that is God-given knowledge and not prejudice. It is implanted there for the preservation of the best of the race, if it is to survive. There is no nation in the world that has ever grown to a first place that has not maintained this rule. Every nation that has departed from it has decayed and died. We of the South are fighting the battles of the white man. You who are supporting this bill are traitors to the white race. We are fighting to prevent the destruction of our white civilization. You who vote for this bill are destroying our white civilization. If this Republican side were filled up with good white women from the North, there would not be a vote in favor of this bill. You who vote for this bill are selling your white birthright for a mess of black political pottage.

Now, I do not care how much you legislate, you can never do any good by this kind of legislation. You will not save the life of a single rapist, but will cause many rapes to be committed. There never was a more cruel, there never was a more false, there never was a more heartless piece of legislation attempted to be forced upon the people—that is, the good people of both races. In the first place, if you go into the Federal court you have got to take your jury from the intelligent people of the State, and the same people that enforce one law will enforce the other. Not only that, if you are worthy of being white men, if you are worthy of that magnificent ancestry of yours, there is not one of you who will go home to your wife and children and say that you believe in social equality. You would not do it, and you know you would not. No; not one of you will go back to your white constituents and say, "I am proud of my vote on the anti-lynching bill." If you are not ashamed of it you ought to be.

Mr. Chairman, the proponents of this bill have made a poor showing in the debate from a lawyer's point of view. If their speeches represent the view of their constituents, then our Constitution has indeed fallen in the estimation of the people, and that instrument which our fathers held to be almost sacred has now no friends. Mr. Gladstone thought this instrument was the greatest state paper of all time and said that it was the greatest state paper ever struck off by a body of men. Oh, gentlemen, it is the palladium of your liberty and mine. Thank God, one voice is still left up in New England that has the courage to lift itself in protest against this outrage, that of the gentleman from Maine [Mr. HERSEY]. His position and his speech against this bill have the ring of the statesmen of old, those great men who have helped to make the Republic great and illustrious. There is one other Member, hailing from the great West, who rises up from the broad prairies of his State like a mighty Pelion of power from among the warts of weakness and demonstrates his great ability as a statesman and his great courage as a man, and this is the gentleman from Nebraska [Mr. REAVIS]. If this House were filled up with men like these our Republic would endure and our Constitution would be our shield and buckler, protecting our liberties and freedom for all time.

I will not, Mr. Chairman, go into every phase of this great question, because that has been done fully and completely by others, and they have with more ability than I possess demonstrated the unconstitutionality of this bill. I can not better state the case than to quote from the able speech of the gentleman from Maine [Mr. HERSEY]. He said:

The longer this bill is studied, the more the lawyers in this Congress investigate the decisions of the courts the less support the bill will have; however, in my opinion no lawyer in the House that approaches this bill with an unprejudiced mind and has not previously committed himself to colored constituents and is free from fear or coercion in the

performance of his duty, can arrive at any other conclusion but that this bill stands without any support whatever in the Constitution or laws of the land, and that it attacks the very foundation of a republican and constitutional form of government like ours, and further, that its enactment would be the entering wedge to the destruction of the rights of the common people in every State of the Union.

Yea, verily, Mr. Chairman, it does mean the destruction of the great Constitution and the Republic of our fathers, which means the destruction of the rights of the common people. Why, sirs, if the Supreme Court should hold this bill constitutional, then, indeed, will all power be held to be within Congress, and Congress alone will determine the scope of its own power. There will, in fact, be but one government, and that will be a monster here in Washington, where all State rights and all State laws are to be abolished and the people are to be ruled by Federal agents, Federal marshals, Federal judges, edicts of Presidents and Federal troops, and every vestige of State government destroyed.

If Congress can say that when five or any number of men commit a crime and the State fails to prosecute them Congress can take jurisdiction and pass a law to try and punish them, why not four or three or two or one? And if for killing a Negro, then why not for killing a white man? If for murder, then why not for any other crime? Such is their logic. The gentleman from Ohio [Mr. BURTON], who, as Mr. HERSEY says—

has a large organization of colored voters that pay no attention to the rights of Congress to enact this legislation, whether right or wrong, legal or illegal—

and so forth, admits that the Supreme Court has up to date held all legislation like this unconstitutional, because he is familiar with the decisions, yet he supports the bill. To justify such a course, he contends that the Constitution is a living thing and is growing. Such a contention is, of course, absurd, but it shows to what length Republicans will go to support this bill. They claim that they promised this legislation during the campaign, and I suppose they did, to hold the Negro vote. They are now paying that political debt, though it costs them the Constitution and causes them to violate their oaths of office. What is this to a Republican when in a campaign and what does the oath of office amount to when in office? So, constitutional or unconstitutional, oath or no oath, they are going to pass this bill through this House. Many of them know that the bill is not constitutional. But, in my judgment, it will avail them nothing.

It, of course, is unthinkable to even imagine that the Supreme Court will hold this bill to be constitutional. Yet if such legislation is held to be constitutional by the Supreme Court, then our Federal system has been destroyed by Congress, and the Constitution, which Congress has sworn to uphold, will be destroyed by the very men sworn not to destroy but to uphold it. Some Congressmen try to avoid all responsibility of passing upon the constitutionality of a bill by saying, "Oh, well, if it is unconstitutional the Supreme Court will so hold," and deliberately vote for measures that they know to be unconstitutional. Such men are common liars and perjurers. The fathers adopted a most solemn oath to prevent this very thing being done. Here is the oath that every Congressman and Senator must take:

I, A. B., do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

Under this very solemn oath every Congressman is just as much bound to uphold the Constitution as any member of the Supreme Court. So, without any Supreme Court decision, each of you that vote for this bill violates that solemn oath, even though you try to avoid it by passing the responsibility to the court. But what can you hide behind when the Supreme Court has repeatedly held such legislation unconstitutional? This debate has clearly shown that the Supreme Court has at no time even intimated that such legislation would be tolerated. [Applause on the Democratic side.]

Mr. Chairman, the only clause under which anyone contends that this bill is constitutional is the fourteenth amendment. This, to my mind, is not only untenable but absurd. This amendment is directed against the State and not individuals. The amendment was intended only and solely for the purpose of requiring the State, as a State, to give the Negro the same rights that it did the white man; the same right to hold property, the same legal protection of life, the same right to trial by jury, the same right to be confronted by his witnesses, and so forth. In other words, the amendment was directed against the State legislatures for the purpose of preventing them depriving a Negro of equal protection of the law with the white man by making one law for the white and one for the Negro. When the State laws do give the same rights to each, then the fourteenth amendment has been complied with. If you will read the debates in Congress at the time the amendment was agreed to and submitted to the States for ratification, you will be convinced that those who supported and passed the bill thought they had so drawn it as to prevent Congress assuming jurisdiction of the individual within the State. They thought that they had so drawn the amendment as not to permit Congress to destroy the States. This is conceded by every lawyer in the House. But it is argued by some Members not lawyers that, as the State can not act except through individuals, when the State or any subdivision thereof elects one of its citizens to an office, then if that citizen acts contrary to the fourteenth amendment, Congress can reach such officer and punish him. I deny that this is sound, because if he acts in accordance with the laws of the State he is protected and can by so doing be guilty of no crime. If the law under which he acts is in conflict with any provision of the Federal Constitution, that law can be declared unconstitutional. The party injured could have the right to go into court and raise the question of the State's right to enact and enforce such a law under the Federal Constitution. Now, for example, suppose a mob should take a Negro from the sheriff or jailer in whose legal custody he was, this bill seeks to take jurisdiction of the case and to have the mob indicted in the Federal court because such Negro did not have equal protection of law. If the sheriff connives or consents to turn him over to the mob, then the bill seeks to reach the sheriff and make him guilty of murder.

Now let us look at the first question, that of dealing with the mob. If the State law makes each member of the mob guilty of murder, whether the person is black or white, then there has been no discrimination on the part of the State. He has had the same protection of the law. The people of the State have, through their political agents in the legislature, given equal protection of law. The law deals with white mobs just as it does with Negro mobs. The law of the State gives the Negro mobbed the same protection of law that it gives a white man. It makes every man in the mob guilty of murder—makes him a criminal. Oh, you say he is not punished. But that still is not the State's fault. It is the fault of individuals. If they fail to do their duty, then they, too, become breakers of the State law. A failure to seek out and punish the mob will not give jurisdiction. If it did, then a failure to punish for any crime would give the Federal Government jurisdiction.

Now take the second proposition, when the sheriff does not protect his prisoner who is a Negro and without resistance permits him to be taken and mobbed. Here the sheriff has violated the law of the State and is a criminal under the State law. The State has done all that it can do to protect the Negro. The State has given the same protection to both white and black under its law, for there is no black statute and no white statute. It does not mention white or black, but the sheriff is guilty of the same crime whether the prisoner is white or black.

Neither the State nor Federal Government can be bound by the laches or crimes of its officers. Chief Justice Waite said in Hart *v.* United States (U. S. Repts., 95, 318):

The Government is not responsible for the laches or the wrongful acts of its officers.

Also see Gibbons *v.* United States (18 Wall, 269), United States *v.* Kirkpatrick (9 Wheat., 720), United States *v.* Vanzandt (11 id., 184), United States *v.* Nichol (12 id., 505), Jones et al. *v.* United States (18 Wall, 662). This has been and always will be the law. Judge Story says in his work on Agency, section 319:

The Government does not undertake to guarantee to any person the fidelity of any of the officers; that would involve it in all its operations in endless embarrassment and difficulties and losses which would be subversive of the public interest.

This language of Judge Story is now the law, for Mr. Justice Miller, in Gibbons against United States, quotes it with approval and as a part of the court's decision, and, further, in the same decision the court says:

The general principle which we have already stated as applicable to all governments forbids, as a policy imposed by necessity, that they should hold themselves liable for the unauthorized wrongs inflicted by their officers on the citizens, though occurring while engaged in the discharge of official duties. If an officer or agent of the State in violation of law commits an act to the injury of the citizen, it is an act beyond the scope of his agency, unauthorized by his principal, and the State is not liable therefor to the party injured.

Chief Justice White (91 U. S. Repts., 398) says:

Laches is not imputable to the Government in its character as sovereign by those subject to its dominion.

I could multiply decision on top of decisions, but this is sufficient to convince anyone not a lawyer of this well-fixed and

certain rule of law. Every lawyer already knows this except the political lawyer here on this floor.

Mr. Chairman, I want to call the attention of the House to the opinion of Branon of the fourteenth amendment in his work on the Constitution, page 108. He says:

It is hardly necessary to say again that the amendment does not touch the case of the individual or mob murder, as it deals not with acts of individuals but only with action by the State through its authorities. Such murders by individuals or mobs are to be dealt with only by the States.

My colleague from Mississippi [Mr. COLLINS] in his magnificent speech on this subject in his colloquy with Mr. CAMPBELL of Kansas correctly stated the law that has and will govern the court in all cases arising under the fourteenth amendment. The colloquy is as follows:

Mr. COLLINS. In the case of United States against Thompson et al., decided January 3, 1922, the court held that the United States Government was not liable for the torts of an agent. By the same reasoning neither can the acts of a lawbreaker be regarded as the acts of a State. The State defines certain acts to be crimes. It condemns them. These acts are not the acts of sovereignty.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. COLLINS. I will.

Mr. CAMPBELL of Kansas. Suppose he merely neglects to take the precaution that is necessary to protect the prisoner in his custody, then what does the gentleman have to say with respect to liability?

Mr. COLLINS. I was going to get to that in a little while, but I do not mind answering it now. There is no denial of equal protection of the law, because he has given to the man in his custody the same protection that every other prisoner has had. Everyone has the same protection, and all the Constitution guarantees is the same sort of protection for every man in his custody.

Mr. CAMPBELL of Kansas. Suppose it is shown that the man charged with murder or rape happens to be a white man who six months before had been arrested by him was in his custody, and while there were a good many threats made, yet his attitude was such that no assault was made on the prisoner in his charge.

Mr. COLLINS. The gentleman assumes he did nothing but his duty. Of course, he has violated no statute.

Mr. CAMPBELL of Kansas. But in the one case he did his duty and in the other he failed to protect the prisoner in his charge.

Mr. COLLINS. If he did his duty, the State has not denied the equal protection of the law. If he failed to do his duty, he can be punished by State authorities.

Mr. CAMPBELL of Kansas. If I have not succeeded in making myself clear, my question is this: In the one instance, his action resulted in protecting the prisoner in his charge, and in the other instance, his action failed to protect the prisoner or his inaction failed to protect the prisoner.

Mr. COLLINS. Of course, we all know that States, through public officers, can not keep people from committing acts of violence. All in the world that the last clause of the first section of the fourteenth amendment does is to prevent a State from denying to any person the equal protection of its laws. In other words, it condemns State action that does this and not individual action, and the law is that when an officer does something in violation of a State law, then his action is that of an individual and not that of an officer. If the gentleman from Kansas went downtown and got drunk, he would not be acting as a Congressman of the United States, but as an individual, as a citizen. Anybody who is a lawyer and familiar with the decisions knows this.

Mr. CAMPBELL of Kansas. The Constitution guarantees the equal protection of the law.

Mr. COLLINS. It does not.

Mr. CAMPBELL of Kansas. It guarantees that no State shall deny equal protection of the law.

Mr. COLLINS. That is right; that is the way it is.

Mr. CAMPBELL of Kansas. In the question I put, in the one instance the officer gave the protection of the law to the prisoner in his charge, and in the other case he failed to give that protection.

Mr. COLLINS. The State did not violate any provision of the Constitution in either instance. The same officer gave to every prisoner within his jurisdiction the same protection, the identical protection, and equal protection.

Mr. CAMPBELL of Kansas. In one case he protected the prisoner from the mob.

Mr. COLLINS. In the one case murder was committed and in the other murder was not committed, but the State did not commit the murder. Some lawbreaker did it, and lawbreakers are not agents for the State. States operate through legislatures, through the courts and other public officers, and only through them. States do not operate through reckless or lawless individuals, and when an officer violates the law he is not acting for the State, but as an individual. If the gentleman will read the cases he will see that that is correct.

Mr. CAMPBELL of Kansas. I have evidently failed to make my point clear to the gentleman.

Mr. COLLINS. No; the gentleman has not. I understand it thoroughly.

Mr. CAMPBELL of Kansas. Then, the gentleman has not answered my question. The officer in both cases represents the State.

Mr. COLLINS. Not when he does an unlawful act.

Mr. CAMPBELL of Kansas. He is in charge of the prisoner in both cases.

Mr. COLLINS. Sure, and the State law requires him to protect the prisoner.

Mr. CAMPBELL of Kansas. But in the one instance he protects the prisoner and in the other he does not.

Mr. COLLINS. Then he has violated the State law and the State can punish him, but the Federal Government can not, because it is a State matter.

Mr. CAMPBELL of Kansas. The fourteenth amendment guarantees equal protection of the law.

Mr. COLLINS. To whom?

Mr. CAMPBELL of Kansas. To all people.

Mr. COLLINS. No; it does not. The gentleman ought to be ashamed to say that. The fourteenth amendment addresses itself to State action and not to individual action.

Mr. CAMPBELL of Kansas. I think after the semicolon it addresses itself to the sheriff.

Mr. COLLINS. The gentleman can not cite a single case to uphold him in that. If the gentleman will get Rose's Notes, he will see that after the word "nor" "any State" is added. If the gentleman will examine any of the cases, he will be driven from such a conclusion. Even a reading of the amendment will show him this. It is pure ignorance for the gentleman to talk otherwise.

Mr. CAMPBELL of Kansas. At least I am not prejudiced in the matter.

Mr. COLLINS. And neither am I. If I thought the bill would do a single particle of good, I would vote for it; but I know better than that.

Aside from all this, there has been no denial to any person the equal protection of the laws provided for in the fourteenth amendment, because the States have not, in fact, accorded prisoners that have been lynched other and different protection than that accorded other prisoners. All that is required by the Constitution is the same kind of protection, or equal protection, and this has been given.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Yes.

Mr. CAMPBELL of Kansas. Could a State be liable for inaction?

Mr. COLLINS. Of course not.

Mr. CAMPBELL of Kansas. It could not be held liable, then, under the fourteenth amendment, taking both clauses——

Mr. COLLINS. Oh, there are five of them.

Mr. CAMPBELL of Kansas. I mean both clauses that refer to equal protection of law.

Mr. COLLINS. The first and last sections are the ones which the gentleman is interested in.

Mr. CAMPBELL of Kansas. The only ground upon which it could become liable would be upon some affirmative action upon the part of the State. Is that the contention of the gentleman?

Mr. COLLINS. Of course, if a State did not violate a provision of the amendment, there can be no ground for Federal action.

Mr. CAMPBELL of Kansas. And that a failure to act in any particular would not make them liable?

Mr. COLLINS. Of course not.

Mr. Chairman, in this colloquy Mr. CAMPBELL is driven to admit that Gen. COLLINS had correctly stated the law. This speech of the gentleman from Mississippi is one of the best, if not the best, legal argument made on this question during this entire debate, and I commend it to all Members of Congress, especially those who did not hear it. In my opinion, his argument is unanswerable.

Mr. Chairman, this bill is the most remarkable bill in the history of all civilized legislative bodies of the earth. It is the only bill ever introduced in any legislative body on earth which in its terms and by its provisions proposes to offer protection to a person guilty of murder, rape, arson, or other crime, or a person charged with being guilty of a crime, but offers no protection to a person absolutely innocent of any crime or not even charged with a crime. For example, if a mob takes a Negro murderer or rapist from a sheriff or out of a jail and mobs him, then the mob can be punished in the Federal court, but if the mob should go to an innocent Negro's house, guilty of no crime and charged with no crime, and take him out and hang him, the mob does not violate any law proposed in this bill or any law of the Federal Government. So this bill should be called "A bill for the protection of murderers, rapists, and all other criminals." This, though, is in keeping with the proponents' views of what law should be. They would protect from the mob the black brute covered with the innocent blood of some sweet white girl that he had just ravished, but offer no protection for the innocent Negro not charged with a crime. How do you think the good Negroes of the South as well as the North will relish such damnable legislation?

This problem has heretofore been looked upon as the problem of the South, and here fifty-odd years after the Civil War, when you have the power, you have not presented to us any measure to help us solve the problem, but are making it harder for us. The man who says lynching will be stopped by virtue of this law does not know the instincts of the Anglo-Saxon blood. Do you know when the crime of lynching is going to stop in my country? It is going to stop when the beast shall cease to outrage white girls in the South, and thank God it will never stop until then. [Applause.] Now look at me if you will, in surprise; do not be misled about it. Somebody made the statement that 32 per cent of the lynching had been caused by crimes other than rape. That is not true in the South.

When you had the race riot in Chicago Negroes were killed by the hundreds; that was not a question of rape. When you have a race riot, as you had in Springfield, Ill., where they killed some forty-odd and hanged quite a number of Negroes in the sight of the statue of Abraham Lincoln, that was not rape; that was murder. On one occasion a Republican Representative from Springfield, Ohio, was on the floor making a speech against the South for lynching, and that night after he had made his speech against the South a race riot occurred in his town, and in the House of Representatives the next day each Congressman had opened in front of him, Republicans as well as Democrats, the morning newspapers with big headlines proclaiming the horrible race riots in Springfield the night before, where scores of Negroes were killed and blocks of property burned and hundreds of Negroes homeless by virtue of the white peo-

ple's rage, and when that Representative walked in there was tremendous applause. He saw the newspapers and knew what caused the applause, and became very angry and walked out. He never mentioned, from that day, during his entire service the South nor the southern people's treatment of the Negro.

This problem hangs over the heads of the white people of the South like that black cloud now in the galleries; this problem we of the South have to solve, and in God's name we know we have done the best we could. Yet we even get no sympathy, much less help, from you Republicans. You have always done what you are now doing—played politics with the Negro. You know that this bill will do the Negro no good. It will do harm. If you think so much of him, why not invite him to come into your own States, offer him work as we do in the South, offer him bread and not a political stone? In my own State I know that we have done the best that we could. The good Negro is prosperous and always has a good home and enjoys the equal protection of law. He is happy and will remain so if you will let him alone and quit meddling with a question you do not understand. We know that you are playing politics. We know that without the Negro vote you would not be in power to-day. So you now inveigh against us for lynching the Negro, not because you would not do the same thing if situated as we are to-day, but you are doing this to keep his vote. Not in more than 30 years has there been such a holocaust of murder as obtained here in Washington three years ago, and in Chicago shortly after that. Negroes were run out of Chicago by the thousands. Yet in my own State there have been fewer and fewer lynchings each year, because the causes have been less and less. It has been due to the fact that there have been less and less beastly crimes of rape committed in my State.

There was some years ago a little blue-eyed girl of 14 years of age, the daughter of splendid parents. Her father was a minister of the Gospel. She was the favorite child of the little village, and everybody knew her and felt an interest in her. She was always bright and beautiful as a morning-glory. She knew nothing but kindness at her own home and among the neighbors.

One quiet Sunday afternoon, as she was going to a neighbor's to visit a girl friend of hers, she was seized by a black brute. His hand over her mouth, her little body was carried out to the woods and the beast ravaged her. The mangled, bleeding form of the little child was brought back to the arms of her mother and father. Everybody that had known the little child loved her. The neighborhood soon learned that she had been outraged, ruined, and her body mangled. I do not know what you are, gentlemen. You are Republicans in politics, but, God knows, I believe you are men and I believe you are white men. There is not one of you worthy of the name of Anglo-Saxon who would not have been willing to join in the mob to vindicate the death of the little girl. It is horrible to think of taking a little child into a court room and making her describe, as one must in a court room, the horrible details of the crime of rape. Look at me, if you love your wife and children. Yet I have heard people here talking about the savagery of mob law. No one believes in mob law. I deplore it as much as anyone.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I yield five minutes more.

Mr. SISSON. Mr. Chairman, Theodore Roosevelt, in one of his books—I think it is Winning of the West—has a picture of a man hanging to a tree, and underneath the picture and in the text you learn that it is the picture of a horse thief. In that particular chapter Mr. Roosevelt indorses the hanging, because horse stealing was broken up by this method by the vigilantes. Now, he did not justify lynching, except that, as bad as it was, it was the very best remedy for breaking up horse stealing.

No good man in the South believes in lynching as a method of enforcing law. But as long as rape continues, lynching will continue. For this crime, and this crime alone, the South has not hesitated to administer swift and certain punishment. We have about broken up lynching in the South, and we are going to break it up, so help us God. We are going to protect our girls and womenfolk from these black brutes. When these black fiends keep their hands off the throats of the women of the South then lynching will stop, and it is never going to stop until that crime stops. [Applause.] This is the truth, and you know that I am telling the truth. There is not one of you Republicans who is worthy of the name of man but would do the same thing. This is no sectional question. Put the Negroes in New England and you would do the same thing. You do it now when you have the provocation. You do not cease to be real men except in politics.

Every race of the human family has grown great just in proportion as it protects its women. When they cease to do that, they are not worthy to rule, and by divine decree and by the inevitable law of "the survival of the fittest" they will cease to rule, and ought to cease. I ask only the brave, strong, virile, and virtuous men of the North to join with the good and strong men of the South and kill this infamous bill. Leave this question to the States, where it is being so rapidly and so surely solved.

Now, gentlemen, in a short time you will make your record. It is a solemn hour for my people in the South, but it is also a solemn hour for you and your country. Will you deliver this final blow to local self-government? Will you place every governor of every sovereign State under bond to the Federal Government? Will you place every sheriff, every marshal, every judge of every State in the Union under bond to the Federal Government? Will you drive this knife to its hilt into the already bleeding Constitution of our fathers? Will you destroy this Federal Government which you claim you saved and preserved? When this Constitution is destroyed the Government of our fathers is destroyed and you have substituted something else for it. You shall not do it with my vote, and even if you do pass this law I say that your law will fail. You shall not successfully promote, encourage, foster, and protect the rapist by this law. The white men of the South are ready for the sacrifice of life itself, if need be, to protect their fair women. Our wives, sisters, and daughters shall be protected from the lust and passion of these black brutes. Before God and high heaven this is the sacred truth. I would rather the whole black race of this world were lynched than for one of the fair daughters of the South to be ravished and torn by one of these black brutes. Now, if this be treason, make the most of it. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, if I had a minute I would like to answer that.

Mr. SISSON. I wish I had unlimited time to debate the matter with the gentleman.

Mr. COOPER of Wisconsin. It is the first time that I have heard mob law openly advocated in the Congress of the United States. [Applause on the floor and in the gallery.]

Mr. SISSON. I never advocated mob law. Does the gentleman advocate rape?

Mr. FIELDS. Mr. Chairman, I make the point of order that the gallery is out of order.

Mr. SISSON. I want to know if the gentleman advocates rape.

Mr. COOPER of Wisconsin. Oh, that is simply silly.

The CHAIRMAN. The gentleman from Wisconsin will be seated.

Mr. SISSON. The gentleman is just as idiotic as any man I know.

Mr. COOPER of Wisconsin. The gentleman has openly advocated mob law right here in the Congress of the United States.

The CHAIRMAN. The gentleman from Wisconsin will be seated.

Mr. SISSON. Of course, the gentleman takes advantage of the House to protect him. He would not say those things when he is not on the floor of the House.

The CHAIRMAN. The gentleman from Mississippi will be seated. All gentlemen will be seated.

Mr. COOPER of Wisconsin. Oh, that is pretty cheap.

Mr. SISSON. Of course, you are always cheap.

The CHAIRMAN. All gentlemen will be seated.

Mr. SISSON. Let the Chairman get that black crowd in the galleries in order, and the gentleman from Wisconsin who began this out of order, and I will be in order and not until then.

The CHAIRMAN. All gentlemen will be seated.

Mr. JOHNSON of Mississippi. Mr. Chairman, I rise to a question of personal privilege.

The CHAIRMAN. The gentleman can not raise a question of personal privilege in the committee. The gentleman from Minnesota is recognized.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. KNIGHT].

Mr. KNIGHT. Mr. Chairman and gentlemen of the committee, in view of the fate of the thirteenth, the fourteenth, and the fifteenth constitutional amendments in the South it seems to me that my Democratic friends should not now exhibit such great tenderness as to whether this bill is constitutional or not. Nor does it seem to me that the honorable gentleman [Mr. LINTHICUM] who is afraid that it is going to create a supergovernment need concern himself greatly about that in view of

the record of his party, which is somewhat in favor of super-government, if we may judge it by the past.

I am not a practicing lawyer, but I have grave doubts as to whether the bill before us is constitutional in the meaning of the Constitution as conceived by its founders. I think it would have shocked even Alexander Hamilton had anyone asserted that by act of Congress the Federal powers might be extended to the regulation of affairs and the punishment of persons wholly subject to the police powers of the States. But why cavil about this matter now? The question of the gentleman who wanted to know, "What is the Constitution among friends?" is in order before any session of Congress.

Only the other day the Attorney General of the United States asserted that personal liberty was not dead in this country, but that it had become just academic. A little later a grave and reverend Senator laid down in the course of debate what once would have been a startling proposition, that in a Republic the minority has no rights inconsistent with the will of the majority.

In view of such pronouncements, in view of the fact that Congress has for a number of years overridden practically every constitutional limitation that once guaranteed sovereignty to the States, and the courts have upheld such laws, what is the use now of raising any question of this kind?

Truly we might paraphrase the learned Attorney General and say that while the Constitution is not dead it has become academic; in fact, so much so that under its elastic principles we can prohibit the transportation of painted butter or lottery tickets, but we must not dare even to think of prohibiting taking the products of child labor from one State to another. Indeed, if there are any exclusive rights left to the States it is difficult to recall them.

The centralizing process, begun when the stars and bars went down at Appomattox, is just about finished and over us triumphantly arises not the Federated Union of the fathers, but a great imperial Republic which has obliterated State lines, and as the rod of Moses swallowed up all competitors so has it enmawed all of the preservative powers once vouchsafed to the States. Its long arm reaches across State boundaries and snatches the foaming glass of beer from the hands of the poor hell-bent miscreant who foolishly imagined that governments were not instituted to prescribe what man shall eat or drink. Its latest stunt is to take into its all-powerful arms expectant mothers, who, under the tender guidance of the dear old maids of the Children's Bureau, are to be taught how to bear and rear perfect babies. A little later we shall no doubt have a paternity bill also, and under it God only knows what they will attempt to do to mere man.

In view of all this, and infinitely more that I might relate if I loved the noble pastime of congressional speaking, I again ask, Why cavil over the constitutionality of this bill?

It was conceived in a spirit of entire fairness. There is not a line in it that raises any sectional or race question. I see nothing in it that should provoke the resentment of any of our friends on the other side of the House. I would be the last one to raise or advocate any such issue. I am sure there is no man on that side of the House who will dispute the statement that lynching to-day is the blackest crime that stains the fair name of our great Nation. It not only humiliates us abroad but it threatens the very stability of government at home, and its prevalence is confined to no section of the country. If Negroes have been lynched in Georgia and Texas, so have they been in Illinois and Ohio, and in Illinois and Ohio the foul crime should be as swiftly and certainly punished as in Georgia or Texas. Experience has shown, however, that it is alike difficult, North or South, to punish such criminals in local courts. It may not always be easy to do so in the Federal courts, but I think I am entirely within the limits of the truth when I assert that it will be easier to do so in the Federal courts. That fact justifies this provision of the bill.

Any Member of Congress who would assert that we are not altogether a highly civilized and religious Nation would immediately draw down upon his devoted head the impassioned eloquence of my good friend who so ably represents the Atlanta district [Mr. UPSHAW]. I would not be surprised if it did not also bring to bat my good friend from the seventh Ohio district [Mr. FESS], in which is located the fair city of Urbana. Yet 1,900 years of Christianity have taught the mob of neither Atlanta nor Urbana much about that scriptural injunction, "Thou shalt not kill." Whether a good stiff fine laid upon those communities would have had a more deterrent effect, I can not positively assert. However, since that noble creature, fashioned after the image of the Creator, left the hunting pack and learned to walk on his hind legs down to the present time, when he adorns himself with a plug hat and long-tailed coat, has cared more for money that he ever has either for civilization or religion, I would rather bet on a fine than a camp meeting as a guaranty of good behavior.

As long as humanity may sin and repent it will take a chance on landing in Abraham's bosom across the Great Divide. But when it must pay for its sin here and now, in cold cash out of its own pocket, that fact will cast a damper upon the native hue of our resolutions and cause us to pause and consider whether it is not better to bear the cash we have than to fly to obligations we know not of. In other and plain words, this provision in the bill which fastens a fine upon that community that tolerates mobs will do more to prevent mob violence than all the preaching of Billy Sunday.

Briefly, gentlemen, for these reasons I am going to chloroform my doubts and stretch my convictions against Federal invasion of State rights, even as the Constitution has been stretched, and vote for this bill. Indeed, if the Constitution can be stretched to protect the profits of child labor and to safeguard the integrity of painted butter, surely we may risk a little more to minimize the greatest menace to society in this country and to safeguard the rights often of the innocent victim against the brutal and unreasoning passions of mob violence.

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I think it is generally conceded on both sides of the Chamber that the debate which has taken place on this measure, known as the antilynching bill, conferring jurisdiction on Federal courts in lynching cases, has conclusively shown that many of the provisions of the bill are beyond the power of Congress to enact. That the fourteenth amendment, or particularly that part of that amendment upon which this legislation is predicated, was never designed to give the Federal Government power to enact legislation operative on individuals as proposed is susceptible of almost mathematical demonstration. The only semblance of authority that can be produced or even plausibly urged is that offered to sustain that provision operative as against officers, and that, according to my mind, can not be successfully maintained, because to make it operative on officials of a State it can only be predicated upon the theory that in doing the acts which are inveighed against they are acting as the instruments of the State's will. The decisions which have been referred to in this discussion—the Home Telephone Co. case, from California, and the case of Ex parte Virginia, and to which I shall later refer—when analyzed will not give any foundation for the legislation, because in each of those instances every act which was complained of and given as an excuse for the exercise of Federal power was the exercise of some power granted by the States within which those cases arose. If Congress under the fourteenth amendment has the power to say that the State has denied equal protection of the laws with reference to life, it may do so with reference to violence in other forms, to property, personal or real, and any case of controversy between the citizens of a State can be made the excuse for the intervention of the Federal judicial power. There are no bounds when you embark on this policy. It means, followed to its logical conclusion, that the Federal Government can grasp every element of State jurisdiction and make the Federal will absolutely supreme throughout the whole body of human rights.

If individuals, State officials, and counties can be penalized, as is sought to be done by this bill, then, indeed, the effacement of the States can be accomplished.

In approaching the consideration of legislation, whatever its character, two questions are presented to the mind and conscience of Congress—has Congress the constitutional power to enact it, and does it express a sound and wise Government policy? However, when a measure departs so radically from the traditionally accepted theory of the limitations of Federal power as does the pending antilynching bill, an examination of the fundamental question of constitutional authority becomes imperative. It becomes imperative because, if beyond the power of Congress, the act is vain and futile and will be declared void by the courts. But above and beyond such a consideration it becomes imperative because each Member of Congress is sworn to support the Constitution of the United States. He is not sworn to support the Government, he is not sworn to support the platform of any political party, but he is sworn to support the Constitution of the United States. That form of oath was prescribed because it was conceived by the founders of the Republic that the surest and safest guaranty of the liberties of the people lay in observance, by those intrusted with office, of the limitations upon their own power imposed by that instrument and in unyielding opposition to any usurpation of power by another branch of government. Executive and legislator, State and National, are restrained by its obligation. It

was believed that if those in authority should respond faithfully to its commands and with obedience heed its limitations, tyranny could never successfully assail it, nor could the wild shouts of the commune ever shake it.

And yet frequently during the debate has been heard the declaration that Congress, whatever its doubts, should pass the bill and allow the Supreme Court to determine its validity. Such a course involves the avoidance of a solemn obligation. It seeks to shift it to other shoulders. Constitutional students have announced the true doctrine to be that Congress, if it entertain a doubt as to its power, should resolve that doubt against its possession. On the other hand, the courts in passing upon an act of Congress, unless it is made clearly to appear that Congress lacked constitutional authority, resolve the doubt in favor of its validity. Such a course is prompted by judicial respect for the acts of a coordinate branch of the Government. The court assumes that Congress does its duty. It acts on the hypothesis that Congress will not shirk its responsibility; that it believes it possesses the necessary constitutional power. It presumes that Congress acts intelligently; that it inquires into its powers. It presumes that it thinks and acts with integrity; that it will not knowingly exceed its powers nor seek to exercise a doubtful one. Gentlemen who insist upon passing their own responsibility to the courts must realize that the courts will hesitate to overrule the expressed will of Congress; so realizing, they should with courage and conscience face the issue presented without passing it on to the courts. Whatever the power of Congress, its scope can only be determined by an examination of the Constitution and its judicial interpretation.

To measure what was in the mind of those who framed the Constitution, we must recall the situation with which they were circumstanced and note the governmental policies that guided them. We must remember that they were engaged in erecting a governmental system, unlike any then in existence. Their plan was modeled on no European prototype. It was no transplanted foreign product. They were seeking to set up and perpetuate a dual system of government the like of which had never been known.

The final plan was not the conception of a single political philosopher; it was not the realized dream of any single imagination; it was not the product of a Sir Thomas More, abstractly devised in completed form in a scholar's study. It was the product of many minds and many men, and more than that, it was the product of necessity—a necessity begotten by the situation in which the States found themselves when, through independence, they ceased to be colonies.

From the moment that independence was declared the Thirteen Colonies were 13 free and independent States. Each was sovereign—neither knew a superior power. The citizens of the respective States owed no allegiance save to their own Commonwealth. All natural rights to life, liberty, and property resided in the citizens of the several States, as citizens of a free Commonwealth, and for protection in their enjoyment they could look to no power other than that of their State. That condition continued except as modified for a time by the Articles of Confederation until the adoption of the Constitution of 1787.

A moment ago I said the Constitution was the product of necessity. That necessity lay in the fact that the statesmen of that time soon saw that, while each State was competent to administer its internal affairs, its police power, and its ordinary functions of government, such as protecting life and property and maintaining republican government, there existed matters of external and interstate concern which could best be provided for and regulated by some common Federal agency acting for the whole number of States. This was the thought that brought into being the convention at Philadelphia. Thirteen feeble and lately liberated States still feared foreign aggression; they must provide for the common defense, therefore an Army and Navy and the power to declare war. Their situation with regard to foreign nations was identical, therefore the treaty-making power and diplomatic relations. Each State was at liberty to prescribe its own customs and trade regulations and consequent controversies and obstructions to trade arose, therefore the power to regulate interstate and foreign commerce was delegated to the Federal Government. For analogous reasons the control of the postal system, the coinage of money, the levy of taxes and creation of indebtedness for Federal purposes, and other powers, were vested in the Federal Government. The controlling purpose throughout the making of the Constitution was that only those powers which the States separately could not adequately exercise should be delegated to the Federal Union. They did not forget that in the beginning there were the States. They did not forget that before there was a Federal Union there were 13 free States. They did not forget that all and every power that resides to-day in the Federal Government, as well as all and every power that to-day resides in the State governments, before the Constitution, in their full and unrestrained sovereignty, resided in each of the 13 States.

In the Constitutional Convention there were those who contended for delegation of powers more sweeping than were granted, and others who complained at the extent of the authority actually conferred, yet there was no claim advanced that the States surrendered any power not expressly delegated or necessarily implied by the terms of the Constitution. Alexander Hamilton in the Federalist argued that all power not delegated by the States was reserved to them. While this view was everywhere generally accepted, to remove any semblance of basis for a contrary claim, the tenth amendment to the Constitution provided that the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, were reserved to the States respectively or to the people.

Thus, from the esablishment of the Government under the Constitution it has been the view of statesmen of all parties that the Federal Government was one of enumerated powers and that warrant for the exercise by Congress of authority must be found either in the express or implied grants of the Constitution.

One of the distinguishing characteristics of the American system is its dual character. The Federal Government within the sphere of its activities is supreme. Within its proper field it can not be interfered with by any State or the agency of any State. On the other hand, the States within the just scope of their authority are supreme, and neither can their activities be limited or controlled by the Federal Government. Both the Federal and State Governments act independently of each other, and their laws bear directly upon the citizen, who owes a distinct allegiance to both. He is amenable alike to Federal and State regulations. He must render unto the State the things that are the State's and unto the Union the things that are the Union's.

The first 10 amendments were submitted by the First Congress, and for practical purposes may be regarded as parts of the original instrument. They are commonly termed the Federal Bill of Rights. However, it must not be inferred that the rights guaranteed by them refer to rights within the domain of State action. The amendments have been construed by the Supreme Court to constitute limitations on the power of the Federal Government. It will not be urged by those familiar with the scope of the original Constitution and such amendments that they afford any basis for the legislation now proposed.

FOURTEENTH AMENDMENT.

Proponents of the Dyer bill, however, base its alleged validity upon the fourteenth amendment to the Constitution.

As an outgrowth of the war between the States, the thirteenth amendment was declared to have been adopted December 18, 1865. While granting freedom to the slaves, its operation did not entirely satisfy the radical reconstruction element who then dominated Congress, and the fourteenth amendment was proposed by Congress on the 16th of June, 1866. After a stormy career in the legislatures of the States, the amendment was declared by resolution of Congress of July 21, 1868, to have been adopted. Its first section contains the following:

> No State shall make or enforce any law which shall abridge the privileges and immunities of citizens of the United States, nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.

To become acquainted with the motive of its proponents and what was sought to be accomplished, recourse may properly be had to the debate in Congress on the occasion of its submission.

Mr. Thaddeus Stevens, that bitter and relentless foe of the vanquished South, in reporting the resolution from the Committee on Reconstruction in the House of Representatives, in discussing the first section, containing the "equal-protection" clause, said:

> * * * the Constitution limits only the action of Congress, and is not a limitation on the States. This amendment supplies that defect, and allows Congress to correct the unjust legislation of the States, so far that the law which operates upon one man shall operate equally upon all. Whatever law punishes a white man for a crime shall punish the black man precisely in the same way and to the same degree.

It will readily be observed that Mr. Stevens had in mind that the Federal Bill of Rights contained only limitations upon the power of Congress and that the States in the plentitude of their reserved and sovereign rights were still free to retain laws which discriminated as between white men and black men; while the thirteenth amendment had conferred freedom on the blacks, it had not raised them to that equality before the law which it was the desire of Stevens and his followers to accomplish. During the discussion it was pointed out that the laws of some States prescribed punishments for Negroes different from that prescribed for white persons for the same offenses.

It was to destroy such laws and to prevent the enactment of similar ones that the amendment was devised. It was declared by those supporting the amendment that it had for its purpose the limitation of the action of the States; that its object was to prevent a State from enacting any law which might discriminate as between citizens of the United States, and to prevent a State from denying equal protection of the law to any citizen. We are not without an authority more distinguished than Thaddeus Stevens.

James G. Blaine was a Member of Congress when the amendment was proposed. In his Twenty Years in Congress he clearly expresses his view of the purpose and scope of the amendment. These are his words regarding the fourteenth and fifteenth amendments:

> Both of those amendments operate as inhibitions upon the power of the State and do not have reference to those irregular acts of the people which find no authorization in the public statutes. The defect in both amendments, in so far as their main object of securing rights to the colored man is involved, lies in the fact that they don't operate directly upon the people, and therefore Congress is not endowed with the pertinent and applicable power to give redress.

It will thus be seen that Mr. Stevens, though filled with fury toward the southern people, though anxious to promote domination of the Anglo-Saxons of the reconstructed States by the African black man, though stirred by the fiery rancor of the times to reckless and wanton exercise of power, never intended that the fourteenth amendment should extend to the lengths contended for to-day by gentlemen born since the War between the States, and in whose bosoms there should be no room for the play of the fierce passions of half a century ago. He never intended that the States should be deprived of their internal police powers. He intended the fourteenth amendment to be only a limitation on State action—action by the State as a State—action of the State, by the State, and for the State.

The simple language of the amendment within itself should be sufficient to clearly convey to the mind that conclusion. The language of its framers in confirmation of that construction should remove any doubt from the mind of the skeptic.

But we are not without the aid of construction by the highest court of the land. The fourteenth amendment was first exhaustively treated by the Supreme Court in the Slaughterhouse cases (16 Wall.). It will be remembered that in those cases, through a claim based upon the fourteenth amendment, it was sought to over turn an act of the State of Louisiana, and administrative acts thereunder, seeking to regulate slaughterhouses in and adjacent to the city of New Orleans. It was strongly urged that such acts discriminated against certain citizens theretofore engaged in such business and therein were violative of the amendment. The decision of the court, one of the really great decisions, in part reads as follows:

> Was it the purpose of the fourteenth amendment by the simple declaration that no State shall make or enforce any law which shall abridge the privileges and immunities of the citizens of the United States (I will add, "Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law") to transfer the security and protection of all the civil rights which we have mentioned from the States to the Federal Government? And where it is declared that Congress shall have the power to enforce that article, was it intended to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the States?
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> All this and more must follow, if the proposition of the plaintiff be sound.
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> For not only are these rights subject to the control of Congress whenever in its discretion any of them are supposed to be abridged by State legislation, but that body may also pass laws in advance limiting and restricting the exercise of power by the States in their most ordinary and usual functions, as in its judgment it may think proper on all such subjects, and still further, such construction would constitute this court a perpetual censor upon all legislation of the States on the civil rights of their own citizens, with authority to nullify such as it did not approve, as consistent with those rights as existed at the time of the adoption of this amendment. The argument, we admit, is not always the most conclusive which is drawn from the consequences urged against the adoption of a particular construction of an instrument. But when, as in the case before us, these consequences are so serious, so far-reaching and pervading, so great a departure from the structure and spirit of our institutions, when the effect is to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character, when in fact it radically changes the whole theory of the relations of the State and Federal Governments to each other and of both these Governments to the people, the argument has a force that is irresistible in the absence of language which expresses such a purpose too clearly to admit of doubt.

In discussing the natural rights of life, liberty, and property, the court said:

> It would be the vainest show of learning to prove by citation of authority that up to the adoption of the recent amendments (thirteenth, fourteenth, and fifteenth) no claim was set up that those rights depended on the Federal Government for their existence or protection beyond the very express limitations which the Federal Constitution imposed on the States, such, for instance, as the prohibition against ex-post facto laws, bills of attainder, and laws impairing the obligation of contracts. But with the exception of these and a few other restrictions, the entire domain of privileges of citizens of the States, as above defined, lay within the constitutional and legislative powers of the State and without that of the Federal Government.

Following the war between the States, and as a part of the reconstruction program, Congress enacted the civil rights acts. These measures sought to prevent railway companies, hotels, theaters, and other enterprises serving the public from discriminating in any manner against any citizen on account of race or color; in other words, by imposing penalties they sought to require equal and identical accommodations and treatment at the hands of such institutions to both blacks and whites. Authority for the legislation, as in the present case, was claimed to rest in the fourteenth amendment. Suits were instituted against railways, theaters, and hotels for failure to supply to negroes accommodations of the same quality and in the same cars and buildings as those enjoyed by whites. Appeals in several cases were prosecuted to the United States Supreme Court, and that tribunal, in the Civil Rights cases (109 U. S., 3), held that the section of the civil rights act at issue was unauthorized by the amendment. It was clearly and convincingly laid down that the prohibitions of the amendment were directed at State action and not individual action; that the denial of "equal protection of the law" meant denial by the State; that abridgment of privileges of citizens of the United States must be made by a State and not by its individual citizens before it could be brought within the denunciation of the Constitution. It was with like clarity pointed out that denial to negroes of accommodations equal to those furnished to whites by railways, theaters, and hotels was not denial thereof by the State, but was only denial by individuals.

Allow me to read a portion of the court's opinion:

> It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States or which injures them in life, liberty, or property without due process of law, or which denies to any of them the equal protection of the law. * * * To adopt appropriate legislation for correcting the effects of such prohibited State laws and State acts and thus to render them effectually null, void, and innocuous. This is the legislative power conferred upon Congress, and this is the whole of it.
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> It is absurd to affirm that because the rights of life, liberty, and property (which include all civil rights that men have) are by the amendment sought to be protected against invasion on the part of the States without due process of law, Congress may therefore provide due process of law for their vindication in every case; and that because the denial by a State to any persons of equal protection of the laws is prohibited by the amendment, therefore Congress may establish laws for their equal protection.
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> * * * * * * *
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> If this legislation is appropriate for enforcing the prohibitions of the amendment, it is difficult to see where it is to stop. Why may not Congress with equal show of authority enact a code of laws for the enforcement and vindication of all rights of life, liberty, and property? If it is supposable that the States may deprive persons of life, liberty, and property without due process of law, and the amendment itself does suppose this, why should not Congress proceed at once to prescribe due process of law for the protection of every one of these fundamental rights in every possible case, as well as to prescribe equal privileges in inns, public conveyances, and theaters?

In Barbier v. Connally (113 U. S., 27), Mr. Justice Field reiterates in vigorous fashion the same doctrine. He said:

> The fourteenth amendment, in declaring that no State "shall deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws," undoubtedly intended not only that there should be no arbitrary deprivation of life or liberty or arbitrary spoliation of property but that equal protection and security should be given to all under like circumstances in the enjoyment of their personal and civil rights; that all persons should be equally entitled to pursue their happiness and acquire and enjoy property; that they should have like access to the courts of the country for the protection of their persons and property, the prevention and redress of wrongs, and the enforcement of contracts; that no impediment should be interposed to the pursuits of anyone except as applied to the same pursuits by others under like circumstances; that no greater burdens should be laid upon one than are laid upon others in the same calling and condition; and that in the administration of criminal justice no different or higher punishment should be imposed upon one than such as is prescribed to all for like offenses. But neither the amendment, broad and comprehensive as it is, nor any other amendment was designed to interfere with the power of the State, sometimes termed its police power, to prescribe regulations to promote the health, peace, morals, education, and good order of the people.

A careful examination of these epoch-making opinions of the highest court must convince any unbiased searcher for the truth that the first section of the fourteenth amendment applies only to State action; that it does not add to the rights of individuals as against other individuals; that it does not authorize the Federal Government to invade the domain of rights for whose protection the citizen must look to the State and to prescribe the character or the degree of protection to be vouchsafed such rights; that so long as the State does not itself by some State action deny equal protection of the laws the Federal power can not be invoked, and in event of such denial by a State only that

degree of Federal power sufficient to counteract and render ineffective such denial can be exercised. The only affirmative Federal right created by that part of the fourteenth amendment is the right to be exempt from discriminatory action by the State.

Such is the general scope and purpose of the amendment, but to demonstrate that it affords no basis for the pending measure it will be proper to address our attention to its various sections, because in its revolutionary provisions it seeks to occupy a wide territory.

The chairman of the Committee on the Judiciary has to-day indicated he will offer amendments to various sections, which will be adopted, and since the bill in its final form will contain them as amended we may discuss them as if already incorporated in the bill.

Sections 1 and 4 read as follows:

Strike out all of section 1 and in lieu thereof insert the following:
"That the phrase 'mob or riotous assemblage,' when used in this act, shall mean an assemblage composed of three or more persons acting in concert for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense.
"SEC. 4. The district court of the judicial district wherein a person is put to death by a mob or riotous assemblage shall have jurisdiction to try and punish, in accordance with the laws of the State where the homicide is committed, those who participate therein, provided it is first made to appear to such court that the officers of the State charged with the duty of prosecuting such offense under the laws of the State fail, neglect, or refuse to apprehend or punish such participants, or that the jurors obtainable for service in the State court having jurisdiction of the offense are so strongly opposed to such punishment that there is no reasonable probability that those guilty of the offense can be punished in such State court. A failure for more than 30 days after the commission of such an offense to apprehend the persons guilty thereof shall be prima facie evidence of such failure, neglect, or refusal."

It will be seen that the real purpose of the two sections is to confer jurisdiction upon the Federal court to try all persons participating in a lynching in any State in all cases in which the State authorities shall have failed either to apprehend or to punish the perpetrators of the crime. The original sections defined a mob as consisting of five or more persons, and conferred jurisdiction on the Federal courts to try all participants in a mob, regardless of State action. The amendment limiting the jurisdiction of the Federal court to cases where the State has failed to apprehend or punish the guilty parties was evidently intended to meet the arguments denying authority in Congress to confer such jurisdiction on the Federal courts. The fundamental objection is that the equal-protection clause of the fourteenth amendment confers upon the General Government no power to punish individuals for infringement of the natural rights of other citizens, and confers on individuals no new rights as against the action of other individuals.

That the object of the provisions is to reach individual action is perfectly apparent. The taking of human life by any number of private individuals is homicide. It is no less murder when committed by 50 persons than when committed by 1 person. All who participate and share in the unlawful intent are equally guilty. Now, if Congress has the power to punish three perpetrators of a murder, it possesses the power to punish two persons who may commit the crime, and by the same token it may punish one person who may act alone. If Congress possesses the power to thus punish the infringement of the right to life, it also possesses a similar power to protect the property of individuals against invasion by other individuals. And so it might enact statutes punishing all manner of crimes against property, such as theft, burglary, arson, and other crimes of a kindred character, and, in short, prescribe a complete code defining and punishing the invasion of all human rights on the pretext of providing equal protection.

It will be observed that it is provided in section 4 that the Federal courts obtain jurisdiction if the State either fails to apprehend or fails to punish the guilty parties. Let us assume that the State apprehends the parties and tries them but the jury fails to convict. In such a case Federal jurisdiction attaches and the parties may be again put upon trial in the United States court. Necessarily that court will then possess the power to determine the guilt or innocence of the parties as well as the fact of punishment or nonpunishment by the State. Bear in mind that the parties can be tried in a Federal court for violation of a State law, notwithstanding the State itself has already acquitted them of guilt. It would be difficult to conceive a device better adapted for the destruction of the independence of the States and the integrity of their courts. The Federal power, with rod in hand, bends above the State and prescribes whom and how it shall punish for the infraction of its own laws; drags citizens acquitted in State tribunals to its own courts and tries them again for the same offense. To admit of such a proposition is to confess that the States as against the Federal Government are powerless to prevent the absorption by it of the entire police power, the regulation of its internal affairs, and the consequent destruction of the dual form of government which has characterized the American system. But no such authority resides in the Federal Government, nor has it ever resided there.

In 1870 the Congress in carrying out its plan of reconstruction enacted legislation known as the enforcement act. Section 6 of that measure, in part, reads as follows:

If two or more persons shall band or conspire together, * * * with intent to violate any of the provisions of this act * * * or intimidate any citizen with intent to prevent or hinder his free exercise and enjoyment of any right or privilege granted or secured to him by the Constitution or laws of the United States * * * shall be held guilty of felony, and, on conviction thereof, shall be fined or imprisoned, or both, at the discretion of the court. * * *

A prosecution was instituted in the District Court of Louisiana against Cruikshank and others charged with engaging in a conspiracy to violate the above section. They were convicted, but upon review by the Supreme Court it was decided that the prosecution was not warranted by the fourteenth amendment. Chief Justice Waite rendered the opinion, in United States *v.* Cruikshank (92 U. S., p. 555) and held that individual action in contravention of the rights of other individuals was not State action and could not be regulated by Congress. He said in part:

This provision does not any more than the one which precedes it, and which we have just considered, namely, the provision prohibiting a State from depriving any person of life, liberty, or property without due process of law, add anything to the rights which one citizen has under the Constitution against another. The equality of the rights of citizens is a principle of republicanism; every republican government is in duty bound to protect its citizens in the enjoyment of this principle, if within its power. This duty was originally assumed by the States and still remains there. The only obligation resting on the United States is to see that the States do not deny the right. The amendment —fourteenth—guarantees this, but not more. The power of the National Government is limited to the enforcement of the guaranty.

In a later case—United States *v.* Harris (106 U. S.)—the court adhered to the principles announced in the Cruikshank case. Congress enacted a statute known as section 5519, Revised Statutes, as follows:

If two or more persons in any State or Territory conspire and go in disguise upon the highways or on the premises of another for the purpose of depriving, either directly or indirectly, any person or class of persons of the equal protection of the law, of equal privileges and immunities under the laws, or for the purpose of preventing or hindering the constituted authorities of any State or Territory from giving to all persons within such State or Territory the equal protection of the laws, each of such persons shall be punished—

And so forth.

In the Circuit Court of the United States for the Eastern District of Tennessee, R. B. Harris and a number of others were prosecuted upon an indictment, one count of which charged:

That the defendants did conspire together for the purpose of depriving said P. M. Wells, who was then and there a citizen of the United States and of the State of Tennessee, of the equal protection of the laws, in this, to wit, said Wells having been charged with an offense against the law of said State was duly arrested by said Tucker, deputy sheriff, and so being under arrest was entitled to the due and equal protection of said laws and to have his person protected from violence while so under arrest, and the said defendants did then and there unlawfully conspire together for the purpose of depriving said Wells of his right to the equal protection of the laws and of his right to be protected in person from violence while so under arrest, and did then and there deprive of such rights and protection and of the due and equal protection of the laws of the State of Tennessee by then and there and while he, the said P. M. Wells, was so then and there under arrest as aforesaid, unlawfully beating, bruising, wounding, and killing him, the said P. M. Wells, contrary to the form of the statute in such case made and provided.

The judges of the trial court were divided in opinion as to the constitutional authority of Congress, and the case was certified to the Supreme Court for decision. That court held that the prosecution could not be maintained, and in announcing its decision said:

If the fourteenth amendment is a guaranty against the acts of the State government itself, it is a guaranty against the exercise of arbitrary and unconstitutional power on the part of the government and legislation of the State, not a guaranty against the commission of individual offenses; and the power of Congress, whether express or implied, to legislate for the enforcement of such a guaranty does not extend to the passage of laws for the suppressing of crime within the States. The enforcement of the guaranty does not require or authorize Congress to perform the duty that guaranty itself supposes it to be the duty of the State to perform.

* * * * * * *

A private person can not make constitutions nor laws, nor can he with authority construe them, nor can he administer or execute them; the only way, therefore, in which one private person can deprive another of the equal protection of the law is by the commission of some offense against the law which protects the rights of persons, as by theft, burglary, arson, libel, assault, or murder. If, therefore, we hold that section 5519 is warranted by the thirteenth amendment, we should by virtue of that amendment accord to Congress the power to punish every crime by which the right of any person to life, property, or reputation is invaded. Thus under the provisions of the Constitution which simply abolished slavery and involuntary servitude we should with few

exceptions invest Congress with power over the whole catalogue of crimes. A construction of the amendment which leads to such a result is clearly unsound.

It will be noted that the Harris case is almost, if not quite, a blanket authority in point. The facts were that one Wells, charged with an offense against the law of Tennessee, while under arrest by an officer of that State was assaulted by a mob and killed. Upon such facts the prosecution was based. However, after a careful and thorough consideration of the whole question the court held that it was not within the province of the Federal Government to punish individuals for such a crime. The clear and cogent reasoning of the opinion is conclusive of the question raised.

The same principle was again announced in Jones *v.* Bowman (190 U. S.) in an admirable opinion by Justice Brewer. That learned jurist in construing the fourteenth amendment said:

The equality of the rights of citizens is a principle of republicanism; every republican government is in duty bound to protect all its citizens in the enjoyment of this principle if within its power. That duty was originally assumed by the States, and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, but no more. The power of the Government is limited to the enforcement of this guaranty.

In Virginia *v.* Rives (100 U. S., 313) Mr. Justice Strong held—

these provisions of the fourteenth amendment have reference to State action exclusively, and not to any action of private individuals.

It was again applied in the Hodges case, Two hundred and third United States. Certain laborers who were employed at a sawmill in Arkansas were set upon and beaten by other individuals and driven from their work. Prosecutions were instituted against the offenders on the theory that they had by their conduct conspired to deprive the injured parties of their rights to labor and pursue their callings. However, the Supreme Court, after exhaustive consideration, held that the right to labor, like other natural rights of life and property, depended for their protection upon the State governments and that the fourteenth amendment conferred no power on Congress to legislate for their regulation or to punish individuals for their infringement and that aggrieved parties must look to the State governments for protection.

The Federal Government either possesses the power to punish individuals in such cases, or it does not possess the power. The courts have uniformly held that it does not possess that power. And if it does not possess that power it can not exercise it. Even the failure of the State to exercise its power to punish does not devolve that power upon the United States.

We now come to section 2:

SEC. 2. That if any State or governmental subdivision thereof fails, neglects, or refuses to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage, such State shall by reason of such failure, neglect, or refusal be deemed to have denied to such person the equal protection of the laws of the State, and to the end that such protection as is guaranteed to the citizens of the United States by its Constitution may be secured it is provided.

The object of this section is to preclude the courts from examining the question of whether or not any State has in fact denied "the equal protection of the laws." Whether a State has denied such protection is a fact ascertainable by the proper tribunal. But in order to form an artificial foundation upon which to erect this measure there is made a congressional declaration that if any State or governmental subdivision fails to provide and maintain protection to the life of any person against a mob such State thereby shall be deemed to have denied to such person the equal protection of the law.

The report of the committee discloses that the representative of the Attorney General who appeared before the committee boldly announced that this declaration was to be made, so that if the courts should come to examine the question it might be said that Congress had already found as a fact that the occurrence of a lynching in a State was a denial of equal protection of the laws, and that in such a case the courts would respect such finding as final and binding. In other words, the real design of this section is to humbug the courts by a fictitious finding of fact before the occurrence of the fact, and by such fraudulent finding to bind the court and prevent a judicial examination of the question.

However diligent a State and its officers may be in its efforts to prevent a lynching, however vigorous its exertions, its mere failure to prevent a lynching is declared to be a denial of the equal protection of the laws. Though it does not in fact deny equal protection, the act declares that it does. Such a course is unworthy of the Congress. Such an apparent pretense should be rejected with scorn.

Astounding as are the provisions already discussed, there remains one that challenges the very existence of State authority, section 3, which seeks to punish State and municipal officers in Federal courts for failure to perform their duty under State law. Listen to the broad sweep of its language:

SEC. 3. That any State or municipal officer charged with the duty, or who possesses the power or authority as such officer to protect the life of any person that may be put to death by any mob or riotous assemblage, or who has any such person in his charge as a prisoner, who fails, neglects, or refuses to make all reasonable efforts to prevent such person from being so put to death, or any State or municipal officer charged with the duty of apprehending or prosecuting any person participating in such mob or riotous assemblage who fails, neglects, or refuses to make all reasonable efforts to perform his duty in apprehending or prosecuting to final judgment under the laws of such State all persons so participating, except such, if any, as are or have been held to answer for such participation in any district court of the United States, as herein provided, shall be guilty of a felony, and upon conviction thereof shall be punished by imprisonment not exceeding five years or by a fine of not exceeding $5,000, or by both such fine and imprisonment.

Any State or municipal officer acting as such officer having under authority of State law in his custody or control a prisoner, who shall conspire, combine, or confederate with any person to put such prisoner to death without authority of law as a punishment for some alleged public offense, or who shall conspire, combine, or confederate with any person to suffer such prisoner to be taken or obtained from his custody or control for the purpose of being put to death without authority of law as a punishment for an alleged public offense, shall be guilty of a felony, and those who so conspire, combine, or confederate with such officer shall likewise be guilty of a felony. On conviction the parties participating therein shall be punished by imprisonment for life or not less than five years.

Here, especially, sight must not be lost of the dual character of the Federal system. Federal officers owe their duties to the Federal Government; State officers owe their duties to the State government. The laws which define their respective duties and prescribe penalties for their nonfulfillment derive their strength from the respective sovereignties. To allow the Federal Government to hold responsible a State officer for the performance or nonperformance of his duty to his State is to subordinate the State to the will or caprice of the Federal Government and to extinguish its independence, which is the glory of the dual system. Would anyone for a moment seriously contend that a Federal officer could properly be tried in a State court for failure to perform a duty as a Federal official? And yet such a suggestion would be no less logical than the plan now proposed. The duties of State officers are defined by State law alone. The sovereignty that commands the performance of a duty alone can punish its infraction. If the Federal Government can punish a State officer for dereliction of State duty, then the same power may prescribe and define those duties. We have already seen that this bill provides for the trial in Federal courts of individuals for violation of State law, though they may have already been acquitted in the State court. Now, if it be true that the Federal Government may punish "any State or municipal officer charged with the duty of apprehending or prosecuting any person participating in such mob" who fails, neglects, or refuses to "make all reasonable efforts" to perform his duty, it necessarily follows that the same power may define what "all reasonable efforts" means, may determine the measure of the duty, and, in fact, may prescribe that duty itself. Sheriffs, policemen, prosecuting attorneys, judges, and even governors are charged by State law with the duty of apprehending or prosecuting persons guilty of murder. If the Federal Government may invade a State court room, seize a citizen liberated by a jury after a legal trial, lay its hands upon the judge, the prosecuting attorney, and the sheriff—if it may even threaten the governor of a State—and drag them into a Federal court and punish them for what the Federal Government may deem dereliction of State duty, then, indeed, the independence of the States becomes a vain dream, State authority a mere phantom, and our dual system of government may be relegated to the realm of things that were.

But again the answer is that no such power was ever granted to the United States. It is no feudal lord to whose bounty or favor the States owe their existence. In the full stature of statehood they stand clothed with their own powers and privileges.

That the Federal Government can not control or direct State officers was decided as long ago as 1860. Kentucky *v.* Dennison (24 Howard), was a case involving an act relating to fugitives from one State to another and undertaking to define the duties of State officers in relation thereto.

Judge Taney in announcing the opinion said:

Looking to the subject matter of this law and the relations which the United States and the several States bear to each other, the court is of the opinion the words "it shall be the duty" were not used as mandatory and compulsory, but as declaratory of the moral duty, which this command created, when Congress had provided the mode of carrying it into execution. The act does not provide any means to compel the execution of this duty nor inflict any punishment for neglect or refusal on the part of the executive of the State; nor is there any clause or provision in the Constitution which arms the Government of the United States with this power. Indeed, such a power would place every State under the control and dominion of the General Government even in the administration of its internal concerns and reserved rights. And we think it clear that the Federal Government, under the Constitu-

tion, has no power to impose on a State officer, as such, any duty whatever and compel him to perform it. It is true that Congress may authorize a particular State officer to perform a particular duty; but if he declines to do so it does not follow that he may be coerced or punished for his refusal.

It has long been settled by the courts that the United States can neither tax the salary of a State officer nor impose any burden upon an agency or instrumentality of a State government.

Collector *v.* Day (11 Wallace, 113), clearly announces the rule:

> As the States can not tax the powers, the operations, or the property of the United States, nor the means which they employ to carry their powers into execution, so it has been held that the United States have no power under the Constitution to tax either the instrumentalities or the property of a State.

In Ambrosini *v.* United States (187 U. S., 1) it was held that Congress could not impose a stamp tax on a bond required by State law to be given as a prerequisite to the right to sell liquor. Justice White, in South Carolina *v.* United States (199 U. S., 465), said:

> It is not necessary to trace the want of authority of the United States to impose a license exacting on the agents of the State to an express provision of the Constitution, since the court has constantly held that the absence of authority in the Government of the United States to tax or burden the agencies or instrumentalities of a State government, and the like want of authority on the part of the States to tax the agencies or instrumentalities of the National Government, results from the dual system of government which the Constitution created, and that the continuance in force of such a prohibition is absolutely essential to the preservation of both governments.

But advocates of the bill when driven from section after section by decisions of the courts, clearly enunciating principles of constitutional law, make their last desperate stand on the decisions in Ex parte Virginia (100 U. S.) and Home Telephone Co. *v.* Los Angeles (227 U. S.), and doggedly contend that a State peace officer may be punished on the theory that his act is the act of the State, and that through him the State has denied equal protection of the law in lynching cases.

The Virginia case was a habeas corpus proceeding, in which Judge Coles, a county judge, had been indicted for violating a provision of an act of Congress, which made criminal the denial by an officer of a State to any citizen of a right guaranteed by the Constitution or laws of the United States. It was the duty of Coles, as county judge, to draw at the beginning of a year the jury panels for the year for the county and circuit courts of Virginia. The law of Virginia prescribing the qualifications of jurors did not discriminate in its terms against negroes. However, it was shown that Judge Coles, in selecting the lists of jurors, did discriminate against colored persons because of their color. While the case was pending in the Supreme Court the State of Virginia intervened in the proceeding and asked for the release of Judge Coles on the ground that he was one of her law officers and his services were necessary to the proper administration of justice in Virginia, and so forth. The court was divided, and Judges Field and Clifford dissented in a strong opinion. The majority remanded Coles, and in part said:

> A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision—fourteenth amendment—therefore must mean that no agency of the State, or of the officers or agents by whom its powers are exerted, shall deny to any person within its jurisdiction the equal protection of the laws. Whoever, by virtue of public position under a State government, deprives another of property, life, or liberty without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State and is clothed with the State's power, his act is that of the State. This must be so or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or evade it.

It is upon this that gentlemen now hang their last hope. They argue that if Judge Coles as a State officer could be held to answer for discriminating against persons in the performance of a State duty, therefore the action or nonaction of a State peace officer in failing to prevent lynching can be construed to be the act of the State and to be a denial of the State through such officer of the equal protection of the law.

However, a careful analysis of the facts of this case and the decision of the court will reveal its lack of authority for such an argument. Judge Coles was in fact an officer of the State of Virginia, and it was through him only that the State of Virginia selected the lists of names of persons to serve as jurors for the circuit and other courts. The only authority which he possessed to select jurors at all was found in the law of the State. Everything which he did was done by virtue of that power. True, the law of Virginia in itself did not discriminate between blacks and whites as to jury service. However, the State of Virginia did intervene in the proceedings before the Supreme Court and avowed that the acts complained of on the part of Judge Coles were acts performed by him in behalf of the State of Virginia. The authority that commands an officer to select from the whole body of citizens names to serve as jurors implies the grant to such officer of a certain discretion or judgment and commands its exercise, because selections can be made in no other manner than that he is commanded to do. Now, if in the exercise of such judgment or discretion granted and commanded by the State the officer discriminated between the citizens arbitrarily on account of race, it can be seen upon what reasoning the majority of the Supreme Court held that the action of such officer was the act of the State of Virginia.

Every step which Judge Coles took was based upon his assertion of State power and his attempt to execute it. It was only through Coles that the State could select jurors. No other method was provided. When he selected jurors the State selected them. No other power but the State could select them or require their service. Discrimination was admitted. Equality of treatment was, in fact, denied. How can a State be said to deny equal protection of the laws to a person who may be lynched when its statutes make all murder, all lynching, upon whomsoever committed, criminal and equally punishable? Where is there any standard of comparison by which it can determine whether there has been denial of equal protection? If murder be committed by one or by five, is there any difference in the equality of protection?

However, in the case of a sheriff who has a prisoner in custody and who fails to prevent his death at the hands of a mob, or who surrenders him to a mob, it can not be said that his action is in any respect the act of the State. The statutes of every State command the sheriff to protect his prisoner. The statutes of every State condemn murder, whether by a sheriff, an individual, or many individuals. The sheriff in surrendering his prisoner or in conspiring with others to take his life is not only not acting for the State but is flying in the face of its solemn statutes and prohibitions. It can not be said that he has even the color of authority to act for the State in such a case. The act of an officer is the act of a State only when the officer expresses the will of the State—when he is executing or undertaking to execute the command of the State. It is absurd to charge an act committed in flagrant violation of statutes and decisions of the courts of the State to be the act of the State or an expression of its will. It has been uniformly held by the courts that a State is not liable for the torts of its officers, on the theory that when an officer exceeds or disregards his duties he ceases to act for the State. A sheriff is a sheriff only when he is performing the duties of a sheriff. His act is the act of the State only when he is acting in behalf of and as the agent for the State. For instance, if a sheriff, while not executing any writ or process, should meet on the highway a personal enemy and without justification should shoot him down, would gentlemen contend that the act of the officer was the act of the State, and, being the act of the State, could not be punished by the State?

In Home Telephone Co. *v.* Los Angeles (227 U. S.) the city of Los Angeles had been granted by the State of California the power to fix telephone rates within the city. It fixed the rates in a manner claimed by the telephone company to be confiscatory, and relief was sought in the Federal court.

The city of Los Angeles, on the other hand, contended that its act in fixing rates did not raise a Federal question, because the constitution of the State of California contained a clause prohibiting confiscatory rates; and since the rate fixed, if confiscatory, was in violation of the State constitution, it could not be construed to have been authorized by the State of California, and that a Federal question could not be presented until the courts of California should approve such rates and thereby make the fixation of the rates the act of the State.

The Supreme Court, speaking through Judge White, overruled this contention and held that since the city in fixing the rate acted under a grant of power from the State which involved the exercise of discretion or judgment, the act complained of was done by authority of the State, at least to the extent of authorizing Federal courts to assume jurisdiction to enjoin such rates as being confiscatory. It must be borne in mind, however, that this decision in no respect supports the proposition that under such a state of facts the Federal Government could itself have intervened and exercised the power to fix fair and just rates within the city of Los Angeles. It merely supports the view that the denial by the city of Los Angeles, acting under a State grant, of due process of law or the equal protection of the law to the telephone company was reviewable in the Federal court for determining the validity of the ordinance of the city. The Federal power was limited to the annulment of the city's act, and did not extend to the exercise of positive or affirmative action in prescribing a rate. The express grant by the State to the city of the power to fix rates necessarily included the implied grant to exercise a certain judgment or discretion in execution of the express grant. The mere power to fix a rate involved

the power to fix it high or to fix it low. Without the grant by the State the city could not have fixed any rate.

The city, within the limits of governmental power granted to it by the State, was exercising the strength and the will of the State. It can be clearly seen with what reason the court held that the act of the city in fixing a confiscatory rate was the act of the State to an extent sufficient to authorize review. If the State of California had so desired, it could have declined to grant a charter to the city of Los Angeles, and could have directly governed the inhabitants of that city by its own statutes and regulations. In that event it could by law have fixed the telephone rates. In such a case it is clear that the fixing of a rate would have been the act of the State. Now, if the State prefers to delegate to the city council the power to fix a rate rather than to exercise it directly, the act is nevertheless the act of the State. Though performed by the city, when traced to its source it rests upon State authority.

By none of the arts of the advocate nor by any specious or skillful sophistry can authority to support this bill be found in Judge White's opinion. On the contrary, there is ample Federal judicial authority that the act of an officer, when contrary to the law of the State, can not be held to be the act of the State. In the Barney case (193 U. S.) the court held that where it was disclosed by plaintiff's pleadings that the act complained of was not authorized but was forbidden by the State legislation in question, there was no Federal question involved in the case on the theory of State action. An injunction was sought to restrain persons who were alleged to be acting under State authority from constructing a tunnel adjacent to the property of complainants. The plaintiff's pleadings, however, disclosed that the tunnel was being constructed contrary to the plans adopted by the municipal authorities. The court held that since the tunnel was not being constructed in the manner authorized by the State it could not be said that the State was denying due process of law or equal protection of the law. For that reason it was held that the controversy was one not involving a Federal question and should be dealt with by the courts of the State. The following is quoted from the opinion:

> Controversies over violations of the laws of New York are controversies to be dealt with by the courts of the State. Complainant's grievance was that the law of the State had been broken and not a grievance inflicted by action of the legislative or executive or judiciary departments of the State; and the principle is that it is for the State courts to remedy the acts of State officers done without the authority of or contrary to State law. (Missouri *v.* Dockery, 191 U. S., 165; Civil Rights cases, 109 U. S., 3; Virginia *v.* Rives, 100 U. S., 313.)

Among other authorities which make clear that an officer of the State in exceeding his authority or in violating the laws of the State is not acting for the State is the case of Ex Parte Young (209 U. S., 123). Young, as attorney general of the State of Minnesota, had been fined for contempt. In habeas corpus proceedings he sought to justify his refusal to obey the order of the United States circuit court on the ground that he believed the decision of that court holding that it had the power to enjoin him as attorney general from performing discretionary official duties was in conflict with the eleventh amendment to the Constitution of the United States. He disclaimed any intent to show disrespect to the court, but based his refusal on the claim that he conceived it to be his duty as an official of the State to do the acts for which he was held in contempt. The court in its decision expresses itself as follows:

> The act to be enforced is alleged to be unconstitutional, and if it be so, the use of the name of the State to enforce an unconstitutional act to the injury of complainants is a proceeding without the authority of and one which does not affect the State in its sovereign or governmental capacity. It is simply an illegal act upon the part of a State official in attempting by the use of the name of the State to enforce a legislative enactment which is void because unconstitutional. If the act which the State attorney general seeks to enforce be a violation of the Federal Constitution, the officer in proceeding under such enactment comes in conflict with the superior authority of that Constitution, and he is, in that case, stripped of his official or representative character and is subjected in his person to the consequences of his individual conduct.

In the light of these decisions, if the act of a municipal officer, if the act of an attorney general, in excess of their lawful powers or in violation of the law is not the act of the State, how can the act of a sheriff or policeman in violation of State law be held to be the act of the State to the extent of authorizing the Federal Government to punish the offender? This contention of proponents involves an absurdity. In one breath they assert that the act of a sheriff or peace officer in surrendering a prisoner to a mob is the act of the State within the fourteenth amendment, and the next moment they seek to punish the same officer for failing to perform his duty to the State.

For the purpose of securing Federal jurisdiction the act of the sheriff is to be treated as the act of the State; for the purpose of punishing him it is to be treated as his own private act in direct violation of State law. Jurisdiction is to be secured on the assumption that the State acts through him and by him; once jurisdiction is acquired, he is punished for acting against the State and in violation of its will. If in truth his act is the act of the State, if in fact he expresses its will, cruel indeed would be the system that would permit the master to punish the servant. Such absurd examples serve to illustrate the difficulties that arise when gentlemen blindly enter upon a course that leads through error and fallacy. On the flimsy stuff that dreams are made of no firm foundation can be planted; who follows the lure of phantom fire loses his way amidst the tangled weeds and quagmires of the swamp.

But it is said that the fifth section of the amendment which authorizes Congress to enforce its provisions "by appropriate legislation" can be made to cover this act. By the term "appropriate legislation" is, of course, meant legislation reasonable and proper to make effective the terms of the amendment. Legislation can not extend beyond the amendment, because beyond its limits it fails for lack of support. The appropriate legislation must be nothing more than to effectuate the objects of the amendment. Appropriate legislation is that legislation necessary to nullify or render ineffective State action in denial of equal protection of the law. Congress has already enacted legislation of that character in providing that any citizen who sets up a denial by a State of equal protection or due process of law may have that action reviewed by Federal courts which possess power to vacate and annul such State action. If a statute is discriminatory it may be declared void and action based thereon vacated.

The bill seems to have been drawn with the idea that approach to the subject matter will be made from so many angles perhaps some feature may hang itself on some twig of constitutional authority. If it is determined that individuals can not be reached, if officers can not be punished, perhaps counties may be penalized, seems to have been the thought of its framers.

And so—

> SEC. 5. That any county in which a person is put to death by a mob or riotous assemblage shall forfeit $10,000, which sum may be recovered by an action therefor in the name of the United States against such county for the use of the family, if any, of the person so put to death; if he had no family, then to his dependent parents, if any; otherwise for the use of the United States. Such action should be brought and prosecuted by the district attorney of the United States of the district in which such county is situated in any court of the United States having jurisdiction therein. If such forfeiture is not paid upon recovery of a judgment therefor, such court shall have jurisdiction to enforce payment thereof by levy of execution upon any property of the county, or may compel the levy and collection of a tax therefor, or may otherwise compel payment thereof by mandamus or other appropriate process; and any officer of such county or other person who disobeys or fails to comply with any lawful order of the court in the premises shall be liable to punishment as for contempt and to any other penalty provided by law therefor.

As has already been suggested, the power to tax the instrumentalities of a State has been many times denied by the courts. Pollock *v.* Trust Co. (157 U. S.) expresses tersely the well-established principle when it holds:

> The Constitution contemplates the independent exercise by the Nation and the State, severally, of their constitutional powers.
>
> As the States can not tax the powers, the operations, or the property of the United States, nor the means which they employ to carry their powers into execution, so it has been held that the United States has no power under the Constitution to tax either the instrumentalities or the property of the State.
>
> A municipal corporation is the representative of the State and one of the instrumentalities of the State government. It was long ago determined that the property and revenues of municipal corporations are not subjects of Federal taxation.

Again in United States *v.* Baltimore & Ohio Railway Co. (17 Wallace) it was held:

> A municipal corporation like the city of Baltimore is a representative not only of the State but is a portion of its governmental power. It is one of its creatures, made for a specific purpose, to exercise within a limited sphere the powers of the State. The State may withdraw these local powers of government at pleasure, and may, through its legislature or other appointed channels, govern the local territory as it governs the State at large. It may enlarge or contract its powers or destroy its existence. As a portion of the State in the exercise of a limited portion of the powers of the State its revenues, like those of the State, are not subject to taxation.

From amidst the wild and loose advocacy of this measure, from the murky fog of bombast and declamation that has filled this Chamber, it is refreshing to turn to that great interpreter of the Constitution, Judge Cooley—

> If the State can not tax the means by which the National Government performs its functions, neither, on the other hand and for the same reasons, can the latter tax the agencies of the State governments. "The same supreme power which established the departments of the General Government determined that the local governments should exist for their own purposes and made it impossible to protect the people in their common interest without them. Each of these several agencies is confined to its own sphere, and all are strictly subordinate to the Constitution which limits them and independent of other agencies, except as thereby made dependent. There is nothing in the Constitution (of the United States) which can be made to admit of

any interference by Congress with the secure existence of any State authority within its lawful bounds; and any such interference by the indirect means of taxation is quite as much beyond the power of the National Legislature as if the interference were direct and extreme." It has therefore been held that the law of Congress requiring judicial process to be stamped could not constitutionally be applied to the State courts, since otherwise Congress might impose such restrictions upon the State courts as would put an end to their effective action and be equivalent, practically, to abolishing them altogether. And a similar ruling has been made in other analogous cases.

This sound and philosophical doctrine is founded upon the theory that "the power to tax is the power to destroy." If the United States can not burden or enfeeble a county by taxation, because to do so tends to destroy its life, how can it burden or enfeeble it by imposing a penalty? If it have the power to fix a small penalty it may assess a large one—one so large as to seriously threaten its life. If it may assess a penalty against one county it may assess one against every county within the State. To do that would be to penalize an entire State.

Section 5 arbitrarily levies a penalty of $10,000 upon a county in which a lynching takes place, even though the officers and people of the county may diligently endeavor to prevent the lynching.

Section 6 makes any county in which the victim may have been seized, though afterwards transported into another county, equally liable with the county in which he may be put to death. In this case it is of no consequence that the officers and citizens of such county may be wholly ignorant of the whole transaction and in no sense either criminally or negligently culpable.

Authors of the bill were, no doubt, prompted to insert the foregoing sections by similar provisions in the laws of several States. Such laws have been held valid in several States. They afford, however, no authority for what is here sought to be done. Counties are the creatures of the State. They are its agents and servants. They are organized as its instrumentalities through which to administer government. The State may abolish them altogether; it may destroy them if it will. Nothing stands in its way to penalize or punish a county save the laws and rules established by itself. The States, however, are not the creatures of the United States. It is rather the creature of the States. It can not lay the weight of its hand upon a county, except the State consent.

As though this measure were not already too ambitious, the chairman of the committee has offered an amendment proposing a new section, reading as follows:

SEC. 7. That any act committed in any State or Territory of the United States in violation of the rights of a citizen or subject of a foreign country secured to such citizen or subject by treaty between the United States and such foreign country, which act constitutes a crime under the laws of such State or Territory, shall constitute a like crime against the peace and dignity of the United States, punishable in like manner as in the courts of said State or Territory, and within the period limited by the laws of such State or Territory, and may be prosecuted in the courts of the United States, and, upon conviction, the sentence executed in like manner as sentences upon convictions for crimes under the laws of the United States.

SEC. 8. In construing and applying this act the District of Columbia shall be deemed a county, as shall also each of the parishes of the State of Louisiana.

That if any section or provision of this act shall be held by any court to be invalid, the balance of the act shall not for that reason be held invalid.

It will be seen that under the above, offenses against aliens in violation of any right of such aliens as defined in a treaty between the United States and the country of their citizenship shall be triable in Federal courts.

As to the invalidity of all other parts of this legislation I have not the flimsiest doubt. Frankness, however, compels me to say that as to the above I am not so sure. The limits of the treaty-making power have never been definitely and clearly marked out by the Supreme Court.

The second paragraph of Article VI of the Constitution reads as follows:

This Constitution, and the laws of the United States which shall be made in pursuance thereof, and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the constitution or laws of any State to the contrary notwithstanding.

My own view of the scope of the treaty-making power is that it is limited by all other provisions of the Constitution—in other words, that it can be exercised only within the compass of the powers granted to the Federal Government; that it can not invade the domain of the powers reserved to the States and interfere in the internal affairs of the State, because the State did not grant to the Federal Government the right to do so either by treaty or in any other manner.

It has been declared that the United States can not by treaty provide either that slavery may exist in a State or that a State shall have other than a republican form of government, or that the States shall have unequal representation in the Senate, or for the establishment by Congress of a State religion or the abridgement of free speech, or that a jury trial shall be denied in a Federal court. None of these things can be accomplished by treaty because the Constitution provides they shall not be done at all. As to them, the treaty power is limited by other provisions of the Constitution. On the other hand, there is a field within which the treaty power is clearly operative. Treaties of peace for the purchase or acquisition of territory or for the arbitration of international disputes are common and recognized as within the Federal power. But these matters clearly affect the external relations of the United States. An agreement undertaking to regulate commerce with a foreign nation would seem to be the proper subject of a treaty, and yet the Constitution grants to Congress the power to regulate foreign commerce and the treaty remains inoperative unless Congress assents to its terms. This is but another instance of the limitation of the treaty power by the Constitution. Now, it would seem to logically follow that the treaty power must be likewise limited by the tenth amendment to the Constitution, which declares that powers not delegated to the Federal Government nor prohibited by it to the States are reserved to the States, respectively, or to the people; that the police power, the internal government of the States, are beyond the reach of a treaty.

The Supreme Court of New Hampshire (13 N. H., 576) declared:

The police power of the several States, regarded as separate governments, is not a subject matter to which the treaty-making power extends.

The California Supreme Court (1 Calif., 232) as early as 1850 decided that a treaty is supreme only when made—

in relation to those subjects the jurisdiction over which has been exclusively intrusted to Congress.

On the other hand, many entertain the contrary view that a treaty is the supreme law of the land and may override State constitutions and statutes almost, if not quite, at will.

Justice Field, of profound understanding of our constitutional system (133 U. S., 366), declared that the treaty power extends—

"To all proper subjects of negotiation" between the United States and foreign nations. After pointing out that a treaty can not do what the Constitution forbids, nor change the nature of the National Government, nor of the State government, nor cede any portion of the territory of a State without its consent, he added: "But with these exceptions it is not perceived that there is any limit to the questions that can be adjusted touching any matter which is properly the subject of negotiation with a foreign country."

If a treaty may not do what the Constitution forbids, it would seem to logically follow that it could not invade the reserved rights of the States, because their exercise by the Federal Government is as much forbidden by the Constitution in the tenth amendment as though it were expressly named. The Federal Government is forbidden to exercise power not granted to it, and these were never so granted by the States.

However, it has been held by the Supreme Court that the inheritance by aliens of property within the States may be effected by a treaty, though not permitted by State law. (— Dallas, 199; 7th Cranch, 627; 100 U. S., 483; 133 U. S., 258.) The cases do not go further than that a treaty may enable aliens to inherit property in the same manner as citizens; they do not indicate that State laws of inheritance can be modified by the force of a treaty beyond the admission of aliens to equality of rights with citizens. It may be that Judge Tucker is correct in terming these holdings "an extreme view of the treaty power." However that may be, it can not with any degree of certainty be foreseen just how far the courts may declare the treaty power to extend.

It will be recalled that some years ago a controversy arose over the attempt of California to exclude Japanese children from the white schools. Japan protested against such action as being violative of her treaty rights. The subject of education is an internal concern of California, but if it be held that it is within the treaty power it is entirely probable that the laws of California will be made to bow to the terms of a treaty. The same fate would await Japanese alien land laws of several States.

An act committed in any State in violation of the rights of a citizen, which is a crime under the laws of such State, is triable in the courts of such State. If a treaty guarantees to the alien the same protection as is accorded a citizen, it would seem that trial of the offender in the same courts and under the same laws would fulfill the obligation. But by this bill, if an act be committed against an alien in violation of a right secured by treaty, the offender is triable in a Federal court. It can only with difficulty be conceived that our Government should bind itself to guarantee to aliens a higher degree of protection than it secures to its own citizens, and yet the underlying theory of this bill is that Federal courts afford greater assurance for the redress of wrongs than do State courts.

The scope of treaty power has not been sufficiently explored and delimited by the courts as to give assurance as to the validity or invalidity of section 7. But however that may be, serious question as to the wisdom and polity of its provisions can not escape our notice.

But, Mr. Chairman, whatever the power of Congress, is it the part of wisdom, on the plea of suppressing lynching, for the United States to embark upon a policy that can not fail to weaken State authority and render it less able in the future to withstand absorption of its functions by the Federal power? Lynching can not be defended, and I interpose no defense for it. Against it have been hurled the denunciations of every State in the Union. It is murder under the laws of every Commonwealth from Maine to Texas. Every State enjoins the protection by peace officers of prisoners in their custody. It has been disclosed by the debate that lynching is on a rapid decrease; that though the average annual number for the last 36 years has been 115, the number for 1921 was 63. Public sentiment against mob violence is growing in strength. Courts and officers are being encouraged in their efforts to suppress it. Prosecutions and convictions are increasing in frequency and will continue to increase when sustained by a wholesome public spirit, which is gathering force with the passing days. The remedy lies in strengthening State agencies rather than in weakening them; in reliance upon local authority rather than the distant and alien Federal power; in the sense of local and State responsibility to preserve law and order rather than in reliance upon external protection.

Was not the whole theory of local self-government erected upon such a foundation? Did not Mr. Jefferson, one of the world's greatest political philosophers, learned in the political systems of all time, advocate a political structure in which each precinct within a county should administer local concerns peculiar to the precinct; in which each county should discharge all governmental functions of which it was capable; in which the State should perform all general governmental duties, and that only those duties which could not properly or effectually be discharged by the State or its political units should be conferred on the Federal Government? Such a system quickens in the citizen an interest in his Government, it brings his country's affairs to his door, it inspires in him a desire to understand its workings, and encourages him to give something of himself to its service, to its strength, and to its permanence.

Is there not inherent in man an aspiration to have a part in making and enforcing the laws that govern him and protect him in his rights? Does there not reside somewhere in the inner chambers of the heart a spirit that resents the imposition of power by a distant sovereignty, however beneficent its motives? Has it not torn and distracted Ireland for more than a century? Can not its ominous rumblings now be heard as they roll out from the jungles of India? Is not Porto Rico, though making no complaint as to American misrule, now standing at the doors of Congress begging for a larger share of self-government? Does there not come up out of the Philippines, across 2,000 leagues of sea, the voice of that distant people asking for self-government? The power to enforce State laws now resides in the States and their agencies. Does not wisdom dictate that the control of their internal affairs be left where they now rest?

As has been so well pointed out during the debate, the people of the locality in which the mob spirit breaks out are the only persons who can prevent its violence. Will any added incentive be imparted to a State officer to apprehend a criminal, guilty of a heinous crime, when he may face Federal punishment in case his prisoner be taken from him and lynched? On the contrary, does it not hold up the constant temptation to escape possible punishment by the exercise of none too much zeal? Faithful and diligent officers prevent many lynchings by removal of prisoners to distant points. Shall their reward be possible punishment in case of failure? Federal intervention tends to create an attitude of "It is the business of the Federal Government. Let it attend to it."

The fury of a mob fanned to frenzy little recks of consequences. It acts quickly. United States marshals in few cases could reach the scene in time to prevent the consummation of its purpose. Local sentiment and local peace officers, with a sense of their own responsibility, acquainted with local conditions and anticipating the mob, can do more to prevent lynching than can a Federal post-mortem on the victim. There is no magic in Federal law. Through its mere fiat crime does not vanish. From the beginning the revenue laws have been violated. To-day the prohibition laws are widely and notoriously defied and others are daily broken. This affords no argument against their need, but it does supply evidence that Federal authority is not immune from challenge; that it possesses no sanctity that is inviolate.

But, even though it be noted with the deepest regret, the fact can not be ignored that considerations other than those of constitutional sanction and sound public policy have brought their influence to bear upon the action of this House. Oh for the day when the voice of sectional prejudice may no longer echo in this Chamber, when men's views shall be molded by principles rather than geography, when reason and logic shall wield greater power than latitude and longitude. Under the spell of their own oratorical enthusiasm some gentlemen have unmasked their real motives. In the eyes of a host of negroes in the galleries, many of whom were perhaps professional race agitators, they found favor by denouncing lynching as the product and institution of the South.

I shall not charge that a consuming passion to appear to the colored voter as his courageous champions added volume and vehemence to their impassioned eloquence; I do not charge that they were unmindful of matters of public policy and constitutional limitations, and yet, willingly or unwillingly, consciously or unconsciously, they were fanning the fires of racial hatred and piling fagots on the blaze.

They seem either to forget or to be unmindful that in the wake of the War between the States, though it left the States of the South overwhelmed, and their fields and cities in ruins and ashes, there arose before the white civilization of that bleeding but proud and undaunted people a menace more threatening than swarming armies and more dreadful than fire and pillage.

With their own governments superseded, with their citizens disfranchised, and millions of blacks with ballots in their hands, their eyes rested upon a forbidding prospect.

Agitations incited and kindled by unprincipled and selfish meddlers from the North, then and during all the years till now, have inspired among some unattainable ambitions for social equality, have inflamed their hatred of the dominant race and have embittered the relations of the races.

But the South did not despair—her people were made of sterner stuff. From the dust proud cities grew. Her fields were decked again in their garments of green and gold and once more flung wide their banners of white. But she has struggled and she has suffered. Hers has been a problem peculiar to itself. She understands it better than any other part of the Union, because it is her own. She merits the sympathy not the condemnation of other sections. The negro is not denied the opportunity to labor and accumulate property. His industrial rights have greater security in the South than elsewhere. His rights in the courts are guaranteed. But social equality is denied him; not by law in violation of the fourteenth amendment, but by the irrepealable statutes that throb in the white man's pulse, by the inviolate constitution of our race.

Yes, lynchings have occurred. They are to be deplored. They are not to be defended. The Southern people are bending their energies to suppress them. But the South is not the only place where lynchings have occurred. With far less provocation they have occurred elsewhere, and may occur again. East St. Louis, with its toll of about an hundred; Omaha, with its race riots; Washington itself, are only a few of the points in other sections where violence provoked by racial conflict has defied authority.

If such outbursts have occurred with greater frequency in the South, it is because there so frequently have been perpetrated those fiendish and unspeakable crimes upon helpless women and children—crimes of brutish beasts; crimes that freeze the heart and yet fire the blood till it boils with wrath; crimes whose horror reaches down into the uttermost depths of human consciousness and touches into life the elemental passions that rend and kill in defense of woman and child.

It is the same fierce force that abides in the breast of him who dwells in the city or rides in the bosom of the wild nomad of the desert. It is the same when it cleaves the heart of the paleface as, standing in his doorway, he looks upon the mangled and violated form of wife or child, as when it moves the red man to avenge the outrage of his tepee. It is the same desperate tempest, whether to-day it sweeps men to madness or whether it drive Virginius to slay his daughter that she may be saved from the foul and dishonoring touch of a Roman tyrant.

But we rejoice that there are many in the West and North that are coming to appreciate and understand our problem. We take courage that not all in this Chamber from other sections have voiced their hostility and lack of sympathy. We have a greater interest in its solution than any other part of the Union. To us settlement will bring happiness—the greatest possible reward. To the professional political exploiter of the negro it will bring dismay. If selfish and mischievous agitators will only cease inculcating in the negro mind fancied wrongs, if white encouragement be withdrawn from negroes in northern cities, who live

on funds fleeced from trusting negroes of the South and give them in return evil counsel and impossible hopes, we shall draw nearer to racial adjustment. If trouble makers will but turn their preachment to the colored race from political and social relations, toward instilling in that race observance of law, good citizenship, industrial education, industry, and frugality, the black man will move far down the pathway that leads to happiness—along that roadway the gates stand ajar. To the social highway the gates are closed, and closed they shall remain.

The people and the States of the South will struggle on with their burden. They will continue to endeavor to suppress lynching; they are improving now, and will continue to improve. But they still cling to the Constitution. They still reverence its ideals. They still respect its limitations. They are opposed to lynching persons guilty of crime. They are opposed to lynching the Constitution, which has committed no crime. They believe that if the American system is to be preserved the Constitution must be obeyed; its faith must be kept.

Far from Europe, and yet farther from the East, here on the frontiers of the western world the great experiment in self-government under a written Constitution was begun—here the Anglo Saxon, with 600 years of struggle for freedom flowing in his veins, hungering to satisfy the aspirations of 20 generations, set up this governmental system. More than a hundred years ago, gathering courage from its example, France tore from her cramped and festering limbs the shackles of centuries. A little later the colonies of South America, walking in her footsteps, emerged from their thralldom. The monarchies of Europe have been awakened and liberalized by the radiance of the American system. For 133 years the United States, under the Constitution, has served not alone its own children but the world. But its work has not yet reached its fullness. To be worthy of its high destiny—the vindication of a written constitutional system—it must be true to that ideal. We, its servants, must reverence and obey its forms and processes. The people expect us, their servants, to reverence it and obey its commands. They look upon the Constitution as the great barrier between their liberties and tyranny. Its covenants, they fancy, have preserved for them and their children what was wrested by turbulent barons from an unwilling king. Through its lines they see woven the brave spirit of a Parliament that dared defy the Crown. To them it throbs with the spirit of that ringing Declaration that circled the globe and thrilled a world. In its stately stanzas they catch the echo of a drumbeat and hear the tramp of Continental Armies as their ragged battalions drove the royal standard from these shores. To them its language holds the wisdom of Benjamin Franklin, it reflects the statesmanship of James Madison, and majestically moving through its pages are the calm courage and lofty patriotism of Washington. These still live in the Constitution. If it be lost, all is lost.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. GARRETT]. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, I am unable to escape the conviction that from the beginning of the debate upon this question until now there has been much of beclouding and befogging the real issue which is involved. The "race question" has been discussed much throughout this debate and yet the fundamental features of this bill do not in anywise involve the "race question." That is only an incident growing out of the peculiar conditions existing in the country. I had supposed that we here all understood it. My fear has been that the country did not understand it. And I may now say that certain practices which have been pursued by the minority have been pursued, not in an effort to delay consideration of this bill, but in an effort to center the attention of the country upon the real meaning and upon the real things that are involved in it.

But I am reluctantly driven to the conclusion that even here in the minds of some the issue is beclouded and befogged. The clear-minded, the clear-thinking gentlemen from New York [Mr. COCKRAN and Mr. GRIFFIN], who have this morning spoken in advocacy of this measure, after all do not seem to understand it. Do these gentlemen realize that when they vote for this bill they are voting to put the whole police force of their city and State absolutely under the control of the Federal Government? Are they willing to tell the House and the country that the great city of New York, the great city of Chicago, or any other city or hamlet in this country, is willing to place its police officers under the control of the Federal Government, with a Federal constabulary to enforce their will upon the local police force? I dare not think so.

The "race question" ought not to becloud the issue. The responsibility with which we Members of the House are faced, which we upon our consciences must respond to, is first the constitutionality of this measure. Then we may take up the question of policy. As yet I have not heard in this debate one gentleman, unless it be the gentleman from Ohio [Mr. KNIGHT], who preceded me a moment ago, and the gentleman from Kansas [Mr. LITTLE], who has not expressed the very gravest doubt as to its constitutionality. The gentleman from New York [Mr. COCKRAN], the brilliant and distinguished orator, known throughout the world, conceded in the presence of this body that from beginning to end this bill is unconstitutional. And yet he announced that he would support it.

In the discussion upon the rule, the only time that I have spoken upon this subject, I endeavored seriously and calmly to point out the involvements of this question.

Gentlemen, if this bill can be passed and sustained as constitutional, then it is admitted by every Member of the House who has spoken that you can put the punishment for any crime in the Federal organism, to the exclusion of the State entities. And in the process of the years, of the decades, with the changing evolutions of our social organism throughout this vast domain, we may expect a sentiment to grow up which inevitably will lead to that thing being done.

I have been very painfully surprised at the attitude of some of the Representatives from the Pacific Coast States upon this bill, not that it is a matter of graver consequence to them than to all the other States, save only as the peculiar problem which confronts those of the western coast is coming more quickly than the problems will come to other States.

Do not gentlemen from the Pacific coast know that when the effort was made to enforce the admission of the Japanese into their schools by Federal action where the sympathy with them in their determination that it should not be done came from? [Applause.] Can gentlemen from the western coast, who are confronted with a racial problem, fail to realize that in a very few years, if this bill shall pass and be sustained by the court, an overwhelming majority of representatives from other sections of this country, in order to avoid the dangers of war, will rise up and crush their just local institutions and practices on the western coast in regard to their schools and their alien land laws?

You gentlemen of the majority may very well think very seriously.

It is no threat. God knows, my friends from the western coast, whatever the other sections may say and do about this question, and whatever you yourselves may do upon this matter, you will not lose the sympathy of us who understand the problem. [Applause.]

This measure is confessedly in violation of the Constitution of the United States. I do not believe there is a lawyer in this Republic, with any pretensions to constitutional law education, who is devoid of political aspiration, who will rise anywhere in the Republic and undertake to defend its constitutionality. And if we can but center the attention of the bar of this country, if we can but center the attention of the officers of the States and of the municipalities who are to be brought within the purview of this act, if we can but center the attention of the great masses of people upon the fact that here, by this law, not by constitutional amendment, where they will have a chance to pass upon its merits, but by law of Congress, we are to destroy the Constitution and to do violence to all the philosophy upon which our dual systems of government rest, we will be ready to meet that issue, those of us who oppose this bill.

This is no temporary thing. This is not dealing with an unfortunate condition only. This is a proposition which in its fundamentals must be abhorrent to every man who believes in the integrity of our dual systems of government, no matter whether it be in New York or New England or Florida or California.

Gentlemen have sought to compare this bill with the prohibition act. Oh, Mr. Chairman, there is no comparison between the two. Whether it was wise or unwise to adopt the eighteenth amendment, we need not now argue. It was submitted by Congress as a constitutional amendment. It did not supplant the States in the enforcement of law. It was submitted. The people of the States through their representatives, the constitutional agencies, had the opportunity to pass upon it. The gentleman from New York [Mr. GRIFFIN] complained that the South in the main voted for it, and they seek to saddle the responsibility for it upon the South. I have seen such an opinion as that in the press of New York. And yet the State of New York itself ratified the amendment overwhelmingly. [Applause.]

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will.

Mr. LONGWORTH. The question of the constitutionality of this bill at this stage is, after all, a matter of opinion. The gentleman realizes it has been submitted to the Attorney General, and that he has given his opinion that this measure is constitutional?

Mr. GARRETT of Tennessee. An assistant to the Attorney General argued before the Committee on the Judiciary that he hoped if it was passed he might be able to get the court to sustain it. That was as strong as he put it.

But let me say to my friend from Ohio—I do not know what was in his mind when he took the oath to support the Constitution of the United States; I did not take an oath to support the Attorney General of the United States; I took an oath to support the Constitution of the United States. [Applause.]

Mr. LONGWORTH. The gentleman apparently took an oath to uphold his own opinion. I think the opinion of the Attorney General is at least entitled to respect.

Mr. GARRETT of Tennessee. What does the gentleman think about the constitutionality of it? [Applause.]

Mr. LONGWORTH. The gentleman places very great reliance upon the opinion of the Attorney General of the United States.

Mr. GARRETT of Tennessee. Well, I shall not undertake to interpret the gentleman's opinion to the House. He will have to do it himself.

Let me repeat as seriously as I can, this is no race question. We ought to forget every element of raciality which has been injected into this discussion. We ought to consider this first from its constitutional standpoint, and then from the standpoint of the policy which is involved and the precedent which it sets, through which, as sure as God reigns and society continues to move, the whole dual system of government which exists here will eventually be destroyed if this bill shall pass. [Prolonged applause.]

Mr. VOLSTEAD. Mr. Chairman, I yield one minute to the gentleman from New Jersey [Mr. APPLEBY].

The CHAIRMAN. The gentleman from New Jersey is recognized for one minute.

Mr. APPLEBY. Mr. Chairman, on account of the shortness of time, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. VOLSTEAD. Mr. Chairman, I yield one minute to the gentleman from West Virginia [Mr. ECHOLS].

The CHAIRMAN. The gentleman from West Virginia is recognized for one minute.

Mr. ECHOLS. Mr. Chairman, I make the same request as the gentleman from New Jersey.

The CHAIRMAN. The gentleman from West Virginia asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. VOLSTEAD. Mr. Chairman, I yield one minute to the gentleman from New York [Mr. ANSORGE].

The CHAIRMAN. The gentleman from New York is recognized for one minute.

Mr. HERRICK. I object.

Mr. ANSORGE. Mr. Chairman, the House has already heard me for 10 minutes. I merely ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SISSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. VOLSTEAD. Mr. Chairman, I yield one minute to the gentleman from Iowa [Mr. KOPP].

The CHAIRMAN. The gentleman from Iowa is recognized for one minute.

Mr. KOPP. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. VOLSTEAD. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. ROBSION].

The CHAIRMAN. The gentleman from Kentucky is recognized for five minutes.

Mr. ROBSION. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, how much more time have I remaining?

The CHAIRMAN. The gentleman from Texas has 12 minutes remaining. The gentleman from Minnesota [Mr. VOLSTEAD] has 16 minutes.

Mr. SUMNERS of Texas. Will the gentleman yield four minutes of his time?

Mr. VOLSTEAD. I yield to the gentleman from Kansas [Mr. LITTLE].

Mr. LITTLE. Mr. Chairman, I have heard a thousand lawyers say that certain bills and laws are unconstitutional. I never saw a half a dozen who were able to convince any court that they were. When a man says a bill is unconstitutional, the chances are one thousand to one that he is wrong.

APPLICATION OF THE EDISON TEST.

There has never been a law predicated on the fact that a State refuses a man protection. Therefore there never has been a decision that such a law is unconstitutional. If there were such a decision it would be a mere obiter dictum. Any lawyer who will give the principle involved 30 minutes' serious consideration will concede that there has never been any decision that this bill is unconstitutional.

The cases gentlemen cite are concerning laws which did not contain any provision that the State had refused to do its duty. In those cases the Supreme Court has frequently said that those laws were unconstitutional because they were not predicated upon the fact that the State had refused to give people protection. The inference is that this bill, which is predicated on the claim that the State has refused to give men equal protection, is constitutional. Therefore there are many decisions which tend to support the constitutionality of this bill.

A careful review of the speeches delivered during this debate sheds considerable light upon the actual plans of the friends and foes of this bill. While there has been a vast amount of sounding of trumpets and beating of drums to distract attention from the issues and to fill in space there are certain cardinal points definitely developed. An analysis of the argument shows that there are after all just two major contentions involved.

THE TWO CONTENTIONS.

1. One side calls attention to the fact that the Constitution of the United States guarantees to every man in each State the equal protection of its laws, and makes it the duty of Congress to carry out that guaranty whenever a State by its sheriff or other officers denies the benefit of that guaranty to anybody. This side takes the position that the Constitution means what it says.

2. The other side advances the claim that under the Constitution each State has a reserved power to permit its citizens to hang people and burn people whenever in their judgment it should be done, and that they can do this without any officious interference from the Government of the United States.

Gentlemen must not deceive themselves, thinking that they are against lynching, but also against this bill. Those who want the State to reserve the power to allow their citizens to pour oil on people and burn them alive at their own sweet will, will vote against this bill. Those who are in favor of enforcing this constitutional provision will vote for the bill, and that is all there is at stake in this debate.

Perhaps the clearest enunciation of the views of those opposing the antilynching bill is expressed by the gentleman from Maine [Mr. HERSEY] in his speech of January 10, where he says:

"THE LAST VESTIGE OF THEIR RIGHTS GONE."

Section 4 removes the last vestige of the rights of the citizens of the several States. It provides that a person who participates in any mob or riotous assemblage by which a person is put to death shall be guilty of a felony, and on conviction thereof may be imprisoned for life.

The gentleman from Maine says that if they can not burn somebody alive they will not have a right left.

The gentleman thus says that section 4 provides that any one who participates in a mob by which a person is put to death, on conviction may be imprisoned for life, and that this "removes the last vestige of the rights of the citizens of the several States." Congress merely seeks to enforce the law of Maine and adds nothing to its punishment of the men in the gentleman's district who commit murder at a lynching bee.

The gentleman from Maine thinks that when a State can not allow its citizens to burn each other alive without trial it has "lost the last vestige of its rights." He states the view of his side more clearly and brutally than anyone else would or could.

You will think that this is a misprint. But he used it in both his speeches. The poor gentleman fondly thinks it is a literary and legal gem, and will ring down the ages. It will if I can help ring it.

His is a clear statement of the contention I have directed his attention to. The "last vestige of the rights of the citizen" is the alleged power reserved in the States of allowing their citizens to burn people occasionally without any interference by the Federal Government. As the gentleman so tersely says, this bill, if it becomes a law, will deprive the States of that alleged reserved power and of that "last vestige of their right" to burn each other without a trial, to which the gentleman from Maine and his colleagues so fondly cling. That is the constitutional question involved here.

The dispute is clear-cut and definite and a decision can not be escaped. One side is right and the other is wrong. Men of logical minds who believe that it is best to burn a man occasionally will be one way, and men of logical minds who believe that every man ought to have a fair trial will believe the other way. Occasionally a dignified gentleman profoundly remarks that there is a grave doubt about which is correct, and thus demonstrates, some people think, a judicial mind; but, gentlemen, a judicial mind does not have "grave doubts" after it has heard the law and the evidence. Then a judicial mind, a logical mind, reaches a conclusion, and if it can not reach a conclusion it is not a judicial mind nor much of any other kind of a mind. Do not fool yourselves, gentlemen, into imagining that you can look wise and hold "grave doubts" and still be logical. This issue is so clean-cut, so definitely defined, that there is no escape from reaching one conclusion or the other. Every man here is entitled to be governed by his own judgment. If your judgment convinces you that mobs should be permitted sometimes to hang people without a trial you should vote that way, but do not deceive yourselves into thinking that there is any other issue in this debate.

In good old days of long ago, the friends of freedom and human rights found the Yankee Doughfaces worse than the Southern slave drivers. The rule still holds. The gentleman from Maine [Mr. HERSEY] suggests that the gentleman from Ohio [Mr. BURTON] "has the misfortune to have in his district a large organization of colored voters." And then intimates that the argument of the gentleman from Ohio is governed by that fact. The gentleman from Maine then proceeds with the following:

> The gentleman from Kansas [Mr. LITTLE], who also represents a large colored constituency, entered the fray as a great constitutional lawyer and claimed on the floor that this bill was clearly constitutional, because he had examined certain decisions which had not met the eye of any other lawyer, and he proceeded at great length to quote from certain State decisions which had never been before the Supreme Court.

He says:

> The gentleman from Kansas proceeded at great length to quote from certain State decisions which had never been before the Supreme Court.

Is this ignorance or mendacity? Every decision the gentleman from Kansas mentioned was from the United States Supreme Court reports. The gentleman from Kansas did not even mention any State decision. How does a man who could make such a statement get the idea, or something, that he is called on to discuss any legal proposition? He said that the gentleman from Kansas cited "certain decisions which have never met the eye of any other lawyer." Of course, I realize a man who can not tell a State decision from a United States Supreme Court case has a right to discuss the law. What puzzles me is why should he wish to.

Nearly every case the gentleman from Kansas mentioned was a case that had already been cited by the opponents of the bill, who claimed that it sustained their contentions. The gentleman from Kansas undertook to demonstrate that not a single one of those cases sustained their theory. The gentleman from Maine says they "had never met the eye" of any lawyer but the Kansan. Well, they certainly had never met his eye, whether he is a lawyer or not. He says:

> I do say, however, that I have not been able to find any case cited by the gentleman from Kansas that does apply.

LATHER TOO VALUABLE.

After reading his speech it is perfectly obvious that this is true, and that he is not able to find the application of the cases. He says that they are State cases, which means that he never read them, of course, and as he never read them, how does he know whether they apply? It is a compliment to some people to tell them they know no law. He does not even suspicion any.

The gentleman from Maine, as it seems, has done some "independent research" of his own and actually introduces cases he has discovered. But why should anyone discuss them after reading what he said above? Lather is too valuable to waste on such an operation.

Referring to the Siebold case, the gentleman from Maine enters into a "legal discussion" of that. He says:

> There was a Federal statute covering elections of Members of Congress and punishing any interference with the proper conduct and purity of the elections, and under that statute the defendant was arrested and tried in the United States court. It was clearly a Federal offense made not only so by Congress but by the Constitution.

It evidently never has occurred to the gentleman that if this bill becomes a law those who violate it will be arrested and tried in the United States court for a Federal offense made so by Congress and the Constitution. Yes; they had a Federal statute and we will have another when this bill passes. Why, this is pitiable. Let us proceed with the debate and drop a veil over this sad occurrence.

In his curious hallucinations the gentleman said that the gentleman from Nebraska claimed that the gentleman from Kansas had quoted a vast number of cases, but that none of them applied to the bill in question.

As the gentlemen from Maine and Nebraska abandon the cause of human rights and cater to its foes, they remind me of the Come-outers toast to Webster and Winthrop under similar circumstances. Changing the names, it runs:

HERSEY and REAVIS, par nobile fratrum, like the lean kine in the field they follow the sunshine around the haystack.

That the gentleman from Nebraska made a clever speech is proved by the fact that he spoke for 30 minutes and carefully kept the secret of whether he was in favor of maintaining in the States a reserved power to permit its citizens to burn a man alive, whenever it seemed proper, without any officious interference by the Federal Government. However, it may be presumed that his heart was where his applause was; but this is the first time in the annals of Nebraska on this floor, when the political opinions of any orator from that Commonwealth have received and deserved the sympathetic applause of the rebel yell.

"NO POLITICAL EXPEDIENCY OR SELF-INTEREST."

The gentleman from Nebraska [Mr. REAVIS] tells us himself that he never casts any vote from political expediency or self-interest, which is a very good advertisement of himself. I had supposed that that was the rule in the House, but he evidently thinks he is an exception. He certainly is an exception to some rules, as we will now see. For example, in his speech of January 10 the gentleman from Kansas did not mention section 4, and said of James against Bowman that it "has no relation to the thirteenth or fourteenth amendments." The gentleman from Nebraska said the Kansan cited James against Bowman "with approval as showing section 4 * * * was within the fourteenth amendment. Applause." That stamps him as an "exception." In his speech of January 17, which immediately followed that of the gentleman from Ohio [Mr. BURTON], he said:

> I want to refer to the question that was interposed by the gentleman from Kansas [Mr. LITTLE], who made a very brilliant speech on the constitutionality of this measure, citing a number of decisions of the United States Supreme Court. Every one of which absolutely repudiated everything that he said. [Laughter.]

I do not find that in his speech in the RECORD, where he says:

> I hope to answer the question of the gentleman from Kansas [Mr. LITTLE], who made a brilliant constitutional argument for the bill and cited many decisions of the Supreme Court of the United States, every one of which when understood, destroyed the very principle for which he contended. [Laughter.]
> Mr. LITTLE. Will the gentleman yield?
> Mr. REAVIS. With pleasure.
> Mr. LITTLE. Will the gentleman be kind enough to read them. Evidently he has not.
> Mr. REAVIS. I will be glad to read one of them now, the case of James against Bowman, reported in the One hundred and ninetieth United States Reports.

While the gentleman's diction is not the same, he still retains "Laughter," and I think he is entirely justified in doing so. He earned that laughter. Anybody who can draw "laughter" and "applause" handling James *vs.* Bowman the way he did, is entitled to have it engraved on his tomb.

If the statement above of the eloquent gentleman from Nebraska [Mr. REAVIS] is true, the citations given by the gentleman from Kansas are of no value and should be discarded. If the statement of the gentleman from Nebraska above is not true, it is simply the silly prattle of a man who does not know what he is talking about, and the decisions can well be read with care. The primary essential for being useful in debate is a certain capacity for the assimilation of actual facts. Let us focus our eyes on this James against Bowman production of the gentleman from Nebraska and see whether we can place reliance upon his statement about what a court has said.

He says, not in the green tree of the floor but in the brown and yellow leaf of the RECORD:

> Mr. REAVIS. The gentleman asked for the reading of the opinion. Will he please listen? I select this case from among the many cited by the gentleman to prove the constitutionality of this bill, not alone

because it is the leading case construing the fourteenth amendment, but because it was written by a very distinguished judge from the gentleman's own State. Will you listen to what Judge Brewer says with reference to the jurisdiction of the Federal Government under the fourteenth amendment?

The gentleman begins by saying that he reads this case because the citation was written by Justice Brewer in James against Bowman. It was not written by Justice Brewer in James against Bowman. His citation, which he ascribes to Brewer, was written by Chief Justice Waite in the United States against Cruikshank, and will be found in the Ninety-second United States at page 554. The gentleman does not know enough about these cases to know who wrote his citation or in what case it was delivered. Why does he argue, then, when his equipment is such as that? He says that he cites it because Justice Brewer wrote it. He cited it because he did not know the name of any other single, solitary case that the gentleman from Kansas mentioned in his speech on this question, as I shall presently demonstrate.

He says, too, he cited it—

because it is the leading case construing the fourteenth amendment.

The case of James against Bowman is about the fifteenth amendment entirely and does not construe the fourteenth amendment at all. The gentleman wishes us to know what Justice Brewer says. I will see now that you get it. Mr. Justice Brewer, delivering the opinion, begins:

The single question presented for our consideration is whether section 5507 can be upheld as a valid enactment.

If you will turn to section 5507 of the Revised Statutes, you will find that it reads as follows:

SEC. 5507. Every person who prevents, hinders, controls, or intimidates another from exercising or in exercising the right of suffrage, to whom that right is guaranteed by the fifteenth amendment to the Constitution of the United States, by means of bribery or threats of depriving such person of employment or occupation or of ejecting such person from a rented house, lands, or other property, or by threats of refusing to renew leases or contracts for labor, or by threats of violence to himself or family, shall be punished as provided in the preceding section.

The fifteenth amendment provides:

SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

You will observe that the section which Justice Brewer is construing by his own statement is a section which in its own language explicitly states that it is made under the provisions of the fifteenth amendment to the Constitution, and that the construction of that section, made solely under the fifteenth amendment, "is the single question presented" to the court.

"ABSOLUTELY REPUDIATED? LAUGHTER."

The gentleman from Nebraska, coming here to flout the constitutionality of the bill and the Supreme Court decisions cited by the gentleman from Kansas, begins by telling us that the construction by the court of probably the only statute on our law books that specifically says it is enacted entirely under the fifteenth amendment, is the leading case on the fourteenth amendment.

The gentleman from Nebraska says that the gentleman from Kansas presented James against Bowman to sustain section 4 of this bill in his speech of January 10. The gentleman from Kansas did not mention section 4 anywhere in that speech. He said I presented that case to prove that this bill came within the fourteenth amendment. What I said was that James against Bowman had nothing whatever to do with the fourteenth amendment, but was wholly a case on the fifteenth-amendment proposition. He gave a quotation which he said I read to show the bill was constitutional, and I made no such statement about it whatever. Apparently in order to secure an apparent foundation for his oratory, he misrepresented every fact that he touched concerning my attitude on the only case he mentions. Of what value are statements of fact from a debater who misstates every statement made by his opponent on the only case this debater cites?

Having made a desperate effort to break the pledge of the Republican Party, having done all he could to defeat and destroy this bill to abolish the power of mobs to burn people alive, the gentleman from Nebraska announces that he never votes for selfish interests or political expediency and therefore (I presume) is going to retire from this Congress, sticks his speech in his pocket, preens his plumes, and lights out for Nebraska.

He made an omnibus declaration that every case the gentleman from Kansas cited distinctly repudiated what the gentleman from Kansas argued. To sustain that blanket assertion, he gave one quotation, cited one case only. He told you it was "the leading case under the fourteenth amendment," and it is purely a case under the fifteenth amendment. He told you Justice Brewer wrote it, and it was written by Chief Justice Waite. It comes from the United States against Cruikshank, and he told you it was from James against Bowman—where it happened to be cited, as were several other cases. He did not know who wrote his single quotation. He could not name the case in which it was written. He did not understand what constitutional amendment his one case discussed. The gentleman from Nebraska knows no more about the principles involved in these cases than the ass which carried the Savior into Jerusalem knew of the ethics of the Christian religion.

The gentleman tells us that this term in Congress may be his last. If he will return to the practice and combine with his eloquence and shrewdness a careful study of the law, acquiring a broad and definite comprehension thereof as a basis for the exercise of his other talents, I predict for him a splendid career at the bar, which I sincerely hope he may have. He is still young and has ample time to recover from the faults of carelessness and lack of philosophical training. Sometimes one with a superficial knowledge of the law and a gift for bold assertion and denial, without regard to the facts, can go far in the trial courts. A wise countenance and a dignified manner will occasionally be as impressive as brains and learning. In my 35 years of obscure, humble, but industrious practice at the bar I have never before seen such a curious example of the combination of delightful trial talents with an absolute lack of conception of all legal principles. Henry Watterson once said to another very brilliant young gentleman, Mr. Clark Howells, of Atlanta:

Go to, young Bowels, go to; go to school; go to a nunnery, go to the devil.

In his observation of decisions and briefs the eloquent orator from Nebraska has an unfortunate mental astigmatism which probably is very embarrassing to him as well as to his friends. In the speech of January 10 the gentleman from Kansas said:

This case of James against Bowman is made entirely under the fifteenth amendment, and has no relation to the thirteenth or fourteenth.

In his eloquent and inaccurate oration, which he claims is directed to the law of this case, the gentleman from Nebraska says of James against Bowman, which he claims to be reading:

And under the wording of that opinion the gentleman cited it with approval as showing that section 4 predicated upon no action of the State was within the fourteenth amendment. [Applause.]

The gentleman from Kansas said that "the case of James against Bowman has no relation to the fourteenth amendment." The gentleman from Nebraska then said after that that "the gentleman from Kansas cited it to show that section 4 was within the fourteenth amendment," as proven by this James against Bowman case. The gentleman from Kansas says one thing, and the gentleman from Nebraska says that he says another thing, the exact opposite. In my remarks on James against Bowman I called attention to a few lines it cited from the Civil Rights cases, and the gentleman quoted a few lines I did not mention under James against Bowman, and claimed I quoted them to prove James against Bowman sustained section 4, which I did not mention in the whole speech.

I have spoken of this as a mental astigmatism, but perhaps there are other words for it. I think such misrepresentation has gone far enough.

The gentleman from Kansas addressed this House in some 8,000 words as to the constitutionality of this bill without an unkind word of any human being or any unkind thought of any human being. Most of the Supreme Court cases he cited were cited again a week later by the gentleman from Ohio [Mr. BURTON]. Not a man in the world has undertaken to take any given case and seriously demonstrate that it did not tend to prove the contention of the gentleman from Kansas, yet these gentlemen without a decision to sustain their views, without citing a line from any of the cases the gentleman produced—except this citation from Justice Waite which they ascribe to Justice Brewer, and which sustains the constitutionality of this bill—have assumed judicial authority to announce in an omnibus presentation the judicial pronouncement that none of the cases the gentleman from Kansas cites sustains his contention, but that they all repudiate it. As neither of the gentlemen have read them, as neither of them understand any principle involved, it certainly is astonishing that they could not have restrained their transports in the hysterical enthusiasm of repudiating the principles of their party, to the ordinary rules of common courtesy and common sense.

SOME OF THE CASES IN DISPUTE.

As the gentlemen from Maine and Nebraska have hardly told us a word of what is in the cases they so summarily disposed of, it will be well to analyze a few and refreshen our memories as to their contents.

CIVIL RIGHTS CASES.
(109 U. S., 3, 13.)

One of the strongest cases in favor of the constitutionality of this bill is in One hundred and ninth United States, pages 3 and 13, and, curiously enough, men actually cite it as being a decision against the bill. The gentleman from Ohio [Mr. BURTON] speaks of it as one of the strongest cases against the bill. The best way to do is to lay it before you and put it into the RECORD, so every man can judge for himself. It is my hope that those who use the RECORD can read and understand English, and that is all that will be necessary.

The syllabus of this case says:

The fourteenth amendment is prohibitory upon the States only, and the legislation authorized to be adopted by Congress for enforcing it is not direct legislation on the matters respecting which the States are prohibited from making or enforcing certain laws or doing certain acts, but is corrective legislation, such as may be necessary or proper for counteracting and redressing the effect of such laws or acts.

This means that the fourteenth amendment is prohibitory upon the States, not upon the Nation. This means that Congress is authorized to legislate to enforce this amendment. This means that Congress can make such legislation "as may be necessary or proper for counteracting and redressing the effect" of the acts or laws the State does or makes. The Supreme Court distinctly says that laws like this bill, intended to counteract and redress, are corrective in their character and not direct. Is it possible that there is anybody in the world who fails to see that this is an absolute declaration by the Supreme Court that the act correcting the acts of the sheriff and the State exactly authorizes just what this bill does? Why should anybody in the world say this is a strong case against the bill, which undertakes to correct the misconduct of the sheriff and the State? Why, there certainly must be some limit to an undertaking to answer such a case as that by denying that it means what it says. The Supreme Court says in the Civil Rights cases, page 13:

And so in the present case, until some State law has been passed, or some State action through its officers or agents has been taken adverse to the rights of citizens sought to be protected by the fourteenth amendment, no legislation of the United States under said amendment, nor any proceeding under such legislation, can be called into activity, for the prohibitions of the amendment are against State laws and acts done under State authority. Of course, legislation may, and should be, provided in advance to meet the exigency when it arises; but it should be adapted to the mischief and wrong which the amendment was intended to provide against; and that is, State laws, or State action of some kind, adverse to the rights of the citizen secured by the amendment.

In fine, the legislation which Congress is authorized to adopt in this behalf is not general legislation upon the rights of the citizen, but corrective legislation; that is, such as may be necessary and proper for counteracting such laws as the States may adopt or enforce, and which, by the amendment, they are prohibited from making or enforcing, or such acts and proceedings as the States may commit or take, and which, by the amendment, they are prohibited from committing or taking.

The Supreme Court then holds that since these two sections are not predicated upon any misconduct by the State they are unconstitutional. It says:

Is the Constitution violated until the denial of the right has some State sanction or authority?

The Supreme Court held that until the State has denied, the provision is not constitutional. But this is equivalent to saying that if the State made a law denying men equal privileges in a hotel, the Congress of the United States could enact legislation to correct that. It is curious that the antagonists of this bill should cite attention to such a decision. Men of good sense let sleeping dogs lie.

These statements by the Supreme Court are clear and definite, and it is idle to quibble with them and undertake to deny that they mean what they say. The court speaks of "the legislation which Congress is authorized to adopt," and it is whatever "may be necessary."

The court holds that sections 1 and 2 of the civil rights bill are unconstitutional, but that has nothing to do with this matter.

The first section they held unconstitutional says that all people in the United States shall have full enjoyment of hotels and the like. The second section says that any person who shall violate the foregoing section by denying to any citizen this kind of enjoyment shall be punished. The Supreme Court held that Congress could not make such a law as that because there was nothing to show that any State has denied those privileges to anybody. As a matter of fact, what that meant was that any time any State by its laws or by the conduct of its officers refused any person equal enjoyment of public inns, the Congress could make the law which was held unconstitutional. It is a little curious that anybody who is opposed to such legislation should have forced our attention to this fact. Some people never can let well enough alone, but when they get something they are not entitled to always cry for more.

In this Civil Rights case the Supreme Court says of the fourteenth amendment:

It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States or which injures them in life, liberty, and property without due process of law, or which denies to any of them the equal protection of the laws. It not only does this but in order that the national will, thus declared, may not be a mere brutum fulmen, the last section of the amendment invests Congress with power to enforce it by appropriate legislation. To enforce what? To enforce the prohibition. To adopt appropriate legislation for correcting the effects of such prohibited State laws and State acts, and thus to render them effectually null, void, and innocuous. This is the legislative power conferred upon Congress, and this is the whole of it. It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation, but to provide modes of relief against State legislation or State action of the kind referred to. It does not authorize Congress to create a code of municipal law for the regulation of private rights, but to provide modes of redress against the operation of State laws and the action of State officers, executive or judicial, when these are subversive of the fundamental rights specified in the amendment.

Positive rights and privileges are undoubtedly secured by the fourteenth amendment; but they are secured by way of prohibition against State laws and State proceedings affecting those rights and privileges, and by power given to Congress to legislate for the purpose of carrying such prohibition into effect.

And such legislation must necessarily be predicated upon such supposed State laws or State proceedings, and be directed to the correction of their operation and effect. A quite full discussion of this aspect of the amendment may be found in United States *v.* Cruikshank (92 U. S., 542); Virginia *v.* Rives (100 U. S., 313); and Ex parte Virginia (100 U. S., 339).

In this Civil Rights case the court says of the law it declared unconstitutional:

THE TROUBLE IN THE CIVIL RIGHTS CASE.

An inspection of the law shows that it makes no reference whatever to any supposed or apprehended violation of the fourteenth amendment on the part of the States. It is not predicated on any such view. It proceeds ex directo to declare that certain acts committed by individuals shall be deemed offenses and shall be prosecuted and punished by proceedings in the courts of the United States. It does not profess to be corrective of any constitutional wrong committed by the States; it does not make its operation to depend upon any such wrong committed. It applies equally to cases arising in States which have the justest laws respecting the personal rights of citizens, and whose authorities are ever ready to enforce such laws, as to those which arise in States that may have violated the prohibition of the amendment. In other words, it steps into the domain of local jurisprudence and lays down rules for the conduct of individuals in society toward each other, and imposes sanctions for the enforcement of those rules without referring in any manner to any supposed action of the State or its authorities.

This present bill is entirely predicated upon the attitude of the State and comes entirely within the decision on the Civil Rights case so as to make it a good bill.

Some more "repudiation [laughter]." The laughter-arousing gentleman from Nebraska speaks with great approval of the argument of the gentleman from Ohio [Mr. BURTON], who says, "I now come to the cases which are altogether favorable to this class of legislation," and then proceeds to quote from Strauder *v.* West Virginia (100 U. S., 310), Ex parte Virginia (100 U. S., 347), In re Siebold (100 U. S., 371), and holds them up as "altogether favorable." The gentleman from Nebraska's speech immediately followed that of the gentleman from Ohio, and he naturally heard him cite those cases. The gentleman from Nebraska sat directly in front of the gentleman from Kansas when he spoke on January 10, just a week before. The gentleman from Ohio cited the same cases just mentioned that the gentleman from Kansas had cited. The gentleman from Nebraska thought it was quite profound law when he heard it from the gentleman from Ohio, but when the gentleman from Kansas cited the Strauder case and the Virginia case and the Siebold case the week before, the gentleman from Nebraska gravely announced that every one of them "absolutely repudiated [laughter]" the argument of the gentleman from Kansas, though he had just a moment before heard them cited as supporting the constitutionality of the bill. Perhaps this was another mental astigmatism; but the real fact is that the gentleman from Nebraska had so little familiarity with this proceeding that he could not have told you whether anybody had cited the Strauder case or the Siebold case or the Ex parte Virginia case. When he said that those cases "absolutely repudiated [laughter]" the law suggested by the gentleman from Kansas he could not have named one of them, any more than he could have named the babes that were lost in the woods. And yet this gentleman, who did not know enough about their names even to realize that both these gentlemen had cited the same cases, entered a general blanket denial of the application of any of them. A gentleman who did not know the names of the cases might know more law than a lawyer who thought United States Supreme Court cases were State decisions, but he certainly did not have any more warrant to discuss them. What he thought was that his high-sounding and rolling declamation would go unchallenged and nobody would ever know that he did not know that he was in deep water, far beyond his depth.

The cases when cited by the gentleman from Kansas were just as "altogether favorable" to the bill as they were when cited by the gentleman from Ohio just a week later.

UNITED STATES v. CRUIKSHANK.
(92 U. S., 542, 554, 555.)

In this case, cited by both the gentlemen from Ohio and Kansas, the syllabus says, speaking of the fourteenth amendment:

The duty of protecting all its citizens in the enjoyment of an equality of rights was originally assumed by the States, and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees but no more. The power of the National Government is limited to the enforcement of this guaranty.

This decision says that it is the duty of the United States to enforce the guaranty in the fourteenth amendment, which is what this bill is drawn to do, and what it will do. The court says:

The equality of the rights of citizens is a principle of republicanism. Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle if within its power.

This case was cited by the opposition as holding the bill unconstitutional. The gentleman from Kansas cited it to call attention to the statement of the court that it is the duty of Congress to carry out this constitutional guaranty. Why does the gentleman from Nebraska say that it "absolutely repudiates [laughter]" just what it says? The gentleman from Ohio, in his argument citing this case, calls attention to the statement of the Supreme Court that the people are subject to two Governments, the State and the National.

That is what this bill says, and it says that when the State will not protect them the National Government will, and that it will not repudiate them, and that those who believe in the Constitution of the United States should not repudiate them.

STRAUDER v. WEST VIRGINIA.
(100 U. S., 303, 310.)

Another case cited by the gentleman from Kansas is Strauder against West Virginia, concerning which the gentleman from Kansas made no remark, merely giving the views of the court, which said:

The fourteenth amendment not only gave citizenship and the privileges of citizenship to persons of color but denied to any State the power to withhold from them equal protection, and invested Congress with power, by appropriate legislation, to enforce its provisions.

While the gentleman from Kansas did not argue that proposition, it was because he took it for granted that everybody who had qualifications that would admit him to the bar would see at a glance that this sustained the constitutionality of this bill, and expressly says that the State's citizens must have the equal protection of the laws, and that Congress could enforce that by appropriate legislation. It then remains for Congress to decide that this bill is appropriate legislation, and it is sustained by the Strauder case. Indeed, the Strauder case cites a much older case, and says:

A right or an immunity, whether created by the Constitution or only sustained by it, even without any express delegation of power, may be protected by Congress. (Prigg v. Pennsylvania, 16 Peters, 539.)

This valuable decision from the sixteenth Peters, which is cited in the Strauder case, is a very old one and goes far to sustain the suggestion of the gentleman from Ohio [Mr. BURTON] that perhaps under its general powers, long before the fourteenth amendment, Congress had power to make this bill. The gentleman from Nebraska, of course, never heard of the case and wants us to infer that because the court said that Congress can protect the people without any express delegation of power, that means that the decision "absolutely repudiates [laughter]" the belief of the gentleman from Kansas that the bill is constitutional. But the Strauder case continues:

So in the United States v. Reese it was said by the chief justice of this court:

UNITED STATES v. REESE.
(92 U. S., 214.)

Rights and immunities created by or dependent upon the Constitution of the United States can be protected by Congress. The form and the manner of the protection may be such as Congress in the legitimate exercise of its legislative discretion shall provide. These may be varied to meet the necessities of the particular right to be protected.

Then the Strauder case continues:

But there is express authority to protect the rights and immunities referred to in the fourteenth amendment and to enforce observance of them by appropriate legislation.

The gentleman from Kansas did not argue about either the Reese case or the Strauder case in his speech of January 10. He supposed that any lawyer could make his own deduction and inference, and he still believes that any "lawyer" can, if he will read it. The preposterous assertion, without any knowledge of the case by the gentleman from Nebraska, that the Reese and Strauder cases "absolutely repudiate [laughter]" any claim of constitutionality for this bill is not entitled to the consideration the gentleman from Kansas has given it.

That a member of the Judiciary Committee, in the discussion of a legal proposition, should come before the House and make such wild, preposterous, and sweeping assertions, is a grave injustice to the House. We have a right to expect members of that committee to cite the law to us correctly, and make no sweeping assertions unless they have verified a basis for such declarations.

UNITED STATES v. HARRIS.
(106 U. S., 629–639.)

In this case the Supreme Court of the United States held that as long as the State did its duty and every man in it was afforded the equal protection of its laws, Congress could not act under the fourteenth amendment by which the United States guarantees that equal protection.

Following the customary course of reasoning among people of ordinary good sense, the gentleman from Kansas reached the conclusion that this was practically equivalent to having said that whenever a State refused to do its duty and refused giving the equal protection of its laws to all, Congress can act, and should act.

The brilliant lawyer from Nebraska takes the position that when the Supreme Court said in the Harris case that Congress could not act if the States gave them all equal protection, it meant that Congress could not act if the States refused them equal protection. The gentleman from Nebraska says that while the gentleman from Kansas cited the Harris case as supporting the constitutionality of the bill, it was one of those "which absolutely repudiated everything that he said [laughter]." His deduction is that when the court said that Congress can not act if the State does its duty, that "absolutely repudiates [laughter]" the deduction that the converse was true, and that it meant that Congress can not act, whatever the State does.

The average man learns that the sun has come up every day for a thousand years, and he says cheerfully, "It will come up to-morrow." The gentleman from Nebraska gets a different deduction. He would say, "Oh, yes; that sun has been up every morning for a thousand years, but it won't be up to-morrow; this thing can't go on forever; there must be some limit to it." The deductions made by brilliant lawyers like that and just ordinary lawyers differ sometimes.

VIRGINIA v. RIVES.
(100 U. S., 313.)

This is one of the cases cited by opponents of the bill as proving its unconstitutionality. The gentleman from Kansas showed that it made no suggestion that even hinted at the unconstitutionality of this bill and called attention to the statements in it which strongly tended to indicate this bill was constitutional. The gentleman from Nebraska has this case in mind as one of those under which he said:

The gentleman from Kansas, who made a very brilliant speech on the constitutionality of the measure, citing a number of decisions of the United States Supreme Court, every one of which absolutely repudiated everything that he said. [Laughter.]

As I have said, the gentleman from Nebraska has a slight mental astigmatism, and it has been suggested to me that when he says "repudiated" he means "demonstrated." If we can judge from his deductions and arguments, this would explain his statement.

In Virginia against Rives the syllabus says:

A State may exert her authority through different agencies, and those prohibitions extend to her action denying equal protection of the laws, whether it be action by one of these agencies or by another. Congress, by virtue of the fifth section of the fourteenth amendment, may enforce the prohibitions whenever they are disregarded by either the legislative, the executive, or the judicial departments of the State. The mode of enforcement is left to its discretion.

The gentleman from Kansas said that this meant that if the sheriff or any other agent of the State denied equal protection of the laws to anybody, Congress may enforce the prohibition, and that the court said that the mode of its enforcement is left to the "discretion" of Congress. The reason the gentleman from Kansas said that was because that was what the Supreme Court said. The interesting gentleman from Nebraska says that when the Supreme Court announced in Virginia against Rives that Congress could enforce the fourteenth amendment according to its own discretion whenever a State denied protection, that was a total repudiation of the claim of the gentleman from Kansas that this statement meant what it said. There is one nice thing about the argument of the gentleman from Nebraska—he does not waste a minute saying one word to indicate that there is any reason for his conclusion. He just says that when the Supreme Court says that January is the first month of the year, that is an "absolute repudiation [laughter]" of the claim by the gentleman from Kansas that January is the

first month of the year. That the gentleman from Nebraska never read that case is self-evident, and that he never knew its name is a fair deduction.

THE ARGUMENT OF JANUARY 10.

On January 10 the gentleman from Kansas called the attention of the House to the cases cited by the opposition in support of their contention. He undertook to demonstrate that there was not a sentence in any of them which sustained their theory, and that many of them sustained the claim that this bill is constitutional. As not one single, solitary sentence was quoted by anybody from any case to answer his conclusion, except the one the gentleman from Nebraska lost in the mist, and as the only answer anybody undertook to make was simply a bold and vigorous general denial, we may reasonably conclude that there was some basis for the claim of the gentleman from Kansas. He hardly undertook to go further than that and had not the time to do more. There are other cases in support of our view, among them Yick Wo *v.* Hopkins (118 U. S., 356), Logan *v.* United States (144 U. S., 263), In re Debs (158 U. S., 564), Home Telephone *v.* Los Angeles (227 U. S., 278), Chicago *v.* Sturges (222 U. S., 323), Buchanan *v.* Warey (245 U. S., 60), Hamilton *v.* Kentucky Co. (251 U. S., 146), Railroad *v.* Bosworth (233 Fed., 191), Simon *v.* Southern Railway (236 U. S., 115), Ex parte Young (209 U. S., 123). For the citation of many of these we are indebted to the careful and painstaking study of the gentleman from Minnesota [Mr. VOLSTEAD], chairman of the Judiciary Committee, whose argument in this debate absolutely disposed of every claim made by the opponents of this bill, and established its constitutionality as far as anything could be established prior to the time that such a bill shall go to the Supreme Court and be finally passed on by that great tribunal. His presentation of the law did not leave its opponents a leg to stand on, and those who care to inquire further into its constitutionality will have to wait until the Supreme Court takes it up.

Among the list presented by the gentleman from Kansas was a case the opponents had not cited which, in my judgment, was perhaps the strongest in our favor, Ex parte Siebold (100 U. S., 387), in which, among other things, Justice Bradley said:

We hold it to be an incontrovertible principle that the Government of the United States may by means of physical force, exercised through its official agents, execute on every foot of American soil the powers and functions that belong to it. This necessarily involves the power to command obedience to its laws, and hence the power to keep the peace to that extent.

The gentleman from Ohio [Mr. BURTON] reproduces the above from the Siebold case as one of the citations in the Debs case, and it is the principal feature of the Debs case as applied to this discussion, though he overlooked the fact that it was the Siebold case and had been quoted the week before by the gentleman from Kansas. The gentleman from Ohio disposes of the idea that "it might be said that this decision was based upon interstate commerce powers of Congress," but it was unnecessary that he should go to that trouble, because the decision was made long before the interstate commerce act was. The gentleman from Nebraska has said that the Siebold case "repudiates everything [laughter]" the gentleman from Kansas claimed for it, and I think it proper that the major features of it should be presented in the RECORD so that they may be easily accessible to those who are interested for or against this proposed legislation and who can decide whether "it repudiates [laughter]" our claim for the bill.

EX PARTE SIEBOLD.

(100 U. S., 387 to 399.)

It is objected that Congress has no power to enforce State laws or to punish State officers, and especially has no power to punish them for violating the laws of their own State. As a general proposition, this is undoubtedly true; but when in the performance of their functions State officers are called upon to fulfill duties which they owe to the United States as well as to the State, has the former no means of compelling such fulfillment? Yet that is the case here. It is the duty of the States to elect Representatives to Congress. The due and fair election of these Representatives is of vital importance to the United States. The Government of the United States is no less concerned in the transaction than the State government is. It certainly is not bound to stand by as a passive spectator when duties are violated and outrageous frauds are committed. It is directly interested in the faithful performance by the officers of election of their respective duties. Those duties are owed as well to the United States as to the State. This necessarily follows from the mixed character of the transaction—State and National. A violation of duty is an offense against the United States, for which the offender is justly amenable to that Government. No official position can shelter him from this responsibility. * * *

The objection that the laws and regulations, the violation of which is made punishable by the acts of Congress, are State laws and have not been adopted by Congress, is no sufficient answer to the power of Congress to impose punishment. It is true that Congress has not deemed it necessary to interfere with the duties of the ordinary officers of election, but has been content to leave them as prescribed by State laws. It has only created additional sanctions for their performance and provided means of supervision in order more effectually to secure such performance. The imposition of punishment implies a prohibition of the act punished. The State laws which Congress sees no occasion to alter but which it allows to stand are, in effect, adopted by Congress. It simply demands their fulfillment. Content to leave the laws as they are, it is not content with the means provided for their enforcement. It provides additional means for that purpose; and we think it is entirely within its constitutional power to do so. * * *

Another objection made is that if Congress can impose penalties for violation of State laws, the officer will be made liable to double punishment for delinquency—at the suit of the State and at the suit of the United States. But the answer to this is that each government punishes for violation of duty to itself only. Where a person owes a duty to two sovereigns he is amenable to both for its performance and either may call him to account. Whether punishment inflicted by one can be pleaded in bar to a charge by the other for the same identical act need not now be decided, although considerable discussion bearing upon the subject has taken place in this court, tending to the conclusion that such a plea can not be sustained. In reference to a conviction under a State law for passing counterfeit coin, which was sought to be reversed on the ground that Congress had jurisdiction over that subject and might inflict punishment for the same offense, Mr. Justice Daniel, speaking for the court, said: "It is almost certain that in the benignant spirit in which the institutions both of the State and Federal systems are administered an offender who should have suffered the penalties denounced by the one would not be subjected a second time to punishment by the other for acts essentially the same unless, indeed, this might occur in instances of peculiar enormity or where the public safety demanded extraordinary rigor. But were a contrary course of policy or action either probable or usual this would by no means justify the conclusion that offenses falling within the competency of different authorities to restrain or punish them would not properly be subjected to the consequences which those authorities might ordain and affix to their perpetration." (Fox *v.* The State of Ohio, 5 How., 410.) * * * Substantially the same views are expressed in United States *v.* Cruikshank (92 U. S., 542), referring to these cases, and we do not well see how the doctrine they contain can be controverted. * * * We have thus gone over the principal reasons of a special character relied on by the petitioners for maintaining the general proposition for which they contend. * * *

The more general reason assigned, to wit, that the nature of sovereignty is such as to preclude the joint cooperation of two sovereigns, even in a matter in which they are mutually concerned, is not, in our judgment, of sufficient force to prevent concurrent and harmonious action on the part of the National and State Governments in the election of Representatives. It is at most an argument ab inconveniente. There is nothing in the Constitution to forbid such cooperation in this case. * * *

As a general rule it is no doubt expedient and wise that the operations of the State and National Governments should, as far as practicable, be conducted separately, in order to avoid undue jealousies and jars and conflicts of jurisdiction and power. But there is no reason for laying this down as a rule of universal application. It should never be made to override the plain and manifest dictates of the Constitution itself. We can not yield to such a transcendental view of State sovereignty. The Constitution and laws of the United States are the supreme law of the land, and to these every citizen of every State owes obedience, whether in his individual or official capacity. There are very few subjects, it is true, in which our system of government, complicated as it is, requires or gives room for conjoint action between the State and National sovereignties. Generally the powers given by the Constitution to the Government of the United States are given over distinct branches of sovereignty from which the State governments, either expressly or by necessary implication, are excluded. But in this case expressly, and in some others by implication, as we have seen in the case of pilotage, a concurrent jurisdiction is contemplated, that of the State, however, being subordinate to that of the United States, whereby all question of precedency is eliminated. * * *

The views we have expressed seem to us to be founded on such plain and practical principles as hardly to need any labored argument in their support. We may mystify anything. But if we take a plain view of the words of the Constitution and give to them a fair and obvious interpretation we can not fail in most cases of coming to a clear understanding of its meaning. We shall not have far to seek. We shall find it on the surface and not in the profound depths of speculation.

The greatest difficulty in coming to a just conclusion arises from mistaken notions with regard to the relations which subsist between the State and National Governments. It seems to be often overlooked that a National Constitution has been adopted in this country establishing a real Government therein, operating upon persons and territory and things, and which, moreover, is, or should be, as dear to every American citizen as his State government is. Whenever the true conception of the nature of this Government is once conceded no real difficulty will arise in the just interpretation of its powers. But if we allow ourselves to regard it as a hostile organization, opposed to the proper sovereignty and dignity of the State governments, we shall continue to be vexed with difficulties as to its jurisdiction and authority. No greater jealousy is required to be exercised toward this Government in reference to the preservation of our liberties than is proper to be exercised toward the State governments. * * *

Somewhat akin to the argument which has been considered is the objection that the deputy marshals authorized by the act of Congress to be created and to attend the elections are authorized to keep the peace, and that this is a duty which belongs to the State authorities alone. It is argued that the preservation of peace and good order in society is not within the powers confided to the Government of the United States, but belongs exclusively to the States. Here again we are met with the theory that the Government of the United States does not rest upon the soil and territory of the country. We think that this theory is founded on an entire misconception of the nature and powers of the Government. We hold it to be an incontrovertible principle that the Government of the United States may, by means of physical force, exercised through its official agents, execute on every foot of American soil the powers and functions that belong to it. This necessarily involves the power to command obedience to its laws, and hence the power to keep the peace to that extent.

This power to enforce its laws and to execute its functions in all places does not derogate from the power of the State to execute its laws at the same time and in the same places. The one does not exclude the other, except where both can not be executed at the same time. In that case the words of the Constitution itself show which is to yield. "This Constitution, and all laws which shall be made in pursuance thereof * * * shall be the supreme law of the land."

This concurrent jurisdiction which the National Government necessarily possesses to exercise its powers of sovereignty in all parts of the

United States is distinct from that exclusive power, which, by the first article of the Constitution, it is authorized to exercise over the District of Columbia, and over those places within a State which are purchased by consent of the legislature thereof, for the erection of forts, magazines, arsenals, dockyards, and other needful buildings. There its jurisdiction is absolutely exclusive of that of the State unless, as is sometimes stipulated, power is given to the latter to serve the ordinary process of its courts in the precinct acquired.

Without the concurrent sovereignty referred to the National Government would be nothing but an advisory government. Its executive power would be absolutely nullified.

Why do we have marshals at all if they can not physically lay their hands on persons and things in the performance of their proper duties? What function can they perform if they can not use force? In executing the processes of the courts must they call on the nearest constable for protection? Must they rely on him to use the requisite compulsion and to keep the peace whilst they are soliciting and entreating the parties and bystanders to allow the law to take its course? This is the necessary consequence of the positions that are assumed. If we indulge in such impracticable views as these and keep on refining and re-refining, we shall drive the National Government out of the United States and relegate it to the District of Columbia or, perhaps, to some foreign soil. We shall bring it back to a condition of greater helplessness than that of the old confederation.

The argument is based on a strained and impracticable view of the nature and powers of the National Government. It must execute its powers or it is no Government. It must execute them on the land as well as on the sea, on things as well as on persons. And to do this it must necessarily have power to command obedience, preserve order, and keep the peace. * * *

The next point raised is that the act of Congress proposes to operate on officers or persons authorized by State laws to perform certain duties under them and to require them to disobey and disregard State laws when they come in conflict with the act of Congress; that it thereby of necessity produces collision, and is therefore void. This point has been already fully considered. We have shown, as we think, that where the regulations of Congress conflict with those of the State it is the latter which are void and not the regulations of Congress, and that the laws of the State, in so far as they are inconsistent with the laws of Congress on the same subject, cease to have effect as laws. * * *

The doctrine laid down at the close of counsel's brief, that the State and National Governments are coordinate and altogether equal, on which their whole argument, indeed, is based, is only partially true.

The true doctrine, as we conceive, is that, that whilst the States are really sovereign as to all matters which have not been granted to the jurisdiction and control of the United States, the Constitution and constitutional laws of the latter are, as we have already said, the supreme law of the land; and when they conflict with the laws of the States they are of paramount authority and obligation. This is the fundamental principle on which the authority of the Constitution is based; and unless it be conceded in practice as well as theory the fabric of our institutions, as it was contemplated by its founders, can not stand. The questions involved have respect not more to the autonomy and existence of the States than to the continued existence of the United States as a Government to which every American citizen may look for security and protection in every part of the land. * * *

TENNESSEE *v.* DAVIS.

In this case the court said:

The General Government must cease to exist whenever it can not enforce the exercise of its constitutional powers within the States by the instrumentality of its officers and agents.

The gentleman from Kansas merely cited this as preliminary to further argument. The gentleman from Nebraska says that it "absolutely repudiates [laughter]" the constitutionality of this law and the claim of the gentleman from Kansas that any of these decisions support the bill. The gentleman from Kansas did not say whether it did or not. It decides that the Government can not exist unless it can carry out its laws, and any suggestion that that "absolutely repudiates [laughter]" sheds some light on the value of the gentleman's legal deductions.

UNITED STATES *v.* CRUIKSHANK.

(92 U. S., 555.)

The orators against the antilynching bill claim that United States against Cruikshank is a case that holds this bill unconstitutional. The gentleman from Kansas, on January 10, devoted 14 lines to this decision *and no more!* They follow:

The equality of the rights of citizens is a principle of republicanism. Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle if within its power. That duty was originally assumed by the States, and it still remains there. The only obligation resting upon the United States is to see that the States do not deny the right. This the amendment guarantees, but no more. The power of the National Government is limited to the enforcement of this guaranty.

The gentleman from Nebraska *adds 50 per cent* to the quotation from the Cruikshank case, the decision in which was written by Chief Justice Waite, ascribes it to Chief Justice Brewer, and says in his speech on the floor—

and under the wording of that opinion the gentleman cited it with approval as showing that section 4 predicated upon no action of the State is within the fourteenth amendment. [Applause.]

In the same speech in the RECORD for his above statement he substitutes the following:

This is the opinion cited by the gentleman from Kansas [Mr. LITTLE] in support of section 4, which section is predicated exclusively on individual action and utterly ignores any action on the part of the State. [Applause.]

In his speech on the floor he said:

Was within the fourteenth amendment. [Applause.]

In his speech in the RECORD he says:

And utterly ignores any action on the part of the State. [Applause.]

It has been a source of great anxiety to me that in substituting one set of words for another he might have overlooked the laughter and applause, but I am glad to say he never does.

In his speech of January 10 the gentleman from Kansas made no reference whatever to the Cruikshank case, directly or indirectly, except as I have just above cited in full. The gentleman from Nebraska deliberately says that the words above quoted from the Cruikshank case and 50 per cent more, which he selected to suit himself and which never appeared in Mr. LITTLE's speech at any place, were advanced by the gentleman with the claim that they sustained the constitutionality of the law.

CRUIKSHANK *v.* JAMES AND BOWMAN.

The gentleman from Nebraska in his speech on the floor said that the quotation from the Cruikshank case was written by Judge Brewer in James against Bowman, where it was cited by Judge Brewer. In his revision of his speech in the RECORD he quotes Mr. LITTLE's citation from Cruikshank and 50 per cent more of it, says it is from James against Bowman, and is by Judge Brewer, but adds one line, saying of this citation:

To the same effect is United States *v.* Cruikshank (92 U. S., 542).

He evidently had been told by somebody in the meantime that his statement was not correct, and made this little effort to hedge. But the effect that he made on the floor still lingers with those who heard it, because he has not corrected his misunderstanding.

EX PARTE VIRGINIA.

(100 U. S., 339–370.)

This is one of the cases cited by the gentleman from Kansas, which we are told, "every one of which absolutely repudiated everything that he said. [Laughter.]" Let us see about it. The gentleman from Texas [Mr. SUMNERS], who so ably led a fight which had no encouraging features, said that this case—Ex parte Virginia—was one of the two "upon which proponents largely rely for support" of this bill, and particularly section 3 of it. As that astute gentleman conceded at the beginning of the debate that this decision will be used against him, it is highly probable that there must be something in it that tends to support the theory that the bill is constitutional, and therefore the claim of the eloquent lawyer from Nebraska that it "entirely repudiates the claim of constitutionality [laughter]" could hardly be a correct view. This case in effect decides that the sheriff, for example, acts for the State, "and as he acts in the name of and for the State, and is clothed with her power, his act is her act." Thus it holds that when the sheriff refuses to give equal protection to a man, that is the refusal of the State, and the laws of Congress then take charge of the situation, and the whole matter goes into the Federal courts. It thus defines definitely what is a refusal by the State.

The only decision cited by the bill's opponents which even tends to support their claim is that of Kentucky *v.* Dennison (65 U. S., 66), where Chief Justice Taney held that Congress could not control the State officer at all. This Ex parte Virginia decision holds that that was the law before the fourteenth amendment, but is not the law any longer on any point that arises under the fourteenth amendment, and disposes of the only case which holds against us directly. Disposing of Kentucky against Dennison and definitely fixing just when a State has refused to do its duty, this case is of tremendous importance in this debate and practically determines of itself the constitutionality of the proposed legislation. It goes further into detail and is of such importance that I lay before the House various citations from the decision itself that you can judge for yourself its results and effects.

EX PARTE VIRGINIA.

(100 U. S., 344–349.)

One great purpose of these amendments was to raise the colored race from that condition of inferiority and servitude in which most of them had previously stood into perfect equality of civil rights with all other persons within the jurisdiction of the States. They were intended to take away all possibility of oppression by law because of race or color. They were intended to be what they really are, limitations of the power of the States and enlargements of the power of Congress. They are to some extent declaratory of rights, and though in form prohibitions they imply immunities such as may be protected by congressional legislation. We had occasion in the Slaughterhouse cases (16 Wall., 27) to express our opinion of their spirit and purpose and to some extent of their meaning. We have been called to consider them in Tennessee *v.* Davis (supra, p. 257) and Strauder *v.* West Virginia (supra, p. 303). In this latter case we held that the fourteenth amendment secures, among other civil rights, to colored men, when charged with criminal offenses against a State, an impartial jury trial by jurors indifferently selected or chosen without discrimination against such jurors because of their color. We held that immunity from any such discrimination is one of the equal rights of all persons, and that any withholding it by a State is a denial of the equal protection of the laws within the meaning of the amendment. We held that such an equal right is an impartial

jury trial, and such an immunity from unfriendly discrimination are placed by the amendment under the protection of the General Government and guaranteed by it. We held, further, that this protection and this guaranty, as the fifth section of the amendment expressly ordains, may be enforced by Congress by means of appropriate legislation.

All the amendments derive much of their force from this latter provision. It is not said the judicial power of the General Government shall extend to enforcing the prohibitions and to protecting the rights and immunities guaranteed. It is not said that branch of the Government shall be authorized to declare void any action of a State in violation of the prohibitions. It is the power of Congress which has been enlarged. Congress is authorized to enforce the prohibitions by appropriate legislation. Some legislation is contemplated to make the amendments fully effective. Whatever legislation is appropriate—that is, adapted to carry out the objects the amendments have in view—whatever tends to enforce submission to the prohibitions they contain, and to secure to all persons the enjoyment of perfect equality of civil rights and the equal protection of the laws against State denial or invasion, if not prohibited, is brought within the domain of congressional power.

Nor does it make any difference that such legislation is restrictive of what the State might have done before the constitutional amendment was adopted. The prohibitions of the fourteenth amendment are directed to the States, and they are to a degree restrictions of State power. It is these which Congress is empowered to enforce, and to enforce against State action, however put forth, whether that action be executive, legislative, or judicial. Such enforcement is no invasion of State sovereignty. No law can be which the people of the States have, by the Constitution of the United States, empowered Congress to enact. This extent of the powers of the General Government is overlooked when it is said, as it has been in this case, that the act of March 1, 1875, interferes with State rights. It is said the selection of jurors for her courts and the administration of her laws belong to each State; that they are her rights. This is true in general. But in exercising her rights a State can not disregard the limitations which the Federal Constitution has applied to her power. Her rights do not reach to that extent. Nor can she deny to the General Government the right to exercise all its granted powers, though they may interfere with the full enjoyment of rights she would have if those powers had not been thus granted. Indeed, every addition of power to the General Government involves a corresponding diminution of the governmental powers of the States. It is carved out of them.

We have said the prohibitions of the fourteenth amendment are addressed to the States. They are, "No State shall make or enforce a law which shall abridge the privileges or immunities of citizens of the United States, * * * nor deny to any person within its jurisdiction the equal protection of the laws." They have reference to actions of the political body denominated a State, by whatever instruments or in whatever modes that action may be taken. A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision, therefore, must mean that no agency of the State or of the officers or agents by whom its powers are exerted shall deny to any person within its jurisdiction the equal protection of the laws. Whoever, by virtue of public position under a State government, deprives another of property, life, or liberty without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State and is clothed with the State's power his act is that of the State. This must be so, or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or to evade it.

But the constitutional amendment was ordained for a purpose. It was to secure equal rights to all persons, and, to insure to all persons the enjoyment of such rights, power was given to Congress to enforce its provisions by appropriate legislation. Such legislation must act upon persons, not upon the abstract thing denominated a State but upon the persons who are the agents of the State, in the denial of the rights which were intended to be secured. Such is the act of March 1 1876, and we think it was fully authorized by the Constitution.

The argument in support of the petition for a habeas corpus ignores entirely the power conferred upon Congress by the fourteenth amendment. Were it not for the fifth section of that amendment there might be room for argument that the first section is only declaratory of the moral duty of the State, as was said in Commonwealth of Kentucky v. Dennison (24 How., 66). The act under consideration in that case provided no means to compel the execution of the duty required by it and the Constitution gave none. It was of such an act Mr. Chief Justice Taney said that a power vested in the United States to inflict any punishment for neglect or refusal to perform the duty required by the act of Congress "would place every State under the control and dominion of the General Government, even in the administration of its internal concerns and reserved rights." But the Constitution now expressly gives authority for congressional interference and compulsion in the cases embraced within the fourteenth amendment. It is but a limited authority, true, extending only to a single class of cases; but within its limits it is complete. The remarks made in Kentucky v. Dennison and in Collector v. Day, though entirely just as applied to the cases in which they were made, are inapplicable to the case we have now in hand. * * *

Upon the whole, as we are of opinion that the act of Congress upon which the indictment against the petitioner was founded is constitutional and that he is correctly held to answer it, and as, therefore, no object would be secured by issuing a writ of habeas corpus, the petitions are denied.

WHEN DOES STATE ACT?

I hope for careful study of Ex parte Virginia by all lawyers who are interested in this bill.

There has been throughout the discussion an occasional difference as to just how the State denies that constitutional right to equal protection. This bill is all founded on the preliminary statement that it applies locally whenever the sheriff refuses a man protection and under similar situations. In the case of Ex parte Virginia (100 U. S., 347) the Supreme Court said:

A State acts by its legislative, its executive, or its judicial authorities. It can act in no other way. The constitutional provision, therefore, must mean that no agency of the State, or of the officers or agents by whom its powers are exerted, shall deny to any persons within its jurisdiction the equal protection of the laws. Whoever, by virtue of public position under a State government, deprives another of property, life, or liberty without due process of law, or denies or takes away the equal protection of the laws, violates the constitutional inhibition; and as he acts in the name and for the State, and is clothed with the State's power, his act is that of the State. This must be so or the constitutional prohibition has no meaning. Then the State has clothed one of its agents with power to annul or to evade it.

But the constitutional amendment was ordained for a purpose. It was to secure equal rights to all persons, and to insure to all persons the enjoyment of such rights power was given to Congress to enforce its provisions by appropriate legislation. Such legislation must act upon persons, not upon the abstract thing denominated a State, but upon the persons who are the agents of the State in the denial of the rights which were intended to be secured.

This decision is peculiarly objectionable to friends of the reserve power to avoid jury trials. Naturally there has been a very determined effort to reverse and dispose of this decision, and several different methods have been adopted. The trouble the opponents of the bill have is that everybody in the House can read, and the Supreme Court decision is in the English language, which we all understand perfectly. For that reason the various learned dissertations on the subject have no effect, and run away from the debate like water runs off a duck's back. Other desperate gentlemen have resorted to other interesting and bolder methods. The gentleman from Nebraska [Mr. REAVIS] takes the plain and simple stand that none of the cases which have been cited by the advocates of the bill have anything to do with the bill or the question at issue. This would end the discussion if he were right. Early in the debate I said that we had heard some pretty good oratory and some pretty bad law. The speech of the gentleman from Nebraska was the best illustration of this that was made during the debate.

TAMMANY HALL V. SUPREME COURT.

A more vigorous and more definite presentation of the argument against the above-cited Virginia case was made by the gentleman from New York [Mr. COCKRAN]. When the gentleman from Kansas directed the attention of the gentleman from Virginia, Gov. MONTAGUE, to the quotation above the gentleman from New York saw at a glance that if that decision was to go unchallenged the cause was lost, so he promptly arose with a wave of his hand and gravely announced that the Supreme Court never made the decision the gentleman was reading. What puzzles me is why did not he deny that there is any such thing as the Supreme Court, and thus dispose of all the cases they found so embarrassing. His system of just simply pointedly denying the existence of the decision is the very best argument they make. The gentleman from Nebraska would have added greatly to the force of his argument if he had adopted that policy instead of a mere quibble as to whether they applied and just simply said there were not any such cases. It would have been just as accurate and would have been more definite and positive, and would have disposed of it entirely without further argument—if true.

The gentleman from Kansas regrets very much that he has precipitated a question of veracity as between the gentleman from New York [Mr. COCKRAN] and Justice Strong, of the Supreme Court of the United States. The gentleman from Kansas found a book, said to be the One hundredth United States Report, and located there what was said to be a decision of the Supreme Court of the United States delivered by Mr. Justice Strong. Confiding in the veracity of Justice Strong and believing in the authenticity of the volume, he read from it, as he has done many times in the last 35 years, what the gentleman from Kansas supposed was a decision of the Supreme Court of the United States. The gentleman from New York [Mr. COCKRAN] promptly rose to his feet and announced that the Supreme Court said nothing of the kind. Of course, I relied entirely upon Mr. Justice Strong, and it is simply a question between him and the distinguished attorney from the lair of the Tiger in Tammany Hall. During the admirable speech by the gentleman from Virginia, Gov. MONTAGUE, I read from that decision, as I said a moment ago. If you will refer to page 347 of volume 100 in any copy of the United States Reports you can find, you can decide from it whether the statement of the gentleman from New York is correct. Some of you might think that one of us was lying, and if so I want it definitely understood who was.

During the speech of the gentleman from Virginia the gentleman from Kansas read from Ex parte Virginia, One hundredth United States, 347, part of that which I quoted a moment ago. The record of the speech of the gentleman from Virginia then shows:

Mr. COCKRAN. Oh, the Supreme Court has said nothing of the kind.

Mr. LITTLE. It did. I am reading from it. This is from page 347 of Ex parte Virginia. I am quoting from the Supreme Court, and it contradicts the gentleman from New York.

Mr. COCKRAN. When a State officer is violating the law of a State he is acting against the State and can not be acting for it.

Mr. LITTLE. The Supreme Court has held otherwise. I can only read it to you. I can not make you understand it.

Mr. COCKRAN. No; you can not.

For the stenographer's notes on that last sentence has been substituted a slight change in the RECORD, of no importance. The question still remains as to whether the gentleman from New York can be made to understand the case. I would suggest that he read it carefully, and he was so perfectly clear as to what it meant that I am sure when he reads it nothing further will be necessary.

The fact is that the keen mind of the gentleman from New York recognized, when he heard this decision thus quoted, that if the court so held their cause was lost, that it settled the matter, and with a Napoleonic grasp of the situation he promptly saw that the only safety was to deny that it had ever been made, and in this case he was strategically right. If it had not been for the record in the future, he could have gotten away with that. While the bold and vigorous course of denying the Ex parte Virginia decision is the best argument they could make, unfortunately it will not stand fire any better than the others, because the mere reading of the case shows that Justice Strong is right and the Tiger orator was wrong.

In the aforesaid Ex parte Virginia, page 347, the Supreme Court says that a State can only act by its legislative, executive, and judicial authority, that the constitutional provision therefore must mean that no agency of the State shall deny to any person the equal protection of its laws, and it states—

whoever by virtue of public position under State government * * * denies or takes away the equal protection of the laws violates the constitutional inhibition; and as he acts in the name and for the State and is clothed with the State's power his act is that of the State. This must be so or the constitutional prohibition has no meaning.

In other words, the Supreme Court says that when a sheriff denies equal protection of the laws, his act is that of the State. That is the decision of the Supreme Court and is the law of the land. When a mob hurries a man to a lynching and the sheriff refuses to assist him, as the Supreme Court says—

his act is that of the State. This must be so or the constitutional prohibition has no meaning.

The gentleman from Virginia, Gov. MONTAGUE, tells us that when the sheriff refuses to aid the victim, the sheriff is violating the law of the State, and therefore his act is not that of the State at all. Which is right, the governor or the Supreme Court? Great as is my respect for that distinguished gentleman of the old school from Virginia, I am compelled to yield to the decision of the Supreme Court and the Constitution of the Union, and so are you, whether you wish to or not.

He and the gentleman from New York [Mr. COCKRAN] urged the elementary legal proposition that a city or county or State can not be held responsible for the legal acts of their officers ordinarily. The sovereign can not be held responsible for anything except by the sovereign's own authority. At any time a State wishes to make itself or its municipal corporations liable for a sheriff's illegal acts it could do so. If this bill is passed, the United States will do so. In half the States of the Union the State has decided to do so, and you can sue either city or county for the damage done by the mobs when the peace officer does not enforce the law.

Every few months the State Militia turns out to support the sheriff, and every few years the Army of the Republic appears to assist the sheriff in keeping the peace. Every time they wish, the governor can ask for the aid of the Federal Government to enforce the laws of the State. But now when under the fourteenth amendment the State arranges to assist them in enforcing their laws and keeping the peace, they exclaim in alarm, the Nation is about to do just what we asked them to do last year, and as one astute gentleman from Maine puts it, "are about to take away the last vestige of human rights" by compelling our people to desist from burning each other.

If the refusal of the sheriff to enforce the law of the State is not the refusal of the State, whose act would be the refusal of the State? These distinguished gentlemen can not argue the seal off the bond with sophistical rhetoric and abstruse disquisition. As the Supreme Court says in Ex parte Virginia, unless the Constitution means that, it does not mean anything. The gentleman introduces a bit of elementary law on legal situations not covered by statute yet to offset a decision of the Supreme Court of the United States. Would he say that to the Supreme Court? Certainly not.

Every once in a while, somebody gets up on this floor and says, Would such a law apply to burglary and horse stealing? Why does he ask? He can read the Constitution. The Constitution says that—

No State shall deny to any person within its jurisdiction the equal protection of the laws.

What does it mean? Why, it means what it says. If they burglarize A's house and refuse him the protection of the law, then Congress can see that he gets the same protection that B does for his house.

This bill provides that if a mob carries on a performance, the Federal Government interferes. There was no need for that. Whenever a man, one man, is refused the equal protection of the laws, the Constitution authorizes Congress to interfere.

Men say that we must show that there is wide-spread lynching. In this mighty Republic, the humblest of its citizens is just as much entitled to the equal protection of the laws as any million of men could be. Why do people ask such questions? Have we ceased to be able to read the Constitution, and if we have, we certainly can read Ex parte Virginia (100 U. S.). If when a sheriff refuses to do his duty it would not be the act of the State, what would be?

If the National Government can not punish the officer for violating the constitutional provision that he shall not deny to any person the equal protection of the laws, what possible reason could there be for making such a constitutional amendment? God's love! Is the Constitution, then, a jest, a little sly joke on those who writhe at the stake while a drunken mob dances in glee about them, perhaps about your son! The Constitution of the United States is the grandest thunderbolt that God Almighty ever launched to protect all men and all their rights, to establish and secure liberty and equality in the name of the law to all who dwell under its mighty flag.

And yet, if the gentlemen from Virginia and New York are correct in their views of the decisions of our Supreme Court, all that is necessary for a lawless sheriff to do to escape punishment for his crimes is to wave his hand and scornfully say, "Take away that tin whistle; that is no thunderbolt. Yes; I helped the mob hang the American citizen without a trial, and I spit upon your Constitution. What are you going to do about it?"

The gentleman from Virginia does not make any quotation from any Supreme Court decision which he claims supports his theory. He thus shrewdly avoids the pitfall into which so many of his colleagues fall, of having their arguments destroyed by the fact that not one single solitary one of the decisions alleged to support their theories was able to stand fire for a moment. The gentleman very wisely depends upon his own admirable capacity for philosophical argument to sustain his position. Yet through his entire speech he never advances any reason why he thinks that a sheriff who disobeys the laws of his State, and by doing so violates the fourteenth amendment of the Federal Constitution and this law, if such it becomes, should not be punished in the Federal courts. In his entire speech he never suggested any possible method by which the fourteenth amendment could be enforced, unless he arrests the State officer who is guilty. What would he do? If this bill does not present a solution of the difficulty, what would it be? Of course, there is no other. And all through this debate nobody has ventured to suggest any other possible plan.

But the gentleman continues:

I take it that no lawyer in this body, removed from partisan prejudice, which is sometimes unknown to its possessor, will contend that the bill is constitutional as respects any of its provisions, save the one in relation to sheriffs or ministerial officers. Surely no one can contend successfully that this bill is valid in its application to the acts of individuals or counties.

Why not? Where is any decision that the counties could not be sued? For weeks this debate has slowly progressed, and as far as I have been able to discover, not the most enthusiastic of the advocates of the constitutional right to burn their fellow citizens alive has even pretended to produce a decision that a county could not be sued for the damages done by its officers under a law like this, and yet men coolly assume that counties could not be sued, when they are suing them every day in half the States of the Union under similar conditions. They have no decision to sustain this cool assumption of superior knowledge of the law and, of course, if there were one such decision it would have been in this RECORD weeks ago. It is just as easy to say, "I take it for granted that no lawyer will contend that the bill is unconstitutional with regard to the counties and the private citizens," as it was for the gentleman to say to the contrary. That is pure assumption, and no argument, and there has been no argument made here, sustained by any even pretense of a decision, that the counties could not be sued.

A man and his wife are both entitled to the protection of the State laws under the guaranty in the Federal Constitution. When the man and the wife have both been denied that protection at home and he has been hanged, and the State gives her no protection, where will she get the benefit of the guaranty of the National Government? Do you propose to deny her any recourse? If so, what value has your Constitution? Of course, the woman is entitled to the benefit of that constitutional guaranty. Of course, she can only get it by a right to bring suit against somebody, and if not against the county, where will her

demand be lodged? Why, the proposition is so elementary that it is astounding any lawyer will advance it, and nobody has pretended to offer or submit any suggestion of different relief and enforcement of the guaranty for her.

CAN SUE COUNTIES.

Nobody has even suggested any decision that the United States can not institute this suit against a county. This part of the bill is based upon the South Carolina law, very similar to the laws of many States, where counties are sued every day for such damages by a mob. The founding of this bill upon a mob allegation puts it in accord with all the State laws on the subject. Men seemed entirely to have overlooked the fact that the United States can sue a State any time, as is shown by U. S. *vs.* North Carolina, 136 U. S., 211; U. S. *vs.* Texas, 143 U. S., 621; U. S. *vs.* Michigan, 190 U. S., 379; Lincoln County *vs.* Luning, 133 U. S., 529. In the North Carolina case the United States sued North Carolina on some North Carolina bonds it owned. If it had owned some county bonds it could have sued the county, and it can maintain a suit against a county on any cause of action it has or establishes by law. The Supreme Court of the United States has plainly said that Congress can "do whatever is necessary," in its "discretion," to enforce the fourteenth amendment to give citizens equal protection. How could equal protection be given if such a suit can not be maintained?

Gentlemen loudly declare themselves against the possibility that some dying man might be surreptitiously dragged across the corner of an uninformed county in the night, but they do not say what they would do if the victim is taken in broad daylight with everybody's knowledge, 30 miles across an entire county; and that is the way they have been handling those cases. The counties under the ordinary rules of law are liable jointly or severally, according to the facts. If public sentiment of the counties permit their sheriffs to violate these laws, they should be liable under all the rules of equity and justice and common sense. The only defense pretended here is a technical one, and they dare not name one single decision to sustain that theory. They speak with the calm certainty of being right about a technical legal proposition, without suggesting that there ever was a decision to sustain them. This method of debate is just a mere bluff. Let us see your cases, gentlemen.

THE ACTS OF INDIVIDUALS.

And as to the acts of individuals? Here, they tell us, our proud waves must be stayed. Some of them concede that something can be done with the sheriff, a favorite attitude of those gentlemen who belong to the dignified band of "grave doubters," "conservative men." They suggest that while, of course, the sheriff is liable, that is as far as Congress could go. Why is it? Where is any decision that when complaint is made of a State and its conduct by its officers the individual can not be punished? The level-headed attorney from Oregon [Mr. SINNOTT] spent considerable time in presenting the Riggans, Powell, and Hodges cases. In the Powell case, which he argued, Alabama turned out a company of militia to protect the man. They would not be liable under this law, if this bill becomes a law, because the State has done its duty. Indeed, the gentleman actually read to the House that part of the decision which said "there is no complaint made of the State." Under the actions brought under this bill, the first charge will be a complaint of the State, and yet the gentleman seemed to think that a decision in a case in which no charge was made that the State had refused protection was a decision that a law which based its entire field of operations on first proving that the State, through its officers, had denied equal protection would be unconstitutional. What is the idea, anyway? What has the one to do with the other?

UNITED STATES MARSHAL, SHERIFF, MOB, AND VICTIM.

But let us see what the situation would be if it were a fact that after the United States marshal has arrested the sheriff for denying a man protection, he could not arrest the mob. Let us supppose that this law is enacted; that a mob of five or more is on the road to their favorite tree to hang a man without a trial and over his objections, and he spies the sheriff and calls for help, and the sheriff refuses it. To be frank about it, gentlemen, I take it that no lawyer will seriously say that the marshal can not then and there arrest the sheriff and take him into the Federal court. But what becomes of the victim?

Is it possible that there is an intelligent man in the world who will say that the marshal can not rescue that prisoner, put that mob under arrest, and take them into the Federal court, which, by the arrest of the sheriff, secured jurisdiction of the entire subject? If there is somebody that claims that, what is it that he says in effect?

He says in a dignified way to the victim, "It is true that the Constitution guarantees you the equal protection of the law, and that the sheriff refuses to give it to you, but when the Constitution says 'equal protection' for you it doesn't mean to give you equal protection against the mob, but against the sheriff only. The marshal, of course, sees you there and knows you will soon be dead, but the great Government of the United States is wholly unable to enforce the fourteenth amendment. If you will get the mob to wait until the marshal has placed the sheriff in jail and called the attention of the governor to the situation or presented a request to the Supreme Court for a writ of habeas corpus, directing the mob to bring you into their court, perhaps something can be done."

The decisions say that, the occasion having arisen and protection having been denied, Congress can do "whatever is necessary," in its "discretion," to give the man the equal protection of the law of his State. Is there anybody really going to say, is anybody actually going to tell us that a man hanged by a mob in spite of the arrest of the sheriff by the United States marshal, is getting any protection at all? Why, if the marshal could not under all those circumstances arrest that mob, your Constitution and the decisions of your Supreme Court are "mere scraps of paper," with less binding force than the city ordinances of Timbuktu.

Congress has full power to make such legislation when the State will not protect, and unless there is lodged somewhere in the Federal Government the power to rescue the prisoner and punish the mob the fourteenth amendment is as idle as a painted ship upon a painted ocean.

As the Supreme Court says in the Siebold case:

> The objection that the laws, the violation of which is made punishable by act of Congress, are State laws and have not been adopted by Congress is no sufficient answer to the power of Congress to impose punishment. The State laws which Congress sees no occasion to alter, but which it allows to stand, are in effect adopted by Congress. It simply demands their fulfillment. Content to leave the laws as they are, it is not content with the means provided for their enforcement. It provides additional means for that purpose, and we think is entirely within its constitutional powers to do so.

As the Supreme Court said in the Civil Rights cases:

> Until some State law has been passed or some State action through its officers or agents has been taken adverse to the right of citizens sought to be protected by the fourteenth amendment, no legislation of the United States under said amendment, nor any proceeding under such legislation, can be called into activity. * * * Of course, legislation can and should be provided in advance to meet the exigency when it arises.

SHOULD "LEGISLATE IN ADVANCE."

Because the Supreme Court has so decided, the committee has presented this bill in order to follow the directions of the Supreme Court, which says that "legislation can and should be provided in advance" and "can be called into activity" "to meet the exigency when it arises." The Supreme Court has simply directed Congress to prepare legislation in advance to meet such an exigency and to be called into activity when the exigency arises and to arrest the sheriff and to arrest the mob and to succor the prisoner whenever the exigency arises. If the Constitution meant anything else than legislation such as this bill you know that a dozen eager voices would have told on this floor what they thought it meant; but they are as silent as the tomb of the man the mob burns.

But, gentlemen, those graves are never silent, but send up every year their cry of distress against the death of unarmed, defenseless, and untried men by gangs of murderers acting in violation of the laws of the State and Constitution of the Union, and taking into their hands the powers of the courts, whose learned and honorable judges have shed luster and distinction on the enforcement of the laws of every Commonwealth and of this great Union itself. The argument for them is the argument for the defendant in Civilization *vs.* Barbarism.

WHEN DOES THE SHERIFF FAIL TO DO HIS DUTY?

The gentleman from South Carolina [Capt. MCSWAIN] has probably given the law of this question as much examination as has been given it by any Member of his side of the House. That gentleman has done the gentleman from Kansas the honor to ask him two questions. He says, "Who prescribes the duty of the sheriff?" Why, the laws of the State do, of course. He asks, "When does the sheriff fail to do his duty?" That is the question that the court and the jury will be called on to decide. You might just as well ask, "When does a man commit murder?" Neither you nor I can tell until the courts have passed on it, and that is the difficulty with the entire argument of the gentleman from South Carolina and all his colleagues. They have not yet learned that the laws give courts the authority to decide when murder is committed and that a mob decision is no evidence.

He suggests that the laws of the various States are somewhat different. What of it? The Constitution simply says that each man shall have with every other man the equal protection of the law of his State. The Federal courts are supposed to follow in each State the procedure of that State, and that is what they will do under this bill in this respect. Why does the gentleman ask the question?

JUSTICE MILLER.

The gentleman from South Carolina, Capt. MCSWAIN, presents a careful statement and analysis of decisions, which is a very valuable part of this debate, and it is a source of regret that he has not arrived at sounder conclusions. The opponents of the bill ought to be more specific and definite in their exact statement of what decisions support them in their judgment, and should point out more definitely the flaws that they think they find in our citations. In other words, their argument is scattering. The gentleman from South Carolina, I note with pleasure, speaks with great respect of Justice Miller and his decisions on these causes, but does not state definitely just what he has said that would be helpful to their views. When I was a young man at Leavenworth reading law the Federal courts met often in that city, and Justice Miller occasionally honored us with his appearance on the bench. I just remember one thing that he said on the trial bench. A gentleman was somewhat prolix, and perhaps somewhat wandering in his argument. Finally Justice Miller slapped his hand down on the bench and said, "Damn it, man, come to the point." I commend to the gentleman opposing this bill the learned justice's suggestion.

The gentleman from South Carolina tells us what he says the Ex parte Virginia case decides. If he will turn to Ex parte Virginia (100 U. S.), he will find that the Supreme Court said in that case, speaking of Federal laws:

Such legislation must act upon persons, not upon the abstract thing denominated a State, but upon the persons who are the agents of the State in the denial of the rights which were intended to be secured.

And it also says, speaking of the officer:

And as he acts in the name and for the State and is clothed with the State's power, his act is that of the State.

In his natural anxiety to ascertain just what the Ex parte Virginia case was about, the gentleman must not overlook the valuable information the Supreme Court conveys in the above sentences, which are the law.

The gentleman seems to think that the Civil Rights cases have done something to the Ex parte Virginia case. In the Civil Rights cases the United States Supreme Court said—as I noted a moment ago—and it was speaking of situations similar to this:

Until some State law has been passed or some State action through its officers or agents has been taken adverse to the rights of citizens sought to be protected by the fourteenth amendment, no legislation of the United States under said amendment nor any proceedings under such legislation can be called into activity for the prohibitions of the amendment or against State laws and acts done under State authority. Of course, legislation may and should be provided in advance to meet the exigency when it arises, but it should be adapted to the mischief and wrong which the amendment was intended to provide against, and that is State laws or State action of some kind adverse to the rights of citizens secured by the amendment.

I think it was very kind and considerate of the gentleman to again direct our attention to the law of that case just illustrated. The decision the gentleman presents to us just simply says in effect that under the fourteenth amendment we can make just such a law as this bill proposes. My understanding is that the gentleman himself is opposed to this legislation, and it is somewhat difficult to comprehend why he would challenge our attention to a decision which absolutely demonstrates that we are making this law exactly as the Supreme Court would want it made. This bill is based on the South Carolina law, and I hear it works very well. They seem to have no trouble in suing a county because its sheriff disobeys the law. Neither will Congress.

The Congress of the United States is not undertaking to make any laws to take the place of those in any State. The Congress of the United States is endeavoring to say to the officers of each State that they must enforce the laws of that State, and that if they do not, we will, and they will suffer first. All these decisions the gentlemen cite in support of their claim are simply cases in which nobody claimed that a State had done any wrong. What these gentlemen are trying to say is that the decision in Ex parte Virginia (100 U. S., 347) is no decision and that the State does not act by its sheriff, and that therefore the fourteenth amendment can not be operated and enforced. If there were any decisions that the State does not act by its officers, if there were any decisions that the sheriff's denial of protection is not the denial of the Commonwealth, if there were any decisions reversing Ex parte Virginia (100 U. S., 347), they would somewhere in the last month have strayed into this debate, but they were all dream decisions.

The gentleman from South Carolina urges that if the sheriff were not sheriff, he could still assist in a lynching. Yes; but what is the idea? He could not unless some sheriff refused to do his duty, and the new sheriff would be doing what he could not do if he were not sheriff, that is refusing to do his duty as sheriff.

The gentleman, who is evidently a close student of the law, says that in the Harris case (106 U. S., 639), individuals who took a prisoner from a sheriff and lynched him were held not to have violated any Federal right. But he neglects to add that the court said of the law under which Harris was indicted that "It applies, no matter how well the State may have performed its duty." This bill begins to act only when the State, by the sheriff or other agent, refuses to give a man protection. If the statute under which Harris was indicted had contained such a provision, it would have been constitutional. The gentleman, whose arguments are generally clear, should note that fact.

The Constitution means what it says, and Ex parte Virginia means what it says, and the Siebold case means what it says, and the law is not a joke in this Republic, and the Constitution is not a fake in this mighty Nation, and every man in every State is entitled to a protection equal to that given every other man in that State, and if God reigns, and the Government at Washington still lives, the Republic of Abraham Lincoln is about to see that every one of them, rich or poor, black or white, gets his constitutional rights.

The gentleman from South Carolina does not believe that Congress has power to have the sheriff arrested and punished, but let us hope that with his logical mind he does realize that as a matter of course, if Congress has a right to bring the sheriff into the Federal courts the United States marshal will bring with him every member of the murderous mob that slays a defenseless man without trial. The only question in this debate is whether under the fourteenth amendment the States reserved the power to punish men without trial.

The gentleman from Maine says that "since the days of Blaine and Grady, the sons of the Blue and the Gray have fought side by side." Yes, we have; I was there. Once, as I led the Twentieth Kansas by the First Tennessee I had our band play Dixie and heard the famous Yell go up as a token of brotherhood between Kansas and Tennessee. But we were not fighting for any reserve power to lynch people. Black men fought, too. "We have been trying to demonstrate how beautiful it is for nations to dwell together in unity," he says. How efficacious would that speech be at a lynching bee? And then the gentleman demands that we desist from disturbing harmony and arousing discord and dissension by calling attention to the violation of law by mobs when they soak men with oil and burn them alive without a trial, and when the sheriff refuses to move to give men the equal protection of the law of his State that is guaranteed them by the Constitution of the Union which we have sworn to uphold. Yes; I think there is a certain annoying and disturbing effect produced by focusing attention upon so unfortunate a situation, but I do not believe it is half as embarrassing as it would be for you to be burned alive yourself. Suppose that you just vote to sustain the Constitution and terminate this unfortunate discussion. You have taken an oath to do this. Are you going to carry out what you have sworn to do or not? [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman and gentlemen of the House, we come to the conclusion of the debate upon one of the most important questions which has challenged the attention of the American Congress during the last half century, and in some respects the most important. We, from the South, understand full well the position which we occupy. Deserted, in a measure, by the men of our own political faith in the North and in the East, undertaking to defend ourselves behind the clear provisions of the Constitution, challenging gentlemen of the majority to the observation of their official oaths, presenting to the Congress an unbroken line of decisions by the Supreme Court of the United States against the constitutionality of this bill, we face its adoption by this body. Not one gentleman do I recall, save, perhaps, the chairman of the Judiciary Committee [Mr. VOLSTEAD], has stood in his place where I stand and claimed that this bill in all its provisions is constitutional. I challenge the history of legislation in the American Congress for a parallel.

As the gentleman from Tennessee [Mr. GARRETT] has said, the race question has no place in this discussion. The philosophy of Government, the constitutionality of the bill, the wisdom of the governmental policy which it embodies, are

independent of any considerations of race or of section, but we of the South have an additional concern. By reason of that which was done by our ancestors we are confronted there with the most difficult and the most dangerous domestic situation which ever was visited upon a people. We are trying an experiment that has never before succeeded, trying to have two races live side by side as neighbors in a great section of the country; people who are diametrically opposed to each other racially. Now, gentlemen, you have the power. We understand that. You have the votes and you have the responsibility. You can do as you will, but you must answer to the country; you must answer to your God, and you must answer to history for what you do this day. God being my witness I believe that with this policy which you are inaugurating you will turn loose the passions of race conflict in my country and dye my country red with blood.

I come to you upon my responsibility as a Member of the American Congress and upon whatever reputation for honesty I have, and I look you in the face and I tell you that I believe, and every man from the South tells you that he believes, that this proposed legislation will add to the peril of our women, will weaken the sense of local responsibility, and lessen the power of our law-abiding people to stop mob violence.

Yet in the face of the judgment of witnesses whom you can not impeach you propose to do that which the decisions of the Supreme Court and the plain language of the Constitution says violates your official oaths. I do not mean to be offensive, gentlemen. I would not say it if the Supreme Court of the United States had not said it. You propose to disregard the plain provisions of the Constitution, to undermine the structure of the Government itself.

We are powerless. We understand that. We stand alone. This is our question. We know that we must settle it. We can not shift this responsibility. The Federal Government can not assume it. In justice to my people I declare it to be my judgment that no other people on this earth could have done better. We are working day and night to build up a local public opinion that will help us to wipe this blot from my country, and I come here and ask you gentlemen not to disturb the work that we are doing. Read the newspapers from the South. Read the appeals of the governors of the South. Read the record of lynchings. We have reduced lynchings, nothwithstanding the increase in population, from an average of 112 a year to 63 last year. I know it is difficult.

I understand it; but, gentlemen, you must let us hold the responsibility upon the conscience of our community. That is what we appeal for. If you would abandon this superior, "holier than thou" attitude, stop your encouragement of southern Negroes to violate the social adjustment essential to the living together of large numbers of people of irreconcilable racial differences, we could make more rapid progress. We do not want to have our people lynch black men or white men. We do not want it. You know we do not want it. No man who claims to be decent could want it, but we know and you know—I challenge your judgment—that there is not a hand on the face of God Almighty's earth that can hold back the passions of the mob except the hand of the man who feels that it is up to him to intervene, the man who lives in the community, who will get up out of his bed at midnight and go out there and stand side by side with the prisoner who has committed a crime that has outraged the community. He is the only man on this earth who can do it, and I ask you not to destroy the sense of responsibility of men like this. And I ask you as man to man, do not add to the perils of our women as you would not want the South if we were in control here to add to the perils of your women by creating the impression in the minds of the ignorant savage, the brute bereft of every sense of social duty, of sympathy for the helpless, more brutal than the wild beasts of the fields, that the Federal Government is going to protect him against the people whose woman he violates. The solution of this problem must come from both ends. Racial divergencies, strained racial conditions which may develop in any community, out of which mob violence may arise, present their problems, but I believe it is the judgment of white men of the South generally that if the rape of white women can be stopped we can soon stop lynching. During all this debate there have been but few words of sympathy for the victim. Gentlemen, you are hindering us. We can appeal to the necessities and to the duty of self-respect, but no progress can be made by denouncing as cannibalistic, as I understood the gentleman from Ohio [Mr. BURTON] to do the other day. The impulse of the man to kill when in the presence of the brute whose crime against nature, against innocence, against helplessness, against his woman, stirs in his soul the deepest and most primitive passions of which a good man is capable. Those passions must be controlled, but when they die the civilization is dead, the race is dead. The battle of the man against those passions he knows, and every man whose blood is red knows, has no kinship with the degradation out of which the appetite of the cannibal grows.

Mr. HERRICK. Will the gentleman yield for a question?

Mr. SUMNERS of Texas. I regret that I can not yield. Now, gentlemen, what are you going to do about it? I am talking to you as man to man, face to face. I am not talking now about the constitutional questions, the questions of governmental policy. That has been exhaustedly discussed. Aside from the concern which I have expressed with reference to the white women of the South, and especially those far away from police protection, who live under the shadow of this danger and under its torture almost from the beginning of consciousness; I have no concern for my white people. They will take care of themselves and give the best protection to their women which true manhood can give. I know that the white people of the South will take care of themselves; I appeal for the millions of black men and black women who have got to depend upon their white neighbors and the sense of responsibility of their white neighbors for protection against mob violence and against the vicious of the white race. [Applause.] They are the people I am appealing for. Oh, you can give them the shadow. You can pass this law. You can destroy the sense of local responsibility and get votes next election, but before God I say you have got no right to do it. You have no right to get your votes at the price of the security and the relatively happy situation of the millions of black people in the South. [Applause.]

Mr. HERRICK. Will the gentleman yield now for a question?

Mr. SUMNERS of Texas. No; I can not. I regret that I can not. Now, there is another thing that I want to say to you, and I hope I will not be misunderstood. I believe as firmly as I believe anything on this earth that the brutal, vicious black men, who are in the minority—there are relatively few of them—will misunderstand this legislation. I believe, men, that you are buying black votes with the safety of white women in the South. [Applause.] That is what I believe. I may be mistaken, but I know more about it than you do.

Mr. UPSHAW. You are not mistaken.

Mr. SUMNERS of Texas. I believe it. I have said all I can say in my opening argument in opposition to this bill. I discussed the constitutional questions involved and the governmental policy involved. It is up to you. We have come to the Congress and now we will go to the country.

You can make your record here; you have got the power; but, believe me, gentlemen, if I know the American people we will not appeal in vain when we appeal from the judgment of this House to the judgment of the country. If there is anything left in the hearts of the country that ring true to the principles of the American Government, you will not make anything out of this politically. But that is not it; I wish almost that I had not made that statement, because in our debates we have our party conflicts, but, after all, we are American citizens. [Applause.] After all, we love our country; after all, our hearts ring true to the great principles. We may forget ourselves sometimes; we may forget ourselves under the influence of party expediency. Gentlemen, you have forgotten yourselves. Oh, may the shades of the great statesmen whose legislative works have made so glorious the statesmanship of this country come now within the Halls to guide the great party who under God's providence is charged with the responsibility of preserving the institutions of this country in this hour. O men, this a solemn moment in the history of this Government. You commit this Government to this policy and the institutions and civilization of this country will not endure, because when you destroy the sense of local responsibility you destroy the strength of the local government; and when you destroy the strength of the local government you destroy the foundations on which the institutions rest. [Applause.]

I thank you, gentlemen, for the attention you have given us. It is your power and your responsibility. The section of the country from which I come seems to me yet regarded as an alien section under suspicion, because when the Representatives come before you and make a solemn statement on their responsibility as Members of this Congress as to what they believe will be the effect of the proposed legislation their statements and their appeal falls on deaf ears. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. VOLSTEAD. Mr. Chairman, in the discussion of this matter there has been a constant charge that this bill is unconstitutional. I was somewhat surprised at the speaker who just left the floor—at the claim he made that every Republican

in this House except myself believed the bill to be unconstitutional, but we are going to support it, notwithstanding such belief. That was neither charitable nor just.

Mr. UPSHAW. We excepted the gentleman from Minnesota.

Mr. VOLSTEAD. I believe there are a good many who are confident that the legislation is justifiable, and there is good reason to believe that the Supreme Court will sustain it. It has not been decided in any case that this kind of legislation is unconstitutional. This bill has been drawn on an entirely different principle from any law that has passed the scrutiny of the Supreme Court. I hope and believe that the Supreme Court will eventually hold that legislation along these lines is valid.

You must be aware that the Supreme Court is constantly invading, as the opposition calls it, State action in deciding property rights affected by the fourteenth amendment to the Constitution. Every suit involving that amendment is subject to review by the Supreme Court of the United States after it has passed the highest court of the State if a person's rights under this amendment are denied. If you will go into any law library and take up any one of the late Supreme Court reports, you will find that a very large proportion of the cases are decided under the fourteenth amendment.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. VOLSTEAD. No; I have not the time.

The Supreme Court has under a statute passed by Congress the power to review the action of the State courts. It issues its writs against State courts and State officers, and in its mandates to State courts it directs judgments against the individual, just the same as though it was unhampered by any interference of the State courts. Now, that is the actual practice in civil cases.

And, as I called attention to in my former speech on this bill in the Southern Railroad Co. case, the Supreme Court sustained an injunction against a private individual who was seeking to collect a judgment that was void for lack of due process of law, a case that seems to me clearly rests on this amendment. That case, it seems to me, justifies Congress in proceeding against the individual, the one thing you claim we can not do. In effect the action of the Supreme Court in a vast majority of the civil cases it decides under the amendment only affects individuals, but its action is, directly or indirectly, dependent upon a failure of the State to afford protection guaranteed by the amendment. The Supreme Court has time and again intimated that the laws held void which have been passed by Congress heretofore are not dependent on any failure of the State to do its part under the amendment. In this bill we seek to make it dependent on the default of the State. I believe that if you are to construe this constitutional amendment correctly it must be construed so as to carry out the purpose of that amendment, which no one denies was to protect life as well as property, and you can not carry out that purpose unless you can reach the individual as well as the officers who make default.

Now, it is easy to stand here on this floor and denounce everything as unconstitutional. When we had the national prohibition act before Congress we had many speeches to the effect that it was unconstitutional. The Supreme Court did not take that view of it. I have had the experience that when a man is opposed to a law he usually claims that it is unconstitutional. I believe it to be true that if there is a wrong, and there is warrant in the Constitution for a remedy, it is the function of this body to apply the remedy. In this instance the Attorney General and his assistant have both expressed the opinion that this legislation is constitutional.

We know there is a grievous wrong, and we know that honest men differ as to the question of constitutional power to remedy the wrong. Even if we have some doubt on that point, we are, as I view it, as the Supreme Court said in one case, justified in having the question finally submitted to the courts, so the question can be settled. When we have done that we have done our duty. We can not justify doing less.

We owe it not only to the black man but we owe it to the white man as well to afford whatever protection we can, to the end that this infernal institution of practically legalized murder may come to an end, and the disgrace under which this Nation is suffering may be wiped out.

The CHAIRMAN. The Clerk will read.

Mr. MANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANN. The bill as reported to the House has a complete substitute by way of amendment proposed by the Committee on the Judiciary. I suppose under the practice of the House we would first read the House bill.

The CHAIRMAN. The practice would be for the Clerk to read the bill to which the amendment has been offered and then read the substitute.

Mr. MANN. It seems to me—I do not know how the gentleman in charge of the bill or those opposed to it feel—that there ought to be some agreement under which proper debate can be had on the bill. Proper debate can not be had on the bill under this procedure.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield to me for a parliamentary inquiry?

Mr. MANN. Yes.

Mr. GARRETT of Tennessee. Would it not be in order for the gentleman from Minnesota [Mr. VOLSTEAD] to take that course at the conclusion of the reading of the first section of the original House bill, to offer the committee substitute, giving notice of a purpose then to move to strike out the other sections of the original bill as read?

The CHAIRMAN. That would be in order.

Mr. MANN. That is clearly in order.

Mr. GARRETT of Tennessee. It would then be in order, would it not, to offer amendments to the amendment, one at a time?

The CHAIRMAN. That would be in order.

Mr. MANN. But no motion to strike out the last word of the amendment would be in order.

Mr. GARRETT of Tennessee. That would be an amendment in the third degree, and not in order, I presume.

The CHAIRMAN. The only way in which the bill could be open to amendment in the usual way would be to have the committee amendment considered in Committee of the Whole as an original bill.

Mr. MANN. That has been almost the invariable custom, by unanimous consent.

The CHAIRMAN. That could be done by unanimous consent, but in no other way.

Mr. GARRETT of Tennessee. I shall have to object to that.

Mr. MANN. Very well; we will put it through without debate. I just wanted to get the attitude of the gentleman from Tennessee.

Mr. GARRETT of Tennessee. The gentleman has it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That whenever any criminal prosecution shall have been instituted or any warrant of arrest shall have been issued, or any arrest shall have been made, or attempted, with the purpose and intent of criminal prosecution, in any State court, against any person within the jurisdiction of the State, whether he be a citizen of the United States or not, and such person shall appeal, as hereinafter provided, for the protection of the Government of the United States upon the ground that he has reasonable cause to apprehend that he will be denied the equal protection of the laws by the State within whose jurisdiction he is, or by any officer or inhabitant of such State, such person shall be entitled to the protection of the courts and officers of the United States to the end that the protection guaranteed by the Constitution of the United States may be given.

Mr. VOLSTEAD. Mr. Chairman, I offer the following amendment, with notice that if adopted I shall move to strike out subsequent sections of the bill when read.

The Clerk read as follows:

Strike out all of section 1 and in lieu thereof insert the following:

"That the phrase 'mob or riotous assemblage,' when used in this act, shall mean an assemblage composed of three or more persons acting in concert for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense.

"SEC. 2. That if any State or governmental subdivision thereof fails, neglects, or refuses to provide and maintain protection to the life of any person within its jurisdiction against a mob or riotous assemblage such State shall by reason of such failure, neglect, or refusal be deemed to have denied to such person the equal protection of the laws of the State, and to the end that such protection as is guaranteed to the citizens of the United States by its Constitution may be secured it is provided:

"SEC. 3. That any State or municipal officer charged with the duty, or who possesses the power or authority as such officer to protect the life of any person that may be put to death by any mob or riotous assemblage, or who has any such person in his charge as a prisoner, who fails, neglects, or refuses to make all reasonable efforts to prevent such person from being so put to death, or any State or municipal officer charged with the duty of apprehending or prosecuting any person participating in such mob or riotous assemblage who fails, neglects, or refuses to make all reasonable efforts to perform his duty in apprehending or prosecuting to final judgment under the laws of such State all persons so participating, except such, if any, as are or have been held to answer for such participation in any district court of the United States, as herein provided, shall be guilty of a felony, and upon conviction thereof shall be punished by imprisonment not exceeding five years or by a fine of not exceeding $5,000, or by both such fine and imprisonment.

"Any State or municipal officer acting as such officer having under authority of State law in his custody or control a prisoner, who shall conspire, combine, or confederate with any person to put such prisoner to death without authority of law as a punishment for some alleged public offense, or who shall conspire, combine, or confederate with any person to suffer such prisoner to be taken or obtained from his custody or control for the purpose of being put to death without authority of law as a punishment for an alleged public offense, shall be guilty of a felony, and those who so conspire, combine, or confederate with such officer shall likewise be guilty of a felony. On conviction the parties participating therein shall be punished by imprisonment for life or not less than five years.

"SEC. 4. The district court of the judicial district wherein a person is put to death by a mob or riotous assemblage shall have jurisdiction to try and punish, in accordance with the laws of the State where the homicide is committed, those who participate therein, provided it is first made to appear to such court that the officers of the State charged with the duty of prosecuting such offense under the laws of the State fail, neglect, or refuse to apprehend or punish such participants, or that the jurors obtainable for service in the State court having jurisdiction of the offense are so strongly opposed to such punishment that there is no reasonable probability that those guilty of the offense can be punished in such State court. A failure for more than 30 days after the commission of such an offense to apprehend the persons guilty thereof shall be prima facie evidence of such failure, neglect, or refusal.

"SEC. 5. That any county in which a person is put to death by a mob or riotous assemblage shall forfeit $10,000, which sum may be recovered by an action therefor in the name of the United States against such county for the use of the family, if any, of the person so put to death; if he had no family, then to his dependent parents, if any; otherwise for the use of the United States. Such action should be brought and prosecuted by the district attorney of the United States of the district in which such county is situated in any court of the United States having jurisdiction therein. If such forfeiture is not paid upon recovery of a judgment therefor, such court shall have jurisdiction to enforce payment thereof by levy of execution upon any property of the county, or may compel the levy and collection of a tax therefor, or may otherwise compel payment thereof by mandamus or other appropriate process; and any officer of such county or other person who disobeys or fails to comply with any lawful order of the court in the premises shall be liable to punishment as for contempt and to any other penalty provided by law therefor.

"SEC. 6. That in the event that any person so put to death shall have been transported by such mob or riotous assemblage from one county to another county during the time intervening between his capture and putting to death, the county in which he is seized and the county in which he is put to death shall be jointly and severally liable to pay the forfeiture herein provided.

"SEC. 7. That any act committed in any State or Territory of the United States in violation of the rights of a citizen or subject of a foreign country secured to such citizen or subject by treaty between the United States and such foreign country, which act constitutes a crime under the laws of such State or Territory, shall constitute a like crime against the peace and dignity of the United States, punishable in like manner as in the courts of said State or Territory, and within the period limited by the laws of such State or Territory, and may be prosecuted in the courts of the United States, and, upon conviction, the sentence executed in like manner as sentences upon convictions for crimes under the laws of the United States.

"SEC. 8. In construing and applying this act the District of Columbia shall be deemed a county, as shall also each of the parishes of the State of Louisiana.

"That if any section or provision of this act shall be held by any court to be invalid, the balance of the act shall not for that reason be held invalid."

At the conclusion of the reading of sections to the foregoing amendment the following occurred:

Mr. GARRETT of Tennessee (interrupting the reading). Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARRETT of Tennessee. Is the Clerk reading the committee amendment?

The CHAIRMAN. He is reading an amendment offered by the gentleman from Minnesota.

Mr. GARRETT of Tennessee. Is not the committee amendment in order first?

Mr. MANN. The committee amendment would not come until the bill had been read through.

Mr. GARRETT of Tennessee. As I understand it, he is not reading the proposed substitute.

The CHAIRMAN. The Clerk is reading the amendment offered by the gentleman from Minnesota.

Mr. MANN. It is not proper to read the proposed substitute yet.

Mr. GARRETT of Tennessee. I beg the gentleman's pardon, but it seems to me it would have been in order to offer the committee substitute.

Mr. MANN. It would have been in order if the gentleman had offered it.

Mr. GARRETT of Tennessee. Would not the committee substitute take preference over an amendment offered by the gentleman as an individual?

The CHAIRMAN. That is in the discretion of the committee.

Mr. MANN. Unless the committee substitute was offered by some gentlemen at the end of the reading of section 1, with the notice that was given, the substitute would not come before the Committee of the Whole until the original bill had been read through and amended.

Mr. GARRETT of Tennessee. I do not know that I had any right to so understand it, but I assumed that the gentleman was going to offer the committee amendment. I did not know that he was going to discard the work of his committee and offer an individual proposition.

Mr. MANN. That has nothing to do with the parliamentary situation.

Mr. GARRETT of Tennessee. Would it not be in order to offer the committee substitute?

The CHAIRMAN. The place at which the committee amendment would be in order would be at the conclusion of the bill when read. This amendment is offered at the conclusion of the reading of the first section. The Clerk will read.

The Clerk concluded the reading of the amendments.

Mr. VOLSTEAD. Mr. Chairman——

The CHAIRMAN. The gentleman from Minnesota is recognized.

Mr. BLANTON. Mr. Chairman, I offer a preferential amendment to strike out the enacting clause.

The CHAIRMAN. The gentleman from Minnesota [Mr. VOLSTEAD] has offered an amendment, and has been recognized for five minutes in support of his amendment.

Mr. VOLSTEAD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 13 and had come to no resolution thereon.

PRINTING OF AMENDMENTS.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent that the amendment which has just been read may be printed in the form of a bill, so that it may be used by the Members.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the amendment be printed as a bill for the use of the Members. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

Mr. MACGREGOR, by unanimous consent, was granted leave of absence for three days on account of official business.

EXTENSION OF REMARKS.

Mr. SINCLAIR. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on a bill which I have introduced—H. R. 9461.

The SPEAKER. The gentleman from North Dakota asks unanimous consent to extend his remarks in the RECORD on the bill which he has introduced. Is there objection. [After a pause.] The Chair hears none.

ENROLLED BILLS SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 1460. An act for the relief of the William Gordon Corporation;

H. R. 1318. An act granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes;

H. R. 4598. An act to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii;

H. R. 2865. An act authorizing the Secretary of the Interior to sell and patent to J. D. Calhoun, of Lincoln Parish, La., certain lands;

H. R. 1459. An act for the relief of Charles R. Powell;

H. R. 9050. An act granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia;

H. R. 7600. An act authorizing the adjustment of the boundaries of the Deschutes National Forest, in the State of Oregon, and for other purposes;

H. R. 7290. An act to confirm private-land claim of the widow and heirs of Joseph Etier; and

H. R. 6262. An act to add certain lands to Mount McKinley National Park, Alaska.

REPORT OF BOARD OF DIRECTORS, PANAMA RAILROAD CO.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the seventy-second annual report of the board of directors of the Panama Railroad Co. for the fiscal year ended June 30, 1921.

WARREN G. HARDING.

THE WHITE HOUSE, *January 25, 1922.*

ADJOURNMENT.

Mr. VOLSTEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned until Thursday, January 26, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

488. Under clause 2 of Rule XXIV, a letter from the Director of the United States Veterans' Bureau, transmitting a list of useless records and papers which are no longer of use in current work or of historical value and which this bureau desires to be authorized to destroy; to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. S. 2994. An act to revive and reenact the act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917; without amendment (Rept. No. 599). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 9101. A bill to amend sections 288, 342, 343, 368, and 461 of the Penal Code of the Canal Zone, and section 2 of the Executive order of July 9, 1914, establishing rules and regulations for the operation and navigation of the Panama Canal and approaches thereto, including all water under its jurisdiction; with amendments (Rept. No. 600). Referred to the House Calendar.

Mr. SANDERS of Indiana: Committee on Interstate and Foreign Commerce. H. R. 7100. A bill to amend and reenact subdivision (a) of section 209 of the transportation act, 1920; without amendment (Rept. No. 601). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAYDEN: Committee on the Public Lands. H. R. 7812. A bill to extend the time for cutting timber in the Coconino and Tusayan National Forests, Ariz.; with an amendment (Rept. No. 602). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. UNDERHILL: Committee on Claims. H. R. 3346. A bill for the relief of the heirs of Oscar Chrysler; with an amendment (Rept. No. 603). Referred to the Committee of the Whole House.

Mr. SPEAKS: Committee on Claims. H. R. 5634. A bill for the relief of Frank William Brown and Clara Bryan Brown; with an amendment (Rept. No. 604). Referred to the Committee of the Whole House.

Mr. COLE of Iowa: Committee on Claims. H. R. 9069. A bill for the relief of William H. Slaine; without amendment (Rept. No. 605). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 3461. A bill for the relief of Eugene Fazzi; with an amendment (Rept. No. 606). Referred to the Committee of the Whole House.

Mr. BULWINKLE: Committee on Claims. H. R. 546. A bill authorizing the Secretary of the Treasury to pay war-risk insurance to the foster parents of Edward Short; with amendments (Rept. No. 607). Referred to the Committee of the Whole House.

Mr. WOODS of Virginia: Committee on Claims. H. R. 1892. A bill for the relief of L. A. McMullen; without amendment (Rept. No. 608). Referred to the Committee of the Whole House.

Mr. LOGAN: Committee on Claims. H. R. 1764. A bill for the relief of J. A. Leslie; with an amendment (Rept. No. 609). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Claims. H. R. 7984. A bill for the relief of James Kelly; with an amendment (Rept. No. 610). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Claims. H. R. 1274. A bill for the relief of Maude H. Mosher; with an amendment (Rept. No. 611). Referred to the Committee of the Whole House.

Mr. EDMONDS: Committee on Claims. S. 982. An act for the relief of Louisa Frow; without amendment (Rept. No. 612). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MERRITT: A bill (H. R. 10115) to extend the benefits of the pension laws to certain innocent divorced wives of deceased soldiers and sailors who were in the military or naval service of the United States during the Civil War; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 10116) to be known as the Daughters of the American Revolution old trails act, to provide a national ocean-to-ocean highway over the pioneer trails of the Nation; to the Committee on Roads.

By Mr. KINCHELOE: A bill (H. R. 10117) authorizing and directing the Secretary of War to cause to be made a preliminary examination and survey of the lower part of Tradewater River in Kentucky; to the Committee on Rivers and Harbors.

By Mr. SEARS: Concurrent resolution (H. Con. Res. 42) thanking the people of Florida for the statue of Gen. E. Kirby Smith; to the Committee on the Library.

By Mr. RUCKER: Resolution (H. Res. 272) for the relief of Charles C. Coombs, son of Charles W. Coombs, late an employee of the House of Representatives; to the Committee on Accounts.

By Mr. PATTERSON of New Jersey: Memorial of the Legislature of the State of New Jersey, extending to the President of the United States best wishes and cordial support in his noble and patriotic effort to achieve peace on earth and good will among the nations; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANSORGE: A bill (H. R. 10118) for the relief of Louis H. Eberlein; to the Committee on Claims.

Also, a bill (H. R. 10119) for the relief of Edward C. Roser; to the Committee on Claims.

By Mr. HUDSPETH: A bill (H. R. 10120) for the relief of Milam H. Wright; to the Committee on Claims.

Also, a bill (H. R. 10121) for the relief of Albert F. Gholson; to the Committee on Claims.

By Mr. KLECZKA: A bill (H. R. 10122) granting a pension to Charlotte Marshall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10123) for the relief of Deidrich T. Steffens; to the Committee on Military Affairs.

By Mr. LAWRENCE: A bill (H. R. 10124) for the relief of William Smith; to the Committee on Military Affairs.

By Mr. LEE of Georgia: A bill (H. R. 10125) granting a pension to Emeline Smith; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 10126) granting a pension to Adaline A. Perry; to the Committee on Invalid Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 10127) granting an increase of pension to Thomas C. Hadley; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 10128) granting a pension to Amelia Mathena; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10129) granting an increase of pension to Mary A. Wells; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10130) granting an increase of pension to Martha E. Oden; to the Committee on Invalid Pensions.

By Mr. PRINGEY: A bill (H. R. 10131) granting an increase of pension to John W. Smith; to the Committee on Pensions.

By Mr. ROBSION: A bill (H. R. 10132) granting an increase of pension to Charles N. Cannon; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 10133) granting a pension to Sophy Lilley; to the Committee on Invalid Pensions.

By Mr. SEARS: A bill (H. R. 10134) granting a pension to Eliza Laport; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 10135) granting a pension to Edward Shaw; to the Committee on Pensions.

Also, a bill (H. R. 10136) granting a pension to James H. John; to the Committee on Pensions.

By Mr. TOWNER: A bill (H. R. 10137) granting a pension to Mary A. Rinehart; to the Committee on Invalid Pensions.

By Mr. UPSHAW: A bill (H. R. 10138) granting an increase of pension to Fannie Nehemias; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10139) for the relief of C. W. Shumate; to the Committee on Claims.

By Mr. WATSON: A bill (H. R. 10140) granting a pension to Isaac De Haven; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3649. By the SPEAKER (by request): Resolutions adopted by the First Baptist Church, of Benton, N. Y.; First Baptist Church, of Venice, N. Y.; the Baptist Church, of Trumansburg, N. Y.; Bethel Baptist Church, of Omaha, Nebr.; and the Marantha Baptist Church, of Detroit, Mich., urging the passage

of House joint resolution 159, proposing an amendment to the Constitution to prohibit sectarian appropriations; to the Committee on the Judiciary.

3650. Also (by request), resolutions adopted by the city council of Baltimore, Md., urging that the Government permit the sale of light wines and beer and that the revenue derived therefrom be set aside and used as a separate fund for the payment of bonuses to ex-service men; to the Committee on the Judiciary.

3651. Also (by request), petition of the Carolina Bagging Co., of Henderson, N. C., urging certain provisions in the tariff bill, etc.; to the Committee on Ways and Means.

3652. Also (by request), petition of John T. Williams and other citizens, urging Congress to enact certain laws relative to the manufacture, sale, and transportation of narcotics; to the Committee on Ways and Means.

3653. By Mr. ANSORGE: Petition of the Steuben Society of America, John Peter Zeuger Unit, No. 41, opposing naval disarmament or reduction of armament, which would leave the United States Navy weaker than the Navy of any other country, etc.; to the Committee on Foreign Affairs.

3654. Also, petition of Staten Island Chamber of Commerce, New York, opposing legislation in favor of the St. Lawrence Ship Canal; to the Committee on Interstate and Foreign Commerce.

3655. Also, petition of U. S. Grant Post, No. 327, Grand Army of the Republic, of Brooklyn, N. Y., favoring the dedication of the Grant Memorial in Washington upon the one hundredth anniversary of Gen. Grant's birth; to the Committee on the Library.

3656. By Mr. BEGG: Petition of certain citizens of Vermilion, Ohio, urging the creation of the President's forest; to the Committee on Agriculture.

3657. By Mr. DALLINGER: Petition of Medford Post, No. 45, American Legion, of Medford, Mass., favoring the bonus bill; to the Committee on Ways and Means.

3658. By Mr. FRENCH: Resolution of the Elmore Development League, of Mountain Home, Idaho, indorsing a broad policy of reclamation; to the Committee on Irrigation of Arid Lands.

3659. Also, resolution urging postponement of grazing fees for current year until December 1, 1922, by the Idaho State Cattle & Horse Growers' Association; to the Committee on Agriculture.

3660. By Mr. FROTHINGHAM: Petition of Medford Post, No. 45, American Legion, of Medford, Mass., indorsing the five-fold plan for adjusted compensation; to the Committee on Ways and Means.

3661. By Mr. FULLER: Petition of the Carolina Bagging Co., of Henderson, N. C., concerning tariff on jute bagging; to the Committee on Ways and Means.

3662. By Mr. GALLIVAN: Petition of Gray & Wyman, of Boston, Mass., urging the passage of House bill 9446, providing for the incorporation of the American Institute of Accountants; to the Committee on the Judiciary.

3663. By Mr. KING: Petition of Mrs. Martha F. Webster and 27 other members of Galesburg (Ill.) Chapter of the Daughters of the American Revolution, favoring the archives building, Towner-Sterling bill, Yorktown Park, etc.; to the Committee on Education.

3664. By Mr. KISSEL: Petition of the Martin Cantine Co., of Saugerties, N. Y., opposing the proposed St. Lawrence waterway project; to the Committee on Interstate and Foreign Commerce.

3665. Also, petition of Ernest A. Arnold, of Superior, Wis., relative to the St. Lawrence River waterway; to the Committee on Interstate and Foreign Commerce.

3666. By Mr. LINTHICUM: Petition of the Daughters of the American Revolution of Baltimore and Montgomery County, Md., favoring House bill 6774; to the Committee on Military Affairs.

3667. Also, petition of the Women's Civic League of Baltimore, Md., protesting against the transfer of the Department of Forestry from the Department of Agriculture to the Department of the Interior through Senate bills 2203, 2382, and 2740; to the Committee on Agriculture.

3668. Also, petition of Dr. William J. Todd, of Baltimore, Md., favoring passage of Senate bill 2764; to the Committee on Interstate and Foreign Commerce.

3669. Also, petition of E. S. Donoho, of Baltimore, Md., favoring passage of Senator ERNST's bill in behalf Sergt. Woodfill; to the Committee on Military Affairs.

3670. Also, petition of the Maryland Association of Optometrists, of Baltimore, favoring House bill 7570; to the Committee on the District of Columbia.

3671. Also, resolutions of the Maryland State Grange, of Woodlawn, Md., on world peace; to the Committee on Foreign Affairs.

3672. By Mr. PERKINS: Petition of Corpl. Patrick J. Farrell Post, No. 142, Veterans of Foreign Wars of the United States, protesting against the United States entering into the so-called four-power treaty; to the Committee on Foreign Affairs.

3673. Also, petition of the Sussex County Board of Agriculture, protesting against the removal of the Bureau of Markets and the Forest Service from the Department of Agriculture; to the Committee on the Territories.

3674. By Mr. RIORDAN: Petition of the Hon. John P. O'Brien, corporation counsel of the city of New York, and also from Hon. Henry M. Goldfogle, president of the tax commission of the city of New York, in favor of House bill 9579; to the Committee on Banking and Currency.

3675. By Mr. RYAN: Petition of sundry citizens of the United States, urging adjusted compensation for soldiers, sailors, and marines of the late war; to the Committee on Ways and Means.

3676. By Mr. VARE: Petition of delegates of the Central Labor Unions, in regular meeting assembled January 22, 1922, urging the passage of the Hill bill to permit the sale of light wines and beer, etc.; to the Committee on the Judiciary.

3677. By Mr. WATSON: Memorial conveying the sentiment of the members of the Wrightstown Monthly Meeting of Friends desiring world peace; to the Committee on Foreign Affairs.

SENATE.

THURSDAY, *January 26, 1922.*

(Legislative day of Wednesday, January 25, 1922.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

KOREAN APPEAL FOR INDEPENDENCE.

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an appeal made by the representatives of Korea, signed also by former Senator Thomas, of Colorado, to the Conference on Limitation of Armament.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

SUPPLEMENTARY APPEAL TO THE CONFERENCE ON LIMITATION OF ARMAMENT AND PACIFIC AND FAR EAST.

(By the Korean Mission.)

KOREAN MISSION,
CONTINENTAL TRUST BUILDING,
Washington, D. C., January 25, 1922.

TO THE CONFERENCE ON LIMITATION OF ARMAMENT.

GENTLEMEN: Following the official announcement of their appointment by the President of the United States, the undersigned formally petitioned the American delegates to your conference to use their good offices in an effort to secure a hearing of the Korean appeal for the restoration of Korean independence. We endeavored to embody in that petition an outline of the history of Korea's annexation by Japan and the reasons justifying, if not requiring, the recognition by your conference of our right to be heard. In so doing, we emphasized the assertion that the wrongs inflicted upon Korea by Japan in disregard of treaty obligations and in defiance of the most obvious demands of justice, would, while they remained unrequited, constitute a far eastern problem of the first magnitude, and therefore calculated seriously to disturb, if not to defeat, any plan or covenant which might be accepted by your conference as tending to secure an enduring peace among the nations.

After presenting this petition to the American delegation a month elapsed without bringing a reply. The undersigned correctly assuming that none would be received then determined to appeal to all members of the conference. They thereupon prepared and presented to each and every one of them a petition elaborating their former one, which with other exhibits was appended thereto, thus embodying in composite form the case of Korea for your deliberate consideration and praying for an audience under whatever conditions might be prescribed, having faith in our cause and confident of maintaining it against all opposition. We are yet without an answer, albeit kindred problems, involving China and Siberia, have been made prominent features of your agenda since our first petition was delivered. This you have done because you perceive their solution to be indispensable to the ultimate object of your conference. China must be mistress in her own house. She must repossess Shantung; she must have both administrative and political independence; she must regulate her own domestic and foreign policies and work out her own destiny under the influence and with the friendly counsel of wholly disinterested powers, or Chinese problems will not cease to vex the peace of nations.

The right of Siberia to live her own life, be ruled by her own people under such forms and methods of government as they may determine to be immune from the invasion or the interference of alien powers is equally obvious. Her problems differ from those of China only in degree. They are essentially the same. And both are the fruit of Japanese intrigue and Japanese penetration. Both have their genesis in the ambitions and policies of a single power, which as a member of this conference and wholly committed to its purpose has happily consented to their consideration and therefore to their dispositions.

Korea rejoices that this is so. Her people devoutly hope for a happy and desirable understanding upon all these formidable differences. But they can not understand why this conference should give heed to them when presented by China and Siberia and refuse to consider them when presented by Korea. Their danger to the peace of the world is not due to the caprice of geography nor to the land of their origin. That inheres in their very structure without regard to whether they are in process or have reached the status of fait accompli.

Are you concerned with Japanese aggressions in China and Siberia because these countries have not yet been formally absorbed by the aggressor? Are you unconcerned about them in Korea because Japan has fully accomplished her object there?

The Korean problem has not been solved by annexation. Because the process has been completed should the protest of Korea pass unheeded? So reasoned the three great powers which submerged Poland. So thought Germany after she had torn Schleswig-Holstein from the side of Denmark, and compelled France to give Alsace-Lorraine. If history is "philosophy teaching by example," these illustrations justify the prediction that while you may pacify China and reassure Siberia, and thereby perform a great service to mankind, "peace will not come to abide with the sons of men" until the wrongs of Korea, more serious and indefensible than those of her neighbor States, shall have been considered and redressed. Every concession which Japan may through the intercession of the other powers make to China or to Siberia must constitute an acknowledgment of Korea's right to recognition. Every argument which the powers press upon her emphasizes Korea's plea for consideration, and every detail of their grievances is part of the warp and woof of Korea's indictment of her oppressor.

Korea is a nation whose Government has stood the test of more than 40 centuries. Hers is the oldest civilization of recorded time. Her population numbers 20,000,000. They are a distinctive race of people. They are possessed of characteristics, traditions, and institutions which are all their own. They have survived the welter of wars, plagues, conquest, and race assimilation. They are the primitive exponents and the last appeal to the right of self-determination. They are a unit against their forcible annexation to another and an alien Government. They are the innocent victims of broken or disregarded treaty covenants with every great power participating in this conference, which having been called expressly for the discussion of far eastern questions constitutes Korea's solitary medium for present relief. Should you adjourn without extending it, you would ignore the mandate which called you into being, disappoint the confidence of the world in the integrity of your purpose and the courage of your convictions unless Korea's petition be neard. The far eastern crisis, whose approach all men foresee and all nations dread, would not be avoided but only postponed. For justice can not in the last analysis of the world's affairs be denied to any great people suffering under oppression yet united in the determination to secure it. Korea striken down by the mailed hand of Japan asks that you hear her story before you adjourn. If you deny her that boon, she will continue her struggle for independence however much your silence may increase her burdens. There can be no peace until Korea has been rehabilitated, her Government restored, her people made free. Until then armies must be maintained and navies ride the sea. Conferences and nations may flourish and pass away, but justice alone endures.

By direction Korean mission.

SYNGMAN RHEE, *Chairman.*
PHILIP JAISOHN, *Vice Chairman.*
HENRY CHUNG, *Secretary.*
FRED A. DOLPH, *Counsellor.*
CHARLES S. THOMAS, *Special Counsel.*

HOSPITALIZATION OF EX-SERVICE MEN.

Mr. ASHURST. Mr. President, as is well known to the Senate, I have for months been directing attention to the subject of hospitalization of ex-soldiers, and out of a spirit of fairness I feel it my duty to include in the RECORD decisions rendered by the Veterans' Bureau on important matters relating to this question. I therefore ask that the following letter be printed in the RECORD in 8-point type, together with the accompanying papers.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DISABLED VETERANS OF THE WORLD WAR,
TUCSON CHAPTER NO. 2,
Tucson, Ariz., January 6, 1922.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

DEAR SENATOR ASHURST: The undersigned committee has been appointed by Tucson Chapter, No. 2, Disabled American Veterans of the World War, to take up with you the matter of certain regulations now in force in the Veterans' Bureau, with a view to the immediate change of such regulations, if possible.

The regulation which causes the greatest delay and discomfort to disabled veterans coming to Tucson for treatment is that regulation which requires the local officers of the Veterans' Bureau to communicate with the district office of San Francisco and receive authority from San Francisco before they can admit a patient to the United States Public Health Hospital No. 51 at Tucson. Unless a man is considered an emergency case he is compelled to wait from 10 days to 2 months at his own expense before authority to admit him to the hospital is received. According to the regulation, to be an emergency case a man must be almost dead, or at least he has to be in such a condition of health that he is liable to die before authority can be received from San Francisco. Many of these men reach Tucson absolutely penniless, and the Disabled American Veterans or some other charitable organization is compelled to provide something to eat and a place to sleep for them until authority has been received from San Francisco, when, as a matter of right and justice, these men are entitled to be taken care of at a Government hospital. In a great many cases when authority to hospitalize a man has finally been received we find that the authorities in charge of Hospital No. 51 announce that their hospital is full, and no other patients can be admitted until some patient has been discharged as an arrested case or for the violation of some hospital regulation.

We are informed that the regulation requiring this procedure is based upon that section of the Sweet bill which provides that in cases where the patient has left a Public Health hospital more than one time against medical advice he is subjected to disciplinary action. Disciplinary action in this case means the loss of two-thirds of his compensation for a period of four months and probably a forfeiture of his right to treatment at a public hospital. There really may be instances of certain isolated cases where this must be done, but it has become so that every disabled veteran who comes to Tucson to have treatment in the Public Health hospital is compelled to await the putting in motion and the final working out of this cumbersome machinery in order to ascertain whether or not he has left some other Public Health hospital against medical advice. In other words, we might say that hundreds of innocent men are made to suffer for the possible wrongdoing of one guilty man. This is not right, and we desire to protest to you, and through you to the Veterans' Bureau, against the further continuance of this iniquitous and unjust system.

It would seem that the only honest, fair, and upright policy for the Veterans' Bureau to follow would be the immediate revocation of this regulation and the substitution therefor of a regulation providing that: When any disabled veteran applies for treatment at any Public Health hospital, that he shall be admitted to treatment that very day and that the local authorities shall then communicate with the district office if necessary to find out whether or not that man has been guilty of the violation of that section of the Sweet bill mentioned above. In case it is found that he has so violated the provisions of the Sweet bill, he can then be dismissed from the hospital, and in case he is not guilty of any wrongdoing he would have only received that to which he is entitled. In that way possibly a few guilty men would receive a few nights' lodging and a few meals at the Government's expense to which they were not rightfully entitled, while in the workings of the present regulations hundreds of innocent men are denied that to which they are entitled by every legal or moral law.

Another minor problem is the matter of securing immediate dental treatment. Only yesterday a disabled veteran appeared at the local office of the Veterans' Bureau suffering intensely from a tooth which had been broken half off, thus leaving the nerve exposed. He wanted something done to relieve his suffering. Under the regulations all that the local office of the Veterans' Bureau could do for this man was to send a telegram to San Francisco to the district office requesting authority to have the man receive treatment. When this letter was written, 24 hours later, no word had been received from the San Francisco office, and the man has probably borrowed money or found some generous-hearted dentist who was willing to treat him on credit. If there is any sane or sensible reason why the director of the local office of the Veterans' Bureau should not have full and complete authority to grant treatment in emergency cases of this kind, we have been unable to discover it.

Another matter upon which we would solicit and earnestly urge your immediate and whole-hearted cooperation is the matter of the enlargement of the Public Health Hospital No. 51. We are told that there is room for more men at Camp Kearney, Calif., and at Whipple Barracks, at Prescott, but the fact remains that there has never been enough room at this hospital during the winter season. The weather at Prescott and at Camp Kearney at this season is such that men who are suffering from tuberculosis will not stay at these places during the winter season. As mentioned above, there have been cases where men have finally received authority and granted admission to the Public Health hospital here, only to find out that they can not be admitted because there is no room for them. It is very well to tell these men that they can go to Whipple Barracks or to Camp Kearney, but they know when you tell them that to go to either of these places in midwinter would be most certain to injure their health and possibly prove the death of some of them much earlier than would be the case if they were admitted to the hospital here. The climate is unquestionably far superior to that of any other part of the country during the winter months.

Please let us hear from you at your earliest possible convenience. Thanking you in advance for your earnest and sincere cooperation for the cause of the disabled veterans,

We are, sincerely,

CLAUDE SMITH,
PAUL F. WELLS,
CHAS. E. MANIER,
Committee.

TREASURY DEPARTMENT,
BUREAU OF WAR RISK INSURANCE,
Washington, January 20, 1922.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

DEAR SENATOR ASHURST: I have your letter dated January 14, 1922, inclosing a letter from Tucson Chapter, No. 2, of the Disabled American Veterans of the World War, Tucson, Ariz.

Please refer to my letter to you dated January 6, 1922, giving a statement of the policy of the United States Veterans' Bureau as to the treatment of its beneficiaries suffering from tuberculosis in the State of Arizona.

The letter which you inclosed from the Tucson Chapter of the Disabled Veterans of the World War has received the very careful consideration of this office.

It is not the intention or desire of this office or any of our district offices that there shall be any delay in the proper hospitalization of any beneficiaries of this bureau when they are in need of hospital treatment.

We are not prepared at Tucson to care for an unlimited number of patients. We are prepared, however, to offer every beneficiary of the United States Veterans' Bureau who is present in Tucson and who needs hospital treatment proper hospitalization in modern, well-equipped tuberculosis sanatoria located at points climatically suitable for the treatment of tuberculosis. I quote from the next to the last paragraph of the inclosed letter:

> It is very well to tell these men that they can go to Whipple Barracks or to Camp Kearney, but they know when you tell them that to go to either of these places in midwinter would be most certain to injure their health and possibly prove the death of some of them much earlier than would be the case if they were admitted to the hospital here.

Our district medical officers have repeatedly offered to hospitalize all of our beneficiaries now in Tucson at Prescott, Ariz., or at our hospital in California, or at one of our hospitals in Colorado. The climate at Prescott, Ariz., at which place at the present time we have many empty beds, is eminently suited at any time of the year for the treatment of patients with tuberculosis.

May I quote a paragraph from a letter from the National Tuberculosis Association:

> The National Tuberculosis Association has maintained for a number of years that experience demonstrates that tuberculous patients can be treated successfully in selected locations in all parts of the United States, provided the main essentials are supplied, namely, strict medical supervision by physicians trained in the management of tuberculous cases, rest, fresh air, and an ample diet. These are fundamental factors in treatment, while climate can be considered as merely supplemental. The removal of patients to distant climates has the disadvantage of giving them treatment at great distances from their homes. This is particularly disadvantageous for the far-advanced cases as well as for indigent cases.

Further, I refer you to an inclosed resolution passed by the executive committee of the National Tuberculosis Association. A copy of this resolution was sent to our district medical officer in San Francisco, and he has sent us a copy of his reply to the Tucson Chapter No. 2, which indicates that any corrective measures necessary have been applied.

Referring to the paragraph about emergency dental treatment, it is possible that there may be some misunderstanding of the law on this subject by the Disabled Veterans' committee. Dental treatment is authorized by law when the dental condition has a connection with the man's military service. Dental work of all nature is not necessarily furnished by the Government to all ex-service men. It is only furnished, as stated above, when they have a dental condition or disease which has been incurred or aggravated by their military service. We are sending a copy of our letter to our district manager in San Francisco, and he will take such action as may be necessary to enable beneficiaries of this bureau to receive prompt dental treatment.

Based on the statements contained in our letter to you of January 6, 1922, the bureau does not feel justified in recommending additional hospital facilities at Tucson, Ariz. I request that you cause it to be known that any of our beneficiaries who may be in Tucson, Ariz., will be provided with suitable hospital treatment if they will apply to our subdistrict office at 809 East Third Street, Tucson, Ariz.

I would further appreciate and thank you to send me the names of any beneficiaries of this bureau who need hospital treatment and who apply to our subdistrict office in Tucson, Ariz., and who are refused hospitalization. When we have supplied to us something definite we are in a position to take immediate corrective action.

Very truly, yours, C. R. FORBES,
Director United States Veterans' Bureau.

[Inclosure.]

The following resolution has been approved by the executive committee of the National Tuberculosis Association through a special committee appointed for the purpose:

Whereas the Veterans' Bureau and other departments and officers of the Government have from time to time had great pressure brought to bear to provide special hospital facilities for tuberculous ex-service men in regions where patients themselves have congregated, usually because of the supposed special curative power of the climate; and

Whereas experience has demonstrated climate to be a minor factor in the treatment of tuberculosis, and that good results may be attained in selected locations in all sections of the country, thus making it possible for patients to receive proper treatment reasonably close to their homes; and

Whereas the establishment of sanatoria in such communities as Deming, N. Mex., is inadvisable, and in Tucson and Phoenix, Ariz., would require extra institutional provisions in other regions during the hot summer months; and

Whereas adequate provisions are already established or planned for at Fort Bayard, N. Mex.; Prescott, Ariz.; in California, North Carolina, Colorado, and other excellent regions in the United States: Be it therefore

Resolved, That the executive committee of the National Tuberculosis Association urges the Veterans' Bureau and other departments responsible for the establishment of sanatoria to refuse to accede to requests that institutions be established merely to satisfy the desires of patients or the demands of political and commercial constituencies, but rather that new institutions be located or existing institutions be expanded only upon the best medical advice obtainable.

THE MUSCLE SHOALS PLANT.

Mr. HARRIS. Mr. President, several days ago I called the attention of the Senate to propaganda of the Fertilizer Trust and the Power Trust against legislation for the development of Muscle Shoals. I am receiving, and other Senators inform me they are receiving, many letters and circulars from men connected with the Water Power Trust in the South, and the Fertilizer Trust in the South and East, in which they are urging action against legislation that will enable Henry Ford or anyone else to have the Muscle Shoals plant. They seem to be exceedingly anxious to prevent Ford from leasing it. They say there is plently of other water power in Georgia and the South that ought to be developed. They use every argument against it that can be thought of.

Some of the letters I receive are from my personal friends who urge me to keep confidential anything that they write me in connection with the matter, and of course I can not divulge what they have written me, but they use every argument possible to prejudice me against the lease of this property.

I also wish to place certain other matters in the RECORD showing what the Fertilizer Trust is doing to defeat this legislation.

The development of Muscle Shoals was primarily for the manufacture of nitrogen in times of war for the manufacture of munitions, while in times of peace it was to be operated for the manufacture of fertilizers to be furnished the farmers at about cost and dispose of the power for manufacturing purposes at cheap rates. This would save the Government the expense of operating it in peace times while we need it for munitions only in war times, and we hope and pray it may be a long while before we shall ever have another war. We hope it may never take place.

We are the only country in the world of any size that has not a plant to manufacture nitrogen, so as to enable them to manufacture munitions in time of war. That is the principal object of the Muscle Shoals plant development. It costs the Government far more to maintain plants of this kind than it would a corporation or individual. The Government is exceedingly fortunate in getting a responsible party to take over the plant and operate it during peace times, so as to save the farmers of the country from the high prices of fertilizers charged by the Fertilizer Trust, and at the same time bring manufacturers of that section actual competition and lower rates for water power.

which is controlled by the Water Power Trust in that section of the country. While all this is helpful and desirable, the most important matter in connection with the lease, so far as the Government is concerned, is the fact that without expense to the Government in times of peace this plant will be profitable to the Government, and should we have war it would be taken over and used in the manufacture of munitions.

Mr. HEFLIN. Mr. President, I desire to indorse what the Senator from Georgia has said. This propaganda has been going on for quite a while. The Fertilizer Trust and other interests are doing everything in their power to keep Henry Ford from having the deal put over so that he can take charge of the Muscle Shoals project.

I think the best thing the Government can do is to turn this project over to Henry Ford, accepting his bid; and I hope the Secretary of War will immediately recommend that Congress accept it and save $100,000,000 or more that has already been expended at Muscle Shoals and complete a nitrogen plant which will supply us with nitrogen in time of war and can give the farmers of the South and West at a reasonable price fertilizer in time of peace.

Mr. HARRIS. Mr. President, I send to the desk a resolution asking for an investigation of the lobby that it is believed is here.

I wish to say that I have never indorsed the offer of Henry Ford or anyone else. We have an able Secretary of War handling the matter with the assistance of the Army engineers—who are reflected on in some of this propaganda of the fertilizer trust. These engineers are among the ablest men in their profession, not only of this country but anywhere in the world. The Army engineers have handled hundreds of millions of dollars in Government contracts and there has only been one man connected with the Army engineers in all the history of Government of whom there has been any suspicion of corruption. Congress is fortunate in having the advice of such able and conscientious men as the Army engineers and the Secretary of War.

I ask that the resolution be read.

The VICE PRESIDENT. Without objection, the resolution will be read for the information of the Senate.

The reading clerk read the resolution (S. Res. 227), as follows:

Whereas it has been publicly charged that various persons, associations, corporations, and combinations interested in the production of fertilizers, commonly known as the Fertilizer Trust, and various persons, associations, corporations, and combinations interested in the production and transmission of power, commonly known as the Water Power Trust, have been and are engaged in extensive propaganda and in the maintenance of a lobby to defeat any plans for and to prevent the lease or other disposition by the Government of the Muscle Shoals plant and project: Therefore be it

Resolved, That a committee composed of five Senators, to be appointed by the President of the Senate, is hereby authorized and directed to investigate such charges and the activities of any such persons, associations, corporations, or combinations and to report its findings to the Senate with such recommendations as it deems proper. Such committee is authorized to hold hearings and to sit during the recesses or sessions of the Sixty-seventh Congress, at such times and places as it may deem avisable, to send for persons and papers, to administer oaths, and to employ a stenographer to report such hearings and findings at a cost not exceeding $1.25 per printed page, the expenses of such investigation to be paid from the contingent fund of the Senate.

Mr. HARRIS. I ask that the resolution lie on the table.

The VICE PRESIDENT. It will lie on the table.

Mr. HARRIS. Mr. President, the National Fertilizer Association, 1010 Arch Street, Philadelphia, Pa., is sending to Members of Congress newspapers and other circulars like the following, and on these you will notice they state: "The National Fertilizer Association, 1010 Arch Street, Philadelphia, Pa., will be glad to furnish you further information on this subject."

One letter I received urging me to vote against leasing this plant to Henry Ford was on stationery of one of the water-power trust companies in the South which would compete with Muscle Shoals plant:

TRUTH ABOUT MUSCLE SHOALS—HOW A GREAT WATER-POWER PROJECT IS BEING USED TO FORWARD PLANS FOR GOVERNMENT COMPETITION IN FIELD OF PRIVATE INDUSTRY, WITH A STATEMENT OF PRINCIPLES THAT SHOULD BE APPLIED TO SECURE THIS DEVELOPMENT FREE FROM PATERNALISM.

[The National Fertilizer Association, John D. Toll, secretary, 1010 Arch Street, Philadelphia, Pa.]

MUSCLE SHOALS CAN NOT REDUCE FERTILIZER PRICES EXCEPT AT TAXPAYERS' EXPENSE.

MEANING OF CHART NO. 3.

If the Muscle Shoals nitrate plant were operated, its principal product would be sulphate of ammonia.

But sulphate of ammonia sells wholesale at less than cost to produce it by the expensive Muscle Shoals process.

Even the retail prices paid by farmers for sulphate of ammonia delivered in their locality in bags, with freight paid, are in many instances as low as the bare cost of producing it at Muscle Shoals.

Price shown on chart is average of prices reported weekly in Oil, Paint and Drug Reporter.

Cost shown on chart is based upon original estimate of War Department, corrected to conform to subsequent War Department estimate of cost of power, and with necessary overhead items added, except taxes.

The National Fertilizer Association, 1010 Arch Street, Philadelphia, Pa., will be glad to furnish you further information on this subject.

SMALL PART OF FERTILIZER BILL WOULD BE AFFECTED BY OPERATION OF MUSCLE SHOALS PLANT.

MEANING OF CHART NO 2.

If the Muscle Shoals nitrate plant were operated, its principal product would be sulphate of ammonia.

Sulphate of ammonia, such as could be produced at Muscle Shoals, represents an average of only about 4 cents on every dollar on money paid by American farmers for commercial fertilizer.

Obviously, no matter how cheap the Muscle Shoals plant could make sulphate of ammonia, it could not greatly reduce the cost of commercial fertilizer.

The National Fertilizer Association, 1010 Arch Street, Philadelphia, Pa., will be glad to furnish you further information on this subject.

BONUS FOR EX-SOLDIERS.

Mr. MCKINLEY. Mr. President, I present a telegram from the Tricity Manufacturers' Association, of Moline and Rock Island, Ill., and Davenport, Iowa, concerning the bonus bill. I ask unanimous consent that it may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the telegram was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

MOLINE, ILL., *January 25, 1922.*

HON. WILLIAM MCKINLEY,
Washington, D. C.:

We are unanimously opposed to the provisions of the proposed soldiers' bonus legislation involving general bonus, whether paid in cash or certificates. Practically all business in this community is at a standstill. When operating at all it is at a loss. There is great unemployment. Further burdens invite disaster.

TRICITY MANUFACTURERS' ASSOCIATION.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Fletcher	McKellar	Robinson
Ball	France	McKinley	Sheppard
Bursum	Gooding	McNary	Simmons
Cameron	Hale	Moses	Spencer
Capper	Harris	Nelson	Underwood
Caraway	Heflin	Norris	Wadsworth
Colt	Johnson	Oddie	Walsh, Mass.
Culberson	Jones, Wash.	Page	Walsh, Mont.
Curtis	Kellogg	Pepper	Warren
Dial	La Follette	Poindexter	Williams
Ernst	Lenroot	Ransdell	
Fernald	McCumber	Reed	

Mr. CURTIS. I was requested to announce that the Senator from Connecticut [Mr. BRANDEGEE], the Senator from Ohio [Mr. WILLIS], the Senator from North Carolina [Mr. OVERMAN], and the Senator from Tennessee [Mr. SHIELDS] are detained on business of the Senate.

I was also requested to announce that the Senator from Utah [Mr. SMOOT], the Senator from Vermont [Mr. DILLINGHAM], the Senator from Connecticut [Mr. MCLEAN], the Senator from New York [Mr. CALDER] the Senator from West Virginia [Mr. SUTHERLAND], and the Senator from New Jersey [Mr. FRELINGHUYSEN] are detained at a meeting of the Committee on Finance.

Mr. DIAL. I wish to announce that my colleague [Mr. SMITH] is detained on business of the Senate. I will let this announcement stand for the day.

Mr. WALSH of Massachusetts. I was requested to announce that the Senator from Rhode Island [Mr. GERRY] is absent on account of illness.

Mr. RANSDELL. I wish to announce that my colleague [Mr. BROUSSARD] is absent from the Senate on official business.

Mr. FLETCHER. I wish to make the same announcement as that just made by the Senator from Louisiana [Mr. RANSDELL] with reference to my colleague [Mr. TRAMMELL]. I will let this announcement stand for the day.

The VICE PRESIDENT. Forty-six Senators have answered to their names. A quorum is not present. The Secretary will call the roll of absentees.

The reading clerk called the names of absent Senators, and Mr. SWANSON answered to his name when called.

The following Senators entered the Chamber and answered to their names:

Broussard	Kenyon	Phipps	Sterling
Frelinghuysen	Lodge	Shortridge	Swanson
Glass	Nicholson	Stanfield	Townsend
Harreld			

Mr. MCKELLAR. I desire to announce the unavoidable absence of the junior Senator from Georgia [Mr. WATSON] and the

senior Senator from Tennessee [Mr. SHIELDS] on account of official business in connection with a hearing before a committee.

The VICE PRESIDENT. Fifty-two Senators have answered to their names. A quorum is present.

EXPRESSIONS ON DEATH OF SENATOR PENROSE.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of State informing the Senate of the sympathy expressed by the Italian ambassador to the United States and the Italian Government on the death of Senator BOIES PENROSE. It will be printed in the RECORD.

The communication is as follows:

DEPARTMENT OF STATE,
Washington, January 24, 1922.

The VICE PRESIDENT,
United States Senate.

SIR: I have the honor to state for the information of the Senate that in a message, dated January 4, 1922, his excellency, Senator Vittorio Rolandi Ricci, Italian ambassador at Washington, expresses his deep regret at the death of the late Senator BOIES PENROSE, of Pennsylvania, and his and the Italian Government's condolence with the Senate.

I have the honor to be, sir,
Your obedient servant,

CHARLES E. HUGHES.

REINTERMENT OF SOLDIER DEAD.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Quartermaster General of the Army, transmitting lists of American soldier dead returned from overseas, to be reinterred in the Arlington (Va.) National Cemetery, Thursday, January 26, 1922, at 2.30 p. m. The communication will lie on the desk of the Secretary for the information of the Senate.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a resolution adopted by the city council of Manitowoc, Wis., favoring modification of the prohibition law so as to permit the manufacture and sale of beers and light wines, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the city council of Baltimore, Md., favoring modification of the prohibition law so as to permit the manufacture and sale of beers and light wines, which was referred to the Committee on the Judiciary.

He also laid before the Senate a petition of the Private Soldiers' and Sailors' Legion of the United States of America, praying for the prompt enactment of legislation relative to the disposition of the Government property at Muscle Shoals, Ala., in connection with the offer of Mr. Henry Ford, which was referred to the Committee on Commerce.

Mr. McLEAN presented a resolution adopted by employees of the East Main Street plant of the Bridgeport Brass Co., of Bridgeport, Conn., favoring inclusion of the American valuation plan in the pending tariff bill, so as to enable manufacturers to better meet foreign competition and maintain the American standard of living for employees, which was referred to the Committee on Finance.

He also presented a petition of 14 employees of the Winsted Manufacturing Co., of Winsted, Conn., favoring inclusion in the pending tariff bill of a protective tariff on scythes, corn knives, and grass hooks, etc., so as to enable the manufacturers to better meet foreign competition and maintain the American standard of living for employees, which was referred to the Committee on Finance.

He also presented memorials of the staffs of the department of chemistry, the school of law, the department of mathematics, various members of the faculty, and sundry other professors, all of Yale University, New Haven, Conn., remonstrating against the proposed duty on reference and textbooks as contained in the pending tariff bill and urging their retention on the free list, which were referred to the Committee on Finance.

He also presented a telegram in the nature of a petition from employees of the Caldwell Colt Robinson Post, No. 254, Veterans of Foreign Wars, of Hartford, Conn., favoring immediate passage of the so-called fourfold soldiers' adjusted compensation bill, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from the Men's Sunday Club, of South Congregational Church, of New Britain, Conn., praying for the enactment of the so-called Jones-Miller antimorphia bill, providing for the protection of Chinese from American manufacturers alleged to be engaged in shipping morphia to be smuggled into China, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Parent-Teachers' Association, of Mystic, Conn., indorsing the efforts of the administration toward peace, especially the abolition of illegal warfare, which was referred to the Committee on Foreign Relations.

He also presented the petitions of Jennie L. Williams, of Hartford; Julia A. Waechter, of Sound Beach; and Marion C. Frenyear, of Thompsonville, all in the State of Connecticut, praying that Congress grant relief to the suffering peoples of Austria, which were referred to the Committee on Foreign Relations.

He also presented a petition of members of Ben Miller Council, No. 11, Junior Order United American Mechanics, of Danbury, Conn., praying for the enactment of legislation to create a department of education, which was referred to the Committee on Education and Labor.

He also presented petitions of members of Sarah Ludlow Chapter, Daughters of the American Revolution, of Seymour, and of Saray Whitman Trumbull Chapter, Daughters of the American Revolution, of Watertown, both in the State of Connecticut, praying for the enactment of Senate bill 1967, creating a national military park at Yorktown, Va., which were referred to the Committee on Appropriations.

REPORTS OF THE COMMITTEE ON CLAIMS.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 1730) for the relief of Philip S. Everest (Rept. No. 453);

A bill (S. 1814) for the relief of the owner of the steam lighter *Cornelia* (Rept. No. 454); and

A bill (S. 1817) for the relief of the owners of the schooner *Horatio G. Foss* (Rept. No. 455).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 1813) for the relief of the owner of the steamer *Mayflower* and for the relief of passengers on board said steamer, reported it with amendments and submitted a report (No. 456) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ASHURST:

A bill (S. 3074) providing for a Good Roads Association convention cancellation stamp to be used by the Phoenix, Ariz., post office; to the Committee on Post Offices and Post Roads.

By Mr. JONES of Washington:

A bill (S. 3075) granting an increase of pension to Newton J. Ward (with accompanying papers); to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 3076) to create a bureau of aeronautics in the Department of Commerce, to encourage and regulate the operation of civil aircraft in interstate and foreign commerce, and for other purposes; to the Committee on Commerce.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. DIAL. Mr. President, I have heard a suggestion in favor of raising additional taxes by compelling the placing of stamps on bank checks. In behalf of small bank depositors, I wish to protest against that proposition. We had such a provision of law during the Spanish-American War, though we did not resort to that expedient even during the World War.

Mr. President, as a matter of fact, the banks of the country serve a great purpose in receiving deposits. A large number of people in many parts of the country have no suitable place in which to safeguard their earnings, and are therefore glad to be able to deposit them in some safe institution. Now to provide that a stamp shall be placed on bank checks would impose a considerable burden upon bank depositors, and especially on the small depositors.

I repeat, it is a great convenience and accommodation to the people to be able to deposit their money in the banks. Many of the bank depositors probably live in the country where they have no facilities for obtaining stamps. If we provide that stamps shall be placed on checks, it will very much retard business. I consider it would be the imposition of an entirely unnecessary burden, and it would be a greater burden on the people than would be compensated for by the amount of revenue which the Government would receive therefrom.

We are desirous that the people shall save their earnings; we wish them to deposit them where, in the first place, they will be safe, and, in the next place, where they will yield them

some return. In my section of the country we have been endeavoring to educate the people along this line for a long time. Bank checks serve two or three purposes, one of which is that they take the place of a receipt in the payment of bills, and they are beneficial to the depositor for that reason.

Young man as I am, I remember a time in my county in South Carolina when we had no bank, but to-day there are a dozen banks in that county. By reason of the deposits which have been made in those banks we have been able to build up a great many enterprises which would not have been built up if it had not been for the establishment of the banks.

Not only that, Mr. President, but we need to have all the money in circulation which we can get. If people hoard their money at home, it is liable to be burned up, or they are liable to be robbed, and, furthermore, the people at large are deprived of the benefit of having that much money in circulation.

I, therefore, think it would be very unwise, indeed, now to take what I regard to be a step backward by the imposition of a stamp on bank checks. I repeat that we did not resort to that expedient for raising taxes even during the World War, at a time when we would not have opposed such a tax or, indeed, have hesitated to resort to almost any means of raising taxes. Now, at a time when it is desired by all that this country shall get back to normal conditions as soon as possible, it would be particularly unwise to enact such a proposal into legislation.

It is true that it helps the bank to receive deposits, but, as a matter of fact, banks are now paying interest on such deposits where their amount is at all appreciable. However, the depositing of money in banks helps the people tremendously in the sections where the banks are located. What we particularly need in my section of the country is credit and capital with which to do business. If we adopt this proposal, we shall force people to hoard their money in old tin cans, to hide it around the house, and to resort to practices of that sort. I think it will be a step very far backward.

Not only that, but the banks in the poorer sections of the country need all the help they can get. Some people have an idea that the profits of the banks are great, but that is an entire mistake. I know of no institution in the world that serves the public so much entirely free of cost as does a bank. The bank is a place where one may deposit his money, get his change, get his exchange, as a rule, free of cost to the customer. The amount of purely accommodation work done by a bank is greater, I am sure, than that which is done by any other institution of which I am aware.

It is claimed that the rate of interest which may be charged by the banks is fixed at, say, 7 or 8 per cent, according to the laws of the different States, and that is true; but that is no guaranty at all that the banks will make any such return. They can not charge over that rate; but it would be a very poor business, indeed, which could not make more money than does a bank, if people were in the business for the money which they make out of it. I presume that, taking the average in South Carolina, or even in the entire South to-day, for the last 12 months or 2 years the banks have probably lost money. I question whether they have been able to pay their dividends out of their earnings. If they have paid dividends at all, it has perhaps been done out of their surplus and not out of their yearly earnings. The financial question is a serious problem in my section of the country. We need more banking capital. Perhaps we may have now a sufficient number of small banks, but our borrowing power is very much limited.

A short time ago it was brought to my attention by a banking institution that their taxes amounted to 5 per cent upon their capital stock. Anyone may figure that out for himself and see where in such a case the profit would come to an institution of that sort. Banks are composed, as a rule, of a large number of small stockholders, often women and children who have a few surplus dollars and who need the dividend or interest upon which to live. Often these stockholders could not go into business such as merchandising, farming, and the like.

The law now requires that stamps be placed on notes. Although we would not be justified perhaps in making any great complaint about it, I feel that that imposes a handicap. Anyway it makes the borrower pay that much more for his accommodation.

The banks all over the country, Mr. President, served the Government faithfully and efficiently during the war. They helped float the bonds issued by the Government; they did a great deal of free work; they acted as secretaries to many organizations, and they did their duty. I do not claim that they did any more than their duty, but they did their full duty, and I hope now that the burden which is proposed will not be placed particularly upon the small depositors of the banks. I think it would be unwise and uncalled for, and would be resorting to a policy which in my opinion is out of date.

Mr. McCUMBER. Mr. President, while I am aware of the fact that a Senator may discuss any subject, no matter what bill may be pending before the Senate, may I give expression to the hope that we may now consider the bill that is before the Senate and dispose of it, if we can, to-day?

Mr. JOHNSON. Mr. President, I offer an amendment which I will ask to have read, and then I shall make a few rambling remarks concerning it.

The VICE PRESIDENT. The amendment proposed by the Senator from California will be stated.

The ASSISTANT SECRETARY. At the bottom of page 2 it is proposed to add a new section, as follows:

SEC. 2½. When, under and in accordance with section 2, the said commission shall with any country reach an agreement of adjustment, settlement, or refunding, such agreement before it is consummated and becomes final shall be reported to and be approved by Congress.

Mr. JOHNSON. Mr. President, the original bill that was presented upon this subject was obviously unsatisfactory to the Finance Committee, and unquestionably, I think, would have been denied passage by the Senate because of its provisions giving unlimited authority in the fashion that it did. There was considerable disapproval manifested, and I assume, because of that disapproval, the bill has been reported now in amended form.

I am very glad to say, Mr. President, that the bill in its amended form is infinitely superior to, immeasurably better than, the bill as originally presented. I am very glad, too, from the explanation and the exposition of the chairman of the Finance Committee, to observe that the Finance Committee regards this measure as dealing only because of necessity with the interest that is due from the different foreign nations unto ours. I do not mean that the scheme of refunding relates alone to interest, but I refer to the statement, iterated and reiterated by the chairman of the Finance Committee, that the necessity for the bill rests in the interest due and not because the funding, settlement, or adjustment can not effectually be had under existing authority.

The bill, Mr. President, to my mind, is one of very great importance. The financial transaction involved is the most stupendous the world has ever seen; it exceeds, indeed, any amount in transactions financial that Governments have ever before had existing between them, and its importance upon various world conditions, upon, perhaps, our own, can not be overestimated.

It is a matter of very great regret to me, Mr. President, that a bill of such extraordinary importance, involving as it does the most momentous financial transaction the world has ever seen, has so little attention apparently either from the public or from the legislative branch of the Government.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from North Carolina?

Mr. JOHNSON. I yield.

Mr. SIMMONS. I should like to inquire of the Senator, in view of the fact that there are present only five Senators on the other side of the Chamber and not very many more on this side, if he would object to a quorum being called. I should like to have the Senator's speech heard by more Senators than are here now.

Mr. JOHNSON. I prefer, Mr. President, that the call be not made——

Mr. SIMMONS. Very well, I will not insist upon it.

Mr. JOHNSON. Because I recognize that during the progress of the argument on this bill there have not been, perhaps, half the number present during most of the discussion that are present to-day, although there is a very small number present here now, and, if a call were made, it would result, I think, merely in Senators answering the call and immediately leaving. However, that is a matter of little consequence. We can all express our views upon a measure of this sort as we see the measure; and as I see this measure there ought at least to be attached to it the amendment which I have suggested.

The authority for the loans that were made by our Government to foreign Governments has been adverted to repeatedly, but, in order that sequentially that authority may be seen, I shall refer very briefly to the Liberty loan acts. Of course, Mr. President, during the stress of war when we were confronted by the necessity of acting with celerity and when we did not weigh, as of course we ought not to have weighed, the consequences of acts which were essential for the success of our arms and the arms of our allies, we did not pause to consider the legality of what we might do in the matter of these loans. I

do not criticize that at all; but, on the contrary, the issue was so great that I justify the speed with which we passed those bills, and I justify the Congress and the administration responsible for those acts and for those loans, because there was a unanimity of sentiment at that time that they were essential for the successful completion of the operations in which our military forces were engaged; but, Mr. President, there is no such emergency presented to-day; there is no danger confronting us, and we should not be deterred from a careful scrutiny or from acting with caution, and possibly, from that caution, with wisdom in a matter of this moment. To-day there is no war, with all its horrors and with all its necessities for immediate action that command of us that we do that which perhaps we might rue in the future, or that we do that from which there might be possible consequences, either from the establishment of a precedent or from affirmative action, which in the days to come we might regret. And so, Mr. President, upon this bill I do hope that there will be the utmost argument and the fullest discussion. I realize that words of mine are of little or of no consequence, and that the scant attention that has been paid to the measure thus far does not augur well for a future attention to it which might enable us to obtain from it all that possibly its various sentences may imply.

Returning now to the original authority that was accorded, let us look at it for just a moment.

The first Liberty loan act, which was approved April 24, 1917, contained this provision:

SEC. 2. That *for the purpose of more effectually providing for the national security and defense and prosecuting the war* by establishing credits in the United States for foreign Governments, the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase at par, from such foreign Governments *then engaged in war with the enemies of the United States*, their obligations hereafter issued, *bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act*, to enter into such arrangements as may be necessary or desirable for establishing such credits and for purchasing such obligations of foreign Governments and for the subsequent payment thereof before *maturity*, but such arrangements shall provide that if any of the bonds of the United States issued and used for the purchase of such foreign obligations shall thereafter be converted into other bonds of the United States bearing a higher rate of interest than 3½ per cent per annum under the provisions of section 5 of this act, then and in that event the obligations of such foreign Governments held by the United States shall be, by such foreign Governments, converted in like manner and extent into obligations bearing the same rate of interest as the bonds of the United States issued under the provisions of section 5 of this act.

I read that provision to show that in the very beginning of the loans that were made by this country the Congress provided what obligations and what manner of obligations should be accepted. Under this act various obligations of foreign Governments were accepted; and then, finally, because the Treasury Department had accepted demand obligations from foreign Governments under the first Liberty loan act, the second Liberty loan act provided in section 3 as follows:

The Secretary of the Treasury is hereby authorized, from time to time, to exercise in respect to any obligation of foreign Governments acquired under authority of this act or of said act approved April 24, 1917, any privilege of conversion into obligations bearing interest at a higher rate provided in or pursuant to this act or said act approved April 24, 1917, and to convert any short-time obligations of foreign Governments which may have been purchased under the authority of this act or of said act approved April 24, 1917, into long-time obligations of such Governments, respectively, maturing not later than the bonds of the United States then last issued under authority of this act or of said act approved April 24, 1917, as the case may be, and in such form and terms as the Secretary of the Treasury may prescribe.

And so forth, and then by the subsequent third and fourth Liberty loan act the indebtedness that was authorized to be created was totaled at $10,000,000,000.

We have, therefore, the Liberty loan acts specially stating the obligations that shall be received, and giving in themselves authority unto the Secretary of the Treasury respecting those obligations. I stress this idea of authority accorded the Secretary of the Treasury because it seems to me to demonstrate that there is no necessity of passing the bill that is presented here to-day unless it be, as the chairman of the Finance Committe says, concerning the single item of overdue interest.

I am unable to see, although I accept his statement as final in that regard, why, with the authority respecting the principal, that authority does not extend to the interest as well; and that this very construction has been placed upon the power thus accorded is evidenced by the obligations accepted.

In order that the character of the obligations accepted may be known, I want to read the form of certificate or obligation taken from all foreign Governments. This is the official form taken from all foreign Governments:

The Government of the United Kingdom of Great Britain and Ireland, for value received, promises to pay to the United States of America, or assigns, the sum of ——— on demand, with interest from the date hereof at the rate of 5 per cent per annum. Such principal sum and the interest thereon will be paid at the Subtreasury of the United States in New York, or, at the option of the holder, at the Treasury of the United States in Washington, in gold coin of the United States of America of the present standard of weight and fineness, or, at the option of the holder, at the Bank of England, London, England, in pounds sterling at the fixed rate of $4.76⅞ to the pound sterling, and at any such place of payment without deduction for any British taxes, present or future.

This certificate will be converted by the Government of the United Kingdom of Great Britain and Ireland, if requested by the Secretary of the Treasury of the United States of America, at par, with an adjustment of accrued interest, into an equal par amount of 5 per cent convertible gold bonds of the Government of the United Kingdom of Great Britain and Ireland conforming to the provisions of acts of Congress of the United States known, respectively, as second Liberty bond act, third Liberty bond act, and fourth Liberty bond act. If bonds of the United States issued under authority of said acts shall be converted into other bonds of the United States bearing a higher rate of interest than 4½ per cent per annum, a proportionate part of the obligations of the Government of the United Kingdom of Great Britain and Ireland of this series acquired by the United States under authority of said acts shall, at the request of said Secretary of the Treasury, be converted into obligations of said Government of the United Kingdom of Great Britain and Ireland bearing interest at a rate exceeding that previously borne by this obligation by the same amount as the interest rate of the bonds of the United States issued upon such conversion exceeds the interest rate of 4½ per cent but not less than the highest rate of interest borne by such bonds of the United States.

There are the obligations now subsisting, held by the United States against the various Governments of Europe to which we have loaned our funds. In the acts and in the obligations there is the authority specifically given to the Secretary of the Treasury under the terms therein mentioned to convert, to refund, or to adjust in accordance with those terms the indebtedness now subsisting. I do not, therefore, quite understand the necessity for the bill that is here presented. Because of the authority plainly stated in the Liberty loan acts, because of the provisions specifically detailed in the obligations themselves, I do not quite comprehend why it is necessary for us to legislate now and legislate in advance so that what may be done hereafter by the commission provided for by this bill may, without knowledge upon our part except so far as the specific terms of the act provide, be done, and be done finally and conclusively.

Mr. President, the chairman of the Finance Committee very ably and very eloquently presented the financial condition of the different States of Europe. He said we ought not to be a Shylock in dealing with them. I agree with him, and I agree with him thoroughly in that regard. We ought not, of course, to be exercising the part of the inhuman or the cruel creditor, and none of us would do that at all. Why the remark should be made I am unable to see, because if there has ever been a lax Government in dealing with its obligations—obligations of such transcendent importance as these—that Government has been ours.

Mr. President, during the very time that our debtors have defaulted in interest, at least one of them has charged us interest. During the very time that we forgave, for the period, the interest due to us from Great Britain, we were paying to Great Britain interest upon smaller obligations incurred by us during the war, the obligations being for the transportation of our troops across the ocean and the transportation of our troops across the English Channel—obligations that of course we were very glad to meet, and we were very glad to meet them at any time; but upon the obligations that were claimed to be due by us for sending our troops across the water, within the past year we paid interest amounting to a very large sum.

I do not criticize the present administration or the Secretary of the Treasury for this. It is asserted to me by the Secretary of the Treasury that the interest was paid because of an agreement that was entered into of which he was no part and of which this administration was no part. The agreement, indeed, may have been a just one. I do not know and I am not in a position to say that it was unjust or that it ought not to have been made; but the fact is that during the period that default was made by Britain in the payment of interest to us Britain charged us interest upon the funds due to Britain for shipping our men across the sea and for taking them across the English Channel.

That I may do no injustice to the Secretary of the Treasury in this regard I want to put in the RECORD as part of my remarks his letter dated last September to me in response to an inquiry made concerning the payment of this interest; and that he may be set entirely right I want to read a portion of that letter, wherein he refers to the arrangement that was made for the payment of this interest.

During the latter part of 1919—

Says the Secretary—

an arrangement was made between the United States Treasury and the British Treasury whereby the British Government, in consideration of waiving its right to the establishment of certain credits which the Treasury had agreed to establish in its favor under the Liberty bond acts, and in further consideration of its assenting to the withdrawal

by the Treasury of certain other credits already established in its favor under such acts, was relieved by the Treasury of its obligation under a prior agreement to apply upon British obligations held by the Treasury cash received from departments of this Government. I have called the above understanding to your attention in order that you may be informed of the reason why the Treasury could not, in the circumstances, properly insist that the British Government should permit the amount due it under the Raeburn-Connor agreement to be applied as a partial reduction of its indebtedness to this Government.

Annexed to the letter is a copy of the agreement and an exhibit showing the statement of account of the British Government with the United States War Department. In this statement of account interest is charged upon their claim of $11,000,000 and upon ours for supplies furnished of $5,000,000, making a balance of $6,000,000 interest under that statement of account paid by the United States to Great Britain.

I ask unanimous consent that this letter and the documents annexed to it may be printed in full in the RECORD without reading.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, September 17, 1921.

Hon. HIRAM W. JOHNSON,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I received your letter of September 10, 1921, in which you ask for the date on which a sum aggregating $5,000,000 or $6,000,000 was paid by this Government to Great Britain as interest upon the amount due to Great Britain for transporting our soldiers across the seas. You also request information as to the dates and amounts paid to Great Britain since the armistice for transportation of our troops or supplies.

I am not aware that any sum as large as that you mention has been paid by the United States as interest upon the indebtedness referred to. The records of this department show that on June 27, 1921, the Treasury made a payment of $33,108,922.29 to the British ministry of shipping under a certificate of the Auditor for the War Department finding that amount due. The certificate was based on the so-called Raeburn-Connor agreement of March 3, 1921, which purported to be in final settlement of all outstanding transportation claims between the War Department and the British ministry of shipping during the period from April 6, 1917, to the date of the agreement. The payment represented the principal sum of $32,577,858.57 and $531,063.72 interest at 5 per cent from March 1, 1921, to June 27, 1921. I take pleasure in inclosing for your information a copy of the agreement referred to.

I beg to invite your attention to Exhibit A, attached to the agreement, from which it would appear that the War Department had prior to March 3, 1921, made payments on account in the amount of $67,410,665.93. The Treasury is without information as to the dates on which such payments were made. Presumably they were made by disbursing officers of the War Department, and the accounts relative thereto should now be in the possession of the Comptroller General of the United States, whose office, as you know, is independent of this department. May I suggest, therefore, that if you desire more exact information regarding such payments you communicate with the Comptroller General. The Secretary of War also may be in a position to furnish you with the information in question.

During the latter part of 1919 an arrangement was made between the United States Treasury and the British treasury whereby the British Government in consideration of waiving its right to the establishment of certain credits which the Treasury had agreed to establish in its favor under the Liberty bond acts, and in further consideration of its assenting to the withdrawal by the Treasury of certain other credits already established in its favor under such acts, was relieved by the Treasury of its obligation under a prior agreement to apply upon British obligations held by the Treasury cash received from departments of this Government. I have called the above understanding to your attention in order that you may be informed of the reason why the Treasury could not in the circumstances properly insist that the British Government should permit the amount due it under the Raeburn-Connor agreement to be applied as a partial reduction of its indebtedness to this Government.

Cordially, yours, A. W. MELLON,
Secretary.

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(Copy.)

This agreement made on the 3d day of March, 1921, between the War Department of the United States of America (hereinafter called the War Department), acting through Brig. Gen. W. D. Connor, special representative of the Secretary of War, on the one part, and His Britannic Majesty's Government (hereinafter called the Ministry of Shipping), acting through the Ministry of Shipping, by Sir E. Manifold Raeburn, special representative of the British Government, on the other part, is an evidence of final settlement of all bills, accounts, and claims of every nature on the part of either party against the other for transactions connected with the transportation of personnel or materials or other transportation services arising out of the recent war with Germany and her allies during the period from April 6, 1917, to the date of this agreement. The parties to this agreement having jointly considered the unsettled claims of each against the other, which claims were specially exempted from the so-called Burr-Niemeyer agreement of November 23, 1920, by section 1, article 3, thereof, and desiring to make a complete and final settlement of all such mutual claims, have agreed, as follows:

ARTICLE I.

AGREED INDEBTEDNESS.

The total sum due from the War Department to the Ministry of Shipping as found after mutual consideration, adjustment, and agreement is $109,173,867.57, and the total sum due from the Ministry of Shipping to the War Department so found is $76,596,009, leaving a net balance due from the War Department to the Ministry of Shipping of $32,577,858.57, which sum it is mutually agreed is justly due from the War Department to the Ministry of Shipping. The composition of these sums is in general set forth in an exhibit marked "A" annexed hereto and made a part hereof. The United States will pay the above sum found justly due as provided in article 3 hereof.

ARTICLE II.

MUTUAL RELEASES.

The Ministry of Shipping does hereby fully, completely, and in all things release and discharge the War Department, and no other department of the United States Government, and the War Department does hereby fully, completely, and in all things release and discharge the Ministry of Shipping, and no other department of the British Government, from all bills, accounts, claims, and obligations of any nature which either of the contracting parties now has or may have against the other in connection with the transportation of personnel or materials or other transportation services, whether arising out of delivery or contract for the delivery of materials, supplies, or equipment, or for services rendered or contracted to be rendered, or for damages for the use of properties of one or the other, or in any otherwise accruing during the period from April 6, 1917, to date of this agreement. Any such bills, claims, or accounts that may hereafter arise or develop for such services during said period on the part of either party to this agreement shall be considered to have been included in this agreement and to have been settled in the payment herein provided for.

ARTICLE III.

PAYMENT.

Payment of the agreed sum of $32,577,858.57 will be made through the proper department of the United States Government, together with interest at 5 per cent per annum from March 1, 1921, to the date of payment to the authorized representative of the British Government. The date of the delivery of check or other means of payment by the representative of the Government of the United States of America in Washington, D. C., will be considered the date of payment.

ARTICLE IV.

EXCEPTION.

Nothing in this agreement shall be construed to refer to or to affect, in any way any claim against the United States Government by the British Government, either direct or through the Reparation Commission, in connection with reconditioning of surrendered ex-German passenger vessels taken over after the armistice and allocated to the transportation of American troops.

ARTICLE V.

INTEREST PAYMENT NOT TO BE A PRECEDENT.

The allowance of interest in this settlement is based on the specific wording of the Reading-Hines agreement and will not affect any agreement at present existing between the United States of America and His Britannic Majesty's Government.

In witness whereof on the day and year first above written this agreement had been executed in four parts, each having the full force and effect of the original by the War Department of the United States of America, acting through Brig. Gen. W. D. Connor, special representative of the Secretary of War, and by His Britannic Majesty's Government, acting through the ministry of shipping, by Sir E. Manifold Raeburn, special representative.

THE WAR DEPARTMENT OF THE UNITED STATES OF AMERICA,
By WM. D. CONNOR.
W. D. CONNOR,
Brigadier General, United States Army,
Special Representative of the Secretary of War.

Witness as to Gen. W. D. Connor:
H. A. HANSON.

HIS BRITANNIC MAJESTY'S GOVERNMENT,
By E. MANIFOLD RAEBURN.
SIR E. MANIFOLD RAEBURN,
Special Representative of British Ministry of Shipping.

Witness as to Sir E. Manifold Raeburn:
J. R. HULL.

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EXHIBIT A.

Statement of account of the British Government with the United States War Department.

BRITISH GOVERNMENT CHARGES AGAINST THE UNITED STATES WAR DEPARTMENT.

New York office claim:	
Transportation of troops (transatlantic)	$57,338,934.83
Other than 50 per cent U. S. A. (France tonnage)	4,879,170.98
Transport claim—	
27 vessels	6,434,497.05
11 vessels	2,745,528.85
Olympic claim	3,347,756.24
Westward cargo claim	69,116.31
S. S. *Ockenfels* claim	31,488.65
Mail on *Monsters* claim	83,258.00
50 per cent U. S. A. (France tonnage claim)	7,598,605.63
Italian vessel claim	1,329,910.78
Transportation of troops westbound (prearmistice)	70,000.00
Harrisburg claim	7,572.69
London office claims:	
Cross-channel services and hire of small craft, towage, lighterage, etc	11,167,598.97
Troops transported to north Russia	1,039,863.58
Claim for disbursements, etc., account of S. S. *Pequot* and S. S. *Wm. O'Brien*	1,055,442.74
Interest	11,975,122.27
	109,173,867.57

CREDITS BY THE BRITISH GOVERNMENT TO THE UNITED STATES WAR DEPARTMENT.

Payments on account	$67,410,665.93
Equipment and supplies furnished	3,410,968.01
Sundry transportation claims	9,741.19
Payment by Navy Department (troop transportation)	714.66
Balance due United States for transportation of British troops across channel	578,210.46
Amount due United States under *Ockenfels-O'Brien* exchange	6,379.14
Interest	5,179,329.61
Net balance due British Government by United States War Department	32,577,858.57
	109,173,867.57

W. D. C.

Mr. JOHNSON. I think there is no proposition of law that is better established than that interest may offset interest in accounts between various litigants or differing individuals. It may be that under some unfortunate agreement we could not offset our interest against the interest due to Great Britain; but certainly when during the very period that Britain could not and did not pay us interest we were paying Britain some millions of dollars of interest, and this during the past year, it can not be said that the United States has acted in any harsh manner or in any Shylock fashion toward Great Britain or any other country respecting these loans.

Mr. President, there is in this bill a very, very grave principle at stake. This bill abrogates the function of the Congress of the United States. This measure in advance, not as to every detail but only as to some, prescribes how this indebtedness shall be settled. This enactment ties the hands of Congress in advance of any settlement. We give plenary power to a commission to be appointed by the President and permit that commission under the terms of the bill, which are not complete or full as to detail at all, to do as it sees fit; and then, when it shall have acted, its action is final and can not be questioned.

I can not believe, first, that that is the fashion in which the legislative branch of the Government ever was designed to act. I can not believe, next, Mr. President, that this branch of the Government ever ought to act in that fashion. From time immemorial the control of the purse strings of a nation has been the absolute domination of that nation. The long story of Anglo-Saxon emancipation demonstrates that finally it came when just the Commons took charge of the finances of the country. The long historical story, so interesting in our Anglo-Saxon brethren across the waters, the long tale of liberty finally all hinged around just one thing, the ever pressing necessity for those who represented the nation always to control its finances and never to lose a hold upon the purse strings of the country.

This, you may say, does not deal with our purse strings. Oh, Mr. President, it deals in very great degree with the very fundamental finances of our Republic. This money that was loaned was taken from our people during the stress of war, taken from them sometimes when they could very ill afford to do what was demanded of them. I know men who have gone almost to financial ruin because they responded to the patriotic call that was made upon them during the war to purchase Liberty bonds. You know men who took their precious possessions to their local banks and pledged those possessions there that they might purchase of the Liberty bonds of this country and that our country might thereafter be successful in the war. You know and I know that men who made these sacrifices in our country have been forced to sell their bonds very much below par.

You are dealing to-day with the sacrifices you then demanded, with the sacrifices that you then compelled. You are dealing to-day in this bill with the money which you wrung from the people of the country in the time of its stress, and in dealing with it you are representatives, after all, of the people of the Nation. I recognize that our old system of checks and balances is tottering to-day. I recognize that the encroachments of some years since of the one branch of the Government upon the legislative branch of the Government has insensibly continued until the legislative branch of the Government of this Nation amounts to little or to naught, and when the legislative branch of this Government surrenders its last prerogative, when the legislative branch of this Government finally, as the representative of the people of the country, turns over the right to determine a settlement made of the money wrung from the people of the Nation, there is almost an end to any legislative independence or any legislative authority.

It is because of the principle upon which I insist that I would have this Congress finally determine what ought to be done. Who should determine it? I trust the President as even my friend from Indiana [Mr. WATSON] would trust him. I lay no stress upon a commission to be appointed by him. I would be as willing to have the bill leave with him the power as to leave the power with a commission to be appointed by him. The commission does not appeal to me as in any degree solving the question that we ought to have the courage to solve upon a measures of this sort; but, trusting him as I do, as you do, and as all the Senate does unquestionably, is apart from the principle which is involved here.

After all, what is the Nation? That Nation is its people. What is the sovereign power in the Nation? It ought to be the people acting through their representatives. When the representatives of the people, intrusted as they are with the administration of the finances, turn that administration over to a commission or to any power within the Nation, then the sovereignty of the Nation, as we understand it, is gone and the representatives of the Nation have abandoned and abdicated their powers. I would keep the power, therefore, in the hands of our people through their representatives. What harm can it do? Why, who has the right to know what is to be done with this $10,000,000,000? A commission of Cabinet officers, you say? All excellent men, no doubt, but they are not the ones finally to determine the fact and finally to close the agreement. Here in the Senate is the power, and behind us the power is with those who send us here. If you permit a commission to determine what shall be done with this $10,000,000,000, it is all done before your people know a single thing about it. That is not republican government; that is not popular government. Before there is a consummation of what might be done with this $10,000,000,000, our people are entitled to know of it and act upon it.

We have a new era to-day—that is, we hoped we had a new era. I sat in the conference at the opening of this disarmament gathering on the first day of the session. Like every American, I felt a real thrill when the Secretary of State rose and, in the fashion that he did, in the open scrapped the old diplomacy and told there to the peoples of the world the new method and what America would do. I believe if he had continued in the open for another week there would have been a disarmament program adopted that would have been in accordance with exactly what he proposed.

I believe, Mr. President, that peoples are entitled to know what Governments are doing, that after all they foot the bills, they pay the price, and they are entitled to know what those who for a brief period are their servants contemplate either with their lives or with their resources. It is because of that principle that I would insist, had I the power, that before there be a consummation of any arrangement with $10,000,000,000 with a foreign nation, or any number of foreign nations, that arrangement our people should know.

What was it that acted upon the disarmament conference after the first day? Why, it was the opinion of the world. The peoples of the world rose to Mr. Hughes when he made his first statement of disarmament, and the peoples of every nation on the face of the earth, if they could have operated with their righteous public sentiment upon their representatives, would have compelled an acceptance of his proposal in three or four very brief, open sessions.

We were laughed at six months ago when some of us were demanding open sessions of this conference. What has the conference demonstrated? It has demonstrated that when in the open, where peoples can look on and see and hear and know, there justice was done and there was done that which peoples require, what peoples demand. When you get behind the locked door, when in secrecy you endeavor to deal with peoples, their persons, their property, or their treasure, it is then that sinister things come from gatherings which are international in character, and only then.

Do you not remember, Mr. President, how it was asserted that you could not in the open hold a conference, because, they said to us, you can not in a circus tent or in town meeting do these things? Ah, Mr. President, the big things were all done in the open. Mr. Hughes made in the open his initial start to which the world responded. Immediately Mr. Balfour wanted to state the position of Great Britain—how? In the open and in a plenary session. Then Mr. Briand desired that the position of France should be made known to the world, and he demanded an open session in order that he might present that position. Why? Why? Because, Mr. President, we are approaching a new era, the era where public opinion operates upon those who govern. The people finally are beginning to understand, not alone that they must bear burdens, but they are beginning to understand that they have rights, and that those rights are superior to the right of any representative of theirs in secrecy to deal with them. Wherever public opinion has had the opportunity to exercise itself and be operative upon a gathering such as that which has been here, out of that gathering has finally come something of worth and something of value, something of amelioration to the peoples themselves.

So it was that some months ago we demanded open sessions of the conference. Mr. President, the events have justified not only the demand but the men who made the demand at that time. Of all the things in the world there is one thing after all that touches every man. There is one thing finally, Mr. President, that all of us are agreed upon. No man would have armed conflict, none would have war. All with practical unanimity would desire disarmament. The only proposition that is presented by conferences such as that here to-day is whether we have in addition something unrelated and unconnected with disarmament.

With some there is a singular psychological condition now. Through one stage of hysteria we went a couple of years ago with the League of Nations. I do not want another period of

hysteria such as that. I can remember how men, with their eyes starting from their heads, would rush up to us and hysterically say, "Do you not believe in stopping wars?" And we would timidly respond, "Of course we do." Then the reply would be, as they shook their fists in our faces, "Then you must be for the League of Nations." To-day I find something of that same sentiment, some of the same people hysterically saying, "Do you not believe in disarmament?" And as we dodge their blows we timidly admit, "Of course we are for disarmament." Then with a vociferous burst they say, "You must be for the new quadruple alliance." I am unable to see wholly the exact connection, but whether it be of one sort or another, we leave to future discussion; and what may be our attitude in that regard, of course, will be made perfectly plain, so far as the Senate is concerned, in the days that are to come.

I have gone far, perhaps, from the subject that is before us this morning. I have strayed because, after all, inextricably commingled is a principle to which I am pointing in these remarks and to which in random fashion I have referred. I recall some discussion the other day when the bill was presented of selling these bonds that may be taken from the foreign nations. Aptly and correctly the chairman of the Finance Committee said that it was not involved in the bill and authority under the bill has not been accorded. But let me issue just a warning here.

There is a vast difference, my friends, between an obligation due to a government and that obligation split into infinitesimal parts and put into the hands of the people of that government. There is a vast difference, and if you want a concrete illustration look at France to-day. In the hands of all its people are the bonds of Russia. Every mad adventure in Russia is embraced by France because of the public opinion behind it, a public opinion caused by the bonds of the Russian government in the pockets of the people of France. If you want to be inextricably mixed with every controversy in Europe, if you want the basest appeal that can be made to your own people, effective, too, no matter how ignoble, take the bonds of these foreign Governments that are owing us debts and get them into the hands of our people to the extent of $10,000,000,000. Do that, and you will not require a League of Nations to be mixed in every brawl, every controversy, every war, and every difficulty abroad.

I sound that alarm as a warning upon this proposition, because it was adverted to the other day. I recognize it has no part in the discussion, as the chairman of the Finance Committee said in speaking concerning it, but because it was adverted to before I advert to it now.

Remember, I beg you, the long, long struggle in Britain. Remember 1215, when the first charter was wrung from an English King. Recall how during the succeeding 400 years Britain was ever engaged in struggle, ever engaged in the struggle for her people through their representatives to control every financial movement of the realm. Remember how the casuists during Charles's time endeavored to draw the distinction between a tax and a loan. Remember how the Commons stood their ground, and remember that out of it all finally came what is immutable there, what should be immutable here, the right of the nation, through its representatives, ever to oversee, ever to control, every financial arrangement.

Remember the beginnings of our early struggles. You require no Necker, with his four volumes upon Finance in France, to demonstrate his theme. You require no Patrick Henry's declaration. You need no Virginia legislative decree concerning our attitude toward that which would be taken from us. You need naught but your own experience here. To-day you are called upon to deal with a money wrung in greater sum than ever before in the history of the world from your peoples. You are called upon to-day to deal with that which in the last analysis is theirs and of which you are but the trustees for a brief period upon this floor.

Remembering that, let us be faithful to our trusteeship. Give power if you wish—I would not, if I had the entire say in the matter, give such power as is here accorded—give it if you wish; but, after all, retain your right, the right that is the right of the people who sent you here; retain the right to say whether a settlement that is made of $10,000,000,000 of your people's money shall be final, require that it shall be reported to you for approval before it is consummated.

Mr. WATSON of Indiana. Mr. President, I have listened, as I always do, with very great interest, and, in fact, fascination, to the eloquence of my honored and esteemed friend from California, and with very much of it I agree. In his announcement of the theoretical and ideal he has stated truths in which we all concur and which we regard as fundamental in our Nation's life and our Nation's history. I only wish that I could see the connection between these beautiful announcements of truth and the question at hand.

In the first place, let me say to my friend that the Secretary of the Treasury already has full authority under existing law, without coming to this body for the enactment of another word, to fund the entire indebtedness owing to us from other peoples. The Secretary of the Treasury need not have come to this body for a word of additional authority; he already had the power. The only object in coming to Congress was, first, to have Congress back up the authority he already had, or, in a sense, reaffirm it; and, in the next place, to secure authority from Congress to fund the accrued interest and to fund the amount due this Nation from the sale of materials by the War Department, by the Navy Department, by the United States Grain Corporation, and the American Relief Administration. The $9,434,000,000 plus which we actually loaned to the foreign Governments, however, the Secretary of the Treasury, without another word of legislation, has full authority to fund.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Indiana yield to the Senator from Tennessee?

Mr. WATSON of Indiana. Yes.

Mr. McKELLAR. What reply has the Senator from Indiana to make to the proposition submitted by the Senator from California [Mr. JOHNSON] a few moments ago, that the obligations now in the hands of the Secretary of the Treasury contain an agreement by the various foreign nations to permit the accrued interest to be refunded? Why can not the interest be refunded under that agreement?

Mr. WATSON of Indiana. Because the law states differently, I will say to my friend from Tennessee. I am not going to take the time to look it up, but the law states differently. Even if it did not, the present Secretary of the Treasury says that, in his judgment, he has no right to fund the accrued interest, and he declines to enter upon any sort of an arrangement to fund that accrued interest, because, he says, he lacks the authority to do so.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Nebraska?

Mr. WATSON of Indiana. I do.

Mr. NORRIS. I am very much gratified with what the Senator from Indiana has just said about the present authority of the Secretary of the Treasury. Really all the Secretary needs to complete the entire transaction is authority to deal with the accrued interest and with the other debts to which the Senator has referred.

Mr. WATSON of Indiana. Precisely.

Mr. NORRIS. While I think the Secretary of the Treasury has authority to deal with the accrued interest now—I shall not be captious about that—I am perfectly willing to give him that authority. Why, then, should we go any further in this legislation than merely to give him the same authority to deal with the accrued interest and the other debts that he already has to deal with the money actually loaned? Why not stop there?

Mr. WATSON of Indiana. I will answer that question. This proposed legislation is necessary simply because the President of the United States and the Secretary of the Treasury desire to be backed up by the authority of Congress in funding these debts.

Mr. NORRIS. But would it not back them up if we did what I have suggested?

Mr. WATSON of Indiana. No; because that suggestion contemplates no reference whatever to the great indebtedness which is owing us by other peoples, represented by the accrued interest and the miscellaneous debts to which I have already referred.

Mr. NORRIS. Does the Senator mean as to the debts which the Secretary has authority to fund now?

Mr. WATSON of Indiana. Yes.

Mr. NORRIS. If the President would like to have the law reenacted, why not merely say, "We hereby reenact the previous law and give you all the powers that you already have"?

Mr. WATSON of Indiana. That is practically what this bill proposes to do.

Mr. NORRIS. I am afraid that is not what the bill proposes to do. The only thing that bothers me about the bill is that I think it goes a great deal further than that.

Mr. McKELLAR. It is very different, indeed, from that.

Mr. WATSON of Indiana. I do not think so; that is to say, except as to the other powers which are essential to carrying into full execution the task to be consummated.

I agree with my honored friend from California that we ought not to have paid interest to Great Britain while Great Britain owed us so much, but the Secretary of the Treasury has explicitly said—and he is entirely right because he shows the

documents to prove his statement—that he had no power to do otherwise under an agreement previously made before he came into the office of the Secretary of the Treasury. I know that my friend would not have had him dishonor the obligations which had been entered into with Great Britain by a previous administration at the time the obligation was made. Therefore the Secretary of the Treasury could do nothing under the obligation which existed when he came into the Treasury Department but pay Great Britain that interest.

In the next place, I want to say to my friend from California that, in my humble judgment, it is not the function of a legislative body to collect a debt or to arrange to collect a debt. What is the practical business reason for that statement? Mr. President, while we were loaning $9,000,000,000 plus to those who were associated with us in the World War, Great Britain was loaning a corresponding sum to her associates in that war; so that to-day, while France owes us $2,000,000,000, she likewise owes Great Britain more than $2,000,000,000; she also owes Italy. Czechoslovakia owes France, and she owes Great Britain. Jugoslavia owes France and owes Great Britain, and the smaller nations all owe one another. Italy owes Great Britain and she also owes France. Therefore there must be some authority somewhere to sit down and compose all of these differences and reduce them to a succinct form before anything can be done toward collecting the debts. So, when we strip it of all verbiage, all in the world we are proposing to do here is simply to confer upon a commission, which is to be appointed by the President of the United States, the power to fund the accrued interest and the money which is owing us from the sale of supplies by the War Department, the Navy Department, the Grain Corporation, and the American Relief Administration. That is all there is to it.

Mr. NORRIS. Mr. President, let me ask the Senator another question. It is true, is it not, that the identical amount of every one of these debts is already ascertained and determined?

Mr. WATSON of Indiana. Yes; the amount has been ascertained and determined; but I will say to my friend from Nebraska this is the question: Can we force France, for instance, to pay what she owes us without any regard to what she owes Great Britain? At the same time, can we compel Great Britain to pay us what she owes us without any regard to whether she gets any amount of money from France, which owes her, or from Italy, which owes her, or from Poland, which owes her, or from Russia, which owes her, or from Czechoslovakia, which owes her?

Mr. NORRIS. Does the Senator from Indiana propound that as a question to me?

Mr. WATSON of Indiana. Yes.

Mr. NORRIS. If the Senator wishes me to answer the question, I will say that in collecting our debt from Great Britain I do not believe it is a part of our business to have anything to say or to try to have anything to say as to what Great Britain shall do with regard to what Czechoslovakia owes her.

Mr. WATSON of Indiana. That is quite true; but when we sit down with these nations and undertake to compose our differences with them we are bound to take into consideration their financial condition.

It has been said here that we should insist on a clause being incorporated in this measure to compel the debtor nations to pay us interest semiannually. How in the world could that be done? The Secretary of the Treasury has said to us, after a full investigation of the situation, and after a survey of the field, that if we were to put such a clause into the bill he could not get bonds from those nations, because they would decline to enter into obligations of that character; that they simply could not pay us the interest semiannually.

Mr. NORRIS. Will the Senator from Indiana permit another interruption?

Mr. WATSON of Indiana. Yes.

Mr. NORRIS. I take it that the Senator from Indiana is in entire accord with my theory that we have not any right, neither has any borrowing nation any right, without our consent, any more than we have the right without their consent, to change the contract that was made, by virtue of our Liberty loan acts, when those nations actually borrowed the money?

Mr. WATSON of Indiana. That is correct.

Mr. NORRIS. Then, if those nations agreed at that time to pay us the interest semiannually——

Mr. WATSON of Indiana. Which they did not.

Mr. NORRIS. Well, if they did not, then they are not bound to do so, but if they did, they are bound to do so. Whatever contract was made at that time they are bound by unless they both agree to a different contract.

Mr. WATSON of Indiana. Precisely; but they did not agree to pay us semiannual interest.

Mr. NORRIS. Then they are not bound to do so.

Mr. WATSON of Indiana. No; but a great many want a provision written into the terms of this bill that they shall be compelled to pay semiannual interest at the rate of 5 per cent.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Idaho?

Mr. WATSON of Indiana. I yield.

Mr. BORAH. They did agree to pay interest annually, did they not?

Mr. WATSON of Indiana. No; they did not.

Mr. BORAH. Did they not agree to pay any interest at all?

Mr. WATSON of Indiana. They did not.

Mr. BORAH. Then the interest would be collectible whenever it fell due, would it not?

Mr. NORRIS. It never would be due according to that.

Mr. WATSON of Indiana. These obligations are demand obligations, I will say to the Senator from Idaho; they are payable on demand; but——

Mr. BORAH. Exactly, and the interest is due every day.

Mr. WATSON of Indiana. The interest is due any day.

Mr. BORAH. Certainly.

Mr. WATSON of Indiana. Yes; as a matter of fact all of these nations are now in default of their interest.

Mr. BORAH. They are in default, and they will be in no worse default in their interest if we put it in the bond that they shall pay the interest semiannually.

Mr. WATSON of Indiana. Certainly they will be no more in default, I will say to the Senator, but this is the situation: At the present time it is understood that the debtor nations are under no obligation to pay us—that word has been sent abroad—until this debt shall have been reduced to the form of bonds. That is understood in all the chancelleries of Europe, and there is no effort being made on the part of any European government to pay us at this time.

It is worth while considering, I want to say to the Senator, when our commission sit down, as they will if they shall be appointed, with representatives of other nations of the world and undertake to compose these differences, what are they going to do? Are they going to look at the question as if Great Britain alone owes us this money? They can not do that; they must take into consideration Great Britain's financial condition and her ability to pay and to meet her obligations; and, in order to do that, they must know how much France can pay Great Britain; how much France is going to pay us; how much Italy can pay France, and how much Italy can pay Great Britain. All of these things must be definitely known, notwithstanding the strict terms of the contract heretofore made.

Mr. President, suppose we were to write into this bond a requirement for the payment of 5 per cent interest semiannually; in the first place, we could not get the bonds—there is nothing more certain than that—and, in the next place, we could not get the debtor nations to enter into an arrangement to pay us 5 per cent interest if it is to be paid semiannually.

Where do we stand in regard to the whole question? In the first place the Secretary of the Treasury says that he intends, so far as is humanly possible, to collect 5 per cent interest, and that 5 per cent interest is the rate that should be collected. That is because our bonds bear 4¼ per cent; and, secondly, because they are nontaxable, which of course indirectly makes the rate higher; and, in the third place, because of what it cost us to sell the bonds and to incur the obligations. Therefore, he thinks that 5 per cent is a legitimate rate of interest. That being true, and the Secretary of the Treasury, who is to be at the head of the proposed commission, asserting with all confidence and sincerity that he intends to attempt to collect 5 per cent interest, why should we attempt to write it into the bond that it will be thus collected and collected semiannually?

Mr. BORAH. I think we should write it into the bond because I believe that is where it should be written. The responsibility is upon us; we can not delegate this power and escape the responsibility which rests upon us of settling this debt in a proper way. I agree with the Senator perfectly that the actual negotiations ought to be carried on by an agent, by an individual, or by a commission, and I would just as soon leave it to Mr. Mellon as to leave it to Mr. Mellon and his four associates. It is not because I have any objection to Mr. Mellon——

Mr. WATSON of Indiana. Oh, no; we understand that.

Mr. BORAH. That I want anybody associated with him, because I think in any event he will conduct the negotiations himself, and his associates will simply be company. But the

responsibility is upon us, and we have got to report back to those whose money we appropriated, by which appropriation we created this debt.

Mr. WATSON of Indiana. But the Senator forgets that already, by the very power by which the money was appropriated and in the very body of the act, we conferred upon the Secretary of the Treasury the right to fund all the debts. That has already passed; that is settled and over.

Mr. BORAH. I understand that to be true, but we are now taking it up for some reason which I confess I can not quite understand, and reaffirming——

Mr. WATSON of Indiana. Let me interrupt the Senator right there to say that, instead of snatching this question away from the legislative body, as my friend from California would have us believe, instead of taking away from us something that really belongs to us, the President of the United States has come here, when there was no necessity for his coming here, in order to secure authority to do something that he already has the authority to do.

Mr. BORAH. Yes. If the President would continue that habit, I would have no quarrel with him at all. I am not so anxious to have the President come here at a time when he does not need to come as I am to have him come here when I think he ought to come.

Mr. WATSON of Indiana. That is aside from the question.

Mr. BORAH. So that when the negotiations have been concluded those who appropriated this money shall be called upon to indorse the result which has been reached.

Mr. WATSON of Indiana. Suppose we should undertake to do that, then in what condition would the commission be? In the first place, it is quite manifest that Great Britain will at once enter into negotiations. I have not any doubt in the world, and neither has the Secretary of the Treasury, that Great Britain will promptly pay her obligations, and that she will pay her interest semiannually, because we are told that she will probably be in a position to do that. Now, suppose that negotiations are concluded with Great Britain, and then a report is made to Congress on that proposition, but that we are not able to make the same terms with France, and we can not make the same terms with Italy that we make with France, and we can not make the same terms with Poland that we make with Italy, and we can not make the same terms with Russia that we make with Poland, what are we going to do?

Mr. BORAH. The Senator from Indiana does not believe that there will be any contract closed upon this question with any chancellor in Europe that will not be known to every other chancellor the next day? No contract will be closed in this matter; no debt will be settled the details of which will be the exclusive secret of the two nations which settle it. It is absolutely out of the question for any such thing to take place.

Mr. WATSON of Indiana. I have not any doubt about that, and I have made no such assertion.

Mr. BORAH. The Senator says there must be an element of secrecy in this proposition.

Mr. WATSON of Indiana. Oh, I have not said that; I beg the Senator's pardon.

Mr. BORAH. Then I misunderstood the Senator.

Mr. WATSON of Indiana. I am simply saying that we are in the exact position, if my friend please, of a bank which has a number of insolvent and half-insolvent debtors. The banker goes out and deals with each one of them and endeavors to find out the financial condition of the man he is dealing with. He does not treat them all alike. He does not go out and drag one man in and say, "I will give you so much time to pay, and you have got to enter into a new obligation to pay your interest regularly and to pay a certain amount of the principal." No; he does the very best he can with that man. So, if I had my way about it—and, of course, I have no authority—I would be very happy right now to take 50 cents on the dollar for all the money which is owing us from Czechoslovakia and other smaller nations which, in my judgment, never will be able to pay, or, at least, not in the Senator's day or mine.

Mr. BORAH. No; not in the Senator's day or mine.

Mr. WATSON of Indiana. But that is entirely apart from the question. There is in the express terms of this bill the statement that no dollar of it shall ever be canceled. Every penny of it is to be collected. No penny of it is to be remitted to any nation, for any purpose.

Mr. BORAH. I understand.

Mr. WATSON of Indiana. Does not that satisfy the Senator?

Mr. BORAH. It satisfies me so far as the law is concerned, but I want to say to the Senator that there is not a chancellery in Europe that believes that this debt will ever be paid.

Mr. WATSON of Indiana. I do not agree with the Senator about that.

Mr. BORAH. Why, Mr. President, the proposition has been boldly put up to the United States through official channels to cancel this debt upon the part of the Nation best able to pay.

Mr. WATSON of Indiana. France?

Mr. BORAH. Great Britain.

Mr. WATSON of Indiana. No; I do not think so.

Mr. JOHNSON. Why Mr. President, here——

Mr. SIMMONS. Mr. President, the cancellation proposition came from Great Britain.

Mr. WATSON of Indiana. Oh, I understand. I have read all that correspondence. I know all about it. One man put it up.

Mr. SIMMONS. Representing Lloyd-George.

Mr. WATSON of Indiana. But the Senator from North Carolina well knows that that came at a time when President Wilson had his special representative over there, a man by the name of Rathbone, for the purpose of making some sort of arrangement for the refunding of this debt. That is when that came; and at that time the Englishman, and I think very shrewdly from his standpoint, put it up to us to cancel the debt, or to forgive at least a portion of it. I have read all that correspondence; I am perfectly familiar with it; but that has not anything to do with our position on the question.

We are determined that that money shall be collected. We are determined that every dollar of it shall be paid. We are determined that not one penny of it shall ever be remitted to any nation. Is not that satisfactory?—and the Secretary of the Treasury, sitting in the presence of the Finance Committee, over and over again reiterated the statement that no dollar of it should be remitted by his consent.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from North Carolina?

Mr. WATSON of Indiana. I do.

Mr. SIMMONS. I wish to ask the Senator from Indiana, when the Finance Committee were considering the Senate bill, which gives the Secretary unlimited power, why did he then object to a provision against cancellation and against interest extension?

Mr. WATSON of Indiana. Solely because it is an administrative and not a legislative function to collect a debt, or to set up the machinery by which a debt may be collected; and I think if the amendment of my friend from California [Mr. JOHNSON] were adopted and written into this bill, it would be nothing more nor less than a square vote of a lack of confidence in the President of the United States and such commission as he might appoint to do the thing that is herein described.

Mr. BORAH. Mr. President, I do not think the Senator ought to say that.

Mr. WATSON of Indiana. Of course I mean nothing personal to my friend from California, and certainly it was furthest from his intention to ask for an amendment that does vote a lack of confidence; but that is my construction of it.

Mr. BORAH. No; upon reflection the Senator will not believe that. The Congress of the United States is the only power which could have appropriated this money.

Mr. WATSON of Indiana. Certainly.

Mr. BORAH. We did appropriate it. We were the people who took it out of the pockets of the taxpayers of this country and sent it abroad. Our duty and our responsibility never ceases in connection with that until we ourselves, in the exercise of our best judgment, have confirmed the method by which it comes back to us. The President of the United States did not appropriate this money. He could not appropriate it. He is not responsible for it. We are simply doing that which Congress is so apt to do when we find a difficult task, namely, to find some one else upon whom to devolve the responsibility, and we are pushing it on to a commission. That commission is not elected by the people. It is not selected by the people. We are, and we will report back to them, and we ought to report a contract which we can stand by.

Mr. WATSON of Indiana. The all-sufficient answer to that is that by the very terms of the law which enabled the Secretary of the Treasury to issue these bonds in the beginning we conferred upon him the power to collect the debt. That is already done, and the Senator was a part of that. He himself voted, doubtless, for that act.

Mr. JOHNSON and Mr. GLASS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Indiana yield; and if so, to whom?

Mr. WATSON of Indiana. I yield to my friend from California, and then to the Senator from Virginia.

Mr. JOHNSON. Mr. President, I was simply going to call the attention of the Senator to the fact that two different times are involved. None of us would stop to question legality, constitutionality, or anything else during the war when things were necessary to be done. There is not any such situation to-day. To-day we ought to be moving in the usual course of legislative activity, and to-day it is our duty to scrutinize and to do those things which we might even have forgotten to do or eliminated during the time of stress and the time of war.

Mr. WATSON of Indiana. My reply to that is that the world to-day financially is just as chaotic as it was during the time of war, that we are dealing with a great many nations that are either wholly bankrupt or partially so, and that all in the world we are seeking to do by this measure is simply to set up the machinery to fund a debt that everybody admits is owing us and that nobody is seeking to escape. That seems like a very simple proposition. If we did not have any confidence in the President of the United States, and if we did not have a law which prescribes what shall be done and how it shall be done, it would be an entirely different thing; but already we have conferred upon the Secretary of the Treasury the power to collect practically all of this debt, and he comes here simply asking for authority to fund a fragment of it that is not included in existing law.

Mr. NORRIS. Mr. President, if the Senator will pardon me——

Mr. GLASS. Mr. President——

Mr. WATSON of Indiana. Let me yield to the Senator from Virginia first, and then I will yield to the Senator from Nebraska.

Mr. NORRIS. All right.

Mr. GLASS. What the Senator from Indiana says is partially true. Under existing law the Secretary of the Treasury is authorized to fund this indebtedness, but he is authorized to fund it upon well-defined terms and for specifically defined periods. That being so, I have wondered why we should set up an expensive commission to do what the Secretary of the Treasury is already authorized to do upon specific terms. He is authorized to fund this demand indebtedness approximating $10,000,000,000 into long-time obligations of these respective nations upon interest terms set out in the act and for periods mentioned in the act. Therefore, in my judgment, there is no need of any commission to do what the Secretary of the Treasury is authorized to do. There is a miscellaneous indebtedness arising out of Mr. Hoover's activities—chips and whetstones which we never will collect, anyhow—that perhaps the Secretary of the Treasury requires authority to fund. It will be, in my judgment, an idle process; but he does not need any additional authority to fund this major indebtedness.

Mr. WATSON of Indiana. Let me ask the Senator from Virginia a question before he takes his seat, please. Has not the Senator contended that the Secretary of the Treasury also has the power to fund the accrued interest?

Mr. GLASS. Oh, yes; I think so; and that was never denied by the Finance Committee of the Senate or the Ways and Means Committee of the House. I brought that matter sharply to the attention of the late Mr. Penrose and of the present chairman of the Ways and Means Committee of the House, suggesting that if they had any doubt of the authority of the Secretary of the Treasury to do that, I should like to have them express it and indicate what it was; and they both agreed that there was no doubt.

Mr. WATSON of Indiana. I am very glad to have the opinion of the very able Senator from Virginia, former Secretary of the Treasury, on that question, though I differ with him as to the authority to fund the interest. But, be that as it may, whatever my individual opinion may be, the present Secretary of the Treasury squarely asserts that he has no such authority and would not undertake to exercise it without additional legislation.

Mr. SIMMONS. No authority to do what?

Mr. WATSON of Indiana. To fund the accrued interest.

Mr. SIMMONS. Possibly the Secretary has not; I do not pretend to say as to that; but the Senator a little while ago stated very emphatically, as I understood him, that there was nothing in the law requiring the semiannual payment of interest.

Mr. WATSON of Indiana. The existing law.

Mr. SIMMONS. The existing law. Probably the Senator is correct when he uses the words "semiannual interest"; but does the Senator deny that under the existing law there is authority for the Secretary, and that that authority is mandatory, to require the annual payment of the interest?

Mr. McKELLAR. Mr. President, I call the Senator's attention——

Mr. SIMMONS. I should like to have the Senator from Indiana answer this question.

Mr. WATSON of Indiana. What was the Senator's question? Mr. Walker was talking to me.

Mr. SIMMONS. The Senator left the impression a few moments ago that there was nothing in the present law fixing the time of the payment of interest.

Mr. WATSON of Indiana. The law simply provides that it shall be a certain rate per annum. Here it is.

Mr. SIMMONS. The Senator said a while ago that there was no authority granted the Secretary in the present law to require this interest to be paid semiannually. I wanted to know if the Senator was simply asserting that while there might be an authority to demand that it be paid annually, there was none to require him to demand that it be paid semiannually?

Mr. WATSON of Indiana. That is my understanding.

Mr. SIMMONS. I want to say to the Senator that if that is his position, technically he is correct. There is nothing in the present law that requires the Secretary of the Treasury to demand that this interest be paid semiannually. My amendment provides for the semiannual payment of interest, but the Senator understands that in the Senate Committee on Finance, as originally drafted, it was "annually"; and I do not think it is at all material whether my amendment says "semiannually" or "annually." I am perfectly willing to make it "annually." The truth is, if the Senator will pardon me, that the Liberty bond act provides first, if the Senator will permit me to read it——

Mr. WATSON of Indiana. Certainly.

Mr. SIMMONS. I am reading from the Liberty bond act, Mr. President:

> The bonds herein authorized shall be in such form and subject to such terms and conditions of issue, conversion, redemption, maturities, payment, and rate and time of payment of interest, not exceeding 3½ per cent per annum, as the Secretary of the Treasury may prescribe.

That is the rate of interest that the Secretary of the Treasury was required to fix in the Liberty bonds.

Mr. WATSON of Indiana. Certainly.

Mr. SIMMONS. That is, that was the time of payment—that the interest was to be paid annually.

Mr. WATSON of Indiana. The first Liberty bonds.

Mr. SIMMONS. Now let me read the next section.

> SEC. 2. That for purpose of more effectually providing for the national security and defense and prosecuting the war by establishing credits in the United States for foreign Governments, the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase, at par, from such foreign Governments then engaged in war with the enemies of the United States, their obligations hereafter issued, bearing the same rate of interest and containing in their essentials—

And interest, of course, is an essential—

> the same terms and conditions as those of the United States issued under authority of this act.

Therefore the bonds which this law requires the Secretary of the Treasury to take from foreign Governments must contain not less than the rate of interest prescribed for the Liberty bonds; and while the amount of that rate of interest is left to the President, the time of the payment of that interest is fixed and determined, and it is payable annually. If the Senator makes any point against my amendment or against the fight that has been made here because we have been contending for the semiannual payment, I am perfectly willing to change the amendment and let it conform strictly and technically to the terms of the Liberty bond act.

Mr. WATSON of Indiana. The certificates of indebtedness taken by our Government, which our Government now holds, representing this indebtedness, read in part as follows:

> The Government of ———, for value received, promises to pay to the United States of America, or assigns, the sum of ——— on demand, with interest from the date hereof, at the rate of — per cent per annum.

That is to say, the interest is payable per annum. I do not think there is any dispute about that; but the representative of the President, Mr. Rathbone, when he was abroad, entered into certain conversations with the Governments of England and of France.

Mr. SIMMONS. If the Senator will pardon me before he gets to that——

Mr. WATSON of Indiana. Yes.

Mr. SIMMONS. Then, I understand that the Senator admits that if the Secretary of the Treasury were undertaking to adjust this foreign indebtedness upon the basis of the existing law, he would be required by that law to demand a bond the interest upon which should be payable annually.

Mr. WATSON of Indiana. That is my understanding.

Mr. SIMMONS. And that the Secretary now insists—that is the gravamen of his whole contention—that he should be

given power to change that feature of the present law, and to extend the time of the payment of interest upon these foreign bonds which he is to take as long as he may see fit and may think the conditions of those Governments require that he should extend it.

Mr. WATSON of Indiana. This is purely a certificate that I read to the Senator. It is not a law.

Mr. SIMMONS. I understand; I am not talking about the certificate at all. I am talking about the Liberty bond act, from which the Secretary derives his sole authority as it now exists to deal with these bonds; and I have understood the Senator as admitting that under the present law the Secretary will be bound to require of all foreign Governments that their bonds covering this indebtedness to us shall bear a certain rate of interest, not less than that of the Liberty bonds which we issued, and that that rate of interest shall be payable annually.

Mr. McCUMBER. Mr. President, may I correct the Senator right there?

Mr. SIMMONS. Yes.

Mr. WATSON of Indiana. I yield.

Mr. McCUMBER. The provision of the Liberty loan act under which the loans were made provided specifically that the interest to be paid by the foreign Governments should be the same interest that our bonds should bear, and that if those bonds should be changed for bonds bearing a higher rate the interest should be at the higher rate, and, in addition to that, that the interest should be paid at the same time; in other words, in the same manner and form and conforming to our own bonds; and our own Liberty bonds are payable semiannually. Therefore, notwithstanding what is written into these I O U's——

Mr. SIMMONS. That is exactly my contention.

Mr. McCUMBER. While the interest on them is payable only semiannually, whenever we settle the matter with the foreign Government, we will have to ask them to give a bond the interest of which shall be paid semiannually in accordance with the terms of our own bonds.

Mr. SIMMONS. That has been my contention——

Mr. WATSON of Indiana. It is not my contention.

Mr. SIMMONS. But the Senator from North Dakota was perhaps out of the Chamber when the Senator from Indiana asserted early in his speech that there was no requirement in the law that the interest upon these bonds should be paid semiannually.

Mr. WATSON of Indiana. I have not, nor have I at any time, had the view of the situation described by the Senator from North Carolina and even by the chairman of the committee. The Secretary of the Treasury squarely said, as the Senator will recall, that if we were compelled to make this interest payable semiannually he doubted whether we could get them to give the bonds, and, furthermore, that we would be doing a vain thing because of the fact that we knew in advance they could not pay the interest semiannually.

Mr. SIMMONS. That is not the point I am discussing now.

Mr. WATSON of Indiana. I understand what the Senator is discussing.

Mr. SIMMONS. The Senator probably said it inadvertently, but he did declare early in his speech that there was nothing in the present law that required the payment of the interest on these bonds semiannually. I insist that if there is nothing in the law requiring it to be paid semiannually there is in the present law an express and explicit requirement that it shall be paid annually. I think it was subsequently changed to semiannually.

Now, if the Senator will pardon me——

Mr. WATSON of Indiana. We have had so much of discussion before the committee on the question from time to time that we have not all agreed about many of the provisions, but the Senator will remember that, notwithstanding these assertions and notwithstanding these express provisions written into the agreement and into our laws, for that matter, an arrangement was entered into by which the interest was to be postponed for two or three years.

Mr. SIMMONS. I am not dealing with that at all, and I do not say that that was justified. I am afraid it was not.

Mr. WATSON of Indiana. But it was done.

Mr. SIMMONS. It was done, and we are acquiescing in it.

Mr. WATSON of Indiana. Yes; we are acquiescing in it.

Mr. SIMMONS. It was done just at the close of the war under stress, but we are acquiescing in it. But when we come to settle these bonds finally, then we ought to settle them according to the law or according to the will of the people if they want to change the law. The reason why I am making a point about this matter is that the essential controversy here grows out of the demand of the Secretary of the Treasury that he be allowed to postpone the payment of interest on these bonds at will, the Secretary having said before the Committee on Finance that in some cases probably he would have to extend the time one or two or three years further, and possibly in some cases he might find it expedient to extend it for 10 years.

The question here is, Do we want to give the Secretary that authority? The Senator, as I understood him, stated that there was nothing in the present law requiring this interest to be paid semiannually. I say the Senator is mistaken in that. The present law does require the Secretary to take bonds with interest payable annually or semiannually, as the case may be. I think in one act it is annually and in the other, possibly, semiannually.

What the Secretary is asking and what I am resisting, and that is the gravamen of this contention, is that the Secretary shall be given authority to change the terms of the law with reference to the time of payment of the interest, unless Congress shall hereafter agree to his settlement.

Mr. WATSON of Indiana. I wish to make one observation at this point. When the Senator from North Carolina first rose in his place to respond to the statement I made about semiannual payment of interest, he stated that if I said the interest was not payable semiannually I was technically correct.

Mr. SIMMONS. I think so.

Mr. WATSON of Indiana. But he thought it was payable annually.

Mr. SIMMONS. So far as the provisions of the Liberty bond acts are concerned, that is right. There are two of those Liberty bond acts.

Mr. WATSON of Indiana. We objected, as the Senator will remember, to putting in a provision that the interest should be paid semiannually because the Secretary of the Treasury said, first, he probably could not get the bonds if we did; and, secondly, if we wrote that into the bonds most of those nations would not be able to pay their interest charge at the end of the first six months and would be in default. He further went on to say, as the Senator will recall, that if France gave us an obligation, even if she went far enough to give the obligation, the interest of which was payable in six months, and France defaulted when the first interest payment became due, then she would stand as a defaulter in the eyes of the world and her credit would be very greatly injured among the nations of the earth. The Senator recalls all of that?

Mr. SIMMONS. Oh, yes; I recall that, and I recall the further fact that France and all these debtors are in default now. They were in default before the time the extension was granted, and under the law they are in default now.

Mr. WATSON of Indiana. Mr. President, I do not agree with the Senator's contention that those nations are in default now. They are not in default, because we have never agreed upon the specific terms of the obligation they owe us, and they will not be in default in reality until the bonds are given and until it is nominated squarely in the bonds the rate of interest and time of payment.

Mr. SIMMONS. If the Senator will pardon me, we have been in agreement, and nearly every one of those nations has paid at one time or another a part of the interest charge. Great Britain has paid more than any of the rest of them. Great Britain has already paid us large sums in interest. So has France. Italy has also paid us a considerable sum of interest. Even Belgium has paid us some interest.

Mr. WATSON of Indiana. Why has she not paid more?

Mr. SIMMONS. I assume that when Belgium, France, Italy, and Great Britain paid the amounts we have received from them, they paid it at the rate fixed in the law authorizing these loans——

Mr. WATSON of Indiana. Oh, no.

Mr. SIMMONS. The rate of interest that was fixed in that law was as much a part of the contract between this Government and our foreign debtor nations as if it had been written in express language in the contract.

Mr. WATSON of Indiana. Oh, no; those nations paid that interest at the rate of 5 per cent.

Mr. SIMMONS. Does the Senator deny that proposition?

Mr. WATSON of Indiana. I deny that they paid at the rate that our bonds draw, because they paid interest at the rate of 5 per cent and not at the rate of 4¼ per cent.

Mr. SIMMONS. It was provided that the interest should be not less than that, and the Treasury Department, I suppose, included the expenses. Allowing for the expenses to the United States Government for the flotation of those bonds and exercising the discretion which the law gave them, they demanded 5 per cent, and those Governments that paid the interest admitted that as a correct rate and paid the interest at that rate.

Mr. WATSON of Indiana. My judgment is, I will say to the Senator, though this is quite apart from the discussion, that we had no right to collect 5 per cent interest from those people, because it was not so nominated in the bond.

Mr. GLASS. Mr. President——

Mr. WATSON of Indiana. But that is neither here nor there. I yield to the Senator from Virginia.

Mr. GLASS. Unless the two Senators in discussion have more accurate information than I ever possessed, I think each is mistaken in his statement that we agreed to defer the interest for two or three years. There has never been any agreement whatsoever as to the deferment of the interest payment. It just simply has not been collected because those Governments found it extremely inconvenient, if not impossible, to pay it.

There was in the correspondence between the Treasury and the committees of Congress an implication, an implied promise, not to press the matter of deferred interest for two or three years, but there has never been any settlement of the matter. There has never been any agreement between the Governments to that effect. I have little doubt that there is any moral obligation, which is a much abused and much misused term, on the part of this Government to defer the interest payment.

Mr. WATSON of Indiana. May I ask the Senator a question at that point?

Mr. GLASS. Certainly.

Mr. WATSON of Indiana. I do not recall, but I think Mr. Houston, who was Secretary of the Treasury at that time, succeeding the Senator from Virginia, sent abroad Mr. Rathbone.

Mr. GLASS. No; I sent Mr. Rathbone abroad.

Mr. WATSON of Indiana. I was not familiar with that particular detail, but at all events Mr. Rathbone went abroad for the purpose of holding conversations with representatives of foreign Governments with reference to the funding of this debt. That is true, is it not?

Mr. GLASS. It is.

Mr. WATSON of Indiana. Was there not—I will not call it an agreement but a tentative arrangement made between them by which the interest payment was to be deferred for two or three years, and that was communicated to the Senator as the then Secretary of the Treasury, and as Secretary of the Treasury the Senator made the statement that in some way that interest might be deferred for two or three years.

Mr. GLASS. That is true, but there was no consummation of any arrangement whatsoever. Mr. Rathbone, Assistant Secretary of the Treasury, in charge of foreign loans, in his conversations abroad intimated to the representatives of the foreign Governments that this Government felt disposed not to insist upon the immediate payment of interest; but Mr. Rathbone was cut short in his negotiations when they were all but complete. Lloyd-George dismissed him and sent him back to this country. Why that was done I have never known; I could only conjecture. So that as a matter of technical fact there was never any agreement made as to deferring the interest payments.

Mr. WATSON of Indiana. I think perhaps the word "agreement" is too strong a word to use, but that there was an understanding, I think, there is no question.

Mr. GLASS. There was an intimation. There was an intimation that if this funding took place upon the terms of the law the Treasury might be willing to defer payment of interest, but the whole negotiation was abandoned.

Mr. WATSON of Indiana. Here is the language used by Secretary Houston, showing his understanding of the arrangement that had been made:

> In the early autumn of 1919 the Treasury informed the treasuries of European Governments to which it had made advances that it was prepared, in case they so desired, to discuss with them the exchange of the demand notes for long-time obligations, and in that connection the deferring of interest collections during the reconstruction period of two or three years from the spring of 1919.

Mr. GLASS. It was prepared to discuss with those nations, and the discussion was terminated by those nations; therefore no agreement was made.

Mr. WATSON of Indiana. I think the word "agreement" is too strong. There was no agreement, but when the Secretary of the Treasury of the United States informed the treasuries of our debtor countries that he was ready to discuss with them such an arrangement and enter into it if those nations desired, and that as a part of that agreement, or part of that intimation, as the Senator calls it, and I accept his term, a statement was made to the effect that the interest might be postponed for two or three years during the period of reconstruction, immediately those nations seized upon that as if the agreement had already been made. Then, afterwards, when Secretary Mellon came into office, he said that he accepted it as if it were an agreement, and that he would not insist on the interest being paid before the expiration of that time, because he wanted to carry out what he thought was a good-faith arrangement by his predecessors with our debtor nations.

Mr. GLASS. I am not criticizing the present Secretary of the Treasury for taking that view of the matter. I am merely saying that only this preliminary discussion was had, and that was terminated on motion of the foreign nations themselves. Right there Secretary Houston and I disagree as to the moral obligation.

Mr. WATSON of Indiana. Of course, while I have very great respect for the views and opinions of the honorable Senator from Virginia, we were bound, at least so a majority of the committee thought, by the statement of the present Secretary and in view of the further fact that the interest had been postponed and had not been paid.

Mr. GLASS. I hope the Senator will not understand me as opposing a postponement of the interest payments.

Mr. WATSON of Indiana. I so understood the Senator.

Mr. GLASS. Oh, no; I do not at all. I did not want to have it appear in the RECORD that there had been an agreement between the Governments, because there was no agreement.

Mr. McCUMBER. Mr. President, may I read a statement of Secretary Mellon which is found on page 167 of part 4 of the hearings? Referring to this he said:

> Secretary MELLON. I would not consider myself bound by those tentative proposals—

About which the Senator spoke—

> and so forth. The only thing referred to was this statement that we informed the treasuries of the European Governments to which we had made advances that this Government was prepared to defer the interest. They have been informed that we would do so. It has gone further than merely a tentative proposal in that respect.

So the Secretary felt that it had gone so far that we were morally obligated to defer the interest, particularly because the foreign Governments had acted upon that tentative proposal.

Mr. GLASS. I repeat that I am not opposing the deferment of interest payments. I just want the record to be accurate. This Government did not say that it was prepared to defer payment; it said it was prepared to discuss the proposition of deferred payment. Suppose I should owe the Senator from Indiana $100,000, which is an inconceivable thing——

Mr. WATSON of Indiana. To both of us.

Mr. GLASS. And the Senator would propose to me that he was prepared to discuss with me a deferment of the interest charge on that account and in the course of the conversation he would abruptly break off negotiations, would he think he was under any moral obligation to me then to defer that interest charge?

Mr. WATSON of Indiana. That is altogether owing to what transpired subsequently. If I got the impression that I might postpone the payment of interest from what had been said to me and proceeded upon that theory and it was acquiesced in by my friend from Virginia, then the probabilities are that the obligation would be a moral one.

Mr. GLASS. But the Senator did not proceed at all; he broke off negotiations.

Mr. WATSON of Indiana. Oh, no; all the interest was not paid, and it was not paid, as I understand it, because the people abroad thought that an arrangement had been made, or at least they pretended to think so.

Mr. GLASS. It was not paid because they could not pay it. That is all there was to it.

Mr. WATSON of Indiana. Some of them might have been able to pay it.

Mr. GLASS. Possibly.

Mr. WATSON of Indiana. Secretary Mellon, in a letter to Senator Penrose, said:

> In view of the action of my predecessors, I am of the opinion that as to the principal foreign Governments receiving advances from the proceeds of Liberty bonds this Government is committeed to the postponement of the interest for two or three years (over two years of which have already elapsed)—

"This Government is committed to the postponement" is the language.

Mr. GLASS. I do not think the Government is committed. So far as my vote can affect the matter, I am perfectly willing to defer the interest payment. It has been deferred almost three years now.

Mr. WATSON of Indiana. It is already deferred.

Mr. GLASS. I do not think we will lose much time on that score; but there was no commitment, and there was no commitment because the foreign Governments abruptly broke off the negotiations.

Mr. WATSON of Indiana. And he goes on to say—

> for two or three years (over two years of which have already elapsed), and to spread over subsequent years the payment of the postponed interest installments.

Mr. GLASS. I should be glad to vote for that.

Mr. SIMMONS. Mr. President——

Mr. WATSON of Indiana. Mr. President, when I arose it was to make a 5-minute response to the Senator from California [Mr. JOHNSON], but the questions which have been asked have led me into many fields which I did not intend to explore. I am very glad to discuss any phase of this matter as I understand it. The truth about it is that unfortunately we have not all arrived apparently at one understanding respecting all of the intricacies and involvements of the subject. The whole proposition is simply this in my judgment: Shall we confer upon the President of the United States, the executive branch of the Government, which, I believe, alone is the one to deal with this problem, the power which is prescribed and set forth in this proposed act?

Mr. GLASS. May I ask the Senator from Indiana a question right there?

Mr. WATSON of Indiana. Yes.

Mr. GLASS. The Senator admits that under existing law the Secretary of the Treasury has the right to fund this indebtedness?

Mr. WATSON of Indiana. I do.

Mr. GLASS. Why does not the Secretary go on and fund it?

Mr. WATSON of Indiana. I can answer that, as I have attempted to answer it time and time again: First, because he wishes to include also the accrued interest, and he has no right to fund that accrued interest.

Mr. GLASS. The Secretary of the Treasury thinks that?

Mr. WATSON of Indiana. He does, and has so stated. He differs from the honorable Senator from Virginia in that respect.

Secondly, as he construes the law he has no power whatever to fund the indebtedness owing to us by reason of the sales of materials by the War Department, by the Navy Department, by the United States Grain Corporation, and by the Relief Administration. Does the Senator from Virginia think that the Secretary has the power to fund that indebtedness?

Mr. GLASS. No; and I do not think we shall ever collect any of that indebtedness; but the Secretary of the Treasury now has power under the law to fund the nearly $10,000,000,000 of major indebtedness of foreign nations, and I am more than astonished to hear the Senator from Indiana say that the present Secretary of the Treasury does not agree with that interpretation of the law.

Mr. WATSON of Indiana. He does not, and he explicitly stated that if there was no legislative enactment he would not undertake to fund that indebtedness, because he thought he did not have the power to do so or the authority to attempt to do so.

Mr. SIMMONS. Mr. President——

Mr. WATSON of Indiana. Will the Senator from North Carolina permit me to conclude?

Mr. SIMMONS. Yes.

Mr. WATSON of Indiana. I have an engagement and I wish to get away, unless there is some question of importance the Senator wishes to ask.

Mr. SIMMONS. No; go ahead; I will wait until the Senator concludes his answer, and then I will ask him a question.

Mr. WATSON of Indiana. Therefore, the question is, Can not Congress establish a method for the funding of a debt which everybody admits is owing us? We have been six months engaged in this enterprise. We had hearing after hearing in the Finance Committee. We had the Secretary of the Treasury and his aides and assistants there time and time again endeavoring to arrive at some conclusion. As I said the other day to the Senator from North Carolina, in answering a question as to why we had not proceeded in some form or other, it was simply with the desire of avoiding discussion that might be unseemly while the representatives of foreign Governments were in our city as guests of the Nation. We did not want that kind of debate to go on, and we made every effort in the world to agree upon the terms of a bill to which the Democrats and the Republicans would alike accede, so that there might be no dispute. After all, that was not wholly accomplished. Therefore, the President wanting this authority from Congress and the Secretary of the Treasury desiring this authority from Congress, there was not anything for us to do but to take the bill, which had already been passed by the other House, and undertake to pass it through the Senate.

Three Republican conferences were held. The Senator from California [Mr. JOHNSON] was present at one of them. In those Republican conferences the whole question was discussed from one end to the other. The Senator from California said there was not much discussion of the question. There has not been upon the floor of the Senate, which has been listened to by any great number of Senators, but there has been in the Republican conferences, at one of which there were 50 Senators present, on which occasion for two or three hours at a time we debated the provisions of this bill. Then, at a second conference, and then at a third conference the matter was discussed, until we finally came to a conclusion as to what we wanted to do.

Of course, this is purely a business proposition; there is no politics in it; but I want to say to my friends upon this side of the Chamber that the question in its last analysis is simply this: Is the Senate, with 24 Republican majority, and a House of Representatives with 170 Republican majority, impotent to deal with a problem of this kind, and have we so little faith in the President of the United States that we are unwilling to confer upon him the authority to appoint a commission to fund our indebtedness which nobody disputes and which everybody admits is owing to us? That is the whole problem.

Mr. GLASS. Why have so little faith in the Secretary of the Treasury, Mr. Mellon, as not to commit to him the authority to do this without raising any expensive commission to do it? As a matter of fact, the Treasury Department, with the explicit sanction of the Finance Committee of the Senate under Republican control and of the Ways and Means Committee of the House of Representatives under Republican control, was proceeding to fund this indebtedness when the negotiations were broken off. Why not trust the present Secretary of the Treasury? I am willing to trust him to go ahead and fund this indebtedness—and that is what ought to be done—according to the explicit terms of the act.

Mr. WATSON of Indiana. If my honorable friend from Virginia can get the Senator from North Carolina [Mr. SIMMONS], who sits immediately behind him and who is the leading Democratic member of the Finance Committee, to agree with him we may arrive at some definite conclusion; but the difficulty in the situation is——

Mr. GLASS. I can not speak for the Senator from North Carolina, but I imagine that the Senator from North Carolina would be willing for the Secretary of the Treasury under the terms of the law to fund the indebtedness.

Mr. SIMMONS. If I may be permitted, I desire to say that nobody has any objection, so far as I know, on this side of the Chamber, to the Secretary of the Treasury going ahead and funding these obligations under the existing law, but the trouble is that the Secretary of the Treasury does not wish to undertake to fund them under the existing law; he wishes to undertake to fund them under a new law which would give him unlimited power with respect to the extension of the interest upon these obligations.

Mr. WALSH of Massachusetts. I should like to ask the Senator from North Carolina if former Secretaries of the Treasury, namely, the Senator from Virginia [Mr. GLASS] and M. Houston, did not actually take steps to refund this indebtedness under the law?

Mr. SIMMONS. Undoubtedly they did.

Mr. WATSON of Indiana. I merely wish to say this——

Mr. SIMMONS. I tried to interrupt the Senator from Indiana a little while ago.

Mr. WATSON of Indiana. I merely wish to answer the query of the Senator from Virginia [Mr. GLASS]. So far as I was personally concerned, so far as practically all the Republican members of the Finance Committee were concerned, we were entirely willing to confide this power to the Secretary of the Treasury and place it in his keeping; but there was strenuous objection by my friend from North Carolina and by other Democratic members of the Finance Committee to that plan. They talked about the lodgment of such great power and the aggregation of such tremendous authority in the hands of a single man, and all that sort of thing. Then we tried to reach an agreement with them and to arrive at some sort of an understanding.

So far as I am personally concerned, this bill would long ago have become a law, and the Secretary of the Treasury alone would have been empowered to do that which we seek here to give power to a commission to do, but we could not get the Democratic Members to agree to that.

Mr. GLASS. The Secretary of the Treasury has authority under the law to do it now without asking the Democratic Members of the Senate or anybody else.

Mr. WATSON of Indiana. Precisely; but he not only wanted that confirmed by Congress, but, as I said a while ago to my friend from California, instead of snatching power from Congress he is coming here and asking Congress to affirm the power that he already has.

Mr. GLASS. No; he is asking Congress to amplify that power.

Mr. WATSON of Indiana. Amplify it in what way—to give him authority to do something that now he can not do?

Mr. McKELLAR. He is asking authority to extend the payment of the interest until 1947.

Mr. WATSON of Indiana. Which the Senator has already agreed should be extended for two or three years; and if that be a violation of the law he can violate it further.

Mr. McKELLAR. I should like to ask the Senator from Indiana a question.

Mr. WATSON of Indiana. I would rather the Senator would not ask it until I make a further statement, then I will yield to him.

Conditions have changed since these agreements were made; the whole world has suffered a complete metamorphosis. Whole nations have become bankrupt which before were wealthy. People are now stranded who before were in affluence and were in a prosperous condition. We must deal with the situation as we face it, and that is the present condition. I undertake to say to Senators that if we were to confer upon Congress the right to collect this debt we should never collect it. The collection of debt is not a legislative function; it is one which is purely administrative, and can not be left in the hands of the American Congress to consummate.

Mr. GLASS. What I am complaining about is that the executive officers do not proceed under the law as it exists and fund this indebtedness. They are fully authorized to do so.

Mr. SIMMONS. Mr. President, may I interrupt the Senator?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from North Carolina?

Mr. WATSON of Indiana. Yes; I will yield to the Senator, as he is a member of the committee.

Mr. McKELLAR. I should also like to ask the Senator from Indiana a question before he leaves this subject.

Mr. WATSON of Indiana. The Senator will have to ask it quickly, for I am called out of the Chamber, and shall have to leave in a few moments.

Mr. McKELLAR. Very well, I shall endeavor to ask it when I have an opportunity.

Mr. SIMMONS. Mr. President, there has never been in the committee, so far as I have heard, any disposition to take the settlement of these matters out of the hands of the Secretary of the Treasury. The committee was perfectly willing for the Secretary of the Treasury to proceed and settle these matters under the law; but the Secretary of the Treasury said, "I do not desire to proceed under the existing law; I desire additional authority; I desire additional legislation." What we are dealing with now is the additional legislation which the Secretary demands.

Mr. President, the Senator from Indiana says that after long discussion in the committee we came to an agreement. We did come to an agreement and that agreement was written into the bill and the bill was authorized, by the unanimous vote of the Finance Committee, to be reported to the Senate by the chairman of the committee with the distinct understanding, so far as the minority members of the committee were concerned, they would make no objection and interpose no obstacle to the speedy passage of that measure. It was unanimously agreed upon. We were willing to give the Secretary of the Treasury powers which were thought necessary, but the agreement which we reached was to limit those powers in respect to certain questions.

Now, I wish to call the attention of the Senate since the Senator has referred to it—and I presume that is the agreement he has in mind—to what that agreement was. It was in the nature of a proviso to the general powers given to the Secretary of the Treasury. It was prepared by the Senator from North Dakota [Mr. McCUMBER] and myself in collaboration.

Mr. WATSON of Indiana. I am perfectly familiar with that.

Mr. SIMMONS. I think the Senate would like to hear it in view of this discussion. The proviso was as follows:

> That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of the maturity of any bonds or obligations due the United States by any foreign Government beyond the 15th of June, 1947, or to fix the rate of interest at less than 5 per cent per annum, payable semiannually, or to cancel or remit any part of the principal or interest of such bonds or obligations except through payment thereof.

Then it went on to limit his power as to the exchange of bonds of one Government for those of another.

With that limitation upon the power of the Secretary of the Treasury, we were perfectly content that he might proceed with the settlement of these obligations; but, Mr. President, in line with the suggestion of the Senator from California [Mr. JOHNSON] that we have come upon a time when the legislative branch of the Government is under the dictatorship of the Executive branch of the Government, after that agreement had been reached, following long hearings which were granted to the Secretary of the Treasury, in which he discussed every feature of the case, and we had discussed every feature of the case in his presence—after we had come to this agreement and had limited his power in this way and by unanimous consent had authorized the bill to be reported, the acting chairman of the committee rose in his seat in this body and stated, I think, that on the next day he would at some time during the day report that bill; but he never did report it. Some time during that day executive influence against which the Senator from California so justly is inveighing was brought to bear upon the majority membership of that committee and it had the effect of inducing them to withdraw that bill and cancel that agreement which, after long discussion, we had reached, and they proceeded to eliminate the essential provision of those limitations, namely, the provision with reference to the rate of interest and the extension of the time of the payment of interest.

As I have said repeatedly on the floor, my only contention and quarrel here to-day is with respect to that elimination. I am willing for the Secretary to enjoy the other powers which it is proposed to grant to him, but I think it would be extremely dangerous to grant him this power. The reason I think it would be exceedingly dangerous is because the Secretary made it clear in his testimony before the committee that the method of extending this interest which he has in mind, the method which commends itself to his judgment is the incorporation of the deferred interest into the interest rate of the bonds so that the accrued interest would nowhere appear in the principal of the obligation, but would only exist in the rate of interest. He not only said that he himself thought that was a good business proposition, but he stated that that had been discussed at the White House and had also been discussed in a Cabinet meeting, and that the President highly commended that method of adjustment of the deferred interest.

Not only that, Mr. President, but it was afterwards disclosed that the President in an address—so I have been told; I have never read the address and never saw it myself in the newspapers, but I have been told about it—delivered by him in the city of New York discussed this method of settlement in terms of high approbation.

The Secretary of the Treasury not only said that he thought that was a good proposition, but he said that he thought that if this adjustment should be made it would give these bonds a very ready sale in the markets of the United States; and coming right upon the heels of those statements of the Secretary of the Treasury there was an announcement made from the White House, carried in the Associated Press dispatches, that the administration had practically come to the conclusion and understanding that $4,000,000,000 of British bonds should be put upon the market and sold, and out of the proceeds the bonus for the soldiers should be paid.

Mr. President, I believe that to be the method that the Secretary of the Treasury has in his mind. I think that would be an outrage upon the people of the United States, because if those bonds are taken in that form, the principal being only the original sum loaned, and the interest being covered up in the rate, it is clear to my mind that those bonds, if sold in the markets of the United States or in the markets of the world, would bring practically only the principal sum, and the purchaser of those bonds and not the people of the United States would get the benefit of the accrued interest, amounting to hundreds of millions of dollars.

Mr. WALSH of Massachusetts. And the country would lose the interest until 1946.

Mr. SIMMONS. Yes; but not merely until 1946; it would lose, in addition, every dollar of the deferred interest, now amounting to a billion dollars. The Secretary said that he intended, because he thought it would be necessary, to further defer these interest payments. In some cases, he said, he might have to defer these interest payments for a year or two years only. He said he was certain of collecting it only in the case of Great Britain. He expected in all probability to have to extend it in every other instance, and in some instances he said he might have to extend it as long as 10 years; but that makes it worse. If he were to-day to adjust this whole indebtedness upon that basis and take obligations of foreign Governments to the extent of $10,000,000,000—that is, the amount of the principal sum—and cover the $1,000,000,000 of interest in the rate of interest which he may take, and if the United States Government should put those bonds on the market, as it was said a little while ago the administration had declared only recently that it had a present purpose to do in the case of $4,000,000,000 of them, and they sold for par or even a considerable sum above par, the United States in case of a par sale would lose every cent of the billion dollars of interest, and in the case of a sale above par it would lose also

a very considerable portion of it, depending upon how much above par those bonds could be sold for.

That is the objection to this power. In the light of this testimony of the Secretary, in the light of this declared purpose on his part, in the light of his commendation of this outrageous method, so far as the rights of the people of this country are concerned, I myself hesitate to grant him the right to settle this deferred interest in any way that he may see fit to settle it, and that is the only controversy that I am making here. I do not care anything about the minimum rate of interest. I believe we have come to an agreement as to that. I understood that the Senator from North Dakota introduced an amendment, after the conclusion of my speech here on the first day, providing that the rate of interest should not be less than the rate fixed under the existing law, which was the Liberty bond act. That settles that particular point, but it leaves open the vital question of the adjustment of the deferred interest and the vital question of whether that interest shall be any further deferred, and if further deferred, how it shall be adjusted and settled. That is the controversy here to-day.

The Senator from Indiana can not escape this question by saying that we have already agreed once to the deferment of this interest; and, Mr. President, that is the reason why this accumulated interest is here, or the bulk of it. Great Britain was paying her interest up to the time of that agreement, I think. I think France was paying hers. They might have continued to pay it but for that agreement. I do not think the agreement ought ever to have been made. I doubt very much the authority of the Secretary of the Treasury to make any such agreement; but he made it, and the present Secretary of the Treasury said that he felt in honor bound to recognize it. The committee concurred in that, and the controversy here is not with reference to the agreement as to extending the time of payment of interest by the former Secretary of the Treasury. The very act itself recognizes the fact that that three-year period will not expire until the 15th day of June, and nobody expects any interest to be collected before the 15th day of June, but we do expect that after the 15th day of June these Governments shall give us an obligation to pay this principal and to pay this interest as provided in the present law.

Now, the Secretary of the Treasury says, "I want authority to make an arrangement different from the present law. I want authority further to defer the payment of this interest in this adjustment, and I want to write that agreement in the bond," and that is the cause of our controversy; but what I am insisting upon, Mr. President, is that the question here to-day is not the question of what we are to do in the way of leniency toward the foreign Governments.

The question here is, Are we going to demand that our book account, so to speak—for the most of it is nothing more than an I O U, some of it does not even rise to that dignity, but is a mere book account—are we going to permit this to continue a book account or are we going to require that our creditors, without regard to whether they are able to pay to-morrow or the next day or the next year, shall put that indebtedness in the form in which obligations of this kind are ordinarily required to be put, or are we going to let it remain an open account?

The proposed commission is not to be appointed for the purpose of collecting these debts. This commission is to be formed solely for the purpose of obtaining a duly authenticated evidence of this indebtedness, the amount of the principal, the rate of interest, and the time of payment of the interest. That is to be the duty and that is to be the function of this commission. It is not a collecting agency. When these Governments shall have done their duty and given us their obligations to pay this existing indebtedness, when they shall have converted it from an open account into bonds bearing a fixed rate of interest, then if they are not able to pay on the dates fixed the interest or the principal they can raise that question, and the United States can deal with it according to its judgment under the conditions that may then be presented.

Mr. President, I want to say that so far as I am concerned, if the majority will restore the provisions of the bill that we agreed to with reference to the limitation upon the power of the Secretary as to the time of payment of interest I shall have no further objection to their bill. I rose only for the purpose of answering some suggestions made by the Senator from Indiana. I have strayed a little from that unintentionally; but before I take my seat I wish to call the attention of the Senator from North Dakota to what I regard as the inadequacy of the amendment which he offered the other evening and which by common consent was agreed to with reference to the rate of interest.

The Senator added to the bill, following this provision, language which I shall read in a moment. The original committee amendment read:

Provided, That nothing provided in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond June 15, 1947.

That was already in the bill. The Senator's amendment added:

Or to fix the rate of interest at less than that fixed by existing law.

I stated that I had no objection to that, and I have not; but I do not think it is broad enough to cover the purpose of the Senator. In addition to the loans made out of the Liberty bond and Victory bond funds, the rate of interest on which was fixed by the acts authorizing their creation and sale, there is a floating indebtedness amounting, I think, to seven or eight hundred million dollars, the rate of which is not fixed in the law. I understand that the rate has been agreed upon, probably, between the Governments, and has been fixed at 5 per cent, but it is not fixed in the law. I fear, therefore, that the Senator's amendment would not cover those cases; and I am bringing the matter to his attention so that if he agrees with me he may change his amendment so as to include those cases.

Mr. McCUMBER. Mr. President, I think the Senator is correct in saying that the amendment as adopted does not properly cover the whole subject of those loans; and while the Senator says that these obligations have been agreed upon as bearing 5 per cent interest, I do not think he is correct in all respects in that statement.

Mr. SIMMONS. I simply surmised that from something I had heard.

Mr. McCUMBER. Some of them bear as high a rate of interest as 6 per cent. I do not think we ought to exact 6 per cent interest on them. I do not think we ought to exact even 5 per cent from those countries on such bonds as they may give. The amendment as it now stands provides that the rate of interest shall not be less than that provided by existing law. Under the existing law, the rate of interest shall not be less than the highest rate of interest that our bonds bear. The highest rate of interest that our Liberty bonds bear is 4¼ per cent. I think, therefore, it would be better if we would just fix the rate at, say, not less than 4¼ per cent. It would then conform to the present law and would also fix the rate on these other obligations at not less than 4¼ per cent.

Mr. SIMMONS. I should not object to that at all. My only suggestion to the Senator is that he let his amendment as to 4¼ per cent be sufficiently broad to include this floating debt.

Mr. McCUMBER. It would then, because, as the Senator says, the trouble with the amendment as it now stands is that it simply provides that the interest shall not be less than the interest fixed by existing law, and the law does not provide for the interest upon those other obligations.

Mr. SIMMONS. Then I understand the Senators' proposition. I did not at first understand it. He wants to change it so that it shall read:

Or to fix the rate of interest at less than 4¼ per cent per annum.

Mr. McCUMBER. Yes.

Mr. SIMMONS. I agree that that would cover both cases, and I myself have no objection to that.

Mr. McCUMBER. If there is no objection, then I ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. McCUMBER. I now offer the amendment which I have indicated.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to amend the amendment so that it will read:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 4¼ per cent per annum.

Mr. McCUMBER. And I should like to add, after the words "United States," the words "of America." That is the language used elsewhere in the bill.

The VICE PRESIDENT. Without objection, that modification will be made. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

Mr. NORRIS. Mr. President, I regret very much that the Senator from Indiana [Mr. WATSON], who has recently addressed the Senate, is not present, because, as I understand, there is but very little difference existing between us if we get down to fundamentals. I judge from what the Senator from Indiana has said—and it seemed to me he was very frank in his admissions and statements as to the objects to be accomplished by this legislation—that the amendment I have pro-

posed, and that is printed and on the desks of Senators, would meet entirely the condition as he states it.

Mr. President, we loaned certain money to foreign Governments. We did it, or the Secretary of the Treasury did it, by virtue of the act of Congress or several acts of Congress giving to the Secretary of the Treasury authority to loan money to our allies during the war. He loaned that money. The Allies borrowed the money, accepted the money, and thereby a contract was consummated between our Government and each and every Government that borrowed the money. The contract is written. It is stated in the statute that gives the Secretary of the Treasury authority to make the loan. It is conceded by the Senator from Indiana [Mr. WATSON] that under that authority and under those statutes the Secretary of the Treasury to-day has authority to fund every one of those loans and that no additional authority is necessary.

Now, that being the case, as far as the loans which we made to foreign Governments are concerned, there can be no necessity for this legislation or any other legislation. In fact, we having loaned the money under the stipulations contained in those several statutes and the Governments of Europe having accepted the money under those statutes, we are in honor and in law bound to observe those statutes and have no authority to change the condition of the loans without the consent of the country that borrowed the money. Neither have they any authority to change the stipulations of the loan without our authority.

Hence, it is conceded here in this controversy now that as far as foreign money is concerned no legislation is necessary. No one denies that. I pause for any Senator to question it, if there is any such question. I would like to be shown if there is any doubt on the proposition I have just laid down.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Nebraska yield to the Senator from North Carolina?

Mr. NORRIS. Certainly.

Mr. SIMMONS. I wish to say to the Senator that I think there is absolutely no doubt, but I think the present law does not give the Secretary of the Treasury the right to extend the time of the interest payment, and that is what the Secretary of the Treasury wants.

Mr. NORRIS. Now, there comes the dispute. Has the Secretary of the Treasury the right to fund the interest past due? I think that he has. I have no doubt of it, but I shall not stop to argue that for a moment. If he has not that authority, let us give him the authority.

Mr. FLETCHER. Mr. President, I would like to ask the Senator if there are not some debts owing to the United States not covered by the law?

Mr. NORRIS. I am coming to those. I am speaking now of the money loaned to the foreign Governments under the Liberty loan acts.

Mr. FLETCHER. I think the Senator is correct in that respect.

Mr. NORRIS. If there is any question, except the possibility of the deferred unpaid interest not being included in the authority of the Secretary of the Treasury, I should like to have some Senator suggest it to me now. The Senator from Indiana, a member of the committee, has admitted that there is none.

Mr. GLASS. Mr. President, may I interrupt the Senator just a moment to say that the distinguished former chairman of the Finance Committee, the late Senator Penrose, interpreted the law to mean that the Secretary of the Treasury even had authority to fund the interest, too, and the Ways and Means Committee of the House, as well as the Finance Committee of the Senate, agreed entirely with that interpretation of the law.

Mr. NORRIS. I agree with that interpretation myself, but it is a little thing to quarrel about. Rather than have any difficulty over it, if the Secretary of the Treasury thinks that he has not that authority, I am in favor of giving it to him.

It seems that during the war there were some other debts incurred by certain foreign Governments to our Government, that we sold some material to France, for instance, food, sugar, clothing, war material, and so forth, so there was some indebtedness owing to our Government from other Governments on various accounts. The United States Grain Corporation holds securities of those Governments, and the United States Grain Corporation is the Government of the United States, as everybody knows. The War Department and the Navy Department each sold supplies to foreign Governments, and those Governments have not yet paid for those supplies. The American Relief Administration holds the obligations of some of those foreign Governments that have not yet been paid.

The Secretary of the Treasury says, "I have not any authority to fund those obligations in long-time bonds," and I think it is conceded that he does not have that authority. He does have authority to collect them. If anybody wants to pay any of those bonds, he has authority now to take the money, either principal or interest. If it is desirable to give to him authority to fund those items of indebtedness in long-time bonds, we ought to enact a law giving that authority. As far as I am concerned, I am perfectly willing to give him that authority.

When we have done those things, then, we have done all that is necessary, according to the statement of the Senator from Indiana himself, representing the committee in speaking to the Senate to-day. I think I have accomplished those things by an amendment which I wish to propose to the Senate.

Before I do that I desire to call attention to what the Senator from Indiana said as another reason why we ought to legislate. He said that the Secretary of the Treasury felt as though they would like to be backed up by new legislation of Congress. I am willing to do that. If they think one act is not enough, I am willing to give them another one, so there will be no doubt about it.

I have offered an amendment that cares for all those propositions. It proposes to strike out all after the enacting clause and insert the following:

> The Secretary of the Treasury is hereby authorized and directed to refund or convert the principal and interest—

I say the principal and interest now, so that is covered—

> of any obligation of any foreign Government now owing to the United States of America, including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration, arising out of the World War into bonds of such foreign Governments in accordance with the law providing for the loaning of money to such foreign Governments in force at the time such obligation was incurred.

Now, does not that cover it all? Is there anything left out?

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. NORRIS. Certainly.

Mr. BORAH. Under the proposed amendment of the Senator what would be the rule with reference to the payment of interest upon the bonds?

Mr. NORRIS. The law that was in force at the time the money was borrowed would apply.

Mr. BORAH. Would that provide for annual or semiannual payments of interest?

Mr. NORRIS. In my opinion, semiannual interest would be provided for, but Senators disagree on that proposition as to what the law provided. I am proceeding on the theory that we have not any authority, without their consent, to change the contract made with those Governments which borrowed the money, and hence we can not make one side of the contract and enforce it or have not any moral right to enforce it.

Mr. BORAH. Of course, we can not change it without their consent, but if we take a bond under the Senator's proposed amendment, does the Senator understand the interest upon the bond would be paid semiannually or annually?

Mr. NORRIS. Semiannually.

Mr. BORAH. There is nothing in the present law to that effect?

Mr. NORRIS. Yes; I think the present law provides for that.

Mr. BORAH. I think it would provide for annual payments.

Mr. McCUMBER. Mr. President, I can give the Senator the law for that, if he would like to hear it?

Mr. BORAH. I should like to hear it.

Mr. McCUMBER. I think there is no question about the first Liberty bond act. Under the second Liberty bond act the provision is not thus limited, and I think that if we operated under that act, it could be made payable annually, but under the first one I think there can be no question, because it reads as follows:

> The Secretary of the Treasury, with the approval of the President, is hereby authorized on behalf of the United States to purchase at par, from such foreign Governments then engaged in war with the enemies of the United States, their obligations hereafter issued bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act.

If they contained the same terms and conditions, that would mean, of course, the same rate of interest and the interest payable the same as on the bonds, and the interest on the bonds was payable semiannually. Therefore there would not be any question that the sums received under the first Liberty loan act would have to be funded into bonds bearing interest payable semiannually.

Mr. BORAH. Then, what is the objection to the amendment offered by the Senator from Nebraska? It covers the whole proposition.

Mr. McCUMBER. I will answer that when the Senator from Nebraska has concluded.

Mr. FLETCHER. Mr. President, may I ask the Senator what would be the law with reference to those obligations not secured by bonds? What law would control those?

Mr. McCUMBER. There is none except in the agreements which were made by the several nations themselves, some of which bear 5 per cent interest and some 6 per cent interest.

Mr. NORRIS. Did the Senator ask his question of me?

Mr. FLETCHER. I ask it now of the Senator from Nebraska.

Mr. NORRIS. I think the Senator from North Dakota has answered the question as the law exists now. If my amendment were agreed to as I have offered it, then the stipulations of the bond in reference to those obligations to which the Senator from Florida refers would be just the same as those relating to the borrowed money. There would be no difference.

It may be that there ought to be some change. It may be we should propose to these other Governments some change. If that be true, we ought to say so in so many words, but we ought to remember, whether it is semiannual, quarterly, or annual interest, that the law is already passed, the contract is already made, and we have no honorable right to vary it or to change it in any way without getting the consent of the other parties to the contract.

If it be true, as the Senator from Indiana so often said, that there is nothing else to accomplish except to include these items of indebtedness, and to make it sure about the unpaid interest or past-due interest, and to reinforce the President and the Secretary of the Treasury by an additional act reinforcing the old act—if that is all, and, as I view his argument, that is all he claims it is desirable to do, then certainly we should not go any further than to adopt the amendment which I have proposed.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. NORRIS. Certainly.

Mr. LENROOT. I should like to ask the Senator, under his proposed amendment, taking the obligation of $400,000,000 owing by France for the purchase of war materials, what law was in force at the time that obligation was entered into governing the terms of the purchase?

Mr. NORRIS. The Senator raises a point that it may be very proper to include as an amendment to the amendment which I have proposed. For instance, France, at a time when our people at home were paying 20 cents a pound, bought sugar from us at 2 cents a pound, for which she has not yet paid. Now, if France made a contract with our Government at the time she bought, with which this amendment would conflict, then I confess that we ought to take that into consideration. We have not any right to vary that and we ought to comply with our contract made at the time.

Mr. LENROOT. There was no law in force with reference to the transaction which would have authorized our Government to accept bonds at all.

Mr. NORRIS. No; there was not.

Mr. LENROOT. Yet the Senator's amendment refers to bonds in accordance with the law in force at the time the obligation was incurred.

Mr. NORRIS. It refers to the law "providing for the loaning of this money." I have interlined that. It is not printed in the amendment which the Senator evidently has. I think the interlineation I have made covers the point raised by the Senator.

Mr. McCUMBER. Mr. President, will the Senator allow me to call his attention also to the fact that not only was there no law in reference to the interest upon the obligations of foreign Governments which might be obtained by making these advances to them or selling property to them, but there is no law relative to funding them into long-time obligations.

Mr. NORRIS. No; there is not.

Mr. McCUMBER. There is nothing in the proposed amendment of the Senator which would provide for the funding of those into long-time obligations, because there is no law for it.

Mr. NORRIS. I think the amendment covers that, but there was not any such law at that time. Suppose we take one of these Governments that does not want to do this. They can pay us. If they pay for these things that were purchased, the Government of the United States will take the money. There is no hardship on them unless they would show, which I take it can not be shown—I have never heard of such a thing—that at the time they made the purchase of food or clothing or war materials they had an agreement with our Government that the debt should not be paid for 10 years or some such thing as that. If that be true, we, of course, have no authority to violate the contract. But I am assuming that these things were sold and turned over to those foreign Governments practically on the basis of a cash sale, and that they have not paid yet. They ought to pay, and they ought to pay interest from the time the sale was made, and probably will. I think they would be glad to have that included.

Mr. McCUMBER. The point I wanted to make with reference to the Senator's amendment was that while it authorizes the commission to fund into long-time obligations these other obligations which were not war obligations at all, it provides that they shall be funded in accordance with the law in force at the time such obligations were incurred. There was no law in force at that time relating to this whatever.

Mr. NORRIS. That is true, and the Senator has read the amendment as it is printed. As I read it and as I intend to offer the amendment and as it will be worded when I offer it, it will cover that very point. If the Senator will turn to the printed amendment I will tell him where the change is. In line 8, after the word "law," I propose to insert the words "providing for the loaning of money to such foreign Governments."

Mr. McCUMBER. I do not think that covers it.

Mr. NORRIS. This is the way it would then read:

> * * * arising out of the World War, into bonds of such foreign Governments in accordance with the law providing for the loaning of money to such foreign Governments in force at the time such obligation was incurred.

That would include all the various things that have been mentioned here.

Mr. McCUMBER. What the Senator means is in accordance with the Liberty loan bond acts?

Mr. NORRIS. That is what I mean.

Mr. McCUMBER obtained the floor.

Mr. CURTIS. Mr. President, will the Senator yield to me to make the point of no quorum?

Mr. McCUMBER. I yield for that purpose.

Mr. CURTIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Harris	Moses	Shortridge
Borah	Heflin	Nelson	Simmons
Bursum	Johnson	Nicholson	Sterling
Capper	Jones, Wash.	Norris	Swanson
Caraway	Kellogg	Oddie	Townsend
Colt	Kenyon	Page	Walsh, Mass.
Curtis	La Follette	Pepper	Warren
Dial	Lenroot	Phipps	Watson, Ind.
Fletcher	Lodge	Pittman	Williams
France	McCumber	Poindexter	
Glass	McKinley	Reed	
Hale	McNary	Sheppard	

The PRESIDING OFFICER. Forty-five Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

Mr. HARRIS. My colleague [Mr. WATSON of Georgia] is absent on official business.

The names of the absent Senators were called, and the following Senators answered to their names when called:

Wadsworth Walsh, Mont.

The following Senators entered the Chamber and answered to their names:

Broussard Cameron Cummins Sutherland

The PRESIDING OFFICER. Fifty-one Senators have answered to their names. A quorum is present.

Mr. McCUMBER obtained the floor.

Mr. NORRIS. Mr. President, will the Senator yield to me.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nebraska?

Mr. McCUMBER. I yield.

Mr. NORRIS. Mr. President, as I read the amendment to the pending bill which I offered, it has an interlineation in it which changes the form of the amendment. I now reoffer the amendment in order that it may be printed correctly, just as I have offered it to-day, and I ask that it be printed and lie on the table.

The PRESIDING OFFICER. That will be done.

Mr. McCUMBER. Mr. President, if I may, I desire to have the attention of Senators for just a very few moments, and especially do I desire the attention of the Senator from Virginia [Mr. GLASS]. I have great confidence in the legal ability of the Senator from Virginia; also in his good judgment in dealing with matters of this kind.

The Senator from Virginia two or three different times asked the Senator from Indiana [Mr. WATSON] why not allow the Secretary of the Treasury to go ahead and fund these obligations under the present law and under the conditions prescribed at the time the law was enacted? It is a fair question, and

involves the only real matter in issue now between any of the Senators or between the two sides of the Chamber. There is no question that the Secretary of the Treasury could to-day fund these obligations into such obligations as would correspond with our own obligations which were made under the several Liberty loan acts. I am compelled to disagree with the Senator from Virginia as to the right to fund the accumulated interest, but that is such a small matter comparatively, that I do not wish to consume any time in discussing it. I wish to answer the Senator's question, why not now go ahead and settle and fund these obligations in accordance with the present law?

Mr. President, if the Senator from Virginia had an agreement with a debtor under which the debtor was to pay him a certain sum of money upon a certain date, and thereafter the debtor lost his property, for instance, if his buildings were destroyed by fire without insurance, and his whole financial condition were changed, if he made a new agreement with that debtor he would make that agreement in accordance with the condition of the debtor at the time the new agreement was made. Let us remember the fact that these loans were made under laws which were passed on April 24, 1917, and September 24, 1917. They were made in the exigency of one of the worst conflicts that the world has ever seen; they were made with debtors who were struggling for their very existence and life. We could have exacted of those debtors at that time almost any conditions on the face of the earth with reference to the loans, and they would have acceded to them.

It was a most desperate time in their warfare, a time when the question of victory or defeat was held in the balance; it was no time to quibble over conditions. We fixed the law; they accepted its terms; and under it they agreed to pay at the expiration of whatever time our bonds should run, and to pay interest in accordance with the bonds which we issued.

After that time and before the close of the war those nations not only entered into the jaws of death, but into the bowels of hell, and following the close of the war they find themselves unable to meet the obligations which they agreed to meet. We know that they can not meet them. Believing that they can not meet them at this time it seems advisable to make terms with them that will be such as will enable us to have our debt paid at some time at least, and to secure interest thereon. Believing that it will be possible to have our debt become payable immediately from those who can afford to pay immediately, and very soon from the others, we now consider that it is better to make a new arrangement with them under the situation which now confronts the world. That is the reason, Mr. President, that we are undertaking to empower, if not the Secretary of the Treasury at least the Secretary of the Treasury and a commission acting with him, to make the very best terms that can be made with each nation.

Since we took those obligations and made those loans national boundaries have been changed and new nations have come into existence; new countries have assumed a part of the obligations due the United States. We can not enforce the old law; the debtors can not pay according to its terms; at least none of them can pay the obligations when they shall mature, and probably not more than one of them could begin the payment of interest immediately after new bonds shall have been given.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Virginia?

Mr. McCUMBER. I yield.

Mr. GLASS. I can not allow the Senator to put me in the attitude of demanding the "pound of flesh" from the foreign Governments which are indebted to this Government. I do not object to a broad and liberal negotiation of this matter with our former allies. I am one of those persons who believe that our allies fought three years for us before we began to fight by their side. So what the Senator from North Dakota has said does not at all apply to any attitude which I entertain or have expressed here. If the Congress wishes to make new arrangements, if, in a large sense, Congress is obliged to make new arrangements, that is all right; but I want to commit the negotiation of the arrangements to the Secretary of the Treasury here at Washington with representatives of foreign Governments and not to raise up a large and expensive commission to be taking trips across the ocean and negotiating over there. Stated in a word, that is my attitude in reference to the matter. However, I feel obliged to disclaim the compliment which the Senator from North Dakota paid to my legal acumen. I am not a lawyer; I am a newspaper publisher.

Mr. McCUMBER. But the Senator, I think, understands the law of this case as well as does any one of our so-called great constitutional lawyers.

I agree with the Senator in his statement that the Secretary of the Treasury could settle this matter, but the Senator also asked the question, why not allow the Secretary of the Treasury to settle the matter under existing law? My answer is that the existing law would not give him the latitude which it is necessary to give him for a proper settlement of the outstanding obligations. Let me read a portion of the first law under which the obligations were incurred. It provides as follows:

> The Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase, at par, from such foreign Governments then engaged in war with the enemies of the United States, their obligations hereafter issued, bearing the same rate of interest and containing in their essentials—

And I want that to be borne in mind—

> and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act.

Let us remember, first—and that has not been touched upon here—that there is no authority given under the law to take I O U's from any of these countries. What we were authorized to do was to purchase their bonds; and the terms and conditions were to be specified in the bonds, and those terms and conditions were to correspond in all essentials to the bonds which the United States should issue to secure the funds to make the loans. Now, why—and again I want the attention of the Senator from Virginia—why did not the several Secretaries follow that provision?

I will tell you why. Of course we were to give them credits for the amount—that is true—but the reason why it was not done was this, and it is apparent, and I have no criticism to make against the Secretaries: We first had to arrange to give them the credits, and then we had to arrange for our own bonds, and we could not tell what our own bonds would be either with reference to their interest or with reference to their maturity; and, therefore, we advanced the money under the exigencies of war before we issued our own bonds, and before we had determined what the rates of those bonds should be.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. I will yield for a question.

Mr. REED. Is not the Senator mistaken in his statement that we could not tell what the rate of interest would be on these bonds that we were to issue at the time we advanced the money? Is it not a fact that in every instance we first sold our bonds and then, having secured the money, proceeded to advance it?

Mr. McCUMBER. These are the facts: Of course, we paid no money until we got the money, and we could not get the money until we had issued the bonds. We, however, gave them a credit, and that credit was given before we sold the bonds, and they were allowed to pay out of that credit to merchants and manufacturers who furnished goods to these foreign Governments the amounts as they were purchased; but there was but little difference in the time, because we sold the first Liberty bonds in a very short time. The reason, however, is given by the Secretary. He testifies that they could not fix the rate of interest on the bonds at the time the credit was given. We had not arranged it, and we gave them their credit and arranged for the conditions of the credit before we sold the bonds; but, of course, we paid out nothing until after the bonds were sold.

Mr. REED. Mr. President, if the Senator will permit me, if the Secretary of the Treasury entered into an obligation for the United States to advance money before these bonds were sold, then he undertook to incur a debt on behalf of the United States, and acted without authority of law. In addition to that, however——

Mr. McCUMBER. I yielded for a question. I want to get through with this.

Mr. REED. Without disputing categorically the Senator's statement, I think he will find that there was money in the Treasury from the sale of these bonds in every instance where the United States incurred any kind of an obligation that is either legally or morally binding.

Mr. McCUMBER. I am simply giving the situation as I understand it. There is nothing in the law, as I understand it, that authorized this Government to take the I O U of any other Government. The authority is to purchase the bonds of these other Governments, just as I have read.

Mr. GLASS and Mr. REED addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. McCUMBER. I yield first to the Senator who rose first, the Senator from Virginia.

Mr. GLASS. Mr. President, the authority is "to purchase * * * from such foreign Governments then engaged in war with the enemies of the United States their obligations hereafter issued." It does not say specifically "their bonds."

Mr. McCUMBER. The obligation was to conform to our bonds, and that really made bonds of them, both as to the time of payment and as to the rate of interest and as to the time when the interest was to be paid.

Mr. GLASS. It was utterly impracticable to take bonds as we technically understand the word "bonds." We took demand obligations, with the understanding that subsequently they were to be funded into time obligations, to wit, into bonds, which bonds were to bear the same rate of interest that our bonds bore and to contain the same general conditions.

Mr. McCUMBER. Certainly. That is exactly what I stated, and that is why I stated that it was impossible for them to get the bonds immediately when they gave the credit, because they must first determine exactly what our own bonds should be with reference to their maturity and rate of interest and terms of payment. I am not stating this for the purpose of criticism, but for the purpose of getting the matter before the Senate as clearly as I am able to present it.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Arkansas?

Mr. McCUMBER. Yes; for a question.

Mr. CARAWAY. I want to ask the Senator a question, because I have become a little confused, I think, as to his reasons.

If the law under which we advanced the credits or money to these foreign Governments provided that they should issue to us their interest-bearing bonds having the same rates of interest and times of payment as the bonds we sold to raise the money, would it make any difference in the authority that the Secretary of the Treasury had in the matter whether the money was lent to these countries a year or five years before the rate of interest and the time of maturity of the bonds that we sold were ascertained? He would still have the authority to accept under those conditions their securities bearing that rate of interest and having the same length of time to run, would he not?

Mr. McCUMBER. If it was an obligation that corresponded to our obligation, he could accept it; he could purchase it.

Mr. CARAWAY. If they owed us money and they got the money from us under this law that said that they should secure it with their bonds, why would not the authority of the Secretary of the Treasury exist to-day to take those bonds under the conditions that existed at the time of the passage of the act?

Mr. McCUMBER. Mr. President, it is always disagreeable for any Senator to reiterate a statement he has just made two minutes ago, before the Senator came in.

Mr. CARAWAY. Oh, no; I was here when the Senator commenced to speak and I have heard all that he said.

Mr. McCUMBER. Very well. Then why does the Senator ask me again what I stated as clearly as the English language can express it that there is no doubt that the Secretary of the Treasury to-day, if the other Governments would issue their bonds, could receive bonds in accordance with the law as it then existed?

Mr. CARAWAY. For the entire indebtedness?

Mr. McCUMBER. I stated, for all, with the exception of the accumulated interest.

Mr. CARAWAY. Why would not that right exist?

Mr. McCUMBER. Simply because there is no authority in the law for that; but if the Senator will allow me to take one subject at a time there is no law that authorizes the Secretary to do anything more than purchase the obligations—I do not care what you call the obligations—of the debtor country, and those obligations shall bear interest at least at the same rate and be payable at the same time as the bonds which we issue. Under that kind of a law I insist that there is no kind of authority for the Secretary of the Treasury to say that he will take a part of that interest when it comes due and add it to the principal. The interest becomes the property of the United States. When it is not paid it is simply the same as any other accrued obligation, and no authority is given to add the interest to the principal.

Mr. CARAWAY. And, if the Senator will permit me, the accumulated interest is a part of the debt that the foreign Government owes us; is it not?

Mr. McCUMBER. Why, of course they owe us the interest.

Mr. CARAWAY. And for any debt that they owe us under this act the Secretary of the Treasury was authorized to accept bonds?

Mr. McCUMBER. No; the Secretary was authorized to purchase the bonds, and the bonds were to bear interest; and when he was authorized to purchase interest-bearing bonds, the act did not provide that he should also relieve the countries from the interest and then attach it to the bonds. No such construction, in my opinion, can possibly be made.

But, Mr. President, I did not want to argue upon that at this time. I wanted to go through and explain why it is that the old law is inadequate under present conditions; and I stated that the mere matter of the interest, on which we disagree, was of very minor importance.

Mr. GLASS. Mr. President, I quite agree that if it is in the mind of Congress to make different arrangements with foreign Governments, to make more liberal terms with foreign Governments, we can not proceed under existing law. I do not care to engage in the refinements of technique and definitions; but if the Senator will look on page 28 of the pamphlet dealing with bond issues he will see that Congress itself did not contemplate that the Secretary of the Treasury should immediately take bonds from foreign Governments, but that he should take the short-time obligations of foreign Governments, because in the text of the act the Secretary of the Treasury is authorized from time to time to convert any short-time obligations of foreign Governments which he may receive under the authority of this section into long-time obligations. In other words, it was totally impracticable, if not impossible, to have taken bonds as evidences of the indebtedness of foreign Governments, and therefore the Treasury took demand certificates of indebtedness.

Mr. McCUMBER. I have admitted the impracticability of following that course. I have simply read the law to show that the authority was given to purchase bonds, and they have not yet purchased the bonds that were contemplated, and all that we have now are the I O U's of these Governments.

Mr. President, I have read what the law was, and how these loans were to be made. I desire to call attention now to our own bonds, the maturing principals of those bonds, and how much was loaned under each of the acts.

From the proceeds of the first Liberty loan we loaned to our allies $2,114,000,000. The first Liberty loan bonds become due in 1947, with the right of redemption in 1932. The first Liberty loan bonds contain the latest date of maturity of any of the Liberty bonds.

From the proceeds of the second Liberty loan we loaned to our allies $2,599,829,750. The second Liberty loan bonds become due in 1942, with a right of redemption in 1927, just five years from now.

From the proceeds of the third Liberty loan we loaned to our allies $987,605,000, and those Liberty loan bonds, without the right of redemption, become due in 1928, or six years from now.

From the proceeds of the fourth Liberty loan we advanced to our allies $3,772,349,659.38, and the fourth Liberty loan bonds become due and payable in 1938, with the right of redemption in 1933.

Now, I answer the Senator from Virginia, times have changed. Even if these foreign nations, under the stress of war, said that they would make any kind of a contract to secure money to carry on the war, even if they believed that they might be able to meet their indebtedness as early as the time fixed in these bonds, we know now that they can not do it under any circumstances. Now, we want to give them time, within 25 years, however. Under the present arrangement, in the case of the bonds issued under the first Liberty loan act, there is a possibility of a call for 1932. Under the others the call may be as early as six years from now, and in one instance within five years from now. Of course, the right of call is a right which the debtor nation can exercise; but taking the longest periods which some of these bonds may have to run, I believe the time is too short for these nations to feel that they can give their bonds in the amounts required, payable at that time.

Much has been said here about requiring the payment of interest to be made semiannually. I do not think the mere word "semiannually" has a great deal of signifiance, or even the word "annually." The whole trouble lies in the fact that there are some countries that can not pay the first year's interest one year or two years or three years from now; but we want their bonds, and if we provide by law that the bonds shall recite that the interest is to be paid semiannually or that it is to be paid annually, then the interest must be paid. In the first instance the interest becomes due in six months and in the second instance it becomes due in one year, so the question of whether it is payable annually or semiannually, I think, amounts to but very little; but the question of when it shall begin to be paid is a vital question, in which some of these countries are most desperately interested.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Virginia?

Mr. McCUMBER. I yield to the Senator.

Mr. GLASS. The Senator does not imagine that he is answering me in any respect, because I have raised none of these issues at all. I have not objected to a very liberal basis of dealing again with foreign nations, nor have I presented here any argument in favor of compelling an immediate payment of interest or a semiannual or annual payment of interest. The Senator is projecting an entirely new proposition. All that I have contended for is that this funding may be done by the Secretary of the Treasury at vastly less expense and with greater expedition than it may be done by this commission that it is proposed to create.

Mr. McCUMBER. But I am answering that part of the Senator's query addressed to the Senator from Indiana in which he asked why the Secretary can not make the arrangement under the present law.

Mr. GLASS. The Secretary can make arrangements under the present law unless the terms of our agreement with the foreign nations are to be changed. If that is to be the case, of course, he can not make arrangements under the existing law.

Mr. McCUMBER. I think we are in exact accord then. I would be perfectly willing to intrust the settlement of the whole matter to the Secretary of the Treasury or to the Senator from Virginia as a single individual to settle those accounts. But, Mr. President, there was serious objection to allowing the Secretary as a single individual to settle these matters. There was a fear on the part of some at least that his inclination would be too liberal toward the debtors; that he would be too much inclined to give them longer time than was necessary, and in order to obviate those objections, and they were from both sides of the Chamber, the new bill was introduced, in which we provided not only that the Secretary of the Treasury should be a member of the commission but that there should be four other members who should be appointed by the President and confirmed by the Senate. This was done in order to meet that objection. That is the bill now before us, and because of that I think we will have more votes for it than if we had left it with the Secretary alone.

Mr. GLASS. That may be, but it will not get my vote, because the other four commissioners will merely agree with the Secretary of the Treasury and draw their salaries and have their fares paid across the ocean and back.

Mr. McCUMBER. The Senator does not agree with a great many on his side of the Chamber and some on this side of the Chamber as to whether the settlement should be made by a commission of five persons or by the Secretary alone. Taking the view of the Senate, we may say the consensus of opinion as between the two propositions, I believe the Senate is in favor of the commission.

Now, I desire to answer the proposition made by the Senator from California [Mr. JOHNSON] and the Senator from Nebraska [Mr. NORRIS]. They want to settle this matter just as the law stands. They want to deal with each nation just as that nation stands and just as our old law, of course, contemplated. But can we do that now? I say no, we can not. Let me give but one illustration.

France owes the United States over $3,000,000,000. France owes Great Britain, I think, just about $3,000,000,000. We go to France and ask her to give the bonds which will mature at some time in the future, and we agree with France. Great Britain asks France to give bonds to her. France can not pay them both, probably, at the same time. There might be a question of preference between those creditors. France would want to know and Great Britain, very naturally, would want to know what arrangements we had made with the other nations, and we want to settle that matter. We say to Great Britain, "Give us a bond maturing in 1947 and drawing a rate of interest of 4½ or 5 per cent. You can have the right to recall it at any particular time." Great Britain says to France, "I want your bond in order that I may meet the American bond. I want the same rate of interest. I want the obligation to become due at about the same time so that I can meet my obligation." France says, "That is all right, but what about Italy? Russia owes me $1,000,000,000, and I want to know if Russia will give me her bonds which I can use, either in collecting the interest on them or selling them and guaranteeing them in order that I can meet my English bonds in order that the Englishman can meet the American bonds."

It is almost essential that we bring these nations together, in order that they may consult with each other and that we get a final settlement, so that the nations will know what their obligations are, so that they can be of assistance to each other; and I know of no other way than the appointment of the commission or the Secretary of the Treasury to settle those questions between them.

But, say some of the critics, they are already in arrears. How will it hurt them any more if they get further in arrears? That can be answered, Mr. President, and answered fairly. The present is a demand obligation. There is an understanding and a law that it is to be converted into a long-time obligation. It is, we may say, in an inchoate state at the present time and it is to be ripened into a national bond. That is a very different proposition from what it would be if we took the bond and made the interest payable annually, the first year's interest due in a year, when the foreign country would be in default. If France were unable to meet her payments one year after she gave her bonds, she would declare to the world that she was bankrupt. That would destroy her credit.

It is to our interest to prevent that. It is to our own interest that that shall not take place. We gain nothing by putting a country in a position in which it will be compelled to acknowledge its impotency and its inability to meet its obligations. It is a thousand times better for us to give ample time for each nation to make arrangements for the beginning of the payment of interest, so that each nation may be able to meet its obligation.

We would be a long time in settling, we might say, with either Italy or France if we would say to them we will take your bond on the 26th day of January, 1922, and on the 26th day of January, 1923, you must pay the interest upon that bond. Either of those countries would hesitate a long time before she would give her bond in that way. But we want to get the bond, we want to get the settlement, and that is the reason why we are providing a commission that may take into consideration all of these matters and do justice not only by the creditor nation but by the debtors as well, so far as it can be done.

Mr. President, I think that presents as clearly and succinctly as I can present them the reasons why we should give some latitude to the Secretary of the Treasury or to any commission that may be appointed in fixing the time when the interest payments shall begin.

Before closing I wish to say that I have had a telephone message from the Undersecretary of the Treasury that my statement that the credits were given before we issued our own obligations was correct. The first credit was given under the first Liberty bond act, as the Undersecretary of the Treasury informs me, two or three days after the law was enacted, while our bonds were not fixed and determined upon or sold until a month or more afterwards.

Mr. KENYON. I submit an amendment intended to be proposed to the pending bill, which I ask may lie on the table and be printed.

The PRESIDING OFFICER. It will be so ordered.

AGRICULTURAL CONDITIONS.

Mr. LA FOLLETTE. Mr. President, I avail myself of the privilege accorded under our rules to submit some observations on the deplorable condition of American agriculture which prevails throughout the country.

This condition is so serious that the President has been constrained to call a conference to consider measures for immediate relief. I venture to say at this time that if this conference now in session would render a real service to agriculture it will search out the fundamental, underlying causes of this distressing situation.

I offer as a text pertinent to the work which this convention has in hand these words from Holy Writ:

> They have sown the wind and they shall reap the whirlwind.

Our agricultural population is the most intelligent, the most advanced and thoroughly scientific in the prosecution of its industry of any people on the face of the earth.

American farmers are industrious, frugal, thrifty. They work long hours, and every member of the family is a helper upon the farm.

Our soil is unrivaled in richness; our climate is unsurpassed; our harvests, the country as a whole considered, are always abundant.

We have been visited by no plagues, ravaged by no pestilences, and in all our history we have never known the face of famine.

And yet to-day, notwithstanding all of its natural advantages, notwithstanding the intelligence and industry and patience of the farmer, American agriculture, the great basic industry of our national life, lies utterly prostrate and helpless before all the country.

Mr. President, I verily believe that this deplorable condition is an indictment against the justice and integrity of the National Government.

It has not come upon us as a sudden thing following in the wake of war. Each census report for decades has given us full warning, and the accumulated wrongs which have finally beaten agriculture prostrate have for years been glaringly manifest to every observer of public affairs.

I have read the reports of the proceedings of the agricultural conference now in session in this city, so far as they are available, in the daily press. I have read the complete report of the address delivered by the President at the opening of the conference. I have analyzed as carefully as I could the statements which have been made, both by the President and the other speakers, at the first day's conference as to the causes of the present condition of agriculture and the remedies which they propose for its resuscitation. All of the statements that I have read in the address of the President and the other speakers indicate a belief that the causes of the disaster which has befallen agriculture are transient in character and do not reach far below the surface, and that superficial remedies will restore this great industry to a healthy, normal life.

I disagree entirely with this view. I am convinced by 20 years of careful study of this problem that the causes of the present condition of agriculture lie far beneath the surface and are at the very roots of our economic and political system. It may be possible by measures of temporary relief to rescue some of the farmers and put them back again to producing the food and other prime necessaries upon which the life of the Nation depends, but no mere palliative measures will serve to make agriculture the great stable and productive industry which it deserves to be, and which it must be if we are to preserve a balanced economic life among the nations of the world. Nor will these palliatives even bring relief to those who through the forcible deflation of the last two years have been cast down from a condition of comparative prosperity into destitution and who have been dragged down by foreclosures and forced sales from the proud position of independent owners to the condition of tenants or agricultural laborers.

In order to see clearly the fundamental causes of the deplorable present conditions, it is necessary to review briefly the economic and political history of the United States during the last two generations, which in part some of us here are old enough to have seen with our own eyes. I will take only a few moments, sir, to review facts which I believe can not be disputed.

For 50 years the world has been drifting, and this country especially, into the condition in which it now finds itself. A half century ago there was in the United States an approach to equality of opportunity. Some were richer than others, but there was an unlimited scope for achievement through labor, invention, and enterprise. Business was organized in small units. Competition prevailed in industry. Combinations to restrain trade were virtually impossible, because each firm or corporation controlled so small a portion of the total business that thousands of concerns would have had to band together in a secret conspiracy to effect even a partial monopoly. Under these conditions of competition prices were fixed by production costs and business was done on a relatively small margin of profit.

The credit of the Nation, small as was the Nation then, was diffused throughout the entire country, and was administered locally, so that all those who were of good character and had reasonable security to offer could obtain the relatively small amounts of capital which they needed to carry on their enterprises. Free competition then ruled in trade, in commerce, and in industry.

But, sir, during the last half century a great change has come about. Industry, commerce, and finance have taken on monopoly forms. Monopoly interests have acquired control not only of the major industries but of raw materials, of fuel, of transportation, and of credit.

Through these monopolies great surplus profits were heaped up, were unjustly accumulated because of the monopoly power to exact from the consuming public prices that would insure the profit that satisfies monopoly, and, there being no field for their investment at home without creating competition which would destroy the monopolies already established, these interests have reached out to control similar opportunities in other countries. During these years feeble and fitful attempts to prevent the growth of these monopolies, or to control them after they were established, have been made from time to time, but any critical review of the cases which were started under the so-called Sherman Act will force the unbiased mind to the conviction that there was never real, downright sincerity behind the prosecutions; at least, it remains a recorded fact that the results were of no avail.

The unorganized people, with their attention constantly distracted by false issues or betrayed by false leaders, have thus far been defeated in their contests with organized wealth.

Mr. President, the secret of this failure, in my opinion, lies chiefly in the fact that the people as a whole have been unable to comprehend what the organized powers of wealth learned long ago. These monopolies and exploiters early discovered that the road to economic profit and power was through the control of government. They knew that a man may labor all his lifetime with his hands or his brains and have little more at the end of his life of industry and frugality than he had at its beginning. But they learned that by the use of the Government, the use of the State, to create special privileges wealth beyond measure can be amassed within a few years. For that purpose they have always been zealous to secure and maintain control of the machinery of government—control of the Presidency, control of the United States Senate, control of the House of Representatives, control of Cabinet appointments. While the minds of the people were directed by sham battles over inconsequential issues, the powers of wealth have spared neither trouble nor expense to insure that their servants should be in control of the powers of government. They have used their control of government to create for themselves special powers and privileges of various kinds. These privileges enabled those who possessed them to levy tribute on everyone else. They collect pennies, dimes, and dollars from the millions and by so doing accumulate billions for the few.

This they accomplish in a variety of ways, but chiefly by legislation relating to the great fundamental economic processes, of which the greatest are transportation and credit. Through those processes they control the economic and political life of the Nation, and inasmuch as these privileges can be maintained only by continuing control of the powers of government, they are careful to maintain that control and are ready at all times to spend millions if need be in order to insure its retention. In fact through the long processes of the years these great, powerful organizations have become the State, and, being the State, they legislate first to create economic privileges and then to protect them and increase the tribute which they collect.

The war completed the enthronement of the profit-taking, privileged, imperialistic group. They found they possessed a power greater than they had ever fully realized, and they used it during the war and in the years immediately succeeding the war as they had never dared to use it before. The stern demands of the war and the absorption of the people in patriotic endeavor of all kinds enabled them to cement their power still further. Thus the economic state and the political state have become so merged that to-day they can hardly be distinguished. Those who are nominally in control of the political government dare not make a move without first consulting those who rule the economic world—and the exercise of their power has been made manifest on this floor time and time again—and they have been forced time after time to abandon or reverse their most sacredly pledged policies when their financial masters so directed.

Through this process of cumulative monopolization and profiteering there has been created in the United States an inequality in the distribution of wealth which is without parallel in the history of the world. The poorest of our people are not yet, thank God, as wretched as the starving paupers of other countries, but this is only because in all the history of the world there has never been a nation so rich in natural resources as this, or a land peopled with men of so much intelligence and indomitable energy and purpose. But this fact only lends emphasis to the inequality in the distribution of wealth. With so little difference between the intelligence and ability of the highest and lowest, there is less excuse for wide variations in wealth and income. But in spite of this there has probably never been in all the history of the world any nation in which so large a percentage of the wealth was concentrated in the hands of a few as in the United States at the present time.

This inequality in the distribution of wealth, produced primarily by special-privilege legislation, is in itself a prime cause for the unending cycle of panics and depressions with which this Nation is afflicted. The excessive wealth and income which is taken as a tribute by the few is not and can not be consumed by them. Those from whom this excessive tribute was taken have not the means to purchase even the products of their own toil. The excessive wealth which is taken by the monopolists must be invested either in creating a productive capacity far greater than the balance of the population can consume or it must be invested in the exploitation of foreign countries.

In either case, sir, whether this surplus capital is invested at home or used in foreign exploitation the effect is the same. When through unequal distribution of wealth the unproductive capacity of a country far exceeds the ability of the people to purchase and consume industry can be kept going only by a process of inflation. Sooner or later a point is reached where what has come to be known as deflation becomes an absolute necessity. Moreover, experience has shown that this very process of deflation can be made as profitable to the great privileged interests as the period of apparent prosperity which precedes it.

This is how the process is worked: During the period of high prices and apparent prosperity the small properties which the people have acquired by their industry and thrift are mortgaged on the basis of the inflated value of the dollar in order to provide them with the working capital which they need to carry on and expand their enterprises. Such mortgages are placed upon the farms, the small factories, and the stores of the tradesmen. In the meantime prices inevitably advance faster than wages and several times as fast as salaries. A point is thus soon reached where the amount of commodities which can be purchased by the people appreciably declines and there is no longer a market for the full output of industry. Then comes deflation. Loans on farms, factories, stores, and homes are foreclosed, and those who control the credit of the Nation come into possession or control of the properties which had been given as security for the loans. Thus the financiers become the residuary legatees of the Nation's distress.

That is precisely what is taking place with respect to farm mortgages and agriculture at the present time. In 10 years the mortgages upon the farms of this country have more than doubled. The contract for the payment of the money is written into those mortgages in dollars; the period of depreciation comes; deflation is upon us; the mortgage must be paid according to its terms. At the time those mortgages were made they represented 27 per cent of the total value of the farms of the United States, whereas to-day, to be paid for in the deflated prices of the products taken from the farms, they represent, as nearly as can be estimated, fully 50 per cent of the value of the farms of this country.

Moreover, this process of inflation and deflation is doubly profitable for the financiers. They make their loans during the period of prosperity and high prices, when the purchasing power of the dollar is greatly depreciated. Then comes deflation, and those loans must be paid in dollars whose purchasing power may be twice as great as was the value of the dollar at the time the loans were made. A loan which was made when half a bushel of wheat was worth a dollar, must be repaid in dollars each of which will, we will say, buy a full bushel of wheat.

This process of forced deflation has now been under way in the United States for nearly two years. It was not a natural phenomenon, but was artificially produced by the powers that control the credit of the Nation, and the Federal reserve system was the instrument primarily used to accomplish it. It is commonly said that this process was first applied to the farmers, but this is not exactly accurate. It was first applied to the Liberty bondholders, who had subscribed for bonds far beyond their capacity upon a solemn pledge that the Government would see that they secured credit upon easy terms until their installments of payment were completed. But the time had come when the financiers of the country had decided, as they proclaimed in their confidential publications, one of which has been under my eye, that the Liberty and Victory bonds ought to be gathered into "strong hands." In other words, they wanted those bonds themselves, and they wanted them at rock-bottom prices, and so they proceeded through the instrumentality of the Federal reserve system to acquire those bonds. Without warning and in utter disregard of the solemn pledge made by the Government during the war, the Federal reserve system directed the curtailment of loans on these securities and suspended the preferential rate of interest which they had hitherto enjoyed. The banks called the loans based upon Liberty bonds, and thus forced these securities to be thrown upon the market to be gobbled up by "strong hands" at an enormous discount. Since these bonds got into these "strong hands" they have steadily increased in price.

The next great step was the deflation of the farmer, although in the meantime advantage had been taken of the opportunity to deflate some of the industries, such as automobiles, whose control did not yet rest securely in the hands of the great financial powers but was in part held by magnates of the Middle West, whose wealth had been developed by the phenomenal growth of this industry.

In all the history of the world, sir, there has probably never been an act unaccomplished by violence which caused such great destruction and suffering as the deflation of the farmers during the past two years. During the autumn of 1920, while crops were being harvested and when the farmer was looking forward to a winter of fair prosperity, the process of deflation began. Loans were called and renewals were refused. In the meantime freight rates had been raised so high by the Esch-Cummins law that the farmer could not afford to move his crops to the markets where they could best be disposed of. Thus the farmer was left helpless, and the prices of agricultural products crashed downward, downward, in the greatest decline that had ever been known within a similar period. Hundreds of country banks went down in the crash, but the great financial institutions were protected. No matter how unbusinesslike had been their policies and no matter how widely they had overextended their credit, like one of the greatest financial institutions of New York City, means were found to save them from bankruptcy. The immediate condition of agriculture to-day, sir, is but the natural consequence and the inevitable result of that policy of forcible deflation accomplished through the control of the Nation's credit by the will of a few great financiers. The destruction which they wrought can not be cured by the resolutions of any conference.

Verily, Mr. President—

They have sown the wind, and they shall reap the whirlwind.

I thank the Senate for its attention.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. HEFLIN. Mr. President, I wish the people of the whole country could have heard the splendid speech just made by the distinguished Senator from Wisconsin [Mr. LA FOLLETTE]. He told the truth literally, when he said that there are certain financial interests in this country seeking to dominate and control every avenue of legitimate business. As the Senator was speaking about how agricultural products have been deflated I thought of what I had said here once before, that when that deflation was at the highest pressure a saucer of oatmeal and a saucer of corn flakes at the hotels in the city of Washington brought respectively within a cent and a half and 2 cents as much as oats and corn were bringing per bushel on the farms in the West.

As the Senator from Wisconsin proceeded with his speech I thought of how injuriously this deflation policy had affected the cotton farmers of the South; and as the Senator from Wisconsin was talking upon that line, I figured in my mind just what happened to the one-horse farmer in 1920. When he planted his crop in the spring of 1920 a bale of cotton was bringing 40 cents a pound or $200 a bale, and with his 10-bale crop he was enabled to pay a debt of $2,000. The price went down and down under the deflation policy of the Federal Reserve Board from 40 cents to about 9 cents a pound. Now, the average price is around 12½ cents, making the bale bring about $62.50. It would take that same farmer now three years and a little more, making 10 bales of cotton per year, to pay the indebtedness incurred in the spring of 1920, when cotton was bringing 40 cents a pound or $200 a bale, or $2,000 for the 10 bales.

That gives you an idea of what our farmers are suffering in the South. Under this deflation policy these debts hang over our people. They were incurred when everything was inflated. Now, forced sales and foreclosures, as the Senator has pointed out, have come one after another in rapid succession, and they have swept away thousands and millions of dollars' worth of property. In fact, the destruction of the values of farm products runs in the billions. In the one year of 1920 the deflation in the price of cotton cost the farmers of the South $1,625,000,000.

Mr. President, that is a tremendous loss for our people to sustain, and there is no excuse for it—none in the world—except to satisfy Wall Street's demand that deflation be had and that her harvest time should come, and come speedily, just as vultures follow on the battle field where people are stricken down and animals are killed. They hover over the place to reap their reward and feed and fatten upon the suffering creatures that are stricken down and are unable to defend themselves. They demanded that this thing should come, and it came.

As I stated here once before, a cotton manufacturer said in New York, it was reported in an editorial in the New York

Commercial, when this price was rapidly falling, "We are willing to pay 30 cents a pound for cotton." Why, certainly he was willing to pay it, because cotton goods were selling then at a price that would warrant the farmer in receiving $1.25 a pound. They are selling to-day at a price that would warrant the farmer in receiving from 40 to 50 cents a pound; but how is he going to protect himself with a deflation policy instituted by a Federal Reserve Board cutting off the source of supply, depriving him of currency, depriving him of credit, and leaving him helpless out in the open, where the enemy is shelling him from Wall Street? That is what has been going on.

Mr. President, I did not intend to talk on that subject this afternoon, but I felt like saying this following the speech of the Senator from Wisconsin [Mr. LA FOLLETTE].

The agricultural industry is in a serious condition. The cattle industry of the West is in a deplorable condition. Certain sinister interests are at work. They are trying to break up a friendly nonpolitical combination that we have here in the Senate to give relief to the stricken agricultural sections of the South and West. From the President down they are hammering on the agricultural bloc. What is the agricultural bloc? Senators from the South, who represent people who are in dire distress, meeting Senators from the West, who come from a people who are suffering as our people are suffering, say, "This ought to be done" or "That ought to be done." The opponents of that policy say, "You are trying to do something that looks like class legislation," and they never lose an opportunity to hit the agricultural bloc a blow. Agriculture is the essential industry of the country. It is the corner stone of all other industries, and now they criticize that. They are angry because it looks as though we are trying to secure some relief for the great agricultural masses of America.

Now they have a conference going on here in the Capital. I hope good will come out of it. The president of the American Cotton Association told me that he had recommended some 45 or 50 delegates, and the Secretary of Agriculture did not appoint but 3 or 4 of them. One of those he recommended was Col. Armstrong, of Fort Worth, Tex., a great cattleman and a farmer who has just written a book—a splendid book. I am told, just published—"The Crime of '20." I want the Senator from Wisconsin to read it. The president of the American Cotton Association recommended that he be appointed, and they would not appoint him. In that book Col. Armstrong shows how he lost thousands upon thousands of dollars under the deflation policy of the Federal Reserve Board. Why not let him come here? He is a man of wealth and he has a big, brave heart, and I am told dares to speak what he thinks is right and best for his country. He wanted to come here and tell this conference some of his own experiences and some of the things that he had learned, and he has written a book; but no, he was not appointed and he is kept away.

Here is what I rose to say, Mr. President: I am not going to detain the Senate, because the Senator from Kansas [Mr. CURTIS] has suggested that he would like to have an executive session.

Mr. CURTIS. No, Mr. President; I think we will not have an executive session to-night, if the Senator wants to take a little more time.

Mr. HEFLIN. Then I will speak a little longer.

Mr. CARAWAY. Mr. President, may I interrupt the Senator for a moment? To-day I heard a farmer from Illinois say, while eating his dinner downstairs, that last year it took 9,000 bushels of corn to pay his taxes, and this year it took 21,000 bushels.

Mr. HEFLIN. What do you think of that, Senators?—and then the Senator from New Hampshire [Mr. MOSES], our genial friend and the splendid genius, goes to New York and entertains some of those swell high brows of the four hundred by talking about the agricultural bloc! Here is a farmer who says that it took 9,000 bushels of corn to pay his taxes last year, and nearly three times that amount, 21,000 bushels, this year. Why, these gentlemen who criticize us do not know anything at all about how the farmers of the country are suffering. Whenever I hear them criticize the agricultural bloc I feel like saying: "Father, forgive them, for they know not what they do!"

Now, I desire to ask the question, Why it is that we are asked here now to postpone this foreign indebtedness to our Government of $10,000,000,000 until some indefinite time in the future? What Wall Street interest is it that wants to collect its private debt from Great Britain and France and other countries, and wants to sidetrack the obligations of the Government and postpone the payment of the interest on the indebtedness to the United States Government? What big special interest in this country is it that asks the Senate of the United States solemnly to sidetrack and postpone the collection of that debt or even the interest upon it in order that Wall Street may immediately press its claim and collect its private indebtedness.

Is the Government going into that sort of business? Is the Congress of the United States going to be smoke-screened in this fashion? Why is it that the Congress will postpone the day of collecting the interest upon this money when 500,000 ex-soldiers are out of employment and are suffering for the necessities of life? Why is it that we are asked to do this when the farmers of America are in such financial distress that they are not able to pay their taxes? The great sovereign State of Texas, by an act of the legislature last year, postponed for a time the payment of taxes because of the awful condition that was upon the people of that State.

Senators, the agricultural interests of America are sorely in need of money and credits to carry on their business.

Why should we, who stand here each day pleading for relief for the farmers of America, the merchants of America in the agricultural sections, the bankers of America in the agricultural sections—for they are all in the same boat and in dire distress—be called upon to postpone the pay day of even the interest upon $10,000,000,000 to some indefinite period, perhaps 25 years in the future? Why should we turn over to a commission of five men the authority to do that and surrender our right to pass on it, surrender our power to act upon it, not requiring it to be submitted for the approval of Congress? Why are we called upon to do that, Senators?

I want the opportunity to vote on the report of that commission. The Senator from Massachusetts [Mr. WALSH], a Democrat, offered an amendment in the committee some days ago before the bill was reported out, suggesting that we have an opportunity to pass on the question and that the report be submitted to Congress. He offered an amendment of this sort here about a week ago or more, and to-day the Senator from California [Mr. JOHNSON] made a speech along that line, and, I believe, has introduced an amendment of the same sort.

Senators, is not that the best course to pursue? Why not do that? You have heard and I have heard that there are about $5,000,000,000 owing to certain Wall Street interests, and if they can postpone the Government debt of $10,000,000,000, or even the payment of the interest upon it, then the Government being out of the way, these private interests will proceed to collect their money, and the Government, which owes an obligation to the ex-soldiers, who saved its life, 500,000 of whom are in distress to-day, can patiently wait until Wall Street is paid before attempting to collect its debts.

I told you once before, Senators, about an ex-Congressman telling me that he saw in Cleveland, Ohio, some of these brave boys walk up to the stage in a theater where they had collected old coats for ex-service men in distress. He said, "The tears came in my eyes as I saw those boys going down the aisle getting an old coat, and I thought of how they stood on the battlefields of France and fought for my country." Yet here we are called upon to lodge in the hands of five men authority to reduce the interest rate or not collect it until some 25 years or more in the future and to postpone the payment of any part of the principal.

Senators, are you ready to turn over to a commission of five men to be appointed by the President power to act in this important matter without requiring that the proposed settlement be submitted for the approval of Congress? I am not.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

Mr. WATSON of Georgia. Mr. President——

Mr. CURTIS. I will withhold the motion and yield to the Senator from Georgia.

Mr. WATSON of Georgia. I merely wish to obtain the floor in order that I may proceed to-morrow.

The PRESIDING OFFICER. The Senator from Georgia is recognized. Does he yield to the Senator from Kansas to move that the Senate take a recess at this time?

Mr. WATSON of Georgia. I yield for that purpose.

Mr. McCUMBER. It is the Senator's purpose, I presume, to discuss the pending measure.

Mr. KENYON. I ask the Senator from Georgia if, when he takes the floor to-morrow morning, he will permit me to submit a report from a committee which I am very anxious to present.

Mr. WATSON of Georgia. Certainly.

RECESS.

Mr. CURTIS. I renew my motion that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until to-morrow, Friday, January 27, 1922, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 26, 1922.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God Thou art the Ancient of Days and from everlasting to everlasting. Our poverty is expressed so often in our countless needs. Then enable us to welcome into our hearts divine sovereignty that our lives shall overflow with service, sympathy, and love. More and more teach us the relative importance of things eternal and things material. We ask Thee to give life and quality to every attribute, experience, and hope that we possess. Impart unto us wisdom and courage to carry forward our daily tasks. But never fail to give us strength to accept humbly and hopefully life's keenest sorrows that they may bring us honor, incorruption, and eternal life. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

COINAGE OF A GRANT SOUVENIR GOLD DOLLAR.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6119, and move to concur in the Senate amendments.

The SPEAKER. The gentleman from Indiana asks unanimous consent to take from the Speaker's table and move to concur in the Senate amendments to the bill H. R. 6119, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6119) for the coinage of a Grant souvenir gold dollar in commemoration of the centenary of the birth of Gen. Ulysses S. Grant, late President of the United States.

The SPEAKER. The Clerk will report the Senate amendments.

The Senate amendments were read.

The SPEAKER. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

ANTILYNCHING BILL.

Mr. VOLSTEAD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 13, the antilynching bill.

The SPEAKER. The gentleman from Minnesota moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13, the antilynching bill. The question is on agreeing to that motion.

The question was taken, and the Speaker announced that the "ayes" appeared to have it.

Mr. GARRETT of Tennessee. A division, Mr. Speaker.

The SPEAKER. The gentleman from Tennessee asks for a division.

The House divided; and there were—ayes 26, noes 23.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. Those favoring the motion will answer "yea" when their names are called; those opposed will answer "nay."

The question was taken; and there were—yeas 246, nays 101, answered "present" 3, not voting—80, as follows:

YEAS—246.

Ackerman	Browne, Wis.	Cooper, Wis.	Fairfield
Andrew, Mass.	Burdick	Coughlin	Faust
Andrews, Nebr.	Burroughs	Crago	Fenn
Ansorge	Burtness	Cramton	Fish
Appleby	Burton	Crowther	Fitzgerald
Arentz	Cable	Cullen	Focht
Atkeson	Campbell, Kans.	Curry	Fordney
Bacharach	Campbell, Pa.	Dale	Foster
Barbour	Cannon	Dallinger	Frear
Beck	Chalmers	Darrow	Free
Beedy	Chandler, N. Y.	Davis, Minn.	Freeman
Begg	Chindblom	Dempsey	French
Benham	Christopherson	Denison	Frothingham
Bird	Clague	Dickinson	Fuller
Bixler	Clarke, N. Y.	Dowell	Gahn
Bland, Ind.	Codd	Dunn	Gallivan
Boies	Cole, Iowa	Dyer	Gensman
Bond	Cole, Ohio	Echols	Gernerd
Bowers	Colton	Elliott	Glynn
Brennan	Connolly, Pa.	Ellis	Gorman
Brooks, Pa.	Cooper, Ohio	Evans	Graham, Pa.
Green, Iowa	Larson, Minn.	Osborne	Speaks
Greene, Mass.	Layton	Paige	Sproul
Greene, Vt.	Lea, Calif.	Parker, N. J.	Stafford
Griest	Leatherwood	Parker, N. Y.	Steenerson
Griffin	Lee, N. Y.	Patterson, Mo.	Stephens
Hadley	Little	Patterson, N. J.	Strong, Kans.
Hardy, Colo.	London	Perkins	Summers, Wash.
Hawley	Longworth	Perlman	Sweet
Hersey	Luce	Petersen	Swing
Hickey	Luhring	Porter	Taylor, N. J.
Himes	McArthur	Pringey	Temple
Hoch	McCormick	Purnell	Thompson
Hogan	McFadden	Radcliffe	Timberlake
Houghton	McKenzie	Rainey, Ill.	Tincher
Hukriede	McLaughlin, Pa.	Ramseyer	Tinkham
Hull	Madden	Ransley	Towner
Husted	Magee	Reber	Treadway
Ireland	Maloney	Reece	Underhill
James	Mann	Reed, N. Y.	Vaile
Jefferis, Nebr.	Mapes	Reed, W. Va.	Vestal
Johnson, Ky.	Mead	Rhodes	Volk
Johnson, Wash.	Merritt	Ricketts	Volstead
Jones, Pa.	Michaelson	Riddick	Walsh
Kearns	Michener	Roach	Walters
Keller	Miller	Robsion	Wason
Kelley, Mich.	Millspaugh	Rogers	Watson
Kelly, Pa.	Mondell	Rose	Webster
Kennedy	Montoya	Rossdale	Wheeler
Ketcham	Moore, Ill.	Ryan	White, Kans.
King	Moore, Ohio	Sanders, Ind.	White, Me.
Kinkaid	Moores, Ind.	Schall	Williams
Kirkpatrick	Morgan	Scott, Mich.	Williamson
Kissel	Mott	Scott, Tenn.	Woodruff
Kleczka	Murphy	Shelton	Woodyard
Kline, N. Y.	Nelson, A. P.	Siegel	Wurzbach
Kline, Pa.	Nelson, J. M.	Sinclair	Wyant
Knight	Newton, Minn.	Sinnott	Yates
Kopp	Newton, Mo.	Slemp	Young
Kraus	Norton	Smith, Idaho	Zihlman
Kreider	O'Brien	Smith, Mich.	
Lampert	Olpp	Snyder	

NAYS—101.

Almon	Drewry	Larsen, Ga.	Sanders, Tex.
Aswell	Driver	Lazaro	Sandlin
Bankhead	Dupré	Linthicum	Sears
Barkley	Favrot	Logan	Sisson
Bell	Fields	Lowrey	Smithwick
Black	Fisher	Lyon	Stedman
Bland, Va.	Fulmer	McDuffie	Stevenson
Blanton	Garner	McSwain	Stolf
Bowling	Garrett, Tenn.	Martin	Sumners, Tex.
Box	Garrett, Tex.	Montague	Swank
Brand	Goldsborough	Moore, Va.	Taylor, Ark.
Briggs	Hammer	O'Connor	Thomas
Bulwinkle	Hardy, Tex.	Oldfield	Tillman
Byrnes, S. C.	Hawes	Oliver	Tyson
Byrns, Tenn.	Hayden	Overstreet	Upshaw
Carter	Herrick	Padgett	Vinson
Clouse	Hooker	Park, Ga.	Ward, N. C.
Collier	Huddleston	Parks, Ark.	Weaver
Collins	Hudspeth	Parrish	Wilson
Connally, Tex.	Humphreys	Pou	Wingo
Crisp	Jacoway	Quin	Wise
Davis, Tenn.	Johnson, Miss.	Raker	Woods, Va.
Deal	Kincheloe	Rankin	Wright
Dominick	Kindred	Rayburn	
Doughton	Lanham	Rouse	
Drane	Lankford	Rucker	

ANSWERED "PRESENT"—3.

Chandler, Okla.	Cockran	Dunbar

NOT VOTING—80.

Anderson	Gilbert	Lawrence	Rosenbloom
Anthony	Goodykoontz	Lee, Ga.	Sabath
Blakeney	Gould	Lehlbach	Sanders, N. Y.
Brinson	Graham, Ill.	Lineberger	Shaw
Britten	Harrison	McClintic	Shreve
Brooks, Ill.	Haugen	McLaughlin, Mich.	Snell
Brown, Tenn.	Hays	McLaughlin, Nebr.	Steagall
Buchanan	Hicks	McPherson	Stiness
Burke	Hill	MacGregor	Strong, Pa.
Butler	Hutchinson	Mansfield	Sullivan
Cantrill	Jeffers, Ala.	Mills	Tague
Carew	Johnson, S. Dak.	Morin	Taylor, Colo.
Clark, Fla.	Jones, Tex.	Mudd	Taylor, Tenn.
Classon	Kahn	Nolan	Ten Eyck
Connell	Kendall	Ogden	Tilson
Copley	Kiess	Rainey, Ala.	Vare
Edmonds	Kitchin	Reavis	Voigt
Fairchild	Knutson	Riordan	Ward, N. Y.
Fess	Kunz	Robertson	Winslow
Funk	Langley	Rodenberg	Wood, Ind.

So the motion of Mr. VOLSTEAD was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. MCPHERSON (for) with Mr. LEE of Georgia (against).

Mr. RODENBERG (for) with Mr. BRINSON (against).

Mr. FESS (for) with Mr. MCCLINTIC (against).

Mr. LINEBERGER (for) with Mr. KITCHIN (against).

Mr. SHREVE (for) with Mr. HARRISON (against).

Mr. DUNBAR (for) with Mr. STEAGALL (against).

Mr. KIESS (for) with Mr. GILBERT (against).

Mr. SNELL (for) with Mr. CANTRILL (against).

Mr. HUTCHINSON (for) with Mr. BUCHANAN (against).

Mr. MILLS (for) with Mr. MANSFIELD (against).

Mr. RIORDAN (for) with Mr. RAINEY of Alabama (against).
Mr. TILSON (for) with Mr. JEFFERS of Alabama (against).
Mr. GOODYKOONTZ (for) with Mr. JONES of Texas (against).
Until further notice:
Mr. LANGLEY with Mr. CLARK of Florida.
Mr. KAHN with Mr. SULLIVAN.
Mr. OGDEN with Mr. TAGUE.
Mr. STRONG of Pennsylvania with Mr. CAREW.
Mr. LAWRENCE with Mr. TEN EYCK.
Mr. MACGREGOR with Mr. KUNZ.
Mr. KNUTSON with Mr. SABATH.
Mr. BUTLER with Mr. TAYLOR of Colorado.

Mr. DUNBAR. Mr. Speaker, I wish to withdraw my vote of "yea" and to be recorded as "present," as I am paired.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of H. R. 13, the antilynching bill, with Mr. CAMPBELL of Kansas in the chair.

Mr. SUMNERS of Texas. Mr. Chairman, I move to strike out the enacting clause of the bill.

The CHAIRMAN. The gentleman from Texas moves to strike out the enacting clause of the bill.

Mr. LONGWORTH. Mr. Chairman, as I recall the parliamentary situation, the gentleman from Minnesota [Mr. VOLSTEAD] had been recognized and is entitled to the floor for five minutes and can not be displaced.

The CHAIRMAN. Just before the committee rose last evening the gentleman from Minnesota [Mr. VOLSTEAD] offered a motion, which was read. Thereupon the committee rose without debate. Now the gentleman from Texas [Mr. SUMNERS] offers a motion which is preferential.

Mr. LONDON. Mr. Chairman, I rise to a parliamentary inquiry.

The CHAIRMAN. The gentleman from New York will state his parliamentary inquiry.

Mr. LONDON. I desire to make a point of order against section 7 of the amendment proposed by the gentleman from Minnesota [Mr. VOLSTEAD]. Must that point of order be urged now or can it be urged at the time of the consideration of the amendment by sections?

The CHAIRMAN. The point of order should be made now, or reserved.

Mr. LONDON. Then I reserve a point of order against section 7 of the proposed amendment.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Ohio will state it.

Mr. LONGWORTH. The gentleman from Minnesota had been recognized for five minutes and then he moved that the committee rise. Is he not entitled to recognition now?

The CHAIRMAN. The Chair is of the opinion that having offered his motion, which in its nature was not preferential, the gentleman from Texas [Mr. SUMNERS] or any other gentleman would be entitled to recognition to offer a preferential motion, and the gentleman from Texas [Mr. SUMNERS] now submits a preferential motion.

Mr. MANN. Mr. Chairman, I think the point of order had better be disposed of now.

The CHAIRMAN. Does the gentleman from New York make his point of order with reference to section 7 of the bill?

Mr. LONDON. Mr. Chairman, section 7 presents to the House an entirely new proposition, which has nothing whatever to do with the bill under discussion.

Mr. MANN. Has the gentleman observed that that section is in the original bill?

Mr. LONDON. Does the gentleman mean in the canceled part of the bill?

Mr. MANN. Yes. So that it is germane to the bill.

Mr. LONDON. I did not notice that. I was dealing with the bill as reported by the committee, and I understand that we now have the bill as reported by the committee before the House.

The CHAIRMAN. The gentleman from New York will please state his point of order.

Mr. LONDON. My point of order is that section 7 is not germane unto the bill under discussion, which deals with the subject of lynching. Section 7 deals with an entirely different branch of the criminal law. It reads:

SEC. 7. That any act committed in any State or Territory of the United States in violation of the rights of a citizen or subject of a foreign country secured to such citizen or subject by treaty between the United States and such foreign country, which act constitutes a crime under the laws of such State or Territory, shall constitute a like crime against the peace and dignity of the United States, punishable in like manner as in the courts of said State or Territory, and within the period limited by the laws of such State or Territory, and may be prosecuted in the courts of the United States, and upon conviction the sentence executed in like manner as sentences upon convictions for crimes under the laws of the United States.

It deals with a subject that has nothing to do with lynching, and is not germane to the bill or to any part thereof.

Mr. MANN. Mr. Chairman, if the gentleman will look at the original bill he will find the same section in the original bill. The amendment which is now offered is offered as a substitute for the original bill. Certainly the section, which was in the original bill, makes this section germane.

Mr. GARRETT of Tennessee. It is section 15 of the original bill.

Mr. MANN. There is no question about its being germane.

Mr. LONDON. The House has before it the substitute.

Mr. MANN. No; the House has before it the original bill with the substitute recommended by the committee as an amendment offered by the gentleman from Minnesota for the entire original bill.

Mr. LONDON. Is it the opinion of the gentleman from Illinois that my point of order is not well taken?

Mr. MANN. It is clearly not well taken. I wish it were.

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. LONDON. In view of the opinion expressed by the gentleman from Illinois I do not insist upon my point of order.

The CHAIRMAN. The gentleman from New York withdraws his point of order. The gentleman from Texas [Mr. SUMNERS] moves to strike out the enacting clause of the bill.

Mr. SUMNERS of Texas. Mr. Chairman, in brief, this bill proposes the prosecution in Federal courts of citizens of the States, of officers of the States, and of governmental subdivisions of the States for the violation of congressional edict with reference to mob violence inflicted within a State as a punishment for, or to prevent the commission of, some actual or supposed crime, a bill to confer upon the Federal Government jurisdiction to punish murder committed within a State.

Mr. Chairman, it does not lie within the constitutional power of the Congress to enact such legislation as is here proposed. This bill violates not only the letter of the Constitution but the governmental policy which it embodies. It violates the fundamental laws of government, which have been discovered by the actual experience of men in the operation of government. And, further, as a matter of administrative policy this proposed legislation, if enacted and held constitutional, on the one hand would encourage the crimes most provocative of mob violence and on the other hand it would weaken the sense of local responsibility which in the very nature of things must be depended upon to suppress that offense. Upon these grounds we challenge this bill. We also challenge the mob spirit which is behind this bill.

This bill can not pass this House unless it is put through by that same spirit which inspires the mob when, backed by the courage of numbers, it crushes through the legal barriers which deny the right to proceed and does an unlawful thing. The difference is that that thing is done in passion, while this is to be done deliberately as a matter of political expediency. I submit that this bill has incorporated therein provisions which no lawyer in this House or elsewhere can defend, either upon constitutional grounds or of sound governmental policy, and but few, if any, have reputations so poor or so well established that they will hazard them in the attempt. Yet you will be asked to pass the bill. They whisper in your ears "political expediency," and ask you to yield to it. That is the same whisper which comes to the ear of the sheriff when the mob is battering at the jail door.

To-day the Constitution of the United States stands at the door, guarding the governmental integrity of the States, the plan and the philosophy of our system of Government, and the gentleman from Missouri, rope in hand, is appealing to you to help him lynch the Constitution.

THE EFFECT OF CONGRESSIONAL INDORSEMENT.

Mr. Chairman and gentlemen of the House, the effect of this bill, if adopted, even if declared unconstitutional, would be to mark, in so far as the expression of legislative judgment and will is concerned and in so far as that expression would reflect the public attitude and direct public inclination, incomparably the farthest advance toward the obliteration of the States as independent governmental agencies of the people which has yet been registered by any expression of legislative or public attitude. The Congress has not only the responsibility for legislation, but in the very nature of things the responsibility, in a large measure, of leadership of public opinion with regard to governmental policy. Party policy and political expediency in all Governments controlled by parties are permitted to influence much of the mass of current legislation. But when the matter

under consideration goes to the fundamentals of government, as this does, as distinguished from the policy of government, it carries a challenge to the conscience of the legislator, an appeal to his fidelity, to the larger duty to his country, which will not tolerate regard for political expediency.

WOULD DESTROY THE SENSE OF LOCAL RESPONSIBILITY.

How can it be controverted that this proposed intervention of the Federal Government, directed against local power, supplanting and superseding the sovereignty of the States, would tend to destroy that sense of local responsibility for the protection of person and the administration of justice, from which sense of local responsibility alone protection and governmental efficiency can be secured among free peoples?

REDUCES STATES TO GOVERNMENTAL VASSALAGE.

There is another important consideration. This bill, challenging as it does the relative governmental efficiency of the States and the integrity of purpose of their governmental agencies and of their people, placing the Federal Government, as it does, in the attitude of an arbitrary dictator assuming coercive powers over the States, their officers, and their citizens in matters of local police control, would do incomparable injury to the spirit of mutual respect and trustful cooperation between the Federal Government and the States and their people essential to the efficiency of government. As a precedent, this bill, establishing the principles which it embodies and the congressional powers which it assumes to obtain, would strip the States of every element of sovereign power, control, and final responsibility for the personal and property protection of its citizens, and would all but complete the reduction of the States to a condition of governmental vassalage awaiting only the full exercise of the congressional power. I challenge the proponents of this bill to controvert that statement.

Gentlemen, I should apologize to the House for not having proceeded at once to the discussion of the constitutional questions involved, but we desire it to be clearly understood in the beginning that while this bill is challenged because it is without constitutional warrant, because it violates the fundamental principles and philosophy of government from which our Constitution draws its vitality, and because, in the general governmental policy which it embodies, it disregards the lessons taught by the actual experience of men in the realm of government. It is further challenged because it would tend in a contrary direction from the objective which it professes to have. Under ordinary conditions the establishment of absence of constitutional power to legislate would settle the matter. But, unfortunately, this is political legislation, and I fear the obligation to defend the Constitution is resting lightly on the shoulders of many Members. The great principles of government embodied in our system are in danger of being forgotten in the presence of the political exigency.

I lay down this proposition: If this bill is sound in the governmental policy which it undertakes to embody, then our whole plan of government, which the judgment of men everywhere accords first place among the masterpieces of the world's constructive statesmanship, is fundamentally unsound.

Gentlemen, there is very much more involved here than that which is carried in the language of this bill. The more you study this bill and contemplate the consequences of congressional indorsement upon governmental policy, regardless of the question of constitutionality, the more importance will your judgment attach to the responsibility of the Congress in this matter. Let no man imagine that in the present state of public opinion, the present direction in which it is pressing, we will be able to turn back upon the course along which this bill gives us direction if we add to the pressure of public attitude the weight of congressional approval of this sort of measure. There is no use deceiving ourselves about that.

Gentlemen, it is not proposed by this bill to negative discriminatory State action merely; it is not even merely to oust the States from final police control and responsibility within their respective borders, but that the Federal Government shall go further and lay its hands in coercive power upon the governmental machinery of the States themselves as such and upon their officers as officers of the States and upon their citizens as citizens of the States and in matters clearly within the realm of police control undertake to compel them by Federal force to carry out the edict of the Congress with regard to local police control. Do this and you take from the States such inherent elements of sovereignty, of dignity, of final governmental responsibility as to make it absurd longer to talk about the State being a sovereign unit of government. How can a State be sovereign when there is held over it the uplifted lash of the Federal Congress? What would be left? Put this on the statute books, if you please. You are welcome to all of the political benefits you will get from it. You will find that there is somebody else to whom you have to answer in this country besides this little handful of agitators, who have scared you to death.

FEDERAL POWERS CLAIMED.

Sirs, it must be conceded that if the Federal Government can punish each of five individuals who constitute a mob or riotous assemblage, as is provided in this bill, it can inflict punishment if the offense were committed by one individual acting alone. If the Federal Government can punish for murder committed within a State, as is proposed by this bill, it can punish for all offenses committed against the person, from murder to simple assault. Is not that a sound proposition? If the Federal Government can punish for murder, for a physical offense, it can punish for every offense committed against property within a State.

If the Federal Government can enter that field, superseding State control, it can oust the State and occupy the whole field. And that is the power that they are claiming for the Federal Government, these gentlemen who are supporting this bill. When they say that the Federal Government has not that power, they admit that the Federal Government has not the power to enact this bill.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. REAVIS. If the gentleman is familiar with the hearings before the Committee on the Judiciary at the time that the bill was before that committee, he will recall that the question was asked Col. Goff, the Assistant Attorney General, whether if this bill were constitutional and the Federal Government had control of individual action, which heretofore had always been in the forum of the States, it would be possible for the Federal Government to punish embezzlement and larceny and assault and battery, and that Col. Goff replied that it would.

Mr. SUMNERS of Texas. I am very much obliged to the gentleman for calling my attention to it. If this bill is sound as a legislative premise, that conclusion is sound. You can not escape it; but his conclusion does not support the premise; it destroys it. Yet you are asked to pass this bill. I do not want to be offensive, but I say to you that you can not pass this bill unless you pass it under the influence of the same spirit which this bill denounces, viz, the mob spirit. You say that the folks down in the South are not doing this thing fast enough, and the folks in the South say the officers are not doing this thing fast enough, and you each get ropes and they go after the criminal and you go after the Constitution. [Laughter and applause.]

If it is lawful for the Federal Government to levy a penalty against a county as provided in this bill, merely because mob violence may have occurred in that county resulting in death, or that the person afterwards killed may have been transported across the county, it can levy a penalty against each county for every offense committed within it by any individual citizen against the person or the property of any other individual citizen whether the county officer knew a thing about it or not. Here is what these modern solons are claiming was written into the Constitution by the fourteenth amendment: That the fourteenth amendment of the Constitution gave to the Federal Government the power to levy a penalty against every county for every offense. They must do that or they can not support that clause of this bill. Now, you mark it, when they get up here——

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SUMNERS of Texas. I will.

Mr. CHINDBLOM. Of course the gentleman would limit that to matters relating to extending the denial of the equal protection laws if——

Mr. SUMNERS of Texas. Oh, if Congress can do what is tried to be done in the second section of this bill, trying to expand the fourteenth amendment of the Constitution by legislative enactment so that it will have a basis upon which to rest the legislative enactment——

Mr. CHINDBLOM. That is by definition.

Mr. SUMNERS of Texas. Yes; by definition. The States ceded to the Congress a definite power over them. Now, the Congress come in, the recipient of the power, and tries by definition to spread out its power so as to do what the Constitution will not let it do. There is not a thing in the fourteenth amendment about prohibiting mob violence, nothing about five persons, nothing about physical violence, nothing about property. The provisions are general.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. CHINDBLOM. Does the gentleman concede that there is power in the Congress to pass affirmative legislation for the enforcement of the fourteenth amendment?

Mr. SUMNERS of Texas. Yes.

Mr. CHINDBLOM. Or is it merely a negative passive assertion of right?

Mr. SUMNERS of Texas. No; Congress has the power——

Mr. CHINDBLOM. I am speaking now specifically in reference to the equal protection laws.

Mr. SUMNERS of Texas. If the gentleman will excuse me, I will discuss that in a few minutes.

Mr. REAVIS. Will the gentleman yield at that point?

Mr. SUMNERS of Texas. Yes.

Mr. REAVIS. The fourteenth amendment was a prohibition against a State's denial, while this bill is predicated not upon the denial by the State but upon the action of five individuals. [Applause.]

Mr. SUMNERS of Texas. Not only is that true, but Congress in this particular instance is undertaking to enact a municipal code to define offenses and provide for their punishment, which the Supreme Court has said Congress can not do.

Mr. McSWAIN. Will the gentleman yield?

Mr. SUMNERS of Texas. I prefer not to yield, because I have in mind to discuss these matters in some order.

CONTROL OVER OFFICERS.

If this bill is constitutional Congress can provide the conditions under which the governors of the several States will be required to call out the militia of the State to defend the person or the property of the citizens of the State, and could provide for the trial and punishment of the governor, through criminal proceedings in the Federal court, and could send the governor of a State to the Federal penitentiary for a violation of the legislative will and edict of Congress with regard to the protection of the persons or property of his own people.

Mr. STEVENSON. Will the gentleman yield?

Mr. SUMNERS of Texas. I should prefer very much no to do so.

Mr. STEVENSON. I just wanted to interpose——

Mr. SUMNERS of Texas. I will yield.

Mr. STEVENSON. In relation to the fact this bill itself as written provides for that.

Mr. SUMNERS of Texas. I was just going to call the attention of the House to that. I am much obliged to the gentleman.

NOT COORDINATION BUT SUBJUGATION.

This is the important thing about this bill. It does not propose in terms or principle merely an extension of Federal activity through Federal machinery acting in harmony with, in respectful attitude toward and in governmental cooperation with, the States. It is a new sort of thing. This bill proposes the direct and humiliating governmental vassalage of the States, and you can not make anything else out of it. Never before in the history of this Government, in so far as I know, has any group of lawyers in Congress or out of it claimed any such power or favored its exercise. What sort of a governmental mess will we have in this country if we embark upon this sort of a legislative policy? You are the judges of your constitutional powers; the Supreme Court decisions, when clear and established, mark the outer boundary line of congressional action, but they do not relieve the conscience of the Congressman. You must pass upon your constitutional power to legislate, and I challenge you to-day under your official oaths to the exercise of that judgment. You sit here as the highest court in the land to determine the issues of your constitutional powers to enact this bill.

If there was not a single decision from the Supreme Court against the constitutionality of this proposition, there is not a man sitting here—let us be honest about it, man to man—who will assert that at any time of this country's history there ever was a moment when one single State would have yielded to the Federal Government such power as they assert in this bill rests in the Federal Government. There is not one single thing in the political history of this country, nothing in its philosophy of government, and not one word in the contemporaneous discussion of the fourteenth amendment to justify such a conclusion.

I make this statement, too, gentlemen: I have as much respect for the Supreme Court as anybody, but if the Supreme Court had decided that such powers as are here claimed were conferred by the fourteenth amendment we could not indorse the decision. We are guardians of the Constitution and of the integrity of the States. The Supreme Court is not the keeper of the congressional conscience. But the decisions of the Supreme Court are against this proposition.

THE CONSTITUTIONAL QUESTIONS INVOLVED.

Mr. Chairman, I appreciate the patience and the manifest interest with which the Members of the House have followed the statement of the general propositions which are involved in this matter. I beg now to direct your attention more particularly to the constitutional questions which are involved. In doing so I shall not enter upon an academic discussion of the origin or extent of the Federal powers. It is well understood that prior to the adoption of the fourteenth and contemporaneous amendments no claim was made that the Federal Government possessed any power whatever to protect the civil rights of individuals. That responsibility has always been with and yet remains with the States.

It is also well understood, of course, that as between the States and the Federal Government the Federal Government comes from the States and not the States from the Federal Government, and that all governmental powers not delegated to the Federal Government are reserved to the States and to the people. The adoption of the fourteenth amendment in no sense altered that relationship. The Supreme Court in its judgment rendered in the Slaughterhouse case (16 Wall.), the first of the great decisions construing the fourteenth amendment, said:

SLAUGHTERHOUSE CASE.

It would be the vainest show of learning to attempt to prove by citations of authority that prior to the adoption of the recent amendments no claim or pretense was set up that those rights (rights of citizens) depended on the Federal Government for their existence or protection, beyond the very few express limitations which the Federal Constitution imposed upon the States. * * * But with the exception of these and a few other restrictions the entire domain of the privileges and immunities of citizens of the States, as above defined, lay within the constitution and legislative power of the States without that of the Federal Government. "Was it the purpose of the fourteenth amendment, * * *" the court asks, "to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the States?"

The court answers its own query that there was not such a purpose.

Continuing, the court says:

* * * When the effect is to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character, when in fact it radically changes the whole theory of the relations of the State and Federal Governments to each other and of both of these Governments to the people; the argument—illustrating what could be done under such a power, as I have undertaken to illustrate what could be done under this bill—has a force that is irresistible, in the absence of language which expresses such a purpose too clearly to admit of doubt. We are convinced that no such results were intended by the Congress which proposed these amendments, nor by the legislatures of the States which ratified them.

Mr. Chairman, there can be no question as to the soundness of that conclusion. The people never would have ratified a constitutional amendment conferring any such power as this bill seeks to have the Federal Government exercise. Gentlemen, I submit to your judgment, what sort of a legislative propostion could go forth more completely—

to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character?

The court said it had a force that was irresistible—

in the absence of language which expresses such a purpose too clearly to admit of doubt. We are convinced that no such results were intended by the Congress which proposed these amendments, nor by the legislatures of the States which ratified them.

The opinion was written within three years after Mr. Thad. Stevens put the fourteenth amendment through this House. The Supreme Court, after mature consideration, said it was convinced no such result was intended by Congress or by the legislatures of the States which ratified the amendment. This court sustains what I said a few moments ago, and it was speaking right after the adoption. Here is what the Supreme Court said in concluding its opinion:

* * * we do not see in those amendments any purpose to destroy the main features of the general system.

What would the court have said if it had read this bill? What feature of the general system will be left if you establish the principle of this bill, if you establish as a principle of government in this country that the Federal Government shall stand with the uplifted lash of congressional enactment over every officer of the State? What would you have left under our system? You are welcome, gentlemen, to all the glory that you will get from putting this sort of thing on the statute books of the country. It will be a fine thing for your children to read in the days that are to come that "My daddy on this bill answered 'aye' on the vote when it came." But this is not merely the enactment of a law. This is dynamiting the governmental structure. [Applause.] That is what it is, and if you folks show the people that this is the thing to do they will bring in some more dynamite. [Applause.]

In the early seventies the carpetbagger was in his glory, but still he had some sense left. I do not say you folks were alone to blame. We were all to blame for the situation that existed. But they had some excuse in that day for going crazy.

You have not got any now. [Applause.] I read again from the Slaughterhouse case:

Under the pressure of all the excited feeling growing out of the war our statesmen have still believed that the existence of the States with powers for domestic and local government, including the regulation of civil rights—the rights of person and of property—was essential to the perfect working of our complex form of government.

You will observe it says "our statesmen." I say "our Congressmen," but there is no reflection meant. I hope you will all be statesmen this time. And remember that this is the Supreme Court that is speaking about this thing, not some fellow reading a lot of stuff from some propagandist. [Laughter.]

But no power—

Says the court—

to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceding to them of the most ordinary and fundamental character.

Among all the powers exercised by the States none is more general, ordinary, or fundamental than the police power. This bill undertakes to do the identical thing which the Supreme Court in its first pronouncement upon the fourteenth amendment said can not be done, and was not intended to be done, by those who proposed and by those who ratified the fourteenth amendment.

Gentlemen, draw the picture in your mind of a United States marshal putting shackles on the arms of the governor and pulling him out of the mansion of the people of the State and dragging him off to a Federal tribunal to answer for something that he is alleged to have failed to do with reference to the protection of the people who elected him to office. You can not do it. You can not get the Supreme Court, you can not get a district court, to hold this thing constitutional.

But no power—

Says the court—

to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character.

I am quoting from the court, remember. I am quoting from the court, and it is making my argument for me. The police power is the most ordinary power that a State exercises.

THE FOURTEENTH AMENDMENT—WHAT WAS INTENDED.

Now, here is the best authority on earth as to what was intended. And he was a man who did not love the South. It is Mr. Thad. Stevens, of Pennsylvania.

He was the acknowledged leader in the passage of the resolution through the House submitting the fourteenth amendment to the Constitution. In his discussion of the first section of that amendment he disclosed the object had in mind, namely, the conferring of power upon the Federal Government to negative discriminatory legislation on the part of the State against people of color. A number of States had enacted such legislation as a part of the governmental feud growing out of the period of reconstruction. Such legislation was not confined, however, to the South. I am advised that even the State of Ohio had a "black code." I shall quote from Mr. Stevens as to the cause which prompted the submission of and the object sought to be attained by the adoption of the first section of the fourteenth amendment, the section under which warrant for this proposed legislation is claimed:

* * * The Constitution limits only the action of Congress, and is not a limitation on the States. This amendment supplies that defect, and allows Congress to correct the unjust legislation of the States, so far that the law which operates upon one man shall operate equally upon all. Whatever law punishes a white man for a crime shall punish the black man precisely in the same way and to the same degree.

Mr. SINNOTT. Will the gentleman yield there?

Mr. SUMNERS of Texas. Yes.

Mr. SINNOTT. Will the gentleman put in the RECORD the place from which he takes that quotation, the page of the Congressional Globe, or whatever it is?

Mr. SUMNERS of Texas. Yes.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. CHINDBLOM. The gentleman said that he would not find it possible in his statement before the House to cite all his authorities.

Mr. SUMNERS of Texas. Yes.

Mr. CHINDBLOM. Will the gentleman put his citations in the RECORD as a part of his speech?

Mr. SUMNERS of Texas. Yes.

Mr. REAVIS. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. REAVIS. In the quotation from Mr. Stevens did I understand the gentleman to read his statement to the effect that Congress could correct State legislation that denied equal protection of the law?

Mr. SUMNERS of Texas. To correct its effect, that Congress be given the power to deny the States the right to legislate in discrimination.

Mr. REAVIS. Of course, legislation denying the equal protection of the law would be held unconstitutional without congressional action?

Mr. SUMNERS of Texas. Yes.

Mr. CHINDBLOM. The courts would take care of that.

Mr. SUMNERS of Texas. But gentlemen are proposing under that section of the fourteenth amendment not the exercise of the power to negative discriminatory acts on the part of the State but to enact a part of a municipal code, for Congress to do it to punish one citizen of a State, under a law enacted by the Congress, for a crime committed against another citizen of the same State. Such a thing as is proposed by this bill clearly was not had in contemplation when the amendment was submitted or when it was ratified, even in those times when the shadows of a great conflict still hung over the land and prejudice and passion too often wrought confusion in the judgment of our statesmen.

The fourteenth amendment did not undertake to create any additional guaranties as among the citizens of the State.

Not only does the language of the fourteenth amendment not express such a purpose, as was held by the Supreme Court in the Slaughterhouse case and in all the subsequent decisions, but legislative history affirmatively shows that the identical proposition to confer such power was proposed when the fourteenth amendment was being prepared for submission and was rejected by this House. I quote the rejected resolution:

Congress shall have power to make all laws which shall be necessary and proper to secure to the citizens of each State all privileges and immunities of citizens of the several States, and to all persons in the several States equal protection of the right of life, liberty, and property.

If that proposition had been adopted instead of the section which was adopted, then the enactment of this bill would be within congressional power, but the people who then constituted the membership of this House had too much appreciation of the importance of preserving our general plan of government even to submit it to the States.

The part of the section under consideration which was submitted and which is now a part of the Constitution, the part from which legislative warrant for this bill is claimed, is as follows:

Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.

THE CRUIKSHANK CASE.

The next of the leading cases bearing upon the power of the Federal Government to punish individuals for wrongs committed against other individuals, as is proposed in this bill, is United States *v.* Cruikshank et al., decided in 1875.

Mr. GRAHAM of Illinois. Will the gentleman insert his citations in his printed speech?

Mr. SUMNERS of Texas. Yes. The Cruikshank case, decided in 1875, is found in Ninety-second United States, 542.

This case arose under the sixth section of the act of May 31, 1871, known as the enforcement act, which, in part, is as follows:

If two or more persons shall band or conspire together, * * * with intent to violate any of the provisions of this act * * * or intimidate any citizen with intent to prevent or hinder his free exercise and enjoyment of any right or privilege granted or secured to him by the Constitution or laws of the United States * * * shall be held guilty of felony, and, on conviction thereof, shall be fined or imprisoned, or both, at the discretion of the court. * * *

This, in effect, is the law to-day.

Cruikshank and associates were charged in the District Court of Louisiana with engaging in a conspiracy in violation of this section, and were convicted. Upon review by the Supreme Court it was held that the fourteenth amendment does not undertake to create any additional guaranty as among the citizens of the States.

I quote briefly:

The fourteenth amendment prohibits a State from denying to any person within its jurisdiction the equal protection of the laws; but this provision does not, any more than the one which precedes it, * * * add anything to the rights which one citizen has under the Constitution against another. * * * Every republican government is in duty bound to protect all its citizens in the enjoyment of this principle if within its power. That duty was originally assumed by the States, and it still remains there—

The gentleman from Missouri [Mr. DYER] to the contrary notwithstanding.

The next decision to which I desire to direct your attention is United States *v.* Harris (106 U. S., p. 629). I call special attention to this case, because it was a lynching case. In this particular case a mob took the prisoners away from the deputy sheriff. It is on all fours, as we would say if we were discussing this matter before a court.

Harris and 19 others were indicted for taking from the custody of a deputy sheriff a number of persons. It was charged that the prisoners had—

"been duly arrested * * * were then and there in the custody of a deputy sheriff of said county * * * were entitled to due and equal protection of the laws thereof * * * that the said R. G. Harris and 19 others, naming them, with certain other persons * * * did then and there * * * unlawfully conspire together" and take these prisoners from the custody of the officers, "beating, bruising, wounding, and otherwise ill treating them, * * * contrary to the form of the statute,"—

And so forth, and charging conspiracy to hinder the deputy sheriff from safely keeping the prisoners. The same sort of indictment as would be drawn for an offense committed under this bill. This indictment was drawn under section 5519 of the Revised Statutes, of the act of 1871, which is very similar to the section under which the Cruikshank indictment was had, and is identical in legislative import with provisions in the bill under consideration.

It will be observed upon an examination of this indictment that in effect it charged the same offense as is defined in the last clause of section 3 of this bill under consideration, which undertakes to subject to Federal jurisdiction any citizen of a State guilty of taking a defendant from the custody of a State or municipal officer and inflicting death upon such person as a punishment for his crime.

Section 4 of this bill is identical in principle with the section under which this indictment was had. The opinon was rendered by Mr. Justice Woods, who, after disposing of the contentions of the Government with reference to the constitutionality of the action under other provisions of the Constitution, said:

It is, however, strenuously insisted that the legislation under consideration finds its warrant in the first and fifth sections of the fourteenth amendment. The first section declares * * * nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws.

After quoting the authorities in the Slaughterhouse case, the Cruikshank case, Virginia *v.* Rives, 100 U. S. 313, the court says:

These authorities show conclusively that the legislation under consideration finds no warrant for its enactment in the fourteenth amendment. * * * In the indictment in this case, for instance, which would be a good indictment under the law if the law itself were valid, there is no intimation that the State of Tennessee has passed any law or done any act forbidden by the fourteenth amendment. On the contrary, the gravamen of the charge against the accused is that they conspired to deprive certain citizens of the United States and of the State of Tennessee of the equal protection accorded them by the laws of Tennessee.

A remarkable thing about this bill is that it comes in here with the condemnation of the Supreme Court, in the clearest language, resting upon every provision, except possibly a part of one section.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. SUMNERS of Texas. I will.

Mr. SANDERS of Indiana. I want to get clearly the gentleman's view of the constitutional provision. I have hesitated to interrupt him because he is making an interesting discussion. Is it the gentleman's view that the provisions of the Constitution which he is discussing and on which he says this is to be based—that these provisions are self-executing and can only be invoked for the purpose of holding the law of the State unconstitutional?

Mr. SUMNERS of Texas. I do not say that they are entirely self-executing, because section 5 gives Congress the power to enact legislation, but only a certain sort of legislation.

I want to confine myself at this time to the section of the bill now under consideration. But I will say to the gentleman the Supreme Court holds that Congress can not enact such legislation as Harris was prosecuted under and which provided that if citizens acting in conspiracy attempt to deprive a person of any right under the Constitution they would be subject to punishment by the Federal Government.

Mr. SANDERS of Indiana. What I want to know—is the gentleman of the opinion that Congress does have the right by legislative action to deal with any State governmental agency when that agency does deprive——

Mr. SUMNERS of Texas. I think so; but if the gentleman will excuse me, I do not want to go into that now. I concede that, but the point I am trying to make is that Congress does not have the power to do what the committee has asked the Congress to do. That is the point I am trying to make.

Mr. REAVIS. Will the gentleman yield?

Mr. SUMNERS of Texas. I will.

Mr. REAVIS. The only thing Congress has the power to legislate on is not the individual but where the individual acts as the representative of the State and therefore binds the State. His act is the act of the State.

Mr. SUMNERS of Texas. Yes; when his act is the act of the State. At this time, gentlemen, I give notice that I shall contest the constitutionality of the entire provision in this bill undertaking to punish the officer.

Concluding, the court says:

It was never supposed that the section under consideration conferred on Congress the power to enact a law which would punish a private citizen for an invasion of the rights of his fellow citizen conferred by the State of which they were both residents on all its citizens alike. We have, therefore, been unable to find any constitutional authority for the enactment of section 5519 of the Revised Statutes. The decisions of this court above referred to leave no constitutional ground for the act to stand on.

That decision has never been overruled. In the light of that decision the main provisions of this bill stand forth not only in contempt of our plan of government, but in contempt of the clearest enunciation by the Supreme Court, where law and facts conspired to make the situation identical with that which would arise in prosecution under this bill if enacted.

THE CIVIL RIGHTS CASES.

Among the leading cases construing congressional power under the fourteenth amendment are the Civil Rights cases (109 U. S., 3). Speaking of the prohibitions contained in the first section of the fourteenth amendment, the court says (p. 11):

It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States or which injures them in life, liberty, or property without due process of law, or which denies to any of them the equal protection of the law. * * * To adopt appropriate legislation for correcting the effects of such prohibited State laws and State acts and thus to render them effectually null, void, and innocuous. This is the legislative power conferred upon Congress, and this is the whole of it.

That is what the Supreme Court says about it.

And again the court says (p. 13):

* * * It is absurd to affirm that, because the rights of life, liberty, and property (which include all civil rights that men have) are by the amendment sought to be protected against invasion on the part of the State without due process of law—

The Supreme Court says that it is absurd to hold that because the States are prohibited from denying due process of law that Congress can enact statutes under which the Congress would undertake to provide due process of law. Do gentlemen catch that distinction?

Mr. DEMPSEY. I understand perfectly when the gentleman is talking about the individual, but——

Mr. SUMNERS of Texas. Let me get through with talking about the individual.

Mr. DEMPSEY. But the gentleman has not quoted any case yet which deals with an officer.

Mr. SUMNERS of Texas. Of course I have not, but the gentleman must give me a little time in which to do that. Let me repeat again what the court says:

It is absurd to affirm that because the rights of life, liberty, and property (which include all civil rights that men have) are by the amendment sought to be protected against invasion on the part of the States without due process of law, Congress may therefore provide due process of law for their vindication in every case; and that because the denial by a State to any persons of equal protection of the laws is prohibited by the amendment, therefore Congress may establish laws for their equal protection.

The court says that sort of thing is absurd—the thing now attempted to be done by this bill. I do not say that it is absurd, because I have too much respect for you gentlemen, but the Supreme Court evidently did not feel that way. Then the court, as though in criticism of this pending proposition, says with reference to the matter then before it, which was the constitutionality of an act granting all citizens equal rights in hotels, inns, and so forth, without regard to color—

This is not corrective legislation; it is primary and direct; it takes immediate and absolute possession of the subject of the right of admission to inns, public conveyances, and places of amusement. It supersedes and displaces State legislation on the same subject or only allows it permissive force. It ignores such legislation and assumes that the matter is one that belongs to the domain of national legislation.

That is what they assume here. Why, if it belongs to the domain of national legislation to protect against mob violence, then it is within the domain of national legislation to protect against every sort of physical violence. You can not find one single word in the fourteenth amendment that draws the distinction. If it is within the domain of national legislation to protect persons, then it is within the domain of national legislation to protect property. What have you left then of the States? Nothing. This bill strikes at the very heart of State sovereignty and the sense of local responsibility. When you destroy these, what sort of protection will the people have who live in the communities?

You are going to understand this question better some day. Then you will say, "Well, I swear, I voted for that Dyer bill,"

or perhaps your little child will ask, "Papa, did you vote for the Dyer bill?" and you will answer, "No; I do not reckon I did. I did not look at the RECORD the next day, and the Clerk is always making mistakes." [Laughter.]

But, continuing with an examination of the authorities:

THE CASE OF JAMES *v.* BOWMAN.

In the case of James *v.* Bowman (190 U. S., 127) opinion by Mr. Justice Brewer, the authorities which I have quoted from were reviewed, approved, and it was again declared that Congress possesses no power under either the thirteenth, the fourteenth, or fifteenth amendments to enact such legislation as is here proposed for the protection of one citizen of a State against wrongs committed against his person or property by another.

Time will not permit an analytical discussion of the decisions in point. They are so definite and clear, however, that would seem unnecessary. Nor will Members of the House have an opportunity to examine them all before the vote shall have been reached, but if you will examine only this one decision, James against Bowman, there will be made manifest a lack of constitutional warrant for this bill, considered as a whole, pitiable in the extreme, and the lack of any basis upon which the belief that it exists, in good faith, can be claimed. I do not mean to be discourteous or offensive by that statement; but, gentlemen, this is a most remarkable procedure. A bill is brought into this House and you are asked to enact it into law, with the condemnation of the Supreme Court resting in the clearest language upon practically every one of its provisions.

THE RIGGINS CASE, 134 FEDERAL REPORTER.

Mr. Chairman, I desire to direct the attention of the House to one more determination arising under a state of facts most favorable to the theory of the proponents of this legislation. In 1904 Riggins was indicted with a number of coconspirators, including one Powell, under sections 5508 and 5509 of the Revised Statutes, for taking one Maples from the custody of the sheriff and a detachment of National Guard troops at Huntsville, Ala., and hanging him.

The six counts of the indictment covered every possible phase of the Government's case, charging the act to have been done because Maples was a Negro; that it was done in order to deprive him of his rights to protection, to an orderly trial, and so forth. The circuit court—opinion by Jones, district judge—held to the theory advanced by those who are supporting this bill and denied the application of the defendant for discharge on habeas corpus, made on the ground that the charge under which he was held constituted no offense against the laws of the United States. The opinion of the circuit court is very elaborate, covering 18 pages of the Federal Reporter. In view of the fact that the reasoning of the expounders of the Constitution who appeared before the Judiciary Committee to throw the light of their illuminating judgment upon that ancient document followed every turn and twist of the reasoning of the circuit court in this—the Riggins—case, and that this same circuit court, the same Judge Jones presiding, later in the Powell case, One hundred and fifty-first Federal Reporter, page 648, Powell having been jointly indicted with Riggins and procured a severance, reversed its holding theretofore made in the Riggins case, I shall quote from the Riggins opinion. Those of you who have examined the constitutional arguments—I mean the arguments with reference to the constitutionality of the proposed legislation—will be struck with the remarkable similarity between the argument of the court in the Riggins case and the argument made in favor of the constitutionality of this bill.

The court says:

When a private individual takes a person charged with crime from the custody of the State authorities to prevent the State from affording him due process of law and puts him to death to punish the crime and to prevent the enjoyment of such right, it is violent usurpation and exercise, in the particular case, of the very function which the Constitution of the United States itself, under this clause, directs the State to perform in the interest of the citizen. (Page 409, 134 Fed. Rep.)

A State officer in attempting to afford due process in a particular case is discharging a duty imposed upon him as the representative of the State by the Constitution of the United States for the benefit of its citizens. The prisoner also, while confined and being protected against lawless violence, that he may have a trial according to the law of the land, is in the exercise or enjoyment of a right given him by the Constitution. Congress may protect the right by protecting the performance of the duty, and the rights which flow from it, by declaring the violations of State laws on the subject constitute offenses against the United States (p. 411).

The constitutional right of the citizen can not bear fruit or ripen into the enjoyment of due process at the hands of the State if lawless outsiders prevent State officers from performing their duty concerning it. The right, privilege, or immunity of a citizen of the United States under this clause, which is to have his State give him the benefit of due process of law, therefore necessarily carries with it and includes in it the right, privilege, or immunity to enjoy freedom, exemption from lawless assault, which supervenes between the State and the performance of its duty, and by such violent interference prevents the citizen having, when the State is endeavoring to afford it, due process at the hands of the State (p. 413).

Continuing, the court says:

The court does not doubt that Congress has power to punish the acts charged in the indictment—that is, the act of taking a person from the custody of an officer and lynching him—and that sections 5508 and 5509 of the Revised Statutes apply to them and are "appropriate" legislation to that end. The result is that the writ must be discharged and the prisoner remanded to the custody of the marshal (p. 423).

Not only did the argument before the Judiciary Committee follow the reasoning in this case, but this bill clearly rests upon that reasoning. There is just one difficulty.

COURT REVERSES ITSELF.

The court which rendered this opinion later in the companion Powell case, the opinion by the same judge, reversed itself, and in that reversal was sustained by the Supreme Court of the United States. From this decision of the circuit court the Riggins case went to the Supreme Court. While application for discharge on habeas corpus was pending in the Supreme Court the Hodges case (203 U. S., 1), already referred to, came up from the State of Arkansas, and was decided by that court. In that opinion the Supreme Court adhered to the former holdings in the Harris and other cases and against the conclusions reached by the circuit court in the Riggins case. In the most comprehensive language it redeclared that no power resides in the Federal Government to punish one citizen of a State for acts of violence committed against another. Shortly after the Hodges case was decided by the Supreme Court the case of Powell, who had been indicted jointly with Riggins, came before the circuit court, which had decided the Riggins case, by the same process and under identically the same circumstances of fact and of law as the Riggins case had come. As stated, Judge Jones in this case also rendered the opinion for the court, accepting the decision of the Supreme Court in the Hodges case as a mandate to him not to follow his former holding in the companion Riggins case, reversed his position taken in the Riggins case, and ordered the indictment against Powell quashed and the defendant discharged.

But the matter did not stop there. From this decision in the Powell case the Government appealed to the Supreme Court.

The Supreme Court, with the issue squarely before it, upon the authority of the Hodges case, with the identical argument made that is made here, affirmed the decision of the circuit court, quashing the indictment and discharging the defendant Powell (212 U. S., 564). This case was reargued before the Supreme Court, and the court adhered to its former holding.

Thus the Supreme Court of the United States again, with only the one issue pending, refused to accept the theory here advanced that the taking of a prisoner from the custody of the State and putting him to death gives to the Federal court jurisdiction.

PENALIZING THE COUNTIES.

Mr. Chairman, I desire next to direct attention to section 5 of this act, under which it is sought to impose penalties upon counties in which lynchings occur, and also upon those counties through which the intended victim may be transported prior to execution, and so forth.

Of course the Federal Government has no power to levy a tax upon a State or upon any of its subdivisions. The power to tax is the power to destroy. The nonexistence of such a Federal power is apparent from an examination of the Constitution; but in view of the remarkable position taken here with regard to the Federal powers over the States, we are fortunate that the matter has been too often decided to be open to question now.

Aside from the matter of taxation, that section, in short, is an arrogant, impudent assumption of a nonexistent police power over the States. It is true that a few of the State governments where general police power resides, of course, in the extreme exercise of that power have enacted such legislation, but it is doubtful if a group of American lawyers, in Congress or out of it, ever before claimed such a power for the Federal Government or indicated a willingness to have it exercise such a power even if it possessed it. This identical point has often been decided by the highest courts of the land. I quote only from Cooley on Constitutional Limitations:

COOLEY ON CONSTITUTIONAL LIMITATIONS.

In the American constitutional system the power to establish the ordinary regulations of police has been left with the individual States, and it can not be taken from them, either wholly or in part, and exercised under legislation of Congress. Neither can the National Government, through any of its departments or officers, assume any supervision of the police regulations of the States. All that the Federal authority can do is to see that the States do not, under cover of this power, invade the sphere of national sovereignty, obstruct or impede the exercise of any authority which the Constitution has confided to the Nation, or deprive any citizen of rights guaranteed by the Federal Constitution (p. 831).

Mr. Chairman, if gentlemen of the House desire to pursue the inquiry further, I beg to suggest an examination of City of Chicago against Cement Co., reported in One hundred and

seventy-eighth Illinois, 372. In that case the nature of the power, which, of course, is a police power, and the origin of its exercise is discussed. It comes to us from the English system under which each member of the "hundred" was held responsible for the peace, good order, and security within the community.

DUTIES OF OFFICERS OF THE STATES AS PRESCRIBED IN THE BILL.

There is yet to be considered the provisions of the bill—section 3—prescribing the duties of the officers of the State. I direct your attention first to the part of the section which gives directions to State officers with reference to the detection and punishment of those who have been engaged in mob or riotous acts and provides penalties for noncompliance with the congressional mandate. It seeks to prescribe by a Federal code and compel by Federal prosecution observance by policemen, sheriffs, prosecuting attorneys, judges, and governors, of a policy and a standard of official efficiency in a given circumstance which is a proper standard, but one which only the State can prescribe. It is not the Federal Government's business to give direction to State officers with reference to detection and punishment of crimes which have already been committed by one citizen of a State against other citizens of the State. There is nothing in the Constitution which brings this character of offenses—mob violence—committed within a State against the person within the direct or indirect jurisdiction of the Federal Government as distinguished from the whole body of crimes denounced by State laws. If the Federal Government has this power when one man has been killed by five, it has a power which covers the whole field of police control and extends to the control of the State and municipal police personnel in the discharge of all their police duties. Not only does this section carry the assumption that Congress has jurisdiction over the subject matter, the legislative power to enact a criminal code governing the general discharge of police duties by State officers, but that it has the power of general administrative control over the law-enforcing machinery of the States as such. The authorities already quoted and the Constitution itself, shows the nonexistence of such a Federal power.

CONTROL OVER STATE OFFICERS.

Mr. Chairman, there now remains for consideration only the first part of section 3 of this bill, which is as follows:

That any State or municipal officer charged with the duty or who possesses the power or authority as such officer to protect the life of any person that may be put to death by any mob or riotous assembly, or who has any such person in his charge as a prisoner, who fails, neglects, or refuses to make all reasonable effort to prevent such person from being put to death * * * shall be punished—

with a maximum penalty of $5,000 fine and five years in the penitentiary.

It is insisted by the proponents of this bill that Ex parte Virginia (100 U. S.) and Home Telephone Co. *v.* Los Angeles (227 U. S.) are authorities in point sustaining the constitutionality of this provision. Those decisions will be examined later. It is true, Mr. Chairman, that this provision has not heretofore fallen under the direct condemnation of the Supreme Court, for the very good reason, I apprehend, with due respect to the authors of this bill, that in all the history of fanatical and freak legislation in this country no such proposition as this has yet received legislative sanction. But since this provision has that position of relative advantage, is supported by the opinion of the Attorney General, and generally holds the strongest position in this bill, special consideration should be given to it. Before proceeding to an examination of the authorities just mentioned let us consider the Federal powers which this provision presupposes to exist.

It is not merely what is proposed to be done but what can be done, if that which is proposed may be done, which brings the constitutional question into clear development for examination.

There is no difference between the Federal power, whatever it may be, to prosecute a State officer in a Federal court for failure to protect against murder, and the power to prosecute and punish him under a penal code enacted by Congress for failure to protect against simple assault, and no difference between the Federal power required to punish for failure to protect the person and to punish for the failure to protect property. I assume nobody will deny that. The powers conferred by the fourteenth amendment are in general terms and cover, to whatever extent they go, both property and person. If the constitutional power is held by the Federal Government to do what is proposed in this provision referred to, it can provide for the punishment in a Federal court of police officers who fail to carry out the congressional edict to them with reference to the protection of the property on their "beats," and the prevention of all violence to persons, and so forth.

It can go up the line and establish congressional supervision over the governor of the State with reference to his official acts touching the protection of the person and property of his people. I assume nobody will challenge that statement. Under this identical provision as it stands, if constitutional, it would be possible to prosecute the governor of a State and send him to a Federal penitentiary for the violation of this congressional edict and direction with regard to his duty in the protection of the citizens of his own State. I realize this is not controlling if in fact the power were granted, but it is highly persuasive in resolving doubt in construction as to whether the States ever granted such power.

This is not a provision to negative discriminatory State action. It does not tend to preserve the harmony of the general plan of government. It tends to destroy it. That fact is also persuasive as against presumption that any such thing was intended or done. It seeks to invoke, and must depend for its constitutionality upon, the existence of a Federal power to supervise and overlord the agents of the State while acting as such, to enact a penal code which would hold them constantly under the controlling influence of a superior Federal authority, clothed with the power over every State officer to remove him from the discharge of the duties for which the people of the State had chosen him, and arraign him before a Federal court and possibly send him to the Federal penitentiary for something which he had failed to do touching his duties as a State officer.

21. That would be a power to destroy second only, if in fact not equal, to the power to destroy by taxation also carried in this bill. It is the power to strip the State of its executive personnel and, by a less certain inclusion, its legislative and judicial personnel also. But that is not all. A constitutional authority which would clothe the Federal Government with the power to enact and enforce laws of directory and mandatory control over the officers of the State, as is provided by section 3 of this bill, would unquestionably include the power to compel the State to create a constabulary personnel in number and qualification in accord with the legislatively expressed judgment of the Federal Congress necessary, in its judgment, to enforce the congressional interpretation of the equal protection clause of the Constitution. No less a constitutional power than that can support section 3, the provision of this bill under consideration. The Supreme Court has not, of course, established any such power as existing in the Federal Government. It can not declare it without being guilty of judicial brigandage. But that is the power they claim and must have in the Federal Government, else there is no warrant for section 3.

The language of the fourteenth amendment is plain. Its meaning is not obscure. To say that a State officer who violates a State law and a duty to his people, by reason of that fact comes under the superior jurisdiction of the Federal Government as against the State whose officer he is, on the theory that his act done against his public duty as an officer of the State is the act of the State, is the height of absurdity in construction and conclusion. When a State provides in its legislative, executive, and judicial branches for the equal protection of all its people, prescribes pains and penalties for the failure of its officer personnel to afford equal protection, in the event of a breach of duty by any of its officers there does not arise the fact of Federal jurisdiction or any assumption that its exercise is necessary or would be helpful.

If the Federal Government can supervise the official personnel of a State in order to secure "equal protection," it can create that personnel for the same purpose, and there ought to be no State governments. There can be no State. That is the direction in which this legislation leads. And that is its logical conclusion. Let nobody misunderstand that.

Whether considered from the standpoint of constitutionality, general governmental policy, or administrative expediency, its absurdity is the dominating characteristic of this bill.

Even if no guilt be attached and no conviction of the officer be had, this hazard of prosecution in a court, often many miles away, with the expense of lawyers' hire and the uncertainty of results, would stand as a peril over every man who bears the commission of a peace officer and as an insult to the State or to the municipality whose commission he bears. Yet this is the favorite section of those who urge this legislation and is the part of this bill which it is most insisted is constitutional. I beg you to have in mind the decisions of the Supreme Court with reference to the preservation of the harmony of our dual system of Government already quoted from while we proceed to a further examination with reference to this provision.

I quote again, the "due-process" and the "equal-protection" clauses of the fourteenth amendment are as follows:

Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law.

We are now considering specifically whether the Congress has the power to provide penalties for the doing by a person who happens to be a State officer of that which is done, not for and under the authority of the State, but in violation of State law and State policy, for his failure to act for the State, on the theory that such act or omission against the law of the State is the act or failure to act of the State. The constitutional inhibition is against the State. It is understood, of course, that each of the States denounce and make criminal the acts and omissions of their officers here sought to be made punishable by the Federal Government.

As we have seen, the decisions all hold against the proposition that any power was by the fourteenth amendment conferred upon the Federal Government to punish the individual violating the civil rights of other individuals. The only circumstances consonant with reason, common sense, and with the repeated judicial constructions under which an officer can be punished under the constitutional inhibition contained in the fourteenth amendment against State action is that, and when the act of the officer is the act of the State. I submit as a matter of law and of common sense that when the individual who happens to be an officer acts against the State in violation of its laws, in disregard of its policy, like any other criminal, he is the enemy of the State. He can not in the doing of such an act be its agent and such an act can not be the act of the State. His act is the crime of an individual, and for such crime, like any other criminal, he is amenable to the State, not for which he has acted, but against which he has acted. This is the holding of the Supreme Court by unanimous decision in the Barney case, One hundred and ninety-third United States, in which case Chief Justice Fuller, speaking for the court, held against the jurisdiction of the Federal court on the ground that—

* * * in the present case defendants were proceeding not only in violation of provisions of the State law but in opposition to plain prohibitions—

the defendants in this case being officials of the city of New York.

EX PARTE VIRGINIA.

I desire now to direct your attention to Ex parte Virginia, one of the two leading cases depended upon to support this section.

The facts, briefly stated, are that Judge Coles, county judge of Pittsylvania County, whose duty it was under the laws of Virginia to select a list of those who were to serve on the juries in that county during the succeeding 12 months, in the making up of said list excluded therefrom all colored persons, though legally qualified, because of their color.

He was indicted for having violated a Federal statute prohibiting such exclusion. The case came before the Supreme Court on application for writ of habeas corpus and certiorari, made on the ground that his act constituted no offense against the Federal Government. The Supreme Court held against his contention and that of the State of Virginia, intervener, and remanded Coles to the custody of the marshal.

There is nothing in the determination in Ex parte Virginia which supports any provision of this bill. There was no claim made that either State law or State policy had been violated. The State of Virginia intervened, claiming that its officer, the county judge under prosecution, in the doing of that for which he was being prosecuted, namely, excluding Negroes from the jury list of Pittsylvania County, was acting as an officer of Virginia, exercising official discretion in connection with the carrying out of the law of the State of Virginia.

The defendant, Judge Coles, made the same contention. At no time was it claimed by anybody that his act was in violation of the laws of Virginia. The Legislature of the State of Virginia, by resolution, had directed the State to intervene in that case. The title of the case as reported in the books is not Ex parte Coles but Ex parte Virginia. The State of Virginia did not repudiate Coles, but admitted, indorsed, and ratified his claim of right so to act.

In fact, Judge Coles had done a necessary act for the State, had put in motion, in so far as supplying jury material was concerned, the judicial machinery of the State of Virginia, in the county of Pittsylvania, which, under the impetus given by him, was to run for 12 months. As an agent of the State, he made the State dispense to litigants during the 12 months jury panels, selected with such bias against the blacks as to deny to all of them, as contrasted with their white neighbors, the "equal protection of the law." He put out of balance the scales of justice in his county, so that the judicial machinery could not afford "equal protection." At least, so runs the Government's theory in such cases.

There is no analogy between this case and the case presupposed by this bill, where an officer would act not only without any claim or even color of right so to act for the State but act against the direct penal provisions of the State laws.

THE TELEPHONE CASE.

Let us consider the other of their leading cases—Home Telephone Co. against the City of Los Angeles.

The city of Los Angeles held from the State of California the general power to fix the rates of telephone service charge. The city, acting through its officers, fixed a confiscatory rate in violation of both the State and the Federal Constitution. This rate was sought to be enjoined in the Federal court. The jurisdiction of the Federal court was challenged on the ground that if the rate was confiscatory, which would give the Federal court jurisdiction, it was also in violation of the State constitution, which fact would deny such jurisdiction to that court, because, as was contended, an act done in violation of the constitution of the State could not be the act of the State. The court held that since the city of Los Angeles had from the State the general power to fix telephone rates and its officers were acting under color of that authority, the rates being actually in operation, its act through such officers was the act of the State within the meaning of the fourteenth amendment. It was a proceeding to nullify and to stop the hurtful effect of an act of a unit of the State government, actually governing within certain territorial and governmental limits, and in this particular instance was assuming to act and was acting as a unit of the State government under its general and special powers delegated to it by the State, and was actually taking by confiscation the property of the telephone company.

As a matter of law and of fact, the city of Los Angeles had performed a governmental act as a governmental subdivision of the State. It actually possessed, by delegation from the State, in point of degree, within the territorial limits of that city, all the governmental power possessed by the State to fix telephone rates. This rate was fixed in so far as procedure taken by the officers of that city was concerned in the manner provided by law. It was being effectually enforced by the coercion of governmental power put into operation by such officers and operating in the usual way. There was nothing irregular about the method of official procedure. The only real issue before the court was whether the fact that the rate, being also in violation of the State constitution, deprived the Federal court of original jurisdiction to prevent the taking of the property, which was actually in progress, of the telephone company in violation of the "due process" clause of the Federal Constitution.

The court, in holding against the contention of the city, reasoned that to hold such an act not the act of the State, within the meaning of the Federal Constitution, and in the sense that would deny original jurisdiction to the Federal court, would be equivalent to holding, not only in this case but in every case, that Federal jurisdiction would not attach, in the first instance, as against a State violating any provision of the Federal Constitution, provided the State have in its own constitution a provision identical with the provision of the Federal Constitution which it was also violating.

To this limitation upon the exercise of Federal jurisdiction the Supreme Court declared itself unwilling to agree, citing numerous decisions in support of its holding.

The officers in this case were acting under color of authority and in line of official duty. Their act was not personal but official; not contrary to any penal law. Their act was in fact, and the Supreme Court held in law, done for and as agents of the city of Los Angeles.

There is nothing novel in the court's determination of the issue involved in this case. There is not the slightest analogy between the issues of fact, no similarity between the relationship with or the attitude and the action of the officers toward their principal and toward their official duties in that case and those which would be in issue in a prosecution under this section. This section is directed against a personal crime, over which it is sought to establish Federal jurisdiction on the theory that a direct personal crime committed against the State, done under no color or claim of right granted by the State to do it, is nevertheless the act of the State.

The effect of the charge in the Federal indictment under this clause would be to charge that the defendant owed a duty under State law as an agent of the State to act for the State, to do a certain thing, and that he had failed so to act for the State but had acted against it, against its peace and dignity, and against its laws made and provided.

The Supreme Court has never held in any case, whatever may have been its obiter expressions, that an official of the State who disregards his duty to execute the laws of the State, and, on the contrary, actually violates them, in such a circumstance does the act of the State. Nor can any such decision ever be

made by the court without violating common sense, the rules of construction, and a fundamental principle of government which has received the most general recognition—the principle which declares that the offending official does not act as the agent of the State.

If the principle noted is to be no longer applied, then not only is every government, whether of a State or of the subdivision of a State, liable to be penalized because of the misconduct of its officials, but the process of penalizing may logically be carried far enough to destroy it. The principle mentioned has been repeatedly announced by text writers and by courts. It is established. Speaking generally with regard to the bill, and summing up, as we lawyers say, not only has the Supreme Court repeatedly held against the principles embodied in this bill, but has held unconstitutional former acts of the Congress almost identical in language with that contained in provisions of this bill.

EXISTING LAW PROTECTS ALL CONSTITUTIONAL RIGHTS.

I doubt, gentlemen, that the history of legislation holds a parallel to this procedure. A bill is brought in here which carries provisions to punish individuals who engage in lynching, framed in almost identical language with section 5519 of the second civil rights act, which section was held unconstitutional in the Harris case (106 U. S.), a lynching case, the holding in which case has been followed in an unbroken line of decisions, including the comparatively recent Riggins, Hodges, and Powell cases. It carries a provision to levy fines against counties, the extreme exercise of the most general police power, which power all authorities agree is not possessed by the Federal Government. It carries a provision to punish crimes committed by State officers against the State, on the theory that such criminal acts are the acts of the State. A thing which makes this procedure even the more remarkable is the fact that there is now a Federal statute in effect which is as broad in its application and in its protections against wrongs inflicted by mobs and other conspirators as are all the rights and privileges conferred by the entire Constitution. It is section 5508, which contains this language:

> If two or more persons conspire to injure, oppress, threaten, or intimidate any citizen in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States * * * they shall be fined not more than $5,000 and imprisoned not more than 10 years, and shall, moreover, be thereafter ineligible to any office or place of honor, profit, or trust created by the Constitution or laws of the United States.

There is also section 5509, under which, if death results in the carrying out of the conspiracy, prosecution for murder could be had, provided, of course, there existed under the Constitution Federal jurisdiction.

There can not be enacted a constitutional law against mobs or any other conspiracy broader than that, and the Constitution can not be stretched to support an unconstitutional law, as is attempted by section 2 of this bill.

Since no right of the individual arising under the Constitution can be transgressed against by mobs or other conspirators which is not now protected by the act referred to, the converse is true, of course, that no right of the citizen which existing law does not protect as against conspirators is a right which he holds under the Constitution, and therefore can be protected by congressional enactment. I submit that as a sound proposition of law and of logic, and as of controlling force in any candid attempt at ascertainment of constitutional power and of legislative policy with reference to this matter.

It is not statute but constitutional warrant, from your position, which is needed, and that can not be had by the enactment of another unconstitutional statute.

Before concluding on this point I direct your attention to the fact that it was under these statutes just cited that the Riggins and the Powell prosecutions, referred to, were had. They were lynching cases. In the clearest, most definite sort of way, with only the one question involved, viz, the constitutional power to punish in the Federal court those engaged in a lynching, the Supreme Court held that no such power exists under the Constitution. As a matter of construction and of common sense, if the officer acts for the State and tries to afford protection, he can not be convicted in any jurisdiction. If he acts against the State and fails to try to protect, becoming a party to the crime, a conspirator with the mob, he could then be prosecuted in the Federal court under existing law if there were any constitutional provision from which Federal jurisdiction could be gotten. This is the conclusion of the whole matter—the rights with regard to which this bill seeks to protect are not rights held under the Federal Constitution. The State never delegated to the Federal Government any power with reference thereto.

DANGER FROM CONGRESSIONAL INDORSEMENT.

I tell you very candidly, gentlemen, that I have no serious concern as to what the Supreme Court will do with this proposition, but I confess a deep concern as to what the Congress is going to do about it. I am concerned as to the inevitable effect which congressional indorsement of this principle will have upon the ever-increasing tendency toward concentration of governmental power in Washington and upon race agitation.

The objection to this bill which has been urged upon the ground that it is destructive of the power, the prestige, and the independent governmental responsibility and efficiency of the States is not based upon any abstract political doctrine or theory with regard to State rights. I submit that there is a demonstrated wisdom in our general plan of government. The reservation by the States of the general police power was not merely that the States may preserve their dignity and the pride of governmental importance. There was and is a more substantial reason.

It is a fact, not a theory merely, that since the formative period of government all progress in government has held to that general direction which places not the right to govern, but the necessity to govern, as close to the individual citizen as under all the circumstances it is practicable to place that responsibility. It is not merely the right of the people of the States to govern in matters of police control against which this bill offends. That is not important. It is against the necessity to govern that this bill offends, and grievously offends. That necessity is the one thing of paramount importance which must be preserved if governmental progress is to be maintained, and the grapple with governmental difficulties held close to the people as a mighty contributing agency toward human progress. It offends against the development of the sense of justice among the people which always results from the consciousness of responsibility. It offends against the growth of the ability to govern which comes with the exercise of that ability.

These difficulties of government in matters like that against which this bill is directed, the things which are wrong, the things which must be accomplished, constitute a large part of nature's great gymnasium of difficulties. This bill violates the comprehensive schemes of life by shifting the responsibility of dealing with an important governmental duty which is within the governmental capacity of the States from the States, in which the citizen has a larger share of power and responsibility, to the great Federal Government, where his influence is incomparably less and his sense of responsibility correspondingly less.

In the Federal Government the voice of the individual is lost in the tumult of the millions. The liberty of the individual, his sense of importance and of personal responsibility in government, can be as completely crushed by the weight of numbers as by the hand of a king. This bill does not propose merely the extension of Federal power. It proposes the subjugation of the States to Federal control, the destruction of the States. I do not want the House to commit itself to such a proposition.

Gentlemen, we have already gone far toward concentration of power here. We have gone too far. If my words condemn me, let me stand condemned. This thing must stop. This Government, all representative governments, is pyramidal in form; with us the people as the base, then the States, and last the Federal Government. We can not reverse that pyramid. It can not stand if reversed. Government can not proceed from the top down.

THE PROBLEM OF THE SOUTH.

I confess another concern, and I ask the patience of the House. The hearings before the Judiciary Committee disclosed and the arguments here will show that this bill is directed against the South. I am sorry to have to make that statement, but it would be worse than folly to close our eyes to that which is evident. A condition alleged to obtain in the South is the excuse offered for the proposing of so revolutionary a measure. I do not excuse the lynchings which occur in the South; my opposition to this bill is based upon no desire that they may continue. The race agitation involved in this proceeding is well understood. I have no animosity toward the black man. The contrary is true. But I am not blind to the difficulties which his presence in such large numbers entails and the dangers which are involved in that condition. And no student of conditions which obtain in the South can fail to know that greater and more difficult interracial problems than those we now have are yet to come to challenge the genius, the forbearance, and the ability of adjustment of the people who live there. The responsibility is theirs, and theirs only, made so by the most certain exclusion from the possibility of helpful assistance of

all outside coercive influences. The old ties which formerly held family groups of the two races together in affectionate relationship are being severed. No outsider can appreciate the significance of that with reference to the future relationship between the two races.

I warn you now and upon your conscience I place the responsibility that if you do not stop this sort of proceeding and help counteract the influence of the race agitators who are responsible for this bill, at this time when readjustment is in progress, the ties of friendly interest and mutual sympathy which hold in workable, livable relationship the great body of two dissimilar races may be broken, and the wild passions of race conflict which such ties alone can hold back will be turned loose among that people. Legislation can not hold back that passion; you know that. Nor can any constabulary which the Nation can put in the field guard against it. Once the instinct of racial segregation and racial protection which now determines the attitude of the mass of southern people is supplanted by that primitive, unreasoning, nonconsequence-considering thing, hideous in its nondiscriminating barbarity, called race hatred, and the tragedies of East St. Louis, of Chicago, of Tulsa, of Omaha, and of other points outside of the South, which the framers of this bill, by the way, are careful not legislatively to condemn, may be multiplied over and over again. That is the thing we dread. Can you not see the danger of it? I do not make a threat. Neither southern whites nor southern blacks make a threat. That danger is involved in the racial diversity, and nature planted racial antagonism which no human effort or volition can remove and no legislation can control.

All my life I have lived among colored people. I know the kindly, cordial relationship which as a rule obtains between the white people and the black people of the South. I know that the continuance of that relationship is dependent upon the attitude of mutual sympathy and helpful interest which must come from the hearts of those who constitute the different communities. It is that alone which makes possible the living together of these peoples between whom there runs the most definite line of racial cleavage, a thing for which they are not responsible. God drew it, and the instincts of race preservation guard it and can command with irresistible compulsion the life of every white man to defend it. These highly colored, isolated, nontypical incidents gotten together and held up by a lot of professional Negro agitators and white negroettes as indicative of a more or less general condition are no more indicative of the general condition or attitude of the white people of the South than would the details of brutal outrages which I could recite be fair to the great body of the black people of the South.

In support of that statement, I direct your attention to the fact that even when the mob spirit breaks loose there it has thus far, almost without exception, had for its intended victim an individual, not a race, some one who has transgressed, not one who by the incident of race has a black skin. That ought to be conclusive evidence to any fair-minded man of a general interracial harmony which the white and the black people of the South, in working out their own problems, have been able to establish and to preserve. I do not mean to make any invidious comparison, but the gentleman from Missouri [Mr. DYER] told the House in the course of his address in behalf of this bill of a hundred people killed in East St. Louis in a race riot, almost as many as are killed by mobs in the entire South in two years. He said that little children were thrown into the flames by the mob. That occurrence was in the vicinity of his home. He professes knowledge and interest in regard to this matter. This bill bears his name. Yet he does not put into it one single provision to punish those guilty of the acts which he detailed. The city of Tulsa has a majority of northern people who went down there on account of the oil development. Its city government is Republican. I mean no reflection upon the city by that statement. In the riot which recently occurred there, when fire and death swept through the city, when blacks and whites were engaged in interracial warfare, that was a community situation. The relationship between the two races had broken down and the passions of race hatred with nothing left to restrain it was turned loose. This bill carries within it not one single provision calculated to prevent that sort of an occurrence or one single provision to punish those engaged therein. On the contrary, by its provisions and its principles it attacks the only thing which holds in leash the passions of race conflict, the sense of local responsibility of the people who understand the problem.

NO PROTECTION TO THE INNOCENT.

"Kill the innocent—those above suspicion—as much as you please," this bill says to the mob; "but if you lay your hands on the criminal, those who create interracial friction and discord and stir up racial conflict, the Federal Government will send you to the penitentiary." It says to the innocent black man, "If you are hunted down by fire and shot, by the fury of race hatred, there is no help from the hand of the Federal Government, no punishment by it of those who hunt you to the death, no money compensation to your family"; and then it turns to the black brute, the arch enemy of his own race, and says to him, "If you lay lustful hands on the throat of a white woman and the mob kills you, the great Federal Government will send its members to the penitentiary and will compel the county to pay a $10,000 reward to the family for having raised a rapist."

Tulsa had too many people in it, newcomers from the North, who did not know any more about handling the situation than you do. They permitted race agitators and propagandists, those whom you by this bill are encouraging, to do their work in that community and that class of Negroes whom by this bill you would make the special wards of the Federal Government plunged innocent people of both races into a terrible conflict. I am not guessing about this. I quote from the final report of the grand jury of Tulsa County, Okla., June, 1921:

To the honorable Judge Valjean Biddison, of the district court, Tulsa, Tulsa County, Okla.:

We, the grand jurors summoned by you to make investigation of the cause or causes of the recent riot and other violations of the law in Tulsa and Tulsa County, beg leave to submit to you the following report, in addition to the indictments and accusations which are already in your hands:

We find that the recent race riot was a direct result of an effort on the part of a certain group of colored men who appeared at the courthouse on the night of May 31, 1921, for the purpose of protecting one Dick Rowland, then and now in the custody of the sheriff of Tulsa County for an alleged assault on a young white woman. We have not been able to find any evidence, either from white or colored citizens, that any organized attempt was made or planned to take from the sheriff's custody any prisoner, the crowd assembled about the courthouse being merely spectators and curiosity seekers resulting from rumors circulated about the city. There was no mob spirit among the whites, no talk of lynching, and no arms. The assemblage was a quiet assemblage until the arrival of the armed Negroes, which precipitated and was the direct cause of the entire affair.

While we find the presence of the armed Negroes was the direct cause of the riot, we further find that there existed indirect causes, more vital to the public interest than the direct cause. Among these were agitation among the Negroes of social equality * * *. We find that certain propaganda and more or less agitation has been going on among the colored population for a considerable time. This agitation resulted in the accumulation of firearms among the people and the purchase and storage of quantities of ammunition, all of which was accumulative in the minds of the Negroes * * *. We are glad to exonerate the great majority of the colored people, who neither had knowledge of or part in either the agitation or the accumulation and storage of arms and ammunition. * * *

We therefore recommend that "colored town" be policed by white officers; that indiscriminate mingling of white and colored races in dance halls, picture shows, and other places of amusement be positively prohibited, and every law be rigidly enforced, to the end that a proper relationship may always be maintained between the two races.

STIRRING UP RACE HATRED.

That is the sort of thing we dread, white people and black people. That is the thing we are working to prevent, while we endeavor to suppress mob violence even against those charged with the most serious crimes. While we are doing that, and the difficulties are great, you gentlemen of the majority party are "playing politics" with this situation. You are adding to the perils of our whites and blacks by creating the impression in the mind of the ignorant, vicious brute who is enemy to all mankind, and especially to the great body of law-abiding blacks, that he has Federal protection. You are giving encouragement to that group of professional Negro agitators who are sowing broadcast the seed of race hatred. What you are doing, gentlemen, may meet the requirements of the political exigencies of the moment, but it is not worth the price you pay in self-respect and in party humiliation, in governmental confusion, and in interracial difficulties and dangers. It is a tragic thing, the House of Representatives of the United States, the greatest legislative body on earth, yielding to the influences which are behind this bill, making the great Republican Party to yield, the party of Hamilton and of Lincoln, and you, with the examples of great statesmen and of courageous men to inspire you, putting through a bill the constitutional warrant for which its proponents can not establish and the governmental policy of which you can not defend. No party leadership has a right to demand that sacrifice of any man. We people who believe we understand the situation are convinced that you men are fixing to cut the cord that holds in leash the passion of race conflict in the South and bring to the South such tragedies of race warfare as occurred in East St. Louis.

Mr. MONDELL. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. MONDELL. Do I understand it to be the gentleman's position that in order to keep down——

Mr. SUMNERS of Texas. Just for a question.

Mr. MONDELL (continuing). The passions of race prejudice it is necessary to give them an occasional outlet of burnings and lynchings?

Mr. SUMNERS of Texas. I do not.

Mr. MONDELL. Then, I do not quite understand the gentleman's statement.

Mr. SUMNERS of Texas. Sit down and I will make you understand it. Here is what I mean. Listen to me. Let me talk to you. I mean this: I mean that nobody on this earth can protect the black man who is in danger of mob violence except the people in the community at the very time of the danger. I mean that if the Federal Government interposes its power, assumes responsibility now borne entirely by the people, so that the man on the ground will feel it is not his duty to protect, but that the Federal Government has stepped in and will take care of the situation, then you are likely to turn loose the passions of race conflict in that community.

Suppose this thing happens—and it can happen under this bill—suppose that a black man takes a little white child and drags her off into seclusion where no voice can be heard and no hand can help, and rapes that child, and the father of that child and the brothers of the child come upon him and kill him, and the Federal Government takes them away in the face of public sentiment and places them in the Federal penitentiary, and then has a tax of $10,000 levied against the county for the benefit of the rapist's family, a part of which sum might go to buy that family an automobile to ride by the home of the innocent victim; do you think, as a matter of common sense, with such a policy and with these race agitators, who are putting this bill through, at work you could long prevent a condition in that county like that which developed in East St. Louis, Omaha, Chicago, and Tulsa?

REDUCTION OF LYNCHING UNDER STATE CONTROL.

Millions of black people live there among us. We all live together. We understand one another. We have established a basis on which we can get along pretty well. We have our difficulties, of course. It is an unnatural situation. These isolated cases of mob violence are bad. But if we can keep them isolated we can hope to bring them under control.

According to the statistics offered here there have occurred during the past 36 years an average per year of 112 lynchings. Last year, notwithstanding the enormous increase in population, the number is shown to have been reduced to 62, or three less than the number for the preceding year. Gentlemen who have analyzed the figures tell me that they show 35 per cent are caused by offenses committed with reference to women. The murder of peace officers seem next to offenses against women to arouse the mob spirit.

I have the impression that some of these alleged cases of mob violence included in these figures do not belong in that category. I do not have any personal knowledge with regard to the cases detailed by the gentleman from Missouri [Mr. DYER], nor do I suppose he has with regard to most of them. I am quite certain, however, they have lost nothing, at least, in their narration to him. The gentleman from Missouri, in opening the debate on this bill, among his narrations said:

"A mother and her five children were lynched by a Texas mob in 1918, the mother having been shot as she was attempting to drag the bodies of her four dead sons from their burning home. The crime in this case was not rape. It was alleged conspiracy to avenge the killing of another son by officers who had come to arrest him for evading the draft law. Those are some of the facts."

I had heard something of this transaction at the time of the occurrence, as it took place in my own State, and the narration was so at variance with my impressions as to it that I wired to Hon. W. L. Dean, State senator of Texas, who resides at Huntsville, where the occurrence took place. He replied that there were three draft evaders in this family, arrest was resisted, a battle ensued between the Negroes, who had seven guns and several hundred rounds of ammunition, and a posse headed by the constable of the precinct. I quote the concluding part of his telegram:

> In any section of the country under similar conditions, regardless of race, the same tragedy might have been enacted. It was not considered a case of mob violence, but was a pitched battle between the constable of Dodge precinct and a posse summoned by him and a heavily armed body of Negroes.

I have no personal knowledge of this matter and acquit the gentleman from Missouri of any purpose to misstate the facts. The point I make is that these statements are ex parte statements made by those engaged in making out as bad a case as possible against the white people of the South.

This is not an easy situation to deal with at best, and that sort of thing does not help.

In the district of the gentleman from Massachusetts a few weeks ago, up there at Barnstable, I believe it was, three West Indian Negroes took a white girl from her escort and raped her. A mob was formed, bent on lynching them. It took the governor of the State three days to dispel the mob spirit. It is not improbable that just one thing prevented that from being a lynching, and that is that they did not have a great sea of these people about them.

THE SOUTHERN PROBLEM AS IT IS.

It is pretty easy to philosophize about it, gentlemen, when you are far away. Of course, the number of black men who commit these crimes is very small, but you do not know where the beast is among them. Somewhere in that black mass of people is the man who would outrage your wife or your child, and every man who lives out in the country knows it.

They say that lynching is an American institution. Well, it is, in a degree. Except in a narrow strip of country along the eastern seaboard, the pioneer preceded organized government and homemade law preceded legislature-made law all the way to the Pacific coast. In the western part of my State it was the rugged pioneer who could ride as hard and shoot as straight as the bad man could, who drove the desperado beyond the Rio Grande and established respect for the law of the people and made life safe in that country.

Big cities have not yet developed in the South. In the rural communities the people provide their own police protection. The cry of a woman in distress is the call for every man to grab his gun and go. He does not wait for a policeman. It is his job. In the city there are those who assume a "holier-than-thou" attitude toward this matter, who would turn over in their beds, annoyed at the disturbance of their slumbers, and hope that a policeman would soon arrive and stop the noise. While society has established legislatures and courts, men in my part of the country, it would probably be correct to say, as a rule have not yet yielded to the courts established by legislatures or to laws established by legislatures the protection of their women. There is just one thing they will not litigate. Nowhere, in any tribunal, will they yet litigate the issue of a foul wrong committed against their women. [Applause.] They have not yielded that yet. You see, they had that jurisdiction first. They delegated authority to the courts after the courts got there, but they were there first.

That will change as pioneer influences and ideals give way and police protection is improved. It is changing now. There is that other thing that makes the situation more difficult in the South, and we had just as well be candid about it. I do not know why, but somewhere in the great purpose of God Almighty He has determined to preserve, for a while yet, at least, these lines of racial cleavage that He has drawn among the races of men.

I do not know why, and you do not either, but there is nobody up there in Yankeedom or down in my country that can obliterate them. God drew them in the councils of His infinite wisdom and put the instinct of racial preservation there to protect them. You ask me what we will do to protect them. We will do whatever is necessary, that is all. You do not understand what I am talking about. But some day the North will understand. And some day the Negro will understand that the best friends he ever had on this continent were the southern white people among whom he was raised. Men who do not live in the presence of the danger do not hear the call. [Applause.] Nature does not waste her energies. When men respond to the call of race for its protection, they respond to a law that is higher than the law of self-preservation. It is the call to the preservation of the race. When men answer to that call you can not reason with them. That law knows no reason. You can not appeal to their sense of justice. It knows no sense of justice. It is the blind, unyielding, uncompromising, all-sacrificing purpose of the race to control the situation and protect itself. When that call comes every man who is not a racial degenerate has to answer it. [Applause.] It is the call of the blood. Men do not count the cost under those circumstances. I am not trying to excuse anything. I am stating the facts as they are.

Gentlemen, we will have to work at this thing from every angle. The face of society of his own race must be set against the black criminal, and the white hoodlum who would impose upon the Negro must be suppressed. But, above all, while we are working out these problems we must hold back the brutal passion of race conflict which inspires the mobs in the North. I know what will happen if you and the race agitators with whom you are working destroy, as you are trying to do, that which in the South holds that passion in subjection. I am not trying to cast any reflection on the people of the North. I have

no sectional animosity. I like northern people, but there are some things they do not know.

It is not only black men who are lynched for the crime of rape. A few days ago a white man was lynched in Waco, Tex., for the rape of a child. But this is a fact, and we had just as well be candid about it, too: When a white woman is raped by a black man the call to the white man is from his two strongest, most primitive instincts. No doubt when men lived in caves the strongest instinct of the man was to protect his woman. The next strongest instinct is to protect the blood. When the call comes from the woman crying out from the depths of her outraged chastity, there comes to the man a call which reaches back to the days when he was a savage in the cave, and he goes. When that call comes from the woman who has been raped by a man of alien blood, woman, who in every age of the world has been the faithful guardian of the purity of the race—when that call comes it is the call of his woman and the call of his blood, and he goes. It is not an easy situation to deal with. [Applause.] He goes not alone. His neighbors, whose women live under the same danger, go with him. The impulse is to kill, to kill as they would kill a wild beast.

Gentlemen, do not misunderstand me or misquote me. I know we have to deal with this situation. We must yield to the law. But no attempt at Federal coercion can help. Let nobody misunderstand what it means to say in the presence of the victim, "Let the law take its course." In such a circumstance as that there comes down from the mountain peaks of civilization and up from the deepest caverns of man's nature the mightiest furies that ever beat against the battlement of self-restraint. [Applause.]

Certainly, Mr. Chairman, to put upon the statute book a measure of this sort which could serve no other purpose than to give encouragement to the ignorant and vicious, and to stimulate crimes which arouse prejudice against a minority race, which this legislation, if constitutional, could not protect, a measure which would operate against the sense of local responsibility, which alone can protect, would be a crime against those people that can not be excused. What will the criminal read in this bill? Take the hearings on this bill and from one end to the other there is not one word of condemnation. What will they read in this bill as they gather in their dives? Do not misunderstand me. I say that there are relatively only a few such among the great body of black people of my country. Where you are making the mistake and where you continue to make the mistake is in creating the impression that you propose to defend the criminal, you ignore the innocent. I know that we have got to stop it, but I am not losing so much sleep over those who commit the crime as over the ones that have done nothing and whom you are putting in peril.

Let me again read the definition in this bill. Let me show you what they are after. Are they after the East St. Louis race rioters? Let us see. Section 1 reads:

> That the phrase "mob or riotous assemblage," when used in this act, shall mean an assemblage composed of five or more persons acting in concert for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense.

What will the ignorant, the vicious criminal read in that bill? Will he read in it a condemnation from the great Federal Government? No. But what will he read? He will read, and it is a fair conclusion, that Uncle Sam says that if I do this thing and anybody in this community gets after me and strings me up, Uncle Sam will send them to the penitentiary and make the folks pay a $10,000 fine.

I am trying to lay this whole situation before you. This bill is only a part of the total which those from whom it comes are doing to bring on a crisis between the races in the South. Their newspapers and their agitators are doing their best to destroy that which makes possible the living together of the two races. I use the word "possible" in its ordinary sense.

I realize that it is a bad situation down there for the black people and for the white people. No black man or white man who lives in the South now is responsible for that condition. Away back yonder your ancestors, the men from New England, many of them, brought their shiploads of slaves from the jungles of Africa and sold them to my people. It was a tragedy, in so far as the white people were concerned. I do not know what you think of it, but it was not a tragedy in so far as the black man was concerned. Sometimes I think God had a hand in that, because slavery was the only door that swung open to give the black man a chance to get away from savagery of the jungle. There is not a black man in the gallery up there who does not owe to the institution of slavery his contact with civilization. It was a curse to the white man, but it so happened that under that institution of slavery these black people had a chance to come to America, and through the institution of slavery they got a species of coercion that enabled them in a few generations to break away from the habits of indolence that had grown upon them by reason of their centuries and centuries of tropical residence, and eventually it enabled their children to be sent to school under conditions of civilization. But during its continuance the institution of slavery was sapping the vitality of southern civilization. I have repeatedly said that while the Civil War was a terrible price to pay, yet it was not too big a price to pay if that alone could have served to relieve the white people from that terrible institution of slavery which was destroying the civilization of the South.

Now, we had the Negro population with us. They were brought there. They did not come of their own accord, and when they were freed the people of the North, not understanding the situation, just as they do not understand this situation now, under the passions engendered by the war, did that thing which had never been done before since the men of our blood first left northern Europe and started out to build up the civilization of the world. It was the first time in all the centuries when one branch of the white family tried to put the heel of another race upon the neck of men of their own blood. I do not hold any prejudice against you. I realize this was the aftermath of a great war, and what happens in such times must be judged in the light of the passions which war always engenders. And these millions of black people were turned loose as they were—with a responsibility they were not fitted to meet. I do not say this to their discredit, everything considered, or in criticism of them—of course they are more inclined to commit crimes than white men are. It would be a most unreasonable thing not to expect it. Only a short time ago their ancestors roamed the jungles of Africa in absolute savagery. They have made great progress. I do not know what the future holds in store for them nor do you. But I do know that for the present, while the plans of destiny are being worked out, speaking especially for my own section of the country, the thing of fundamental importance, to the black man especially, is to preserve the possibility of large groups of black people and large groups of white people living together in the same communities, aided by intracommunity segregation and interracial harmony. That is the one big fundamental thing of present importance. It is the thing against which the agitation and the propaganda of which this bill is only a part is operating. I do not know what we are finally to do about it, gentlemen. You can pass this bill if you want to; you can aid and encourage this agitation if you want to; but I am giving you the judgment of a man who believes he knows. I am going to put the responsibility upon you, where it belongs. My people get along the best they can with the situation. We are all sick and tired of this lynching and these outrages and with the propaganda of misrepresentation.

We are tired of it. We know it is not right. The conscience of the country is revolting against these conditions, and if we could get a little more help from you people, exerted with the black people, to encourage them to run out the criminal element from among them while we work on the criminal element of the white people, instead of sending these Negro agitators down there to preach racial hatred and social equality among my people, you would aid more than you are aiding now. [Applause.]

NOT A MATTER OF SOCIAL EQUALITY BUT RACE DIVERSITY.

I have used the expression "social equality" because it is the one generally used, but it is not a correct expression as applied to the situation. It is not primarily a matter of social equality or inequality which is the thing fundamental. It is not even race equality or inequality which determines the attitude and the relationship between the races, though that may be incidental. It is not a thing arrived at by analysis and the conclusions of judgment. It is not a thing which outside people generally can know about except from observation, and then it is merely intellectual knowledge, if we may use that expression. As between two races, nobody can tell with certainty what will be the racial reaction until the complete test is made by placing in intimate contact with, for instance, the white race a sufficiently large number of a different race either to threaten the position of the white race or sufficiently large that their absorption by amalgamation would alter the fundamental characteristics of that race. Speaking fundamentally, the thing which happens is not the result of anything under the control of individuals. For instance, no white man of normal mind can entertain the thought of that day when his granddaughter will mingle her blood with that of the grandson of a black neighbor. That thought

can not get into his mind, even for the purpose of speculative consideration. It is shut out by the control of the race of which he is a member.

There is a race entity, an instinct of racial self-preservation, and the ability of the race in the time of its danger to compel its members to come to its defense. The southern attitude is not one arrived at by any councils held. Comprehensively speaking, we do not have anything to do with it. I do not mean that that attitude may not be exaggerated here and there by the agitation of extremists. But there is a general level of attitude which is not appreciably disturbed by these temporary surface influences. As one moves away from the centers of numbers of the alien race the danger is less and the racial reaction of the dominant race becomes less evident. In many sections of this country, where the numbers are negligible, there is no evidence of race reaction as a result of their presence.

The worst racial disturbances occur in those sections of the country where the numbers have increased faster than racial adjustment has taken place. The Tulsa riot is an illustration. There, says the last paragraph of the grand jury report quoted, whites and blacks—I assume only certain classes of them—attended the same dance halls and picture shows. In a community where a smaller number of blacks lived there would have been less danger of racial friction developing, and if but few no danger from an interracial relationship which that statement would indicate obtained there.

In the South, as I have stated, a fairly workable arrangement, based upon intracommunity racial segregation and interracial harmony, has developed which reduces to the minimum interracial friction and has thus far prevented the development, at least to the danger point, of race hatred. This has occurred despite outside interference, some of it well meant and some of it vicious in purpose. And if you are the true friend of the black man you will leave that situation alone.

If you destroy local responsibility, and the sense of local responsibility which results therefrom; if you and the race agitators who are working with you continue along the line of this bill and the agitation which it bestirs, you may create a condition in the South, despite all that the best element of both races there can do, which will make it necessary in many sections for one or the other of the races to get out.

I realize that I have departed quite far from the matter immediately before the House, but it has seemed to me that my responsibility would not be fully discharged without going this far into that thing of which the matter before the House is a part and to which it sustains an important relationship. With regard to the matter directly under consideration this agitation can have but one possible influence upon the efforts of southern leaders and southern people generally who are trying to stop mob violence.

In the popular mind their efforts inevitably will be confused with the agitation surrounding this bill, and that with which it is related will be confused with the coercive, the "holier-than-thou," the Federal governmental overlordship spirit carried in this bill, which the people resent. You put a bad feeling and a bad spirit where a good feeling and a good spirit is necessary if we are to accomplish. This proposition to drag the private citizen and the public official of the State off to a Federal court and have Federal fines levied against the State smacks too much of the days we would like to forget. That can not help the relationship between the States and their people and the Nation or between the races. I have tried to prevent the probability of it, but I fear now that some of the statements which I have made in explaining conditions and difficulties in the South, the section under attack, the section most endangered by this procedure, may be misunderstood as excusing in certain circumstances the infliction of mob punishment, when, as a matter of fact, I do not excuse. But that is illustrative of the difficulty and the danger involved in this sort of a proposition. From beginning to end, in all of its phases and in all of its influences, this thing is bad. You have no right to play politics with a thing like this.

You have the votes; you have the power, but you do not have the right to pass this bill. That may seem a hard statement, and I would not make it if the unconstitutionality of this bill could be seriously doubted.

In conclusion I quote the words of the great Lincoln, delivered at Cooper Union in 1860:

> No man who has sworn to defend the Constitution can conscientiously vote for what he understands to be an unconstitutional measure, however expedient he may think it.

I appreciate the embarrassing situation in which many of my Republican colleagues are placed. Now, gentlemen, I am grateful for the compliment of your attention and of your interest given during this long discussion. I have not intended to give offense or to be discourteous in word or action. I have done my best to lay the whole situation before you, and now I leave the responsibility with you. [Applause.]

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

Mr. VOLSTEAD. Mr. Chairman, I want to make one suggestion. The laws which the gentleman has called attention to rest upon direct provision in the Constitution itself. The courts have indicated that there is a distinction between the kind of laws that can be passed under the ordinary provisions of the Constitution and those that depend on the fourteenth amendment, and we have tried to draw this bill so that it will come under the fourteenth amendment.

The CHAIRMAN. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

The question was being taken, when Mr. WALSH demanded tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. VOLSTEAD and Mr. SUMNERS of Texas.

The committee divided; and the tellers reported that there were—ayes 100 and noes 139.

So the motion to strike out the enacting clause was lost.

Mr. CLOUSE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

> Page 1, line 4, after the word "law," strike out the remainder of the section.

Mr. CLOUSE. Mr. Chairman and gentlemen of the committee, the amendment which I offer to the proposed amendment of the chairman of the committee is to strike out the following language:

> As a punishment for or to prevent the commission of some actual or supposed public offense.

Leaving the section to read:

> That the phrase "mob or riotous assemblage," when used in this act, shall mean an assemblage composed of three or more persons acting in concert for the purpose of depriving any person of his life without authority of law.

The necessity for such an amendment must appear self-evident to every lawyer in this House, and I shall endeavor to make myself so clear that no Member, whether he be layman or lawyer, will entertain any doubt as to the merits of the proposed amendment.

Under the laws of every sovereign State in the Union murder is defined to be the unlawful killing of any person, it being with malice aforethought and with deliberation and premeditation. Every killing, however, does not constitute murder for which the individual committing it may be punished. For instance, it may be excusable as where one engaged in the performance of a lawful act and without design accidentally kills another; or it may be justifiable as in the case of being in danger of death or great bodily harm, or honestly believing himself to so be, takes the life of his adversary to save himself; or, again, it may be justifiable as where one sees another in the act of committing a felony, and to prevent its commission takes the life of the felon. In all of the last-mentioned cases the homicide is not unlawful but either excusable or justifiable, and for myself I would ever have it so.

That I may not be misunderstood, and that I may illustrate the legal question involved, I should like to submit a hypothetical case, which, under the law of the land as it is to-day, constitutes no crime for which the person can be punished, but which, if this bill is enacted without this amendment and is held to be constitutional by the courts, will constitute a felony for which the person may be—and I may add must be—imprisoned in the Federal penitentiary for life or for any period not less than five years. Suppose that the red-handed anarchist should at this very moment attempt to throw a bomb into the well of this Chamber, whereby the lives of every Member of this body might be endangered; but he is observed by three members of the police force, who are not in sufficient proximity to the assassin to seize him bodily; they hurriedly counsel as to the best and most effective means to prevent the dastardly crime which he is about to commit, and determine that there is no remedy short of taking his life; they fire upon him, and he is killed as a result of their concerted action and the crime is prevented; yet these officers are murderers and must pay the penalty for protecting us from instant death at the hands of this villain. Again, suppose that three of us were traveling along the highway in an automobile, and in the distance we see the fiendish brute, whether he be black or white, it makes no difference, dragging into the cover of the forest a helpless woman or child to commit upon her body an unspeakable crime; we are too far away to reach her in time to save her life or her honor; we counsel and decide the only means available is to

kill the beast; we act, and then we are harnessed up in the United States district court, tried, convicted, and sentenced to a life of servitude behind the grim walls of a Federal prison simply because we saved the life and honor of that girl or woman by the only effectual means at our command. Why, gentlemen, such a law is indefensible even in the sight of God Almighty, and the virile manhood of the North and the South, the East and the West, the rich and the poor, the black and the white, will not obey it, though you place a thousand hells of punishment as a penalty. [Applause.]

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. CLOUSE. I have not the time to yield. I tried to get the gentleman to give me 30 minutes, but I could not get it. This law is unconstitutional, and not one of its proponents has in the 14 hours of debate upon the bill offered one line or one syllable of law upon which you can predicate the constitutionality of a single one of its nefarious provisions. [Applause.]

The gentleman from Wyoming [Mr. MONDELL]—and I hope he is here—in one of his perorations yesterday looked to both sides of the aisle and eloquently shouted, "What are you going to do about it?" I would have said to him, had he yielded, that the oath that I took to support the Constitution which gave birth to the flag of my country—the red symbolical of the blood shed for its honor, the white symbolical of the purity of the cause in which it was conceived—the blue symbolical of the never-dying devotion and loyalty to its purposes—prevented me as a loyal American from being a "particeps criminis" to its assassination, as is proposed by the pending bill. [Applause.]

As I have said, no man has as yet offered any justification for the attempt on the part of Congress to enact legislation that invades the province of the courts of the several States, and I now challenge any proponent of this bill to show one line of authority for such action, either from the Constitution itself, or from any decision of the Supreme Court of the United States wherein it has had under consideration the construction of the fourteenth amendment. On the contrary, the Supreme Court in every case involving this question has uniformly held that the fourteenth amendment is directed at State action and not at the acts of individual citizens of the State. Indeed, the reading of the amendment in itself is sufficient to demonstrate conclusively, I think, the accuracy and soundness of the court's findings.

Let us remember that the Constitution of the United States is, so to speak, but the creature of which the several sovereign States and the people of the Union is the creator, and so zealous were they of their rights of sovereignty there was adopted with the Constitution itself an amendment which clarifies the language, removes every ambiguity, and leaves no doubt as to the power conferred upon the United States by the adoption of the Constitution, nor as to the powers left to the States or to the people. Article X of the amendment to the Constitution provides that—

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

This canon of construction applies to the Constitution and to any amendment that has been or may hereafter be adopted.

Let us, then, in the light of this construction analyze the fourteenth amendment, under which it is claimed that Congress has the power to enact the pending bill. The amendment reads as follows:

> No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

The language used in this amendment is manifestly intended to prevent any State from enacting laws which are discriminatory as between citizens, as was well said in the case of Virginia *v.* Rives (100 U. S., 313):

> These provisions of the fourteenth amendment have reference to State action exclusively, and not to any action of private individuals.

In United States *v.* Cruikshank (1 Woods, 308) Mr. Justice Bradley said:

> The fourteenth amendment is a guaranty against the acts of the State government itself. It is a guaranty against the exertion of arbitrary and tyrannical power on the part of the government and the legislators of the State, not a guaranty against the commission of individual offenses.

The Supreme Court of the United States in a later case, United States *v.* Stanley, Ryan et al. (109 U. S., 11), said:

> It is State action of a particular character that is prohibited. Individual invasion of individual rights is not the subject matter of the amendment. It has a deeper and broader scope. It nullifies and makes void all State legislation and State action of every kind which impairs the privileges and immunities of citizens of the United States.

In the light of these rulings by the highest judicial tribunal in the world, and the fact that the oath which I took to support and defend the Constitution, I can not, however much I should like to see the barbarous crime of lynching and mob violence banished from the banners of this republican Government, vote for this bill. I can not stultify myself under my oath, for to do so would make me a traitor to my country and to my flag, unfit to live and, God knows, unfit to die. [Applause.]

Another provision of this bill which I regard as being outrageous and indefensible is section 5, which reads as follows:

> SEC. 5. That any county in which a person is put to death by a mob or riotous assemblage shall forfeit $10,000, which sum may be recovered by an action therefor in the name of the United States against such county for the use of the family, if any, of the person so put to death; if he had no family, then to his dependent parents, if any; otherwise for the use of the United States.

My own State is bounded by the States of Georgia, Alabama, Mississippi, Arkansas, Kentucky, Virginia, and North Carolina. Suppose that a mob carries its victim across the Mississippi River from a point in Arkansas, not in daytime, but under the cover of darkness, and at an isolated or secluded place along the river, when and where no citizen is expecting that the frenzied mob is about to enter a Tennessee county adjacent to the river for the purpose of committing murder by mob violence, but they come as the thief in the nighttime, commit the atrocious crime, and return to their native State. Would you, as honest men, penalize the overburdened taxpayer of that innocent community by imposing a forfeiture of $10,000 for something about which they had no knowledge of and no participation in?

You may be willing to do it, but I say to you upon my honor as a man that you have done more to injure and destroy the kindly relationship of the races that now exists than any one step that has been taken since the dawn of civilization. [Applause.]

I speak with a knowledge of conditions, and I lie not when I say to you that the better element of the colored race in my country see this matter in the very same light as I. They have written me and expressed their views freely, and it is for them and their peace, their prosperity, and their progress that I now stand and beg of you to apply reason and justice and mercy in the solution of a situation which is being worked out by the better elements of both races to their entire satisfaction. [Applause.]

Lynching, thank God, is on the decline as shown by the statistics relied upon by the proponents of this bill, but I want to see it forever banished from the land of the free and the home of the brave. I want to see public sentiment so kindled and aroused against this brutal type of murder as that men of whatever creed or color will stand as a unit in just condemnation of the wicked practice. I want to see this end attained not through revolutionary processes but through the orderly processes of law and civilization to the end that every man, whether he be prince or peasant, rich or poor, black or white, can truthfully say that above every cottage, hut, and palace, all alike, the ægis of the Constitution rests, which is the spirit of liberty, the greatest attribute of God. [Applause.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the gentleman's motion. If this pernicious bill is to be passed by the House at all, then I think it ought to be passed just as the framers prepared it, so as to let the people know just exactly what is in their minds. We have been arguing this bill now since the 19th day of December, off and on, and every colored person who has been in these crowded galleries during the last few days knows that if the framers of this bill had intended to make it a law they would not have numbered it 13. There is not a colored person in the United States who will have any confidence in the law when you pass it when it has the number 13 attached to it. [Laughter.] They know that it means bad luck to them, and I will tell you what the destiny of this bill is going to be. You will pass it in the House, and possibly in the Senate, though I doubt it, but either in the other end of this Capitol or in conference it is going to die a natural death, and that death was intended by the very men who have been speaking in its favor here for several weeks. Mark that prediction. History will show that it is true; that you will never pass it into a law. You have put it out here as a sop to the colored men who have filled the galleries since the argument upon it began. There is one thing about the South that the colored man has learned, and that is that we never fool him. We tote fair with him. We do not camouflage with him. We do not raise a smoke screen in his behalf and then fail to carry out what we promised him. When a Southern State or a southern man promises a colored man something, he fulfills his promise and gives him what he promises. You promise to pass this bill No. 13 for the colored people of the country, and

when you thus pass it in the House you know it is not going to become a law, and how are they going to feel toward you when they find out you have been fooling them? You have enough votes here in the House and in the Senate to make it a law, but you will never do it. Do you not know that when it fails to become a law they are going to hold you responsible for camouflaging with them? Do you not know that it is not going to do you any good at the polls on election day this year? I am glad to see such strong men as the gentleman from Tennessee [Mr. CLOUSE] rise in his place and denounce the bill even under the lash of the party whip. Even under the lash of his leader he has the manhood and the courage to stand up here and tell you what he thinks about this bill. He has been a distinguished prosecutor in his own State. He has had much to do with the study of the law of the land, and he knows what almost every lawyer, from the distinguished gentleman from Maine [Mr. HERSEY] down, has said that this bill is unconstitutional. We have been wasting our time here off and on since the 19th day of December with this measure when you know it is not going to become a law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was rejected.

Mr. COCKRAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COCKRAN: Page 1, line 3, after the word "concert," insert "to subvert the constitutionally established government and laws of any State, and to usurp the highest functions of its judicial and executive departments."

Mr. COCKRAN. Mr. Chairman, the purpose of this amendment is to define the crime of lynching with some degree of accuracy. If this bill is intended to deal merely with rioting or violence by mobs, then I think it is clearly unconstitutional. Its enactment would be a declaration that the State has failed to discharge the function which is the essential purpose of its organization. If a State is held by a solemn enactment of Congress incapable of protecting itself against mob violence, then it has no excuse for existence, because the essential function of a State is to preserve order. If it fails in that, there is no reason or justification for permitting it to exist, and imposing on the people the burdens of its support. I favor this bill, and I think its enactment is necessary under the present condition of the country, because it deals with something which is not mere riot nor mere mob violence. The purpose of riot and mob violence is disorder; it is resistance to the law of the State. Lynching is not directed against order. On the contrary, its purpose is to maintain order, but by methods repugnant and hostile to the constitutionally established laws and officers. It is an assumption by unauthorized bands of the sovereign power of the State—of its very highest powers; and that is rebellion, which when successful is revolution. My object in offering this amendment is to make this purpose clear and thus justify the enactment of the measure. If it be adopted, the language describing the offense it seeks to check will read:

The phrase "mob or riotous assemblage" when used in this act shall mean an assemblage composed of three or more persons acting in concert to subvert the laws of any State, and to usurp its highest executive and judicial functions for the purpose of depriving any person of his life without authority of law as a punishment for or to prevent the commission of some actual or supposed public offense.

If the amendment be adopted, I shall ask the committee to substitute for the words "mob or riotous assemblage," wherever they occur, the words "rebellious assemblage."

There is no excuse for this legislation on any other theory than that unauthorized bands in the State have overthrown and displaced the regular authorities and taken the supreme power of the State into their own hands. A mere attempt, for instance, to murder a person by a band of five or six persons to gratify vengeance or cupidity on the part of the murderers, it would be ridiculous to call lynching. Lynching, very likely, would be started against such persons who undertook to kill anybody against the prevailing sentiment of the community. It is the extraordinary character of this offense against law and morals that it constitutes a displacement of organized bands of the regular authority of the State, not to resist the law of the State but to enforce the law, but through agencies other than the lawfully constituted authorities. It is this usurpation which it is intended here to punish and to prevent. And this feature of the offense constitutes the only condition that would justify the enactment of a law of this character. Therefore for the purpose, first, of defining the act of lynching, so that it will be differentiated from mere mob violence or riot, which are its exact opposite, I think my amendment should be adopted. And, moreover, its enactment would bring the whole measure clearly within the purview of the Constitution of the United States.

Mr. BURTON. Mr. Chairman and gentlemen, I have no doubt the amendment offered by my friend from New York [Mr. COCKRAN] was presented with the best of intentions, but the title as it now is is more succinct and clear than that which he proposes. The bill as now before the House under the form of an amendment does define lynching. Gentlemen, let us thoroughly understand that this first section in defining the crime to be punished does not aim at the ordinary crime of murder; it does not aim at an ordinary conspiracy for a murder or action by a mob. The last clause, which it seems the gentleman from Tennessee [Mr. CLOUSE] entirely misapprehended, defines what is to be punished as "a punishment for or to prevent the commission of some actual or supposed public offense." It is aimed at those gatherings of lawless persons who seek to usurp the sacred functions of the court and take the law into their own hands. This provision, as I think, brings it within the terms of the Constitution, which asserts in unequivocal language the right to trial by jury, due process of law, and equal protection of the law.

If I understand what the gentleman from New York has in mind, he considers a lynching a rebellion, or, as expressed in his proposed amendment, an overthrow of constitutionally established Government. I do not think that lynching amounts to that. The gentleman would regard that form of crime as a violation of the guarantee of the fourth section of the fourth article of the Constitution, to the effect that the Federal Government shall guarantee to each State a republican form of government. That was termed by Charles Sumner the "sleeping giant of the Constitution," but I can not adopt the conclusion that the section is broad enough to include authority for the passage of a law against lynching. Lynching is not rebellion. It is, as I said, a usurpation by a mob of the functions of a court. The section in question has to do with the executive organs of a State rather than the judicial. The decisions in regard to a republican form of government, arising from conditions in Rhode Island and other States, were to the effect that the object of that provision was the prevention of despotism or something similar to a monarchical form of government, and it has been said that if the States maintained the form of organization which was in existence when they were admitted to the Union, they were maintaining a republican form of government. It is to be noticed that the section guarantees protection from invasion. The fundamental idea of that section is that each State was a separate entity in the making up of the Union and shall maintain within itself a form of government in consonance with the general framework of the Federal Government and in accordance with the principles of republican institutions. There might, no doubt, be a condition in a State in which courts would break down entirely and other governmental agencies so fail that article 4, section 4, of the Constitution guaranteeing a republican form of government to each State would apply.

Mr. COCKRAN. If the function of the court is displaced by a mob, the mob would be substituted for it as the sovereign.

Mr. BURTON. If it is maintained that the amendment gives greater validity to this section, I can not in fairness go that far.

The CHAIRMAN. The debate on this amendment is exhausted. The question is on the amendment offered by the gentleman from New York [Mr. COCKRAN].

The question was taken, and the amendment was rejected.

Mr. QUIN. Mr. Chairman and gentlemen, I am glad to say that the gentleman from Tennessee has struck the keynote in this matter. Men on the Republican side who doubt what he has said have but to read the history of the country from which that gentleman comes. There is no misunderstanding about this business.

We believe in the enforcement of the law, and all the good Negroes of the South believe in that, and the good Negroes respect the white people and aid them in the enforcement of the law. [Applause.] Whenever an infamous outrage is committed upon a white woman in that section of the country the law is enforced, is it not, even if it happens to be enforced by the neighbors of the woman who has been outraged? The colored people of that country realize the manner of that enforcement, and that is the one method by which the horrible crime of rape has been held down where the Negro element is in a large majority. The man who believes that the Negro race is all bad is mistaken. But you must recollect that there is an element of barbarism in the black man, and the people around where he lives recognize that fact.

It matters not what the Federal statute may be, the white people and the good black people are going to continue to en-

force the law against the beast that commits rape in the future as they have in the past. You can not conceive of a more horrible condition than for a statute like this, assuming that the United States Constitution would permit such a rape as this upon the people of the United States. If you have the constitutional right to pass this measure, then you have the constitutional right under your jurisdiction to try all the cases for crime of every kind committed in a State under a Federal judge and through Federal agents. It is an outrage upon the Constitution and upon the law-abiding citizens of this Republic.

Nowhere in any country with a similar form of government could you produce such a wreck of the organic law as this measure—the bill H. R. 13—would impose on the Constitution of the United States of America. Yet we are to sit down here and have the police rights and the powers of the judiciary of every State of this Union trampled upon by the Federal courts of this Republic, and no man, I care not what his ability may be, on that side of the House, or on any other side, can answer it.

The gentleman from New York [Mr. COCKRAN] knows that all this talk about rebellion is nonsense. He rose upon this floor to stab the South in the back, and he pretends to be discussing technicalities now, talking about a rebellion. The question is simply whether or not you believe that the people of the United States should have the right to protect the womanhood of the country, to uphold the honor of the Republic, or whether you propose to take all that right away from the supervision of the States and from the States themselves and put it in the Federal courts.

None of the gentlemen on the Republican side have talked about and against the awful crime of rape. All of you have talked about the single crime of lynching. None of you have said anything about the black brute or the white scoundrel who goes and rapes a woman. I think somebody ought to say something in behalf of that poor woman, whether black or white, where a man, black or white, commits such an outrage against the law and against decent society and all respectable principles of decent men, of whatever color he may be. None of you on this floor have condemned that horrible conduct in that beastly creature. It seems from this fallacious extravaganza put forward by the gentleman from Wyoming [Mr. MONDELL] he wishes the black and white scoundrels to be upheld in the crime they commit and not upheld with respect to the law. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. HERSEY. Mr. Chairman, I offer an amendment to strike out the section.

The CHAIRMAN. The gentleman from Maine offers an amendment. The gentleman is recognized.

Mr. HERSEY. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

Mr. LONGWORTH. Mr. Chairman, let the amendment be read.

The CHAIRMAN. The gentleman moves to strike out the last word.

Mr. DEMPSEY. No; to strike out the entire section.

Mr. WALSH. Reserving the right to object, Mr. Chairman——

Mr. HERSEY. I will modify my amendment and move to strike out the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

Mr. WALSH. Reserving the right to object, Mr. Chairman, I would like to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. Is this amendment proposed by the gentleman from Minnesota [Mr. VOLSTEAD] being considered by section 4 as a whole?

The CHAIRMAN. It is being considered as one amendment.

Mr. WALSH. It seems to me, if it is only one amendment, we ought to debate it under the five-minute rule. I objected to the gentleman from Texas occupying more than the allotted five minutes, and——

Mr. HERSEY. How about myself?

Mr. WALSH. I object.

The CHAIRMAN. Objection is made.

Mr. DYER. Mr. Chairman, does the gentleman propose to strike out the last section or the last word?

Mr. HERSEY. The last word.

Mr. DYER. The motion to strike out the last word, when we have only one amendment, is in order.

The CHAIRMAN. The motion to strike out the last word is in order at this stage.

Mr. HERSEY. Mr. Chairman, I am not interested in any section in this amendment because it is well understood, and must be apparent by the 14 hours' discussion we have had, that only section 4 of this amendment could possibly be held constitutional. All other sections are clearly not under the fourteenth amendment at all. By section 4 it is provided:

SEC. 4. That the district court of the judicial district wherein a person is put to death by a mob or riotous assemblage shall have jurisdiction to try and punish, in accordance with the laws of the State where the homicide is committed, those who participate therein: *Provided*, That it is first made to appear to such court that the officers of the State charged with the duty of prosecuting such offense under the laws of the State fail, neglect, or refuse to apprehend or punish such participants, or that the jurors obtainable for service in the State court having jurisdiction of the offense are so strongly opposed to such punishment that there is no reasonable probability that those guilty of the offense can be punished in such State court. A failure for more than 30 days after the commission of such an offense to apprehend the persons guilty thereof shall be prima facie evidence of such failure, neglect, or refusal.

That is, there must be evidence before the United States court that the State has failed to give equal protection of the laws to some person in order to give the United States courts jurisdiction, and to obtain that jurisdiction the district court, the United States court, must find, as a matter of fact, that such a failure under the fourteenth amendment has occurred. I want to ask a question and I want it answered before we vote upon this bill. Under the last section, which provides that if any one section is held constitutional the bill is good and valid as far as that section is concerned; that section is the only thing that saves the bill; and if section 4 is held by the court to be constitutional, how can it ever be enforced? It never was intended to be enforced, because it never could be enforced. It is only held out as a subterfuge so that we can say that the House of Representatives and a Republican Congress passed an antilynching bill. [Applause.] How is the United States district court to settle that question of fact? The courts can only settle questions of fact by a jury. How can a jury settle a question of fact unless the case is presented to a jury?

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HERSEY. I can not yield in five minutes. The way in which a court determines a question of fact is this: A person is apprehended. He is taken before a United States commissioner for a Federal offense. He is held for the action of the grand jury. The grand jury meets and indicts him, and when he comes to trial on the indictment, the court by a jury can then settle the question of fact which is involved. Until you get to that stage of the proceedings you have no questions of fact before the court. Do you say to me that when a lynching takes place in a State the United States district attorney in that district is going to wait for 30 days to see whether the State takes any action or not? And then, is he going to send his agents down there to find out as a question of fact whether anything has been done or not? Is he the tribunal to try the question of fact? No; under this bill it is the court, not the district attorney, which tries questions of fact. The district attorney is going to perform his duties under the Federal law, and he is not going to initiate any proceedings in this matter. He is not going to search for duties to perform that never have been laid upon him. Nothing will be done, nothing was ever intended to be done under this bill. [Applause.]

Mr. CHINDBLOM. Mr. Chairman, I rise to oppose the pro forma amendment for the purpose of doing a little act of justice and fairness to one of the humble colored citizens of the District of Columbia.

On the 10th day of January, in the discussion of this bill upon this floor, the gentleman from Arkansas [Mr. TILLMAN], in remarks appearing on page 1011 of the CONGRESSIONAL RECORD, after speaking rather derisively of one of the gentlemen of this House, Dr. FESS, whom he called the imperial highbrow from Ohio, said that the motion to consider the bill in the Committee of the Whole was passed on the 20th, and on the 21st of December the Washington Post stated that the following outrage happened in the Capital City of the Nation, "the capital of a proud people who respect womanhood." Then he quoted the following from the Washington Post:

Thomas Minor, colored, of 2002 Eleventh Street NW., was committed to jail yesterday by Police Judge Hardison and charged with assaulting Mrs. Helen Lowe, of 1107 Eleventh Street NW., Monday.

* * * * * * *

According to the story told by Mrs. Lowe, as she entered the hallway to her apartment she was attacked by the Negro, who was lurking in a dark spot, and was choked and struck several times in the face. The alleged assailant of Mrs. Lowe is said to have been frightened off when a door was opened in another apartment in the building.

When the victim of the attack entered court yesterday morning and saw Minor sitting at the trial table, she turned to her husband and trembling seized his arm and collapsed.

This address was made by the gentleman on the 10th of January. Two days prior to that, on the 8th of January, the Washington Post had this news article:

JURY EXONERATES MINOR—RETURNS VERDICT OF NOT GUILTY IN LOWE ASSAULT CASE.

Thomas Minor, colored, 2002 Eleventh Street NW., who was arrested on a charge of assaulting Mrs. Helen Lowe in her apartment at 1107 Eleventh Street NW., December 19, was exonerated in police court yesterday, a jury returning a verdict of not guilty.

Mrs. Lowe testified that a man answering the general description of Minor attacked her in a corridor of the apartment building, and after severely choking her hurled her down a flight of steps. Attorney Charles S. Williams, representing Minor, introduced evidence to show that at the time the attack was made on Mrs. Lowe, Minor was in another part of the city.

In other words, Minor was discharged by a jury who tried him upon this charge and found him not guilty. Now, Mr. Chairman, if we are to draw conclusions from newspaper articles and charge citizens of this community or any other community with having committed crimes and being arrested for committing crimes, I think we ought to keep up with the current reports of the newspapers. Two days before that speech was made the same paper which reported this man's arrest and his being charged with this dastardly crime had also reported that he had been tried by a jury and had been discharged. Of course, I do not know Mr. Minor. [Laughter.] You who laugh may have suspected that I had some interest in defending a poor colored man who was charged with being the perpetrator of a crime. You may laugh in derision, if you like, that does not affect me a particle. I say now that I do not know Mr. Minor, but I do know some colored men, and some of them are highly respected colored men. I am not appearing here in his particular behalf, but he is a citizen of this Republic; he is a resident of the city of Washington, and the CONGRESSIONAL RECORD having carried to the country the news that he was arrested and charged with this heinous offense, I think it is proper that the CONGRESSIONAL RECORD should also show that he was found not guilty by a jury of this community and was discharged. [Applause.]

Mr. LONDON. Mr. Chairman, I move to strike out section 7.

The CHAIRMAN (Mr. MANN). Without objection the pro forma amendment is withdrawn, and the gentleman from New York [Mr. LONDON] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LONDON: Page 5, beginning with line 10, strike out all of section 7.

Mr. LONDON. Mr. Chairman, in moving to strike out section 7 I intend to call your attention to a joker contained in this bill. This bill is supposed to be aimed at lynching and at attempted murder by a mob. It is limited to that. Section 7 would confer upon the Federal courts jurisdiction in every case where any kind of a criminal offense is charged to have been committed against a citizen of a foreign country. And this, irrespective of the question whether the State authorities have done or are ready to do their full duty. This section would concentrate all governmental agencies of the United States in one long-distance government, and I submit that every long-distance government is an oppressive government. It would confer upon the United States courts jurisdiction in every case of assault, in every minor offense. Section 7 says:

SEC. 7. That any act committed in any State or Territory of the United States in violation of the rights of a citizen or subject of a foreign country secured to such citizen or subject by treaty between the United States and such foreign country, which act constitutes a crime under the laws of such State or Territory, shall constitute a like crime against the peace and dignity of the United States, punishable in like manner as in the courts of said State or Territory.

You do not want to destroy all State rights; you do not want to destroy all State government. After all, the basis of the government of a free people is the self-governing unit. By section 7 you practically oust every court of every State of jurisdiction in the class of cases enumerated in the section and confer criminal jurisdiction upon the United States courts. I submit that the United States courts have not the machinery, have not the men, to handle all criminal cases.

The courts of the United States are too far removed from the people. The Federal judges are not elected by the people but are appointed for life. This section has no business in this bill. It has nothing to do with the object of this legislation. The justification for the bill is that the Federal Government desires to exert a pressure on the State governments to execute the laws against lynching by conferring jurisdiction on the Federal Government only after the State government has neglected to do its duty. Every State has provided penalties for murder and attempted murder. That is all that lynching is. It is the failure of the States to suppress a national evil and to remove a national disgrace that calls for national action and justifies this bill; but by what process of reasoning do you undertake to confer jurisdiction on the Federal courts in other criminal cases, no matter how trifling? Section 7 should go out of the bill; it has no place there. [Applause.]

Mr. GARRETT of Tennessee. Mr. Chairman, I am very much surprised at the attitude taken by the gentleman from New York [Mr. LONDON], who has just taken his seat. Section 7 provides "that any act committed in any State or Territory of the United States in violation of the rights of a citizen or subject of a foreign country secured to such citizen or subject by treaty between the United States and such foreign country, which act constitutes a crime under the laws of such State or Territory, shall constitute a like crime against the peace and dignity of the United States, punishable," and so forth.

A few days ago the gentleman from New York in discussing this bill laid down the proposition that he regarded the colored man of the South, whom he seemed to think House bill 13 was designed to protect in some way, as his weaker brother, and that it was his duty to defend that weaker brother by passing House bill 13, transferring police power to the agents of the Federal Government. But now, when it comes to the proposition of the right of a subject of a foreign country, the gentleman from New York complains that it is an invasion of State rights and appeals to us to preserve local self-government. [Laughter and applause.] Is it possible that the gentleman has some cousins who are closer to him than his weaker colored brother of the South? [Laughter.] Ah, Mr. Chairman, this section 7 is the logical development of the fundamental principle of this bill. [Applause.] Gentlemen may come to it now or 5 years or 10 years from now. Inevitably they will come to it, if this act shall pass and be sustained by the Supreme Court. Let gentlemen realize what they are doing in voting for this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LONDON].

The question was taken, and the amendment was rejected.

Mr. REED of West Virginia. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. REED of West Virginia: Page 2, line 2, after the word "death," insert "or whose life is put in jeopardy."

Mr. VOLSTEAD. Mr. Chairman, I accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

Mr. MANN. Mr. Chairman, I think, grammatically, that the amendment would refer to the officer whose life is put in jeopardy. It would read:

That any State or municipal officer charged with the duty, or who possesses the power or authority as such officer to protect the life of any person that may be put to death, or whose life is put in jeopardy, by any mob or riotous assemblage.

I think, grammatically, that would mean the officer.

Mr. BURTON. I do not think so.

Mr. CLOUSE. What would constitute "jeopardy" in the sense of that paragraph or section?

Mr. REED of West Virginia. The officer might not know that the man will be put to death, but he might have reason to suspect by the menacing attitude of the mob that the life of his prisoner was in jeopardy.

Mr. LITTLE. It means liable to be killed.

Mr. QUIN. Mr. Chairman, I rise in opposition to the amendment. It occurs to me that the bill itself has gone to the extreme limit, but the gentleman from West Virginia rises in his place and proposes that the extreme penalty of the law be invoked against officers and the State if the black brute or the white scoundrel happens to imagine that he has been placed in jeopardy by an outraged community. How far will the Republican majority go, if such an amendment as this is to be adopted? That amendment has been offered to this iniquitous and nasty bill, and provides that if a brute who has committed the most horrible crime known to the category of crimes is surrounded by what they term a mob and if his life is apparently in jeopardy, the State, the municipality, the county, and the officer will be subjected to the penalties of the bill. It occurred to me that if they actually took the life of this sort of a creature, the bill is going too far and is an outrage, but the amendment proposed by the gentleman goes even further, and provides if his life be in jeopardy that then all of the penalties of this measure will be invoked against the officer, the county, the State, and the municipality. The gentleman has run amuck in proposing such an amendment as this to such a measure, which any sane man can see is full of flaws and is against the right that the Constitution guarantees a State and is reserved to a State. Yet with a good face the gentleman offers this amendment and asks the House to adopt it. Is it possible that

the gentleman would want a scoundrel who had committed rape to be so safeguarded and protected that it would not even permit him to be tried by a court? That is what the language would mean—that he is placed in jeopardy.

It occurs to me the gentleman ought to read the language of this section before he sincerely offers such an amendment as this, which he expects the House to adopt. The courts might construe this measure that if the life of a rapist was placed in jeopardy by a mob all the penalties would still go as if his life were taken and as insured in this bill, so that the criminal's family might receive that great sum of money.

The CHAIRMAN. Debate on this amendment is exhausted. The question is on agreeing to the amendment offered by the gentleman from West Virginia [Mr. REED].

The question was taken, and the amendment was rejected.

Mr. VOLSTEAD and Mr. BANKHEAD rose.

The CHAIRMAN. For what purpose does the gentleman from Minnesota rise?

Mr. VOLSTEAD. Mr. Chairman, I ask unanimous consent that debate on section 1 and all amendments thereto close in 20 minutes.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that debate on the first section of the bill and all amendments thereto close in 20 minutes.

Mr. CLOUSE. Mr. Chairman, I object.

Mr. VOLSTEAD. I make the motion then, Mr. Chairman.

The CHAIRMAN The gentleman from Minnesota moves that debate upon section 1 and all amendments thereto close in 20 minutes.

The question was taken, and the motion was agreed to.

Mr. BANKHEAD. Mr. Chairman, I move to strike out section 2 of the bill.

Mr. Chairman, the bill now pending, from the standpoint of domestic interest and concern, and as far as it affects the construction of the legal right of Congress to enact it, is the most important piece of legislation proposed since the beginning of my service in the House.

With the praiseworthy object which the proponents of the measure professedly seek to effectuate, I am in utmost accord. No man has risen here to defend lynching as an institution, and no man will. It can not be successfully defended. Lynching in its generally accepted meaning is murder—nothing more and nothing less. It is the deliberate, premeditated, willful taking of the life of a human being without legal justification or excuse. It is murder if committed by two men or five, or a hundred men acting in concert. It is murder if perpetrated in Alabama or in Minnesota. A lyncher is committing a crime not now punishable under any existing Federal statute, but which is punishable with extreme severity by the statutes of every State in the Union.

By this bill you are seeking to make murder a Federal crime and give to Federal courts jurisdiction to try individuals who are guilty of murder, acting in concert or conspiracy.

Although the politically indiscreet and sometimes intellectually muddy Member from New York [Mr. FISH] stated that this was a Republican measure, aimed solely at certain Southern States, to punish those States for failure to protect Negroes, all others who have spoken in favor of the bill—the higher ups and best minds on the majority side—have vigorously disclaimed any sectional or racial discriminations. It is to be hoped that these latter protestations of virtuous intent are as sincere as they have been clamorous.

Accepting the Dyer and Fess pronouncements on the bill, both very frankly admitting that their own States have been conspicuous examples of mob depravity, and both rebuking the Fish theory of the motive behind the bill, the race question is not involved at all, the sections are not in contemplation; so that we can deal with this question stripped of all specious or beclouding considerations. In that aspect I desire to suggest one paramount reason why this bill should not pass.

The primary, and what should be the absolutely conclusive, test before we should proceed any further is, Is the bill within the warrant of the constitutional powers granted to Congress by the people and the States?

That is the acid test submitted as a rule of conduct by one of the patron saints of the Republican Party—Abraham Lincoln. His words on it have been literally quoted in the debate. But there is higher authority than the spoken words of any man, living or dead, upon the necessity of that inexorable inquiry. I refer to section 3 of Article VI of the Constitution itself, which reads as follows:

> The Senators and Representatives, before mentioned, and the members of the several State legislatures, and all executive and judicial affairs, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution.

The oath, as prescribed by law, so far as it affects this discussion, is this:

> I, * * * do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion * * *. So help me God.

Gentlemen, can this obligation be treated as a trivial and incidental thing in connection with our service; or, on the contrary, should it not always be our constant and peremptory monitor? I ask all Members to ponder that interrogatory.

If the constitutionality of a measure is seriously and solemnly challenged by its opponents, instantly each Member who is to vote is thereupon morally and in all honor bound to determine to his own intellectual satisfaction that the challenge is not sound. I go further and assert that the strict performance of duty requires affirmative assent to the constitutionality of every measure passed upon the part of every Member voting. This meticulous observance, however, is in practice not always necessary, because most of our legislation is routine and in well-approved legal and constitutional channels.

> This Constitution, and the laws of the United States which shall be made in pursuance thereof, shall be the supreme law of the land. (Art. VI, par. 2.)

The Constitution itself in Article III, section 1, has set up a tribunal—a supreme tribunal—binding on every citizen and binding on every legislator, to construe all questions as to the validity of congressional enactments. If any such statute is in contravention of that organic instrument, or any amendment thereto, the Supreme Court of the United States is the final arbiter of the controversy, and its fiat is the last word in finality. Shall we not be bound by the decisions of that court? If not, into whose custody shall we submit the interpretation of our acts? Shall we substitute therefor a forum of individual caprice or build our juridical structure upon the infirm foundation of mere contemporaneous opinions?

Resort to that refuge, and there will vanish from over our people that great safeguard of our liberties the boast as well as the fact that "this is a government of laws and not of men." [Applause.]

Abler and more diligent lawyers than I have already presented the decisions of the Supreme Court on legislation absolutely identical in principle and in purpose with this. Those decisions, not one of them but all of them, without one single material exception, are in the record of this debate. They all hold in language that is plain, direct, and unambiguous that the fourteenth amendment, neither in whole nor in part, confers upon Congress authority to pass a law seeking, as this does, for the Federal Government to interfere with or to take concurrent jurisdiction with the States in the administration of its reserved police powers in controlling the acts of individual citizens.

If there were substantial conflict in the leading cases—if there were cases overruled or modified in principle—the posture of our judgments might be swayed thereby; but where the decisions are unanimous and cumulative, where, as is the admitted fact here, that the compelling, overwhelming weight of authority sustains the absence of constitutional warrant for this bill, then, gentlemen, I must confess that blindly to fly into the teeth of the supreme law of the land is not an impressive recognition of the binding force of the oath to which I have referred and comes dangerously near to mobbing the judicial powers of the Government.

I must confess that I was somewhat amazed at some of the argument of the gentleman from Ohio [Mr. BURTON]. No man here has higher intellectual attainments. He has the name of a learned jurist. He has behind him a record of long, useful, and distinguished public service; but the illustrious record of Judge BURTON, which I with all his fellows delight to honor, will not be based upon his argument for this bill, but in spite of it. If I had expected any man on this floor to admonish his colleagues to adhere to the ancient landmarks of constitutional interpretation and to argue for the ethical obligation to be controlled by the recorded decisions of our highest court, I should have thought the gentleman from Ohio would be that man. By training and instinct he is entitled to be a preceptor for lesser men. But I can not reconcile that reputation to his argument here, that while the law of the land was admittedly contrary to the bill, it were possible to indulge the hope, and likewise cherish the veiled wish that the firm fabric of judicial interpretations might be dissipated and destroyed, not because they were wrong but because they stood in the way of a more modern and more imperial centralized Government. God help the Republic when the heritage of the reserved rights of its people is stripped from them by such insidious usurpation! [Applause.]

If it is a monstrously evil thing, as it is, to lynch a citizen, I answer that it is equally as felonious and culpable for a lawmaker knowingly to assassinate the Constitution. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Alabama [Mr. BANKHEAD].

The CHAIRMAN. The Chair will first recognize the gentleman from Idaho [Mr. FRENCH].

Mr. FRENCH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 4, line 7, strike out section 5.

Mr. FRENCH. Mr. Chairman, the amendment I have offered proposes to strike out the section of the amendment offered by the gentleman from Minnesota providing for a penalty to be placed on a county wherever a lynching may occur.

Mr. GARRETT of Tennessee. Mr. Chairman, a parliamentary inquiry. There is an amendment pending other than the amendment of the gentleman, which has not yet been disposed of. The gentleman from Alabama [Mr. BANKHEAD] offered an amendment.

The CHAIRMAN. The gentleman from Alabama offered an amendment.

Mr. MOORE of Virginia. Mr. Chairman, I again rise in opposition to the amendment of the gentleman from Alabama. It is simply for the purpose of asking a question of the chairman of the committee. I would like to know something of the evolution of section 7, the section relative to aliens. Section 7 was contained in the bill as originally presented. It was stricken out by the Judiciary Committee. The amended bill as reported to the House from that committee did not contain it, and the report made no reference to it. We heard nothing more about it until yesterday, when the chairman of the committee included it in his bloc amendment, which we are now considering. Now, I would like to know whether the proposition was finally considered by the Judiciary Committee as a committee before it was proposed yesterday by the chairman of the committee. And, Mr. Chairman, as I will not have the opportunity to discuss the bill further, I ask leave to revise and extend my remarks.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDSPETH. I make the same request, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas makes the same request. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. But I would like to have my inquiry answered by the chairman of the Judiciary Committee.

Mr. VOLSTEAD. This was included in the original bill, and discussed more or less. I discussed it a good deal with others, and as I was making some changes in the original bill I was asked to include it, and I yielded to the judgment of others and put it in the bill.

Mr. MOORE of Virginia. Mr. Chairman, that does not answer my question. The committee as a committee excluded the proposition. Now, something has happened since then. Is it a committee happening or an individual happening that explains what has so suddenly occurred?

Mr. VOLSTEAD. I think I have answered the question.

The CHAIRMAN. The time for debate on the motion of the gentleman from Alabama has expired. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. FRENCH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 4, line 7, strike out sections 5 and 6.

Mr. JOHNSON of Mississippi. Mr. Chairman, I offer an amendment to the amendment, which I ask to be reported.

Mr. MANN. Mr. Chairman, that is not in order.

The CHAIRMAN. The gentleman from Mississippi can not take the gentleman from Idaho off his feet.

Mr. FRENCH. Mr. Chairman, the amendment I have offered proposes to strike out sections 5 and 6, or, in other words, the sections that impose the penalty upon the counties wherever a lynching may occur or through which a mob may bear its victim.

There are so many by-products of government that do not have to do with the essential reasons that impelled society to organize itself into what we call political groups that the real cause for the existence of government is commonly clouded over. Having full regard for the multitude of conveniences under government it remains true that the essential end of government is the administration of justice. When a crime is committed by the individual, to that extent government has failed; when a crime is committed by an association of individuals or by a mob, even though it pretends to act in the name of justice, to that extent government has failed.

For the most part the Federal Government has left to the good judgment of the several States the matter of defining crimes of its inhabitants against each other and providing punishment. One type of crime, however, has come to be so prevalent and is at all times so shocking to one's sense of fair play and the protection guaranteed by our Constitution to the rights of our people that there is a widespread movement under way to make such activities a crime under national law.

Very frankly, I am in sympathy with any responsible legislation that may crush out and put an end to so-called lynch law or the violence of the mob.

I speak on this measure as a friend of the general proposition. I condemn most earnestly the lawless acts of a mob. Lynching is one of the outstanding blots upon America's good name. I am in such accord with meeting the question adequately and wiping out this type of lawlessness that I am compelled to do that which is not an easy thing to do; I am compelled to point out wherein I think the pending bill should be amended, even though I do so at the risk of being misunderstood.

Until I had examined the measure it was my general thought that I would give my hearty support to the Dyer antilynching bill. But when the bill was reported and I had had opportunity to read it over and examine its provisions, I was startled to find that among them are some that it seems to me if enacted into law either must fall under our Constitution or else will defeat the very objects for which it is sought to enact the measure. As one who sees what he believes to be a faulty piece of timber being utilized in the construction of a work that requires strength, and who feels it his duty to point out the piece of timber that must give way under stress, so it becomes my duty touching a bill with whose spirit I am in sympathy to point out certain flaws that must defeat the end we are seeking to attain.

PROVISIONS OF BILL.

In brief the antilynching bill provides as follows:

First. It defines a mob or riotous assemblage. (Sec. 1.)

Second. It provides for the punishment of individuals who participate as members of a mob. (Secs. 3 and 4.)

Third. It provides for the punishment of the State or municipal officers who fail or neglect or refuse to do their duty for the protection of prisoners in their charge. (Sec. 3.)

Fourth. It provides that the county in which a person may be put to death by a mob shall forfeit or be fined $10,000. (Sec. 5.)

Fifth. It provides that any county shall be liable to the same fine or to share in its payment through which a mob shall transport its victim. (Sec. 6.)

Sixth. It provides that the $10,000 assessed upon the county shall be paid to the family or dependent parents of the victim of the mob. (Sec. 5.)

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. In a moment I will yield.

Now, in regard to the first three provisions I can not find myself in disagreement. On the other hand, with the latter three I am not in sympathy, because I believe they are either unconstitutional or against sound governmental policy.

I shall assume that the first three meet the Constitution, as is urged by the committee on the basis of our constitutional guaranties touching protection of the law. The paragraphs dealing with these three items define a mob or riotous assemblage, and provide punishment for those who participate in the same and for the officers who fail to do their duty.

But let us notice the other propositions. Section 4 of the bill, now section 5 of the amendment, provides for a penalty of $10,000 upon the county within which a death occurs at the hands of a mob. Section 6 provides for a similar penalty or a share in the punishment upon any county through which a mob may transport its victim.

It could readily occur that the citizens of a county under either section 5 or section 6 would be unalterably opposed to the action of a mob. In fact, it could occur that the citizens would know nothing whatever about the action of the mob. The mob could bring its victim into the peaceful borders of a county from an outside State, then cause the death of the victim, and by its act impose an obligation measured by a fine of $10,000 upon the county. The crime of lynching might occur at dead of night; the people of the county, law-abiding though they might be, would not have heard of the crime until the follow-

ing day, and yet the law would impose a penalty of $10,000. The mob might carry its victim through the county without the knowledge of the citizens, and by this act impose the penalty.

Gentlemen, I can not bring myself to believe that such provisions are in harmony with our Constitution.

CONTRARY TO PUBLIC POLICY.

Suppose, however, it could be demonstrated that these provisions are constitutional, I would still oppose them, because in my judgment they are contrary to sound public policy. It is true that precedent can be found in English law for the punishment of a political organization for an act committed within its midst, but it is not in harmony with the spirit of the American Government. It is a false principle in English Government that the English people themselves are growing away from, and it should find no place in the political system of our land.

LEGISLATIVE LYNCH LAW.

Sections 5 and 6, which impose a penalty of $10,000 upon a county where a lynching occurs, or through which a mob may carry its victim, are what I would call legislative lynch law. One of the reasons why I am opposed to lynch law and feel that we must meet it by adequate legislation is because the innocent oftentimes are punished for a crime committed by some one else. That is precisely what you are attempting to do by legislation.

From what I have said it must be apparent that a county will be liable for a fine of $10,000 regardless of the fact that not a citizen of the county participated as a member of the mob or even knew that a crime was being committed. Shall we, especially in a measure that is designed in part to prevent the punishment of the innocent at the hands of a mob, impose a punishment upon the innocent just because a crime has been committed within their political unit?

THE $10,000 FINE UNFAIR TO SMALL COUNTIES.

Again, I am opposed to the levying of the fine of $10,000 upon a county where a lynching may occur because no regard is had for the size of the county, its population, or its wealth.

There are counties in my district, and such counties are in most of our States, where the population is barely sufficient to justify county organization and where the taxable property is so small that a $10,000 additional burden would be like a yoke upon the taxpayers. There are other counties in our country whose population may be numbered by millions and whose wealth aggregates, not millions, but billions of dollars and where a fine of $10,000, aside from the principle involved, would scarcely be recognized as an item in the increase of taxes.

Do gentlemen believe that it is sound public policy that counties regardless of wealth, or population, shall be placed on an equal footing, and that the small county shall bear a penalty no less than that imposed upon the county of great wealth? For my part, I can not agree with the proposition.

AN ASTOUNDING ILLUSTRATION.

Mr. Chairman, to-day as we are considering the passage of this bill, the Kansas City Star is giving publicity to the application of a Kansas antilynching law with fines attached to municipalities touching at least two of the cities of Kansas.

The Kansas law provides for liabilities against municipalities where mob violence occurs, and to-day Kansas City alone is facing 59 suits that represent claims aggregating $949,978. The Star further says that Independence, Kans., has had judgments returned against it for $37,250, and other suits are still pending.

These news items illustrate the possibilities under the pending bill. A peaceful little county in my State or in your State might furnish the theater for a mob to wreak its vengeance upon 10, 20, or 50 inhabitants and penalties would automatically attach in the amount of $10,000 for every life destroyed. It might well be that the victims of the mob were themselves lawless characters who had been preying upon society and who had outworn the patience of orderly, law-abiding citizens.

Let me ask whether or not, in the light of this recent Kansas experience, we desire to extend the principle of county liability for mob violence throughout the United States?

INSURANCE POLICY FOR CRIMINALS.

I am opposed to the proposition of requiring the penalty collected, amounting to $10,000, to be paid over to the dependents or the parents of the victim of the mob.

Government owes to its citizens the duty of protection of life, the protection of the sacredness of the person and of property. This obligation on the part of Government runs just as strong toward protection of the individual or his property against the criminal act of an individual as it does toward the protection of the individual against the criminal acts of the mob. Government attempts to protect both. It failed when the individual committed his crime. It failed again when the mob committed its crime. By what reasoning, then, do we say that the victim of a murderer shall receive no compensation at the hands of the Government while the victim of a mob shall receive compensation which—true enough—is paid to his family by the Government, in the amount of $10,000?

Gentlemen, I recognize that under mob law the innocent man oftentimes is punished for the crime of the guilty; but, on the other hand, probably most times the mob's victim is a guilty man. Let us assume that murder has been committed by some man lacking in moral sense. Let us assume that the victim of the murderer is law-abiding and has a family dependent upon him and that the victim of the mob has a family dependent upon him, but is guilty of the crime for which lynched. Bear in mind that both the persons killed have been denied the protection of the law, that one of the persons killed was wholly innocent and that the other was wholly guilty. Under the terms of the bill you are providing that the Government shall extend no compensation to the victim of the murderer or his family, but you are providing a $10,000 insurance policy in favor of the murderer or any murderer or other criminal who later becomes the victim of a mob. Gentlemen, I am opposed to the proposition.

If, however, gentlemen feel that counties should be penalized in the amount indicated in the bill, and if also the Members feel that the $10,000 should be paid to the dependents of the victim of the mob—surely we should amend the measure so as to provide that through a judicial inquiry it shall be determined whether or not the victim of the mob was himself guilty of a crime or an innocent man. We ought to provide that the money collected from the county shall not be paid to the family of the victim, if it shall be found that he was guilty of the crime for which lynched.

WILL PREVENT ENFORCEMENT OF LAW.

Mr. Chairman, if we may assume that the penalty upon the county shall be regarded as constitutional, then I tell you that not only is it out of harmony with American thought, but coupled with the provision that the amount of the fine shall be paid over to the family of the victim regardless of his guilt, it will prevent the enforcement of the law. Remember you are making the innocent as well as the guilty liable, so far as the fine is concerned. Indeed, you are making the innocent alone liable for the fine whenever the criminal members of the mob are either nontaxpayers or nonresidents of the county. Can you not see that you will thus force into a common purpose in one respect the law-abiding people of a county where the crime was committed and the members of the mob itself?

I recognize that the average American citizen will tell the truth, and especially will tell the truth when placed upon the witness stand, but do we not know that there would be a strong tendency on the part of even the innocent people of a county to omit to volunteer testimony to Federal officers that would be used for the levying of a fine of $10,000 upon their county, whose people have been altogether innocent? To enforce the law we must have the support of right-thinking people. You will not have that support if you insist upon a provision by which a punishment is placed upon innocent people. You will have that support if you will limit the terms of the bill so that punishment will be directed against the members of the mob and officers of government, high or low, who fail to do their duty.

Mr. JOHNSON of Mississippi rose.

Mr. FRENCH. Mr. Chairman, may I have about five minutes more?

The CHAIRMAN. The gentleman from Idaho asks unanimous consent to proceed for five minutes more. Is there objection?

Mr. DYER. I object.

The CHAIRMAN. Objection is made.

Mr. VOLSTEAD. Mr. Chairman, I wish to say in regard to this amendment that we ought not to object to it upon the theory that it may hurt some of our people. Any law that is effective is open to that objection. This is a remedy that is regarded as appropriate under the English law. It is so recognized in a large number of the States in this country. It is not considered cruel, unjust, or unfair. If the community is opposed to lynch law it can, as a rule, see to it that such law does not operate. There is no doubt about that. Lynch law does not operate in Europe, because the communities there recognize that they ought to obey the law and they see to it that nobody takes another man's life without due process of law. A county is an instrumentality of the State. The county is created for the very purpose of administering the law in its locality.

When a locality selects its officers it ought to be responsible for the action of those officers the same as a private corporation

is responsible. It determines the number and the character of those officers, and the general attitude of the people in a community makes lynch law possible or impossible. It has been in force, as I have said, under the English law for centuries, and it is not unusual in this country to impose such liability. I do hope that you will leave it in; to strike it out means, as it seems to me, that you do not want an effective law.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. VOLSTEAD. I regret I have not the time.

In many instances the other features of this law will fail, as all laws of that class fail; there is no doubt about that. If you mean to pass an antilynching law that is effective, something that will do some good, this is the one thing you ought to insist upon, and the one thing above all others that you ought to try to make the Supreme Court sustain. It does seem to me that it is clearly within the general logic of the laws that have been sustained under the fourteenth amendment to the Constitution for passing and one for which we have ample warrant in the decided cases. [Applause.]

Mr. JOHNSON of Mississippi. Mr. Chairman——

The CHAIRMAN. The time of the debate has been fixed.

Mr. CLOUSE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Idaho.

Mr. NEWTON of Minnesota. Mr. Chairman, may we have the amendment reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment to the amendment offered by the gentleman from Idaho.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Strike out sections 5 and 6.

The CHAIRMAN. The question is on agreeing to the amendment.

The question being taken, the Chairman announced that he was in doubt.

The committee divided; and there were—ayes 57, noes 79.

Mr. FRENCH and Mr. NEWTON of Minnesota demanded tellers.

Tellers were ordered, and the Chairman appointed Mr. FRENCH and Mr. VOLSTEAD.

The committee again divided; and the tellers reported—ayes 50, noes 62.

Accordingly the amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Minnesota [Mr. VOLSTEAD].

The amendment was agreed to.

Mr. VOLSTEAD. Mr. Chairman, I ask unanimous consent to strike out of the original bill all of the sections after section 1, including the amendment proposed by the committee.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to strike out of the original bill all of the remaining sections, including the amendment suggested by the Committee on the Judiciary. Is there objection?

There was no objection.

Mr. VOLSTEAD. I move that the committee do now rise and report the bill to the House with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. JOHNSON of Mississippi. I offer an amendment, which I ask to have read.

Mr. MANN. An amendment to what?

Mr. JOHNSON of Mississippi. It is at the desk. Let the Clerk read it.

The CHAIRMAN. There is nothing before the committee except the motion of the gentleman from Minnesota.

Mr. MANN. There is nothing to amend.

The CHAIRMAN. The gentleman from Minnesota moves that the committee do now rise and report the bill with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching, and had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. VOLSTEAD. I move the previous question on the bill and amendment to the final passage.

The SPEAKER. The previous question is already ordered by the rule. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

Mr. FRENCH. Mr. Speaker, I wish to move to recommit the bill.

The SPEAKER. It is not yet time to do that. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time.

Mr. SUMNERS of Texas. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. SUMNERS of Texas. I move to recommit the bill, H. R. 13, to the Judiciary Committee, and on that I move the previous question.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SUMNERS of Texas. I am.

Mr. FRENCH. Mr. Speaker——

The SPEAKER. Is the gentleman from Idaho opposed to the bill?

Mr. FRENCH. I am opposed to it in its present form. If my amendment may prevail I shall support the bill.

The SPEAKER. Is the gentleman opposed to it?

Mr. FRENCH. I am.

The SPEAKER. Is the gentleman a member of the Committee on the Judiciary?

Mr. FRENCH. No.

The SPEAKER. The Chair will recognize the gentleman from Texas [Mr. SUMNERS]. In what form did the gentleman make his motion?

Mr. SUMNERS of Texas. The motion I make, Mr. Speaker, is that the bill (H. R. 13) be recommitted to the Committee on the Judiciary, and on that I move the previous question.

Mr. FRENCH. I want to offer an amendment.

The SPEAKER. The gentleman from Texas [Mr. SUMNERS] has moved the previous question. If that is not carried the gentleman from Idaho may have an opportunity.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. SUMNERS] to recommit the bill.

Mr. GARRETT of Tennessee. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 119, nays 228, answered "present" 3, not voting 80, as follows:

YEAS—119.

Almon	Driver	Lankford	Sanders, Tex.
Aswell	Dupré	Larsen, Ga.	Sandlin
Bankhead	Favrot	Layton	Scott, Tenn.
Barbour	Fields	Lazaro	Sears
Barkley	Fisher	Lea, Calif.	Sinnott
Bell	French	Linthicum	Sisson
Black	Fulmer	Logan	Slemp
Bland, Va.	Garner	Lowrey	Smithwick
Bowling	Garrett, Tenn.	Lyon	Stafford
Box	Garrett, Tex.	McClintic	Stedman
Brand	Gensman	McDuffie	Stevenson
Briggs	Goldsborough	McSwain	Stoll
Brinson	Hammer	Martin	Sumners, Tex.
Brown, Tenn.	Hardy, Tex.	Montague	Swank
Bulwinkle	Hawes	Moore, Va.	Taylor, Ark.
Byrnes, S. C.	Hayden	Nolan	Thomas
Byrns, Tenn.	Herrick	O'Connor	Tillman
Carter	Hersey	Oldfield	Tyson
Clouse	Hooker	Oliver	Upshaw
Collier	Huddleston	Padgett	Vinson
Collins	Hudspeth	Park, Ga.	Ward, N. C.
Connally, Tex.	Humphreys	Parker, N. J.	Weaver
Crisp	Jacoway	Parks, Ark.	Williamson
Curry	Jeffers, Ala.	Parrish	Wilson
Davis, Tenn.	Johnson, Miss.	Pou	Wingo
Deal	Jones, Pa.	Quin	Wise
Dominick	Jones, Tex.	Raker	Woods, Va.
Doughton	Kelley, Mich.	Rankin	Wright
Drane	Kincheloe	Rayburn	Wurzbach
Drewry	Lanham	Rouse	

NAYS—228.

Ackerman	Bond	Chindblom	Cullen
Andrew, Mass.	Bowers	Christopherson	Dale
Andrews, Nebr.	Brennan	Clague	Dallinger
Ansorge	Brooks, Pa.	Clarke, N. Y.	Darrow
Anthony	Browne, Wis.	Cockran	Davis, Minn.
Appleby	Burdick	Cole, Iowa	Dempsey
Arentz	Burroughs	Cole, Ohio	Denison
Atkeson	Burtness	Colton	Dickinson
Bacharach	Burton	Connolly, Pa.	Dowell
Beedy	Butler	Cooper, Ohio	Dunn
Begg	Cable	Cooper, Wis.	Dyer
Bird	Campbell, Kans.	Coughlin	Echols
Bixler	Campbell, Pa.	Crago	Elliott
Bland, Ind.	Cannon	Cramton	Ellis
Boies	Chalmers	Crowther	Fairchild

Fairfield	Johnson, S. Dak.	Millspaugh	Schall
Faust	Johnson, Wash.	Mondell	Scott, Mich.
Fenn	Kearns	Montoya	Shelton
Fish	Keller	Moore, Ohio	Siegel
Fitzgerald	Kelly, Pa.	Moores, Ind.	Sinclair
Focht	Kennedy	Morgan	Smith, Idaho
Fordney	Ketcham	Mott	Smith, Mich.
Foster	King	Murphy	Speaks
Frear	Kirkpatrick	Nelson, A. P.	Sproul
Free	Kissel	Nelson, J. M.	Stephens
Freeman	Kleczka	Newton, Minn.	Summers, Wash.
Frothingham	Kline, N. Y.	Newton, Mo.	Sweet
Fuller	Kline, Pa.	Norton	Swing
Funk	Knight	O'Brien	Taylor, N. J.
Gahn	Kopp	Olpp	Temple
Gallivan	Kraus	Osborne	Thompson
Gernerd	Kreider	Paige	Timberlake
Glynn	Lampert	Patterson, Mo.	Tincher
Gorman	Larson, Minn.	Patterson, N. J.	Tinkham
Graham, Ill.	Leatherwood	Perkins	Towner
Graham, Pa.	Lee, N. Y.	Perlman	Underhill
Green, Iowa	Lehlbach	Petersen	Vaile
Greene, Mass.	Little	Porter	Vestal
Greene, Vt.	London	Pringey	Voigt
Griest	Longworth	Purnell	Volk
Hadley	Luce	Radcliffe	Volstead
Hardy, Colo.	Luhring	Rainey, Ill.	Walsh
Hawley	McArthur	Ramseyer	Walters
Hays	McCormick	Ransley	Wason
Hickey	McFadden	Reber	Watson
Hicks	McKenzie	Reece	Webster
Himes	McLaughlin, Nebr.	Reed, N. Y.	Wheeler
Hoch	McLaughlin, Pa.	Reed, W. Va.	White, Kans.
Hogan	Madden	Rhodes	White, Me.
Houghton	Magee	Ricketts	Williams
Hukriede	Maloney	Roach	Winslow
Hull	Mann	Robsion	Wood, Ind.
Husted	Mapes	Rogers	Woodruff
Ireland	Mead	Rose	Woodyard
James	Merritt	Rossdale	Wyant
Jefferis, Nebr.	Michener	Ryan	Young
Johnson, Ky.	Miller	Sanders, Ind.	Zihlman

ANSWERED "PRESENT"—3.

Dunbar	Evans	Langley

NOT VOTING—80.

Anderson	Gilbert	McPherson	Sanders, N. Y.
Beck	Goodykoontz	MacGregor	Shaw
Benham	Gould	Mansfield	Shreve
Blakeney	Griffin	Michaelson	Snell
Blanton	Harrison	Mills	Snyder
Britten	Haugen	Moore, Ill.	Steagall
Brooks, Ill.	Hill	Morin	Steenerson
Buchanan	Hutchinson	Mudd	Stiness
Burke	Kahn	Ogden	Strong, Kans.
Cantrill	Kendall	Overstreet	Strong, Pa.
Carew	Kiess	Parker, N. Y.	Sullivan
Chandler, N. Y.	Kindred	Rainey, Ala.	Tague
Chandler, Okla.	Kinkaid	Reavis	Taylor, Colo.
Clark, Fla.	Kitchin	Riddick	Taylor, Tenn.
Classon	Knutson	Riordan	Ten Eyck
Codd	Kunz	Robertson	Tilson
Connell	Lawrence	Rodenberg	Treadway
Copley	Lee, Ga.	Rosenbloom	Vare
Edmonds	Lineberger	Rucker	Ward, N. Y.
Fess	McLaughlin, Mich.	Sabath	Yates

So the motion to recommit was rejected.

The following additional pairs were announced:

Mr. MILLS (against) with Mr. LEE of Georgia (for).

Mr. FESS (against) with Mr. BLANTON (for).

Mr. MICHAELSON (against) with Mr. MANSFIELD (for).

Mr. VARE (against) with Mr. HARRISON (for).

Mr. BROOKS of Illinois (against) with Mr. OVERSTREET (for).

Mr. DUNBAR (against) with Mr. STEAGALL (for).

Mr. KIESS (against) with Mr. GILBERT (for).

Mr. MCPHERSON (against) with Mr. CANTRILL (for).

Mr. HUTCHINSON (against) with Mr. BUCHANAN (for).

Mr. RIORDAN (against) with Mr. RAINEY of Alabama (for).

Mr. TILSON (against) with Mr. KITCHIN (for).

Mr. RODENBERG (against) with Mr. RUCKER (for).

General pairs:

Mr. SNYDER with Mr. CAREW.

Mr. SNELL with Mr. SULLIVAN.

Mr. GOODYKOONTZ with Mr. TAGUE.

Mr. LAWRENCE with Mr. KUNZ.

Mr. MUDD with Mr. GRIFFIN.

Mr. STRONG of Pennsylvania with Mr. TAYLOR of Colorado.

Mr. MACGREGOR with Mr. KINDRED.

Mr. OGDEN with Mr. TEN EYCK.

Mr. MORIN with Mr. SABATH.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. LANGLEY. Mr. Speaker, I answered "no" on this roll call, but I have received a telegram from the gentleman from Florida [Mr. CLARK] stating that he is unavoidably delayed, and I therefore ask permission to withdraw my vote and answer "present," as I have a pair with the gentleman from Florida.

There was no objection, and Mr. LANGLEY answered "present," as above recorded.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. MONDELL. And on that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 119, answered "Present" 4, not voting 74, as follows:

YEAS—231.

Ackerman	Ellis	Knight	Reed, N. Y.
Andrew, Mass.	Fairchild	Kopp	Reed, W. Va.
Andrews, Nebr.	Fairfield	Kraus	Rhodes
Ansorge	Faust	Lampert	Ricketts
Anthony	Fenn	Larson, Minn.	Roach
Appleby	Fish	Leatherwood	Robsion
Arentz	Fitzgerald	Lee, N. Y.	Rogers
Atkeson	Focht	Lehlbach	Rose
Bacharach	Fordney	Little	Rosenbloom
Beedy	Foster	London	Rossdale
Begg	Frear	Longworth	Ryan
Bird	Free	Luhring	Sanders, Ind.
Bixler	Freeman	McArthur	Schall
Bland, Ind.	Frothingham	McCormick	Scott, Mich.
Boies	Fuller	McFadden	Shelton
Bond	Funk	McKenzie	Siegel
Bowers	Gahn	McLaughlin, Nebr.	Sinclair
Brennan	Gallivan	McLaughlin, Pa.	Smith, Idaho
Brooks, Pa.	Gensman	Madden	Smith, Mich.
Browne, Wis.	Gernerd	Magee	Speaks
Burdick	Glynn	Maloney	Sproul
Burroughs	Gorman	Mann	Stephens
Burtness	Graham, Ill.	Mapes	Strong, Kans.
Burton	Graham, Pa.	Mead	Summers, Wash.
Butler	Green, Iowa	Merritt	Sweet
Cable	Greene, Mass.	Michaelson	Swing
Campbell, Kans.	Greene, Vt.	Michener	Taylor, N. J.
Campbell, Pa.	Griest	Miller	Taylor, Tenn.
Cannon	Hadley	Millspaugh	Temple
Chalmers	Hardy, Colo.	Mondell	Thompson
Chandler, N. Y.	Hawley	Montoya	Timberlake
Chindblom	Hays	Moore, Ohio	Tincher
Christopherson	Hickey	Moores, Ind.	Tinkham
Clague	Hicks	Morgan	Towner
Cockran	Himes	Mott	Vaile
Cole, Iowa	Hoch	Murphy	Vestal
Cole, Ohio	Hogan	Nelson, A. P.	Voigt
Colton	Houghton	Nelson, J. M.	Volk
Connolly, Pa.	Hukriede	Newton, Minn.	Volstead
Cooper, Ohio	Hull	Newton, Mo.	Walsh
Cooper, Wis.	Husted	Norton	Walters
Coughlin	Ireland	O'Brien	Wason
Crago	James	Olpp	Watson
Cramton	Jefferis, Nebr.	Osborne	Webster
Crowther	Johnson, Ky.	Paige	Wheeler
Cullen	Johnson, S. Dak.	Patterson, Mo.	White, Kans.
Dale	Johnson, Wash.	Patterson, N. J.	White, Me.
Dallinger	Kearns	Perkins	Williams
Darrow	Keller	Perlman	Williamson
Davis, Minn.	Kelly, Pa.	Petersen	Winslow
Dempsey	Kennedy	Porter	Wood, Ind.
Denison	Ketcham	Pringey	Woodruff
Dickinson	King	Purnell	Woodyard
Dowell	Kirkpatrick	Radcliffe	Wurzbach
Dunn	Kissel	Rainey, Ill.	Wyant
Dyer	Kleczka	Ramseyer	Young
Echols	Kline, N. Y.	Ransley	Zihlman
Elliott	Kline, Pa.	Reece	

NAYS—119.

Almon	Drane	Lanham	Rayburn
Aswell	Drewry	Lankford	Robertson
Bankhead	Driver	Larsen, Ga.	Rouse
Barbour	Dupré	Layton	Sanders, Tex.
Barkley	Favrot	Lazaro	Sandlin
Bell	Fields	Lea, Calif.	Sears
Black	Fisher	Linthicum	Sinnott
Bland, Va.	French	Logan	Sisson
Bowling	Fulmer	Lowrey	Slemp
Box	Garner	Luce	Smithwick
Brand	Garrett, Tenn.	McClintic	Stafford
Briggs	Garrett, Tex.	McDuffie	Stedman
Brinson	Goldsborough	McSwain	Stevenson
Brown, Tenn.	Hammer	Martin	Stoll
Buchanan	Hardy, Tex.	Montague	Sumners, Tex.
Bulwinkle	Hawes	Moore, Va.	Swank
Byrnes, S. C.	Hayden	Nolan	Taylor, Ark.
Byrns, Tenn.	Herrick	O'Connor	Thomas
Cantrill	Hersey	Oldfield	Tillman
Carter	Hooker	Oliver	Tyson
Clouse	Huddleston	Overstreet	Upshaw
Collier	Hudspeth	Padgett	Vinson
Collins	Humphreys	Park, Ga.	Ward, N. C.
Connally, Tex.	Jacoway	Parker, N. J.	Weaver
Crisp	Jeffers, Ala.	Parks, Ark.	Wilson
Curry	Johnson, Miss.	Parrish	Wingo
Davis, Tenn.	Jones, Pa.	Pou	Wise
Deal	Jones, Tex.	Quin	Woods, Va.
Dominick	Kelley, Mich.	Raker	Wright
Doughton	Kincheloe	Rankin	

ANSWERED "PRESENT"—4.

Dunbar	Evans	Langley	Reber

NOT VOTING—74.

Anderson	Chandler, Okla.	Gilbert	Kendall
Beck	Clark, Fla.	Goodykoontz	Kiess
Benham	Clarke, N. Y.	Gould	Kindred
Blakeney	Classon	Griffin	Kinkaid
Blanton	Codd	Harrison	Kitchin
Britten	Connell	Haugen	Knutson
Brooks, Ill.	Copley	Hill	Kreider
Burke	Edmonds	Hutchinson	Kunz
Carew	Fess	Kahn	Lawrence

Lee, Ga.	Mudd	Sanders, N. Y.	Sullivan
Lineberger	Ogden	Scott, Tenn.	Tague
Lyon	Parker, N. Y.	Shaw	Taylor, Colo.
McLaughlin, Mich.	Rainey, Ala.	Shreve	Ten Eyck
McPherson	Reavis	Snell	Tilson
MacGregor	Riddick	Snyder	Treadway
Mansfield	Riordan	Steagall	Underhill
Mills	Rodenberg	Steenerson	Vare
Moore, Ill.	Rucker	Stiness	Ward, N. Y.
Morin	Sabath	Strong, Pa.	Yates

The following additional pairs were announced:

Mr. MCPHERSON (for) with Mr. LEE of Georgia (against).

Mr. SHREVE (for) with Mr. MANSFIELD (against).

Mr. MILLS (for) with Mr. HARRISON (against).

Mr. RODENBERG (for) with Mr. RUCKER (against).

Mr. HUTCHINSON (for) with Mr. OVERSTREET (against).

Mr. KIESS (for) with Mr. GILBERT (against).

Mr. FESS (for) with Mr. BLANTON (against).

Mr. DUNBAR (for) with Mr. STEAGALL (against).

Mr. RIORDAN (for) with Mr. RAINEY of Alabama (against).

Mr. VARE (for) with Mr. KITCHIN (against).

Mr. MORIN (for) with Mr. LYON (against).

General pairs:

Mr. KNUTSON with Mr. CAREW.

Mr. SNELL with Mr. SULLIVAN.

Mr. GOODYKOONTZ with Mr. TAGUE.

Mr. LAWRENCE with Mr. KUNZ.

Mr. MUDD with Mr. GRIFFIN.

Mr. TILSON with Mr. TAYLOR of Colorado.

Mr. MACGREGOR with Mr. KINDRED.

Mr. CONNELL with Mr. TEN EYCK.

Mr. MOORE of Illinois with Mr. SABATH.

Mr. LANGLEY with Mr. CLARK of Florida.

The result of the vote was announced as above recorded.

DISTILLED SPIRITS IN BONDED WAREHOUSES.

Mr. GREEN of Iowa, from the Committee on Ways and Means, by direction of that committee reported the bill H. R. 10028, a bill for centralizing distilled spirits in bonded warehouses, and for other purposes, which was read a first and second time and, with accompanying papers, referred to the Committee of the Whole House on the state of the Union. [Report 614.]

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Speaker, we expect to take up for consideration to-morrow the independent offices appropriation bill, which is the unfinished business. If that bill is disposed of to-morrow, I shall ask unanimous consent to recess over Saturday. I move that the House do now adjourn.

ADJOURNMENT.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p. m.) the House adjourned until to-morrow, Friday, January 27, 1922, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. TREADWAY: Committee on Ways and Means. H. R. 5495. A bill to remit the duty on a carillon of bells to be imported for the Church of Our Lady of Good Voyage, of Gloucester, Mass.; without amendment (Rept. No. 613). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MOORES of Indiana: A bill (H. R. 10141) in reference to writs of error; to the Committee on the Judiciary.

Also, a bill (H. R. 10142) to amend the Judicial Code; to the Committee on the Judiciary.

Also, a bill (H. R. 10143) to amend the Judicial Code by adding a new section, to be numbered 274d; to the Committee on the Judiciary.

By Mr. SHREVE: A bill (H. R. 10144) conveying the peninsula of Presque Isle, Erie, Pa., to the State of Pennsylvania, its original owner, for public-park purposes; to the Committee on Military Affairs.

By Mr. REED of New York: A bill (H. R. 10145) to incorporate the Lakes to Hudson Ship Canal Co.; to the Committee on the Judiciary.

By Mr. KISSEL: Concurrent resolution (H. Con. Res. 43) directing the Architect of the Capitol to remove from its present location the Suffrage Statue, so called, and place it in the place originally assigned for same, and for other purposes; to the Committee on Accounts.

By Mr. CONNALLY of Texas: Resolution (H. Res. 273) directing the Foreign Affairs Committee of the House of Representatives to investigate the activities of the National Association for the Protection of American Rights in Mexico and the Association of American Owners of Land in Mexico, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALMON: A bill (H. R. 10146) granting a pension to Margaret Lomasney; to the Committee on Pensions.

By Mr. CHALMERS: A bill (H. R. 10147) granting a pension to Aristeen Arnold; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10148) granting a pension to Ellen Heminger; to the Committee on Invalid Pensions.

By Mr. HERSEY: A bill (H. R. 10149) granting an increase of pension to Etta Rand; to the Committee on Invalid Pensions.

By Mr. HULL: A bill (H. R. 10150) for the relief of Katherine Abel; to the Committee on Claims.

By Mr. JOHNSON of Mississippi: A bill (H. R. 10151) for the relief of Mrs. E. M. Stafford; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 10152) granting an increase of pension to Milton S. Kyser; to the Committee on Pensions.

Also, a bill (H. R. 10153) granting a pension to Thomas Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10154) granting an increase of pension to Sallie Blevins; to the Committee on Invalid Pensions.

By Mr. TOWNER: A bill (H. R. 10155) granting a pension to Rosanna Moore; to the Committe on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3678. By the SPEAKER (by request): Petition of citizens of Massachusetts, urging legislation to suspend payment of Austria's debt to the United States for a period of 20 years; to the Committee on Foreign Affairs.

3679. Also (by request), petition of the Common Council of the city of Manitowoc, Wis., relative to prohibition laws; to the Committee on the Judiciary.

3680. By Mr. BOND: Petition of John P. O'Brien, corporation counsel of the city of New York, urging the immediate passage of House bill 9579; to the Committee on Banking and Currency.

3681. By Mr. CAMPBELL of Pennsylvania: Petition of residents of thirty-second Pennsylvania congressional district, calling upon Congress to collect $10,000,000,000 owing the United States by foreign Governments; to the Committee on Foreign Affairs.

3682. By Mr. CRAMTON: Petition of Henry S. VanDusen, of Richmond, Mich., and other residents of the seventh district, asking for an increase in the tariff on raw sugar; to the Committee on Ways and Means.

3683. Also, resolutions passed by the Michigan Improved Live Stock Breeders' and Feeders' Association at their meeting January 12, 1922, asking for a tariff on sugar and wool sufficient to protect home industries; to the Committee on Ways and Means.

3684. Also, petition of M. L. King, of Columbus, Mich., and other residents of the seventh district of Michigan, requesting an increase in the tariff on raw sugar and wool for the protection of home industries; to the Committee on Ways and Means.

3685. Also, petition of the executive committee of the Huron County Farm Bureau of Michigan, Earl C. McCarty, president, requesting that the emergency tariff rate on sugar be retained; to the Committee on Ways and Means.

3686. By Mr. CURRY: Petition of the California State Board of Health, urging Congress to appropriate the sum asked by the Department of Agriculture for the maintenance of suitable sanitary camps in the forest reserves of the State of California; to the Committee on Appropriations.

3686½. By Mr. DALLINGER: Petition of the Cotton Thread Manufacturers' Exchange of Boston, Mass., protesting against the dissemination by the Department of Agriculture of inaccurate statistical data pertaining to the cotton market; to the Committee on Agriculture.

3687. By Mr. KAHN: Petition of citizens of Missouri, favoring amendment to Volstead prohibition law urging the manufacture and sale of light wines and beer; to the Committee on the Judiciary.

3688. By Mr. KINDRED: Recommendations by the Grand Army of the Republic as to the observance of the centenary of the birth of Gen. Ulysses S. Grant, April 27, 1922; to the Committee on the Library.

3689. By Mr. KISSEL: Petition of the Brooklyn Sweater Manufacturers' Association, of Brooklyn, N. Y., relative to the tariff; to the Committee on Ways and Means.

3690. Also, petition of the New York Clothing Trade Association, of New York City, relative to the tariff; to the Committee on Ways and Means.

3691. By Mr. LAWRENCE: Papers to accompany House bill 10124, for the relief of William Smith; to the Committee on Military Affairs.

3692. By Mr. MEAD: Petition of the department of taxes and assessments of New York City, relative to House bill 9579; to the Committee on Banking and Currency.

3693. By Mr. WARD of North Carolina: Petition of the Board of North Carolina Geological and Economic Survey, relating to the United States Forest Service and approving House bill 9667; to the Committee on Agriculture.

3694. By Mr. YATES: Petition of the Illinois State Medical Society, by Dr. W. H. Gilmore, its secretary, urging congressional investigation of the drug-addiction problem in the United States; to the Committee on the Judiciary.

3695. By Mr. YOUNG: Petition of Edward Baarstaad and 26 others of Nome, N. Dak., asking for the revival of the United States Grain Corporation and for a guaranteed price on wheat; to the Committee on Agriculture.

3696. Also, resolution of the Fargo Trades and Labor Assembly, protesting against any legislation for the establishment of an industrial court to aid in the settlement of disputes arising between employees and employers, as recommended in the President's annual message to Congress; to the Committee on Labor.

3697. Also, petition of W. P. Sukut and five others, of New Rockford, N. Dak., asking for the revival of the United States Grain Corporation and for a guaranteed price on wheat; to the Committee on Agriculture.

SENATE.

FRIDAY, *January 27, 1922.*

(Legislative day of Wednesday, January 25, 1922.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

CONDITIONS IN WEST VIRGINIA COAL FIELDS.

Mr. KENYON. Mr. President, I ask unanimous consent to file what perhaps I ought not to call a report, because it is the views of the chairman only of the Committee on Education and Labor in the West Virginia coal investigation, authorized by Senate resolution No. 80, agreed to June 21, 1921, directing the Committee on Education and Labor to investigate the recent acts of violence in the coal fields of West Virginia and adjacent territory, and the causes which led to the conditions which now exist in said territory.

I desire to say that it is impossible for the committee to agree on any report; so they decided that each member of the committee may file his own views. No other member of the committee is responsible at all for the views or the report which I here present, but I have seen no other way of handling the matter. I present this report, therefore, as the report of the chairman of the committee and not of the balance of the committee. They will present their views later.

The PRESIDENT pro tempore. Without objection, the report will be received.

[Mr. KENYON's "personal views," Report No. 457.]

Mr. PHIPPS subsequently, from the Committee on Education and Labor, which, pursuant to Senate resolution 80, investigated the recent acts of violence in the coal fields of West Virginia and adjacent territory, and the causes which led to the conditions which now exist in said territory, submitted the personal views of Senators WARREN, STERLING, and himself thereon (Rept. No. 457).

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House agreed to the amendments of the Senate to the bill (H. R. 6119) for the coinage of a Grant souvenir gold dollar in commemoration of the centenary of the birth of Gen. Ulysses S. Grant, late President of the United States.

The message also announced that the House had passed a bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, in which it requested the concurrence of the Senate.

PETITIONS.

Mr. WARREN presented a resolution adopted January 14, 1922, at the annual meeting of the South Fork Stockmen's Association, of Ishawooa, Wyo., favoring the retention of the Forest Service under the jurisdiction of the Department of Agriculture, which was referred to the Committee on Agriculture and Forestry.

Mr. PITTMAN presented three petitions of sundry citizens and corporations of Nevada, praying for the enactment of legislation extending the life of all prospecting permits of oil and gas for a period of one year, etc., which were referred to the Committee on Public Lands and Surveys.

REPORTS OF THE COMMITTEE ON MILITARY AFFAIRS.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (S. 2885) to authorize the acquisition of lands for military purposes in certain cases and making appropriations therefor, and for other purposes, reported it without amendment and submitted a report (No. 458) thereon.

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (H. R. 9060) to authorize the Secretary of War to lease a certain tract of land to the city of Leavenworth, in the State of Kansas, reported it with an amendment and submitted a report (No. 459) thereon.

He also, from the same committee, to which was referred the bill (S. 2698) for the relief of Alfred Rebsamen, submitted an adverse report thereon, which was agreed to, and the bill was indefinitely postponed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PITTMAN:

A bill (S. 3077) to amend an act entitled "An act to provide capital for agricultural development, to create a standard form of investment based upon farm mortgages, to equalize rates of interest upon farm loans, to furnish a market for United States bonds, to create Government depositaries and financial agents for the United States, and for other purposes," approved July 17, 1916, known as the Federal farm loan act, and providing for loans in irrigation projects by Federal land banks; to the Committee on Banking and Currency.

By Mr. FRELINGHUYSEN:

A bill (S. 3078) to provide for the free transmission through the mails of certain publications for the blind; to the Committee on Post Offices and Post Roads.

By Mr. SHEPPARD:

A bill (S. 3079) permitting the organization of agricultural pools for the purpose of making agricultural loans; to the Committee on Banking and Currency.

HOUSE BILL REFERRED.

The bill (H. R. 13) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching, was read twice by title and referred to the Committee on the Judiciary.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. WALSH of Massachusetts. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the role, and the following Senators answered to their names:

Ashurst	Glass	McCumber	Shields
Borah	Gooding	McKellar	Simmons
Brandegee	Hale	McKinley	Spencer
Calder	Harreld	McNary	Sutherland
Cameron	Harris	Moses	Swanson
Capper	Heflin	Myers	Townsend
Caraway	Hitchcock	Nelson	Underwood
Colt	Johnson	Oddie	Wadsworth
Culberson	Jones, Wash.	Overman	Walsh, Mass.
Cummins	Kellogg	Page	Walsh, Mont.
Curtis	Kenyon	Pepper	Warren
Dial	Keyes	Phipps	Watson, Ga.
Ernst	Ladd	Pittman	Watson, Ind.
Fernald	La Follette	Poindexter	Williams
Fletcher	Lenroot	Reed	Willis
Frelinghuysen	Lodge	Sheppard	

Mr. DIAL. My colleague [Mr. SMITH] is detained on business of the Senate. I ask that this announcement may stand for the day.

Mr. FLETCHER. I wish to announce that my colleague [Mr. TRAMMELL] is necessarily absent. I will let this announcement stand for the day.

Mr. FRELINGHUYSEN. I was requested to announce that the Senator from Utah [Mr. SMOOT], the Senator from Vermont [Mr. DILLINGHAM], and the Senator from Connecticut [Mr. MCLEAN] are detained in a hearing before the Committee on Finance.

Mr. WALSH of Massachusetts. I wish to announce that the Senator from Rhode Island [Mr. GERRY] is detained on account of illness.

Mr. CAPPER. I desire to announce that the Senator from Nebraska [Mr. NORRIS] and the Senator from South Dakota [Mr. STERLING], members of the Committee on Agriculture and Forestry, are detained at a hearing before that committee.

The PRESIDENT pro tempore. Sixty-three Senators have answered to their names. A quorum is present. The Senator from Georgia [Mr. WATSON] is entitled to the floor.

Mr. WATSON of Georgia. Mr. President, on yesterday afternoon I announced my intention to ask for recognition this morning to discuss the pending bill, but on leaving my room at the hotel this morning some necessary papers were inadvertently left behind, and without those I can not proceed. I merely wish to make this explanation and yield the floor at this time.

The PRESIDENT pro tempore. The question is on agreeing to the first committee amendment, which will be stated.

The first amendment of the Committee on Finance was, in section 1, page 1, line 6, after the word "President," to strike out "which appointments when other than Cabinet officers shall be made," and to insert "by and"; so as to make the section read:

That a World War foreign debt commission is hereby created consisting of five members, one of whom shall be the Secretary of the Treasury, who shall serve as chairman, and four of whom shall be appointed by the President, by and with the advice and consent of the Senate.

The amendment was agreed to.

The next amendment was, in section 2, page 1, line 11, after the word "authorized," to strike out "from time to time"; and on page 2, line 9, after the word "Government," to strike out "and from time to time to receive bonds and obligations of any foreign Government"; so as to read:

SEC. 2. That, subject to the approval of the President, the commission created by section 1 is hereby authorized to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration), arising out of the World War, into bonds or other obligations of such foreign Government in substitution for the bonds or obligations of such Government now or hereafter held by the United States of America, in such form and of such terms, conditions, date or dates of maturity, and rate or rates of interest, and with such security, if any, as shall be deemed for the best interests of the United States of America, and to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

The amendment was agreed to.

The PRESIDENT pro tempore. This completes the amendments of the committee. If there be no further amendment as in Committee of the Whole the bill will be reported to the Senate.

Mr. REED. Mr. President, I understand the Senator from Wisconsin [Mr. LENROOT] desires to occupy the floor. I do not want to have the bill reported to the Senate until after certain amendments have been submitted. I am entirely willing to yield the floor to the Senator from Wisconsin.

Mr. LENROOT. Mr. President, I desire to make a few observations upon the question raised by the Senator from Montana [Mr. WALSH] that the mode now proposed of dealing with our foreign indebtedness is unconstitutional, and that the only way it can be legally dealt with is through treaty.

I wish to say first that it seems to me in any aspect of the case that it is very largely a moot question and not a practical one so far as the effect upon this particular transaction is concerned. Congress has already undertaken to confer upon the executive, first, the power to make the loan, and, secondly, the power to accept bonds for its repayment, and has laid down in general terms the conditions which shall guide the Executive and the Secretary of the Treasury in so doing.

I submit first that if the bill now pending be unconstitutional, the original act itself was likewise unconstitutional and without the power of Congress. True, the Senator from Montana suggested that that action might be sustained under the war power; but, Mr. President, while much was said during the war as to the war power of Congress, I certainly had not supposed that there was ever any claim upon the part of anybody that there was included in any war power of Congress to add to the powers of the Executive powers that were retained in Congress upon the one side, or that Congress had power to take from the Executive power that he otherwise had.

In other words, there is nothing in any possible construction of a war power of Congress that leaves the three divisions of the Government—executive, judicial, and legislative—in any different position than in time of peace. That, it seems to me, was conclusively settled in the Milligan case, because, however much we may disagree upon other propositions, that involved the question of whether there was any war power to take from the judiciary or from the judicial side of the Government any power that it had in time of peace, and the decision of the court was to the contrary.

That being true, as I think it must be admitted, assuming for the moment that the original act was unconstitutional, the loan was made, the foreign Governments received the money, and they alone must repudiate it, and they can not be heard to repudiate it because of the lack of power in Congress. There will be but one of two things to do. They can pay the principal, or they can pay the interest and the principal according to the contract that was made.

But now as to the main question raised by the Senator from Montana, I have not had the opportunity to go into it to the extent that I would like, but it is clear to me that every contract of the Government need not be negotiated and carried out by treaty. The Senator from Montana correctly states, and cites many authorities to show, that every treaty is a contract; but he has cited to the Senate no authority, and I undertake to say that he can find none, that while every treaty is a contract, on the other hand every contract is not a treaty. I confess that I did not know until I gave some examination to the subject yesterday that that particular question had ever been before the Supreme Court of the United States at all, but I find in a comparatively recent decision, in Two hundred and twenty-fourth United States, this very subject is touched upon and at some length.

In 1897, in the tariff law then enacted, as Senators will remember, there were provisions for differential duties and reciprocal arrangements with other nations. It was provided, and authority was delegated to the President, to make commercial agreements with other nations, upon the making of which the nation with whom the agreement was made should have the benefit of the lower duty. That question came up in the case of Altman & Co. against the United States, where that was the particular question involved. It was urged upon the one side that such agreement or any agreement could only be made by treaty, but that no treaty was made in that case and neither did the Senate by a two-thirds vote on that bill enact it into law. It was enacted by a small majority.

The Government occupied two different positions upon that question. Upon the one hand it was urged that it was not a treaty, because it was not ratified by a two-thirds vote of the Senate, and in a second place it was urged that the agreement made by the President in pursuance of that delegated authority was a valid agreement.

The question of jurisdiction of the Supreme Court was the first matter considered. Under the Judicial Code, appellate jurisdiction was retained in the Supreme Court of questions arising under treaties and the first question to decide was whether this was a treaty giving the Supreme Court jurisdiction.

In no other way could the Supreme Court have had jurisdiction. For the purpose of taking jurisdiction of the case, the Supreme Court held that it was a treaty within the meaning of the Judicial Code; but the court also held, notwithstanding its construction that this kind of an agreement was included within the word "treaty" as used in the Judicial Code, that it was not such an agreement or treaty as required ratification by the Senate. I will read from page 601 of the opinion set forth in Two hundred and twenty-fourth United States. The court says:

While it may be true that this commercial agreement, made under authority of the tariff act of 1897, section 3, was not a treaty possessing the dignity of one requiring ratification by the Senate of the United States, it was an international compact negotiated between the representatives of two sovereign nations and made in the name and on behalf of the contracting countries and dealing with important commercial relations between the two countries and was proclaimed by the President. If not technically a treaty requiring ratification, nevertheless it was a compact authorized by the Congress of the United States, negotiated and proclaimed under the authority of its President. We think such a compact is a treaty under the circuit court of appeals act, and, where its construction is directly involved, as it is here, there is a right of review by direct appeal to this court.

So here was an agreement made under delegated authority to the President, in this case with the Republic of France, whose

validity is recognized by the Supreme Court of the United States, although it was never ratified by the Senate of the United States, but was made in pursuance of an act of Congress, exactly as is proposed in the pending bill.

That decision, Mr. President, led me to a little further examination, because it was clear that there were in the minds of the Supreme Court two classes of contracts that might be made under the general designation, perhaps, of treaties, one requiring ratification by the Senate under the Constitution and the other not requiring such ratification. I found that in the early days of the Republic this question was considered at some length in the case of Holmes against Jennison et al. and reported in Fourteenth Peters. I refer especially to page 571. That was a case involving the right of the State of Vermont to make an agreement with Canada with regard to the giving up of fugitives from justice. The State of Vermont having agreed to surrender a fugitive from Canada, the question arose as to whether a State had the right, under the Constitution of the United States, to make any such agreement. The court, not upon this question but upon the question of jurisdiction, divided evenly upon it, and therefore no decision was rendered; but all the members of the court agreed upon the proposition that the State of Vermont had no right to make such an agreement with a foreign nation. I want to read from the opinion of Chief Justice Taney, as follows:

> But it may be said that here is no treaty; and, undoubtedly, in the sense in which that word is generally understood, there is no treaty between Vermont and Canada. For when we speak of "a treaty" we mean an instrument written and executed with the formalities customary among nations, and as no clause in the Constitution ought to be interpreted differently from the usual and fair import of the words used, if the decision of this case depended upon the word above mentioned, we should not be prepared to say that there was any express prohibition of the power exercised by the State of Vermont.
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> But the question does not rest upon the prohibition to enter into a treaty. In the very next clause of the Constitution the States are forbidden to enter into any "agreement" or "compact" with a foreign nation; and as these words could not have been idly or superfluously used by the framers of the Constitution, they can not be construed to mean the same thing with the word "treaty." They evidently mean something more, and were designed to make the prohibition more comprehensive.

Of course, the Senate will remember that under the Constitution a State is absolutely prohibited from making a treaty of any kind with a foreign nation. Then another clause of the Constitution provides that the States shall make no agreement or compact with any State or foreign nation without the consent of the Congress of the United States.

In this opinion the court continues:

> A few extracts from an eminent writer on the laws of nations, showing the manner in which these different words have been used and the different meanings sometimes attached to them, will, perhaps, contribute to explain the reason for using them all in the Constitution, and will prove that the most comprehensive terms were employed in prohibiting to the States all intercourse with foreign nations.
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> Vattel, page 192, section 152, says: "A treaty, in Latin fœdus, is a compact made with a view to the public welfare by the superior power, either for perpetuity or for a considerable time."
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> Section 153: "The compacts which have temporary matters for their objects are called agreements, conventions, and pactions. They are accomplished by one single act and not by repeated acts. These compacts are perfected in their execution once for all; treaties receive a successive execution, whose duration equals that of the treaty."
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> Section 154: "Public treaties can only be made by the 'supreme power,' by sovereigns who contract in the name of the State. Thus conventions made between sovereigns respecting their own private affairs and those between a sovereign and a private person are not public treaties."

So, Mr. President, we have the Supreme Court of the United States recognizing as valid, in the case from which I have first quoted, an agreement made by the President of the United States under authority of Congress with a foreign nation; an agreement that was never submitted to the Senate for ratification. The Supreme Court clearly indicates that that kind of an agreement, although a treaty under the circuit court of appeals act, was not such an agreement as required ratification by the Senate.

Now, Mr. President, just a word as to where our country would be if the construction which the Senator from Montana [Mr. WALSH] places on this bill were to obtain. We have during the history of this Republic made under authority of Congress, without the ratification of the Senate, without the contracts ever being submitted to the Senate, agreements with other nations upon a variety of subjects that have always been considered and held valid. For instance, we have our postal conventions. The last act, I think, with reference to postal conventions, and the authority to make postal agreements is found in our Revised Statutes and is based upon the act of June, 1872, an act to consolidate and revise the laws relating to the Post Office Department, which is now found in section 398 of the Revised Statutes. I quote from that section, as follows:

> SEC. 398. For the purpose of making better postal arrangements with foreign countries, or to conteract their adverse measures affecting our postal intercourse with them, the Postmaster General, by and with the advice and consent of the President, may negotiate and conclude postal treaties or conventions, and may reduce or increase the rates of postage on mail matter conveyed between the United States and foreign countries.

I now read from Crandall on "Treaties, their making and enforcement," page 132:

> Section 103 of the act of June 8, 1872, brought forward as section 4028 of the Revised Statutes, likewise authorized the Postmaster General to conclude arrangements with the post departments of foreign governments, with which postal conventions have been concluded, for the exchange by means of postal orders of sums of money not exceeding in amount $100, at such rates of exchange and under such regulations as may be deemed expedient.
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> In virtue of these provisions postal and money order conventions have been concluded by the Postmaster General, with the approval of the President, without submission to the Senate. Among these are the general postal union convention signed at Berne, October 9, 1874, and the universal postal union convention signed at Vienna, July 4, 1891, at Washington, June 15, 1897, and at Rome, May 26, 1906.
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> * * * * * * *
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> Of postal conventions submitted by the President to the Senate for its advice and consent as to the ratification prior to the passage of the act of 1872, note may be made of those signed as follows—

Giving a number of postal treaties.

Does the Senator from Montana claim that all of these agreements which have been made and which have been recognized throughout many, many years are invalid and unconstitutional? Does the Senator claim that Congress can not authorize the President to do any act or conduct any negotiations or make any kind of an agreement with a foreign government unless every such agreement is submitted to the Senate in the form of a treaty?

During the war we sold to Greece two battleships. It is my recollection—and I think I am correct—that that was done by an act of Congress authorizing the President to sell those battleships. If the Senator from Montana is right, that sale was void. When the President undertook to part with those battleships he violated the Constitution of the United States, according to the Senator from Montana.

Again, Mr. President, in what President Wilson did in connection with these very loans when he made the agreement with foreign countries that interest should be deferred for two or three years, as I think the expression is, he violated the Constitution, according to the Senator from Montana, because, according to that Senator, Congress could not delegate to the President any authority to make any kind of a valid arrangement or agreement with respect to these loans.

Mr. President, that is all I have to say upon that branch of the case. I said in the beginning that I thought that it was very largely, if not wholly, a moot question, so far as these loans are concerned. In any event, who will raise the question of the validity of these bonds if they are taken in pursuance of the provisions of this bill? Can any citizen of the United States raise it? Does the Senator think that the foreign Governments giving these obligations will raise the question hereafter that they are not bound by them because of lack of power in the commission which is to be created—and, remember, it must act by and with the approval of the President—to negotiate them? If they did, what would be the result? They have obtained the money, the money of the taxpayers of the United States, and they must either pay according to the terms of the bond, or they must pay the principal. Will the Senator disagree with me as to that? They owe the money; whether there was a shred of authority for lending it to them, they got it; it was our money, and they can not be heard to say at any stage that there was any invalidity in the proceedings under which the money was loaned to them, and therefore they need not repay it.

Mr. KELLOGG. Mr. President——

Mr. LENROOT. I yield to the Senator from Minnesota.

Mr. KELLOGG. I should like to remind the Senator of a very conspicuous case where an act was performed through legislation by Congress instead of by treaty, and that was the acquisition of the Hawaiian Islands.

Mr. LENROOT. I was just coming to that. The Senator from Montana, if I understood him correctly, takes the position that if it be admitted that it would be proper under the Constitution for the President to do a certain thing by treaty following negotiations with a foreign Government, that it is the only way in which it can be done. I was about to come to the matter of the annexation of Texas and of Hawaii in that regard. Senators will remember that a treaty was presented to the Senate for the annexation of Texas, and that treaty was rejected by the Senate of the United States. After it was rejected an act of Congress was passed annexing Texas.

Mr. WILLIAMS. Mr. President, will the Senator pardon an interruption?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LENROOT. I yield.

Mr. WILLIAMS. Texas was not annexed, although that is the general language used in connection with its acquisition. Texas was admitted to the Union as a State under the express clause of the Constitution giving Congress the power to admit new States, and that power does not confine itself to States made out of Territories belonging to the United States. So the position was taken that, under the power to admit new States, the power rested in Congress to admit Texas.

Mr. LENROOT. Yes.

Mr. WILLIAMS. And to this good day, instead of being marked "annexed" in a certain year, Texas ought to be marked "admitted" in that year.

Mr. LENROOT. The Senator's argument only makes my point that much stronger. The Senator is correct in the distinction that he makes, but, under the Constitution, when a State is admitted from territory not under the control or jurisdiction of the United States, I think the Senator will admit that the Constitution contemplates only admission with the consent of that territory.

Mr. WILLIAMS. That very contention was made, and most vigorously, in the debate and the Congress of the United States decided against it. The contention was made that the original power to admit States involved only such States as were carved out of territory which was a part of the United States at the time; but the wider and broader construction that we could admit the States of any territory anywhere was upheld. In fact, if we were fools enough to do it, we could admit Ireland to-morrow as a State of the American Union, under the clause to admit new States, provided we wanted to assume a war while we were doing it.

Mr. LENROOT. And provided Ireland consented to the admission.

Mr. WILLIAMS. But the Supreme Court upheld the power to admit Texas under the clause of the Constitution which provided that Congress could admit new States.

Mr. LENROOT. Exactly. Texas, not then a part of the United States, agreed and consented to the admission. That is the only point I am making—that there was a meeting of minds between a foreign country and the United States whereby an accord was reached without the medium of a treaty. That is the only point I was making; and exactly the same thing is true in the case of Hawaii. There, again, a treaty for the annexation of Hawaii was presented to the United States and rejected by the Senate of the United States.

Mr. WILLIAMS. If the Senator will pardon me, so far as the consent of the population of the territory admitted as a State is concerned, of course, even where territory already belongs to the Union we have uniformly taken the position that the population of the territory involved must request admission. Texas had requested admission.

Mr. LENROOT. That has nothing to do with the proposition I am making. The Senate rejected the Hawaiian treaty, but afterwards the same thing was accomplished by an act of Congress; so, in our own history, upon two very important transactions to the Government of the United States, while the treaty mode was exercised by the President, another means was found by congressional action to accomplish the same thing. I raise this point only for the purpose of meeting the argument of the Senator from Montana [Mr. WALSH], that if power be vested in the President to negotiate a treaty for the accomplishment of a certain object, that object can not be accomplished in any other way. That is the only purpose for which I raise it.

Mr. WILLIAMS. Mr. President, I hope the Senator will pardon me while I state, for fear that what I have said may be misconstrued, that I have not interrupted him for the purpose of differing with the conclusion which he has reached. I interrupted him merely in the interest of historical accuracy. I have been tired for a long time of seeing on the maps "Texas annexed" a certain year, when it ought to have said "admitted."

I agree with the Senator that the United States Government has other ways besides a treaty ratified by two-thirds of the Senate of entering into compacts and contracts and agreements with foreign powers, and that one of those ways, which has been several times exercised, is through the action of the entire Government by a law, the Senate, the House, and the President making the law. For example, the Senator will recall that several times we have passed acts which were dependent upon some foreign power joining in a similar act, and when the foreign power failed to join in the similar act our original act was held void.

Mr. LENROOT. I am very glad that the Senator from Mississippi agrees with the point I was trying to make in that regard.

Mr. President, I have only one other word to say, and that is upon the proposition that has been urged that this final authority should not be vested with the Executive, but that as a practical matter it ought to be submitted to Congress for action confirming any settlement that may be reached. Upon that phase of it, I take it that the Senator from California [Mr. JOHNSON], who made that contention yesterday, does not urge at all the question of power, but merely the question of what in the interest of the public welfare, in his judgment, ought to be done. I want to say a word upon that phase of the subject.

Mr. President, if this were a blanket power to the executive department of the Government to deal with this indebtedness as it saw fit, to cancel it, or to do otherwise than arrange for its payment eventually, I should be in complete agreement with the Senator from California; but with the restrictions that are laid down in this bill and with the limited powers that are delegated, in the interest of the country I submit that that final power, within those restrictions and limitations, ought to be placed exactly where the bill proposes to place it.

What are the powers? To extend these loans not exceeding 25 years at a rate of interest not less than 4¼ per cent, and to accept the obligations of the countries that borrow the money without substituting the obligations of any other country in payment of them. The only discretion, within limits, is the length of the term of the loan, which is 25 years; the interest can not be less than 4¼ per cent; and the only discretion that is imposed that it seems to me anyone might criticize is the discretion as to deferring the interest for a limited time.

Mr. President, as a practical matter we know that Great Britain is in position to pay the interest just as soon as this funding transaction can be completed, and that she will commence doing so. We know that there are other countries, especially the smaller countries of Europe, that can not pay their interest this year or next year. If we are to have, as proposed by the Senator from Montana, a treaty with each one of these many countries owing us money, or if we are to have legislative sanction by both Houses of Congress confirming the settlement, how long will it be before the people of the United States will receive any benefits from interest payments upon the part of Great Britain? Will the Senator from California undertake to make any prophecy to the Senate and to the people of the United States as to when such a confirmation could be had by the Senate of the United States? Under the rules of this body a half dozen men, as we well know, with other matters pressing before us, can indefinitely postpone action upon any measure coming before the Senate; and, judging from the debates that we have had during the past two years, I can readily see how months of time might be occupied in the Senate upon a treaty or a bill as to whether or not, for instance, the payment of interest by Czechoslovakia should be postponed for five years, or whether or not the payment of interest by France should be postponed for one year or two years. Months of time can be occupied upon that matter when very few Senators in this body, if any of them, will have such knowledge as to the financial condition of these smaller countries, and the considerations that ought to prompt the settlement, as to be able to vote intelligently upon the matter.

Mr. President, the United States is not going to suffer from the authorization with reference to deferring interest payments, because I am not willing to assume that the executive department of the Government will postpone for a single day the payment of any interest upon the part of any of our debtors where they are able to pay it; and I am willing further to assume that where a further extension of time may be granted for the payment of that interest, it is not primarily in the interest of the people of Europe who may obtain the extension, but is primarily in the interest of the people of the United States that it be done, with a view of ultimately receiving the full amount of the money that is owing to us.

Mr. President, that is all that is involved. I see nothing else involved in this controversy, aside from the constitutional question raised by the Senator from Montana [Mr. WALSH], other than whether there shall be a discretion reposed in the Executive, because in the last analysis the President will be wholly responsible for any settlement that is reached, responsible to the American people as well as to Congress, because nothing can be done without his approval. In this purely business transaction—and that is all it is, a business transaction—with

creditors some of whom are bankrupt to-day, I am perfectly willing to leave to those men, with the approval of the President of the United States, the matter as to whether they shall at once demand the full payment of interest, either annually or semiannually.

Mr. WILLIAMS. Mr. President, before the Senator from Wisconsin takes his seat, I take it for granted, of course, that the Senator's attention has been especially called to section 3 of this act, which reads:

That this act shall not be construed to authorize the exchange of bonds or other obligations of any foreign Government for those of any other foreign Government.

That would seem to cut off even all negotiations upon the subject as to whether or not our commissioners could accept German bonds, let us say, instead of Belgian or Serbian bonds in settlement of debts. It would seem to say that while we insist that little Serbia and Belgium, both of which were invaded without provocation, should run the risk of all possible loss from the failure of Germany to pay her debts, we, who got as much out of the war in the state of civilization and the preservation of liberty as they did, stand out from under all possibility of any loss from Germany's failure to pay her debts. Does not the Senator think that that is too much of a restriction upon the power of negotiation of this convention?

Mr. LENROOT. I am very frank to say that I do not; and I would remind the Senator that if in any given case after this funding proceeding is completed the President, under his powers under the Constitution, sees fit to enter into negotiations with those small countries for the acceptance of bonds of other countries, he has the power to do so without authorization of Congress; but in that case he must either secure authorization by Congress hereafter for that particular purpose or he must do it by treaty.

Mr. WILLIAMS. But, if the Senator will pardon me, of course, the President has power independently of this act to enter into negotiations and to do everything in this act contained, except that if he did it in the ordinary course of negotiation he must report it back to the Senate of the United States for its two-thirds ratification. Here, however, is a positive disqualification even of the power to negotiate concerning an exchange, say, of Serbian for Austro-Hungarian or German bonds, or an exchange of Belgian for German bonds; and it seems to me that either that clause ought to be stricken out of the bill or else these words ought to be inserted at the end of it:

Except with the approbation of Congress.

Mr. LENROOT. Mr. President, I am frank to say that I would not be in favor of such an amendment, because I do not believe that under existing circumstances there should be the slightest hope held out to any of these countries that the United States will at this time consider, under any circumstances, the acceptance of the obligations of one country for the payment of the obligations of another.

Mr. WILLIAMS. Suppose the obligation of the accepted country was better than the obligation of the country that wanted to pay its debt and could not?

Mr. LENROOT. That might be the case; but I am going to be entirely frank with the Senator and say that I would not want France or Great Britain or Italy, the three great powers, to have any ground of expectation whatever that the United States at any time, now or in the future, will accept German bonds in payment of the debts that those several countries owe us; and I will give my reasons for it in just a moment. I would not want those countries to be relieved of their indebtedness to us and have the United States accept Germany as its debtor——

Mr. WILLIAMS. Nor would I.

Mr. LENROOT. Because, in that event, there would be no inducement whatever for some of those countries, at least, ever to permit Germany to reconstruct herself or get upon a sound economic basis. Indeed, the inducement then would be just the contrary. Under present conditions, so long as Germany owes these countries and is committed to reparation in definite amounts, the only way in which these countries can ever get payment is to permit Germany to live and economically prosper.

Mr. WILLIAMS. Mr. President, if the Senator will pardon me further, of course I agree with the Senator that the very first thing to be done is to fix the German reparations so that they shall not be elastic to correspond with the needs of her late enemies; but I take it that the Senator will agree with me that the commissioners appointed by the President, who is at this time of the Senator's own party, will be men of common sense and average business ability, and I have not the slightest fear of their undertaking to accept German bonds for British bonds or French bonds. The Senator seems to me to be shifting the ground of controversy; nor would it encourage either of those countries to demand or request a thing which they know would be unattainable. There are, however, these little countries. Poland owes us money; Serbia owes us money; Czechoslovakia owes us money; Belgium owes us money. Czechoslovakia's credit is magnificent. Nobody of average business ability would undertake to exchange her bonds for German bonds or German credit; but the credit of Poland is at the last stretch. Belgium is in a different position. Serbia is nearly bankrupt.

As to Belgium, Mr. President, if the Senator will pardon me just this thought, although not perfectly relevant, I think it is an eternal and everlasting shame that either Great Britain or France or Italy or the United States should ever collect one dollar of Belgium's war costs and of the money she was compelled to borrow in order to carry on war when she was invaded in a quarrel which was not hers and by a power not provoked to the invasion and threw herself down in front of the invading hosts of Germany for her sons to be slaughtered, for her daughters to be violated, for her land to be devastated, in a quarrel not her own, but that of the civilized world, of which we were a part.

I admit that I am ashamed as an American that we would want to collect any debt from Belgium. I am ashamed as a member of the English-speaking race that Great Britain would want to do it. I am ashamed as a member of the civilized world that France would want to do it when Belgium's course protected her for the six or seven long weeks necessary for her to make a proper defense. I do not regard this as merely a question between merchants and as between debtors and creditors. It is a question between gentlemen and nations that were lately engaged in a common cause and ought not to forget the common cause when peace has come.

Mr. LENROOT. Mr. President, in reply to the Senator from Mississippi I will say that I should oppose any authority to cancel any indebtedness, even though in a given case the merits might be exactly as outlined by the Senator from Mississippi. For the same reason I should oppose any power to accept the obligation of one nation in payment of the obligation of another, not because I do not trust the administration. I do. I do not believe, for instance, that if the power were granted the administration would accept German bonds in payment of English obligations, but I do not want that question to arise in the negotiations. I want it at rest. I want the executive side of the Government to say at the very outset, when any proposition is made, and such proposition will be proposed, if there be power, "That can not be considered; we have no power to do this thing, and therefore it is useless to discuss it." That is why I want the prohibition to be put in.

Mr. SIMMONS. Mr. President, on yesterday the Senator from North Dakota [Mr. MCCUMBER] revised an amendment which he had offered a few days before, and which had been accepted by the Senate. The concluding clause of that amendment now reads:

Or to fix the rate of interest at less than 4½ per cent per annum.

I wish now to offer and have pending an amendment to add, immediately following that language, the words:

Payable semiannually or annually in accordance with the provisions of existing law.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. WALSH of Montana. Mr. President, I desire to submit a few observations in reply to the argument made this morning by the distinguished Senator from Wisconsin [Mr. LENROOT]. Possibly at a later time I shall add something to them after an opportunity is given me to inquire more fully into the views he has presented. I desire to speak of the argument made by him this morning while it is fresh in the minds of the Senators who have been in the Chamber.

The Senator from Wisconsin suggests that it is a matter of no consequence whether the bill is constitutional or not, that it will be impossible for anybody to question it. He inquires who will raise the question, the idea being that because it is impossible to submit the matter to a court for judicial determination we ought to pay no attention to the question as to whether it is a constitutional enactment or not; in other words, that we are to violate our oaths to uphold the Constitution simply because, under the exigencies of the case, it can not be made the subject of judicial determination.

I can not subscribe to that doctrine. There are many things that can be done by officers of the Government, and particularly by the Congress of the United States, the validity of which, under the Constitution, can never be made the subject of judicial investigation. I shall not take the time now to enumerate

them, but they are without number. I wish to advert to the cases which the Senator feels are persuasive in connection with the question of the right of Congress to delegate to the Secretary of the Treasury and other members of the commission the authority to enter into these agreements with foreign powers concerning this enormous debt of $11,000,000,000.

The Senator finds a justification for his view that the Congress has that power in the case of Altman against the United States. He argues, as I understand him, that there are certain agreements with foreign powers which may properly be denominated as treaties. Those require the ratification of the Senate. There are other agreements with foreign powers which do not require the ratification of the Senate. The Senator has not argued that the matter before us falls within that class. He leaves that for inference. But let us consider for a moment just exactly what the case of Altman against United States is.

That case arose under the tariff act of 1897. That act first came before the Supreme Court for consideration in the case of Field against Clark. It provided that if the President of the United States should enter into an agreement with a foreign power to the effect that that foreign power should admit our products into its territories upon terms satisfactory to the President of the United States, he was authorized to issue a proclamation under which the goods of that foreign country should be introduced into our country at a lower rate than that prescribed by the act.

The validity of that act was attacked. Observe, the question was whether the lower rate provided by the statute should go into operation upon a certain contingency, namely, the negotiation of an agreement between the President of the United States and a foreign power. It was not at all a question of the validity of that agreement, whether it was a valid one or whether it was not a valid one. That was a fact the occurrence of which set into operation the lower rate prescribed by the statute. Let us not grow confused about that matter. The Supreme Court, in considering the case of Field against Clark, after referring to many authorities, said:

> As the suspension was absolutely required when the President ascertained the existence of a particular fact, it can not be said that in ascertaining that fact and in issuing his proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the lawmaking department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themselves, permitting the free introduction of sugars, molasses, coffee, tea, and hides, from particular countries, should be suspended, in a given contingency, and that in case of such suspensions certain duties should be imposed. (Field *v.* Clark, 143 U. S. Repts., 693.)

In other words, whether it was valid or whether it was invalid, whenever the President of the United States should enter *into this* agreement with a foreign power, then the lower rate of duty was to go into effect. That was all there was to it. Obviously, that is not a treaty within the meaning of the Constitution. The statute might just as well have provided that whenever a foreign country reduced its rates of duty upon our goods 20 per cent, then the lower rate should go into effect; that whenever they do that—that is to say, when that contingency arises—the lower rate was to go into effect. That was not the arrangement. It was arranged that whenever the President of the United States should enter into an agreement with them that they were to do certain things, then the lower rate was to go into effect.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WALSH of Montana. I yield.

Mr. LENROOT. Did not the court in the case of Altman against The United States recognize and in reality affirm the validity of that agreement?

Mr. WALSH of Montana. I do not understand the Senator's question.

Mr. LENROOT. Did not the court in that case recognize and affirm the validity of that agreement, not only that it was made, but that it was a valid agreement?

Mr. WALSH of Montana. It was not a question of the validity of the agreement at all. The word "treaty" was used in the act. The question arose as to whether the word "treaty" as used in the act embraced such an agreement as this referred to, and the court held that it did. They did not hold that that was a treaty within the meaning of the word "treaty" as used in the Constitution at all.

Mr. LENROOT. They held that it was not.

Mr. WALSH of Montana. No; they did not hold it was not, so far as that is concerned. That was not the question. They held that it was a treaty within the meaning of the word as used in the act, not as used in the Constitution, and accordingly they held that it was a question arising under the law of the United States and gave the courts jurisdiction. That was all that was held in the Altman case.

But, of course, in that connection reference was made to the other provision of the Constitution, and the fact that no State shall enter into any treaty contract or agreement with another power, and that clearly implies as a matter of fact that some kind of contracts may be made between foreign powers that are denominated treaties. That is the conclusion which the Senator from Wisconsin draws from the case of Altman against The United States, but he does not need Altman against The United States for that. He has the Constitution itself, which provides that no State shall enter into any contract, agreement, or compact with a foreign power.

The Senator referred to agreements which have been entered into with foreign powers by the President of the United States upon the authorization of Congress. He referred to the postal convention. I shall speak of that and then pass to his reference to Hawaii. But, Mr. President, the present Chief Justice of the Supreme Court of the United States, when he was Solicitor General, gave us a perfectly sound basis for all of these postal conventions in an opinion which he rendered to the President of the United States. It is found in Nineteenth Opinions of the Attorney General, at page 513. After stating the proposition and citing cases decided by the Supreme Court in the early history of that tribunal the learned Chief Justice continues:

> It seems to me apparent, then, from the cases cited, that where long usage, dating back to a period contemporary with the adoption of the Constitution, sanctions an interpretation of that instrument different from that which would be reached by the ordinary rules of construction were the question a new one, the usage will be followed. It becomes important, therefore, in determining the question here to be answered to trace from the beginning of the Government, if possible, the course of legislation out of which section 398 was developed and the practice of the Post Office Department with reference to the subject matter of that section.

He reviews legislation upon that subject at considerable length and then concludes:

> It is fair to presume from the material at hand, therefore, that from the legislation of 1792 above given upon this subject down to the present time the Postmaster General, by the authority conferred in the acts of Congress to which reference has been made, has exercised the treaty-making power of the Government in so far as it was necessary to the improvement of the foreign mail service, and that, with the single exception of the postal treaty of 1848 between England and this country, to which reference has been made, the concurrence of the Senate has not been deemed necessary to the validity of such treaties. The powers of the Postmaster General in this regard under the present statutes are larger and at the same time better defined than they were in the act of 1792, but the general character of the power—that is, of binding the Government by a contract with a foreign nation with reference to interpostal conveniences—has not been changed.
>
> From the foundation of the Government to the present day, then, the Constitution has been interpreted to mean that the power vested in the President to make treaties, with the concurrence of two-thirds of the Senate, does not exclude the right of Congress to vest in the Postmaster General power to conclude conventions with foreign Governments for the cheaper, safer, and more convenient carriage of foreign mails. The existence of such a power in Congress may, perhaps, be worked out from the authority given to that body in the seventh clause of section 8 of Article I of the Constitution to establish post offices and post roads. This has always been construed to mean power to organize and carry on the Post Office Department. Foreign mail is so closely connected with a proper system of inland mail as that the power to organize and carry on a general post-office system would seem to imply a power to organize in connection therewith a system of foreign mails, and, in the maintenance of such a system, a power to conclude contracts with the post-office departments of other countries. The delegation of these implied powers by Congress to the Postmaster General, sanctioned by usage since the adoption of the Constitution, on the principles laid down in the case of Ware *v.* United States, supra, has acquired constitutional validity.

Now, Mr. President, that is the rule laid down, that where a construction has been given to the Constitution from the time it was adopted down to the present time that has some justification in the language of the Constitution it will not be departed from. The Chief Justice said that it probably can be worked out from the power given to Congress to establish post offices and post roads, which might be elaborated to signify that Congress has power to establish post offices and post roads not only within the United States but also to make arrangements with foreign Governments for the transference of our mail to those countries and their mail to us. That is to say, the Chief Justice said that that is implied in the language used just as much as if it had been written there, or at least he says that is a fair and reasonable contention. That is the construction that was given to the Constitution from the time of its adoption down to the present time.

Now, I inquire of the Senator from Wisconsin if he can call the attention of the Senate to any practice under which the President of the United States or anybody else is authorized by Congress, since the adoption of the Constitution or at any time, to negotiate with foreign Governments to adjust and settle claims against those foreign Governments by the Government of the United States except in the case of private claims where the parties themselves consent to the arrangement.

Mr. LENROOT. I should like to ask the Senator whether he regards the sale by President Wilson of two battleships to Greece as constitutional.

Mr. WALSH of Montana. I am going to speak of that in a moment. That is not the question I was asking. Not being answered, I suppose the Senator has no answer to make.

Mr. LENROOT. He did such a thing.

Mr. WALSH of Montana. That is not an answer to my question. I am asking the Senator if he has any information to give us concerning legislation which authorizes the compromise and settlement of claims by the Government against a foreign Government, dating from the time of the adoption of the Constitution.

Mr. LENROOT. I will say that I do not know, perhaps the Senator does, of an instance where our Government ever loaned money to another Government before this time.

Mr. WALSH of Montana. No; I do not; but I do have in mind that claims of our Government against foreign Governments have arisen frequently.

Mr. LENROOT. Certainly, and if the Senator from Montana takes the position—and I assume from his argument yesterday that he does—that the original act being under the war power was a valid exercise of constitutional power, the fact of the indebtedness has been legally and lawfully established. It has been legally and lawfully determined under what conditions those loans can be repaid. The amount is determined. It is a question whether there can be some slight modification of the terms of an agreement, which the Senator from Montana said yesterday was lawfully made, without a new treaty.

Mr. WALSH of Montana. That answer to my very direct question may be satisfactory to the Senator from Wisconsin, but I submit that it is no answer. I am asking the Senator if he can call our attention to any legislation of Congress, any action of the departments, reaching back to the time of the adoption of the Constitution, or in the contemporary history, authorizing anything of the nature suggested by this bill?

Mr. LENROOT. I thought I had made that plain. I know of no case—perhaps the Senator does—where there was ever a claim against a foreign Government that had been liquidated and acknowledged. We have always had treaties in such cases. The purpose has been, first, to determine the question of liability, and second, the amount.

Mr. WALSH of Montana. The Senator could not have attended at all to the instance to which I referred and to which I shall again refer of the Sicilian claims, which were to be liquidated by an arbitral tribunal, and the Secretary of the Treasury was then authorized, after the claims had been so liquidated, to compromise and settle them upon some other basis.

Mr. LENROOT. Yes; and the President based that action upon the ground that vested rights were acquired by private citizens, did he not; that it involved the vested rights of private citizens?

Mr. WALSH of Montana. Not at all. The Senator is quite in error as to that. The President of the United States said that, inasmuch as the claims were those of private citizens, if they agreed that he should settle the matter, as a matter of course, he had the power to settle it, and if they did not agree he did not have such power, and Congress could not either grant it to him or take it away.

I read the language of the President, which is found at page 146 of the compilation entitled "Messages and Papers of the Presidents, volume 37, House Miscellaneous Documents":

> I respectfully return to the Senate, where it originated, the "act to authorize the Secretary of the Treasury to compromise the claims allowed by the commissioners under the treaty with the King of The Two Sicilies, concluded October 14, 1832," without my signature.
>
> The act is, in my judgment, inconsistent with the division of power in the Constitution of the United States, as it is obviously founded on the assumption that an act of Congress can give power to the Executive or to the head of one of the departments to negotiate with a foreign Government.

That seems quite direct—

> As it is obviously founded on the assumption that an act of Congress can give power to the Executive or to the head of one of the departments to negotiate with a foreign Government. The debt due by the King of The Two Sicilies will, after the commissioners have made their decision, become the private vested property of the citizens of the United States to whom it may be awarded. Neither the Executive nor the legislature can properly interfere with it without their consent. With their consent the Executive has competent authority to negotiate about it for them with a foreign Government—an authority Congress can not constitutionally abridge or increase.

That seems quite plain. President Jackson took the view that Congress could not possibly delegate to the President or to the head of a department the power and authority to negotiate with a foreign Government concerning the claims which had been liquidated, or which were to be liquidated.

Mr. LENROOT. The President already had the power, and there was nothing to be added to it by the act. Is not that true?

Mr. WALSH of Montana. The President had the power with the consent of the claimants.

Mr. LENROOT. Exactly.

Mr. WALSH of Montana. Exactly. The President therefore vetoed the bill because Congress could not possibly give him that power, even if he did not have it.

Now, let us come to the case of Hawaii. The agreement with Hawaii is another agreement which was entered into without Executive action; an agreement which was congressional in its character. How was it an agreement that was entered into with anybody? Here are the facts concerning the annexation of Hawaii as given in Crandall on Treaties at page 138:

> A treaty was signed at Washington June 16, 1897, with the Republic of Hawaii for the annexation of that Republic to the United States. The treaty was ratified by the Hawaiian Legislature, but the cession was accepted and confirmed on the part of the United States by a joint resolution approved July 7, 1898. Although, as a matter of fact, the resolution was agreed to in the Senate July 6, by a two-thirds vote, the annexation was effected by an act by the legislative—not the treaty making—power. In 1845 a foreign State was by an act of Congress incorporated and admitted as a State into the Union; in 1898 a foreign State was by act of Congress brought within the territorial jurisdiction of the United States. In each case, however—

"In each case, however"—

> the other contracting party by the very agreement lost its identity as a separate nation with which international relations could thereafter exist, and the agreement by which the incorporation was effected ceased thereupon to be an international compact.

That is the explanation given of that transaction.

Then the Senator from Wisconsin takes great comfort out of the sale of two ships to Greece. Another kind of agreement, frequently adverted to in discussions of this subject, depends upon the power of the President as Commander in Chief of the Army and Navy in time of war. The President is authorized to make all kinds of agreements with foreign countries under those circumstances, because a foreign war necessarily contemplates that the President is going to come into contact with foreign powers; and so all the authorities agree that the President of the United States in time of war, as Commander in Chief of the Army and Navy, may make sales of Government property. The Senator has referred to the sale of a large amount of Government property to France and to other countries, all of which was done by the President of the United State as Commander in Chief of the Army and Navy. There were many agreements with foreign nations which may satisfy those who want to vote for the pending bill, at least may afford them some excuse for their action, but as a justification from a legal standpoint they do not commend themselves to anyone who studies them with any degree of care.

Agreements of this kind are referred to by Willoughby in the first volume of his work on the Constitution in section 198 et sequitur. For instance, the President is entitled to enter into modi vivendi, which are merely temporary arrangements looking to a complete and satisfactory treaty thereafter to be entered into.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Georgia?

Mr. WALSH of Montana. I yield to the Senator.

Mr. WATSON of Georgia. I read the Senator's speech in reference to this matter with great interest, and I am now listening to him with great interest, but do I understand him to say that a state of war automatically suspends the Constitution of the United States?

Mr. WALSH of Montana. No; I did not say that at all.

Mr. WATSON of Georgia. I rather gathered that when I read the Senator's speech, and if it would not divert him at all, I should be glad if he would define his position.

Mr. WALSH of Montana. I shall be very glad to do so.

Mr. President, when this matter was exceedingly rife, at the urgent solicitation of my esteemed friend, the Senator from North Carolina [Mr. SIMMONS], I addressed the State bar association of his State upon that subject. I think the address was published in the CONGRESSIONAL RECORD. I discussed in that address the legislation which was then engaging the attention of Congress or which had been engaging the attention of Con-

gress, much of which seemed to be quite beyond what was generally theretofore conceived to be the legitimate scope of the powers of Congress, but which I thought were justified under the power of Congress to declare war and to make provision for the carrying on successfully of war. I urged that the ordinary powers of the Congress of the United States as they existed from time to time are expanded and enter into an almost unlimited field when it comes to the prosecution of war. I did not undertake to say that all of the legislation then enacted in the hurry to which the Congress was at the time subjected would stand the test of the Constiution, but I called attention to many decisions of the Supreme Court of the United States arising out of legislation, chiefly enacted during the Civil War, which was justified under the war power of Congress, but which under ordinary circumstances we would not consider at all constitutional.

One case particularly to which I referred was a statute enacted by Congress which set up a statute of limitation in all of the States having seceded from the Union as in favor of a citizen resident in one of the States adhering to the Union. Despite the local statutes of limitation, residents of the Union States went into the Southern States and maintained their actions there under the protection of the Federal statute.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Georgia?

Mr. WALSH of Montana. I should like to finish the statement. Under all ordinary circumstances the enactment of statutes of limitations would be considered as a purely local matter, but it was justified by the Supreme Court of the United States that as within the power of Congress in connection with the prosecution of war.

Mr. WATSON of Georgia. Mr. President, I have not had the time to look the matter up, but I was under the impression that the Supreme Court had decided that a state of war did not suspend the Constitution.

Mr. WALSH of Montana. The Supreme Court has so decided, and it was not argued that the statute was valid because the Constitution was suspended during a state of war; but it was justified under the Constitution, it being held that the Constitution gave Congress power to declare war; that that meant to enact any legislation which, in the judgment of Congress, contributed to bring about the final success of the war. That being a reasonable conclusion upon the part of Congress, the court argued that the statute referred to was a reasonable incident to war and not against the Constitution but under the Constitution, which gave Congress the power to declare war.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WALSH of Montana. I yield to the Senator.

Mr. LENROOT. Is it the Senator's view that in time of war Congress can delegate the power to the President to make treaties without those treaties being consented to by the Senate?

Mr. WALSH of Montana. No; I do not think so. I do not think the power of Congress to declare war reaches so far as to justify a statute delegating to the President the power to make treaties. I have not so contended; but I was calling attention to some of the agreements that may be made by the President of the United States which need not be ratified by the Senate, one class of which is such agreements as he makes as Commander in Chief of the Army. I will read the headings from Willoughby:

International agreements entered into by the President under his military powers.

In the exercise of his powers as the Commander in Chief of the Army and Navy the President of the United States, from both necessity and convenience, is often called upon to enter into arrangements which are of an international character. These conventions do not require the approval of the Senate.

They do not require the approval of the Senate, because the Constitution provides that the President shall be Commander in Chief of the Army and Navy of the United States, and with that grant of power goes all the necessary incidents to make it effective in its operation, and of course that would include not only the buying of necessary articles from a foreign Government but the sale of unnecessary articles to a foreign Government. I undertake to say, Mr. President, it would go so far as to justify the statute which we enacted giving the President of the United States the power to loan money to the foreign Governments. In other words, it was an exercise of his power which can be justified, I think, upon that ground, although it may be justified, as I said yesterday, upon the ground that the money got into the hands of the foreign Governments, and whether it got there pursuant to the Constitution or contrary to the Constitution they owe us the obligation to pay the money back.

The next heading is:

International agreements entered into, or action taken by the President, by virtue of authority granted him by treaties previously ratified.

That is to say, if we make an agreement with a foreign power, general in its character, and the President is directed to carry out that treaty he may make such incidental agreements with foreign powers as may be necessary to complete the execution of that treaty.

Next we come—and this concludes the list—to—

International agreements entered into, or action taken by the President, by virtue of authority granted him by congressional statute.

Under that heading fall the postal conventions to which I have referred, and which are justified by a Chief Justice of the Supreme Court of the United States upon the ground that the Congress was given power to establish post offices and post roads, which includes, in all reasonable probability, the power to enter into postal conventions with foreign Governments. It has been so held from the time the Constitution was adopted down even to the present day.

Then there are the tariff arrangements, to which the Senator has referred, and which were under consideration in the case of Altman & Co. against the United States, which, as I have said, involved nothing more than this: The law provided that when a certain contingency should exist, namely, that the President of the United States had made an agreement with some foreign power—not until it was ratified by the Senate but when the agreement was made—a lower rate should go into effect and that was all there was to it. The headings cited, Mr. President, include the kind of agreements it is said the President of the United States may make with foreign powers without the approval and consent of the Senate.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Connecticut?

Mr. WALSH of Montana. If the Senator will pardon me, I will yield to him in a moment. Not only are there none of them which give even color to the legislation that is before us, but the only precedent that we have, so far as is thus far disclosed, is the precedent occuring at the time of Andrew Jackson, and the ruling of the executive department, instead of confirming it, was against the exercise of the power. I now yield to the Senator from Connecticut.

Mr. BRANDEGEE. Mr. President, I am not sure that I understood the Senator correctly, but I will ask him this question: Did the Senator say that he thought the President would have had power to make the existing loans to foreign Governments without any authority of Congress?

Mr. WALSH of Montana. Of course he could not make the loans without the authority of Congress, because the Constitution provides that no money shall be paid out of the Treasury except in pursuance of an appropriation made by law, so the President could not get the money out of the Treasury to make them; but Congress having made the appropriation for that purpose, I believe that it was within the constitutional powers of the President of the United States, as Commander in Chief of the Army and Navy, to loan that money to foreign Governments. I believe that it was just as much an act done by him as Commander in Chief, it was perhaps more effective, than if he had put an army of 10,000 men in the field, or l ad sent them upon a particular mission.

Mr. BRANDEGEE. I agree that the possession of that amount of money might have been more effective in winning the war than the furnishing of 10,000 men in the field. Nevertheless, do I understand the Senator correctly? Does the Senator claim that the President, without having the power actually to get the money out of our Treasury and into the possession of a foreign Government, would have had power to make an agreement that the money should be loaned to those foreign Governments, which agreement would be binding upon this country, without the consent of Congress?

Mr. WALSH of Montana. The Senator will recall that the Congress made an appropriation of $100,000,000—that is my recollection; possibly it was a billion—and put it at the disposal of the President without any restriction whatever.

Mr. BRANDEGEE. Nobody denies that the Congress had the power to do that, so far as I know.

Mr. WALSH of Montana. No; but, if the Senator will pardon me, I believe that that general appropriation having been made to the President of the United States as Commander in Chief of the Army, he had the right to use that money in such a way as in his best judgment would contribute to the winning of the war; and if, in his judgment, it was wise to loan some of that money to a foreign power to carry on the war, I think he had that power as Commander in Chief.

Mr. BRANDEGEE. I do not doubt that. Where Congress places a sum of money at the disposal of the President to be used in his discretion, I do not doubt that he may use it in his discretion. What I ask the Senator, however, is this: Do I understand him to claim that even during the war the President, as Commander in Chief of the Army, would have had authority by his word alone to bind this country to pay foreign Governments any amount of money without the consent of Congress?

Mr. WALSH of Montana. I should scarcely think so.

Mr. BRANDEGEE. It did not seem to me that he would have; and I understood that the Senator used some language which I thought intimated that he thought the President might have authority to do that.

Mr. WALSH of Montana. No; I think not. I think that notwithstanding the large powers of the President, if he wants to expend money for any purpose he must come to Congress to get the authority to spend that money, even in time of war.

Mr. BRANDEGEE. Then let me ask the Senator to explain his statement a little further, if he can make me understand it—and that may be a hopeless task. I understood the Senator to say that as Commander in Chief the President had authority to buy all the property that was necessary to carry on the war, or to sell any foreign Government the property of this Government for the purpose of carrying on the war. Did the Senator mean that he would have the authority to do either of those things without the authority of Congress?

Mr. WALSH of Montana. I think that as Commander in Chief of the Army he would have the power to sell material in the field without specific authority from Congress. I think, also, that as Commander in Chief he would have the power to buy munitions of war without specific authority from Congress if Congress had made some kind of an appropriation upon which he could lay his hands.

Mr. BRANDEGEE. Of course, he would have authority if he had authority; but in the absence of an act of Congress giving him authority to run up a debt against this country, the Senator would not claim that he had authority to run the country into debt, would be?

Mr. WALSH of Montana. I think not. I think that is implied in the provision of the Constitution that no money should be paid out of the Treasury except in pursuance of an appropriation made by law. I think that means that no officer of the Government has the right to contract any indebtedness, so far as the United States is concerned, contemplating the payment of money out of the Treasury.

Of course, that is a hurried opinion that I give. It may not be worth anything, and probably has not any value; but that is my opinion of the matter.

Mr. BRANDEGEE. I wanted, as I say, to understand the Senator's position, if possible. It never occurred to me, because the President was Commander in Chief of the Army and Navy and was in that capacity the active head of military operations and the Chief Executive of the country at the same time, that he had the right or the power under the Constitution to incur any debt in behalf of the country and to bind the country for a dollar without the authority of Congress, because if he could do that, he would have the power to decide what the amount of the national debt of the United States of America should be. If he could contract a debt of $1,000, he could contract a debt of $10,000,000,000 without consulting Congress about it.

Mr. WALSH of Montana. I am disposed to agree with the Senator as to that.

Mr. WILLIAMS. Mr. President, will the Senator pardon me?

Mr. WALSH of Montana. I yield to the Senator.

Mr. WILLIAMS. Does the Senator remember any moment during any of our wars when there have not been obligations of the Government incurred far in excess of any previous appropriations of Congress, either the Civil War or the Mexican War or this war? It is, of course, true that in order to get the money out of the Treasury to pay the debts, Congress must make an appropriation; but if Mr. Lincoln had been confined to appropriations already made during the Civil War, the South would have been an independent country to-day.

Mr. WALSH of Montana. We all know, Mr. President, that even in time of peace, when exigencies arise, the heads of the departments as well as the President of the United States freely utilize moneys at their command in one way or another, trusting to Congress to approve and to ratify their acts; and just exactly in the same way it often transpires that the agent of a private corporation will exceed his powers, and the corporation could repudiate the obligation if it desired to do so, but he is perfectly confident that the corporation will not repudiate the obligation; and the corporation eventually comes through, from a sense of honor and a sense of its interest, and makes the necessary ratification and appropriates the money. That, however, is separate and apart from the question as to whether the act is a legal one.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I yield to the Senator from Wisconsin.

Mr. LENROOT. After the appropriation has been made, and these Governments get the money, if the President should be of the opinion that the cancellation of these debts would assist in our prosecution of the war, does the Senator think the President, as Commander in Chief, would have power to cancel these foreign debts?

Mr. WALSH of Montana. The question is not particularly relevant here.

Mr. LENROOT. As to the scope which the Senator claims for the power of the President, it is very relevant.

Mr. WALSH of Montana. No; it is not, Mr. President. The question is always one of the reasonable acts of the President in connection with the matter. It is exactly the same way with respect to the constitutionality of any act. It is a question as to whether it may be deemed a reasonable exercise of the power that is granted to him. Whether the cancellation of a debt of $11,000,000,000 would be considered by the Supreme Court of the United States a reasonable exercise of the powers confided to the President as Commander in Chief of the Army and Navy, I do not undertake to express an opinion. I should hazard a guess that the Supreme Court would say that it was unreasonable, and therefore beyond the scope of his powers.

Mr. LENROOT. The reason why I asked the Senator this question was this: Has not the Supreme Court laid down very definitely in cases growing out of the Civil War the limitations upon the exercise of such power in case of emergency?

Mr. WALSH of Montana. I wanted to advert to that. The Senator from Georgia interrogated me concerning acts passed during the war. The limits of the war power are not specifically defined by the Constitution. It is a field the boundaries of which it is a little difficult to observe with any degree of clarity. It may expand to vast limits under the necessities of the case. The Supreme Court has said that the question to be determined, when Congress passes an act to be justified under the war power, is whether an act of that kind can be reasonably considered as intended for the purpose of carrying on the war and promoting its successful issue. If Congress can reasonably arrive at that conclusion, I understand the Supreme Court to hold that it then falls within the war power, and exactly the same way with respect to the powers of the Commander in Chief. If the Commander in Chief has sold $10,000 worth of stuff to the Republic of France, and had taken their obligations, and in consideration of some reciprocal acts upon their part he had said, "Well, we will call the thing square," I dare say that that could be considered as probably a reasonable act within his powers as Commander in Chief; while if the indebtedness arose as it does here, and it amounted to $10,000,000,000, a different conclusion would arise, namely, that it could not be considered as having reasonably fallen within the scope of his powers as Commander in Chief. That, it seems to me, is the rule applicable at once to the powers of Congress and to the powers of the President of the United States.

So I think, Mr. President, that unless there are some precedents for legislation of this character, dating from some time past, at least, if not reaching back to the time of the adoption of the Constitution or during the lifetime of those who participated in framing it, we must conclude that this is an effort to delegate to Congress the treaty-making power confided by the Constitution to the President and the Senate.

Mr. WATSON of Georgia. Mr. President, the Senators in charge of this bill desire a vote on it to-day; and, therefore, out of consideration for them, I shall not occupy as much of the time of the Senate as had been my intention.

Upon my desk this morning I found two significant letters, one from New York and one from a little village near my home in Georgia.

The letter from New York is from a newspaper syndicate, and reads as follows, after the usual address:

> We are engaged in the preparation of a symposium on business reconstruction, through the newspapers of the country, and would appreciate your views in a statement of 500 words or more. In times like these the business men and the public in general throughout the country are anxiously looking to their leaders for counsel. Your expressions of opinion will inspire them.

I hope they will.

You may, if you desire, present your conclusions in answer to this question: "What do you believe business needs to get back to normal?"

The letter from Woodville, Ga., written by a farmer who actually farms outside of the Senate, reads as follows:

What do you think about the finances of the country? Where can farmers secure money with good security? If the farmers can not get money to finance their farms with, they can not farm.

Those letters are typical. Throughout this country, in city and in town and in country, there is more distress to-day than there has been at any time since the panic of 1907. What the people of my State are to do, I frankly confess I do not know. Their condition is desperate, and it is not growing better from month to month. If anything, it is growing worse.

Mr. President, a few days ago the Senator from Virginia [Mr. GLASS] made an elaborate speech which he had reduced to writing, which he revised before publication, and, being dissatisfied with the way the Public Printer had set it up, he revised it again and republished it. Therefore it enjoys the unique distinction of being the only speech that I know of that has appeared twice in our entertaining daily paper, the CONGRESSIONAL RECORD. From that speech I quote a few lines:

The hostile assaults on the Federal reserve system and its administration have manifestly been so devoid of the truth and so obviously saturated with ignorant prejudice and injustice as to require no answer.

* * * * * * *

What I do say with all the emphasis of which I am capable is that neither malignant nor ignorant misrepresentation will cure the system's defects or render more efficient its administration.

* * * * * * *

No better sanction for such behavior than their own peculiar antipathies or their own pitiful ignorance of the financial transactions upon which they have assumed to comment.

Mr. President, that is very severe language. Frequently here in debate a Senator will use intemperate language, but usually it is stricken out before the record is made up; and not infrequently the Senator who, in the heat of debate, has used rough language, tenders the apology of a gentleman to the Senator who has been offended.

Mr. President, the difficulties of the farmers of the United States can not be cured by listening to the sickening rhetoric of politicians or professional agitators.

* * * * * * *

If some Senators will go home and talk sense to bankers who remain outside the pale of protection, instead of talking nonsense to farmers and arousing prejudice against the Federal reserve banking system, which has afforded them protection, something worth while will be accomplished.

* * * * * * *

Adverting, Mr. President, to the "cruel and murderous" policy of deflation which, as I have shown, never actually had any existence outside the vivid imagination of perplexed politicians.

* * * * * * *

Yet, Mr. President, in the very face of this indisputable evidence, Senators berate the Federal Reserve Board and the Federal reserve banks with the utterly false charge of ordering and executing a policy of "murderous deflation." Such talk is wicked mummery.

* * * * * * *

Ludicrous misrepresentations.

* * * * * * *

I am one of those who can not conceive that the constitutional immunity granted Senators and Representatives in Congress was ever intended as a shelter for libel of public men or private citizens, leaving them no means of redress.

A Senator deliberately accuses his fellow Senators of screening themselves by constitutional immunities from being prosecuted or sued for damages as a consequence of a libel uttered here on the floor.

Perhaps there are cotton pickers on plantations of the South who may be deceived by such trumpery, but surely there is no Member of the Senate who does not understand how absolutely preposterous these accusations are.

* * * * * * *

While the bank is not to be built in Wall Street, as Senators blathantly declaim, it can not be built in a sage field or a Long Island swamp.

* * * * * * *

In this connection I may recall that in the comedy by Eupolis, called "The Demi," all the demagogues in hell, one by one, are made to come up and pass in review.

Who are those demagogues that come up from hell? They are honorable Senators representing on this floor honorable people, confining themselves, Mr. President, to legitimate subjects and parliamentary language.

Any Senator who discovers his own likeness in the picture is at liberty to appropriate the analogy.

Mr. President, the relations between myself and the Senator from Virginia [Mr. GLASS] have been exceedingly pleasant, are now so, and I trust will continue to be. No word of mine in the course of what I shall say shall be intended to wound his feelings and to leave a sting. But it is a serious matter for any Senator to be arraigned by a colleague and scathingly denounced in language of that sort. It goes to the country. It becomes a part of the permanent record of the Government. If allowed to remain unrefuted, it brands him as a liar, a charlatan, a demagogue. No self-respecting Senator will allow such language to be used in regard to him and not make a reply, especially when his constituents are suffering untold misery from the evils which have been explained and condemned both by myself and the Senator from Alabama [Mr. HEFLIN].

We are told that no such thing as deflation or contraction has ever existed except in the vivid imagination of Senators. That is a very positive statement, Mr. President. That is a very bold statement. That statement can not be maintained, and I now intend to explode it.

In the course of his remarks, which show internal evidence of having been most carefully prepared, the Senator from Virginia [Mr. GLASS] challenged the production of any bulletin or order issued by the Federal Reserve Board looking toward deflation or favoring that policy. Here is the bulletin, one of them, and one is enough. This bulletin was issued by the Federal Reserve Board in Washington May 25, 1920. I read a few sentences from it, since the challenge was flung at myself as well as the Senator from Alabama [Mr. HEFLIN] to produce it. Here it is:

Beginning six months ago, the rates of discount on various classes of paper at the Federal reserve banks were advanced. During the latter part of January the present rates were put into effect. These advances, while undoubtedly checking credit transactions which otherwise would have been made, had not been entirely effective in bringing about the reduction in loans desired.

They advanced the discount rates, for what purpose? To reduce credit, to withdraw from circulation the blood necessary to maintain the business body. Further:

The public must be made to realize the necessity of economy in expenditures and in consequence demands for banking credit. The banks themselves are best able to impress the importance of this policy upon the public.

What is the plain meaning of that language, if not that credits must be restricted and that banks must lessen the volume of their loans? Again:

By urging upon member banks through the Federal reserve banks the wisdom of showing borrowers the necessity of curtailment in general credits.

The banks are to put the pressure on other banks, for the very purpose of reducing the amount of money being loaned to those who think they need it.

The board feels assured that the banks of the country now realize the necessity of more conservatism in extending credits and of reasonable reduction in the volume of credits outstanding. The board will not hesitate, so far as it may be necessary, to bring to bear all its statutory powers in regulating the volume of credit, but wishes to point out the more vital problems relating to the movement of the 1920 crop are physical rather than financial. The whole country is suffering from inflation. From reports made by the members of this conference representing every section of the country it is obvious that great sums are tied up in products which if marketed would relieve necessities and tend to reduce the price level and relieve the strain on our credit system.

If that bulletin does not outline the plan to contract the currency, I fail to get its meaning. What has actually happened? The currency has been contracted to the extent of $80,000,000 a month, and where is the man of intelligence who can say that month after month, year after year, we can take out of circulation $80,000,000 every 30 days without causing a convulsion? That is exactly what has happened.

Mr. HEFLIN. Mr. President, will the Senator from Georgia permit me to interrupt him?

Mr. WATSON of Georgia. With pleasure.

Mr. HEFLIN. In the hearings before the Joint Agricultural Committee in December, 1920, Gov. Harding appeared as a witness. Congressman BYRNES of South Carolina reminded him of a bulletin issued by the Richmond Federal Reserve Bank, in which he said the thing to do was to bring about deflation as rapidly as possible, and Gov. Harding said he thought it was good advice.

Mr. WATSON of Georgia. I thank the Senator.

Mr. President, I have rarely been more astonished by a speech, here or elsewhere, than I was by the elaborate address of the Senator from Virginia [Mr. GLASS]. For two years the word "deflation" has been in the newspapers and magazines, in interviews, in speeches, and the deflation has notoriously gone on. Gov. Harding had boasted of it. Those who think as he does

have bragged about it. Then when the Senator from Virginia [Mr. GLASS] said that no such thing has taken place, I was genuinely amazed, so much so that, having read in one of the Washington papers the day before Gov. Harding's own statement that during the last 12 months he had withdrawn from circulation $1,000,000,000 of Federal bank notes, I asked the Senator from Virginia what that statement meant.

The Senator answered me, saying the Federal Reserve Board had not retired one dollar; but he went on afterwards and did say that the regional banks had retired the notes, sent them back here to Washington, where they were canceled and destroyed. The regional banks are just so many cogs in the wheel. How does it affect the question that the money was sent in by the regional banks and destroyed by the Federal Reserve Board more than to say the Federal Reserve Board itself did it? Who issued those notes? Not the regionals. The Federal Reserve Board issued them. Who canceled and destroyed the notes? The Federal Reserve Board. Who published the boasting statement that they were carrying the country back to stability by destroying its money? The Federal Reserve Board.

Mr. President, in the Atlanta Constitution of October 9, 1920, there appeared on the front page large headlines relating to an interview given out by Gov. Harding at Birmingham. A subheadline reads as follows:

Gov. Harding emphatically states that bank is not institution for lending money to farmers.

Further, that is stated again and again. An official connected with the department of agriculture of Georgia had gone to Birmingham and pleaded with Gov. Harding for loans to the farmers of my State. He was told, and the fact was published abroad, that the farmers need not expect any help from the Federal Reserve Board. The very next day cotton broke, and went down 114 points. My colleague knows as well as any Senator here knows the disastrous effect upon the material condition of our people by this repeated, continued, distressing policy of contraction, and he knows that our people to-day are in the depth of despair, hardly knowing which way to turn for some gleam of hope.

Mr. President, I am at a loss to know how to start about establishing a thing which the Federal Reserve Board has published as a fact so repeatedly that public sentiment was aroused and a feeling of indignation was taking possession of our people. Yet now we are told by Gov. Harding and those who defend him that no deflation has taken place. Then what has become of the money? The Government reports show that it was in circulation. The Government reports show that it is not now in circulation. What has become of it? It has been canceled and destroyed.

The Senator from Virginia [Mr. GLASS] took me to task for having stated that Gov. Harding drew a salary of $50,000 a year. I was discussing the general extravagance of the Federal Reserve Board administration, and in stating the salary of $50,000, instead of mentioning the name of Gov. Strong, who is getting it, I mentioned the name of Gov. Harding. What difference does it make? The Senator from Virginia said that the law limits the salary of Gov. Harding to $12,000 a year. That is true. Was not that law sufficient notice to the governor of all the banks not to allow the governor of an individual regional bank to draw more than four times as much? Congress set the standard. The highest official, charged with all the responsibilities, was limited to $12,000 a year. That was the opinion of Congress as to the extent to which a salary should go, and it was a warning to Gov. Harding to check the extravagance of the governors of the regionals and not to allow any of them to draw a salary of $50,000 a year. Since the subject is up, and I have virtually been accused of extravagance of statement, I wish to read the actual facts as to the salaries in the reserve bank at New York City.

Benjamin Strong raised his salary from $30,000 to $50,000; Pierre Jay had his salary of $16,000 raised to $30,000; J. H. Case had his salary of $20,000 raised to $30,000. Without wearying the Senate by reading all of the list, I ask permission to insert it in the RECORD as part of my remarks.

The PRESIDING OFFICER. Without objection, that will be done.

The list referred to is as follows:

List of salaries paid to certain officers of the Federal Reserve Bank of New York, indicating increases in salaries from the time of their employment, to 1920–21.

(The reserve banks were started in November, 1914.)

Benjamin Strong	$30,000 to $50,000
Pierre Jay	16,000 to 30,000
J. H. Case	20,000 to 30,000
E. R. Kenzel	4,000 to 25,000
L. F. Sailer	$7,000 to 25,000
G. L. Harrison (transferred from Reserve Board to New York Reserve Bank)	4,000 to 22,000
Francis Oakey	20,000
L. H. Hendricks	6,000 to 18,000
H. A. Hopf	18,000
Shepard Morgan	5,000 to 15,000
E. H. Hart	15,000
A. W. Gilbart	1,800 to 12,000
J. D. Higgins	2,500 to 12,000
J. W. Jones	2,500 to 12,000
L. R. Rounds	2,000 to 12,000
J. L. Morris	9,000 to 12,000
W. D. Matteson	1,500 to 10,000
Charles Snyder	12,000
A. J. Lins	1,500 to 10,000
G. E. Chapin	1,500 to 9,000
W. H. Jefferson	3,000 to 8,000
J. E. Crane	1,500 to 7,500
W. H. Hamilton	1,500 to 7,500
R. M. O'Hara	1,500 to 7,500

Mr. WATSON of Georgia. Mr. President, the country will be astounded at the profligate waste of public money in these banks. I have in my desk here a circular letter recently issued, issued after my colleague [Mr. HARRIS] had introduced that fine amendment of his designed to place a check upon the extravagance of these regional banks, and one of the best pieces of practical legislation that I have seen put through Congress. In that circular, which was issued in a moment of pique and resentment, apparently, Gov. Harding says that the bankers in New York who are giving themselves this palace, which has been referred to so often in debate here, were using their own money, not Government funds. That statement is not true. Every Senator here knows it is not true. Beyond a certain amount—6 per cent, as I remember—that money belongs to the Government and ought to be covered into the Treasury.

The Senator from Virginia says that the Federal Reserve Board came here and respectfully asked to be allowed $100,000,000, and Congress not only complied with that respectful request but gave them an additional amount. All of us could afford to be very respectful if we were asking for $100,000,000 and expected to get it. That law can be repealed; it should be repealed, and that $100,000,000 should become a part of the funds of the Treasury.

I have also been accused of reckless misstatements in saying that the directors of the New York Federal Reserve Bank had used its funds for their own personal profit. Of course, Mr. President, I have no personal knowledge on the subject, but I quote from the former Comptroller of the Currency, who was the appointee of President Woodrow Wilson, and, like the junior Senator from Virginia [Mr. GLASS], a Virginia gentleman. If the issue of veracity must exist, it shall exist, not between myself and the junior Senator from Virginia, whom I so much regard, but it shall exist between himself and his brother Virginian, John Skelton Williams. Here is what the ex-Comptroller of the Currency of Woodrow Wilson's administration says about it, and that was my authority for making the statement. I thought I could take the word of an official against whose honor no impeachment has been brought; a Comptroller of the Treasury who was in office, as I recall, during the whole eight years of President Wilson's administration. If I am not right about that, I shall be glad to accept a correction. but it seems to me that when President Wilson puts his O. K. upon so important an official as the Comptroller of the Currency, I am warranted in accepting his statement as that of an honorable man and an expert in the matter concerning which he speaks. Here is what he says:

Not only were the funds of the Federal reserve system extensively loaned to banks whose executive officers and directors were big borrowers, but the records show that one of the banks borrowing most heavily from the reserve bank was lending last autumn to a certain large borrower, who at that very time was a director in the Federal Reserve Bank of New York, $5,000,000.

That is the charge which John Skelton Williams makes. What motive has he for publishing a statement like that? If it is not true, if he has libeled Gov. Harding or Gov. Strong, he is not protected by the constitutional immunity which protects Senators; he may be sued for damages; he may be prosecuted for libel. Why do they not prosecute John Skelton Williams? He is the president of the Richmond Trust Co., a concern which is capitalized at $1,000,000. Presumably, if a verdict for damages can be obtained against him, it may be collected. If he has made defamatory, libelous statements which are injurious to Gov. Harding and other high-priced officials of the Federal reserve bank, why do they not prosecute him? Why do they not also sue the Manufacturers' Record?

I will not read further from the Manufacturers' Record of September 22, 1921, but there are several different places which

I have marked which contain a repetition of that charge, and I ask unanimous consent that I may insert them as a part of my remarks.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

5. Not only were the funds of the Federal reserve system extensively loaned to banks whose executive officers and directors were big borrowers but the records show that one of the banks borrowing most heavily from the reserve bank was lending last autumn to a certain large borrower who at that very time was also a director of the Federal Reserve Bank of New York, over $5,000,000 (including a dummy loan of over $3,000,000), mostly on highly speculative securities, while farmers and the "country" banks were even then begging for relief and enduring ruinous losses because of the credit restrictions of the reserve system.

6. The official figures show that in September, 1920, the reserve system was actually lending to the 45 national banks in the three big cities of New York, Chicago, and St. Louis, about $300,000,000 more than the system was lending at the same time to the 7,673 "country" banks in all the 48 States of the Union.

7. At the beginning of August, 1920, national banks in New York City which were borrowing heavily from the Federal reserve bank were lending for correspondents on so-called Wall Street loans, largely for stock speculations, over $500,000,000 coaxed thither by the high rates speculators would pay.

12. About January 1, 1920, the New York reserve bank was lending an amount equal to nearly six times its own capital—that is, six times the capital of the reserve bank of New York—to one member institution. This one borrower was thus getting nearly twice as much from the reserve system as the aggregate amount of loans and discounts which the Federal Reserve Bank of Dallas at that time was lending to all of its member banks in that great district, including Texas, and parts of Louisiana, Oklahoma, New Mexico, and Arizona.

The newspapers say that Gov. Strong, of the Reserve Bank of New York, tried before the congressional committee to explain the loan of $130,000,000 to this institution on the ground that the borrower held $112,000,000 Government securities, but this excuse won't do, for in my letter to the governor of the Federal Reserve Board of January 28, 1920, I pointed out that according to the bank's own sworn report the total amount of Liberty bonds and United States certificates owned by that institution was less than $26,000,000. Gov. Strong should be more careful.

The loans to a bank's officers are sometimes made at reduced or "family" interest rates, carried indefinitely and not "called," while other borrowers engaged in legitimate and productive business are required to make peremptory payments, regardless of the sacrifice, and sometimes the ruin, which the compliance with the banks' demands may involve.

If the officers of the Federal Reserve Bank of New York granted these huge accommodations knowing the use to which certain of these institutions were putting the funds under their command their officers were culpable for aiding and abetting in a misuse of Federal reserve money. If they made these enormous and exceptional loans without being informed as to the use which was being made of the money, and without an independent examination of the borrower, after the repeated warnings which the Comptroller of the Currency had given to the Federal Reserve Board that such an examination ought to be made, they are guilty of gross negligence. There is no escape from these conclusions.

Mr. WATSON of Georgia. Let me hurry on. Mr. President, the Supreme Court of the United States does not defame anybody; it does not publish libels about anybody. In a decision rendered at the October term, 1920—the actual date of the decision being March 16, 1921—they distinctly hold that the Federal reserve banks have been waging warfare upon legitimate creations of the States—meaning what? They have been, by a systematic gathering up of drafts and presenting them at the banks' windows, $30,000 or $40,000 of them at one time, endeavoring to ruin those banks, and in many cases they have done so. The Federal reserve system intends to draw every bank into its vortex, unless it becomes a member of the system. There is no doubt about it in the world. State banks have gone crashing to the wall by the score all over this country and national banks even are failing. They are virtually compelled to join the Federal reserve system or to stay out at their peril.

Mr. President, the other day I mentioned here the Georgia Railroad Bank, a member of the Federal reserve system. I mentioned the fact that I had been a patron of that bank, had been under obligations to it for accommodations for the last 40 years, and that ever since my brother and I established a little State bank at Thomson for the accommodation of the poorer classes of borrowers we had done business with the Georgia Railroad Bank, and had never failed to secure advances, but, finding ourselves carrying $70,000 of farm paper and not desiring to embarrass or to injure any of our customers by foreclosing on them, we had applied in the usual way to the Georgia Railroad Bank for accommodation. The president wrote back, "We can not advance a dollar on farm paper. If you will indorse a note and have the directors also indorse it, we will lend to the bank on your personal indorsement, but not on your farm paper." That very president has written to the Manufacturers' Record a letter which will be found in the last issue of that standard publication. His name is Jacob Phinizy, former president of the Georgia Railroad as well as of the Georgia Railroad Bank, and he writes to the Manufacturers' Record a letter in which he indorses all that the Manufacturers' Record has said against the Federal reserve system and its remorseless and criminal contraction of the currency. The Senator from Alabama [Mr. HEFLIN] used the word "murderous," and that term is not too strong, for, indeed, that policy has caused men to murder themselves, and God only knows how many men have been driven to crimes that resulted in murder by the remorseless policy of the Federal reserve banks. But it is a significant thing that so conservative a bank and railroad president as Jacob Phinizy should write to the Manufacturers' Record condemning the contraction policy of the Federal Reserve Board.

But we are told that there has been no contraction. Why, Mr. President, you can not take a single circulation statement issued by the Government without seeing it. From the statement of May 1, 1921, which I pick up at haphazard, it appears that on May 1, 1920, the amount of Federal reserve notes was over $3,000,000,000, while on the corresponding date of last year, May 1, 1921, it had fallen to $2,700,000,000. Take up any of those statements and see for yourselves and be convinced.

Mr. President Prof. Gustave Cassell, of the University of Stockholm, Sweden, says that the terrible policy of our Federal Reserve Board is largely responsible for the frightful conditions in Europe. It has been a long time since I have read anything more impressive than the analysis which Prof. Cassell makes of the European influence of this American policy of taking up the gold of the world and heaping it up into a useless reserve.

Some time ago in speaking of this matter I mentioned that the gold reserve here had reached $2,800,000,000, and was climbing steadily toward $3,000,000,000. It has reached that height and passed it. Where is it to stop? The whole gold supply of the world is supposed to amount to something like $10,000,000,000, and we have already drawn into this useless heap of gold nearly one-third of it, and within a few days or a few weeks it will be quite one-third. What is the meaning of all this? What is to be done with that gold, every dollar of which should be in the fields of industry, giving men work, giving them products, giving them hope, giving them happier homes. An insaner policy was never known.

The Senator from Virginia [Mr. GLASS] says that they contracted the currency because prices had begun to decline. Just the reverse is true; just the reverse is always true. All things being equal, the prices follow the volume of currency. If the currency inflates, prices inflate; if the currency contracts, prices contract; up with your currency, up go prices; down with your currency, and down go prices. That is the financial history of the world.

I noticed that the Senator from Virginia [Mr. GLASS] in discussing this greatest of all economic questions, the money question, did not cite a single authority in support of his contention. Why? Because he could not do so. The Senator talks about challenges; I will challenge him, a bit good-naturedly and with great respect, produce your authorities to the contrary; produce the authority which says that the reduction of prices causes a reduction of the volume of currency. You can not prove it by Adam Smith; you can prove just the contrary. You can not prove it by Ricardo; you can prove just the contrary. You can not prove it by Aristotle, or Lycurgus, or Solon; you will prove just the contrary. Every panic that we ever had resulted from the contraction of the currency. You can not name a single one that did not result from it; I challenge the Senator from Virginia to name a single panic that was not intimately and immediately connected with the contraction of the currency.

Mr. President, the Senator says that the panic of 1907 was the worst we ever had. He was too young to have gone through the panic of 1873, but I was not. Compared with the panic of 1873 that of 1907 was a mild whisper among the leaves made by a wandering breeze. What made the panic of 1907? The New York bankers calling the money; they would not allow it to circulate. President Roosevelt did me the honor to invite me to conference with him at the White House. I accepted the invitation; I went to the White House; I conferred with the Secretary of the Treasury and with the President. I pointed out to him what, in my judgment, would have broken that corner and put the money into circulation and thus ended the panic. My remedy was simple. Under the act of 1863, authorizing the issue of greenbacks, there was still authority—and it exists now—to issue $102,000,000 of greenbacks; and I said to Mr. Roosevelt, "Mr. President, if you will even make a motion to carry out that law, the Morgan crowd

will turn loose that money"; but he frankly said, "I do not understand the money question"; and he took advice from Mr. Cortelyou.

What caused the panic of 1893? The bankers gave the country an "object lesson," and forced the repeal of the Sherman silver law. That is all there was to it. It can be proven to a mathematical certainty that they did do it on purpose, and they got what they went after. They usually get what they go after.

The Senator from Virginia [Mr. GLASS] says that during the last 50 years we have had a panic-breeding system of finance, meaning, of course, the national bank system.

Mr. President, I am a Jeffersonian Democrat, an Andrew Jackson Democrat, a Tom Benton Democrat. I am opposed to national banks. I think the Government ought to retain unto itself the sovereign power to create money and control the volume of it. It is a sovereign power, as truly so as the power to declare war and to make peace. It ought never to be surrendered to private institutions for private gain; but when the Senator from Virginia arraigned the authors of the national bank act, I wonder if he realized how many great men he was accusing of having established a panic-breeding money system. Abraham Lincoln signed the national bank act on June 4, as I remember, 1864. It was devised by Mr. Chase, Mr. Spalding, and others. During all the time of its existence it was never assailed by such men as Sherman, nor Sumner, nor Fessenden, nor Lamar of Mississippi, nor Morgan of Alabama, nor any of the Senators who represented Virginia; but the Senator from Virginia [Mr. GLASS], in stating his views, takes issue with Thomas Jefferson, takes issue with James Madison, takes issue with Edmund Randolph. The Senator from Virginia [Mr. GLASS] elevates himself to the highest promontory of his solitary island in the midst of the ocean of authorities, and, like Alexander Selkirk, is "monarch of all he surveys."

The figures show that before this deflation set in, there were more than $50 per capita in circulation. The figures now show $36 per capita, and half of that ought to be stricken out. Why? Because it does not circulate. Four hundred and fifty million dollars of it consists of national bank reserves. Six hundred and twenty million dollars of it is in the vaults of State banks and trust companies. Nearly a thousand million dollars of it is in the reserves of the Federal reserve banks. Then take the amount that is kept in the cash drawers of every retail store in America; take the amount that is hidden away in secret hoards by those of a miserly disposition; take that which we keep on our persons among the 110,000,000 people in America; think then of what a colossal sum is being kept out of circulation, and how comparatively little is in actual circulation.

Mr. President, I could say a great deal more, but I promised not to occupy too much time. It is a subject which I can resume at some later date. I wish the Senator from Virginia [Mr. GLASS] would take a view of the statement which appears in this morning's paper as to the earnings of the Richmond Federal Reserve Bank and of their contraction of the currency and of credits. These banks are making over 100 per cent profit, and the Government report shows it. My position is that this is the Government itself operating through these banks, and that a Government furnishing the people with money and doing so on terms which net 100 per cent clear profit is guilty of a crime against those people and prostituting the power of the Government to the ruin of the unprotected outsiders. No country can stand for any considerable period such enormous usury as that.

Everybody knows that the principle hidden in the compound-interest tables would devour the human race if not checked. Here you have that principle of compound interest applied against our people by a governmental agency. It will roll over from year to year; the surplus will be continuous, the profits will be continuous, and our people will suffer more and more. Unless the Federal Reserve Board is compelled to reverse its policy, and that soon, our country need not look for any permanent improvement in material conditions.

Mr. HEFLIN. Mr. President, following the able speech of the Senator from Georgia [Mr. WATSON], I desire to read a telegram from a prominent citizen and business man of New Orleans. The telegram came last night to Hon. John S. Wannamaker, president of the American Cotton Association, and he gave it to me to-day. It reads as follows:

Think it would be most beneficial, not only to agricultural interests but to business at large, to advocate law which would compel Federal Reserve Board to attend to its own legitimate business, and prohibit it from entering the field of propaganda, market forecasts, price dope, and interference with business generally, as it did with disastrous results in the late deflation campaign. Business confidence can not be restored so long as this board, which is the most powerful force for good or harm in the United States, assumes and exercises the authority to regulate commodity prices and management of business. No man will embark in reconstruction enterprises so long as this board assumes and exercises the authority to put him out of business at will.

W. B. THOMPSON.

Mr. President, I am reminded that a little while back the Federal Reserve Board gave out a forecast as to what the cotton crop would be. It meddles in various subjects. It frequently suggests that legislation on various lines should be had up here. It gets out a propaganda that will injuriously affect farm-product prices. This estimate that the Federal Reserve Board gave out a little while back broke the price of cotton in the neighborhood of $5 a bale that day or the day following; so Mr. Thompson is right in the suggestion that he makes in his telegram to the president of the American Cotton Association. Right in keeping with the very timely speech of the able Senator from Georgia, I desire to state that the deflation policy that this board has carried on for months and months has wrought ruin in the South and West; and I wanted this telegram to come at this time, following the speech of the Senator from Georgia.

Mr. Thompson speaks the truth when he says that the Federal Reserve Board has power to be of great good or of great harm to the country. The instrumentalities that we placed in its hands when we passed the law bringing the Federal reserve system into being were never intended to be used as instrumentalities of torture and plunder. They were intended to be used as beneficial and helpful instruments reaching out to serve the needs of the people. In time of distress, and when the people needed money most, it was intended that through this system money should be supplied. If the system had to put out more currency and extend more credits to prevent the ruin of American agriculture it was its duty to do so. That was the purpose of the system; but, as the Senator from Georgia [Mr. WATSON] has pointed out, at the time that our people needed money and credits most, this Federal Reserve Board's policy drew them in, contracted the currency, deflated credits, destroyed property values, and produced a widespread destructive panic in the South and West.

Mr. SIMMONS. Mr. President, I ask that the amendment which I offered to the pending bill be laid before the Senate.

Mr. GLASS. Will the Senator yield to me for just a moment?

Mr. SIMMONS. Certainly.

Mr. GLASS. Mr. President, I was not in the Chamber when the Senator from Georgia [Mr. WATSON] began his speech, but I note that he made reference to the fact that my speech in defense of the Federal reserve banking system appeared twice in the CONGRESSIONAL RECORD, as if to signify that I thought it was worthy of a double insertion in the RECORD. The real fact is that the Public Printer, through mistake, in the first place, ascribed about 25 per cent of my speech to the distinguished senior Senator from Ohio [Mr. POMERENE].

Mr. HEFLIN. And he would not stand for it?

Mr. GLASS. I was about to say what the Senator from Alabama so eagerly said for me, that I thought perhaps the Senator from Ohio would not be willing to assume responsibility for my speech, and, therefore, I had it corrected and reinserted in the RECORD. Of course, the Senator from Ohio or any other Senator would gladly welcome responsibility for the extraordinary speech just made by the Senator from Alabama.

Mr. WATSON of Georgia. Mr. President, I hope I may be allowed to say in one sentence that the Senators who were present will remember that I stated that the Senator from Virginia was dissatisfied with the way in which the Public Printer had inserted his speech in the RECORD, and, therefore, he had reprinted it. I made that explanation at the time.

Mr. McCUMBER. Will the Senator from North Carolina yield to me for a moment?

Mr. SIMMONS. I yield.

Mr. McCUMBER. I desire to call the attention of Senators to the fact that while we have been in session since 12 o'clock, nearly three hours and a half, we have had only a few minutes discussion of the pending measure. While we all realize how helpless one is who has charge of a bill in his desire to have the discussion limited to that bill, I know there are many Senators who would like to have the matter finished this afternoon, to the end that we might adjourn over until Monday. I merely desire to say now that if it is impossible to conclude it to-day, and if we are compelled to let it go over until to-morrow, I shall ask for an evening session, if it becomes necessary, in order to complete the consideration of the bill.

The PRESIDING OFFICER. The clerks advise the Chair that the amendment the Senator from North Carolina desires to have laid before the Senate is an amendment to come in at the end of the second section.

Mr. SIMMONS. Yes; the amendment I offered this morning.

The PRESIDING OFFICER. The Chair is informed that that is an amendment to an amendment which had already been agreed to. It will therefore be necessary to reconsider the vote by which the amendment already agreed to was adopted.

Mr. SIMMONS. Very well.

The PRESIDING OFFICER. If there is no objection, the amendment already agreed to will be considered as having been reconsidered.

Mr. McCUMBER. Mr. President, I do not desire to reconsider what has already been agreed to, but whenever we get ready to vote upon the Senator's amendment I will say to the Senator that he can restate his amendment, and there will be no difficulty in so arranging it that a vote may be had upon it while we are in Committee of the Whole.

The PRESIDING OFFICER. The Senator from North Carolina asked that the amendment should be presented to the Senate at this time.

Mr. SIMMONS. My only purpose was in order to direct the attention of the Senate at once to the amendment and, as far as possible, to foreclose the general discussion. I desired to get some specific proposition before the body with a view to accomplishing that object.

Mr. McCUMBER. Then I ask that the amendment offered by the Senator from North Carolina be read, but I do not like to agree at this time to reconsider what we have already agreed to.

The PRESIDING OFFICER. The amendment offered by the Senator from North Carolina will be read.

The ASSISTANT SECRETARY. Amend the committee amendment at the foot of page 2 by inserting after the words "4½ per cent per annum," a comma and the words "payable semiannually or annually in accordance with the provisions of existing law."

Mr. SIMMONS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator ask for a reconsideration of the vote by which the committee amendment was agreed to?

Mr. SIMMONS. In view of the statement of the Senator from North Dakota I do not think it necessary to do that at this time. I would prefer doing it, but as the Senator objects at this time, I will not insist upon it.

Mr. REED. The amendment can be considered now unless some one makes a point of order against it. It simply comes in as an amendment to the text as it is now perfected.

Mr. SIMMONS. I think it would be better if the Senator from North Dakota would permit the reconsideration to take place now and let the amendment be offered.

Mr. McCUMBER. The only point was, if the Senator will allow me, that in the amendment adopted we have agreed upon the form, and without any objection from either side.

Mr. SIMMONS. I am making none now.

Mr. McCUMBER. I am referring to the amendment already offered and agreed to. I do not desire to open up that subject again.

Mr. SIMMONS. I am not trying to open it up.

Mr. McCUMBER. A reconsideration would make it subject to further amendment.

Mr. SIMMONS. I am not trying to open it up. That is not my purpose.

Mr. McCUMBER. I know the Senator does not intend to do so, but if we reconsider the matter now it would open up the whole subject again. I wish the Senator would consent to allow it to be read and take my assurance that whenever he wants a vote on it he will have the opportunity.

Mr. SIMMONS. Very well. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	La Follette	Page
Ball	Hale	Lenroot	Pepper
Borah	Harris	McCumber	Phipps
Broussard	Heflin	McKellar	Pittman
Calder	Hitchcock	McKinley	Poindexter
Cameron	Johnson	McNary	Ransdell
Capper	Jones, Wash.	Moses	Reed
Caraway	Kellogg	Myers	Sheppard
Curtis	Kenyon	Nicholson	Shields
Dial	Keyes	Norris	Shortridge
Fernald	King	Oddie	Simmons
Fletcher	Ladd	Overman	Spencer
Stanfield	Townsend	Warren	Williams
Sterling	Wadsworth	Watson, Ga.	Willis
Swanson	Walsh, Mass.	Weller	

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. A quorum is present.

Mr. REED. Mr. President, the amendment offered by the Senator from North Carolina [Mr. SIMMONS] in its importance can not be overestimated. It may seem at a casual glance not really to warrant much discussion, but those of us who are familiar with the progress of the pending bill through the committee fully understand that in the words proposed to be inserted by the Senator from North Carolina is wrapped up the question whether the Secretary of the Treasury shall have authority to settle $11,000,000,000 of loans on just such terms and conditions as may please him.

I do not know, Mr. President, whether it is worth my time or the patience of any Senator to discuss a measure which I understand has received caucus attention by the other side of the Chamber. Whenever a body of men can get themselves into a frame of mind such as passed the Newberry resolution, it occurs to me that the day of argument and appeal to reason has ended. I had the misfortune to be absent when that resolution was adopted. I was, however, paired against it and all similar asininities and criminalities. I only refer to it now because I think it is really pertinent to the question whether there is any use in submitting any argument to the majority of the Senate upon its merits, either of fact or logic.

The resolution seating TRUMAN H. NEWBERRY, as drawn by the junior Senator from Missouri [Mr. SPENCER] and adorned by the Senator from Ohio [Mr. WILLIS], reads as follows:

Resolved, (1) That the contest of Henry Ford against Truman H. Newberry be, and it is hereby, dismissed.

(2) That Truman H. Newberry is hereby declared to be a duly elected Senator from the State of Michigan for the term of six years commencing on the 4th day of March, 1919, and is entitled to hold his seat in the Senate of the United States.

(3) That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free Government, such excessive expenditures are hereby severely condemned and disapproved.

Surely, whenever a body of men get ready to say that "the amount expended in a primary election was $195,000 or an amount in excess of that"; that the amount expended was "much larger than ought to have been expended," and therefore the man should be seated; whenever they are prepared to say further that "the expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent," is "contrary to sound public policy," and therefore the man should be seated; whenever a body of men are prepared to say that the expenditure of such sum of money was "harmful to the honor and dignity of the Senate," and therefore the man ought to be given a seat in the Senate; whenever the majority is prepared to say that the expenditure of the sum of money referred to was "dangerous to the perpetuity of free government," and therefore in the interest of the perpetuity of free government they will consummate the crime by giving its beneficiary a seat in the Senate; whenever we find the morals of the majority so lax that it can declare in one breath "that such expenditures are hereby severely condemned and disapproved," but the election of the man thereby accomplished is hereby commended and approved—whenever we find that sort of a conscience and that kind of logic, we know that caucus action having been taken on any bill the time for debate and appeal to reason, conscience, or decency is at an end.

I unhesitatingly say, sir, that in all the annals of all the legislative bodies that have ever existed upon the face of the earth, there never has been so shameless a resolution adopted; there never has been so bold a publication of the infamy of those who voted for the resolution. In the common parlance of the law we often speak of a plea in confession and avoidance, which means, in plain language, that the charge made is admitted; but there is brought in as a defense or excuse a good and sufficient reason for the doing of the act; but this is not a plea of confession and avoidance; it is a plea of confession and ratification.

I do not believe that the rank and file of the Republican Party will indorse such a resolution when they learn its import. Indeed, there is a foretaste of their feelings and sympathy in the action of the nine Republican Senators who voted against the seating of TRUMAN H. NEWBERRY. But, Mr. President, there is not a Senator who voted for this resolution who did not brand in red letters above and over and across his

political record the word "dishonor." There is no language human tongue can utter or pen can indite that will adequately express the degradation of that resolution—the self-confessed degradation of those who supported it.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missiuri yield to the Senator from Arkansas?

Mr. REED. I do.

Mr. CARAWAY. If I may be permitted, I desire to call the attention of the Senator to the fact that he may be bringing down upon himself some kind of punishment, because the author of that very brilliant resolution, if the newspapers are correct, is now in favor of a cloture rule to confine all Senators to speak to the question before the Senate. I do not blame that Senator for wanting such a rule, because were I similarly situated I should want that thing to be a closed incident. However, I call the attention of the Senator from Missouri to the fact that such a rule is now probably being considered.

Mr. REED. I only refer to this subject now in connection with the matter which is in hand, Mr. President, because I am about to address myself directly to the bill in question, and I understand a party caucus has been held and the votes that are to be cast have already been agreed upon and dictated.

I wish, Mr. President, that the Newberry resolution could be printed in 110,000,000 copies and pasted on the footboard of every bed in America, so that every man, woman, and child when they awaken in the morning and get through saying their usual prayers for the rest of creation may invoke Almighty God to forgive the men who voted that the acts done by NEWBERRY were of a kind "calculated to endanger the Republic," and then voted to ratify his acts and to seat him in the United States Senate.

I repeat—and I intend often to repeat in this body—that it was the most stupid piece of business that ever disgraced any body of men, whether they were pirates sailing the seas under a black flag or dignified statesmen seated in this Chamber charged to protect a great country. The gentleman sailing under the "Jolly Roger" at least had a philosophy and was consistent. He said:

> We follow still the good old rule,
> The very simple plan,
> That they should take who have the power,
> And they should keep who can.

He made his victims walk the plank, expecting to also walk the plank when he was captured. He did not pretend to be anything but a pirate; he ran up his skull and crossbone flag, ground his saber, took to the high seas as a marauder and a criminal.

But here is a distinguished body of men who solemnly resolve that a thing is wrong, who protest to high heaven that their conscience is outraged and their souls are harrowed by the mere thought of what has happened, and who, having thus indulged in sanctimonious and hypocritical recitation, proceed to ratify all that was done.

What a miserable, stupid, idiotic thing it was! If they had said, "We believe that Mr. NEWBERRY was elected and that, without his knowledge or consent, this money was expended, therefore he shall stand acquit," they would have at least been able to make some sort of pretense that they were deceived by the evidence; if they had said that "the money was expended, but there was no law against it," and "therefore no penalty could be visited upon Mr. NEWBERRY," they would at least have been consistent. But they stand here declaring the thing is infamous, detrimental to the State, an insult to the Senate, "therefore we hereby solemnly ratify and confirm it."

When you get out your campaign books, gentlemen on the other side of the Chamber who supported the Newberry resolution, allow me to suggest to you that you print that resolution on the title-page; that you make it the first plank in your political platform; that you repeat it at the top of the various pages of the book; and that you accompany it with the statement, "This is a verbal picture of the Republican conscience as it exists in the Senate in the year 1922." You should add, "We knew the seating of NEWBERRY was wrong; we knew it was wicked; we knew it was injurious to the State; we knew it was an insult to the Senate; therefore we ratified it."

Why, Mr. President, the tongue is paralyzed in an effort to describe a thing like that. If it was wrong, why did you not wipe out the effect of the wrong and not adopt it?

You say, "This thing that crawls, and has a forked tongue and crooked teeth, is a poison serpent. Therefore we will admit it to the family circle and allow it to wind its folds about the bodies of our children."

You say, "This is a dog with the rabies. Every time he sinks his fangs into the flesh they carry with them deadly disease. Therefore we will turn the dog loose on the community."

You say, "This is a thing black with infamy. Therefore we will spread it as a mantle over the Senate Chamber."

You say, "This is a deadly leprosy that, introduced into the body politic, will destroy the virtue of the Nation. Therefore we will introduce it into the Senate.

You say, "This office was sold for money. Therefore he who bought it shall be confirmed in his title."

You say, "The thing is crimson in its crime, and reeking rotten in all its parts. Therefore its originator and beneficiary shall be seated in the Senate Chamber to vote on bills concerning the welfare of the States."

You who supported the resolution wrote the creed yourselves. You made your own declaration. You diagrammed your own act. You branded it with your own words. You wrote the epitaph of decency in this body, and you have preserved it for all time in the records of the State. So there is not much use in arguing questions after caucus action, no matter what the merits of the question may be.

A new word ought to be introduced into our tongue—a phrase that would describe this sort of thing that has happened—"a Newberryism." It will, however, not serve much use, for the thing I have described has never happened before, and it never will happen again; there will never appear upon the face of this earth another band of gentlemen who will set down in cold type that "the thing is bad, wicked, dangerous to the State, therefore we do that thing; therefore we ratify it, we confirm it, we sanctify it."

Think of the judge of a court saying: "I hereby find the defendant guilty of murder; therefore I discharge him in his guilt with the blessings of the court."

Think of the judge of a court convicting a man of theft and then declaring: "It is further ordered, adjudged, and decreed that he shall keep the goods and chattels he has stolen."

Think of a judge trying a case of fraud and reciting: "Be it ordered, adjudged, and decreed that the defendant has been guilty of fraud and false representation, and that he has cheated his neighbor of his goods, wares, and chattels in the sum of $100,000; but be it further ordered, adjudged, and decreed that he shall be confirmed in his title thereto."

What is the use of argument under those circumstances? This resolution will make a great political platform, so it seems to me, for the Senator who wrote it. And they say, "He wrote it all alone!" [Laughter.] In the State of Ohio this ought to be a great political platform.

It was said some years ago that there was one county in Ohio—I never believed it, but it may be true—where a majority of the people had been guilty of selling their votes in an election. I suggest that the Willis-Spencer Newberry resolution ought to be very popular in that county. The Senator ought to get all the votes there are there. You see, it is so consistent with the state of morals charged. I can imagine him making a speech to that kind of a crowd and saying: "You know election day is the day when we recoup our fortunes. Then it is we make the rich yield us a portion of their savings. Then it is every man gets five or ten dollars for his vote." Now, that trade can not prosper, that industry can not thrive, if we do not permit the man who buys the votes to receive the fruits of his purchase. To that end I introduced into the Senate and had passed and ratified a resolution which declared in the Newberry case that—

> the expenditure of such excessive amounts in behalf of the candidate, either with or without his knowledge, is contrary to sound public policy, harmful to the honor and dignity of the Senate, dangerous to the perpetuity of free government, and is hereby severely condemned and disapproved: Wherefore be it
>
> *Resolved*, That TRUMAN H. NEWBERRY is hereby declared to be a duly elected Senator from the State of Michigan.

Why, when that was written, if the gods in heaven had been malicious, if they had for the moment been controlled by evil influences from the nether regions, they would have looked over the battlements of the skies and roared with laughter that would have shaken the universe.

I feel I ought to congratulate the Senator from Ohio [Mr. WILLIS] upon this wonderful piece of political ethics and modern statesmanship. I have not any doubt that when he runs again all the billboards in Ohio will have this resolution in large letters, and above it will be inscribed the words: "Written by himself. He wrote it all alone." [Laughter.]

I think I once told in this Chamber the pathetic story of little Alexander, as recited by Bill Nye.

Little Alexander was a poodle dog with an insatiate appetite. So controlled was he by his desire to eat that he neither stopped to taste nor to smell. Observing one day a pan filled with a white fluid that resembled milk, he greedily swallowed it all in a few gulps, only to discover that it was liquid plaster of Paris. Of course, the inevitable happened. It solidified inside of little Alexander, and he died. A cruel stranger tossed his body off in the bushes. The elements dissolved the flesh and skin and hair, and a few years afterwards the little child who had owned the dog and loved it found the remains. There was the skeleton, and there was a complete reproduction in plaster of paris of the entire internal anatomy of the dog. She took it home, put it tenderly upon the mantelpiece, and wrote this epitaph over it: "Little Alexander: An inside view, taken by himself." [Laughter.]

This is an inside view, taken by the Republican majority itself, save for those few Senators whom I have already excepted. It wrote it down. It preserved it. It said: "This is our philosophy. This is our creed. This is the measure of our moral horizon. This we do in order to save one vote in the Senate, even temporarily."

So I repeat, Mr. President, there is not much use in arguing questions which concern merely such matters as the expenditure of $11,000,000,000.

Coming to that interesting question, there is scant hope in trying to disguise the fact that what the Secretary of the Treasury wants, what he has demanded from the first, is unlimited power to do as he pleases with reference to the foreign debt. The first bill that was introduced expressly provided:

That the Secretary of the Treasury, with the approval of the President, is hereby authorized from time to time—

From time to time!—

to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation), arising out of the European war, into bonds or other obligations of such, or of any other, foreign Government, and from time to time to receive bonds and obligations of any foreign Government in substitution for those now or hereafter held by the United States of America, in such form and of such terms, conditions, date or dates of maturity, and rate or rates of interest, and with such security, if any, as shall be deemed for the best interests of the United States of America, and to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

Mr. President, in a word, that provision sought to give the Secretary of the Treasury the right to take any kind of securities, at any rate of interest, at any time of maturity, he saw fit; to take the securities of the Governments owing the United States, or, in lieu of those securities, to take the securities of any other Government. It gave him the right to settle unadjusted claims. It also gave him the right to change and interchange and rechange these securities at will at any time, at any place, at any rate.

I do not want to use a single harsh expression in what I am about to say, for the Senate well knows how gentle I am of speech by nature and how I dislike to say anything of a personal character.

I really do dislike to say anything of a personal character; but that is the most impudent proposal ever put before a legislative body—that there should be placed in the hands of a single man the right to deal as he pleased with a debt of $11,000,000,000. Yet it was the demand made by the Secretary of the Treasury, and insisted upon before the committee. He insisted that nothing else would do; that he must be given a free hand. Indeed, there was carefully wrapped up in the instrument the right, if he had seen fit, to give us German bonds in lieu of British bonds, to give us German bonds in lieu of French bonds, to give us German or Russian bonds in lieu of the bonds of Italy. I have not the slightest hesitation in saying that, in my opinion, it was the fixed purpose of the Treasury Department to begin that very sort of juggling, and that it was part of a common plan ultimately to destroy these debts and ultimately to bring about a state of affairs which would result in a forgiving of the debts by the United States.

Bear in mind as we consider this question that European Governments have officially asked that that very thing be done. If they have not done it through their regular channels, they have nevertheless made such proposals persistently through irregular channels. The scheme is not yet at an end. The purpose is still in their hearts. If they can not secure the absolute forgiving of the debts by the United States, then they want to do the next best thing, to postpone the payment of the interest and the payment of the principal as many years as possible, always understanding that the longer a debt can be postponed without interest the more likelihood there is of ultimately escaping the obligation.

I have a clipping, a recent one, dated September 27, a London telegram, reading as follows:

BRITAIN FEARS TALK OF DEBTS—DISCUSSION OF CANCELLATION BY ARMS CONFERENCE IS OPPOSED.

LONDON, *September 27.*

The British Government is opposed to any discussion of the cancellation of the Allies' war debts to the United States at the Washington conference. This information was obtained from an official source to-day.

It was explained that British officials fear discussion of debt cancellation would create a bad impression in the United States. British officials profess to believe a majority of the members of President Harding's Cabinet favor consideration of the international debt question, but they say they recognize that "popular opinion in America is opposed to any movement toward the repudiation of the debts."

That is only a telegram from London, but that this proposition has been discussed and seriously discussed no honest man who is informed will deny. The argument they put forward is that their sacrifices in the war were greater than ours, that we should have come in the first day of the war instead of at the time we did, that they bore the brunt of the war for all those years, and that therefore the United States should now come in and contribute this stupendous sum of money. The propaganda in favor of this doctrine has had its advocates in America. Some of the most prominent bankers of the United States have boldly set it before the people and have proclaimed it as the only means of rejuvenating Europe. It has had an advocate in at least one member of the President's Cabinet, unless he has been misquoted in the newspapers, and I never saw his denial. It has beeen advocated by a great many of the uplifters and reformers who have been talking to us constantly about our duty to mankind abroad.

The reason for the advocacy of this doctrine is not difficult to find. There are five or six billion dollars loaned in Europe by bankers and capitalists of the United States. We are told that Europe is bankrupt—a thing I desire to discuss in a moment—but that, Europe being bankrupt, we can, of course, place her upon her feet by the cancellation of this enormous debt due the United States Government. Now, it does not need any seer, any prophet, any man of marvelous acumen, to know that the average New York banker—the Morgan group, if you please—having loaned three or four or five billion dollars in Europe to countries which they now say are bankrupt, of course understand that if we cancel our $11,000,000,000 debt their $5,000,000,000 debt will immediately become a good debt. It does not take very much sense for any man to know that if he has $100,000 worth of property and owes $150,000 of money, and owes $125,000 of that to one man, and if that man will forgive that debt the gentleman with the $25,000 balance of the debt can collect his money.

Allied with this argument is the one that we are in duty bound to put Europe upon her feet, that we should create an international bank and we should finance them through an international bank, Uncle Sam of course to furnish the money. So I say there has been a consistent and determined effort from the first to induce the United States to sacrifice the whole of its debt, or at least a material part of it.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from North Carolina?

Mr. REED. With pleasure.

Mr. SIMMONS. In connection with the very forceful argument the Senator has just made to the effect that if we forgive this debt it would enable the bankers who have loaned $5,000,000,000 better to collect that, I wish to ask the Senator if the same argument does not apply to the long extension of the interest? If the interest is extended for a long period of time, if we are to collect neither principal nor interest for a course of years, I think the Secretary mentioned 10 years, would that not give these private holders of obligations against European Governments the first opportunity to collect their indebtedness, and would it not be virtually postponing our national debt in the interest of these private debts?

Mr. REED. Certainly that is true. I was gradually leading up to that point, but it has been very well stated by the Senator from North Carolina.

Now, Mr. President, the first step taken by these Governments was to secure a postponement of the collection of interest for the first two or three years. No Secretary of the Treasury had the right to postpone that interest. No President of the United States had the right to defer it. No one had such a right. But

some negotiations had taken place with reference to having bonds written and delivered in the manner and form contemplated by the original act. In those negotiations some suggestion was made by a British statesman that it was desirable that the interest should not be collected for two years or, better than that, three years. Some one of the negotiators upon our side in some way or other appeared to give an assent, which was immediately treated as a contract. As a result, not a penny of interest has been paid except, I believe, in one or two instances, where I believe without question the interest was paid out of money they borrowed from us.

Bearing these things in mind and understanding the original demand of the Secretary of the Treasury, I desire to add one thing further, and I do it with very great regret. I feel that it is my duty to call the attention of the Senate and the country to the environment and surrounding of the Secretary of the Treasury. The stream never rises higher than its fountain source. Every man is a creature of environment. All the circumstances of our lives control the currents of our thoughts. Without challenging the honesty of any man, we nevertheless have the right, when we undertake to estimate his course of action, to look somewhat into the conditions of his life and into the character and nature of the investments he has made in the world as he has gone along.

In Current Opinion for April, 1921, is an eulogistic article of the Secretary of the Treasury, from which I read, as follows:

It is the testimony of his friends that the new Secretary of the Treasury possesses a vision as broad and far-reaching as his insight into the process of business is keen. As to the proofs that this Pittsburgh financier, reputed to be richer than Carnegie or Frick was, and second in wealth only to John D. Rockefeller, unites administrative capacity with vision, we are told that practically all his greatest enterprises were brought to him on paper. He visualized their possibilities and risked his own money to make them go. One of them, the Aluminum Co. of America, is the largest concern of its kind in the world.

The statement might have been made that it is the only one.

He is said to be the only man who ever fought Standard Oil successfully, and the Gulf Oil Co. stands as a monument to his courage. At Niagara Falls exists a great carborundum plant as a reminder that capital never saw anything in carborundum until Mellon, of Pittsburgh, developed its possibilities. He founded the New York Shipbuilding Co., which he afterwards sold, now a concern of gigantic proportions. He took the Union Trust Co., of Pittsburgh, when it was regarded as "a scrap of paper" and created an institution with resources of $133,500,000 and a surplus of $39,000,000. The record of the personal activities of Secretary Mellon includes 4 banks, of 1 of which he recently resigned the presidency to enter the Cabinet; 4 insurance companies; 7 educational and philanthropic institutions; and 62 other corporations. Their products—oil, aluminum, railway cars, locomotives, steel, plate glass, radiators, carborundum, bolts and rivets, motor trucks, and a hundred other things—go all over the world. The Mellon National Bank of Pittsburgh, apparently a pet enterprise, has resources of $132,000,000 and deposits aggregating $105,000,000, and its moving spirit has the reputation of never having "gypped" anybody out of a share of stock in his life. The concerns in which he was actively interested prior to March 4 have resources in excess of $800,000,000.

* * * * * * *

Even Pennsylvania may not have realized until recently that the wealth of the Mellons rivals that of the Rockefellers. It is related in this connection that when Mellon was first mentioned for a Cabinet portfolio the President elect was deluged with letters from officers and stockholders of dozens of banks in small Ohio towns urging his selection as Secretary of the Treasury. These letters caused some surprise, and at first were suspected to be propaganda. "Not at all," explained a man who knew the source of their inspiration. "Mr. Mellon is ignorant of these communications; but the Mellon National Bank has been very successful in securing the deposits of hundreds of country banks, and these banks have been treated with such generosity and fairness as to indicate to their officers and stockholders the virtues of Mellon, and now they want Harding to know about him."

Mr. President, in that connection and as a part of this story of influence, I call attention to a communication dated November 1, 1921. Here is a resolution "unanimously indorsed by the undersigned manufacturers and their employees of western Pennsylvania and is respectfully submitted for your consideration." It is addressed to me as a member of the Finance Committee. I print the letter complete with names, as follows:

PITTSBURGH, PA., *November 1, 1921.*

HON. JAMES A. REED,
Senate Finance Committee, Washington, D. C.

DEAR SIR: At a meeting the following resolution was unanimously indorsed by the undersigned manufacturers and other employers of western Pennsylvania and is respectfully submitted for your consideration:

"Whereas industry is paralyzed and thousands of men are out of employment, and this condition is complicated and accentuated by the uncertainty as to taxation and the complex proposed tax legislation now being considered, and will be made infinitely worse by the exorbitant rate of taxation proposed by the Senate; and

"Whereas the administration is pledged to relieve industry of the inequitable and unjust burdens of taxation now in effect; and

"Whereas capital is seeking investment in tax-free securities, making it difficult to secure new capital for industrial developments on account of the proposed inequitable, unjust, and discriminating rate of surtax of 50 per cent: Therefore be it

"*Resolved*, That we, the undersigned manufacturers of western Pennsylvania, register our protest against the surtax of 50 per cent and urge that the rate should be reduced to not exceed 25 per cent, as recommended by the *Hon. Secretary Mr. Mellon*, and that the corporate income tax should not exceed 10 per cent, as originally provided in the House bill."

Yours, very truly,

Geo. H. Alexander Co., American Cement Tile Manufacturing Co., American Nut & Gas Co., American Foundry & Pipe Co., American Steel Foundries Co., American Spiral Spring Manufacturing Co., American Flexible Bolt Co., Armstrong Cork Co., Edw. C. Bald Motors Co., Bletcher Anchors Co., Brown & Co. (Inc.), John D. Brown, Blaw-Knox Co., the Bank of Pittsburgh, Brown & Zortman Machinery Co., John F. Casey Co., Campbell-Horigan Granite Co., Colona Manufacturing Co., Claire Furnace Co., Columbiana Foundry Co., Charleroi Lumber Co., the Chaplin-Fulton Manufacturing Co., Crescent Oil & Gas Co., Conroy-Prugh Co., Courteney Fire Brick Co., Connellsville Manufacturing & Mine Supply Co., Central Tube Co., Crescent Electric & Manufacturing Co., Dilworth Porter Co., Duquesne Steel Foundry Co., Duquesne Land Improvement Co., Chas. E. Dixon & Son, Deane Supply Co., Dunlevy Packing Co., Duff Patents Co., Duff Manufacturing Co., Damascus Bronze Co., Ella Furnace Co., Eclipse Pattern Co., Elliott Co., Ellwood Lumber Co., Electric Engineering & Manufacturing Co., W. J. Early Co., Edgewater Steel Co., Equitable Life Insurance of Iowa, Follansbee Bros. Co., J. C. Forster & Son., Fallston Fire Clay Co., Farmers National Bank, Fort Palmer Supply Co., Fort Pitt Steel Casting Co., Fort Pitt Malleable Iron Co., Frick & Lindsay Co., Fort Pitt Spring & Manufacturing Co., W. F. Frederick Piano Co., Firth-Stirling Steel Co., Gazzam Machine Co., Grogan & Co., T. J. Gillespie, Gillespie Bros. (Inc.), A. Garrison Foundry Co., Garland Manufacturing Co., *Gulf Oil Corporation*, John Gwyer Press, Gem Manufacturing Co., Graham Nut Co., Haller Baking Co., Robt. W. W. Hunt Co., Home Life Insurance Co., Herbick & Held Printing Co., Homestead Baking Co., Hermes Ice Cream Co., Hay-Walker Brick Co., Heppenstall Forge & Knife Co., Homestead Valve & Manufacturing Co., Hunter Saw & Machine Co., H. J. Heinz Co., Hubbard & Co., Heyl & Patterson (Inc.), Hall Steam Pump Co., Independent Bridge Co., Richard Irwin & Co., Iron City Printing Co., Imperial Power Co., Wm. G. Johnston Co., Geo. A. Kelly Co., Keystone Lumber Co., H. L. Kreusler, F. J. Kress Box Co., Julian Kennedy, W. N. Kratzer & Co., Wm. Laird Co., A. J. Logan Co., Lewis Foundry & Machine Co., Lyne & Son, Edw. G. Land & Co., Lockhart Iron & Steel Co., Logan-Gregg Hardware Co., Mackintosh-Hemphill Co., Jas. McNeil & Bros. Co., Matthews Gravity Carrier Co., Jas. McMillen Printing Co., McKeesport Tin Plate Co., McConway Torley Co., the Ma-Lou Oil Co., Mesta Machine Co., Jas. H. Matthews & Co. (Inc.), Murdock-Kerr & Co. (Inc.), J. & J. B. Milholland Co., *Mellon National Bank, McClintic-Marshall Construction Co.*, Miller Saw Trimmer Co., McKenna Brass & Manufacturing Co., McCrady Bros. Co., May Lumber Co., J. S. McCormick Co., E. H. Niedringhaus, National Fireproofing Co., National Products Co., National Metal Molding Co., R. D. Nuttall Co., Ohio & Pittsburgh Milk Co., Oliver Iron & Steel Co., Pittsburgh Steel Co., Peoples Trust Co., Pressed Metal Radiator Co., *Pittsburgh Coal Co.*, H. K. Porter Co., Pittsburgh-Des Moines Co., Pittsburgh Lamp, Brass & Glass Co., Pittsburgh Foundry & Machine Co., Pittsburgh Wool Co., Pittsburgh Steel Foundry Co., Pittsburgh Transformer Co., Thomas Pringle, Pittsburgh Monotype Composition Co., Pittsburgh Steel Products Co., Pittsburgh Forge & Iron Co., Potter Title & Trust Co., Phial & Miller (Inc.), Pittsburgh Crushed Steel Co., Pittsburgh Foundry & Machine Co., Pennsylvania Casting & Machine Co., Pittsburgh Brass Manufacturing Co., Pittsburgh Rolls Corporation, Pittsburgh Water Heater Co., Pittsburgh Plate Glass Co., Tom Patterson, Pittsburgh Screw & Bolt Co., Post & Flagg, Pullman Taxicab Co., Reliance Steel Casting Co., Reliance Coke Co., George W. Ryan, Wm. Renton (Inc.), Redstone Coal & Coke Co., Rees Manufacturing Co., Standard Sanitary Manufacturing Co., Geo. H. Schwan, Standard Electrotype Co., Stevenson & Foster Co., Simonds Manufacturing Co., Sanitary Chemical Co., Spang & Co., Superior Steel Corporation, Spang, Chalfant & Co. (Inc.), Standard Underground Cable Co., H. B. Shawkey Motors Co., James P. Steen, M. B. Suydam & Co., E. J. Thompson Co., Thomas Spacing Machine Co., Taylor & Dean, Henry Tranter Manufacturing Co., United Engineering & Foundry Co., United States Chain Co., Union Steel Casting Co., Union Drawn Steel Co., Union Auto Supply Co., United States Glass Co., *Union Trust Co. of Pittsburgh*, Union Construction Co., Vilsack Martin Co., Wadsworth Stone & Paving Co., Edw. A. Woods Co., Wilson-Snyder Manufacturing Co., West Penn Steel Co., Witherow Steel Co., West Leechburg Steel Co., Westmoreland-Connellsville Coke Co., Waverly Oil Works Co., Worthington Pump & Machinery Corporation, W. W. Wattle & Sons Co., Wyckoff Steel Co., Wolverine Supply & Manufacturing Co., H. H. Robertson Co., Standard Gauge Steel Co., S. Ewart Co., Oil Well Supply Co., Taylor Wilson Manufacturing Co., Nicola Bros. Co., Pittsburgh Clay Products Co., Seven Baker Bros., Walkers' Mills Stone & Brick Co., Wilson-Beegle Coal Co., Marshall Bros. Co.

Now observe the things these gentlemen recommend, namely, a surtax of not to exceed 25 per cent, no matter how high the profits may go, and a tax of not to exceed 10 per cent upon corporations, no matter what their profits may be, which are the identical things Mr. Mellon recommended.

Now I turn to the list of signers, probably 200 in number, and I find among them the Gulf Oil Corporation, one of Mr. Mellon's own corporations, backing up Mr. Mellon's own theory. I find another, the Mellon National Bank, another one of Mr. Mellon's own corporations, backing up Mr. Mellon's activities in his official capacity and pleading with its own master to do the very thing its own master proposes to do.

I find also the Pittsburgh Coal Co. is one of the signers, that being one of Mr. Mellon's companies. I find the Union Trust Co. of Pittsburgh, likewise a signer, that being one of his numerous companies.

So that it appears that there is harmony between the interests of Mellon and Mr. Mellon's official actions which indicates a community of spirit, and that at least Mr. Mellon officially thinks in the same terms in which these great financial and industrial interests think.

Mr. President, let me now call attention to some of Mr. Mellon's financial business interests:

The Aluminum Co. of America, capitalization $20,000,000, controlling five companies with a combined capital of $20,000,000. I understand that is the Aluminum Trust, and that it is a complete monopoly.

The American Locomotive Co., capital $50,000,000.

The American Metal Co., a holding company, $25,000,000 capital, which controls 12 companies with combined capitalization of $8,000,000.

The Baltimore Car & Foundry Co., $1,500,000.

The Carborundum Co., $2,500,000.

The Gulf Oil Corporation, $60,000,000, which controls nine companies with a combined capitalization of $24,000,000.

This makes a total capitalization of $210,000,000.

Banks and trust companies, $33,500,000. Total capitalization, $243,500,000.

National Bank of Commerce of New York, capitalization $25,000,000, surplus $25,000,000, deposits $363,000,000. Mellon National Bank, capitalization $6,000,000, surplus $5,000,000, deposits $102,000,000. Union Savings Bank, capitalization $1,000,000, surplus, $1,000,000, deposits $20,000,000. Union Trust Co., capitalization $1,500,000, surplus $35,000,000, deposits $100,000,000.

Pennsylvania Railroad Co., of which prior to January, 1921, he was a director, with a total capital of $440,000,000. Grand total capitalization, $683,500,000.

Mr. President, in view of the fact that the Morgan banks and other great banks of New York were the financial agents of foreign Governments during the World War and hold or have negotiated their securities to the amount of billions of dollars; in view of the intimate close relationship of Mr. Mellon to these great banks and trust companies; in view of the desire of the Morgan banks and their allies to cancel our foreign loans and the propaganda they have carried on in this country, I say that the last man in the United States upon whom unlimited authority to settle these loans should be granted is Mr. Mellon, the Secretary of the Treasury—the last man but one, and that is Mr. Morgan himself.

Mr. President, I do not like to say those things. Personally Mr. Mellon is a most agreeable gentleman. I have no doubt as he sees the light he is a patriotic gentleman. I have no doubt that he tries to think he is acting outside of the influences to which I have referred. But I have no more doubt there is an inside to this proposed settlement with foreign countries than I have that Senators on the other side of the Chamber by their votes passed the Newberry resolution the other day. I insist that the Congress, before it grants an iota of power, shall write into the bill the boundaries and limits of authority, so that the people of the United States will secure that which is justly due to them.

It is no palliation of the situation which I am discussing to say that the bill has been changed and that the authority heretofore proposed to be conferred upon the Secretary of the Treasury is now to be conferred upon a commission. What guaranty is that? The Secretary of the Treasury is to be the chairman of the commission. The commission may be composed entirely of members of the Cabinet; it may be composed of others; but the Secretary will dominate it just as he dominated the majority of the Finance Committee, every man of whom, as I recall, protested against granting this power, and, if I understood, had agreed to a limitation such as is embraced in the very amendment now under consideration. Yet Mr. Mellon was powerful enough to persuade them to report the bill with that wholesome provision omitted. Mr. Mellon will be the commission; what he desires, the commission will do.

The appointment of commissions is no guaranty. We had a commission when we undertook to settle certain matters connected with the sale of foreign property. I read in the New York American that there was a sale of the Bosch Magneto Co. It is there baldly charged that it was sold to a man who was twice a convict; that it was sold for about half its value. Gov. Edwards, of New Jersey, it is stated, has identified the portrait of this man Kern as a forger and confidence man who has served his terms in prison. This was done notwithstanding the existence of a commission. Then the picture of the convict is displayed. It is further stated that the sale was approved by Francis P. Garvan, who was the director of the Bureau of Investigation of the Alien Property Custodian's office. I do not know what the facts may be, but I ought to say here that the newspaper contains a statement in effect that Mr. Garvan denies the charges. The point I make, however, is that the existence of commissions is no guaranty.

What is the point of this whole matter? The Secretary of the Treasury insists that he shall have authority to fix the times of the payment of interest. He objects to a clause that the interest shall be payable annually or semiannually; that is to say, he insists he shall have the right at will to postpone the date of the payment of interest to such time as he sees fit. In its broadest and worst sense, that is practically equivalent to wiping out the principal, for if the interest payments were indefinitely postponed or forgiven for a period of about 12 years the interest would equal the principal itself. I have not figured it, but that is my rough estimate.

What is the excuse offered by the apologists for this bill? We are told that there are certain countries now able to pay their interest, and that there are certain other countries which are not able to pay their interest, and that, therefore, we must give the power to the Secretary of the Treasury to stipulate for the payment of the interest at such time as he may see fit. Is the argument sound? Does the conclusion follow?

Let us assume that when the Secretary of the Treasury comes to make the settlement he settles with Great Britain, a country that is able to pay its interest, and writes in that the interest shall be payable six months from this date; that he approaches France and all of the other debtor countries, insisting that the day has now come to put into proper form the obligations which they solemnly agreed to give to us at the time they obtained the money. Suppose some of those countries say, "But we will not be in shape to meet our first interest payment six months from now." Well and good; they can at least sign the obligation they agreed to sign when they got this money three years ago, and when the six months comes around if they can not at that time meet their interest, it will then be for the United States to say whether it will formally grant an extension or whether it will simply allow the interest to remain in default, insisting that the country shall pay as soon as possible.

The Secretary of the Treasury offers the excuse that it will not be a good thing to have the interest on these bonds defaulted; that somehow or other a terrible consequence will follow upon the making of an obligation and the failure to pay the interest which is stipulated in the obligation. Is a nation, indeed, in any worse condition under those circumstances than it is if it says in advance, "We can not pay the interest, and you must postpone it for 2, 3, 4, 5, or even 10 years"? The failure to pay the interest when stipulated in the bond might be an act of bankruptcy on the part of an individual, but the statement in advance that the country can not pay the interest as it becomes due is an admission of bankruptcy in advance, and one is no worse than is the other.

While I am discussing the question of how far the Secretary of the Treasury has drifted from the idea of ultimately allowing these countries to escape the payment of their debts, may I be permitted to call attention to an examination of the Secretary of the Treasury before the Finance Committee? I asked him a question and read him a letter, an excerpt from which I will present:

Senator REED. I understand you to say, Mr. Secretary, that there has been no general plan discussed for the handling of this business which is referred to in the bill. Now, I want to read you a statement here and see whether there is any truth in it or not. I am reading from a newspaper clipping of June 17. It is an article by Robert B. Armstrong.

That article, among other statements, contains the following:

The legislation asked will permit the Secretary of the Treasury to guarantee the principal and interest if, in his judgment, such course is desirable.

That is to say, to take the bonds of the debtor countries and then put the indorsement and guaranty of the United States of America back of them. That has a tremendous significance in what follows:

All of the loans now due the United States carry with them a lot of overdue and accrued interest which, under the plan contemplated, will be included in the bond issue proposed to represent these loans.

The tentative plan contemplates that all of the accrued and overdue interest is to be either included in the amount of the bond issue to be pledged by the Governments which owe the large sums to the United States or that this interest be extinguished by increasing the rate on the long-time securities enough to absorb all the back interest and at the same time make the securities bear a higher rate of interest and become, therefore, desirable for the investors of the United States.

If this is done, it is probable that the United States will not guarantee the bonds, but sell them on the interest rate and the security of the Government issuing them.

In other words, in part, the proposition there contained was that, whereas there was a billion dollars of interest already accumulated upon this indebtedness, we should not take bonds for that billion dollars but that we should take bonds only for the $10,000,000,000 of principal; then we would charge a higher rate of interest on the $10,000,000,000, and in that way ultimately recoup ourselves for the $1,000,000,000 of already defaulted interest. That was the plan. That was the device. That was one of the schemes, at least, they had in contemplation, according to this writer. Now, let us see what happened. Following the reading of the article I addressed a question to the Secretary of the Treasury, as follows:

Senator REED. I have read you the whole article, and I want to ask you if there is any truth in that statement?

Secretary MELLON. There was nothing so far as concerns any suggestion or anything originating with any foreign Government. There has nothing of that sort been suggested. There have been a great many suggestions generally by the press and by people of different methods of treating the indebtedness and of taking care of this accumulated interest, etc. There was a suggestion made and that was one which the President thought was a good one. It has not any significance so far as any particular Government is concerned or so far as this refunding is concerned, excepting that it seemed a good business proposition. That suggestion was this: Here we had certain accumulated interest that it may be necessary or desirable to extend or defer the payment of. The thought there was this, that if, instead of adding that interest to the principal it was added to the rate of interest during the whole life of the bonds to be accepted, the refunding bonds, it would give those bonds a larger rate of interest than they otherwise would have. For instance, if we were going to accept refunding bonds at 5 per cent that we add this accumulating interest into an additional rate of interest and say, for example, that that made that rate of interest 6 per cent. That, then, would make the bonds more marketable. They would be bearing a higher rate of interest, and the benefit would come in the future from the fact that they bore a higher rate of interest and would be more marketable than they might be if they were at a lower rate of interest. That was merely an incidental suggestion.

Senator REED. You say you think that would be good business?

Secretary MELLON. It should be considered.

Senator REED. Let us put that in plain language. European Governments owe the United States in principal $10,000,000,000 and in interest $1,000,000,000. The proposition is to have them issue their bonds not for $11,000,000,000, bearing a rate of interest, but to have them issue their bonds for $10,000,000,000, bearing a higher rate of interest, the $1,000,000,000 to be devoted to the raising or increasing of that higher rate of interest. Thereupon these bonds will be sold to investors. In that event Uncle Sam loses the $1,000,000,000 of interest, does he not, that has already accumulated?

Secretary MELLON. If he does not sell the bonds, he gets the same money that otherwise would be gotten. Now, the matter of selling the bonds is a matter of judgment of Congress when the time comes.

Senator REED. But it will not be a matter of judgment of Congress under this bill; it will be a matter of judgment of the Secretary of the Treasury.

Then the Secretary said the bill did not contain the authority, but it was shown he was mistaken.

Mr. President, that throws a little light on this question. It is all in harmony with the primary purpose of foreign Governments to have these loans canceled, or, if not canceled, then at least to have them postponed. It is completely in accord with the scheme of the bankers who hold these private investments in European bonds to have the debt of the United States Government postponed that they may collect their private debts.

Mr. President, it is a quarter of 5 o'clock, and there are very few Senators in the Chamber. I desire to spend a little while further in discussing this matter; and I ask the chairman of the committee, in charge of the bill, if he is not willing to move a recess at this time?

Mr. McCUMBER. Mr. President, I did not know but that we could go on perhaps until half past 5; but if no other Senator wants to speak upon the subject——

Mr. REED. I desire to conclude my remarks in the morning, and not to-night. I shall not take much time in the morning—probably 10 or 15 minutes—but I do not want to conclude to-night. There is a very small attendance here at this hour. Almost everyone has gone home, and I should like to go with the rest of them myself.

Mr. SIMMONS. Mr. President, I wish to inquire of the Senator from North Dakota if he does not think that we might make an agreement to vote upon this bill to-morrow? I myself am very anxious that we shall vote on it to-morrow, if possible, for a personal reason which I have no hesitation in stating. I desire very much to be here when the vote is taken, and it is impossible for me to be here on Monday or Tuesday.

Mr. REED. How about Wednesday?

Mr. SIMMONS. I am perfectly willing to agree to a vote on Wednesday.

Mr. McCUMBER. Mr. President, we have so very much work before us that I hope we shall get through with the bill at least some time to-morrow. I stated a short time ago that with the heavy work that is pressing in other matters in which especially the members of the Finance Committee are engaged, I should ask for a night session to-morrow evening if we did not complete the bill earlier. I had hoped to get through with it to-day. I understood that the Senator from Missouri intended to take about 20 minutes, and his 20 minutes have been somewhat extended. Now the Senator says that he wants 15 minutes in the morning. If I were to measure the 15 minutes by the same rate by which I measure the 20 minutes to-day, I am afraid the Senator's remarks to-morrow will take considerably more than 15 minutes; but I do not wish to cut off any Senator who wants to cover the subject fully, though I want to get through as quickly as possible.

Mr. REED. The Senator, as well as myself, is a very poor estimator of time when he takes the floor.

Mr. McCUMBER. Sometimes.

Mr. REED. I want to offer a few remarks about this bill to-morrow morning. I do not want to do it to-night. It is late. I am perfectly willing to agree, as far as I am concerned, that we shall vote on the bill at some time to-morrow.

Mr. McCUMBER. It would probably be a little difficult to secure a quorum to-night. I suggest, therefore, that we have an executive session, and then take a recess until to-morrow at 11 o'clock. Then we can undoubtedly get a roll call and agree upon some time to-morrow for a vote.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. CURTIS. I move that the Senate take a recess until to-morrow at 11 o'clock.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m.) the Senate took a recess until to-morrow, Saturday, January 28, 1922, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate January 27 (legislative day of January 25), 1922.

SURVEYOR OF CUSTOMS.

Edward E. Philbrook, of Portland, Me., to be surveyor of customs in customs collection district No. 1, with headquarters at Portland, Me., in place of William M. Ingraham.

UNITED STATES ATTORNEYS.

Charles B. Kennamer, of Alabama, to be United States attorney, northern district of Alabama, vice Erle Pettus, resigned.

Aubrey Boyles, of Alabama, to be United States attorney, southern district of Alabama, vice Alexander D. Pitts, term expired.

Frederick H. Bernard, of Arizona, to be United States attorney, district of Arizona, vice Thomas A. Flynn, whose term will expire January 27, 1922.

UNITED STATES MARSHAL.

Thomas J. Sparks, of Arizona, to be United States marshal, district of Arizona, vice Joseph P. Dillon, whose term expired January 15, 1922.

RECEIVER OF PUBLIC MONEYS.

Charles R. Smith, of Colorado, to be receiver of public moneys at Durango, Colo., vice George Weaver, whose term will expire February 17, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 27 (legislative day of January 25), 1922.

POSTMASTERS.

FLORIDA.

Zoel Peeples, Dowling Park.
John D. Gardner, Miami.
Henry G. Nelson, Williston.
Jerry M. Sullivan, Winter Garden.

NEVADA.

Dora E. Kappler, Carlin.

NORTH CAROLINA.

Heber R. Munford, Greenville.

SOUTH CAROLINA.

Katie L. McIntyre, Clio.
Julian P. Lowry, Eastover.
Charles C. Withington, Greenville.
Fred H. Clement, Inman.
Rosa B. Horne, Lake View.
Hoyt Watson, Latta.
Pearle H. Padget, Saluda.

WISCONSIN.

Albert L. Fontaine, Wisconsin Rapids (late Grand Rapids).

HOUSE OF REPRESENTATIVES.

FRIDAY, *January 27, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed heavenly Father, incline our hearts toward Thee that we may survive in Thy memory when the day is over. Help us to understand the way of our conduct in the growing light of knowledge and experience, then shall we be stimulated to new and better endeavor. O Spirit Divine, come to us, that the strength of our natures may be cleansed and purified and chafed into new vision and vigor. Send us forth on our errands with wholesome speech, with sweetness of spirit, with clearness of mind, and always in honor and in defense of the right. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had presented to the President of the United States for his approval the following bills:

On January 25, 1922:

H. R. 7601. An act to amend an act incorporating Prospect Hill Cemetery, and for other purposes.

On January 26, 1922:

H. R. 1318. An act granting to certain claimants the preferential right to purchase certain alleged public lands in the State of Arkansas, and for other purposes;

H. R. 1459. An act for the relief of Charles R. Powell;

H. R. 1460. An act for the relief of the William Gordon Corporation;

H. R. 2865. An act authorizing the Secretary of the Interior to sell and patent to J. D. Calhoun, of Lincoln Parish, La., certain lands;

H. R. 4598. An act to provide for the exchange of Government lands for privately owned lands in the Territory of Hawaii;

H. R. 6262. An act to add certain lands to Mount McKinley National Park, Alaska;

H. R. 7290. An act to confirm private land claim of the widow and heirs of Joseph Etier;

H. R. 7600. An act authorizing the adjustment of the boundaries of the Deschutes National Forest, in the State of Oregon, and for other purposes; and

H. R. 9050. An act granting the consent of Congress to the Pamunkey Ferry Co. to construct a bridge across the Pamunkey River in Virginia.

LEAVE OF ABSENCE.

Mr. MUDD was granted leave of absence indefinitely, on request of Mr. ZIHLMAN.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WASON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, with Mr. TOWNER in the chair.

The Clerk reported the title of the bill.

The Clerk read as follows:

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS.

For scientific research, technical investigations, and special reports in the field of aeronautics, including the necessary laboratory and technical assistants; traveling expenses of members and employees; office supplies, printing, and other miscellaneous expenses, including technical periodicals and books of reference; equipment, maintenance, and operation of a research laboratory, known as the Langley Memorial Aeronautical Laboratory; maintenance and operation of one motor-propelled passenger-carrying vehicle; personal services in the field and in the District of Columbia; in all, $200,000: *Provided*, That the sum to be paid out of this appropriation for clerical, drafting, and messenger service for the fiscal year ending June 30, 1923, shall not exceed $42,000.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the last word. When the bill was up for consideration on a previous day and the item or appropriation for the General Accounting Office was under consideration, I offered an amendment which sought to place the employees of that office on a statutory basis, which was adopted by the committee. That amendment took care of something over 1,500 employees. I was under the impression at the time that the amendment simply took care of those employees for whom the comptroller general had asked and which had been recommended by the committee, but I have been informed by the clerk of the committee that by oversight the amendment included a law clerk at $2,750, which was not asked for by the comptroller general and which was not recommended by the committee. I ask unanimous consent to return to that item, in order that I may ask unanimous consent that the law clerk at $2,750 be stricken from the amendment which was adopted. It is on page 11 of the bill.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to return to page 11 under the title, "General Accounting Office," for the purpose of correcting an oversight. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that the amendment to which I have referred be corrected by striking out one law clerk at $2,750.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the provision for the employment and payment of a law clerk at $2,750 be eliminated. Is there objection?

There was no objection.

The Clerk read as follows:

American ethnology: For continuing ethnological researches among the American Indians and the natives of Hawaii, including the excavation and preservation of archæologic remains under the direction of the Smithsonian Institution, including necessary employees and the purchase of necessary books and periodicals, $44,000.

Mr. FREAR. Mr. Chairman, I ask unanimous consent to speak out of order for just a few minutes. I rarely take the time of the committee, so I think I may be excused in this instance.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to proceed out of order. Is there objection?

There was no objection.

Mr. FREAR. Mr. Chairman, announcement was made yesterday by the gentleman from Michigan [Mr. FORDNEY], the chairman of the Committee on Ways and Means, through the press, in committee, and also in conference last night, that a sales tax would probably be enacted in order to support a soldiers' bonus bill, calculated by him to reach $1,600,000,000. The cost to consumers, of course, will be several times the amount of the tax, and it will mean, if made law, that a new burden of between four and five billion dollars will be laid on the American people for that purpose. I have been strongly in favor of a soldiers' bonus from the start. I believe it is justified, but there is no excuse, in my judgment, for placing this tax burden upon the people in order to finance the bill. I am not going to discuss the merits of the sales-tax proposition at this time, but this seems the only place where we have a chance to be heard, as conferences do not afford opportunity. On January 3 I placed in the RECORD a statement of what was about to happen and predicted a sales tax would be urged to finance the compensation bill. There I suggested other methods of payment and discussed the sales tax and furnished a score of opinions of tax experts, men who represent the American Federation of Labor, men who represent the four brotherhoods of the railroad associations. They all unqualifiedly condemn the sales tax. Many agricultural organizations and high tax experts, like Andrews, Zoller, and Dr. Seligman, all are opposed to any consumption tax. Beyond that I placed in the RECORD of January 3 a statement of the Canadian situation, where a "manufacturers'" sales tax is in force, with its condemnation by the labor organizations of Canada and leading farm organizations, and the statement that, due to the high prices, there has been a transfer of control from the Conservative Party over to the Liberals and the Progressives in Parliament of about 3 to 1, due to the placing of a sales tax on the people, to the excessive high tariff rates, and to the repeal of the excess-profits taxes in Canada. That is practically the situation in this country. We have enacted a protective tariff bill, repealed the excess-profits tax and high surtaxes, and now propose to pass an indefensible sales tax.

We were told from the Clerk's desk of this House recently by the President of this country that there would be no shifting of taxes, there was to be a lifting of taxes all along the line. We have since then repealed the excess-profits taxes, which brought in $450,000,000 annually. We have reduced the surtaxes by $61,000,000 a year, and we have repealed the luxury taxes, all taxes on profits and wealth, and the proposition now is to place a consumption tax upon the people, which is a direct shifting of the taxes from those best able to pay to those least able to pay. I do not know whether you gentlemen realize what that is going to mean socially, economically, and politically. A Republican Member from New York said to me to-day, "We have lost our State, I fear," and I said, "If you have a consumption tax placed upon the people of the country of between three and four billions of dollars, or more, as proposed, you may lose the whole country, just as the Conservatives lost the election in Canada and turned a strong majority into a hopeless minority of 65 compared to 177 votes of the victorious Progressive and Liberal Parties.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FREAR. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

Mr. WOOD of Indiana. Mr. Chairman, we are trying to get through with this bill. This is a discussion of a matter entirely outside of the bill.

Mr. FREAR. Mr. Chairman, I realize that, but I want only five minutes more. It is a matter of vital importance to the American people.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FREAR. I want to impress upon gentlemen that this sales tax proposed probably will come before us under a rule. You will be asked to vote for a rule that will stifle you and gag you from proposing amendments, as in the case of a revenue bill. You swallowed it then; you were compelled to under a "rule."

The revenue bill went to the Senate, where they gave two months to it. There they put on 800 amendments, and the only amendment the House had any chance to vote upon was when the bill came back to conference. You had to fight hard here on the floor in order to obtain a chance to vote on one amendment. That same situation will probably come with the sales tax fastened onto the soldiers' bill that is now in the hands of the Ways and Means Committee. I know the complexion of the committee; they are high-class men, but they were in favor of a sales tax and so reported when the soldiers' bill was up before us last session. Although we were given little chance to oppose the sales tax then in a Republican conference, the proposal was stricken from the bill. I believe we may know what the committee will do again. I do not object to anyone differing from me. I do not object to any fair-minded man voting or acting as he chooses on any subject. That is his right, but we want the same right, and that right is cut off by any rule that prevents amendments to the bill. Give us a chance to be heard. When that rule comes before this House, as it will come if we were advised correctly last night, remember that if you vote for it you will stifle your own right to amend if a sales tax is hooked up with the bill. On a fair discussion and fair vote, a sales tax will be defeated in the House 2 to 1, so do not vote to tie your hands, as you did on the revenue bill. If any sales tax is reported, let it stand on its own merits, and it will never be used to finance the soldiers' bonus bill. It can not be passed by Congress unless put in that bill either openly or by some parliamentary strategem like the revenue bill experience.

Mr. OLDFIELD. Does the gentleman think we are going to bring up the sales tax here under a rule?

Mr. FREAR. That is the suggestion made by the chairman of the committee, who does not speak my views or that of a majority of this House, in my opinion.

Mr. OLDFIELD. I am surprised at that.

Mr. FREAR. I will say to my friends on the Democratic side who are surprised and are a unit against the sales tax, that I understand also they are a unit for the soldiers' bonus bill. Now it is for the House, without reference to partisanship, to decide whether we will accept this unjust financing proposition that is going to load a heavy consumption tax burden upon the people. There are many other ways of raising necessary funds, as you will find if you will examine the RECORD of January 3, and look over the 16 pages I there devote to the subject and particularly against the sales tax.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Wisconsin asks leave to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. FREAR. Among plans to finance the soldiers' compensation bill, it is well to ascertain its prospective cost. In Senate Report No. 133, Sixty-seventh Congress, June 20, 1921, it is stated, page 56:

> Under what we believe will be the real operation of the legislation, the total cost will be, in round numbers, about $4,396,000,000, scattered over a period of 20 years, and that the greatest amount due in any one year prior to 1943 will not exceed $200,000,000.

That total amount covers interest and insurance, and if discounted to-day would be less than one-half, or about $1,600,000,000, and about $200,000,000 yearly.

We are going to have a soldiers' bill and the Greeks bearing gifts of a sales tax are generally—not always—men who have persistently opposed any bonus bill and who finally declare that they will agree to it only if the soldiers are compelled to contribute, through a consumption tax, to their own fund. Why should we lay a sales-tax burden several times the exact tax onto the American people when they are struggling to make ends meet and are hopelessly discouraged in many, many cases? Why should we hand the soldiers and their families a gold-brick sales tax on everything they eat, drink, and wear?

In recent hearings before our committee men like Seligman and Leffingwell, known throughout the world as sane, level-headed business men, have protested against any consumption tax. I quote:

(Hearing, Jan. 19, 1922, p. 35. Dr. E. R. A. Seligman.)

> Mr. GARNER. We have been told by some one of very high standing that from an economic standpoint we could levy a 2 per cent consumption or sales tax in this country and get all the money that is needed to run the Government.
>
> Mr. SELIGMAN. It is true, I assume, that the general principles governing democratic taxation in this country would continue and that no democratic country would intend to pass or for a moment consider a tax on consumption, because it is only in time of war that there is any need for the restriction of consumption, whereas in time of peace you want to increase consumption that you can increase production and industry and prosperity.

—

(Hearing, Jan. 19, 1922, p. 22. R. C. Leffingwell.)

> Mr. LEFFINGWELL. The economic and social objection to a sales tax or to any indirect tax is that it hits the man who has to consume the things that his income will buy, because his income is so small and his family so big—out of all proportion to his income—so that the tax is much heavier on him than it is on the man who has a great big income and has to spend a very negligible proportion to meet his tax.
>
> I believe that the sound principles of taxation are going to come to be recognized by all parties, because they go to the root of social content, and whether we are Republicans or Democrats, and whatever our school of economics and whatever our historical thought about questions like the tariff, whatever our instincts about a sales tax, it is coming down to this, that you can not afford to put the inordinate burdens of the modern State upon the shoulders of the consumer, who has to spend all of his income to keep alive.

—

(Hearing, Jan. 20, 1922, p. 35. Benjamin Marsh, Farmers National Council.)

> Mr. MARSH. Gentlemen, I wish some of you had taken the trips which I have and talked with these farmers and workers—some workers who have been out of a job for six or eight months and every last dollar gone, and the farmers, who are broke, absolutely—and when you talk about a sales tax—I want to tell you that the sales tax is the dead line politically for any party, and deservedly so.
>
> Mr. FREAR. Mr. Leffingwell agreed in his opposition to a sales tax and so did Dr. Seligman when they were before our committee.
>
> Mr. MARSH. And so do something like 20,000,000 voters. They would be interested vitally.

I have quoted many men in Canada who represent the consumers of that country and who recently turned the high taxing Parliament out of office. I quote several letters received recently that are self-explanatory:

NATIONAL BOARD OF FARM ORGANIZATIONS,
Washington, D. C., January 24, 1922.

Congressman JAMES A. FREAR,
House Office Building, Washington, D. C.

DEAR MR. FREAR: I have gotten in touch with Canadian people in regard to the sales tax, and I hope to have a definite reply soon.

In the January 14 issue of the Prairie Farmer, published in Chicago, a copy of a letter from N. P. Lambert, secretary of the Canadian Council of Agriculture, appears as follows:

"Our organization throughout the whole country is strongly opposed to the sales tax. The principle of this tax is wrong, in our opinion, being based on the consuming capacity of the great masses rather than their ability to pay. The sales tax was in vogue in the Middle Ages, in such countries as Spain, but to-day I believe the only countries that have used it to any extent are Mexico, Germany, Philippine Islands, and, I think, France. It is generally regarded as a confession on the part of any country that adopts it that all other sources of revenues have been exhausted."

This appears to throw an entirely different light on the matter as far as the Canadian farmers are concerned, and is also in line with my previous understanding of the real position taken by the farmers in that country.

Sincerely, yours,

CHAS. A. LYMAN, *Secretary.*

UNITED FARMERS OF ALBERTA,
Calgary, Alberta, December 31, 1921.

B. C. MARSH, Esq.,
Farmers National Council, Bliss Building, Washington, D. C.

DEAR SIR: President Wood has referred to me your letter of December 16 re sales tax. I may say that there is a very strong feeling among the farmers against the sales tax, and that it was vigorously attacked by many of the speakers of the organized farmers during the recent federal general election.

The inclosed pamphlet entitled "Sales tax hits the poor man," is, I think, a summary of the arguments used against this tax during the campaign, while the pamphlet "Try outs in taxation" also contains references to this matter.

I am also inclosing a pamphlet entitled "Tariff or sales tax," which was published in the Grain Growers' Guide some time ago. In this the writer condemns both the tariff and the sales tax, but describes the sales tax as the lesser of the two evils. There has not been very much discussion of the question, however, from this point of view.

I was interested to note that the sales tax in the United States is advocated chiefly by big business and financial interests which fear the heavy income, excess profits, and estate taxes. Exactly the same groups of interests advocated the tax in Canada, and as you will note from the pamphlet "Sales tax hits the poor man," the representatives of the agricultural interests in this country were not consulted in any way in connection with the matter.

Trusting this information may be of some use to you,

Yours, very truly,

UNITED FARMERS OF ALBERTA.
(Signed) W. N. SMITH,
Educational Department.

AN EXAMINATION OF THE PRINCIPAL FEATURE OF THE FEDERAL GOVERNMENT'S BUDGET FOR 1921–22.

(Issued by the Canadian Council of Agriculture.)

The sales tax was the principal feature of the federal budget for the fiscal year 1921–22, which was presented by the minister of finance, Sir Henry Drayton, before Parliament in May. By means of this tax the Federal Government expects to raise the additional revenue which is required to meet the increased expenditures of the present year, as compared with the revenue and expenditures of last year. It involves additional costs of living to every man, woman, and child in Canada, and treats them all alike, whether they be rich or poor, able to pay or not able to pay.

Therefore the sales tax, which was first introduced in Canada during May, 1920, is one that merits close study. This is especially true, because it is intended to fall upon the great mass of the people, being levied, in so far as Canada is concerned, on a large number of the necessaries of life. It is thus primarily a consumption tax, which is another good reason why it should be thoroughly studied; for it is levied not in proportion to one's ability to pay but in proportion as one consumes. As first introduced, it was a tax of 1 per cent on sales by the manufacturer or producer to the wholesaler or jobber, who in turn collected from the retailer. On sales made direct by the manufacturer or producer to the retailer the rate was 2 per cent. In 1921 the rate was increased to 1½ per cent on sales by the manufacturer or producer to the wholesaler or jobber; when the sale is made direct to the retailer the rate is 3 per cent. Another tax of 1 per cent is also collected on imports, the rate on such sales to the consumer being not less than 4 per cent.

Taxes approximating to the sales tax were collected in Europe as far back as the Middle Ages, but coming down to the history of the last half century the sales tax made its appearance in Mexico nearly 40 years ago, during the régime of Dictator Porfirio Diaz. The finances of Mexico were then in a chaotic state; taxation being very little understood, was only slightly discussed, and as the Mexican had to buy and sell, Diaz came to the conclusion that by taxing these absolutely necessary operations he could raise revenue, and he did.

The sales tax was next copied by the United States administration in the Philippine Islands. After the Spanish-American War, through which these islands passed to the United States, their business life was in a state of collapse; the Spanish market, on which they had depended largely, having been closed to them. Being desirous of bringing about free trade with the United States, the sales tax was introduced as a means of securing a substitute for the revenue that had chiefly come through customs levied on American imports. France in 1920 adopted the turnover tax, which in principle is similar to the sales tax, though more equitable in that in France it included services and transactions of all kinds, as well as commodities. Germany also has such a tax, which is very far-reaching in its effect.

WHO ASKED FOR IT?

Whatever may be said in favor of the sales tax there is no doubt about it being an attempt to secure new revenue from the great mass of the people who work for a living. There is no pretention that it lightens the load of taxation resting on the masses; on the contrary, it is usually accompanied by measures designed to relieve the well-to-do of taxes borne by them. Canada's experience has demonstrated this in the most striking manner.

By whom has this tax been advocated? By the farmers, by labor, or by the great mass of those of small means? Influential financial, industrial, and commercial interests started the agitation. In March there was held at Toronto a conference on taxation attended by representatives of the Canadian Manufacturers' Association, the Canadian Credit Men's Association, the Retail Merchants' Association, and the Canadian Wholesale Grocers' Association. Neither the organized farmers nor labor were invited, though both would have sent representatives had their presence been desired. Note the recommendations made to the minister of finance by this gathering: "That the business-profits tax shall not be reenacted; that the income tax as regards corporations shall be repealed; that the present existing tax on confectionery shall be abolished; that the present sales tax shall be adjusted so as to provide the additional revenue needed by the Dominion Government."

It is true that in 1920, when the sales tax was first introduced, no taxes were abolished or reduced. But in 1921, when the tax was increased, it was made to do the bidding of the interests represented at the Toronto gathering, and no others. Everything asked, save the repeal of the income tax affecting corporations, was granted and the nature of the sales tax was thus revealed in its true light. No attempt was made to secure from the best-off portions of the community any part of the revenue thus lost. The masses were expected to make up what the big business interests were relieved of. Sixty-two millions of new revenue were required, and the heavier sales tax was the only means provided for the raising of the money, which meant a per capita tax of $7 for the year.

SOME ABSURD CLAIMS.

Who are the advocates of the sales tax in the United States? For the most part they are representatives of the big interests, the agents of great capitalists and war profiteers, who, though they did not dare to complain of taxation while the war waged, have maintained a loud clamor against it since peace was proclaimed. These interests have conducted a vigorous propaganda in favor of the sales tax, many of the arguments thus advanced having been reproduced in Canada. Never before had as many absurd claims and extravagant statements been made on behalf of any system of taxation as have been made by the American advocates of the sales tax. They have told the public that a 1 per cent tax would produce so much revenue that no income taxes below $5,000, and possibly $10,000, would be required; that all surtaxes on incomes might be abolished, and that practically all the special war taxes might be allowed to go. So absurd are their statements that they call in question the whole case for the sales tax, so that the general public may well regard it with suspicion. They have been prepared to promise anything in order to get the opportunity to shift the load from their own shoulders.

The sales tax can never be regarded as one of the main sources of revenue in Canada, since to make it so could only be done through a violent disregard of the best recognized principles of taxation, namely, that taxes should be levied in proportion to the individual's ability to pay them. As a source of revenue the 1 per cent tax in Canada was far from being a great success. During the 11 months up to the end of April, 1921, that it was in operation, it brought in only $40,898,383. As a producer of revenue it failed most when money was most needed. In October, 1920, when business was good and retail prices still high the collections were $5,020,476, but in April they fell to $2,873,219, and were still falling when the tax was increased. As Parliament voted $620,000,000 this year one can easily see how far a 1 per cent tax would go to produce that amount. During the 6 months that the luxury taxes were in operation they brought in $2,000,000 more than the sales tax did during the whole 11.

Advocates of the sales tax make much of the fact that it is easily collected, and they confidently assert that nobody feels it. A tax collected on the necessaries of life that all must have, can not fail to bring in a certain amount of money. But the question of the equitable nature of the tax must also be considered. Armies of occupation, through compulsion, sometimes succeed in raising large sums of money from comparatively poor countries; but to say that it can be collected is not sufficient justification for a tax. The sales tax is inequitable if for no other reason than that the poor man, who must spend practically all he earns, pays the tax out of what should go for necessaries, whereas the rich man pays it out of his surplus. The rich man, who spends several months in the year out of the country, escapes the tax; but the man who can not afford to go away, pays.

LET THE CONSUMER BEWARE.

The claim that the consumer did not feel the payment of the 1 per cent tax is open to question. It is absurd to say that an already heavy taxed public does not feel the taking of another $40,000,000 from it, especially when the greater part of it is taken from the poorest paid. Surely no one will contend that the new tax, which on domestic sales is at least 3 per cent by the time it reaches the consumer—and the tax on imported commodities, which is 4 per cent in such case—is not felt. It is difficult to determine definitely by how much the cost of the consumer is increased by the sales tax; but the probability is that the 1921 rate will increase costs generally about 5 per cent. On certain imported goods, on which the tax will never be less than 4 per cent, the cost may be increased as much as 8 per cent. This is especially true of commodities such as rubber tires, into the manufacture of which many imported materials enter. The effect of the tax in increasing the cost of lumber became so apparent that a reduction was made to the effect the tax on sale of domestic material should not exceed 2 per cent; on sales of imported lumber the rate was fixed at 3 per cent. Even at these rates the tax is considerable to the settler who must build a house and outbuildings. It is, moreover, to be observed that the additional 1 per cent on imports will have the effect of raising the home price on all such articles as are taxable. Experience with the tariff leads one to expect this.

The consumer is bound to feel the effects of the 1921 tax more than that of the preceding year for the further reason that the list of tax-free commodities has been much reduced. The following, which were exempt in 1920, are now taxed: Salted, smoked, and canned meats, soups, tea, coffee, condensed coffee, milk foods and similar milk products, sage, tapioca, macaroni, vermicelli, split peas, pea meal, rice, rice flour, cornstarch, potato starch and flour, canned and desiccated fruits and vegetables, maple, corn, and can sirup and imitations thereof. No argument is required to show that the taxing of these articles is a very considerable additional levy on consumers. It is worthy of special note that tea and coffee, being imported articles, bear a tax of at least 4 per cent. This is taxing the poor man's breakfast table, which most Governments are now loth to do.

In the case of many persons enjoying but a small salary or income, the sales tax practically cuts away the exemptions from the income tax. On an income of but $2,000 a year a married man pays no income tax; but calculating the per capita sales tax at $7, then, if he has a family of four, he will pay $28. The head of a family of four—that is, a wife and two children—having a salary of $2,500, pays but $4 in income tax, but his sales tax will now take from him seven times that. And the examples to this effect could be multiplied.

AN INSIDIOUS TAX.

One of the most dangerous features of the sales tax is its insidious character. So-called "painless" extraction methods of taxation are always to be feared, for in a quiet way they touch the average person most effectually. Definite knowledge of what taxes the individual pays is one of the surest safeguards against inequitable taxation. By the "painless" sales tax it is proposed to take this year $23,000,000 more from the consumers of Canada than was taken last year. What is the use of making a fight over the tariff if the money which it is hoped may thereby be saved is to be taken away by another method?

Additional danger lurks in the possibility that having brought about its introduction certain interests that have been benefited may further use it to shift other burdens from their shoulders. It is well known that they are restive under the tax on higher incomes, and also under the surtaxes, and it may be taken for granted that an attempt will be made to shift those on to the backs of the masses. The signs are not wanting that some of the most important political battles of the no distant future will be fought over the question of taxation.

There should be an insistence that taxes conform to the well-known canons of taxation laid down by Adam Smith in the following: "The subjects of every State ought to contribute toward the support of the government, as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue that they respectively enjoy under the protection of the State. The expense of government to the individuals of a great nation is like the expense of management to the joint tenants of a great estate, who are all obliged to contribute in proportion to their respective interests in the estate. In the observance or neglect of this maxim consists what is called the equality or inequality of taxation." According to this standard, the sales tax is weighed in the balance and found wanting.

WINNIPEG, *August, 1921.*

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PEOPLE'S LEGISLATIVE SERVICE EXECUTIVE COMMITTEE,
Washington, D. C., January 27, 1922.

Hon. JAMES A. FREAR,
House of Representatives, Washington, D. C.

DEAR MR. FREAR: I think you may be interested in the inclosed circular letter issued by the heads of the four railway brotherhoods opposing a sales tax and indorsing an increased estate tax as a means of raising revenue to pay the soldiers' bonus.

Yours, very truly,

BASIL M. MANLY, *Director.*

At the recent farm conference called by President Harding agricultural organizations from every part of the country joined in a resolution denouncing a sales tax.

[Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen.]

CLEVELAND, OHIO, *January 14, 1922.*

To all members of the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen in the United States.

DEAR SIRS AND BROTHERS: The attention of all members is called to the proposed sales tax bill introduced by Congressman VOLK, of New York. It is the intention to raise $2,000,000,000 a year by a sales tax upon everything you consume. In order to have this bill put over and become a law, they have tied it up as a part of the bill for a bonus for soldiers. We think all workingmen agree that the soldiers who fought for their country are entitled to a bonus, and that such a bill should be passed, but, in our opinion, it is not necessary, in order to pay this bonus, that the working people of the United States should be taxed through a direct sales tax bill to the amount of $2,000,000,000.

The sales tax bill can be killed most easily by the enactment of a rapidly progressive tax upon estates, by restoring the excess-profits tax, by retaining heavy taxation of large incomes, by levying a small tax on the value of land in excess of $10,000, with an exemption to all farmers who receive less than $3,000 income per year, as provided in the Keller bill. Senator LA FOLLETTE has introduced such an estates tax bill (S. 2901), and it has been referred to the Senate Committee on Finance.

We ask that you interest yourself enough in this vicious sales tax bill to indorse Senator LA FOLLETTE'S estate tax bill, and to send him copies of such resolution to be read on the floor of the Senate and printed in the RECORD. This means much to you in your cost of living, and if the sales tax bill should become a law it means that the working people of this country must contribute from their wages $2,000,000,000 a year. In our opinion, the only way this can be killed is by the enactment of such legislation as has been introduced by Senator LA FOLLETTE, by restoring the excess-profits tax, retaining the progressive tax upon large incomes, and levying a small tax upon land values, as provided in the Keller bill.

It is not a question of politics; it is a question of self-preservation; and every division and every lodge of these organizations should take interest enough in their own welfare to pass such resolution and forward same to Senator LA FOLLETTE.

Hoping you will give this your prompt consideration, we remain,

Yours, fraternally,

W. S. STONE,
Grand Chief Engineer Brotherhood of Locomotive Engineers.
W. S. CARTER,
President Brotherhood of Locomotive Firemen and Enginemen.
L. E. SHEPPARD,
President Order of Railway Conductors.
W. G. LEE,
President Brotherhood of Railroad Trainmen.

In conclusion let me say that I have offered the testimony of a score of reputable witnesses in the RECORD of January 3, and I will present additional witnesses to the committee against any sales tax if offered opportunity.

A consumption tax would be political suicide to any proposal if separated from a soldiers' bill. It ought to be rejected in any event, and short-time securities, not exceeding three years, could be issued with the understanding they were to be cared for and protected by the British $4,500,000,000 foreign-loan interest as it comes due. The following are among many other suggestions heretofore offered for consideration, any of which are preferable to a sales tax, that is unjust from any point of view.

The following is offered as a conservative estimate of what the 1921 tax bill might reasonably have brought to the Treasury but for the constant blocking of legislation by the cry it "soaked the rich and oppressed business." Here are the items:

First. Excess-profits tax	$450,000,000
Second. Replace surtaxes on income	61,500,000
Third. Luxury taxes	60,000,000
Fourth. Inheritance taxes	200,000,000
Fifth. Gift taxes	200,000,000
Sixth. Undistributed profits proposals rejected	500,000,000
	1,471,500,000
Corporation normal tax credit added of 2½ per cent	111,000,000
	1,360,500,000

To these items may be added over $250,000,000 annually in interest payments on foreign loans that could be used to finance a soldiers' bill.

[NOTE.—Many tax experts, labor and farm organizations, including Canadian organizations, denounce the consumption tax in statements found in the RECORD of Jan. 3 and Jan. 27.]

These items can be embodied into law to-day if necessary.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word.

There was some discussion the other day about the lawyers that are employed in this bill, and if I gather the information correctly from these hearings the main authority for these employees is the testimony of Mr. Schlesinger.

Mr. WOOD of Indiana. Mr. Chairman, we have not reached that item yet. Let us wait until we get to it.

Mr. JONES of Texas. If the gentleman objects, I will have to wait, of course.

Mr. WOOD of Indiana. I will have to object. Let us get along in order here. We can proceed much faster in that way.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For fuel, lights, repairs, ground rent, miscellaneous items, printing, and city directory, $22,300.

Mr. WATSON. I want to ask the gentlemen in charge of the bill what activity occupies the temporary building at 18 Virginia Avenue and how long you intend to maintain it?

Mr. WASON. That is the language that has been carried in the bill heretofore. We hire the land, as I understand.

Mr. WATSON. It is not owned by the Government but rented, and for what purpose?

Mr. WASON. The building was erected during the war and was used for housing some of the Government activities at that time, and now it is being used by this department.

Mr. WATSON. Will this building be abandoned at an early date, or is it likely to be occupied for Government purposes year after year?

Mr. WASON. The building is on leased ground. Consequently it is of a temporary character.

Mr. WATSON. The Government constructed the building?

Mr. WASON. Yes.

Mr. WATSON. It is one of these papier-mâché buildings?

Mr. WASON. Yes; about that type.

Mr. WATSON. You do not know how long it will be occupied?

Mr. WASON. No.

Mr. WATSON. Thirty-eight thousand six hundred and fifty dollars for salaries. Can the gentleman tell us what activities are conducted there?

Mr. WASON. The War Trade Board is in one of them, and they are occupied by various Government activities, and this is for the upkeep and maintenance of the quarters used, the Government owning the building and, of course, paying the rental for the ground. In time, I expect it will be cleared away.

Mr. WATSON. There are many temporary structures; I hope they will be soon abandoned.

Mr. WASON. I will say to the gentleman that we have already begun removing some of these temporary buildings that were erected down on B and Sixth Streets, and the policy will be pursued along that line.

Mr. WATSON. Would it be an economical feature if the Government abandoned all temporary buildings and maintained offices in permanent ones?

Mr. WASON. No. I will say to my colleague that they are very serviceable buildings of their kind. They can be used comfortably, and our expense is ground rent, upkeep of the buildings, heating, lighting, and janitor service, and such, much cheaper than it would be to go out and hire quarters from private ownership or to buy them or to build at this time.

Mr. WATSON. Will necessity require permanent buildings be erected on lots where temporary offices are not located?

Mr. WASON. Not on this lot, because it is leased. But that is a proposition that lies too far ahead.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

TEMPORARY BUILDINGS.

Salaries: For employees for the maintenance and protection of the temporary office buildings known as follows: War Trade Building, between B and C Streets and Twentieth and Twenty-first Streets NW.; Food Administration Building No. 1, between Eighteenth and Nineteenth Streets and C and D Streets NW.; Food Administration Building No. 2, between New York Avenue and D Street and Nineteenth and Twentieth Streets NW.; Fuel Administration Buildings Nos. 1 and 2, bounded by Virginia Avenue, Eighteenth and C Streets NW.; Fuel Administration Building No. 3, on D Street, between Twentieth and Twenty-first Streets NW.; H. L. Pettus Building, on Nineteenth Street, between Virginia Avenue and D Street NW.; and Archie Butt Building,

1725 New York Avenue NW.: Assistant superintendent, $2,000; principal clerk, $2,000; clerks—1 of class 3, 1 of class 2, 3 of class 1; 2 messengers, at $840 each; electricians—1, $1,400; 2 at $1,200 each; foreman carpenter, $1,600; carpenter—1, $1,400, three at $1,200 each; plumbers, 1, $1,400, 2 at $1,200 each; steam fitter, $1,400; painters—3 at $1,200 each; 6 general mechanics at $1,000 each; assistant engineers—1, $1,400, 3 at $1,200 each; 13 firemen, at $840 each; 6 coal passers, at $720 each; guards—captain $1,600, 3 lieutenants at $1,080 each, 8 sergeants at $900 each, 80 privates at $780 each; fire marshal, $1,200; foreman of laborers, $1,000; 2 assistant foremen of laborers, at $840 each; 6 foremen or forewomen, at $720 each; 26 laborers, at $660 each; 5 female laborers, at $480 each; laborers and charwomen, $43,560; in all, $203,480.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Washington moves to strike out the last word.

Mr. JOHNSON of Washington. Mr. Chairman, I desire very briefly to call attention to a statement appearing on page 1867 of the RECORD in connection with the consideration of this bill, wherein a little piece of legislation was slipped into the bill for printing and binding for the Interstate Commerce Commission, carrying a certain authority to do certain printing, not to exceed $1,500, at offices outside of the Government Printing Office. Of course, there is a reason and a necessity for doing that work, but to do that very thing is one of the authorities that are given to the Joint Committee on Printing. I am indicating this to the Appropriations Committee so that if they desire to keep legislation out of these appropriation bills they need not add that kind of legislation for printing.

Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For seven commissioners, at $12,000 each; secretary, $5,000; in all, $89,000.

For all other expenditures authorized by the act approved September 7, 1916, as amended, including the compensation of attorneys, officers, naval architects, special experts, examiners, clerks, and other employees in the District of Columbia and elsewhere; and for all other expenses of the board, including the rental of quarters outside the District of Columbia, law books, books of reference, and periodicals, printing and binding, and actual and necessary expenses of members of the board, its special experts, and other employees, or per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, while upon official business outside of the District of Columbia, $350,000.

Mr. DALLINGER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 27, line 19, after the figures "$350,000," insert the following new paragraph:

"No part of the moneys appropriated in each or any section of this act, or which is now available for the use of any independent executive bureau, board, or commission under existing law, shall be used or expended for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing which, at the time of the proposed purchase, acquirement, repair, or reconditioning, can be manufactured, produced, repaired, or reconditioned in each or any of the Government navy yards or arsenals of the United States for a sum less than it can be purchased, acquired, repaired, or reconditioned otherwise."

Mr. WOOD of Indiana. Mr. Chairman, I make a point of order on the amendment.

The CHAIRMAN. The gentleman from Indiana makes a point of order on the amendment. Does the gentleman from Massachusetts desire to be heard on the point of order?

Mr. DALLINGER. Yes; I wish to call the attention of the House to the ruling made by Judge Saunders, of Virginia, in 1919, which appears on page 3731 of the CONGRESSIONAL RECORD of the Sixty-fifth Congress, third session. The wording of my amendment follows the wording of the amendment there considered, with only one substantial change.

Mr. MANN. Will the gentleman yield for a question?

Mr. DALLINGER. Yes.

Mr. MANN. I thought when the amendment was read that it was not only a limitation upon the appropriation made in this bill but also a limitation upon the expenditure of money already available, heretofore appropriated. Is that correct?

Mr. DALLINGER. That is correct.

Mr. MANN. Does the gentleman contend that you can put a limitation in this bill affecting moneys appropriated in some other way?

Mr. DALLINGER. I will say to the gentleman from Illinois that it seems to me there ought to be an extension of the Holman rule, because I think that such a remedy as this is necessary in a case of this kind in order to save money to the Treasury of the United States. I will state to the gentleman from Illinois that the reason why I have offered this amendment in this form is that some of us were informed a short time ago that the Shipping Board did not consider that it had money enough under its old appropriation to recondition the *Leviathan* and other vessels, and that they would have to wait for the action of Congress. Now, since the discussion of this question under general debate, and since it has been known that an amendment of this character would be offered here, providing that if any of these vessels could be conditioned cheaper in a Government yard than they can be reconditioned by private contractors, the rumor has gone abroad that the Shipping Board are planning in some way, by taking money that perhaps they intended for other purposes, to go ahead and recondition the *Leviathan* out of an appropriation carried over from last year, and I believe that the House of Representatives as the guardian of the Treasury of the United States ought to have the power under its rules to stop a thing of that kind. I apprehend that there is no precedent for an extension of the Holman rule to that extent, but I contend that we ought to make such an extension here and now in order to stop just such things as this.

Mr. MANN. Does not the Holman rule and the rest of the rule that goes with the Holman rule relate only to the appropriations in the bill, the items in the bill itself?

Mr. DALLINGER. The gentleman is correct; but I wanted to bring this matter up at this time, because I believe that in the interest of economy there should be such an extension of the Holman rule. The Holman rule is to the effect that an amendment to an appropriation bill that alters existing law does not apply where such an amendment saves money to the Treasury, and that then the ordinary rule that an amendment to an appropriation bill changing existing law is out of order does not hold.

Mr. MANN. But the Holman rule is quite explicit as to how the money is to be saved. The gentleman thinks the rule ought to be so-and-so, but does he think it is so-and-so?

Mr. DALLINGER. As I stated to the gentleman, I think the rule ought to be extended to meet cases of this kind.

Mr. MANN. But does the gentleman think that the rule is extended to meet such cases?

Mr. DALLINGER. I stated to the gentleman that we have no precedent for that particular part of my amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. WOOD] makes the point of order against the amendment offered by the gentleman from Massachusettts [Mr. DALLINGER], although in the nature of a limitation and restriction upon the expenditure of money appropriated or provided for in the pending bill, the language "or which is now available for use of any independent executive bureau, board, or commission under existing law," applies to legislation heretofore enacted. The Chair would state that the rule the gentleman from Massachusetts relies upon, in the judgment of the Chair, does not apply or permit a limitation or restriction of the character of the gentleman's amendment upon moneys heretofore appropriated for or provided in previous legislation. The Chair sustains the point of order.

Mr. DALLINGER. Mr. Chairman, I desire to offer the amendment in modified form.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 27, line 19, after the words "$350,000," insert the following new paragraph:

"No part of the moneys appropriated or made available by this act shall be used or expended for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing which, at the time of the proposed purchase, acquirement, repair, or reconditioning can be manufactured, produced, repaired, or reconditioned in each or any of the Government navy yards or arsenals of the United States for a sum less than it can be purchased, acquired, repaired, or reconditioned otherwise."

Mr. WOOD of Indiana. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from Indiana makes a point of order. The gentleman will state his point of order.

Mr. WOOD of Indiana. My point of order is that the amendment is legislation upon an appropriation bill; that it is not a negative limitation; that it is in the form of an affirmative limitation, which is not admissible under the Holman rule or any other rule. And I desire to be heard upon that proposition.

The CHAIRMAN. Does the gentleman from Massachusetts [Mr. DALLINGER] desire to be heard on the point of order?

Mr. BLAND of Virginia. Mr. Chairman, may I answer the point made by the gentleman from Indiana?

The CHAIRMAN. The Chair will first recognize the gentleman from Massachusetts [Mr. DALLINGER].

Mr. DALLINGER. Mr. Chairman, in the form in which I have offered this amendment it is substantially the same language as was held to be in order by Judge Saunders in the Sixty-fifth Congress, third session, the citation to which I just referred the Chair to on page 3731 of the RECORD.

The CHAIRMAN. Will the gentleman state what there is in his amendment which shows a reduction of the amount of money carried by the bill?

Mr. DALLINGER. I contend that this amendment is in order as a limitation, as was held by Judge Saunders.

The CHAIRMAN. Does the gentleman from Indiana desire to discuss the point of order?

Mr. WOOD of Indiana. Yes; Mr. Chairman, I desire to make two or three propositions, which, it occurs to me, are fundamental and decisive. As I stated before, to make a limitation in order it must be a negative limitation. There is nothing upon the face of this amendment to show that there is going to be a saving to the Government or to the Treasury of the United States in expenditures.

The Chair appreciates the fact that the navy yards and arsenals of this country can not make competitive bids. The best that they can do is to make estimates. If the building of a particular thing is awarded to them and they fail to complete it within the estimate, then the Government is bound to pay whatever excess there may be over and above the estimate. It is all the more necessary in this case, I think, that the amendment should show upon its face that the proposal is going to result in a saving in public expenditures; and upon the proposition that it must be a negative limitation and not affirmative, I desire to call the attention of the Chair to section 3975, Volume IV, of Hinds' Precedents:

The limitation permitted on a general appropriation bill must be in effect a negative prohibition on the use of the money, not an affirmative direction to an executive officer.

This is not a negative prohibition or limitation, but it is an affirmative direction to a public officer, directing that in the event that any improvement is to be made it shall be made in a navy yard, provided it may be done at a sum less than it may be done for somewhere else.

I want to call the attention of the Chair further to the proposition that it is purely speculative, and that to make it in order there must be no uncertainty about it. It must be so clear to the mind of the Chairman that he has no doubt about it, and that no reasonable mind would have any doubt about the result.

Recurring again to the proposition I have made that the navy yards can not make bids, they can not bind themselves to do a particular kind of work for a particular sum of money. They may undertake to do it for that amount, but if they are low in their estimate and the cost is greater, the Government is bound by that excess. Whenever the Government undertakes to do a job of work at a particular price it is purely speculative whether they will do it within that price or not, while, on the other hand, when there is a contractual relation whereby the party undertaking to do a specific thing binds himself by contract, and under bond, there is an absolute certainty, as far as the determination is concerned, that that concern or individual is bound to do the work within his bid, so that it can be determined what the cost will be; and if that were the proposition here, the Chair could determine whether or not there would be a saving to the Government without speculating upon the proposition. But this is purely a speculative matter. Nobody is bound to do the thing within the contract. I do not wish to say that if the Government undertook to do this thing they would not act in good faith and honestly attempt to do the work within the price; but, upon the other hand, if they could not do it within the price, nobody would be bound. But if an outside party makes a bid and makes a contract, then he is bound, so that in such a case there would be no speculation. In this case it is purely speculative.

This can be in no sense a negative limitation or prohibition upon the expenditure of the public money, because of the fact that it does not show upon its face that it is a reduction, and it does not show upon its face that it will absolutely without doubt save to the Government the expenditure of money or result in a retrenchment in expenditures. Further upon that proposition I call the attention of the Chair to section 3957 of Hinds' Precedents, where this language is used:

Provided, That the authorization to have said battleships constructed by contract is limited by this condition: No such contract is authorized by the act in which said contract the contractor shall not have covenanted with the United States as follows.

And then it sets out the very language that I am trying to elaborate upon and bring to the attention of the Chair, that there is nothing to bind the Government. There is nothing that binds this Congress. There is nothing that brings to the attention of the membership here that if this thing were adopted it would, as a matter of fact, save the Government a dollar or that it would reduce the expenditure of public money.

Further, I call the attention of the Chair to section 3980. Mr. John Lind, of Minnesota, offered this amendment:

And provided further, That no money hereby appropriated shall be expended in the payment of salaries to rural free delivery carriers at a less sum for such service than $720 per annum—

The very language that is used in this amendment. In order to bring a provision of this character or an amendment within the rule so that legislation upon an appropriation bill may be admitted, there can be no uncertainty about the proposition that it will result in a reduction of the expenditure of public money, and it must be so plain upon its face that any reasonable mind can deduce that fact for itself.

Mr. GALLIVAN. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Massachusetts desire to discuss the point of order?

Mr. GALLIVAN. If the Chair is ready to rule, I do not care to discuss it.

The CHAIRMAN. If the gentleman desires to discuss the point of order, the Chair will be glad to hear him.

Mr. GALLIVAN. Referring to what the gentleman from Indiana [Mr. WOOD] has just said, in the language itself there may not be shown a saving, but of course we know that if this amendment is adopted and the navy yards are given this opportunity unquestionably there will be a saving to the Government. The estimate of the Boston Navy Yard, submitted a year ago, for reconditioning the *Leviathan* was $2,000,000 below the bid of a private shipbuilding outfit. Here was an immense sum to be saved on a single job. In my opinion it can not be disputed successfully that this amendment, if adopted, will effect wholesale reductions in the expenses of the Government. I am not prepared to say that the language of the Dallinger amendment is so plain that on its face it shows a saving, but every man in this House knows that there will be a saving under that amendment, and I submit that the amendment ought to be held in order.

Mr. DALLINGER. Mr. Chairman, I simply want to call the attention of the Chair to the fact that the amendment is negative on its face—it provides that no part of the money appropriated by this bill shall be used for the purchase or repair of any vessel or other thing from or by a private contractor where the same can be purchased or repaired for a less sum in a Government-owned navy yard or arsenal. It is an absolute prohibition and an absolute limitation. I also desire to call the Chair's attention to the fact that the argument of the gentleman from Indiana that the performance of a contract with a navy yard for a given contract price can not be absolutely guaranteed with a penalty as in the case of private contracts does not amount to anything when you analyze what the Shipping Board has done. I would like to call the attention of the Chairman of the Committee of the Whole [Mr. WALSH] to his own report as chairman of the select committee of the House of Representatives appointed to investigate the Shipping Board under House resolutions 171 and 299 in the Sixty-sixth Congress to this effect:

Many instances of overcharges, defective work, and improper material in connection with repairs to ships, particularly in the New York district, have been brought to the attention of the committee, and especially with reference to payment of gratuities or bonuses by repair yards to officers of the various ships. This custom has been common in marine circles for many years, and there is no question that it is a vicious practice.

Mr. Chairman, if anyone will take the trouble to investigate the records of the Shipping Board, it will be found in most cases where the repair of vessels has been let out to private contractors that the repairs have cost very much more than the original contract price; the officials of the Shipping Board have changed specifications and added extras, and in that way private contractors have in many cases reaped enormous profits. As a matter of fact, the evidence shows that where the Shipping Board vessels have been repaired and reconditioned, and in many cases built by the navy yards, in only one case was the final cost more than the original estimate. In almost every case the cost was less than the original estimate, which shows, as a matter of fact, that in most every case there would be a saving by a provision of this kind.

Mr. McDUFFIE. Will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. McDUFFIE. Has the gentleman any idea how much cheaper the reconditioning of the *Leviathan* can be done in the navy yard at Boston—how much would the Government save by having the work done in the navy yard?

Mr. DALLINGER. I will answer the gentleman from Alabama by saying that, in my opinion, owing to the fact that the Government owns the dry dock and the work ways and the machinery, that the upkeep of a fully equipped shipyard is

being carried by the regular naval appropriation act, that a full complement of skilled mechanics and supervisors is necessarily carried on the pay roll, and that almost all the material necessary to the reconditioning of vessels is already owned by the United States, there can be a saving of at least $2,000,000 in the case of the *Leviathan;* and further that there could be a proportional saving on all the other boats that are to be reconditioned by the Shipping Board.

Mr. GALLIVAN. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. GALLIVAN. The gentleman recalls that the estimate of the Boston Navy Yard was $2,000,000 under the next bidder, which was a private shipbuilding outfit, and that since then the wages of the employees of the navy yard have been decreased 25 per cent, which would make an additional saving of $2,000,000?

Mr. DALLINGER. The gentleman is right; that is the fact.

Mr. BLAND of Virginia. Mr. Chairman, if the Chair is ready to sustain the point of order I have nothing to say, but if the Chair is inclined to overrule the point of order I would like to be heard.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BLAND of Virginia. In the first place I shall not undertake to argue the merits or facts of the case. As I understand the proposition before the Chair it is a proposition of law rather than fact. In other words, it is the application of clause 2, Rule XXI, to the particular amendment that has been offered by the gentleman from Massachusetts. If the amendment does not conform to the requirements of the rule it is not within the power of the Chair to take the opinion of the gentleman from Massachusetts [Mr. DALLINGER] or the opinion of the gentleman from Massachusetts [Mr. GALLIVAN] that vessels can be constructed in a navy yard at a less cost than in a private yard. For if the Chair were to undertake to go into that question there would be relegated to the Chair the question which should ultimately come to the House, if the proposed amendment is in order.

Now, it is conceded by the proponents of the amendment that it must come within the operation of the Holman rule. Then, in order to come within the operation of the Holman rule, it must come within the provision of one of two sections; in other words, it must be within the first part of clause 2 or within the portion of that part which comes under the proviso.

Let us see. The pertinent portions of the Holman rule read:

Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures.

How? In a specific way:

By the reduction of the number and salary of the officers of the United States.

It does not do that.

By the reduction of the compensation of any person paid out of the Treasury of the United States.

It does not do that.

Or by the reduction of amounts of money covered by the bill.

There is nothing here to show that the amount of money covered by the bill is reduced by the operation of this amendment.

I do not have before me the amendment just as it was presented by the gentleman from Massachusetts, but I followed carefully the presentation of that amendment, and it seemed to be substantially the same as the former amendment, except that the gentleman from Massachusetts had eliminated from this amendment that portion of his preceding amendment which referred to the funds now available. I call attention to the ruling that was made by Chairman CAMPBELL of Kansas when the matter was before him on June 12, 1919, wherein he said:

The Chair is not aware of the amount or the extent to which expenditures could be retrenched or made. The Chair has endeavored without result to ascertain the amount, if any, that would be saved. In the Cavalry case it could have been figured out to a mathematical certainty just the amount that could be saved by the reduction of the troops of Cavalry.

Mr. BLAND of Virginia. Does the gentleman from Massachusetts refer to the Cavalry case?

Mr. DALLINGER. A similar amendment was offered to a bill in the Sixty-sixth Congress, and the gentleman from Virginia, Judge Saunders, made the ruling at that time.

Mr. BLAND of Virginia. I have considerable respect for Judge Saunders, but like the rest of us, he is not infallible. I do not find in my examination where any amendment similar to this has been attached, except, possibly, the amendment that was attached by the gentleman from Iowa [Mr. HULL], and at that time when the matter was first presented there was no argument upon the question at all. I submit that it can not be said under the amendment of the gentleman from Massachusetts that there is a saving of the amount carried by the bill. Suppose that the estimate submitted by the navy yard is a certain sum and suppose that the bids submitted by the private yards constitute a less sum, yet if the bid submitted by the private yard equals the amount carried by the bill, then this amendment can not prevail. It does not follow that there is a reduction in the amount that is carried by the bill, and that is necessary in order to bring it within the operation of the Holman rule. Certainly it is not within the operation of the proviso in the Holman rule, because under the decision of Chairman GARRETT, under the decision of Chairman HULL, and, as I recall, though I was not able to find it, under a decision rendered by Chairman LONGWORTH at a time when he was in the chair, that amendment must come from the committee having charge of the legislation.

There is another proposition I wish to bring to the attention of the Chairman, and that is that it is a limitation upon the official discretion of the people charged with the expenditure of this money, such a limitation as that absolutely changes the law. Considerable has been said here about the bid that was put in by the Boston Navy Yard.

I shall confine myself strictly to the argument of what in law would be as on demurrer to the amendment that was submitted by the gentleman from Massachusetts—not to a discussion of the merits of the question, because if the Chair wants to hear the merits of the question as they were developed in the hearings before the Committee on Appropriations, I am prepared to discuss the merits.

The CHAIRMAN. The Chair does not care to hear anything about the merits of the proposition.

Mr. BLAND of Virginia. When the bid was put in by the Boston Navy Yard some time since, it was under a former law. In order that the Chair may have before him the law applicable to the amendment, permit me to direct the attention of the Chair to section 5 of the shipping act, which provides that this work may be done in a navy yard. So far as applicable, said section reads: "That the board, with the approval of the President, is authorized to have constructed and equipped in American shipyards and navy yards, or elsewhere, giving preference, other things being equal, to domestic yards, or to purchase, lease, or charter, vessels," and so forth.

Therefore, when the bid was originally presented, there was authority in law for construction there. The Chair is undoubtedly aware of the decisions that have been rendered by former chairmen on amendments that were offered requiring battleships to be constructed in private yards. The rulings were that such amendments were not in order. What is the situation under the Merchant Marine act, which became operative June 5, 1920? Under section 14 of that act the United States Shipping Board was given power to recondition vessels. The act provides that all vessels may be reconditioned and kept in suitable repair, and so forth. I call attention also to the fact that in the Merchant Marine act there is express repeal of section 5 of the shipping act, which authorized work to be done in the navy yards. Under section 14 of the Merchant Marine act there is vested in the Shipping Board certain discretion which this amendment takes away. This amendment authorizes Government-owned yards to enter into competition with each other and with private yards for merchant work. That is not provided in the law. In fact, there has been a repeal of that provision, namely, section 5, in the shipping act.

Does the amendment change existing law? It authorizes Government-owned establishments to enter into competition with each other and with private yards for merchant work. It disregards existing law for bonds and appropriate guaranties for satisfactory performance of work. It restricts the decision of the United States Shipping Board to sole question of cost, denying to them the right and power to consider:

a. Capacity of yard and ability to perform.
b. Reputation of contractor for good workmanship.
c. Skill of men employed in respective yards.
d. Location of competitors and possibility that weather conditions may interfere with work.
e. Labor conditions in yards of respective bidders.
f. Ability to perform in time.
g. Possibility of latent changes and work needed to be done to fully perform.
h. Many other elements which enter into a decision as to bidders.

The power of the Shipping Board is absolutely limited by this amendment to the sole question of cost. The sole question left with the United States Shipping Board is the question of cost, and even then under this amendment it is impossible to say that the amounts carried by this bill will be retrenched. Under

the proviso the amendment does not come from the committee having charge of the legislation, and therefore can not be considered.

Mr. MANN. Mr. Chairman, the gentleman from Virginia made a very able argument upon the theory that this amendment is offered under the so-called Holman rule.

I do not so understand it. The Holman rule, which is a part of paragraph 2, Rule XXI, is only a provision which affects legislation proposed on an appropriation bill.

> Nor shall any provision in any such bill or amendment thereto changing existing law be in order—

Unless so and so.

The right of Congress to make an appropriation and the right to refuse an appropriation is quite evident. There is no power in the Government which can compel them to make an appropriation; and, having the right to refuse an appropriation, it has always been held that you can make an appropriation with the limitation as to its expenditure. We could make an appropriation to the Shipping Board with the provision that no part of it could be paid to any but red-headed men, if we chose to do so. A man would lose his job if his hair turned gray. We can make an appropriation with any limitation which is not an affirmative change of law. As I heard this amendment read, it is a pure limitation, it seems to me, on the appropriation, which can not be expended in a certain way.

Mr. BLAND of Virginia. May I add in reply to the gentleman from Illinois [Mr. MANN], for whose opinion I have great regard, that authority may be found in Fourth Hinds', 4931 to 4935, to the effect that legislation may not be proposed under the guise of a limitation. I submit this is legislation which, with all due respect to the gentleman from Illinois, changes the merchant marine act.

Mr. MANN. It does not change the merchant marine act at all. It has power to let the contract where it pleases, but it can not spend the money we appropriate except under certain limitations, and we have the right to make the limitations.

Mr. WOOD of Indiana. Under the amendment the only thing to bring it into question is where this operation might be done for a sum less. Are we to determine whether or not that can be? Is it not speculative? As a lawyer, does not the gentleman know that a thing that is speculative can not be entertained?

Mr. MANN. In the first place, we could put a limitation in which would require double the amount of expense, and we sometimes do. As a limitation it does not come within the Holman rule. If it comes within the Holman rule, the face of the amendment speaks for itself. It says it can not be expended unless it would cost more than it would in a navy yard. Whether it will cost more may be a matter of speculation, but on the face of the amendment it must cost less in the navy yard. I am not in favor of the amendment.

Mr. WOOD of Indiana. I desire to be heard a moment. I know the gentleman from Illinois means to guide us aright. But here is still this procedure, and I think it is different from almost any other proposition that might come before this body. If this was a proposition wherein the Chair could decide that it was a competition between men who were bound by their contractual relations, it would be one proposition; but the Chair knows, and he is bound to know, that if this amendment is adopted it may mean what it says or it may mean nothing. He is bound to know that if there is any reconditioning or any work is undertaken in the navy yard upon the theory that it is to be done for less, but it results in costing more, the Government has got to pay it. Now, before this comes within the rule the Chair must know beyond the sphere of speculation or possible doubt that there can be no question about its resulting in saving money.

Now, I want to call the Chair's attention to the existing law that this thing will change and to which the Chair should give some attention in passing upon this important proposition. It would not matter, so far as this thing is concerned, one iota as to how the Chair rules, because of the fact that under the existing order of things and of appropriations all the things might be accomplished that this is aimed at. We are all agreed, I expect, that the purpose of this amendment is to provide that the *Leviathan* may be reconditioned in the Boston Navy Yard. I think that is agreed. It may or may not be under the law; it may or may not be, whether this amendment is adopted or rejected, if the Chair happens to hold it in order. Here is what I want to call the Chair's attention to—section 12 of the shipping act:

> All vessels may be reconditioned and kept in suitable repair and until sold shall be managed and operated by the board or chartered or leased by it on such terms and conditions as they may prescribe.

The CHAIRMAN. The Chair will state to the gentleman from Indiana that the gentleman from Virginia [Mr. BLAND] read that provision.

Mr. WOOD of Indiana. The Chair is familiar with that. So that is the existing law. And this proposes a change. Now, then, if the Chair is warranted in changing that existing law, and he can only change it upon the assumption that this thing shows upon its face that it is going to save an expenditure of money, then when he is apprised of the fact it can not deceive the Chair, and it is then, in addition, adopted by this House for the limitation of expenditure.

Mr. TAGUE. Mr. Chairman——

The CHAIRMAN. Does the gentleman desire to discuss the point of order? The Chair is ready to rule.

Mr. TAGUE. I want to call the attention of the Chairman to the fact that before his own committee the chairman of the Emergency Fleet Corporation made the statement that it would cost $650,000 to watch and police and repair the ships.

The CHAIRMAN. That has no bearing at all on the question.

Mr. TAGUE. It shows a saving, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts [Mr. DALLINGER] offers an amendment which he stated was offered as a limitation, which reads as follows:

> No part of the moneys appropriated or made available by this act shall be used or expended for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing which, at the time of the proposed purchase, acquirement, repair, or reconditioning, can be manufactured, produced, repaired, or reconditioned in each or any of the Government navy yards or arsenals of the United States for a sum less than it can be purchased, acquired, repaired, or reconditioned otherwise.

That is offered to a paragraph, beginning in line 6 and ending in line 19, but it applies to the appropriation made available in the pending bill. It raises a question of fact to be determined by those who make the expenditure at the time of the proposed expenditure for the purchase of a vessel, the acquirement of a vessel, the repair of a vessel, or for the reconditioning of a vessel, or at the time of the purchase of a commodity or other thing, namely, whether, as the amendment states, at the time of the purchase, acquirement, and so forth, the same can be manufactured, produced, repaired, or reconditioned at Government navy yards or arsenals for a less sum. As the gentleman from Illinois [Mr. MANN] well stated, the power of making appropriations rests with the Congress, and it is within the power of Congress, in making an appropriation, to make such limitations there as are within the rules of the House.

In the judgment of the Chair this does not repeal or modify section 12 of the shipping act, which was brought to the attention of the Chair by the gentleman from Virginia and the gentleman from Indiana. That is still the law, but with reference to appropriations in this act they can not be used, nor can any funds made available by this act be used for these purposes if the expenditure for the same purpose would be less than if made in or paid to a Government navy yard or arsenal.

Now, the precedents in Hinds' are numerous, and there are several which hold limitations somewhat similar to this as being not in order. But in many instances where the precedents in Hinds' are adverse to this amendment being within the rule, the amendments have imposed additional duties upon certain Government officials or departments, and have required them to perform functions which are not specifically laid down in the law. In the opinion of the Chair this matter raises a question of fact relative to a proposed expenditure to be determined by the authority making the expenditure, and this can be determined without imposing additional duties or in any way amending the law creating the organization which is to have charge of the expenditure. In the opinion of the Chair this amendment, as proposed by the gentleman from Massachusetts [Mr. DALLINGER], is such a limitation as comes within the rules of the House, and many similar amendments have heretofore been permitted under many precedents in Hinds', and therefore the Chair overrules the point of order.

Mr. JONES of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Texas. If an amendment is offered as a new paragraph, would that prevent an amendment to the main paragraph?

The CHAIRMAN. The Chair would state that it would.

Mr. JONES of Texas. I have an amendment which I desire to offer to the paragraph itself.

The CHAIRMAN. The gentleman from Texas will send up his amendment. The gentleman from Texas offers an amendment to the paragraph just read, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 27, line 19, at the end of line 19 insert the following: "*Provided*, That in no event shall more than $250,000 of the sums appropriated by this act be used to pay the compensation of attorneys, regular or special, for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation."

Mr. JONES of Texas. Mr. Chairman, by this amendment I seek to limit the amounts which may be expended for attorneys for the United States Shipping Board and the United States Emergency Fleet Corporation. The present list consists of 78 attorneys at a total of compensation of $650,000.

I have been looking over the testimony in this matter, and I find that the testimony of Mr. Schlesinger, who I understand is the general attorney, is the one relied upon to justify the hiring of these 78 lawyers. I find also that Mr. Schlesinger undertakes to justify the paying of a good deal more money for these attorneys. I find that a number of these attorneys who are now working for the corporation for $11,000 and less were once employed at prices ranging from $15,000 to $25,000, and the man who employed them undertakes to justify the higher salaries. He first employed a Mr. Fletcher Dobyns for $15,000 a year, and he said that Mr. Dobyns had worked for the Government some 15 years ago at a higher price for some special work, and he makes out that he came here at a great sacrifice. But when the Congress at the last session made the limitation that no man should be paid more than $11,000, I find that Mr. Dobyns is still on the list. Maybe he is not the lawyer that he was 15 years ago or that he was last year.

Here is another one, Mr. William M. Bullitt. Mr. Schlesinger says Mr. Bullitt, to his personal knowledge, has generally earned from his law practice many times this salary. He says:

I persuaded him to come to Washington at $25,000 a year, which was a great financial sacrifice to him.

But if you will turn over the list of these 78 attorneys you will find that Mr. Bullitt is working for $11,000 a year. I am talking about the testimony of this man on whose testimony this Congress is asked to appropriate $650,000, who actually employs a man at $25,000 a year, which he says is a great sacrifice to him, but when Congress reduces it to $11,000 he still remains on the roll. I submit that if he has no better judgment of attorneys than to have it put over him that a man is making a sacrifice at $25,000 and he employs him at that figure, and when Congress places a limitation we actually get that same man at $11,000, he ought not to be given full authority to employ attorneys at a total expenditure of $650,000. Over here is another attorney that he mentions, Mr. Fairbanks. He says:

I sent for Mr. Fairbanks and offered him $10,000 a year to come with the board. He refused point-blank and told me he had been paid $12,000 when he was at the head of the War Claims Board. * * * I offered him $15,000, and he said he would come.

But, turning over here to the list, I find that he also, since the limitation was made, is working for $11,000 a year. It is strange that he should do that.

Here is another. I quote from Mr. Schlesinger:

The next one is Mr. Fairbanks, and we have already discussed him. Mr. Freedman is leaving us, and I have told you about Mr. Freund. He came from the firm of Sherman & Sterling. I took him from that firm and offered to pay him $25,000, and in view of the limitation of $11,000 salary which Congress imposed upon us, I feel badly for having done so. I think the Government should pay its attorneys what they are worth when they are unusually competent.

And yet this man who employed all these high-priced attorneys is seemingly accepted as authority that the board and corporation need all these lawyers.

Mr. MADDEN. Does not the gentleman think it is commendable that the board did keep its promise?

Mr. JONES of Texas. I most certainly do think it is commendable that they kept their promise, but they did not do it until Congress made them do it; and I say that men who have to be made to do a thing like that ought not to have $650,000 turned over to them, even with that limitation, to employ attorneys. I find that this same man, who is now working for $11,000, according to the testimony, practiced law in a small country town in Vermont and was earning somewhere between $3,000 and $5,000 a year. Of course, Mr. Schlesinger undertook to justify that by saying that he was interested in other things.

I also find on this list Mr. Caleb Powers at $5,000 a year. I understand that Caleb Powers studied law for the first time while he was in Congress.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. JONES of Texas. I ask for five minutes more.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. JONES of Texas. Mr. Chairman, if I am in error somebody will correct me, but I am informed that Caleb Powers first studied law while he was in Congress. He is being paid $5,000 per year, and I do not suppose he is devoting all of his time to the Shipping Board. He is one of these field attorneys. Now, here is another man by the name of Aron, who still remains a member of his firm. He was employed at a sum considerably higher than he is now receiving. His salary was cut down and he also remained on the list, and also retains his firm connection.

Mr. WOOD of Indiana, be it said to his credit, has tried to reduce some of these appropriations, and I think it would have been well if he had used a little of his ability in reducing the amount which is allowed to the attorneys for the Emergency Fleet Corporation. On page 1104 of the hearings the following occurred:

Mr. WOOD. You elevated that gentleman to $10,000 from a Government position at $4,000?

Mr. SCHLESINGER. No, sir; he was engaged at $10,000.

Mr. WOOD. He worked for the Government somewhere at $4,000 a year.

In 1919 he was on the Government pay roll at $4,000 per year, but he was engaged at a great salary, and then when we put on the limitation in the last appropriation bill he was retained on the salary list at $10,000 per year. I do not blame them for complying with the limitation. Of course they should have done so. They did that, but as is disclosed by the testimony they would have liked to spend a great deal more money than that for attorneys and would have done so but for the limitation. I firmly believe that with this $250,000 limitation they will be able to secure the services of attorneys sufficient to do the work, if they will get down and employ them on a business basis. The only limitation now as to the employment of the attorneys provided for in this section and the next section is that their employment must be approved by the Attorney General's office. Of course we know the amount of work that that office must do, and they follow the recommendation of these people to a large extent. When I was a boy we used to play a game called "I spy." We would hide a thimble or some other object and go around and hunt for it. They have attorneys hidden all through this bill. You would not have to go around playing the game of "I spy." They have not room to hide them all. Of course it is a trite saying that we must economize, but it does seem to me that they ought to be able to get along with less money than is here allowed for attorneys. The hearings last year showed that they justified much larger salaries for some of these attorneys. Some of them were employed at $15,000, $20,000, one at $25,000, and I understand one for even more than that. All of them except one, so far as I have been able to find, who were then on the list are still on the list, many of them at less than half what they were paid before. Now, if we get down on a business basis, if you would run this as a private concern would, as you would run it if you were the head of a corporation in which you were interested, do you not believe you could take $250,000 and get all the attorneys that would be necessary to do the work? I believe you could, and I believe any other good business man could. I believe if you place this limitation upon their expenditure for attorneys they will be able to do the work with that amount and with that limitation. Economy should be applied here as well as in all other departments of the Government.

Mr. DICKINSON. Mr. Chairman, this item has reference to the attorneys of the Shipping Board, not of the Emergency Fleet Corporation. Many of the men mentioned by the gentleman from Texas are employed by the Emergency Fleet Corporation and not by the Shipping Board at all.

Mr. JONES of Texas. My amendment covers all the appropriations under this act.

Mr. DICKINSON. Oh, no; it does not. It could not cover them all.

Mr. JONES of Texas. It does, anyway. Read it.

Mr. DICKINSON. As a matter of fact, there are only three attorneys employed in the Shipping Board. Mr. Schlesinger is employed at $10,000 a year. Anyone who knows the reputation of the firm of Levi Meyer, of Chicago, of which Mr. Schlesinger is a member, knows that he is not coming down here by reason of the amount of any salary he is receiving, because he is one of the highest class attorneys in the Middle West.

I want to say, gentlemen of the committee, that in my judgment instead of cutting the number of attorneys in this bill it would be a lot better if we would increase the number, say double it, and get a lot of this business off our hands, and get the court calendars cleaned up so far as the Shipping Board is concerned. You can cut down the appropriations all you want to here. You can cut out all the appropriations for the Shipping Board and for the Emergency Fleet Corporation, but you

are still going to have all of these claims and all of these suits still pending, and the interest of the Government has got to be taken care of in court.

Mr. McDUFFIE. What real need is there for spending $37,000 or $47,000 for attorneys for the Shipping Board when their duties are practically duplicated by the legal department of the Emergency Fleet Corporation?

Mr. DICKINSON. The gentleman has not read the hearings.

Mr. McDUFFIE. I have read the hearings.

Mr. DICKINSON. If the gentleman had read them he would know better than to make the inquiry.

Mr. McDUFFIE. I have read them and I do not know any better than to make the inquiry. [Laughter.]

Mr. DICKINSON. Then the gentleman has not read them very thoroughly.

Mr. McDUFFIE. Yes, I have; will the gentleman state what the legal department of the Shipping Board does?

Mr. DICKINSON. That is evidence that the gentleman has not read the hearings, because the hearings show that they have got 3,500 suits now, many of them in the admiralty court of New York City. They are calling them at the rate of 12 per day, and you have in New York only 10 admiralty attorneys to take care of that work.

Mr. McDUFFIE. I am speakng of the Shipping Board appropriation.

Mr. DICKINSON. They only have three attorneys employed in the Shipping Board proper. Has the gentleman any idea what the Shipping Board does?

Mr. McDUFFIE. Somewhat.

Mr. DICKINSON. They make the contracts.

Mr. McDUFFIE. Does not the Emergency Fleet Corporation do the same thing?

Mr. DICKINSON. Yes.

Mr. McDUFFIE. Let the gentleman read the hearings. [Laughter.]

Mr. DICKINSON. I have read them and listened to them every day.

Mr. McDUFFIE. They have a bureau of research and construction——

Mr. DICKINSON. Does the gentleman understand that all the work of the Emergency Fleet Corporation must be reviewed by the Shipping Board and approved by it?

Mr. McDUFFIE. That is what I understood from the hearings, and the chairman of the Shipping Board says that the members of the Shipping Board are not expert enough to know anything about the operation of the fleet. I would like to know, if the gentleman has read the hearings and can answer the question, what the duties are of the attorneys for the Shipping Board.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DICKINSON. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Iowa asks that his time be extended five minutes. Is there objection?

There was no objection.

Mr. DICKINSON. Let me read this from the hearings:

> Mr. LASKER. Because under the acts of 1916 and 1920 we must scrutinize all foreign and United States laws affecting shipping; and the Shipping Board in addition has constant investigations and hearings that require legal guidance. The law department of the Emergency Fleet Corporation has to do with the defense of admiralty claims against the fleet, the defense of lawsuits, criminal prosecutions, the settlement of claims, and the drawing of contracts.

If the gentleman has read the hearings, he read all that.

Mr. McDUFFIE. Yes; but it does not say what the legal department of the Shipping Board does.

Mr. DICKINSON. Then the gentleman does not understand the English language, for it states what they do.

Mr. McDUFFIE. It states——

Mr. DICKINSON. I decline to yield further, the gentleman can get time of his own.

Mr. McDUFFIE. I will get some time.

Mr. DICKINSON. Now, we should not attempt to disorganize the Shipping Board or the Emergency Fleet Corporation. You can not wipe this thing out by disorganization. Mr. Schlesinger has come down here and I believe he is a man who would appeal to every Member of this House if he was brought before you, because he is an elegant gentleman and of very high standing as a legal authority.

Mr. DOWELL. Will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. DOWELL. Can the gentleman state whether or not these suits now pending relate to claims already pending?

Mr. DICKINSON. All of them.

Mr. DOWELL. And when these are disposed of it will dispense with the need of these attorneys?

Mr. DICKINSON. With the exception of what may come from the operation of the ships.

Mr. DOWELL. There appears to be a number of high priced attorneys. What I am trying to get at is when these suits have been concluded will there be other duties of a like character for them to attend to, or can we dispense with their further services?

Mr. DICKINSON. We can dispense with their services. Mr. Schlesinger states that he can reduce the corps of attorneys if he has sufficient number to clean up the suits and claims now pending, and then will only need a small number of attorneys to carry on the work of the Shipping Board when they once get down to a normal basis.

Mr. DOWELL. How long does the gentleman think that this corps of attorneys will be engaged under the present plan?

Mr. DICKINSON. He says to January 1, 1923, and he pledges us that the matter will be reduced to a minimum before that time.

Mr. DOWELL. How much will this board be reduced by that time?

Mr. DICKINSON. He said more than one-half.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. NEWTON of Minnesota. What is the basis for this extensive admiralty litigation against the Emergency Fleet Corporation? Is that common to big merchant steamship lines, or is it exceptional?

Mr. DICKINSON. It is some of both, for the reason that many of these ships were operated by men who were not experienced. As a result they had accidents, due to errors of every kind, and they have been sued in the courts.

Mr. NEWTON of Minnesota. So they have violated all the laws of land and sea?

Mr. DICKINSON. Absolutely; many, many times. That is the reason that we have to have this corps of lawyers, to get them out of this hole.

Mr. EDMONDS. Mr. Chairman, with the permission of the gentleman, I would like to state that Mr. Schlesinger stated to me that he expected to reduce his force from 65 to 75 per cent when he got these back claims out. There always will be admiralty claims in connection with the operation of this emergency shipping board, and there will always have to be lawyers to attend to them, but back cases, running into some 3,000, to an amount of about $300,000,000, have to be cleaned up, and they are using these attorneys at the present time for cleaning up the back cases.

Mr. DOWELL. When this is reduced to the minimum, as suggested, what will then be the expenditures for attorneys, at the reduced number?

Mr. DICKINSON. He said it would be less than one-half. I should judge that he would put them at between 35 and 40 attorneys.

Mr. EDMONDS. And they would not be local to Washington?

Mr. DICKINSON. No.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DICKINSON. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. CAMPBELL of Kansas. Did the committee make any inquiry as to what other companies engaged in the shipping business were paying to their attorneys? There are several very large ocean lines.

Mr. DICKINSON. We made that inquiry, and we found that they are paying so much more than is paid any of the attorneys in the Shipping Board here that there is no comparison at all.

Mr. CAMPBELL of Kansas. Are they paying more than $35,000 a year to regular attorneys?

Mr. DICKINSON. There are no attorneys in the Shipping Board who are getting $35,000 a year.

Mr. CAMPBELL of Kansas. What is the highest that they are paying?

Mr. DICKINSON. In the Shipping Board, $11,000 is the highest any attorney is getting, and the shipping companies are paying much more.

Mr. CAMPBELL of Kansas. How much are the shipping companies paying for their attorneys?

Mr. DICKINSON. The testimony goes way up to $50,000 and $60,000 and $70,000.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. BYRNES of South Carolina. Is there anything in the hearings at all to answer the question propounded by the gentleman from Kansas?

Mr. DICKINSON. I do not know whether it is in the hearings or not. It is in our conversations.

Mr. BYRNES of South Carolina. I feel satisfied that it is not in the hearings.

Mr. WOOD of Indiana. The hearings do disclose this fact, that while the operations of the United States Shipping Board are greater than any other enterprise of the character that ever existed on the face of the earth, as compared with the attorneys employed in similar shipping concerns, we have not one-tenth the number of legal representatives that they have. In other words, there are admiralty lawyers in the city of New York that have more than 40 lawyers in one firm.

Mr. CAMPBELL of Kansas. And this firm is retained for some of these shipping concerns?

Mr. WOOD of Indiana. No; I would not say that.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes.

Mr. BANKHEAD. The gentleman said about 3,000 unadjusted claims, amounting to $300,000,000, are before the Shipping Board. The former Shipping Board took the position that they had no jurisdiction to settle a number of these claims with the wooden-ship builders. I want to ask the gentleman if the present board is assuming the authority to settle those claims without any additional authority of law?

Mr. DICKINSON. It is my understanding that they are seeking to adjust the wooden-ship claims.

Mr. WOOD of Indiana. And they have adjusted many of them.

Mr. BANKHEAD. I always thought that they had authority to do that.

Mr. WOOD of Indiana. I do not think there is any doubt that they have authority to do that.

Mr. DICKINSON. Mr. Chairman, I would like to make a statement here with reference to the per cent received. The other day I fell in touch with an attorney who is seeking the recovery of claims for property destroyed in the Minnesota fire, filed against the railroads, now to be paid by the Government through the railroad board. The court held that 20 per cent of those claims was a reasonable attorney's fee, while the whole Shipping Board business down here is being done at less than two-tenths of 1 per cent, figuring the expense of all of these high-paid attorneys that the gentleman from Texas is talking about.

Mr. McKENZIE. And it is fair to say in connection with this situation that hundreds of millions of these claims have absolutely no foundation in law or equity, or in good conscience.

Mr. DICKINSON. But the gentleman must realize that in order to disprove those claims, they have to go through and investigate them, which is an endless job, because they have to look up the merits and the demerits of the claim and investigate it just as though they were going to allow it or disallow it.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. MADDEN. Mr. Chairman——

The CHAIRMAN. The time for debate has been exhausted.

The question is on the amendment offered by the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Chairman, I would like to have the amendment reported again.

The CHAIRMAN. Without objection the Clerk will again report the amendment.

The amendment was again reported.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. DALLINGER. Mr. Chairman——

The CHAIRMAN. The gentleman from Massachusetts is recognized in support of his amendment which, without objection, the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 27, line 19, after the figures "$350,000," insert the following new paragraph:

"No part of the moneys appropriated or made available by this act shall be used or expended for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing which at the time of the proposed purchase, acquirement, repair, or reconditioning can be manufactured, produced, repaired, or reconditioned in each or any of the Government navy yards or arsenals of the United States for a sum less than it can be purchased, acquired, repaired, or reconditioned otherwise."

Mr. DALLINGER. Mr. Chairman, I do not intend to take up the time of the committee at length on this amendment, as it has already been discussed at some length under the general debate on this bill. But for the benefit of those members of the committee who may not have been present at that time, I simply want to call their attention to the fact that this proposition is not a new one. Substantially the same language which is incorporated in this amendment has been repeatedly incorporated in the regular military and naval appropriation bills, and also is incorporated in the Army reorganization act, which is the permanent law of this country.

So far as the arsenals are concerned, the law having been passed by Congress, the Director of the Budget has had issued an Executive order requiring every department of the Government to permit the arsenals of the United States to bid upon all Government work, and they are doing it. Moreover, as I shall show in detail later, there is no trouble whatever, but, on the contrary, the system is working satisfactorily and has resulted in a saving to the Government.

Now, as a matter of fact, this amendment is of interest to the entire country, because there are a good many vessels besides the *Leviathan* that will probably be reconditioned. And I am absolutely satisfied that the Government of the United States, with this amendment and an Executive order issued requiring that the navy yards and arsenals be permitted to estimate and submit bids on all Government work, millions of dollars will be saved. It stands to reason that when you have these navy yards and arsenals maintained at public expense with a skilled corps of expert machinists and naval officers detailed to shore duty by the Navy Department, all carried on the pay roll, with the material necessary for the reconditioning of these Shipping Board vessels already on hand, the only cost to the Government in having these Shipping Board vessels reconditioned in the Government navy yards is the extra labor that will have to be called in. And it is perfectly evident to anyone who studies the question that an immense saving may be made.

Now, Mr. Chairman, the *Leviathan* has been brought prominently into this debate because bids have been asked for and are about to be awarded on this vessel. It is understood that the contract will be awarded to the lowest bidder, which was submitted by a concern in the district of the gentleman from Virginia [Mr. BLAND], for whom I have the highest regard, but it is in the evidence, that in the seven or eight million dollars it is proposed to pay this private concern, as has been pointed out in general debate, there is an item of $650,000 for the expense of moving this vessel up to the Boston Dry Dock, and about $350,000 more for watchmen, inspectors, and similar expenditures, all of which would be unnecessary if the vessel is reconditioned at the Boston Navy Yard. So on these items alone you would save $1,000,000 by having the work done at Boston. The same unnecessary expenditure is going to happen in case of the other vessels which the Shipping Board is planning to recondition unless my amendment is adopted. All my amendment provides—and I ask any Member to stand up and give any good substantial reason against it—is that if this Government work can be done more cheaply with the plants, men, and materials we have on hand, it should be so done. If the work can not be done cheaper, then the amendment is inoperative.

Mr. NEWTON of Minnesota. The claim was made by some one that the Government might think they could do it cheaper, and yet they could not be governed by their bid, and therefore the Government would be stuck eventually. Now, has the gentleman any knowledge of any case where the navy yards have made a bid where they have kept within it, or where they have gone above it?

Mr. DALLINGER. Mr. Chairman, the facts show that in every case except one, where the navy yards have been given these vessels in the past the repairs have cost less than the estimates. There was one case where they exceeded them. But I want to call the gentleman's attention to the fact that if he will examine the records of the Shipping Board, he will find case after case of vessels given out to private contractors that cost very much more than the original contract price on account of extras that were added afterwards.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NEWTON of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman have two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. NEWTON of Minnesota. Can the gentleman state about how many cases he knows of where a navy yard has done this work and kept it within bids, naming the cases?

Mr. DALLINGER. I can not give you the names of the vessels.

Mr. NEWTON of Minnesota. Can you give me the number?

Mr. DALLINGER. There were a good many.

Mr. NEWTON of Minnesota. Were there a dozen?

Mr. DALLINGER. I should say that there were at least a dozen. I wish to repeat that there was just one case brought to my attention where the cost exceeded the estimate.

Mr. NEWTON of Minnesota. What case was that?

Mr. DALLINGER. I can not at this minute remember the name of the vessel.

Mr. NEWTON of Minnesota. How much did they exceed the estimate in that case?

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. WALSH. What is there in the present condition of shipping circles that would make it wise to undertake this tremendous expenditure for reconditioning this ship, the *Leviathan*? What is the idea of reconditioning it at this time, with shipping conditions in the state they are now?

Mr. DALLINGER. Mr. Chairman, I am not here advocating the reconditioning of any vessels. I simply say that if any of these vessels are to be reconditioned they should be reconditioned at the cheapest possible cost.

Mr. WALSH. I did not know but that the gentleman had gone into that question and knew upon what theory this work was to be undertaken.

Mr. DALLINGER. I understand that the Committee on Appropriations, at the time we had the hearings before the subcommittee, was informed by the Shipping Board that, if the *Leviathan* was put in condition, the Government could get a favorable contract with a private company by which the Government would receive in rental 10 per cent on the money invested by the Government in the vessel.

Mr. WALSH. Oh, they have had that offer outstanding for many months.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. EDMONDS. The gentleman knows that if it would cost $6,000,000 to recondition the *Leviathan*, it would be worth only $4,500,000 when the work was finished.

Mr. DALLINGER. I would say to the gentleman from Pennsylvania that I am not here advocating the reconditioning of any vessels. I simply say that if you are going to have them reconditioned, this extravagant and outrageous expenditure incurred by the Shipping Board should be stopped. These vessels should be reconditioned in the most economical manner, and to that end you should use the Government navy yards for that purpose when you have navy yards and the taxpayers are paying for their maintenance.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. MANN. The amendment forbids an expenditure by the Government for the purchase or making or repairing of any commodity or article which can be purchased or repaired cheaper from a navy yard or arsenal. Now, suppose a vessel needs some article of machinery in Hongkong; suppose it needs an article of machinery such as can be manufactured by a navy yard in the United States. Does the gentleman think it would not be wise to have that purchase made over there?

Mr. DALLINGER. The same provision was carried in the Army appropriation bill in regard to Government arsenals, and no objection was made to it.

Mr. MANN. But we have no Army there.

Mr. DALLINGER. It was also carried in the naval appropriation bill, and so far as I know, there has never been any complaint as to its working. There is no American navy yard over there, and I have never heard of any trouble.

Mr. MANN. Naval vessels, as a rule, carry enough people along with them to make all the repairs and manufacture all the supplies they need, but that is not the case with merchant marine vessels.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. HULL. Is not this the answer to the question of the gentleman from Illinois [Mr. MANN], that by this means it could be done cheaper?

Mr. MANN. It does not say so. It says it can be purchased in the navy yards cheaper.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. DALLINGER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. DALLINGER. Mr. Chairman, in regard to the practicability of repairing the *Leviathan* and similar vessels in Government navy yards, I wish to call the attention of the Members to the testimony before the select committee on the United States Shipping Board Emergency Fleet Corporation at New York City May 10, 1920, as appearing on page 1265 of the committee hearings. Mr. Robert L. Hague, director of construction and repair of the Emergency Fleet Corporation, in reply to the question of the chairman:

> Now, if I understood you this morning, you stated that the navy yard at Brooklyn had reconditioned some ships?
>
> Mr. HAGUE. Yes, sir.
>
> The CHAIRMAN. Did they do that work—did they submit competitive bids against other concerns?
>
> Mr. HAGUE. They did it in one instance; in the case of the *Callao*. They furnished an estimate. It was also then competing with commercial concerns. In the case of the *Martha Washington* and in the case of the *Moccasin* we did not ask other commercial firms to figure on the job. We gave it to the navy yards direct.
>
> The CHAIRMAN. But, in your opinion, was the work which they did upon those ships such as to lead you to believe that the navy yard could handle the work on the *Leviathan*?
>
> Mr. HAGUE. Yes, sir; handle it in a very satisfactory manner.
>
> The CHAIRMAN. And as economically as could be done through other arrangements, competitive bidding?
>
> Mr. HAGUE. Yes; that is my opinion.

In addition to what I have already said, I wish to submit the following summary of a few reasons why the *Leviathan* should be assigned to the Boston Navy Yard if she is to be reconditioned:

1. This yard underbid other yards nearly $2,000,000 when estimates were requested on this work in 1920.

2. Boston has the only dry dock on the Atlantic coast capable of docking this ship.

3. Because of the commendable work accomplished on similar ships taken over by the Government during the war, namely, the *Mount Vernon*, *America*, and *George Washington*.

4. There are no profits to consider.

5. The necessity of Government inspectors is eliminated.

6. The Boston Navy Yard is a military necessity. This work would help to maintain a competent force of skilled mechanics.

7. All employees of the navy yard are American citizens.

8. The Shipping Board has announced its intention to thoroughly Americanize its forces.

9. If alien labor is not dependable as a part of a ship's force, it is not dependable as workmen engaged in repair work.

10. In response for bids on this work in 1920 private yards declined to submit bids and recommended it be done in a Government yard.

11. On account of lack of work many navy yard employees are receiving but two or three days' work a week.

12. Both the Shipping Board and the navy yard are governmental departments.

13. Naval experts from the Boston Navy Yard have spent considerable time in going over the ship and specifications and are well qualified to go through with the work to be done.

14. Quality and costs of work done at the Boston Navy Yard is second to none.

15. This work would undoubtedly require more men than are now employed in the yard. Boston is recognized as the home of the most competent ship builders and repairers.

16. If this work should go to private yards they would of necessity have to figure the additional costs of paying for the use of our dry dock.

I desire also to present for the consideration of Members of the House the following summary of additional reasons for the adoption of my proposed amendment to House bill 9981:

1. There exists in the various supply bases of the Navy Department a very large surplus of materials manufactured for the most part during the war. Material and labor costs were then at the peak of high prices.

2. The Shipping Board, also a Government agency, like the Navy and Army Departments, has need of a large quantity of the surplus material held principally by the supply department of the Navy Department.

3. These facts are well known to the officials of the Shipping Board, but who are unable to procure this surplus material because of the high price at which the surplus material is held by the Navy Department.

4. To specify: The Boston yard has approximately 350 tons of manila rope of the highest quality, held at a price of approximately 28 cents per pound. The Shipping Board has need of large quantities of manila rope, but is unable to purchase from the Navy Department at the price held by them for this material.

5. The officials of the Shipping Board therefore purchase manila rope for their needs in the open market, at present approximately 18 cents, at the expense of the Public Treasury.

6. Again, the raw material of which manila rope is manufactured is held in large quantities at the top prices of the war period by the Navy Department. The raw material in some

cases being higher in price than the present market value of manufactured rope.

7. The chain department of the Boston yard manufactures the highest quality chain cables in this country at lower costs than outside manufacturers, as was evidenced by their recent competitive bid to manufacture and furnish the chain cables for new battleships now building.

8. Due to lack of funds and a surplus of chain cables in the chain stores, work in the chain department is virtually stopped.

9. The equipment of the chain department is in every way suitable for manufacturing standard chain cables as specified by the American Bureau of Shipping. Navy regulations, however, forbid Government yards from estimating or bidding on work other than for the Navy Department.

10. The forge department of the Boston yard has exceptional facilities for the manufacture of chain appendages, such as swivels, chain stoppers, connecting shackles, bending shackles, and, indeed, all manner of shackles used on chain for any purpose, and is fully equipped to test same.

11. "Buy it from the Navy" should be carried forward so that other Government agencies, such as the Shipping Board, could purchase materials or have them manufactured on terms equal to any terms that may be gotten elsewhere, and thus secure a notable saving of Treasury funds and reduce the unemployment of loyal American citizens in Government yards, than whom there are none higher skilled in their respective trades.

Finally, in order that the Members of the House may understand the practical results of the adoption of a similar amendment to previous military and naval appropriation bills, I submit herewith a summary of all orders placed with arsenals by arsenal orders section, May 11, 1919, to May 14, 1921:

Arsenal price on all orders received	$2,646,420.43
Less cancellations	212,710.88
Arsenal price on all orders worked on	2,433,709.55
Nearest competing price on orders where competition is known	540,390.05
Arsenal price on these orders	407,096.37
Saving effected by placing work at arsenals	133,293.68

Orders placed with Frankford Arsenal by arsenal orders section, May 11, 1919, to May 14, 1921.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
OMC-22811	Post office	Pyrolin dials	$2,352.92	$2,684.50	Completed.
OMS-23740	Quartermaster	Cap ornaments	7,946.00	9,900.00	Do.
OMC-22813	Navy	Check-sight attachments	3,249.60	12,900.00	Do.
OMC-23339	Lighthouse Service	Repair photometer	175.00		Competition unknown.
OMC-23206	Panama Canal	Doors		3,848.10	Do.
OMC-21674	Commerce	Computers	170.48		Do.
OMC-23584	Post office	Repair odometer	1,000.00		No competition.
OMS-22323	do	Map covers	240.00	287.00	Completed.
OMC-22869	Commerce	Protractors	154.48		Competition unknown.
OMC-22878	do	Hypsographs	242.70		Do.
OMC-22888	do	Alidades Y-levels	444.40		No competition.
OMS-23079	Navy	Brass couplings	1,104.90	1,980.00	Completed.
OMC-23176	Commerce	Tripods	166.69		Competition unknown.
OMC-23550	Navy	Receiving condensers	2,550.09	2,634.00	Completed.
OMC-23551	Quartermaster	Cable tags	28.80	21.20	Frankford had better delivery.
OMC-23558	Panama Canal	Brass screws	264.00	295.00	Completed.
OMC-23456	Navy	Control gear	43,511.20	32,475.20	Low bid was withdrawn.
OMC-23467	do	Prisms	4,000.00	7,500.00	
OMC-23534	Quartermaster	Stovepipe joints	2,227.30		Canceled.
OMC-23538	Navy	Pressure cylinders	75.00		No competition.
OMC-24221	Quartermaster	Timber clasps	35.00		Do.
PM-1210	United States Engineers	Range posting devices	573.21	592.61	Completed.
PM-1229	Commerce	Repair transit	175.41		No competition.
PM-12135	Post Office	Pyrolin dials	1,994.00		Canceled.
PM-1635	Quartermaster	Class B parts	374.15		Do.
PM-1630	do	do	1,803.53		Do.
PM-1631	do	do	2,205.68		Do.
PM-1632	do	do	1,885.52		Do.
PM-1633	do	do	818.44		Do.
PM-1634	do	do	1,118.88		Do.
PM-1637	do	do	407.41		Do.
PM-1654	do	do	288.36		Do.
PM-1655	do	do	1,009.25		Do.
PM-1656	do	do	777.60		Do.
PM-1679	do	do	1,118.88		Do.
PM-1680	do	do	1,885.52		Do.
PM-1681	do	do	818.44		Do.
PM-12243	Panama Canal	Range indicators	6,852.32		No competition.
PM-12394	Quartermaster	Boxes	18,000.00		Competition unknown.
EXR-22050	Navy	Clevis pins	1,000.00	8,000.00	Better delivery.
PM-1617	do	Bomb fuses	81,000.00	104,750.00	Completed.
PM-12526	United States Engineers	Drum wheels	326.22		No competition.
PM-1664	Quartermaster	Class B parts	3,537.38		Competition unknown.
PM-12561	Field Artillery	Straight edges	60.00		No competition.
PM-12557	Marine Corps	Lensatic compounds	900.00		Do.
PM-12591	Quartermaster	Printing	2,000.00		Do.
PM-12647	Navy	Check sight attachments	1,200.00		Do.
PM-12737	do	Detonators	35.00		Do.
PM-12815	Quartermaster	Tin oil cans	1,196.00	1,995.00	

Summary of report covering Frankford Arsenal, May 11, 1919, to May 14, 1921.

Arsenal price on all orders received	$207,148.67
Less cancellations	18,733.95
Arsenal price on orders worked on	188,414.71
Nearest competing price on orders where competition is known	178,784.31
Arsenal price on these orders	149,016.62
Saving effected by placing work at Frankford Arsenal	29,767.69

Orders placed with Rock Island Arsenal by arsenal orders section May 11, 1919, to May 14, 1921.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
OMC-22542	Post Office	Special delivery satchels	$10,000.00		Competition unknown.
OMC-23183	do	do	4,000.00		Do.
OMC-23185	do	do	2,000.00		Do.
OMC-23437	Quartermaster	Needle cases	22.00		Do.
OMC-23445	do	Cartridge cases	1,685.00		Do.
OMC-23479	Forest Service	Web belts	460.00		Canceled.
OMC-23560	Quartermaster	Noseband slides	258.00		Competition unknown.
OMC-23580	Commerce	Bench-mark tablets	195.00		Do.
OMC-23617	Quartermaster	Telescopic sight covers	31.80		Do.

Orders placed with Rock Island Arsenal by arsenal orders section—Continued.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
OMC-23623	Quartermaster	Bronze rings	$50.00		Competition unknown.
OMC-23642	do	Saddle girths	14.25		Do.
OMC-21671	Census Bureau	Boxes	5,438.50	$5,456.75	Completed.
OMC-22095	do	do	5,640.00	5,881.20	Do.
OMC-22127	do	Grinder covers	2,416.80		Competition unknown.
OMC-22128	United States Engineers	Steel doors	850.26		Do.
OMC-23538	Quartermaster	Breast straps	1,875.00		Do.
OMC-22533	United States Engineers	Handhole plates	727.55		Do.
OMC-22535	Panama Canal	Frames and covers	4,564.64	4,041.00	Superior quality.
OMC-22545	D. & G. L. R. R	Brake levers, etc	1,234.37		Competition unknown.
OMC-22800	Quartermaster	Schaller forge parts	133.14		Do.
OMC-22889	Interior	Flour bags	1,175.63	1,689.67	Completed.
OMC-22907	do	Outlet gates	1,753.91	2,370.24	Do.
OMC-22915	Navy	Torpedo parts	1,205.16	2,236.69	Do.
OMC-22919	Quartermaster	Web-cot straps	8,505.00		Competition unknown.
OMC-23182	do	Lithographic press	1,641.70		Do.
OMC-23184	Post Office	Canvas sacks	4,725.00		Do.
OMC-23189	Navy	Combustion-flask forgings	484.85	635.04	Completed.
OMC-23203	do	Fuel-water strainers	746.23	1,582.50	Do.
OMC-23438	do	Wheels, chains	199.50		Competition unknown.
OMC-23446	Quartermaster	Frames and covers	515.97	840.00	Completed.
OMC-23457	Panama Canal	Saddle cloths	60.00		Do.
OMC-23476	Quartermaster	Cable tags	371.29	294.00	Better delivery.
OMC-23552	do	Noseband slides	202.12		Competition unknown.
OMC-23555	Interior	Halters	69.68		Do.
OMC-23561	Quartermaster	Strap buckles	63.40		Do.
OMC-23562	do	Tin boxes	25.56	33.00	Completed.
OMC-23564	Post Office	Canvas satchels	10,720.00		Competition unknown.
OMC-23570	Quartermaster	Stirrup-strap loops	49.00		Do.
OMC-23575	Interior	Bench-mark tablets	117.00		Do.
OMC-23576	do	do	390.00	700.00	Completed.
OMC-23579	Quartermaster	Guides and rivets	209.20		Competition unknown.
OMC-23585	do	Fencing jackets	912.25		Do.
OMC-23586	Interior	Canteens	210.00		Do.
OMC-23594	Quartermaster	Loop hangars	520.00		Do.
OMC-23596	do	Musette bags	1,430.00		Do.
OMC-23607	Interior	Cast-iron sheaves	198.00	200.00	Completed.
OMC-23618	Quartermaster	Carrying cases	2,760.00		Competition unknown.
OMC-23625	do	Brief cases	200.88		Do.
OMC-23643	do	Training saddles and girths	241.20		No record competition.
OMC-24210	do	Bronze rings	50.00		Do.
OMC-24214	Post Office	Carriers' satchels	10,720.00	21,870.00	Completed.
OMC-24236	do	Canvas sacks	4,725.00		Competition unknown.
PM-1257	Quartermaster	Class B parts	34,142.14		Canceled.
PM-1259	do	do	46,595.60		Do.
PM-1261	do	do	46,494.80		Do.
PM-1263	do	do	17,123.24		Do.
PM-1265	do	do	23,161.05		Do.
PM-122	do	Canvas covers	175.00		Competition unknown.
PM-1217	do	Strap loops	60.00		Do.
PM-1224	do	Rivets and cases	220.40		Do.
PM-1228	do	Marking guides	57.75		Do.
PM-1278	do	Adjusting straps	125.00		Do.
PM-1279	do	Carrying slings	48.00		Do.
PM-1280	do	Thread	672.00		Do.
PM-12115	do	Badge bars	38.25		Do.
PM-12114	do	Miscellaneous issue articles	62.35		Do.
PM-12117	do	Saber carriers, etc	5,976.00		Do.
PM-12118	do	Hair cinchas	264.00		Do.
PM-12128	do	Gold badge	29.75		Canceled.
PM-12129	do	Stirrup loops	1,340.00		Competition unknown.
PM-12138	do	Hair cinchas	102.12		Do.
PM-12165	do	Tool kits, etc	20.50		Do.
PM-12193	do	Brass wire	26.25		Do.
PM-12209	do	Badges	1,079.00		Canceled.
MC-22115	do	Water sterilizing bags	127,500.00		Competition unknown.
OMC-22867	Navy	Torpedo nipples	283.50		Completed.
OMC-23173	United States Engineers	Steel forgings	1,865.25	20,000.00	Do.
OMC-23187	do	Horses and weirs	16,402.78	21,000.00	Do.
OMC-23188	do	do	18,903.78	22,688.74	Do.
COM-23207	Quartermaster	Cable boxes	3,422.00	4,720.00	Do.
OMC-23450	Navy	Combustion flask forgings	1,756.28		Competition unknown.
OMC-23455	Quartermaster	Training saddles	45,625.00		Do.
OMC-23557	Navy	Galley equipment	4,630.00		Canceled.
OMC-23566	Interior	Emergency gates	29,866.72	37,135.00	Completed.
OMC-23590	Quartermaster	Stirrup loops	300.00		Competition unknown.
OMC-23591	do	Range finder covers	307.50		Do.
OMC-23610	Air Service	Service sets S-3	17,870.00	28,000.00	Completed.
OMC-23616	Forest Service	Web shoulder straps	470.00		Competition unknown.
OMC-23624	Navy	Bolts and nuts	612.55		Do.
OMC-23649	Post Office	Collectors' satche's	18,660.00		Do.
OMC-24240	Quartermaster	Lariats	100.00		Do.
OMC-24540	Interior	Iron posts	27,600.00	39,500.00	Completed.
PM-121	Quartermaster	Musette bags	251.25		Competition unknown.
PM-1226	Navy	Service sets S-3	1,100.00		Do.
PM-1270	Quartermaster	Saddle	100.00		Canceled.
PM-1282	do	Tool chests	299.30		No competition.
PM-1283	Air Service	Septum forming plate	405.00		Do.
PM-1294	Quartermaster	Saddlery hardware	1,909.63		Competition unknown.
PM-12113	do	Stirrup loops	600.00		Do.
PM-1295	Air Service	Air intakes	25.00		Canceled.
PM-12116	Quartermaster	Tromblon pouches	18,532.80		No competition.
PM-12141	do	Training saddles	28,500.00		Do.
PM-12144	do	Forge parts	222.76		Do.
PM-12197	do	Repair saddles	200.00		Do.
PM-16100	do	Transfer textile equipment to Jeffersonville	25,000.00		Do.
PM-12259	126 Ordnance Co	Pulleys	650.00		Do.
PM-12270	Rock Island Cemetery	Flag pole	275.00		Do.
PM-12283	Interior	Bench mark tablets	128.00		Competition unknown.
PM-12258	Quartermaster	Reclaiming material	19,000.00		No competition.
PM-12235	do	do	5,000.00		Do.
PM-12340	Post Office	Steel posts	480.25		Competition unknown.
PM-12339	Quartermaster	Sabre attachments	1,650.00		Do.
PM-12443	do	Hood fastener assemblies	500.00		Do.
OMC-23820	Signal Corps	Generator brackets	3,470.00		Do.
PM-12508	Navy	Copper rods	3,235.00		Do.
PM-12225	Quartermaster	Chests	18,157.00		Do.

Orders placed with Rock Island Arsenal by arsenal orders section—Continued.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
PM-12562	Quartermaster	Pack reel	$1,500.00		Competition unknown.
PM-12450	do	Saddle attachments	70.00		Do.
PM-12569	Navy	Bolts	1,170.00		Canceled.
PM-12568	Quartermaster	Sliding keepers	130.00		Competition unknown.
PM-12558	do	Curb bits	240.00		Do.
PM-12635	do	Class B parts	41,160.37		Do.
PM-12707	do	Hardware	3,732.78		Do.
PM-12712	do	Rings	255.00		No competition.
PM-12729	do	Clasps, etc	25.20		Do.
PM-12747	do	Muzzle covers	55.50		Do.
PM-12752	Agriculture	Straps, canteens	1,920.00		Do.
PM-16180	United States Engineers	Repair work	5,000.00		Do.
PM-12814	Quartermaster	Spoons, cups, etc	90.00		Competition unknown.
PM-12822	do	Latches	11.00		Do.
PM-12502	Navy	Copper bolts, etc	5,295.00		Do.
PM-12861	Quartermaster	Nickel plating	9.85	$54.72	Completed.
PM-12880	do	Hinge rods	3.40		Competition unknown.
PM-12879	do	Washers, etc	241.70		Do.
PM-12837	Interior	Posts	22,350.00	52,750.00	
PM-12829	Signal Corps	Mast sections	8,178.50	10,692.00	

Summary of report covering Rock Island Arsenal May 11, 1919, to May 14, 1921.

Arsenal price on all orders received	$828,340.61
Less cancellations	174,985.58
Arsenal price on orders worked on	653,355.03
Nearest competing price on orders where competition is known	284,745.74
Arsenal price on these orders	194,555.79
Saving effected by placing work at Rock Island Arsenal	90,189.95

Orders placed with Springfield Armory by arsenal orders section, May 11, 1919, to May 14, 1921.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
OMS-22950	Navy	Steel bolts	$219.14		Competition unknown.
OMS-23379	do	Repair machine guns	100.00		No competition.
OMS-23380	District of Columbia	Water meter	9,426.80	$12,400.00	Completed.
OMS-23758	Quartermaster	Fencing sabers	1,208.50		No competition.
OMS-24275	Navy	Drop-forging dies	2,309.11		Competition unknown.
OMS-24293	Air Service	Quadrants, clamps	6,000.00		Do.
PM-166	British War Mission	Blue prints	50.00		Canceled.
PM-1612	Quartermaster	Pommels, blades	2,034.15		Competition unknown.
PM-1695	Air Service	Parachute knives	1,003.03		Canceled.
PM-16170	do	do	1,115.00		Competition unknown.
PM-163	Quartermaster	Class B parts	3,062.40		Do.
PM-1665	do	do	12,958.84		Do.
PM-12652	do	Nickel plating	2,305.00		No competition.
PM-12860	Navy	Bolts and nuts	106.30		Do.

Summary of report covering Springfield Armory, May 11, 1919, to May 14, 1921.

Arsenal price on all orders received	$42,798.27
Less cancellations	1,053.03
Arsenal price on orders worked on	41,745.24
Nearest competing price on orders where competition is known	12,400.00
Arsenal price on these orders	9,426.80
Saving effected by placing work at Springfield Armory	2,973.20

Orders placed with Watertown Arsenal by arsenal orders section, May 11, 1919, to May 14, 1921.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
OMC-22116	Panama Canal	Movable side seals	$13,621.00	$17,850.00	Completed.
OMC-22126	Interior	Sample post	40.00		Competition unknown.
OMC-23432	United States Engineers	Pump shaft	502.00		Do.
PM-12204	do	Steel cable axle reel	75.00		No competition.
PM-12211	Air Service	Heat-treating axles	225.00		Do.
PM-12442	United States Engineers	Locomotives	1,250,000.00		Competition unknown.
PM-12429	Air Service	Helium purifier	10,000.00		Do.

Summary of report covering Watertown Arsenal, May 11, 1919, to May 14, 1921.

Arsenal price on all orders received	$1,274,463
Less cancellations	None.
Arsenal price on orders worked on	1,274,463
Nearest competing price on orders where competition is known	17,850
Arsenal price on these orders	13,621
Saving effected by placing work at Watertown Arsenal	4,229

Orders placed with Watervliet Arsenal by arsenal orders section, May 11, 1919, to May 14, 1921.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
OMC-22918	Panama Canal	Medicine chests	$1,029.96	$1,500.00	Completed.
OMC-23214	do	Sashes and doors	10,988.90	15,000.00	Do.
OMC-23439	Motor Transport Corps	Castings	56.00		Competition unknown.
OMC-23468	Panama Canal	Sashes and doors	23,116.51	30,110.00	Completed.
OMC-23581	do	do	5,340.79		Do.
OMC-23469	Navy	16-inch guns	230,000.00		Competition unknown.

Orders placed with Watervliet Arsenal by arsenal orders section—Continued.

Arsenal order No.	Placed by—	Material.	Arsenal estimate.	Nearest competing price.	Remarks.
PM-1260	Quartermaster	Class B parts	$2,686.57		Canceled.
PM-1262	do	do	2,080.91		Do.
PM-1264	do	do	983.33		Do.
PM-1266	do	do	1,353.67		Do.
PM-12153	do	do	2,080.92		Do.
PM-12154	do	do	2,686.58		Do.
PM-12155	do	do	1,525.37		Do.
PM-12156	do	do	455.62		Competition unknown.
PM-12158	do	do	1,579.33		Canceled.
PM-12168	do	do	1,287.49		Do.
PM-12179	do	do	1,617.87		Competition unknown.
PM-12189	do	do	1,091.95		Do.
PM-12190	do	do	592.29		Do.
PM-12198	do	do	868.88		Do.
PM-12219	do	do	1,101.34		Canceled.
PM-12234	do	do	572.80		Do.
PM-12219-B	do	do	572.80		Competition unknown.

Summary of report covering Watervliet Arsenal, May 11, 1919, to May 14, 1921.

Arsenal price on all orders received	$293,669.88
Less cancellations	17,938.31
Arsenal price on orders worked on	275,731.57
Nearest competing price on orders where competition is known	246,610.03
Arsenal price on these orders	40,476.15
Saving effected by placing work at Watervliet Arsenal	6,133.81

Mr. HARDY of Texas. Mr. Chairman, I would like to make a few observations that certainly will not be partisan and which can not be anything but impartial, because I have no interest whatsoever in the question, and yet what I say might be deemed in the interest of those shipping yards controlled by the Navy Department up in the far eastern corner of the United States, up in Massachusetts. But I do say that in this matter we ought to apply the rules of common sense. There is not a man within the sound of my voice who, if he had the facilities for doing work for himself, would go outside and pay somebody else more to do the work than he could do it for himself. And that is all there is in this proposition.

The Government by force of necessity is compelled to have some navy yards capable of constructing or repairing vessels. The Government is compelled to operate and pay for the vast overhead and operating expense of those yards, and the proposition of the gentleman from Massachusetts [Mr. DALLINGER] is that where the Government has work to be done that must be done, they shall have it done in those navy yards, if the navy yards will do it cheaper than the private contractor will do it. I do not care whether you are a Democrat or Republican or Socialist or Populist or bolshevist, you should have a little common sense and let our own instrumentalities serve our own wants and needs when they can do it cheaper than somebody else can or will do it for them. [Applause.]

That is all the proposition of the gentleman from Massachusetts is. It ought to be adopted.

Mr. EDMONDS. Mr. Chairman, I do not believe you could put a more harmful amendment on this bill than this amendment proposed by the gentleman from Massachusetts [Mr. DALLINGER]. If we were operating these ships in this country and were trying to build up our merchant marine between the ports of the United States, it might be true that we could well afford to ask the navy yards to do our repair work. But these vessels are scattered in all portions of the globe. They have to have work done to them probably in every port they go into. They may be in Hongkong. They may be in Europe. They may be in the Mediterranean. They may have to have a small amount of work done or a large amount of work. This amendment even requires small repairs to be made and to be paid for in the navy yards.

My experience in looking over the bids for the Shipping Board—and I have had some considerable experience in looking over the bills of the Shipping Board—has been that in the past whenever it was possible and a navy yard was available, it was asked to bid on the work. The navy yard makes an estimate on its work. Nobody ever knows if it keeps within the estimate or not, and as to the time of finishing there is no penalty.

A great many of these ships are worth anywhere from $1,000 to $5,000 a day if you hold them up. They go to a navy yard and the navy yard does the work on them in its own way and in its own time. The demurrage and the loss occasioned by the delay is very frequently larger than the cost of the repairs. I saw a case the other day where $93,000 worth of repairs were made to a ship and the demurrage from loss of operation was $48,000. That was the estimate made by the Shipping Board. So, you see, if you limit this to a purely Government repair proposition, you are certainly going to hamper the economical operation of the ships. As a matter of fact, I advocated with Admiral Benson that all repairs as far as possible be made in the navy yards, and since that time the Shipping Board, wherever possible, where it did not require a large sum of money to move the ship, or where they could get proper attention in proper time, have sent the ship to the navy yard; and I think if we should say that it is the understanding of Congress that wherever it is possible the navy yards are to be used, that would be a perfectly proper amendment, but to require a strict mandatory provision like this would simply hamper the merchant marine by doing exactly what you ought not to do.

Mr. TAGUE. Mr. Chairman, I hope the House will not be misled by the statements just made in the remarks of the gentleman from Pennsylvania [Mr. EDMONDS].

First of all, I want to say to the House that there is no desire on the part of the proponents of this amendment to hamper in any way, shape, or manner the private shipyards all over the country or to prevent them from bidding upon this work. All that we ask is an even and an equal opportunity with the private yards for performing repairs on Government vessels in navy yards; simply the opportunity to compete in the open market for the Government work and give the Government the benefit of a saving. The gentleman from Pennsylvania has questioned the repairing of ships in the navy yards, and I am going to take issue with him upon that very question. It is true that navy yards can not make a stipulated bid, but they can make estimates, and if the Shipping Board would accept estimates from the Boston Navy Yard on the *Leviathan* there would be a saving, and I think I know whereof I speak.

To my knowledge there has not been an occasion, at least at the Boston Navy Yard, where estimates have been made by the Navy Department and accepted by the Shipping Board where the navy yards have exceeded the estimate made. On the contrary there has been a saving on every occasion except one of from 15 to 25 per cent on every estimate that has been given. The work has been done in better time than by private shipyards. Now, no matter how you argue on this question, there is a saving to the Government in every way, shape, and manner. First, the Government is maintaining these navy yards and arsenals at great expense. They are there. They are paid for by the people's money. When they lie idle they are an expense to the Government. Second, in private shipyards the repairs must be supervised by the inspectors of the Shipping Board. When the work is done in the navy yards that supervision is not required, because the work is done under the supervision of Government-paid employees. When a ship is put into a private shipyard, according to the testimony of Mr. Powell before the Committee on Appropriations, watchmen must be paid by the Government. That is not required in the navy yards or arsenals, because the marines and the soldiers are in these institutions now working for the Government and are receiving their pay, so that no additional policing force is needed. And that is a big item. The Members from the districts in which there are

navy yards come before the House and ask, as a matter of fairness to men who have given the best that is in them and the best years of their lives, an opportunity to continue the work that they have been doing for the Government for 15 to 25 and 35 years. If you gentlemen could come into these districts and see men who have reached the age of 60 years, who have worked for the Government 25 years and are now being thrown out on the highway without an opportunity for employment, you would believe with us that we are doing something not only for the Government but for humanity. When a man reaches that age no private shipyard wants him, but still he is a good workman, a first-class mechanic. These men are entitled to some consideration from this House, when it takes into consideration that they have for years been faithful employees of the Government. That, Mr. Chairman, is one of our claims. All we are asking of this Government is to give the Boston Navy Yard and other navy yards of the country an opportunity to show whether or not they are able to compete with private concerns for repairing the *Leviathan*. The estimates we will make will not be beyond those of private yards. We will not only live within the estimates but we have saved the Government from 15 to 25 per cent on every job that you put in these yards, and we will save the Government about $1,000,000 on this job. In addition to that, we will employ citizens of the United States, and nothing but citizens of the United States. [Applause.] We will employ men who have not only worked for the Government but men who gave their boys to the Government when the Government made the call. I contend that they are entitled to your consideration, and no matter what arguments the opponents of this proposition may make I claim it is going to work a great benefit to the Government and simple justice to the citizens of this country. [Applause.] I hope the amendment will prevail.

Mr. WOOD of Indiana. Mr. Chairman, I should like to see if we can agree upon some time for closing debate upon this amendment. We want to complete this bill to-day. There may be some more amendments before we get through with this, and we ought to get along with them.

I ask that the discussion of this paragraph and all amendments thereto close in 30 minutes, in which time I desire five minutes myself.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that debate on this paragraph and all amendments thereto close in 30 minutes.

Mr. GALLIVAN. Reserving the right to object, I hope the gentleman will make it 45 minutes. There are at least nine men on their feet now asking for time.

Mr. WOOD of Indiana. I thought I counted all gentlemen on their feet, but I will say 35 minutes, and that will give plenty of time.

Mr. GALLIVAN. There are three or four members of the committee who want to speak, and some not on the committee—can not the gentleman make it 45 minutes?

Mr. WOOD of Indiana. I will make it 40 minutes.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that debate on the paragraph and all amendments thereto close in 40 minutes. Is there objection?

There was no objection.

Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, the principal point that has been made against this amendment is the point made by the gentleman from Illinois [Mr. MANN]. He caims that this amendment is unworkable. I do not agree with him. The amendment says:

> No part of the moneys appropriated or made available by this act shall be used or expended for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing which at the time of the proposed purchase, etc., can be repaired or reconditioned in a Government navy yard.

I think that means purely and simply such reconditioning and general repairing as is ordinarily done at the home base of the vessel, and does not at all refer, nor would any court construe it as referring, to the ordinary small things purchased in a foreign port and necessary to get the ship to the next port of entry. It does not apply to an emergency purchase, but only to a reconditioning, which is always done in the home port.

Let me suggest to you that there is a good reason why the amendment should be adopted. If any of you live in a place where they have a Government institution and know the conditions, you would take a different view of it. If we all had our way about it we would have no navy yards and arsenals, because they are things that have to do with making war. But we have to have them. They are absolute necessities. They are located at various points of vantage all over the United States, and it is is essential that they be kept up and in good running order, so that when war does come we will have these institutions to produce things that we have to have to make war with. The weakest point in our national defense at the outbreak of the last war was the fact that we could not produce the things that we had to have at these Government institutions. We had permitted them to deteriorate and run down until they were not able to produce the things that we had to have, and we had to buy them from private individuals and pay ten times what we ought to have paid if we had been careful and made proper preparations.

Let me call attention to one thing that illustrates it as well as anything ever brought to my attention. We were making at the Rock Island Arsenal, in the district that I have the honor to represent, the Army Springfield rifle, and we were making that rifle for $13. It was the best Army rifle in the world, and the workmen were so skilled and the process so perfected and the machinery so good that we could turn them out for $13 apiece. We paid $50 for the British rifles which we used during this war, and which we had to buy because we did not have the dies and gauges in the arsenal by which we could produce the Springfield guns. We could have made them for one-quarter of the expense that we had to pay. The same is true of ships as of guns. The thing to do is to keep the shipyards and arsenals running with a good personnel of skilled men, who by a life of activity and skill and practice have become proficient in the production of these things. You can not do it unless you adopt measures of this kind.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GALLIVAN. Mr. Chairman, I listened with great interest to the speech of the gentleman from Texas, Judge HARDY, and if those present paid as strict attention to his appeal as I paid and really want to save money for the taxpayers of this country, they will agree with me that his argument was all-persuasive and all-convincing, and no other word is necessary.

I do not like to be up on my feet now and then because I happen to be a member of this committee, opposing some action which has been taken by my associates on the Appropriations Committee; but the Dallinger amendment, in my judgment, solely means, if adopted, a saving of millions, and as a member of the Appropriations Committee I have pledged my loyalty to that committee that I will join my colleagues in every effort to save money when I can see an opportunity to save it.

Here is an opportunity to save millions. If the navy yards of the country are not equipped to do this work, are not bound to live within their estimates, why were the navy yards invited a year ago to submit bids for reconditioning the *Leviathan?* That happened, and the Boston Navy Yard was the lowest bidder. It was $2,000,000 under the bid submitted by the only other bidder, a private shipbuilding concern, the Todd Shipbuilding Co., of California, I believe. Yet since the Boston Navy Yard made a bid of $2,000,000 less than the other bidder, the wages in the navy yards of our Federal establishments have been reduced 25 per cent, and if they are permitted to estimate on reconditioning the *Leviathan* at the present time there would be an additional saving, I am reliably informed, of $2,000,000 more. I hardly dare venture the claim that they would be $4,000,000 less on a $10,000,000 proposition as against an outside bidder, but unless the wages have been reduced in the outside shipyards as they have been reduced in the Federal establishments I repeat that there would be an additional saving of $2,000,000 in labor.

My colleague spoke of the fact that if you permit this work to be done in Government yards you are going to employ the citizens of this Republic. Yes; and you are going to give employment to thousands of service men who answered the call to the colors, and who when they came back to these shores were given employment in the navy yards. Since then they have been thrown out onto the highways because the appropriations for the navy yards of the country have been reduced. Hundreds of service men in the city of Boston alone, and I have been informed thousands of them in the city of New York and in the city of Brooklyn, have been discharged from the navy yards within the past 12 months. Give these Federal establishments an opportunity to compete in work of this kind and against the private yards, and you will be keeping your word to the boys who took every chance and went overseas in 1917.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. GOODYKOONTZ. Mr. Chairman, high freight rates are the principal cause of our business troubles, rendering capital unproductive and causing unemployment of and consequent distress to the workingman. Export trade in coal to South and Central America lost. British coals landed and sold in American ports at prices less than the actual freight on American coals.

American merchant marine idle. Freight rates must be reduced.

Mr. Chairman, the bill under consideration has to do with appropriations for the Naval Establishment, the Shipping Board, and the Emergency Fleet Corporation.

For decades it has been the dream of the American people to see an American merchant marine reestablished—the American flag flying upon every sea and in every port. The war from which we only recently emerged seemed to bring the dream within the realm of reality. Billions of dollars were spent in building ships of the various classes. Many of the ships, especially the wooden ones, proved to be worthless, but others, numbered in the thousands, were of the most approved and modern type of merchant and passenger seagoing vessels. It is said that over half of the number of the new ships are now tied up for want of business.

The fleet for the past 12 months has been operated at a loss of many millions of dollars. In the meanwhile the British steamship lines have been most active. The British have completely recaptured their coal trade, not only throughout Europe, Africa, and parts of Asia, but in South America, in the West Indies, and in Central America as well; but further than that they have gone. They are now putting down in the harbors of New York and Boston the very highest grade of British admiralty coal at the price of $4.75 and $5 a ton. The cost of this coal on board vessel is probably greater than the price obtained, but the English Government stands the loss. The vessels carry the coal as ballast. The English board directing such affairs acts with quick decision and plenary power. English trade and commerce must be maintained. Shrewd British minds, trained for a thousand years in maritime trade, are out to maintain English supremacy in the business of the world. And what are Americans doing to defend and protect their own rights? The American merchant marine seems to be a big joke, judged from the standpoint of the foreigner, but from the viewpoint of the American taxpayer, shipper, and workingman it is no laughing matter.

Mr. Chairman, why is it that we are rapidly losing our foreign trade? Why is it that with over half of the world's supply of coal—the highest grade of coal and the easiest to mine—that we have not only lost our export business but even our bunker business—the ships of foreign registry bringing enough coal to last them for the round trip—and, furthermore, have allowed foreigners to ship coal into the United States from Nova Scotia, British Columbia, England, and other countries? Literally "carrying coals to New Castle." The following is a clipping from the Seattle Daily Times of December 11, 1921, on which it appears that 22 coal dealers are advertising coal from far-off Australia:

THE GREATEST COAL BARGAIN IN SEATTLE—AUSTRALIAN COAL—LOWEST IN ASH (5.6 PER CENT)—HIGHEST IN HEAT (14,335 BRITISH THERMAL UNITS), DOUBLE SCREENED LUMP.

Order from these dealers: Arms Scott Inc., Elliott 0295; Bayles Bros., North 0277; Breene & Peabody, Capitol 0700; Cascade Coal Co., North 0141; Carbonado Coal Co., Elliott 0337; City Fuel Co., Elliott 0289; B. W. Cornwall & Son, North 0019; Green Lake Fuel Co., Kenwood 3090; Lady-Smith-Wellington Coal Agency, Bremerton, Wash.; Keating Fuel Co., Elliott 0654 McFarlane Bros., Kenwood 0128; McMullen & Co., North 0028; McNamee Coal Co., Elliott 0103; Occidental Fuel Co., North 0325 and North 4000; Pacific Coast Coal Co., Main 5080; Spring Hill Fuel Co., West 0067; Sunnyside Coal & Wood Co., North 0428; Valley Fuel Co., Rainier 0058; J. S. Vining, Garfield 0093; Wainwright & McLeod, Main 1218; Will Blair Fuel Yards, Capitol 0186; Eighty-fifth Street Fuel & Feed Co., Sunset 1155 and Sunset 0711.

PACIFIC SHIPPING & FUEL CO.,
CHARLES E. PEABODY, *President*,
T. A. DAVIES, *Manager*,
659 Colman Building—Main 1079.

(American distributors of the products of the celebrated mines of Canadian Colliers (Dunsmuir) (Ltd.), located at Ladysmith and Comox, British Columbia.)

Americans should read this advertisement with shame and humiliation. The State of Washington in 1920 produced 3,750,000 tons of coal, and yet 22 firms in one of its principal cities are selling coal from Australia. The advertisement I have read was sent me by Capt. W. J. O'Toole, of Welch, W. Va., with the following letter, which I ask to have printed in the RECORD.

CRYSTAL BLOCK COAL & COKE CO.,
Welch, W. Va., January 3, 1922.

Hon. WELLS GOODYKOONTZ,
House of Representatives, Washington, D. C.

DEAR SIR: As you are well aware, the coal exporters, Department of Commerce, the railroads, the Interstate Commerce Commission, and the Shipping Board have from time to time considered the deplorable condition of the coal export market; the coal exporters have maintained all along that nothing short of a reduction of $1 per ton in the tidewater freight rate would be of any help, and have contended for the prewar rate of $1.40, which would mean a $1.40 reduction. There seemed to be some hope of accomplishing something along these lines until the railways absolutely refused to make any concessions in the final conference in Washington just before the holidays.

You are entirely familiar with the effect British competition is having on this locality, and the loss of business to the country as a whole. In line with this I inclose a letter from my father and a clipping from the Seattle Daily Times of December 11, which contains an offer of Australian coals, and which may be of interest to you. The point that impressed me is that it is possible to purchase Australian coal in this city from 22 different retailers, showing that it is not an isolated case or a "fluke." This in a State which produced 3,750,000 tons in 1920.

There is no question but that something will have to be done. Just what the proper procedure is I do not know. Our idea has been for an export freight rate, but this seems to have gone "by the board." If we are to maintain our markets in the United States, the West Indies, and South America, this or a like concession, some place, will have to be made.

Very truly yours,
W. J. O'TOOLE,
Vice President.

Some days ago at a meeting of the West Virginia Coal Operators' Association, of which organization Mr. J. G. Bradley, of Dundon, W. Va., is the president, and Mr. W. H. Cunningham, of Huntington, W. Va., is the secretary, the following resolution was adopted:

Whereas the loss of the export trade on West Virginia coal is in so large a measure due to the present high freight rate to tidewater; and, further, since a reduction of $1 per ton in the export rate to tidewater will enable West Virginia coal operators to successfully compete with foreign coals in foreign markets to the extent of a very large additional tonnage over what is now being hauled to tidewater by the various West Virginia railroads: Therefore be it

Resolved, That our vice president is authorized in the name of the West Virginia Coal Operators' Association to urge the presidents of the railroads carrying coal to Atlantic tidewater from the West Virginia coal fields to agree to immediately reduce the export rate on coal $1 per ton.

Mr. Chairman, I regret to say to you that the railroads have paid no heed to the resolution. The railroads are "standing on their rights"; that is to say, the right to maintain the rate regardless of its effect on their own business and the business of the country.

Gentlemen, you will readily see that the railways, if allowed to have their own way, will sooner or later go bankrupt and at the same time bankrupt the country. This they will do unless rates are reduced.

The Interstate Commerce Commission should fix a reasonable rate, a rate that will allow commodities to move. The commission's sole duty is to fix such reasonable rate. The commission should not be concerned regarding the decisions of the Labor Board on the subject of wages. The latter organization will be held strictly accountable for its own performances.

When rates have been made fair and reasonable the movement of freight will demonstrate what reductions, if any, in the cost of labor shall be necessary to protect the capital invested in the railway properties.

Old-time railroaders, such as Jim Hill and Collis P. Huntington, put on "all the traffic would bear," but these pioneers were smart enough to put on not more than the traffic would bear.

The Interstate Commerce Commission has put on more than the traffic will bear. Conditions such as this should not be allowed to exist. Why are the railroads and their employees idle? Why are coal operators and other producers going bankrupt—their men without work and suffering? Why is it that the cost of living remains high, notwithstanding the farmer gets very little for his hard-earned supply of foodstuffs? The answer is, because railroad and steamship rates are too high. Traffic can not move. The rate on coal from the Pocahontas field to New England is around $7 per ton, and yet British coal is being put down in Boston at $5 the ton. The British shipping board has already taken away our South American and Central American trade and is now encroaching upon our domestic business. The Interstate Commerce Commission is now sitting, hearing evidence on the question of railroad rates. The evidence in chief will be put in in January, the respondents will offer their testimony in February, the rebuttal will come in March, the briefs will be filed in April, and then there may be oral argument in May, and in June, perhaps, we will have a decision. It may be that further delay will occur, and that summer will be gone and the snow again falling before the country gets any result from that hearing. I am almost in favor of abolishing the commission. It is a kind of vermiform appendix. The members of it ought to know what the country needs. All the evidence and the testimony, written and oral, have often been heard before; it is the same old story. Our miners are appealing for help, our coal operators are losing money, and the public clamoring for cheaper coal. We can not ship coal to New England and buy New England shoes unless we have a rail and water rate that will let it be done. The question is, How long is the country going to tolerate the action, or rather, want of action, of the Interstate Commerce Commission in substantially causing and continuing the business paralysis of the country?

Mr. HARDY of Texas. Has the gentleman ever thought it might be wise to put a little high light under the vermiform appendix?

Mr. GOODYKOONTZ. What is needed is a surgeon's knife, for use in lopping off the offending organ, which seems to have lost its function.

Mr. BARKLEY. Does not the gentleman think that Congress is not entirely faultless in laying down a standard for rates that has compelled the Interstate Commerce Commission to act?

Mr. GOODYKOONTZ. Not at all. The commission made the rates too high, and thereby decreased railway revenues, and, as a result, impaired net earnings. When the carrying charge is made so high, so unreasonable and exorbitant, as to kill business, the carrier, the employees, and the public must jointly suffer.

Hon. Herbert Hoover, one of the greatest industrial organizers and possessing a very brilliant mind, has appealed, but thus far in vain, to the intelligence and patriotism of the railway executives for a reduction in freight rates, especially on export coal. If the railway executives do not hear the voice of Mr. Hoover it may be that the members of the Commerce Commission may hear him.

If the commission shall, with folded hands and in cold indifference, further disregard its duty to the country, then perhaps Congress, the creator of the commission, can prescribe a remedy.

In my country coal is king. Unless coal shall be mined and marketed there is no employment for the miner, no profit for the coal operator, no business for the railroads, no work for the railway employees, no deposits for the banks, no money for the landlord, the merchant, or the farmer.

In the present circumstances freight and water rates must be radically reduced. The result should be reemployment of railroad men and seamen, activity at the coal mines—we should furnish at least half of the export coal of the world—a general resumption of business, and a return to prewar conditions.

The Interstate Commerce Commission, under existing law, is the only power authorized to reduce freight and water rates. With the vast corps of clerks, investigators, experts, and helpers provided by Congress for the assistance of the commission, that tribunal should be ready to act at all times. The fact is that the commission and the Labor Board, for a long time, have been making faces at each other—the one saying to the other, "It is your move first."

Let the commission fix reasonable rates. That is the first move to be made. After that shall be done all other matters and things will be adjusted in harmony therewith. I respectfully insist that the Interstate Commerce Commission should act, and act quickly. Knowing the character and ability of the officials of the four great railroads that traverse my district, I confidently believe that these officials fully realize that the interest of the roads, the employees, and the public, jointly and severally, demand that there be an immediate reduction in rates.

The very great financial investment, the vast number of men whose employment is their only means of support for themselves and families, and the general welfare of all the people in my district, as also elsewhere, are the factors which have actuated me as a Representatives of the people in directing public attention to the urgent need of an immediate drastic reduction in freight rates.

Business men have marked inventories down to the very bottom. Losses have been written off. Economies have been introduced in every line. Federal appropriations have been reduced to the minimum. Deflation in loans and of the currency has progressed to the limit of safety. The wheels of industry are ready to go round, except for just one thing, the excessive freight rates that are crushing the life out of business. Until freight rates are reduced there can be no resumption of trade and industry. When that barrier is removed the country, under the administration of President Harding, will go forward to an era of tranquillity and unparalleled prosperity. [Applause.]

Mr. BLAND of Virginia. Mr. Chairman, the argument of the distinguished gentlemen from Massachusetts [Mr. TAGUE and Mr. DALLINGER] is based largely upon humanitarian grounds. The humanitarian needs of the section from which I come are just as great as the humanitarian needs of the sections from which these gentlemen hail. That is not the question that is to be considered by you. It has been charged that if this work goes to a private yard, it will go to a yard in which aliens are employed. I have ascertained the facts. Even during the period of the war the maximum alien percentage of employees in the Newport News Shipbuilding & Drydock Co. was 2 per cent. Can gentlemen on the other side show any better figures than those? The maximum aliens employed today are 65, or about 1 per cent. Can they show any better figures?

The majority of the workmen in this yard live in Newport News or in Warwick County. According to the census report of 1920, 5.8 per cent of the population of Newport News is foreign born, and in Warwick County eight-tenths of 1 per cent. The argument is made that Boston boys went to the other side to fight. Mr. Chairman, the boys of Newport News sleep in the fields of Flanders and of France. Ex-service men are employed in the Newport News yard. If you are going to decide upon that ground, we have just as much claim as the people of any other section; but it is not upon these grounds that this matter is to be determined.

Let us not make comparisons as between sections of this great country of ours. Gentlemen, I make no invidious arguments against the people of Boston. I could not if I would; I would not if I could. Ah, gentlemen, let us get down to the facts. You have the reasons for work in the private yard set out in the letter of the Secretary of the Navy, Mr. Denby. Do you want to repudiate him? I submit that there is not a man in the Cabinet of the present administration better qualified to pass upon any business subject, who is more intelligent, who is more honest and more patriotic than the distinguished Secretary of the Navy, Mr. Denby. He says to you that the Navy yards are not prepared to do this work. Does not Mr. Denby know more about the work in the navy yard than the gentleman from Massachusetts, Mr. DALLINGER, or the gentleman from Massachusetts, Mr. TAGUE, or the gentleman from Massachusetts, Mr. GALLIVAN?

If that is not believed to be true by you gentlemen of the majority, I submit that the resignation of the distinguished gentleman from Michigan, Mr. Denby, should be in order, and the distinguished gentleman from Massachusetts, Mr. TAGUE, or the distinguished gentleman from Massachusetts, Mr. GALLIVAN, or possibly one of his own party, the distinguished gentleman from Massachusetts, Mr. DALLINGER, might qualify as Secretary of the Navy.

You have said that you are going to put business in Government and that you are going to take Government out of business. Are you proposing to do it now? You propose to strike down the business interests of your country when your own Secretary of the Navy tells you the navy yards are not prepared to do the work. You have his letter, and it will give the reasons upon which his conclusions have been based. There is not to be found in all of this record a better summary than that made by the distinguished Secretary of the Navy, Mr. Denby. I am asking you simply to support him and to act upon what he tells you is the true and the proper thing. The men of Newport News have been as loyal and true as those anywhere else, but it is not a question of the men of Newport News or the men of Boston. It is the interests of the country which are involved.

When this matter was considered formerly, it was said that the employees of the private yards were aliens and slackers. I have answered the alien charge. The slacker charge, so far as the Newport News yard is concerned, is just as unfounded. I do not know the men of other yards, but I do know the men in the Newport News yard, and I know that no more loyal, patriotic, and deserving people can be found anywhere in the United States. They have never held up this country, and they never will. They want what they win by merit. They want that, and that alone. It is for these men that I am pleading.

Criticism has been made formerly of Mr. Ferguson, president of the Newport News yard. He is a North Carolinian by birth, a Virginian by adoption, a man of sterling worth, and unimpeachable integrity, who has forged his way to the front as one of the world's greatest shipbuilders.

Charges are made that the bids put in are $8,200,000. The hearings show this to be erroneous. On page 1166 of the hearings, it is said:

> In estimating the cost of reconditioning the *Leviathan*, the following figures have been used: The Newport News Shipbuilding & Dry Dock Co. bid for reconditioning and conversion of the vessel to burn fuel oil, $5,595,000. The Newport News Shipbuilding & Dry Dock Co. bid for repairs and machinery of the *Leviathan*, $515,000. The bid of Gimbel Bros. for equipment of steward's department of the *Leviathan* was $539,000; alowance for library, not included, $15,000; (1) cost of moving the ship to the contractor's yard, (2) insurance covering moving vessel to the contractor's yard, (3) dry docking for 30 days, (4) new anchors and chains, (5) moving of ship to dry dock, and (6) cost of the trial trip, $627,000; maintenance of steamer and guarding ship for 14-month period during reconditioning—you understand we have to have this big force on board taking care of her all the time the work is being done—$650,000; inspection during reconditioning, $225,000; making a total of $8,166,000.
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> So far as it is humanly possible to foresee the work that is to be done its cost is covered by the above estimate, and there are items there that we ought to save enough on to make good any small, un-

foreseen things that may not be covered. So that when we say $8,200,000 will put that ship in condition to sail from New York on her first voyage with passengers, I believe we are properly covered, and are giving you a figure that is thoroughly justified.

This does not mean that the items for insurance covering moving vessel to the contractor's yard, cost of moving to contractor's yard, dry docking for 30 days, new anchors and chains, moving of ship to dry dock, and cost of trial trip, aggregating $627,000, will be entirely spent. Nor does it follow that the items for watchmen and inspection will be spent. The effort is made to give the maximum figures so that Congress may know the fullest charge this work will impose on the Treasury.

Mr. NOLAN. Mr. Chairman and gentlemen of the committee, if this amendment is adopted it will probably tend to do more harm to my district than good. I happen to have in my district some of the largest shipbuilding yards in the world. During the war the private shipyards on San Francisco Bay gave employment to about 75,000 men and the facilities then employed are still available. A little over 30 miles away is the Mare Island Ship Yard. So I have no political interest in the adoption of this resolution. I think there is a principle involved in it that ought to actuate us beyond any selfish consideration. I do not know of any branch of the Government service that has suffered more from graft since the Spanish-American War than those departments of the Government that had to do with ship-repair work. That applies as much to San Francisco as to any other section of the country. And if this resolution does not do any more, it will provide a check on expenditures—it will provide one in my section of the country—because the men in the navy yard and the officers of the navy yard will watch these ship-repair contracts of the Shipping Board that are being let all along the Pacific coast. The same will apply to Seattle, where they have the Bremerton Navy Yard, and to Boston, and all over this country, and it will apply to Norfolk and every place else; and I think we need some one that is interested in this matter to watch this work closely just as the Boston Navy Yard is doing in the case of the *Leviathan*, and in the next few years the Government will save a lot of money.

I want to read a paragraph of a speech made by the chairman of the Committee on Appropriations, the distinguished gentleman from Illinois [Mr. MADDEN], when we were considering the deficiency bill on August 12 last, providing over $40,000,000 for the Shipping Board. I want to call your attention to what the former officials of the Shipping Board did in entering into contracts with private shipbuilders for the construction of this fleet that we are talking so much about. The gentleman from Illinois said:

> With the lowering of wages and the lowering of material costs, I thought, and your subcommittee thought, that the Government ought to save money in the construction cost of these ships, and we inquired as to whether or not the Government was to get the credit for any reduced cost of material or any reduction in wages. And the reply came that the Government divided that saving with the contractor, so that he, in addition to his commission on the cost-plus plan, shared equally with the Government the saving made by lowering prices and lowering wages, a very unfortunate sort of a contract, because it certainly ought all to come to the Government. But it does not, and we are not to blame. We believe that it is not good business, but that it is bad business. It can not be remedied during this construction period when these contracts exist. They will be finished by the 1st of April.

Can you imagine, gentlemen, any official of the Government of the United States entering into a contract that will mean taking out of the pay bags of the men employed in the private yards one-half of the money saved by a reduction of their wages? Can you imagine any official of the Government of the United States entering into a contract that would give shipbuilders 50 per cent of the reduction in the cost of material? That is what was done by the old Shipping Board. Those contracts are still in existence, and they are going on until such time as those contracts are finished. That is the situation regarding the private shipbuilders of this country. They have taken out of the pay bags of the men since the war ended one-half of the money involved in two different wage slashes whereby the wages have been reduced over 25 per cent. One-half of that has gone into the coffers of the shipbuilders; one-half of the savings on material has gone there. You must have some sort of a check to break up this sort of business.

This thing might not accomplish all its proponents desire, but I say to you I think it is a wise provision in this bill, and I think this House ought to adopt it, so that somebody besides interested officials and interested contractors will be watching over these contracts.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLIVER. Mr. Chairman, there are some facts which should be remembered by the House in passing on the pending amendment. It applies alone to ships owned by the Government, and which Congress has directed the Shipping Board to sell to private parties. It develops from the hearings that the Shipping Board has practically concluded a contract with a private company for the reconditioning of the *Leviathan* at a total cost of approximately $8,200,000. This proposed action on the part of the Shipping Board has suggested this amendment, since two Members of the House from Massachusetts have assured the House that if this work on the *Leviathan* is done in the navy yard at Boston about $2,000,000 will be saved to the Government. The purpose of the amendment is to give the navy yards a fair opportunity of bidding on the reconditioning of the ship. The gentleman from California [Mr. NOLAN] has called attention to the fact how the amendment will serve as a check system. Its adoption may restrain the Shipping Board from making unwise contracts relative to repairs and reconditioning of vessels. If the question was directly before the House as to whether this large sum of money should now be expended on reconditioning the *Leviathan* I question whether the House would authorize it. In the consideration of this bill we can not withdraw from the Shipping Board the authority heretofore conferred by law in reference to the reconditioning and repair of vessels, but we can at least place a limitation on the appropriations carried in this bill that will give assurance that all work done on our ships will be awarded to the lowest responsible bidder.

The objection announced by the gentleman from Pennsylvania [Mr. EDMONDS] that if the amendment is adopted it may cause serious inconvenience and loss by delaying repairs on ships abroad, if there be well-founded ground for such fear, can be easily met by an amendment providing that it shall not apply to repairs abroad or to repairs costing $20,000 or less in home yards.

Remembering that the amendment is evidently aimed at what is thought to be an unwise contemplated expenditure of money on the *Leviathan*, it is well to recall that we are now about to complete the last of 19 new passenger ships, and that $12,000,000 additional will be asked of Congress in the next deficiency bill for the completion of these ships. No one has been able to guarantee that all of the passenger ships we now own and which are in good condition can be profitably operated. The statement is even made by the gentleman from Texas [Mr. HARDY] that the chairman of the Shipping Board admitted in a hearing before the Committee on the Merchant Marine and Fisheries that the *Leviathan*, if reconditioned, could not be sold for exceeding $6,000,000. Now, the House can very properly and should by this amendment require that in the expenditure of appropriations carried in this bill contracts for the reconditioning of ships shall be given to navy yards, where the navy yards can do the work at less cost to the Government. We are told that business men of Boston, speaking through the chamber of commerce and acting in conjunction with the workmen of the navy yard, are prepared to offer proper bonds of indemnity, guaranteeing that the work on the *Leviathan* can be done in the navy yard at a large saving to the Government, and that it will be completed within the time limit fixed by the Shipping Board.

Some one may suggest that the navy yard is not authorized to execute a bond of this kind. That is true, but a bond executed by private parties, guaranteeing the faithful performance of the navy yard proposal if accepted, will be upheld by the courts. The principal of law authorizing a third party to execute a bond, guaranteeing the performance of a contract entered into by a minor, can be applied in a case of this kind.

The navy yard is prepared to do this work and the proof before Congress is, it will give employment to deserving workmen, and will result in a very large saving to the Government. Now, I do not wish to be understood as advising or approving the proposed reconditioning of the *Leviathan*, but if this work is to be undertaken, then I am interested to see that it is let to the lowest responsible bidder, so that the Government will not be required to pay an unreasonable sum therefor.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. OLIVER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I desire to offer an amendment to the amendment, but I have not got it fully drawn yet. I think it will meet the objection offered by the gentleman from Illinois [Mr. MANN]. However, I will have it ready to offer at the close of the debate. The amendment will be to the effect that this limitation shall not apply when the same work can be done as economically elsewhere, and it will provide that in estimating the same all costs in connection with such work

shall be considered. I think this amendment, on the whole, is a good one, and, with the amendment which I expect to offer, there can be no reasonable objection offered against it.

I want to say, however, at this time, that I am entirely opposed to reconditioning the *Leviathan* at all.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield right there?

Mr. GREEN of Iowa. Yes.

Mr. HARDY of Texas. My understanding is that the chairman of the Shipping Board said that if we reconditioned the *Leviathan* the Shipping Board might sell it for about $6,000,000. It will cost about $8,000,000 to recondition it.

Mr. GREEN of Iowa. I understand $7,000,000 is the latest estimate. I made two voyages on this vessel, so that I think I know something about it. The proposition is to change it from a coal burner to an oil burner. As originally constructed by the Germans, this vessel had a self-stoking apparatus in it. That self-stoking apparatus was not in working order when our people took possession, inasmuch as there was not sufficient time allowed in which to restore the apparatus, and the vessel had to be fired by hand. But I do not believe—and I understand the Director of the Budget is of the same opinion, and I understand every naval officer who has given an opinion takes the same view—that this vessel will ever be a paying success in practical operation, but will simply be a white elephant on our hands, with endless expense. When you consider that even the Germans could not make the vessel pay before the war, with their low scale of wages and with their system of efficiency, how can it ever be expected that we can make it pay?

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. HULL. Is it not true that if you put on this amendment you will remove the incentive to having it reconditioned?

Mr. GREEN of Iowa. To some extent I think that is true, and that is one of the reasons why I make this suggestion.

Mr. WASON. Mr. Chairman, how many trips did the *Leviathan* make when it was in German hands? Was it not one only?

Mr. GREEN of Iowa. One or two; but I understand it did not pay.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Illinois. What would the gentleman think of an amendment to the effect that no part of the money appropriated in this act should be used for the reconditioning of the *Leviathan*, so that we would positively express our judgment that it should not be done?

Mr. GREEN of Iowa. I would be heartily in favor of that amendment. It would not possibly be so easy to pass that as the amendment we have pending.

Mr. GRAHAM of Illinois. I am not talking for that amendment at present, but after this amendment is acted upon.

Mr. GREEN of Iowa. I am for it. I want to cut down these expenses in every practicable way. I insist that it is the height of folly to spend $7,000,000 on this vessel and turn it into an oil burner in order that it may be used in the passenger traffic. A vessel of that size and the expense of running it, burning oil, can not ever be made, under American operation, to pay in the Atlantic traffic.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CURRY. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for one minute. I want to ask him a question.

The CHAIRMAN. The time has been fixed by the committee.

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, the purpose of the proposed amendment is that in the event that the *Leviathan* is reconditioned, it may be reconditioned in the Boston Navy Yard. I congratulate the gentlemen who are proposing that this thing be done. On the other hand, I have no objection to those who are desirous that it may be done in the Newport News Shipbuilding Yards or in the Norfolk Yards. I have no brief for either of these institutions, but I do wish to call to the attention of this committee something that may happen in the event that this amendment is adopted, that is of great consequence to the future not only of the Shipping Board, but possibly to the future of the establishment of our merchant marine. The gentleman from Pennsylvania calls attention to the dire consequence that might come in the event that this was established. Now, remember that the gentlemen who are proposing this amendment have in view the reconditioning of the *Leviathan*. But it does not stop with that. It proposes that any work that may be done for less money in the navy yards than some place else must be done there. Now just consider for a moment the predicament in which we would find ourselves. The Shipping Board have vessels operating upon the seven seas. There is not a place around this globe which does not behold the American flag flying under the direction of the Shipping Board. Now, suppose that away across on the other side of the globe, along the farther shores of darkest Africa, or away around on the other side of the earth, something happens to one of these vessels that necessitates its reconditioning. Before that can be done they must ascertain whether or not the work can be done more cheaply there than here. What is going to happen to the shipping industry of the United States Shipping Board?

Mr. OLIVER. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I yield to the gentleman.

Mr. OLIVER. Is the gentleman not aware that a far-fetched apprehension like that could be met easily by a simple amendment?

Mr. WOOD of Indiana. I do not know whether that can be done or not; but I want to call the attention of the gentleman to the fact that it is far afield, and even if this amendment is adopted it will not accomplish the purpose at which it is aimed. It can only be mischievous; it can only be hurtful. It can not accomplish the purpose for which the gentleman from Alabama [Mr. OLIVER] spoke, or the purpose desired by those who are speaking in favor of this work being done in the navy yard in Boston, having in mind that it is to apply to the reconditioning of the *Leviathan*. The *Leviathan* will be reconditioned irrespective of this amendment.

Mr. OLIVER. May I ask the gentleman just one question?

Mr. WOOD of Indiana. Just wait a moment now. That being true, then what is the purpose of this amendment? If it is passed in the language in which it is now couched, it can only result in doing the very thing to which I have called your attention—that is, that it will absolutely destroy the practicability of the working of this great Shipping Board. We have to-day 82 of these routes, operating from every great port in this country to every great port in every foreign land. Accidents may occur anywhere. Vessels may be so crippled that before they can be useful again they must of necessity be put in some yard to be reconditioned. If this amendment were adopted that could not be done until they found out whether they could do the work for less money in the navy yard at Boston or some place else than they could wherever the vessel might be.

Mr. McDUFFIE. Mr. Chairman, I offer a substitute for the amendment, which I hope will meet the suggestion of some of the gentlemen, because it limits the application of this amendment in cases where the amount involved is more than $25,000.

The CHAIRMAN. Debate is closed. The Clerk will report the amendment.

Mr. McDUFFIE. I offer it as a substitute for the amendment proposed by the gentleman from Massachusetts [Mr. DALLINGER].

The Clerk read as follows:

Substitute offered by Mr. McDUFFIE for the amendment offered by Mr. DALLINGER:

"No part of the moneys appropriated or made available by this act shall be used or expended for the purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing which, at the time of the proposed purchase, acquirement, repair, or reconditioning, can be manufactured, produced, repaired, or reconditioned in each or any of the Government navy yards or arsenals of the United States for a sum less than it can be purchased, acquired, repaired, or reconditioned otherwise, provided the cost of the proposed purchase, acquirement, repair, or reconditioning of any vessel, commodity, article, or thing involves a sum of money exceeding $25,000."

The CHAIRMAN. The question is on the substitute.

Mr. GREEN of Iowa. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN of Iowa. I think my amendment to the amendment, being a perfecting amendment, takes precedence of the substitute, does it not?

The CHAIRMAN. Of course, the Chair would have no means of knowing that. The Clerk will report the amendment offered by the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. It is a perfecting amendment to the amendment, and I think would take precedence of the substitute.

The Clerk read as follows:

Amendment to the amendment offered by Mr. GREEN of Iowa to the amendment of Mr. DALLINGER: Add to the Dallinger amendment the following:

"*Provided*, That this limitation shall only apply to vessels while in the harbors of the United States, and all expenditures in connection with such work are to be considered in estimating the cost."

The CHAIRMAN. The gentleman is correct. The point of order is sustained. The gentleman's amendment being a perfecting amendment, the question is first on the amendment to the amendment.

Mr. DALLINGER. Mr. Chairman, I accept that amendment to my amendment.

The question being taken, the amendment to the amendment was agreed to.

Mr. McDUFFIE. I now reoffer my substitute.

The CHAIRMAN. The question now recurs on the substitute offered by the gentleman from Alabama [Mr. McDUFFIE].

The question being taken, on a division (demanded by Mr. McDUFFIE) there were—ayes 25, noes 69.

Accordingly the substitute was rejected.

The CHAIRMAN. The question is on the amendment as a new paragraph offered by the gentleman from Massachusetts [Mr. DALLINGER] as amended by the amendment of the gentleman from Iowa [Mr. GREEN].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

For the investigation of foreign discrimination against vessels and shippers of the United States, including personal services in the District of Columbia and elsewhere, actual necessary traveling expenses, and per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, $20,000.

Mr. CABLE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 27, line 21, after the words "United States," insert "and for the investigation of transportation of immigrants in vessels of the United States Shipping Board."

Mr. GARRETT of Tennessee. Mr. Chairman, I reserve a point of order.

Mr. CABLE. Mr. Chairman, so far we have been providing most of the money needed by the Shipping Board. We now have an opportunity to lay the foundation whereby the Shipping Board can make money. During the year ending July 1, 1922, there will be about 350,000 immigrants coming to this country. These immigrants are almost entirely being brought in ships belonging to foreign corporations, not in ships owned by the United States. The 3 per cent immigrant limitation law will terminate July 1. A new immigration law will permit a fewer number coming to this country. I believe without any additional cost or expense, while there is an investigation of the foreign discrimination against vessels of the Shipping Board of the United States, as is now provided in this section, the same investigators can determine whether or not it is feasible to bring these immigrants to our country in our own boats. They are coming here by our permission, by our sufferance, and we should utilize and provide that 50 per cent of those coming to our shores should reach here in our own vessels. I understand that Mr. Lasker states that the Shipping Board can make money by this proposition. It is a subsidy that will not cost the taxpayers a single cent. It is a chance to encourage the shipping and save the taxpayers some money, and for that reason I offer the amendment.

Mr. GARRETT of Tennessee. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was agreed to.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 27, lines 20 to 25, strike out the paragraph.

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen, I offer this amendment in absolute good faith, for the reason that the investigation for which this $20,000 is proposed to be appropriated has already been conducted. Mr. Lasker and the Shipping Board have investigated this very problem, including the one embodied in the amendment offered by the gentleman from Ohio [Mr. CABLE]. As a result of this investigation Mr. Lasker has had prepared and has distributed to different members of the Committee on the Merchant Marine and Fisheries a very exhaustive and very voluminous report of this investigation, in which all these matters are dealt with. He has further stated in the hearings that he was going to make a recommendation to the President as a result of these investigations of the plan which he and the Shipping Board thought should be inaugurated along this line. We see in the press that Mr. Lasker has appeared before the President, and in a consultation of more than an hour laid his plans and recommendations before the President. It is further said that within a few days the President will appear before Congress and make recommendations in consequence of those investigations and recommendations. In view of that situation, what is the need of continuing this investigation at an expense of $20,000 additional? In view of these facts I insist that this amendment ought to be adopted and the $20,000 saved to the taxpayers of the country.

Mr. WOOD of Indiana. Mr. Chairman, I desire to say a word. I do not desire to detract a thing from what the gentleman from Tennessee has said. You will notice in reference to the appropriation of $20,000, whatever may be the conditions to-day may not be the conditions a year from to-day. There is the constant competition, and there will be more when trade starts up and more necessity for investigation as to what discriminations may be. There may be no occasion for the use of this appropriation, and there may be much occasion for the use of it; and if the occasion arises there ought to be some means whereby it can be made. I am hopeful, as is the gentleman from Tennessee, that there may no occasion arise, but we know in the strife of competition many things may occur. It has involved a greater question, one that has attracted the attention of the Congress, the discrimination in transportation in this country even among our own people. If we can not depend on justice here, how little can we depend on foreign countries when it comes to a question of this character? So I think it would be unwise if we did not make some provision in some way for an investigation if occasion arises for it.

Mr. BANKHEAD. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. Does not the gentleman think, in view of the vast fund in the possession of the Shipping Board, that they can afford to use some of that in making some investigation?

Mr. WOOD of Indiana. As I say, this appropriation is not for what has happened, but it may be with reference to what may happen, and we would be very derelict, it occurs to me, unless we provided for that some means if the occasion demanded.

Mr. HARDY of Texas. Does not the gentleman know that this would not be a drop in the bucket?

Mr. WOOD of Indiana. It would not amount to much, but we should have a little water in the bucket in case of fire.

Mr. HARDY of Texas. Does not the gentleman also think that every merchant vessel owner will be interested in reporting the discriminations of the Shipping Board.

Mr. WOOD of Indiana. Possibly that is true, but those reports would come with more or less selfish interest, and we ought to have a little bit of leeway so as to decide for ourselves in making these investigations.

Mr. HARDY of Texas. What kind of traveling expenses would be involved, and per diem in Washington, toward making investigations in this and foreign countries?

Mr. WOOD of Indiana. That is speculative and problematical.

Mr. HARDY of Texas. Is not that whole section a sort of anchor to the windward?

Mr. WOOD of Indiana. No; it is just simply a precautionary proceeding.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. OLIVER. It developed on the hearing in the bill that we are now considering appropriations for the Department of Commerce, that the foreign attachés are rendering very helpful service to the Shipping Board and other departments of the Government in just this kind of work, and they have at practically all of our ports very capable men who, under directions from the Shipping Board, could gather information of this kind, and it seems to me to be an unnecessary expense.

Mr. WOOD of Indiana. The gentleman offers a very valuable suggestion, and I wish to say that by reason of that we have reduced it to the minimum; but even if that were true, it would take something to assemble the information.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. How much did they ask for it?

Mr. WOOD of Indiana. One hundred thousand dollars, and we reduced it to $20,000, so that I think we have gone our length, and I think we ought to be sustained in the recommendations we have made.

Mr. OLIVER. Since under other appropriations if it becomes necessary to make this investigation, they will be authorized to expend money for this purpose, would not the inclusion of a special appropriation for that purpose be a direction by Congress that it should be done?

Mr. WOOD of Indiana. I do not think so. I think it should be accepted as we have stated it here, and as we have recommended that if it is needed for this purpose it may be had, and if not provided we will find ourselves or might possibly find ourselves in an embarrassing situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. DAVIS].

The question was taken; and on a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 15, noes 47.

So the amendment was rejected.

The Clerk read as follows:

EMERGENCY SHIPPING FUND.

For expenses of the United States Shipping Board Emergency Fleet Corporation during the fiscal year ending June 30, 1923, for administrative purposes, miscellaneous adjustments, losses due to the maintenance and operation of ships, for the tie-up, reconditioning, and repair of ships, and for carrying out the provisions of the merchant marine act, 1920 (a) the amount on hand July 1, 1922; (b) $50,000,000: *Provided*, That no part of this sum shall be used for the payment of claims other than those resulting from the current maintenance and operation of vessels: (c) the amount received during the fiscal year 1923 from the operation of ships; and (d) $55,000,000 from moneys collected from mortgages, leases, accounts and bills receivable other than those arising from current operations, and from moneys collected from the sale of ships, plants, material, securities, and other assets, prior to July 1, 1923, less such portion of said $55,000,000 which shall have been collected during the fiscal year 1922 under the provisions of an act entitled "An act making appropriation for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes," approved March 4, 1921.

Mr. BYRNES of South Carolina. Mr. Chairman, I make the point of order against subdivision (d), beginning with the figures $55,000,000, on line 15, down to and including the end of the paragraph. It is legislation on an appropriation bill.

The CHAIRMAN. Will the gentleman state his ground.

Mr. BYRNES of South Carolina. That there is no authority of law for the legislation contained in subdivision (d). There is no legal authority for the provision authorizing the use of $55,000,000, derived from the sale of assets, for the purpose of paying the administrative expenses, miscellaneous adjustments, and tying up of ships. There is no law authorizing it.

The CHAIRMAN. This matter has been called to the attention of the Chair by the parliamentary clerk. Section 11 of the Shipping Board act provides in general terms that the board, if in its judgment such action is necessary to carry out the purposes of the act, may form under the laws of the District of Columbia one or more corporations for the purchase, construction, equipment, lease, charter, and so forth, of merchant vessels in the commerce of the United States. It also provides that the total capital stock thereof shall not exceed $50,000,000. Under this provision the Emergency Fleet Corporation was established. Does not the gentleman think that the powers are broad enough to cover the proposition involved in the right of Congress to make an appropriation for the purposes specified in this provision?

Mr. BYRNES of South Carolina. Yes; but I am satisfied that the Chair does not get the point of order. I did not think it would be contended that it was in order. I know that last year, when the gentleman from Illinois [Mr. MANN] made the point of order, the gentleman from Iowa, Mr. Good, conceded it. I call this to the attention of the Chair, that the language in subdivision (d) provides that the money collected from mortgages, leases, accounts, and bills receivable from the sale of assets may be used for administrative expenses. There is no authority in the law cited by the Chairman which would authorize the Shipping Board to sell assets or to collect money on accounts outstanding and use that money for the purpose of paying the administrative expenses of the Shipping Board.

The CHAIRMAN. The gentleman is entirely correct, and the Chair was calling attention to the fact, as the Chair supposed it to exist, that there was authority in existing law for making the appropriation. If that is granted, the question is as to whether or not the provision in this act changes existing law. Upon that proposition, of course, the Chair has not yet even made a suggestion, but the Chair would call the attention of the gentleman to a line of authorities which would seem to the Chair to indicate that this appropriation might be made without its being considered as a change in existing law. Here is a fund that has been derived under the operations of law constituting an unappropriated fund not yet placed in the Treasury of the United States. The question is, under those circumstances, has the committee authority to make appropriations directly of such an unapportioned fund? There is a line of authorities which the gentleman will find in the fourth volume of Hinds' Precedents, commencing with section 3591, which hold unequivocally that a reappropriation of an unexpended balance for an object authorized by law may be made in an appropriation bill. We have now this proposition: Here is an object which appears to be clearly within the purpose of the law. Here is an unappropriated fund not yet conveyed into the Treasury that may be subject to this appropriation act. Does the gentleman believe that under those circumstances a point of order could be sustained by the Chair? If the gentleman will pardon me, I am trying to ascertain his point of view in order that he may meet the point of view that is in the mind of the Chair.

Mr. BYRNES of South Carolina. I think I can do that immediately. I think possibly the Chair has not had his attention called to section 14 of the merchant marine act of 1920. That section specifically provides, as to the proceeds of sales, operations, and other activities prior to June 1, 1921, that shall be covered into the Treasury, making certain exceptions. Then there follows this language: That after July 1, 1921, such net proceeds, namely, net proceeds derived from the activities of the board, less such an amount as may be authorized annually by Congress to be withheld as operating capital, and less such sums as may be needed for such insurance and construction loan fund, shall be covered into the Treasury of the United States as miscellaneous receipts.

Now, to fully understand this latter part of the paragraph the Chair should read the first part of the paragraph, which provides that the net proceeds derived by the board prior to July 1, 1921, from any activities by reason of this act or by the act specified in section 2 of this act, except such an amount as the board shall deem necessary to withhold as operating capital for the purposes of section 12 and for an insurance fund authorized in section 10 and the construction loan fund authorized in section 11, shall be covered into the Treasury. So that the Congress is authorized to deduct from the net proceeds derived from the activities of the board an amount to be used for three purposes, and three purposes only: One the insurance fund as provided for in section 10, the other the construction loan fund provided for in section 11, and the third for operating capital for carrying out the provisions of section 12. Now, when you look at section 12, you find it is a section authorizing the chartering of ships for the purpose of operation by the board, so that Congress can authorize a deduction from the net proceeds for the insurance fund, for its construction fund or for operating capital to carry on the operation of ships, and for no other purpose. Now, what does this bill do? It provides that this $55,000,000 shall be available for what purpose? Not for the loan fund, construction fund, or operating capital but for the administrative purposes of the United States Shipping Board. It therefore changes existing law. In addition to administrative purposes, the bill provides that this $55,000,000 shall be available for miscellaneous adjustments and payment of losses. Is there any authority in the merchant marine act of 1920 to use the net proceeds for the payment of claims? It is authorized for other purposes, and this language is a change of the law as contained in the merchant marine act of 1920 and is not in order.

Mr. WOOD of Indiana. Mr. Chairman, in opposition to the gentleman from South Carolina, I wish to assert and show there was authority to prove that this is only not in order but in entire consonance with the merchant marine act. In the first place and as a premise, I shall call the attention of the Chair to the fact that it is the duty of the Appropriations Committee to appropriate money for the expense of the Government. Section 3 provides that "an appropriation of the revenue for the support of the Government, to the Committee on Appropriations." Now, there is a certain latitude allowed the Committee on Appropriations in its discretion, wisely administered, for this purpose. We can appropriate directly out of the Treasury for this purpose, or we may direct that certain revenues derived from certain services, already coming from certain sources, may be used for specific purposes. Now, that being true, I think that we are clearly within our rights when we say that certain moneys derived from certain sources may be used as a part of the operating expense of this corporation.

Here seems to be the difficulty, and I wish to call the attention of the Chair to this fact. The United States Government is engaged in private business, and I expect this is the only example we have got before us at this time. For the time being, and until we can dispose of it, we are conducting the greatest business on the face of the earth, and it is peculiar in this respect, that in order to protect the best interests of the country, provision must be made to so conduct it, to conserve that interest until it may be disposed of. Now, then, the committee in its discretion has seen fit to reappropriate whatever balance may remain out of this $55,000,000 existing on the 1st day of July, 1922. Now, instead of doing that thing, we might have appropriated directly this sum of money, but in order to best serve the interests of the country we thought best to reappropriate or to make possible the use of this appropriation.

Now, that being true, we are clearly within the provisions first established by the rules—that it is the duty of the Appropriations Committee to appropriate money for the expenses of the Government. We have elected to do it in this way. Whether we have been wise or unwise in doing that thing is a

thing for this House to determine, but I insist that we had the right to do it under the act, section 3591 reading:

The reappropriation of an unexpended balance for an object authorized by law may be made on an appropriation bill.

Now, that is what we have done, for the act creating this commission, or creating this Shipping Board, the act creating this activity, makes it incumbent upon them to maintain this establishment. And upon that proposition I desire to call the attention of the Chair to this section 12 of the merchant marine act that reads as follows:

That all vessels may be reconditioned and kept in suitable repair and until sold shall be managed and operated by the board or chartered or leased by it on such terms and conditions as the board shall deem wise for the promotion and maintenance of an efficient merchant marine, pursuant to the policy and purpose declared in sections 1 and 5 of this act.

And so forth. Now, then, if that is correct, we have by affirmative law imposed upon the Shipping Board the doing of the very thing we are trying to give them the money to do.

And as I stated a while ago, whether we give it to them directly out of the Treasury of the United States or give it to them by a reappropriation or by an authorization to expend unexpended balances, that is a matter in the discretion of Congress, to be recommended by the committee either for approval or disapproval on the part of the Congress.

I desire to call attention to what the gentleman from South Carolina [Mr. BYRNES] has said in support of his position to section 14, where it is provided that after July 1, 1921, such net proceeds, less such amount as may be authorized by Congress to be withheld as operating capital and less such sums as may be needed for insurance, and so forth, shall be covered into the Treasury.

We have done the very thing that Congress has provided we might do. We have provided that an amount less than the amount received by them shall be covered into the Treasury, for we have provided that out of these collections, that may have been made after the expiration of the limitation that has been put upon the expenditures under the present bill, they may continue to apply them to the operating expenses. It is an annual appropriation. It is an appropriation put in this annual appropriation bill for the current expenses of this activity during the current fiscal year.

This is perhaps a matter of fact, rather than a legal proposition, but it is within the province of Congress under the present law governing the Shipping Board to take and collect the entire amount of this $50,000,000, so that there will not be a dollar of it at the expiration of this present fiscal year, but in order that they may have some discretion to enforce these collections, in order to collect as much as possible, we have extended this proposition. But it is within the province of the Congress to reappropriate under the section that I have called to the attention of the Chair whatever may be unexpended at the expiration of this fiscal year, to be applied to the expenditures under the next fiscal year.

Mr. BYRNES of South Carolina. Mr. Chairman, may I call the attention of the Chair to this fact, that the gentleman from Indiana [Mr. WOOD] referred to the right to appropriate an unexpended balance, whereas the provisions of this bill specifically direct that there is to be no appropriation of an unexpended balance? The bill seeks to make available only such amounts as shall be collected after July 1, to wit, in the year 1923. In other words, the merchant marine act simply provides that the net proceeds shall be covered into miscellaneous receipts with the exception of three specific funds, and this bill seeks to extend the purposes for which those funds may be available.

The CHAIRMAN. The Chair is prepared to rule. The first problem before the Chair was stated by the gentleman from Indiana [Mr. WOOD], although the Chair was informed that the point of order had been conceded by a former chairman of the Committee on Appropriations.

Of course, we are all familiar with the proposition that legislation on an appropriation bill is not in order. There must be an authorization under existing law upon which the appropriation may stand, or it must fall. In this instance we have, as it seems to the Chair, very clearly not only a provision which is not authorized by existing law but one which is directly contrary to existing law. The provision in this paragraph is for the expenses of the United States Shipping Board Emergency Fleet Corporation, for administrative purposes, miscellaneous adjustments, losses due to maintenance and operation of ships, for the tying up and reconditioning of ships, and the carrying out of the provisions of the merchant marine act.

Now we find ourselves confronted, as has been shown by the gentleman from South Carolina [Mr. BYRNES] in his reference to section 14, to which the attention of the Chair has been called, with the fact that the net proceeds derived by the board after July 1, 1922, must be applied to certain specific purposes or turned into the Treasury of the United States. The purposes stated are as follows:

Such net proceeds, less an amount to be authorized by Congress to be withheld as operating capital, less such sums as may be needed for insurance, etc., shall be covered into the Treasury of the United States as miscellaneous receipts;

so that we have this direct and positive statement by existing law in the organic act creating this board, in which it is stated that for these specified purposes after July 1 those proceeds must be covered into the Treasury of the United States, unless they should be for the three purposes mentioned. These three purposes, and these three purposes only, may be reappropriated by Congress in an appropriation act or otherwise.

As I stated before, they must be only those three exceptions, and none other authorized by law; otherwise the provision is in contravention of law. It appears to the Chair clearly and inevitably that the point of order is well taken, for the reason which the Chair has stated, and the Chair so holds.

Mr. SEARS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Florida offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SEARS: Page 28, at the end of line 22, strike out the period, insert a semicolon, and insert "*Provided further*, That no part of any sum appropriated or made available in this act shall be used for advertising reflecting on the United States or for the purpose of inducing anyone to visit foreign countries for recreation in preference to summer or winter resorts in the United States."

Mr. WOOD of Indiana. Mr. Chairman, I make a point of order on that.

The CHAIRMAN. Does the gentleman from Florida desire to modify his amendment, in view of the fact that all after line 12 has been stricken from the bill?

Mr. SEARS. Yes; I make that modification.

The CHAIRMAN. Without objection, the Clerk will change the amendment so that it will follow line 12 instead of line 22.

There was no objection.

Mr. SEARS. Mr. Chairman, perhaps it is hopeless to expect this amendment to pass. A few days ago I addressed the House on the advertisements that were being sent out by the Shipping Board, saying, "You are tired of the old winter vacation grounds. Go to China. Go to Japan. Go to other countries." In those remarks I called attention to the fact that this was a discrimination against the United States, and that such advertisements should not be paid out of the taxes of the people, and that it was neither fair nor just to the cities and chambers of commerce and that they could not hope to compete against the Government. I do not object to legitimate advertisements. I have been in the game myself; but I do object to the Government taxing the people and then spending the money to tell them that there is nothing in America worth seeing; especially so when only a few years ago, I remember, we spent thousands of dollars in advertisements from one end of the land to the other—"See America first."

Mr. EDMONDS. Will the gentleman yield?

Mr. SEARS. I have only five minutes, but I will yield to the gentleman.

Mr. EDMONDS. I was going to suggest that of course it is a great deal cheaper to go to foreign resorts than it is to go to the gentleman's district. [Laughter.]

Mr. SEARS. In reply to that may I say that I had the pleasure of addressing some of my northern friends when they were in Florida a few winters ago, and I told them that while we got some of their money when they came to Florida, my experience was that when I went to Atlantic City they got back all the money that I got from them while they were down in Florida, so you see it is a 50–50 proposition, and besides we keep the money in the United States. In that speech, in my humble way, I referred to Maine, to New Jersey, to the mountain resorts of New York, and to California, and said that Florida could take care of herself. I am just in receipt of a letter from a friend of mine whose name I will not give, but who does not reside in my district, which reads as follows:

I leave out the first sentence, in reference to myself, for I am not seeking notoriety, but simple justice.

* * * * * * *

Florida has little chance in advertising against the millions behind the Federal Government—pretty rotten competition. Next we may have the Government going into the citrous industry on some newly discovered isle, and to make a profit on the venture spending a few millions of the people's money to exploit the proposition and to market the fruit.

I inclose a letter I received this morning. You can have it for your files and make what use you desire of it.

I am so disgusted with the manner in which the Shipping Board is using up pages of high-class magazines and newspapers to divert travel from the United States that I did not read the inclosed letter.

I have never been unfair, and I will not be unfair now. I have that letter before me, consisting of four typewritten pages, written by some high-priced man in the Shipping Board, whose name I will not give, because I have no fight to make with him. I will simply quote from that letter:

You desire to know "What will it profit the United States to build up the Shipping Board at the expense of the rest of the country?"

There is absolutely no desire on the part of the United States Shipping Board to build itself up at the expense of the taxpayers. * * *

There is no way to stop these American tourists who have decided upon a trip to foreign countries to forego this trip for a vacation in the United States, but the United States Shipping Board can use its powers to persuade these Americans to travel under their own flag, particularly when the American ships operating on the Atlantic and Pacific Oceans to-day compare in speed, luxury, and comfort with any foreign passenger liners now in service.

The Government owns these passenger liners, now being operated, with few exceptions, and as you will note by the inclosed newspaper release which I issued October 19, 1921, the sum of $900,000 which was appropriated by the United States Shipping Board Emergency Fleet Corporation to extensively advertise American passenger lines operating Government vessels is appropriated only tentatively, the expenditure of the amount to depend upon developments. * * *

This $900,000 is not to be expended in one lump sum, but it is to be expended monthly, provided the results warrant the continuation of said monthly expenditures. So far the results have warranted the appropriation. * * *

I know Florida personally, having traveled from one end of the State to the other, Mr. Peter O. Knight, Tampa, Fla., being one of my personal friends. But I think you will agree with me that the American tourist seldom visits the same scenes twice, in contradistinction to the American who has a summer or winter residence outside of his own home.

To the letter I replied—

To my mind this expenditure is unjust; can not be defended, and you can rest assured I have not finished with the matter.

Now, Mr. Chairman, evidently that gentleman did not know what he was writing about, because it has been my pleasure to visit the mountains of North Carolina four times, and I trust that next summer, if the majority leader is correct in his statement that we will get away from here about the first of June, I may go there the fifth time. I have had the pleasure of visiting Atlantic City three or four times, and I expect to go there next summer. I hope some day I may be able to go to Maine. I never yet have had the pleasure of going there. I have no desire to go out of the United States until I have seen the beautiful places in the United States first.

Mr. HERSEY. Has the gentleman ever visited Poland Springs, Me., in the winter?

Mr. SEARS. I have not.

Mr. HERSEY. It is one of the best winter resorts in the world. [Laughter.]

Mr. SEARS. Then the gentleman from Maine thoroughly agrees with me, and this amendment certainly should be adopted. This letter from this gentleman in the Shipping Board further says—

Florida has been extensively advertised, not only by her excellent chambers of commerce and her citizens, but by all those who have ever visited the State, either on pleasure or business.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. SEARS. I ask an extension of five minutes.

Mr. WOOD of Indiana. We are trying to get through with this bill to-day. I hope the gentleman will extend his remarks in the RECORD.

Mr. SEARS. I have only taken up five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman that his time be extended five minutes?

There was no objection.

Mr. SEARS. I sometimes wonder why we treat a matter like this with so much levity and so little seriousness. If the Shipping Board wishes to advertise that they have good ships, and that people when they go abroad should travel on those ships, neither Florida nor Maine will object; but I do say it is unfair, it is unwise, it is unjust to take the people's money to pay for advertisements that you should not go to Florida; that you should not go to Maine; that you should not go to California; or any other State in the Union, and thereby try to induce people to go to foreign countries. Nearly every day in the Washington papers appear pictures of scenes in Florida. I just happened to pick up the Washington Herald, and if my good friend, the chairman of this committee, will look at it, I think he will go to Florida, where, by the way, he owns large interests in land.

The picture may appeal to him. It is a picture of Jockey and Mrs. Clarence Kummer photographed on the beach at Miami, Fla., just a few days ago. This famous jockey rode Man o' War when he won the race recently, and I dare say if you will write him he will answer saying he will be back next winter. Florida can take care of herself, but as I said the other day, and I say again in all seriousness, if the Members of Congress are going to appropriate money for the Shipping Board or any other agency of the Government to advertise that there is nothing to see in Florida or that people are tired of going there, then the citizens of Florida might just as well quit spending their money in advertising in the papers that there is something in that great State of ours to see, and that our climatic and health conditions are not excelled by any country in the world. We can not compete with the Government, and as my good friend said in his letter to me, we are getting tired of such rotten stuff being sent out by the Shipping Board. The party who wrote me was formerly the editor of a paper and owner of a paper himself, and thoroughly knows the game.

Of course, Mr. Chairman, desiring to be fair, as I always try to be, I will state the advertisements to which I am objecting did not mention Florida any more than it did any other winter or summer resort. So I appeal to you and to the Shipping Board in all fairness to stop such advertisements for it can not hurt the Shipping Board in any way, shape, or form. I am not criticizing any member of the board. Those of you who have served with me for the past seven years know that I have not at any time criticized the administration of either party. If I have a complaint or reason to come before you which I think is sound, I come before you and present it. In my remarks the other day I left out Florida, but to-day I want to appeal in behalf of the people of my State, who are spending hundreds of thousands of dollars advertising the beauties, health, opportunities, and the climate, which to-day is 62 above there compared with 20 below here, to stop this discrimination and not compel us to compete with the Government. A fair deal—a square deal is all we ask for. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SEARS].

The question was taken, and on a division (demanded by Mr. SEARS), there were 11 ayes and 41 noes.

So the amendment was rejected.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 28, at the end of line 12, insert: "*Provided*, That not more than $1,000,000 shall be expended by the United States Shipping Board or Emergency Fleet Corporation out of any sums appropriated in this act for the repair, reconditioning, or rebuilding of any one of such ships."

Mr. GRAHAM of Illinois. Mr. Chairman, if any member of the committee knows any good reason why this amendment should not be adopted I, of course, am not particularly insistent upon it; but I think it very well for us to express the congressional opinion at least, so that the Shipping Board and the Emergency Fleet Corporation may know that we do not approve of the expenditure of large sums of money for the reconditioning or repairing of any ship of the Shipping Board or the Emergency Fleet Corporation.

Mr. MADDEN. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. MADDEN. There is no part of this appropriation set out here for the repair or reconditioning of any ship.

Mr. GRAHAM of Illinois. We all know that the *Leviathan* is the principal vessel involved in this amendment. I understand that they are going to enter into a contract, and it may be that this contract has already been made. But it occurs to me that the language of this section might make a part of the fund appropriated in this act available for the *Leviathan*, even though the contract was made now, because it says in line 8, "the amount on hand July 1, 1922," and then, second, "$50,000,000."

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. GREEN of Iowa. They have already stated that they intended to recondition and repair the *Leviathan*.

Mr. OLIVER. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. OLIVER. I call the chairman's attention to the fact that he is in error, because in the hearings they say they contemplated using a part of the funds appropriated in this bill, but by reason of their reconditioning the *Leviathan* they will be required to ask for a deficiency later.

Mr. GRAHAM of Illinois. I do not think there is any doubt but that if some of this money is on hand on July 1, the money covered by this act, they can use it for that purpose, and I do believe that, if we write this provision in here, very likely the responsible officials will pay a good deal of attention to it.

Mr. MANN. The item in the bill says for reconditioning and repairs.

Mr. GRAHAM of Illinois. Yes; it says for the reconditioning and repair of ships.

Mr. NEWTON of Minnesota. Can the gentleman state what amount it is proposed to spend on the *Leviathan?*

Mr. GRAHAM of Illinois. In my opinion, from what I gather from the hearings, it varies; but all the way from six to eight million dollars.

Mr. GREEN of Iowa. Seven million dollars, I think, is the amount.

Mr. GRAHAM of Illinois. Here is the proposition. We have declared heretofore, as I understand it, in an act of Congress, that it is our judgment that we ought to get rid of the fleet as soon as we can reasonably do so, and put it into private hands. Do gentlemen think we are justified in spending large sums to recondition ships in view of that expression of the opinion of Congress. It may be that this will not do any good, but it will be a warning to the responsible officials what we believe should be done.

Mr. EDMONDS. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. EDMONDS. The gentleman proposes by his amendment to stop the reconditioning and repair of ships?

Mr. GRAHAM of Illinois. No; but I propose to limit them to a million dollars for each ship.

Mr. EDMONDS. What would the gentleman do in case of a passenger ship which might cost $2,000,000 to repair or recondition?

Mr. GRAHAM of Illinois. I am glad the gentleman asked the question. I will tell him what I would do. I would tell these officials to come to the Appropriations Committee and have them report to us that they wanted an appropriation for that amount available for that particular ship. When they do that we have got our hands on the throttle, and if we do not do it they can spend it in any way.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. CHINDBLOM. Suppose the ship is injured in some foreign sea and it costs more than $1,000,000 to repair or recondition her, what does the gentleman propose—to let some salvage company take it?

Mr. GRAHAM of Illinois. Congress is always in session.

Mr. CHINDBLOM. We are all hoping that Congress will adjourn by June 1, and then it would not be in session from June until December next, and in that time such an accident might happen.

Mr. GRAHAM of Illinois. Let me ask the gentleman something. Does the gentleman think they ought to spend more than $1,000,000 on the fixing up of any ship, when we do not know and nobody knows whether we want that ship?

Mr. CHINDBLOM. Mr. Chairman, the United States Government, through the United States Shipping Board and the United States Emergency Fleet Corporation, is in the business of running ships. It is in a business enterprise, and I think that that business enterprise and the corporation which has that enterprise in hand should have a free hand to do what any business concern would find it necessary to do, to protect the property and the interests of the United States.

Mr. GRAHAM of Illinois. Ordinarily I have a very high estimation of my colleague's judgment, but as to this I shall have to differ with him. I think when it comes to an item of $1,000,000 or more that we are the persons who ought to and do have the responsibility. I think this will do no harm and ought to be incorporated in the bill for this purpose.

Mr. MADDEN. Mr. Chairman, I did not intend to take up any of the time of the committee, because I am very anxious to have the bill proceed to its conclusion, but I think the hour has come when we ought to take an inventory of our own attitude and see whether or not we are really in a position to say what must be done in a particular case without having any knowledge of the facts in the case. The war came on in 1917. We had no ships, and we had to raise a great Army. We were sending that Army abroad. We got them over there to the number of 2,000,000. It was found that we needed transportation facilities to save their lives and to provide them with their needs. The Congress liberally provided funds with which to buy or build ships. They did both. They undertook to operate them. We were all clamoring, every Member of Congress, Democrat and Republican, everyone in the United States, for speed. We all voted for every dollar with which to do the thing that we believed should be done to win the war. We won it. We had 420 ships completed when the war closed. We had 2,000,000 troops on the other side. We had to bring them back. The Shipping Board had a program. It was incomplete. The program was larger than perhaps it ought to be, but they conceived the opinion that the hour had come when America should enter the merchant marine business, and they built a good many ships, more than they had when the war closed. There has been a good deal said about the extravagant waste of money in connection with the construction of ships and with their operation, and we all admit that the cost of these ships is higher than it should have been. That, however, is passed. We have got the fleet. It cost the American people $3,300,000,000. When the war closed freights were high, and ship after ship was sailing the seas, carrying the commerce of the world. The ships were all employed while that condition lasted. We all hoped then that conditions would continue as they were. The slump came. Commerce ceased. The ships were tied to the docks everywhere in the world. American ships were no exception to the rule.

The United States, as a result of the war, has 10,000,000 deadweight tons of ships, 20 per cent of all of the ships of the world. Commerce is depressed. There is no tonnage for ships. Ships of every nation are tied to the docks, but we have a fleet. We are bound to lose money whether we operate them or not. The loss on the fleet that we built with which to conduct the war was last year $200,000,000, it is said. We charged the present Shipping Board with the responsibility of cutting the cost. When they came into power they had no facts. They had no facts when they came before the Congress last August, and without facts we gave them $48,500,000 with which to conduct this great enterprise.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. In just a moment. We charged them with the responsibility of cutting the costs. They promised to cut them. They have kept their promise. We charged them with the responsibility of ascertaining what the assets of the Shipping Board are. They found them. They found that we have assets of $306,000,000 of one kind and another, to say nothing about the ships themselves, and that we have liabilities of about $219,000,000, outside of the claims that are in the courts in suits. They found that if they are given the opportunity that within the next year they will be able to clean all of this situation up; they will pay the bills. They have reduced the loss from over $200,000,000 a year to $48,000,000 or $50,000,000 at most. They have but 400 ships in operation, it is true, but they have the same proportion of ships operating that every other shipowner has throughout the world. It costs $3,000,000 a month to tie these ships to the docks. That makes $36,000,000 of a loss every year. We are losing a million dollars a month on the ships that we are operating. If we tied them all up we would not lose any less than we are losing now.

We have the fleet and we have to protect it. It is the property of the American people. Of course, the time is coming, and it is not far off, when we must transfer this fleet into private hands, but we can not transfer it into private hands at present, because there is no sale for property of any kind, much less for ships. You can not charter ships. You can not get rates that will permit you to operate successfully, if you did charter them, and while this depressed condition prevails throughout the world, you can not expect the Shipping Board to bring in a balance sheet to show great profits. What are we going to do with the property? It belongs to you; it belongs to me; it belongs to every man, woman, and child in America. It is ours; we paid for it. What are you going to do with it? Are you going to throw it away; are you going to discard it? Are you going to say to the men who are charged with the responsibility of conducting and managing this problem that we will not permit them to manage it? Are you going to tie their hands so that they can not conduct the business? Do gentlemen realize that this is a bigger business than the business of the United States Steel Corporation? It is a business institution. Unfortunate for the American people, it is true, but we have it on our hands, and it is fortunate, after all, that we have it on our hands, for we got the benefit of the ships when we most needed the benefits. We were able to bring our troops back from abroad, and no such body of troops was ever brought with such expedition from any place in the world before, and we did it because we had the ships. I am not blaming anybody for the condition. We can not do that. The war was extraordinary. The conditions under which we are operating are extraordinary. If we had provided the means for the conduct of a war for a single year, we would not have so many ships.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. In just a moment. We would not have had so much money invested in those ships, but those who were in the control of the Government at that time, I assume, were trying to conduct a war that might last four or five years.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. And so we have invested in ships that we constructed during the war with money that perhaps otherwise would not have been invested.

We are all Americans. We are all interested in the success of the Nation. We were all interested in the war. There was no politics then. You gentlemen on the Democratic side were supported loyally by every man on the Republican side when you had control. We did not raise any political question. Today we are in responsible control. Our duty is to clean up all the problems that confront us as far as we know how to do so. These are war problems. This is a war problem. We have certainly got to ask you to cooperate with us in cleaning this problem up, as we were expected to cooperate with you to win the war. The war is not over so far as these problems are concerned. It still continues. And the Shipping Board is one of the instrumentalities charged with the great problem that was created, not for the purpose for which it is conducted, but for the purpose of winning the war.

I appeal to you gentlemen, every one, to treat this question as a great business question would be treated; treat it fairly, and treat it with consideration. Do not try to tie the hands of those that we have employed to conduct this great business. Give them a chance. They are doing well. But it may be said that they complained about the operation of the M. O. 4 contract. I complained about it. I said then, and I continue to say, that the contract that is called the "managing operators'" contract, under which they received 5 per cent of the gross receipts, was, under the terms of the contract at the time it was made, unwise. I will put it that way, as modestly as I can. The present Shipping Board said it was a contract that never ought to have been made. They said they tried to modify it; tried to abrogate it. They come now and admit they can not abrogate it under the present conditions, but they have modified it. They say they have done away with the stevedore companies that these managing operators formerly organized. They have done away with the cost of subsistence for the men employed on the ships; that is, they have reduced the cost from $1.25 to 80 cents per day per man, and they propose when the conditions justify to abrogate the contract entirely. But they say, and say it truthfully, that there is no chance under the present depressed conditions to proceed except as they are going. We are losing $48,000,000 or $50,000,000 a year. They have reduced the cost of the overhead here in the management of this plant from $15,000,000 to $10,000,000. I have heard it complained in the discussions on the floor that they are employing high-priced attorneys. They are employing a few men to manage that draw exorbitant pay. They are employing a few men at great salaries, as we understand salaries in the Government service.

There are only six of them now; proposed to be 13 under this bill. What have they done? They have reduced the number of people engaged in the management of the Shipping Board from 8,000 and odd down to 5,000, and they have reduced the overhead cost from $15,000,000 a year to $10,000,000. Have they functioned? I think they have. If this bill is passed in its present form, without any restrictive limitations that will embarrass, I predict that at the end of the next year the Shipping Board will be able to make a report that will justify our action; that they will have paid up most of the claims that are pending against the Shipping Board, except those in court, out of the $50,000,000 we propose to appropriate. They will recondition such ships as they are planning to recondition; they will conduct the business on business lines, and they will justify the confidence of the Congress and of the American people.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous consent that the gentleman may have a minute in which to answer a question.

Mr. LANGLEY. I ask unanimous consent that he may have two minutes.

Mr. MADDEN. I do not want two minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that his colleague may have his time extended for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. GRAHAM of Illinois. Does the gentleman believe that this Shipping Board ought to undertake the reconditioning of the *Leviathan?*

Mr. MADDEN. I will say in reply to that that the Shipping Board wanted to sell the *Leviathan.* They were offered $4,000,000 for it. They had it sold. They were enjoined in the courts of the country from selling the ship. It is costing $60,000 a month to maintain the ship at the dock, or $720,000 a year, or 9 per cent on $8,000,000. She is rotting. It is far better to recondition her at whatever reasonable cost can be justified than to continue her in the present shape.

Mr. LANGLEY. Mr. Chairman, will the gentleman from Illinois pardon me for an interruption?

Mr. MADDEN. Yes.

Mr. LANGLEY. One of the high-priced lawyers referred to is a Kentuckian, a former Solicitor General of the United States, the Hon. William Marshall Bullitt, one of the great lawyers of the South.

Mr. MADDEN. I do not care where he comes from. The only thing I am concerned in is that the board shall successfully function.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. OLIVER. Mr. Chairman, the gentleman from Illinois [Mr. MADDEN] has made an informing and interesting statement. I submit, however, that his statement is not relevant to the pending amendment. The gentleman from Illinois must remember that he advised Congress less than six months ago to place limitations and restraints on the authority of the Shipping Board. The Shipping Board last year asked for an appropriation of $100,000,000, and the gentleman from Illinois rather boastfully told Congress that this amount had been denied them and that the committee only allowed $48,500,000. He further, in a speech before Congress, recommended the adoption of a limitation on the Shipping Board in the matter of employing attorneys and vested the Attorney General of the United States with authority to supervise and overlook the employment of attorneys by the Shipping Board and to fix the compensation to be paid such attorneys. He also offered an amendment limiting the Shipping Board to the employment of five men only at salaries in excess of the amount paid members of the board. Certainly, then, the gentleman from Illinois [Mr. MADDEN] is on record to the effect that it is not unwise and improvident to place limitations on the exercise of authority by the Shipping Board. The gentleman from Illinois did not answer the question of his colleague [Mr. GRAHAM], "Would you advise the expenditure of $8,200,000 on the reconditioning of the *Leviathan,* when it is stated that the chairman of the Shipping Board has expressed an opinion that if reconditioned it can not be sold for exceeding $6,000,000?" Congress announced in the act of 1920 that it was the policy of the Government to dispose of its ships to private parties.

The Government owns approximately 1,400 steel ships, 370 of which are now being operated. At the time the present Shipping Board took charge there were being operated over 600 ships, and they deserve credit for having reduced this number to less than 400, and it may be wise to encourage further reductions. Certainly, since we are reducing the number of ships in operation and are preparing to sell all ships now under the control of the Shipping Board, it is not unwise for Congress to direct that appropriations now carried shall not be expended in the further reconditioning and repair of ships where such cost will exceed $1,000,000. Let me give to the gentleman from Illinois my reasons for thinking that a limitation of this kind is not unwise, and I will pause to have him answer, if he holds a different opinion. The average steel ship we own does not exceed 10,000 tons. We have some ships larger and many smaller than this. Now, the evidence before the committee discloses that the ships we own, and which were constructed at a cost of more than $300 per ton, will probably be resold at from $30 to $40 per ton. This shows a large shrinkage in value, but it suggests at the same time the importance of limiting the amount that may be expended in the repair and reconditioning of these ships.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. OLIVER. Mr. Chairman, may I have five minutes more?

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. OLIVER. I can not believe that the House will consider it unwise to place a reasonable limitation on the amount that can be expended in the reconditioning and repair of ships, especially since the Shipping Board has been authorized and directed to sell the ships at the earliest possible time when it can be done to the advantage of the Government. The officers of the Shipping Board have repeatedly called attention to the great loss that the Government must sustain in the resale of these ships.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. OLIVER. Yes.

Mr. EDMONDS. As to most of the reconditioning, where $1,000,000 would be spent, the ships are passenger vessels, and unquestionably they are worth more than $1,000,000.

Mr. OLIVER. The gentleman is correct, but he will recall that comparatively few of our passenger vessels need repairs, and we will soon have 19 additional new passenger vessels,

which must be offered for sale to private parties at less than they originally cost. Some of these vessels have not yet been completed.

Mr. EDMONDS. The gentleman knows that most of those 19 passenger vessels of the class that we are operating now are finished.

Mr. OLIVER. Yes. The hearings disclose, however, that the Shipping Board will ask for an additional $12,000,000 to cover the cost of completing the remaining 19 ships. The gentleman from Pennsylvania [Mr. EDMONDS] is quite familiar with the ships owned and the routes now established by the Shipping Board. I will ask him on what passenger vessels would he advise the expenditure of more than $1,000,000, unless it be the *Leviathan?*

Mr. EDMONDS. I myself am opposed to putting any money on the *Leviathan.*

Mr. OLIVER. I understood from a statement made some minutes ago that the gentleman was.

Mr. EDMONDS. It is possible that there may be some of the German vessels that can be used in European travel or in Mediterranean travel that can be repaired and reconditioned and operated profitably.

Mr. OLIVER. That does not answer my question. Will the gentleman advise that it is unwise to adopt the amendment of the gentleman from Illinois [Mr. GRAHAM], in which it is sought to fix a limitation on the authority of the Shipping Board to expend out of the appropriations carried in this bill a sum in excess of $1,000,000 in reconditioning and repairs of any single ship, and requiring that where a sum in excess of $1,000,000 is needed that a specific authority from Congress be first obtained? The Members of the House are responsible for the expending of public money, and I can not but feel, in the light of the facts disclosed in the hearings, that it is wise to place a limitation on sums to be expended in the repairs and reconditioning of vessels.

Mr. EDMONDS. I have no knowledge of any ship to-day that would require that expenditure.

Mr. OLIVER. I felt sure that the gentleman had no knowledge that would authorize an expenditure in excess of this sum, and I quite agreed with his statement made a short time since that he considered it unwise to spend $8,200,000 on the *Leviathan,* when it probably could not be resold if reconditioned for exceeding $6,000,000.

Mr. GRAHAM of Illinois. Does the gentleman know of any way to stop it if we do not do something of this kind?

Mr. OLIVER. None whatever. Let me remind the Members of the House that in 1920 Congress wrote into the permanent law a policy for the merchant marine which they felt would lend value to the ships owned by the Government, and which they directed should be operated for a limited time in establishing trade routes and then sold to private parties.

The gentleman from Massachusetts [Mr. GREENE], as well as the gentleman from Pennsylvania [Mr. EDMONDS], called especial attention in the committee's report, and also in speeches on the floor, to the fact that the bill of 1920 fixed a definite policy for the American merchant marine, and, if followed, would sustain the operation of American ships on a profitable basis and enable the Government to sell its ships to private parties on satisfactory terms. The policy I refer to was set out in sections 28 and 34 of the merchant marine bill passed in 1920. President Wilson was criticized for not putting sections 28 and 34 in force, and it is reported that President Harding—then Senator Harding—was one of the critics. After Mr. Harding went into office, however, he also failed to give force to sections 28 and 34, and it is now reported that he is opposed to the policy outlined in these sections and proposes to submit to Congress at some time in the future some form of direct subsidies in lieu thereof.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. OLIVER. May I have three minutes more?

The CHAIRMAN (Mr. HICKS). The gentleman from Alabama asks unanimous consent to be allowed to proceed for three additional minutes. Is there objection?

There was no objection.

Mr. OLIVER. The gentleman from Massachusetts [Mr. GREENE] and his associate on the committee, the gentleman from Pennsylvania [Mr. EDMONDS], have insistently advised Congress of the importance of sections 28 and 34 of the shipping bill of 1920 and have called attention to the fact that the enforcement of these sections will lend value to American ships and make it possible to maintain trade routes on a profitable basis. Now, since these sections have been ignored by the administrative officers of the Government, certainly no one can complain that limitations should be placed by Congress on the Shipping Board, not only as to the operation of ships but also as to amounts to be expended in repairs and reconditioning.

You must either require that the policy announced by Congress in 1920 be carried out or that the present administration submit some better substitute policy therefor. We can not afford to continue operating ships at a heavy loss. There could be no worse form of subsidy than the continuance of a policy that calls for the expenditure of $50,000,000 a year to cover deficits in the operation of these ships, and we owe it to the people of the country to see that a policy is announced, adopted, and followed that will insure the operation of ships on a paying basis, otherwise we should refuse to grant appropriations covering future losses.

I am interested in the building up of a merchant marine, but am unwilling to continue to operate ships in the absence of some well-defined policy which promises and insures the future operation of these ships on a sound business basis. It is doubtful whether Congress will vote a subsidy for the operation of ships, but if the administration persists in refusing to put in operation sections 28 and 34 of the bill of 1920 then Congress, before making further large appropriations for 1923, must require the administration to outline and submit for the consideration of Congress a definite policy in reference to our merchant marine. The papers report that the administration will recommend a system of subsidies, and it is important to know what the attitude of Congress will be in reference thereto, before large sums are placed at the disposal of the Shipping Board to continue the operation of ships, which, under present conditions, must result in great loss to the Government.

When Congress passed the bill in 1920 authorizing and directing the Shipping Board to establish trade routes and operate for a limited time some of the Government-owned ships on said routes we had the right to expect that the policy announced in sections 28 and 34 would be carried out by the administration, thereby placing such established routes on a profitable basis. We now have it in our power to require the administration to either put sections 28 and 34 into effect or to submit to Congress its recommendations in lieu thereof, so that prompt action can be taken thereon, and appropriations should be withheld for 1923 until Congress is assured that some definite policy will be hereafter followed by the Shipping Board in the future operation of ships. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GREEN of Iowa. Mr. Chairman, the amendment which is now before the committee simply means that the Shipping Board shall not proceed with the reconditioning of the *Leviathan* at an expense of $7,000,000 or $8,000,000. It can not apply to any other vessel, and it is the simplest, shortest, and most direct course to take with reference to that matter. No other vessel needs any such repairs, and even the *Leviathan* would not be able to expend half that amount if it were not for the fact that it was proposed to change it from a coal burner to an oil burner. Now, my friend from Illinois [Mr. MADDEN], the distinguished chairman of the Committee on Appropriations, seems to indicate that by this amendment we are showing some lack of confidence in the Shipping Board. Why, in heaven's name, gentlemen, we are appropriating here in lump sum over $100,000,000 for the Shipping Board to do with as it pleases and handle as it pleases and expend as it pleases. If that is not showing confidence enough in the Shipping Board, I do not know how it can be done.

By this amendment we seek to put some small limitation on their activities. The gentleman says that we want to restrict them in the management of the business. This is purely a business proposition, and why should the *Leviathan* be reconditioned? Who has given a solitary reason before the committee for the expenditure of this enormous sum?

Mr. DICKINSON. Will the gentleman yield? I call the attention of the gentleman——

Mr. GREEN of Iowa. I can not yield. I am going to call attention to what the gentleman is evidently going to speak of. One man said he believed the vessel could be operated at a profit. How many have said to the contrary?

Mr. DICKINSON. Does the gentleman know who Mr. Powell is?

Mr. GREEN of Iowa. He is no better qualified than the gentleman from Pennsylvania [Mr. EDMONDS] who has studied shipping business very carefully. He says that the vessel can not be operated at a profit. I am not giving my opinion on this thing.

Mr. GRAHAM of Illinois. Did not the Director of the Budget say the same thing?

Mr. GREEN of Iowa. Yes; the Director of the Budget said the same thing. As I said before, when the Germans could not

operate the vessel at a profit, what reason can anyone give that we can operate it at a profit when it would cost twice as much as it cost the Germans; yes, I might safely say cost three times as much because they propose to turn the vessel into an oil burner, and the expense of fuel would greatly exceed that if it was a coal burner. The Shipping Board is like every other commission. There are times in their enthusiasm when they want to expand the work of their department beyond anything necessary. The gentleman from Illinois asked what we should do with the ship. One thing, we can keep it as a troop ship, and another suggestion, which is more appropriate, is that it might be turned into an airplane carrier and save us $20,000,000. Instead of that they expect to refit it as a passenger ship, change it over from a coal burner to an oil burner, restore the great baths that were in it and the great halls that were in it, and redecorate and regild it, and when they get through they will have nothing but a bill of expense of seven or eight million dollars.

Mr. WOOD of Indiana. Mr. Chairman, the Shipping Board seems to be like an ordinary cur dog that everybody has a right to kick. I wish to call the attention of the committee to some facts with reference to this thing that I think should have a bearing without regard to our prejudices. I know the Shipping Board is in disrepute, but that is not the fault of the present administration. No matter what the facts are, we have the condition now that we have to deal with, and instead of trying to hamstring those who are trying to bring some settlement out of this chaotic condition we ought to try to be helpful with suggestions in place of what they propose to remedy if we disagree with them.

Of course, this amendment is aimed at reconditioning the *Leviathan*. If we are not desirous of reconditioning that vessel, the amendment should be adopted. On the other hand, if by its adoption we are going to prevent the reconditioning of the *Leviathan*, we ought at least to provide some means for its disposal. It is a source of constant and continuous expense; it is costing many hundreds of thousands of dollars a year tied up as it is, without any return. The Shipping Board tried to dispose of it and had an opportunity to dispose of it at a bid of $4,000,000, but they were prevented by an injunction suit, because, as alleged, they were sacrificing the best interests of the Government and wasting the money of the Government.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GRAHAM of Illinois. I want to ask you, if it is not an unfair question, does the gentleman think it ought to be reconditioned for a passenger ship at an expense of from $6,000,000 to $8,000,000?

Mr. WOOD of Indiana. I do; and I will tell the gentleman why. I entertain the same opinion as the gentleman from Illinois. Here is the situation, as it is presented to the committee, and I think it will appeal to any reasonable man. Some of the best men in this country are charged with the responsibility of administration of the Shipping Board, and it is fair to presume that they are interested in bringing about that which is for the best interests of the country, and, in addition, their own reputation is at stake. What do they show us? The reconditioning of the *Leviathan* will cost $8,200,000 in round numbers. I have before me, and I wish everybody might examine them, these specifications which have been prepared, showing the minuteness with which these people have entered into the matter and the scrutiny they have given it both for and against the Government.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. WOOD of Indiana. No; the gentleman asked me a question and I am answering it. They say it will cost $8,200,000. They have attempted to show, and if the gentleman will read the hearings before the committee I think he will be convinced, that from the committee's viewpoint they know more about it than does the gentleman from Illinois and a good deal more than the gentleman from Iowa as to whether it is practical or impractical. Now, we must depend of necessity on somebody. If I employ some one to represent me on a given proposition I am going to charge him with the responsibility; when he gives me a report and a proposition I must of necessity rely upon his judgment of those things which I have charged him with. These gentlemen tell us that after investing the $8,200,000 in the reconditioning of the *Leviathan* and providing for the capacity of one-third of its possibility, after charging off 5 per cent depreciation and all other allowances, after allowing as its full life 13 years, when it ought to be 20, and will be, they tell us that it will bring a net earning to the United States Government of more than $800,000 a year. I am not going to oppose any prejudice of mine against the judgment of these men who have entered into this thing and who claim to know, by reason of facts presented, that that will be the return to the United States.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. OLIVER. When we come to place a value in the estimates of people as to what a ship will probably bring it is a very fair test to judge by what the ships we now have are bringing in, is it not?

Mr. WOOD of Indiana. Yes.

Mr. OLIVER. I think the information before the committee does not bear out the hopes of these people as to the probable returns from the *Leviathan*.

Mr. WOOD of Indiana. It more than bears them out.

Mr. OLIVER. The statement is made that no ship line is now operating at a profit.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. The gentleman is mistaken there. The ships that are operating in carrying freight are operating at a loss, but in the north Atlantic passenger-carrying trade they are operating at a profit, and if one of you gentlemen to-day desires to get passage across upon any one of the first-class steamers now operating, you would have a great deal of trouble in getting it unless you applied a long way in advance. All those ships are operating at a profit. It is the purpose to recondition the *Leviathan*, to make it a first-class passenger-carrying vessel. There is no vessel in the world comparable with it. It is expected, if it is reconditioned, that it will become the great passenger-carrying vessel of the world, and there is a good deal of reason for that. There is more or less of pyschology and sentiment which enters into this thing, as into all the transactions of life. I do not know how many thousand boys went over upon this ship; I do not know how many thousand boys came back upon it; but to each one, coming or going, there is more or less sentiment. We know that there is more desire to go to Europe to-day than ever before, and that there is more desire to come from Europe over here to-day than ever before. That is why these vessels that are engaged in the north Atlantic passenger trade are operating at a profit while freight-carrying vessels are operating at a loss.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GREEN of Iowa. Of course, the gentleman from Indiana knows a great deal more about the *Leviathan* than I do, although I have been all over her and the gentleman has not. I would ask the gentleman where he finds the figures as to how much it is going to cost to operate the *Leviathan*, and where in the hearings he gets the comparisons with the cost of the operations of other vessels, where the figures are that these gentlemen estimate these big profits from?

Mr. WOOD of Indiana. I refer the gentleman to the hearings, at page 1129. I will ask him to mark that down so that he can investigate for himself.

Mr. GREEN of Iowa. I have seen that page, and it is not there.

Mr. WOOD of Indiana. Then the gentleman is past understanding, so that I am not prepared, either by argument, persuasion, or otherwise to convince him. The gentleman from Iowa, who knows nothing about this transaction, is trying for some purpose, I know not what, to assert himself against the men who are supposed to know something about this business. He knows no more about it than I do, and I know nothing more about it, except as I have been convinced by the gentlemen in whom we should have confidence. I know it is an easy matter for demagogues and those who are speaking back to their States to say, "I have done this, or that, to try to save you some money." The gentleman from Iowa, of course, would not be guilty of any such thing as that, but I want to say to you that it is time for us to rise to the importance of this matter, because in it much more is involved than the return of either the gentleman from Iowa or myself. Upon its determination and the policies that may be adopted depends the fate of the merchant marine of the United States. We have heard much in the past with reference to the fact that it involves too much expenditure to establish a merchant marine, because we have not had the ships. We can no longer offer that excuse. We have the ships, and it remains now for us to determine whether we will utilize the present opportunity and employ the ships we have or whether we shall sink back again into the obscurity which we have occupied since the close of the Civil War, seeing

the American flag each month disappear from the seas, until we became an object of contempt rather than an object of admiration on the ocean. It is time for us to get away from these bickerings, whether it appeals to you as a Democrat or a Republican. It should appeal to us as Americans, with respect to the policy that we are to adopt, as to whether or not we are to have a merchant marine.

Mr. HERRICK. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. No; I have not the time. If the amendment of the gentleman from Illinois be adopted, it would be very harmful. The *Leviathan* to-day is costing $750,000 a year to maintain it in absolute idleness. What are you going to do with it?

Mr. GRAHAM of Illinois. Mr. Chairman, does the gentleman want me to tell him?

Mr. WOOD of Indiana. Yes.

Mr. GRAHAM of Illinois. We have some very capable Committees on Naval Affairs and the Merchant Marine and Fisheries that could probably suggest a remedy, but, so far as I am concerned, before I would ask to have a ship reconditioned at an expense of $8,200,000, which would be worth only $6,000,000 when I got through, I would take it out and sink it, and I would be the winner by $2,000,000.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

Mr. SEARS. Mr. Chairman, reserving the right to object, we are very anxious to get this bill through, but the gentleman is speaking so interestingly that I shall not object.

Mr. HERRICK. Mr. Chairman, reserving the right to object, will the gentleman answer me a question?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HERRICK. I want to ask the gentleman if it is not a fact that just prior to the outbreak of the European war there was a great roar going up and down the country for a ship subsidy in order to acquire a merchant marine, and is there any difference, except in name, between losing a great amount of money on the merchant marine that we have now and granting a subsidy, if the European war had not occurred.

Mr. WOOD of Indiana. I think that is a most intelligent question, and I am free to say that the gentleman is absolutely correct. There never will be established a merchant marine in this country unless we have some kind of a subsidy for it. Do not make any mistake about that. There has never been one established heretofore without a subsidy. We had it when the American vessels were the pride of the sea. We lost it when we withdrew that support. And it remains for the American people to say whether or not we are going to have it now.

I want to call your attention to this fact: We have a conference down here that is trying to provide some scheme for the limitation of armament, trying to bring about a better understanding among the nations of the earth, trying, if you please, to establish the brotherhood of man. How can it better be done than to have the American flag go into every port on the face of the earth? How can it better be accomplished than through the possibilities that we have now in making it possible for the traditions of a free people and their accomplishment to be carried through our trade relations to the people of the earth? We have never had a better opportunity than we have now, and it is ill becoming men who aspire to be statesmen to let their little local prejudices and the possibility for support, either for or against this institution, influence them on this important question. So I say to you gentlemen here that this amendment is far-reaching in its effect, further than it pretends to be upon its face. I know the gentleman from Illinois [Mr. GRAHAM] is not desirous of shifting the responsibility for the establishment of the American merchant marine.

I know it is not his purpose to try to do anything that will hinder the attempt of those now in charge of the administrative affairs, not only of the Shipping Board but of the whole policy of this Nation, to bring something of accomplishment out of this chaotic condition that we have found. I hope that it will appeal to his reason and the reason of the gentlemen here, after reviewing all the evidence in this case, that now of all other times we should do that which we think is best for the future of this country. I know it appears on its face that we are extravagant in this expenditure. I will admit it. These salaries seem extravagant. All of this expenditure seems extravagant, but this is an extravagant business. It was created in extravagance and out of the extravagance due to the waste of war. It will be extravagant until we can bring some order out of the chaotic condition that we have found, for which we are not responsible and for which the agency and emergency of war was responsible. So let us be now as patriotic as we were then. We then simply opened the Treasury of the United States to build ships and more ships. We have built them, and we have them now. Are we going to waste them? Let us exercise some care over the possessions we have, that they may redound to the good not only of the future of this country but of the world. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment of the gentleman from Illinois [Mr. GRAHAM].

The question was taken, and the amendment was rejected.

Mr. BYRNES of South Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BYRNES of South Carolina: Page 28, after line 12, insert a new paragraph, as follows:

"Of the sums appropriated in this act, not more than $400,000 shall be used for advertising purposes."

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9981 and had come to no resolution thereon.

ENROLLED BILL SIGNED.

Mr. RICKETTS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 6119. An act to authorize the coinage of a Grant memorial gold dollar and a Grant memorial silver half dollar in commemoration of the centenary of the birth of Gen. Ulysses S. Grant, late President of the United States.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until Saturday, January 28, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

489. A letter from the Secretary of the Navy, transmitting a tentative draft of a paragraph to be added to House bill 7864, increasing the limit of cost of certain scout cruisers; to the Committee on Naval Affairs.

490. A letter from the Secretary of the Navy, transmitting a draft of a bill authorizing the acquisition of certain sites for naval aviation stations; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. MOORES of Indiana: Joint Select Committee on Disposition of Useless Executive Papers. H. Rept. 615. A report on the disposition of useless papers in the War Department. Ordered to be printed.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. J. Res. 257. A joint resolution to appoint a commission for the exchange of sites for a post-office and courthouse building at New York between the Federal Government and the officials of the city of New York; with amendments (Rept. No. 616). Referred to the Committee of the Whole House on the state of the Union.

Mr. HICKEY: Committee on the Judiciary. H. R. 8573. A bill to create two judicial districts within the State of Indiana, the establishment of judicial divisions therein, and for other purposes; with amendments (Rept. No. 617). Referred to the Committee of the Whole House on the state of the Union.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 9202. A bill to amend sections 7, 8, and 9 of the Panama Canal act, and for other purposes; with amendments (Rept. No. 618). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 10009. A bill to authorize the State of Alabama, through its highway department, to construct and maintain a bridge across the Tombigbee River at or near Moscow Landing, in the State of Alabama; without amendment (Rept. No. 622). Referred to the House Calendar.

Mr. SNYDER: Committee on Indian Affairs. H. R. 10073. A bill conferring authority on the Secretary of the Interior to consent to or approve of the alienation of certain Indian allotments; without amendment (Rept. No. 623). Referred to the House Calendar.

Mr. SNYDER: Committee on Indian Affairs. H. R. 9344. A bill providing for the appropriation of funds for acquiring additional water rights for Indians on the Crow Reservation, in Montana, whose lands are irrigable under the Two Leggins irrigation canal; without amendment (Rept. No. 624). Referred to the House Calendar.

Mr. HERSEY: Committee on the Judiciary. S. 2801. An act to amend section 21 of an act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1897, and for other purposes," approved May 28, 1896; without amendment (Rept. No. 625). Referred to the Committee of the Whole House on the state of the Union.

Mr. VOLSTEAD: Committee on the Judiciary. S. 426. An act to amend an act entitled "An act to amend section 1, chapter 209, of the United States Statutes at Large, volume 27, entitled 'An act providing when plaintiff may sue as a poor person and when counsel shall be assigned by the court,' and to provide for the prosecution of writs of error and appeals in forma pauperis, and for other purposes," approved June 25, 1910 (36 Stat., 866); without amendment (Rept. No. 626). Referred to the Committee of the Whole House on the state of the Union.

Mr. HULL: Committee on Military Affairs. S. 2072. An act to authorize the Secretary of War to make and receive conveyances effecting an exchange of title to the railroad rights of way at Camp Henry Knox, Ky., and for other purposes; with an amendment (Rept. No. 627). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JEFFERS of Alabama: Committee on the Public Lands. H. R. 7968. A bill granting to the city of St. Andrews, Fla., the right to remove shells, sand, and gravel from certain public lands for road-building purposes; with an amendment (Rept. No. 619). Referred to the Committee of the Whole House.

Mr. ROSE: Committee on Claims. H. R. 5648. A bill for the relief of Ike T. Boyles; without amendment (Rept. No. 620). Referred to the Committee of the Whole House.

Mr. ROSE: Committee on Claims. H. R. 449. A bill for the relief of the Cornwell Co.; with an amendment (Rept. No. 621). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8093) granting an increase of pension to William H. Mercer; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9763) granting a pension to George W. Mathews; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 8373) to extend the benefits of the employers' liability act of September 7, 1916, to Daniel S. Glover; Committee on Labor discharged, and referred to the Committee on Claims.

A bill (H. R. 9946) to extend the benefits of the employers' liability act of September 7, 1916, to Lillian P. Toft, widow of Philip A. Beaudin; Committee on Labor discharged, and referred to the Committee on Claims.

A bill (H. R. 9890) granting a pension to Emma E. Howe; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9923) granting an increase of pension to Sankey Gray; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A joint resolution (H. J. Res. 230) authorizing the Secretary of the Treasury to reimburse the heirs of Christopher B. Heebner, out of any money in the Treasury not otherwise appropriated, in a sum sufficient to cover the exemption of soldiers from draft during the Civil War; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SMITHWICK: A bill (H. R. 10156) to acquire a site for a public building at Panama City, Fla.; to the Committee on Public Buildings and Grounds.

By Mr. FOCHT (by request): A bill (H. R. 10157) to provide for the erection of an addition to the Eastern Dispensary and Casualty Hospital; to the Committee on the District of Columbia.

By Mr. RIDDICK: A bill (H. R. 10158) to authorize the erection and equipment of a building or buildings for school purposes on the Blackfeet Indian Reservation in Montana; to the Committee on Indian Affairs.

By Mr. VOLSTEAD: A bill (H. R. 10159) to further protect interstate and foreign commerce against bribery and other corrupt trade practices; to the Committee on the Judiciary.

By Mr. SNYDER: A bill (H. R. 10160) conferring authority on the Secretary of War to present a piece of condemned ordnance to the village of Clark Mills, N. Y.; to the Committee on Military Affairs.

By Mr. STEENERSON: A bill (H. R. 10161) authorizing the use of special canceling stamps in certain post offices; to the Committee on the Post Office and Post Roads.

By Mr. WEAVER: A bill (H. R. 10162) to provide for the purchase of a site and the erection of a public building at Asheville, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. SANDERS of Texas: A bill (H. R. 10163) permitting the organizations of agricultural pools for the purpose of making agricultural loans; to the Committee on Banking and Currency.

By Mr. LEATHERWOOD: A bill (H. R. 10164) to authorize the temporary reserving and setting apart of certain public lands for experiments in sheep growing, and for other purposes; to the Committee on the Public Lands.

By Mr. KAHN: Joint resolution (H. J. Res. 263) authorizing the purchase of land for cemeteries for American military dead in Europe, and the improvement thereof; to the Committee on Military Affairs.

By Mr. SMITHWICK: Resolution (H. Res. 274) providing for printing additional copies of soil survey of Gadsden County, Fla.; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 10165) granting an increase of pension to William E. Gault; to the Committee on Pensions.

By Mr. CHANDLER of Oklahoma: A bill (H. R. 10166) for the relief of Dr. L. A. O'Brien; to the Committee on Claims.

By Mr. CLASSON: A bill (H. R. 10167) granting an increase of pension to Edith L. Howland; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 10168) granting a pension to Rebecca Robb Young; to the Committee on Invalid Pensions.

By Mr. FESS: A bill (H. R. 10169) granting a pension to Sarah Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10170) granting an increase of pension to Catharine Elliott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10171) granting a pension to Martha E. Fry; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 10172) granting a pension to George R. Waller; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 10173) for the relief of Rezin Franklin Neves; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 10174) for the relief of Edgar M. Taylor; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 10175) granting a pension to Charles H. Brisbin; to the Committee on Invalid Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 10176) granting an increase of pension to Frank G. Himes; to the Committee on Invalid Pensions.

By Mr. PAIGE: A bill (H. R. 10177) for the relief of Sherman Miles; to the Committee on Military Affairs.

By Mr. REAVIS: A bill (H. R. 10178) for the relief of Samuel S. Archer; to the Committee on Claims.

By Mr. ROSE: A bill (H. R. 10179) for the relief of Americus Enfield; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 10180) granting a pension to Frederick S. Loftis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10181) granting a pension to Polly Marsee; to the Committee on Pensions.

Also, a bill (H. R. 10182) granting an increase of pension to Herbert A. Weisgarber; to the Committee on Pensions.

Also, a bill (H. R. 10183) granting a pension to Adaline Peak; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 10184) for the relief of Thomas J. Cooper; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3698. By Mr. ANDREW of Massachusetts: Petition of various citizens of Massachusetts, urging passage of legislation suspending payment of Austrian debt for at least 20 years; to the Committee on Ways and Means.

3699. By Mr. BOND: Petition of the Contemporary Club of Women of Brooklyn, in opposition to American valuation plan embodied in House bill 8245; to the Committee on Ways and Means.

3700. By Mr. CHRISTOPHERSON: Petition of citizens of Bijou Hills, S. Dak., urging revival of United States Grain Corporation; to the Committee on Agriculture.

3701. By Mr. CULLEN: Petition of the National Security League, relative to the defense of the United States, etc.; to the Committee on Foreign Affairs.

3702. By Mr. FULLER: Petition of F. G. Hogland and 210 other citizens of Rockford, Ill., for the enactment, without further delay, of the Fordney tariff bill, based on American valuation, and with adequate protective rates for American labor costs and the American standard of living; to the Committee on Ways and Means.

3703. By Mr. GALLIVAN: Resolution of the American Legion, adopted in annual convention at Indianapolis, January 20, urging Congress to pay the fivefold so-called adjusted compensation bill; to the Committee on Ways and Means.

3704. Also, petition of William F. Garcelon, of Boston, urging the passage of House bill 7100, relating to Federal guaranty to carriers by water not controlled by railroad companies; to the Committee on Interstate and Foreign Commerce.

3705. Also, resolution of Medford Post, No. 45, American Legion, of Medford, Mass., urging the passage of the fivefold plan for adjusted compensation for the veterans of the World War; to the Committee on Ways and Means.

3706. By Mr. KISSEL: Petition of the E. Clemens Horst Co., of San Francisco, Calif., relative to our interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

3707. Also, petition of the Chamber of Commerce of New York City, protesting against recognition of present Russian government; to the Committee on Foreign Affairs.

3708. By Mr. RAKER: Petition of the National Board of Farm Organizations, of Washington, D. C., protesting against the proposed plan to transfer the Bureau of Markets from the Department of Agriculture to the Department of Commerce, and the Forest Service from the Department of Agriculture to the Department of the Interior; to the Committee on Agriculture.

3709. Also, petition of Andrew C. Lawson, Bailey Willis, W. W. Campbell, A. O. Leuschner, William E. Ritter, George D. Louderback, and John P. Buwalda, all of California, urging additional appropriation for the United States Coast and Geodetic Survey to execute certain surveys in California; to the Committee on Appropriations.

3710. Also, petition of the Grain Trade Association of the San Francisco Chamber of Commerce, of San Francisco, Calif., relative to the Hill bill; to the Committee on the Judiciary.

3711. Also, petition of the Santa Barbara County Farm Bureau, of Santa Barbara, Calif., indorsing recommendation of Forest Service relative to closing of Santa Barbara city watershed; to the Committee on Agriculture.

3712. Also, petition of the Chamber of Commerce of the State of New York, opposing recognition of the present Russian government; to the Committee on Foreign Affairs.

3713. Also, petition of Karl A. Baumgaertel, of Mountain Quarries, Auburn, Calif., protesting against the placing of an embargo upon the importation into this country of German and other foreign photographic supplies and equipment; to the Committee on Ways and Means.

3714. By Mr. RIDDICK: Petition of sundry farmers from Montana, urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3715. By Mr. YOUNG: Petition of the committee on rural problems appointed by the governor of North Dakota, signed by Hon. A. J. Gronna and others, advocating legislation to stabilize the prices of farm products; to the Committee on Agriculture.

SENATE.

SATURDAY, *January 28, 1922.*

(Legislative day of Wednesday, January 25, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

The PRESIDENT pro tempore. The bill is as in Committee of the Whole and open to amendment.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Borah	Hale	McNary	Swanson
Brandegee	Harris	Moses	Townsend
Cameron	Heflin	Nelson	Wadsworth
Capper	Johnson	Overman	Walsh, Mont.
Caraway	Jones, Wash.	Page	Warren
Cummins	Kellogg	Pepper	Watson, Ga.
Curtis	Keyes	Phipps	Watson, Ind.
Ernst	La Follette	Poindexter	Weller
Fernald	Lenroot	Ransdell	Willis
Fletcher	Lodge	Sheppard	
France	McCumber	Spencer	
Gooding	McKinley	Sterling	

Mr. MCNARY. I wish to announce the absence of the Senator from Nebraska [Mr. NORRIS] and the Senator from North Dakota [Mr. LADD] on official business.

Mr. RANSDELL. I desire to announce the absence of my colleague [Mr. BROUSSARD], on account of illness in his family.

Mr. FLETCHER. I wish to announce the necessary absence of my colleague [Mr. TRAMMELL]. I will allow this announcement to stand for the day.

The PRESIDENT pro tempore. Forty-five Senators have answered to their names. A quorum is not present. The Secretary will call the roll of absentees.

The reading clerk called the names of the absent Senators, and Mr. LADD answered to his name when called.

The following Senators entered the Chamber and answered to their names:

Ball	Frelinghuysen	Hitchcock	Oddie
Calder	Glass	Jones, N. Mex.	Sutherland
Culberson	Harreld	McKellar	Walsh, Mass.
Dial			

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH] is detained on business of the Senate. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Fifty-nine Senators have answered to their names. There is a quorum present.

Mr. POINDEXTER. Mr. President, on several occasions during the last few days the learned Senator from Montana [Mr. WALSH] has argued that the pending bill, for the funding of what is commonly called the foreign debt, is unconstitutional. That is a very novel and very interesting suggestion. Coming from a lawyer of the distinction of the Senator from Montana, of course it attracts attention and is entitled to consideration. I do not think that it is of great practical importance, so far as the consideration of the bill is concerned, because I doubt very much whether any considerable number of Senators will take that view of the pending measure.

It is of very great importance, however, on account of the underlying principles upon which the contention is based. It is a revival of the doctrine that Congress has nothing to do with foreign affairs, and that the exclusive jurisdiction over the foreign policies of the country is vested in the President of the United States, acting by and with the advice and consent of the Senate.

That was a great national issue in some of its phases in the political campaign of 1918. At that time the then President of the United States appealed to the voters of the country to elect a Congress which would support his views and his policies, so that he might be, as he expressed it, as I recollect, the unembarrassed spokesman for the Nation in affairs at home and abroad.

That strikes me as a dangerous and fundamental fallacy in the principles of our Government. There is no doubt whatever in my mind that Congress has as much jurisdiction over the foreign affairs of the country as it has over its domestic affairs, and that the jurisdiction and authority of the President of the United States in dealing with foreign nations is limited by

law; that Congress has a right to fix a limitation upon his conduct of foreign affairs; that only in so far as Congress does not act—under the treaty power of the Constitution—the President may act.

It is somewhat similar to the control of Congress over interstate commerce. It has been held many times by the courts that in that indistinct zone of conflict between the States and National authorities the States may act where Congress has not exercised its authority, but at any time that Congress, exercising its powers under the Constitution, sees fit to assume its jurisdiction, whatever action it takes supersedes that of the States.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Connecticut?

Mr. POINDEXTER. I yield.

Mr. BRANDEGEE. I wish to repeat, if I may, the words used by the Senator. I am quite sure he does not mean what I think the ordinary person upon reading his words, if he allows them to stand as they are, would think he meant.

The Senator, as I recall his words, just stated that in dealing with foreign nations, in so far as Congress did not act, the President had authority to act. The Senator does not mean that the President may make a contract with a foreign sovereignty, so as to bind the people of this country, simply because Congress has not taken up the matter?

Mr. POINDEXTER. Undoubtedly he can, within the constitutional limitations. There are certain limitations fixed by the Constitution. Of course, in all cases I imply that he must act with the advice and consent of the Senate.

Mr. BRANDEGEE. Of course, the Senator admits that the President of the United States has authority, under the Constitution, to make treaties, by and with the advice and consent of the Senate, two-thirds of the Senate voting therefor. Aside from his right, in the exercise of his constitutional power to negotiate treaties, the Senator does not mean that he has a right to bind the country by a personal agreement between himself and the Government of another sovereignty?

Mr. POINDEXTER. If there is any doubt left in the mind of anyone by the remarks which I made and the implication could be drawn from them that I advocated the doctrine that the President alone could bind the country, I am very glad the Senator from Connecticut has called attention to that fact.

I have known of many agreements made between the executive department of our Government and foreign nations which I reprobated very emphatically because of the fact that they were done without constitutional authority, not having the advice and consent of the Senate. One of them to which I might call attention, which comes to my mind particularly, and which has been quite famous in recent years, is the Lansing-Ishii agreement. I do not think any such agreement as that has any binding effect upon this Nation at all. I think I said in the beginning of my remarks that the action of the President must be with the advice and consent of the Senate.

Mr. BRANDEGEE. If he is making a treaty.

Mr. POINDEXTER. Yes.

Mr. BRANDEGEE. But the reason I called the attention of the Senator to what I thought might be the subject of misinterpretation of the casual phrase that he used was this: I had occasion the other day, Mr. President, to give my views upon the same subject that the Senator from Washington is now discussing, and I find that some of the press have entirely mistaken my position and misinterpreted my remarks, and have written learned and lengthy editorials on the theory that I had denied the power of the President to initiate the making of a treaty or to negotiate one, and that the Senate was now asserting its authority to prevent the President from even attempting to negotiate a treaty without first obtaining the advice and consent of the Senate.

Mr. POINDEXTER. Of course, anyone who knows the Senator from Connecticut knows he is too good a lawyer to advocate any such idea as that. I understood him perfectly.

Mr. BRANDEGEE. I am too good a lawyer, though not a very good one, to have misinterpreted the Senator's position, but I am cautioning him to be very careful what he says or he will be misinterpreted by certain learned newspapers all over the country.

Mr. POINDEXTER. I have become quite accustomed to that experience.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Idaho?

Mr. POINDEXTER. I yield.

Mr. BORAH. I want to ask the Senator from Connecticut [Mr. BRANDEGEE] a question before he takes his seat. Just what position does such an agreement as the Lansing-Ishii or the Root-Takahira agreement occupy in our international affairs?

Mr. BRANDEGEE. The Senator from Idaho, I think, probably entertains the same view that I do about that, and he probably knows what view I entertain, but wishes me to state it publicly, which I am very happy to do. That same question was asked Secretary of State Lansing, if I remember it, when we had him as a witness before the Foreign Relations Committee, and, if I recall his answer correctly, he admitted that that agreement had no binding force upon the country whatever; that it was simply an understanding between the State Departments of the two countries affected; and if questioned by the constitutional authorities of the country, it would not stand for a minute. No agreement made by our Secretary of State with a minister of foreign affairs of a foreign power, or no agreement made by the President of the United States with any foreign chief executive, would bind this country, no matter whether or not it would bind the foreign country, without the consent of the Government of this country; and the Government of this country does not consist of the President, nor of the Senate, nor of the Congress as a whole; but many newspaper writers and other learned gentlemen when they read the expression "the government of the country" seem to think that the King is the Government of Great Britain and that the President is the Government of the United States. No such delusion, I am sure, exists in the minds of the people at large.

Mr. McCUMBER. Will the Senator from Connecticut yield to me?

Mr. BRANDEGEE. I have not the floor.

Mr. BORAH. I want to ask the Senator from Connecticut one more question leading up to the thought I had in mind. We have lately negotiated a treaty which is known as the "four-power treaty," but which may more properly be called the "four-power alliance." Since that treaty was negotiated there has arisen a misunderstanding as to what it means. The Secretary of State and the proper official in Japan are now about to exchange notes, I understand, to delimit the meaning or scope of that treaty. Now, can the Secretary of State alone, by a mere exchange of notes, change the plain terms of the treaty so as to make it speak other than it does according to its terms?

Mr. BRANDEGEE. Mr. President, I have never looked up that question or attempted to do so, because it never has become a practical one in my experience, but I should assume that such interchange of notes, while not being absolutely legally binding upon the respective countries, yet when they were exchanged, if the constitutional authorities of the country who are capable of modifying did not express another view or did not protest against that interpretation, it would stand, in the same way as I think it would be binding upon a foreign power with which we had made a treaty or negotiated a treaty if the Senate attached to it a reservation, stating that it was the understanding of the United States that the treaty meant so-and-so, and the other power, although they knew about it and were notified of it, did not protest against it, but maintained silence. I think the construction of that act on their part would be that they had assented to it.

Mr. POINDEXTER. Mr. President, the entire question in dispute between the Senator from Idaho and the Senator from Connecticut is rather apart from the proposition which I am discussing, which is the comparative jurisdiction of the treaty-making branch of the Government and Congress as a whole. I entirely agree with the suggestions which have been made by both Senators with regard to the effect of the so-called Executive agreements. I think they have done a great deal of harm, because they are accepted by foreign nations as binding the United States when they have not received constitutional sanction, and consequently they lead to misunderstanding and have been exceedingly embarrassing.

Mr. WATSON of Georgia and Mr. McCUMBER addressed the Chair.

Mr. POINDEXTER. Does the Senator from Georgia desire to interrupt me?

The PRESIDENT pro tempore. Does the Senator from Washington yield; and if so, to whom?

Mr. POINDEXTER. I yield first to the Senator from Georgia.

Mr. WATSON of Georgia. I was going to ask the Senator from Washington whether or not foreign Governments should not be presumed conclusively to know what our Constitution and form of government are?

Mr. POINDEXTER. Undoubtedly; I agree with the Senator from Georgia as to that; but while they are presumed to know that, sometimes, as a matter of fact, they appear not to fully realize it. Therein is the vice of the Executive

branch of the Government undertaking to represent the country without the advice and consent of the Senate, which is required under the Constitution. Now, I yield to the Senator from North Dakota.

Mr. McCUMBER. Mr. President, I desire to ask the Senator from Connecticut a question, because, undoubtedly, he has given a great deal of consideration to the question of the extent to which the President of the United States may bind the Government without a formal treaty. If I remember rightly, we settled the question of indemnity following the Boxer rebellion without any treaty; the matter went no further, as I now recall, than a mere protocol, as it was called, between the nations; and China issued her bonds to the United States for something over $24,000,000 in accordance with that protocol. I thought it might now be an appropriate time, while the Senator from Connecticut is discussing the subject, to have his opinion with reference to the binding effect of the protocol and the indemnity obligation which we received from China under it.

Mr. POINDEXTER. Mr. President, I can not yield sufficient time to discuss in detail a protocol with China growing out of the Boxer rebellion. If the Senator from Connecticut, however, desires to make a brief reply I will yield to him for that purpose.

Mr. BRANDEGEE. Mr. President, I regret that I am unable to discuss that matter by the card. I have not the protocol before me; it is a matter that happened before I became a Member of Congress, and I do not remember the facts. I remember that the indemnity, or a part of it at least, was subsequently forgiven by this Nation, but whether it was done by an act of Congress——

Mr. McCUMBER. It was done by an act of Congress.

Mr. BRANDEGEE. Or whether there was a treaty about it, I do not remember. So that my answer to the Senator would be of no value to anybody, and I could not give him a positive answer.

Mr. POINDEXTER. Mr. President, in the very beginning of my remarks I stated the principle which I desire to discuss, and that was, on the one hand, the question of the power of the President, with the advice and consent of the Senate, to bind the country in our foreign affairs in contracts or agreements or treaties with foreign nations, and, on the other hand, the jurisdiction of Congress, as to both branches of Congress being required to concur in dealing with the same matter.

As I understand the argument of the distinguished Senator from Montana [Mr. WALSH], he divides the foreign affairs of the country and its domestic affairs in this respect into two distinct and completely separated branches of legislative action, and contends that those matters which are subject to treaty and which can be acted upon by the President and the Senate can not be acted upon by Congress. The Senator makes the statement that the House of Representatives, as a branch of Congress, has nothing whatever to do with a contract with a foreign Government. Mr. President, as a matter of constitutional law and as a matter of government, I dispute that proposition. I read from the remarks of the Senator from Montana, at page 1906 of the RECORD of January 25, as follows:

> The House of Representatives has absolutely nothing whatever to do with the making of a contract with a foreign Government, nor can power be delegated by it to any commission or body created by it.

On page 1908 of the RECORD he says:

> The President of the United States * * * is charged with the whole power and duty of taking care of our foreign relations.

I assume, of course, that he means with the advice and consent of the Senate. That is the proposition which I am discussing and which I am disputing. It is that proposition which I say is subject to the limitation that Congress, within its sphere of jurisdiction, may act in regard to those matters which involve our foreign relations concerning which the President may exercise his Executive authority, with the advice and consent of the Senate, and subject to the authority of Congress. It is possible that he may supersede an act of Congress with the advice and consent of the Senate, but Congress likewise may supersede him and the treaty which is made under the proper constitutional procedure, thereby demonstrating the fact that it, at least, has coordinate jurisdiction over those matters.

Mr. WALSH of Montana. Mr. President, will the Senator pardon an interruption there?

Mr. POINDEXTER. Yes.

Mr. WALSH of Montana. Mr. President, I find myself utterly unable to follow the argument of the Senator from Washington. If we consummate a treaty with China under which Chinese are permitted to enter this country, the honor of the Government is pledged to abide by that treaty. So long as it remains in that form all the courts of the United States take cognizance of it; a Chinaman is entitled to come into this country, and no officer may deny him the right to enter; but Congress, in disregard of the treaty, passes a law—it does not make any contract with China at all, but it passes a law—prohibiting the entrance of Chinamen into this country. Now, the officers are obliged to observe the act of Congress and not the treaty, and in that sense the law supersedes the treaty.

Mr. POINDEXTER. Yes.

Mr. WALSH of Montana. But the fact that Congress is permitted to enact such a law does not demonstrate in any way whatever that Congress is empowered to make a treaty with China by appointing commissioners to negotiate it.

Mr. POINDEXTER. We have by virtue of the treaty with China a contract with China, and when Congress passes a law which supersedes it it has something to do with the contract with China. The argument of the Senator from Montana, by which he undertakes to show by some process of reasoning that by such a law Congress does not deal with the contract with China, is rather sublimated and superrefined, it seems to me.

Mr. WALSH of Montana. The Senator now clearly understands my position, if he did not understand it before. There was no opportunity for mistaking it before, and I do not think there is now; but I think the Senator understands my position now.

Mr. POINDEXTER. Yes; I understand the Senator's position, but I do not agree with the Senator's conclusion. The Senator further stated:

> So, conceding now, as it is conceded, that this matter does fall within the treaty-making power, if it likewise falls within the legislative power, the President of the United States may be robbed of his aboslute veto in relation to a matter of agreement with a foreign power.
>
> But there is another view, Mr. President, and that is that it does not fall within the legislative power at all; it is not legislation. The question of the treaty-making power had some little consideration from Alexander Hamilton at the time the Constitution was before the country for ratification, and he laid down the doctrine, which I think has never been controverted, that the legislative power deals with domestic matters exclusively.

I do not think that Alexander Hamilton ever laid down any such doctrine as that, and if he did, of course, it is a position that has been controverted by the experience and practice of the Government for 143 years, because the Congress constantly deals with matters that are not entirely domestic matters, of which the Senator from Montana himself has just given one instance, in which an act of Congress superseded and practically invalidated a treaty between the United States and China. Many other instances may be cited, some of which I will proceed to note in a few moments.

Mr. WALSH of Montana. In that matter, Mr. President, the Supreme Court of the United States repeatedly has determined that the Chinese exclusion act and other acts of similar character are domestic legislation; they deal with the internal affairs of the country; they have no force beyond the country; they simply provide that Chinamen shall not enter the United States.

Mr. POINDEXTER. The Senator has just stated that the act of Congress superseded a treaty of the United States so far as the United States is concerned, and consequently it is not exclusively a domestic matter, because it affects our relations with a foreign country.

Mr. WALSH of Montana. The Senator will have to war with the Supreme Court and not with me.

Mr. POINDEXTER. Oh, no; I have no war with the Supreme Court on that question at all; I have no war with anybody on it. I am just calling attention to the contradiction between the Senator's statement and the case which he has cited.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. Does the Senator yield to the Senator from Connecticut?

Mr. POINDEXTER. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. Mr. President, if the Senator will permit me one moment, I will be very brief. Of course, both a treaty and an act of Congress are the supreme law of the United States. If a treaty is consummated Congress may later by an act denounce the treaty, or it may, as the Senator from Montana has suggested, enact a statute applying only to our domestic conditions preventing people, for instance, from coming into this country whom the treaty authorized to come in. That, of course, practically destroys the effect of the treaty, but it does not destroy the treaty itself; the treaty remains; it has not been denounced. We have passed legislation which really destroys the effect of the treaty, but the legislation we have passed on the subject, being the supreme law of the land and of equal authority with the treaty, and having been enacted at

a later date, is assumed and held by the Supreme Court to be the controlling law in this country.

I want to say one other word, if the Senator will yield further.

Mr. POINDEXTER. If the Senator will pardon me, he will admit, then, and I assume the Senator from Montana will likewise admit, that the statute deals with the same subject matter with which the treaty deals. The treaty deals with a foreign question. Then the statute dealing with the same subject matter must likewise deal with a foreign question, and affect the relations of China with the United States.

Mr. BRANDEGEE. A great many domestic statutes may affect our foreign relations. A tariff bill may seriously affect our foreign relations.

Mr. POINDEXTER. Yes.

Mr. BRANDEGEE. Nevertheless, it is only a domestic law. I want to say one word to the Senator from North Dakota, if the Senator from Washington will give me the courtesy of doing so.

Without being at all positive as to how our right to indemnity from China accrued after the Boxer uprising was put down, the Senator will remember that we first forgave China the obligation of paying the interest on the indemnity, and then we forgave them most of the indemnity; and it was only a few weeks ago, I think the Senator will remember, that the matter was before the Foreign Relations Committee, and they reported to the Senate a joint resolution, to which the Senate agreed, which forgave the Chinese the rest of the indemnity which was due, $2,000,000 or $3,000,000. So that it was not by an Executive order or by an act of the President that that debt of China to the United States was forgiven. The President did not presume to handle it. I am quite sure he would not claim that he had any authority to forgive debts owed by foreign Governments to this Government; and the joint resolution that was passed by the Senate authorizing the forgiveness of this debt is now pending in the House, as I understand.

Mr. McCUMBER. I have the act right here, and it is clear that what we did was done as an act of Congress.

Mr. BRANDEGEE. Very well.

Mr. POINDEXTER. The Senator from Montana goes still further than that, as I read his argument, and argues that Congress has no right to deal with foreign relations by the enactment of reciprocal legislation; that is, that some reciprocal engagement between the two countries may not be accomplished by the enactment of legislation simultaneously of a similar character separately in the two countries. He says, upon that subject:

> Now, I desire to comment on what the Senator has said. The Senator said that exactly the same result which can be attained by a treaty can be attained by cooperative legislative acts of the two Governments concerned. I am astonished to hear such sentiments avowed by so able a lawyer as the Senator from North Dakota.
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> * * * * * * *
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> The Senator from North Dakota proposes that under those circumstances he would suggest to the foreign Governments that the parliament and Government of that country pass a certain law in substance the same as the treaty contemplated, and he will get the same law passed through the Congress of the United States by a majority of both Houses, and therefore he will beat the Constitution in that way. That is the contention made by the Senator from North Dakota. I deny, Mr. President, that the treaty-making power confided by the Constitution of the United States in the President and two-thirds of the Senate can be contravened by any such device as that.

The Senator from Montana admits, as he has just cited a case in support, that such questions as that are within the jurisdiction of Congress. Congress may enact legislation in regard to them, and he claims that the legislation is purely domestic when it does so; but if a foreign country sees fit, in the conduct of its affairs, to pass a similar statute by which reciprocal relations will be established between the two countries in regard to the subject matter of controversy, the Senator from Montana gives no reason whatever why both of them can not go into effect, each of them being within the jurisdiction of the legislative bodies of the two countries. I may cite an instance, Mr. President, of recent occurrence—the reciprocity proposal between Canada and the United States, which the Senator very well recollects. We passed a statute providing certain reciprocal tariff duties as affecting imports from Canada, and the same matter was submitted by the Canadian Government in a referendum to the Canadian people, and was there defeated. If it had been indorsed by the people of Canada it would have gone into effect as the result of reciprocal legislation by the two countries separately, which the Senator says here, in his answer to the Senator from North Dakota, can not be done.

Mr. President, one of the essential and peculiar functions of the House of Representatives is to deal with the money affairs of the Nation. The Constitution of the United States requires that revenue bills shall originate there, and by a parity of reasoning the practice has been that appropriation bills shall originate there; and while there are many things which may be dealt with by treaty—such, for instance, as customs duties of the United States—it has often been held by the courts that on account of the jurisdiction of Congress over those matters treaties dealing with such subjects and affecting the finances of the Nation do not go into effect and can not be executed until they have the approval of Congress, including the House of Representatives, by the necessary legislation. There are many cases to that effect. By the express terms of the Constitution Congress is vested with the power "to dispose of and make all needful rules and regulations respecting the territory and other property belonging to the United States."

Mr. President, the making of a treaty and its execution are quite different things. Many treaties are made which can not be executed until there is legislation by Congress.

If Congress can give effect to a treaty by legislation post factum, as it might be called, it can likewise give effect to a treaty by legislation enacted in advance; and that is essentially what this refunding bill is. Instead of waiting until the President, with the advice and consent of the Senate, has made some arrangement with our foreign debtors and submitted it to Congress for its ratification, Congress undertakes by this legislation to authorize the limitations and the conditions under which these obligations can be refunded in advance of the action of the President. The Senator from Montana has failed to point out any principle or make any argument, so far as I have been able to get from his remarks upon this subject, to substantiate a claim that if Congress can act upon this matter after the treaty is made it can not likewise act upon it before the treaty is made and establish the terms and conditions of a prospective settlement.

It may be that the President can ignore that. I do not know whether he can or not, constitutionally. It is not necessary to discuss it. Of course, he will not. No President, in the face of an act of Congress fixing, to some extent, at least, the specific terms under which this refunding measure shall be carried out, would undertake of his own authority, in defiance of the act of Congress, to fix other and different terms. But suppose the President chose to do so. He might do so, perhaps, under the doctrine of the coordinate jurisdiction of the treaty-making branch of the Government and the Congress; and then it would remain to be determined whether or not Congress would pass the necessary legislation for carrying it into effect or would by a subsequent act nullify the agreement made by the President in defiance of its previous legislation.

Mr. WALSH of Montana. Mr. President, if the Senator will pardon an interruption——

Mr. POINDEXTER. I yield to the Senator.

Mr. WALSH of Montana. I shall be glad to give the Senator an instance in which Congress was found unable to act before a treaty was negotiated, and was justified in acting thereafter.

Congress passed what was known as the migratory bird law, which was held to be unconstitutional, Congress having no power to legislate in the matter at all. Thereafter a treaty was entered into with Great Britain dealing with the subject, and Congress passed an act to carry out the provisions of the treaty, which was held to be valid and was sustained by the Supreme Court of the United States.

Mr. POINDEXTER. That was a very different matter——

Mr. WALSH of Montana. No; it was not.

Mr. POINDEXTER. Just a moment; let me answer what the Senator has just said. That was a very different matter, because the court was unable to find jurisdiction in the Constitution for Congress to deal with migratory birds; but there is not any doubt about the jurisdiction of Congress to deal with the bonds and obligations of the Nation.

The President—it seems to be necessary to qualify that very particularly by stating "with the advice and consent of the Senate"—might make a treaty with some foreign country that under certain contingencies we could supply a certain amount of money to that country to carry on a military campaign of a certain nature described in the treaty; but that treaty would have no effect whatever unless, after it was made, Congress appropriated the money for carrying out its terms. So, the President might make a treaty with a foreign country that under certain contingencies he could furnish certain troops to cooperate with the troops of that country in a certain military expedition defined in the treaty. It would be a valid treaty; it would be binding upon the Nation; but it would have no effect, so far as its execution was concerned, unless it was subsequently ratified by Congress under the provision of the Constitution which gives Congress the authority to raise and support armies. So I might go on at great length, pointing out

the difference between the mere making of a treaty and its execution; and while it has been admitted here by a number of Senators that if the President saw fit, and secured the necessary two-thirds vote of the Senate, he might accomplish the purposes of this bill without the action of Congress, I think that is exceedingly doubtful. If it were the case, if he should have that authority, I contend that that does not in any way whatever contravene the jurisdiction of Congress, of its coordinate authority, to act upon the matter; but it seems to me that by reason of the fact that it deals with the finances of the Nation, it deals with the money of the Nation, it affects the taxes of the people, it is very doubtful whether the deferment, or, perhaps we might say for the sake of argument, the cancellation, of this vast amount of property of the people, aggregating over $9,000,000,000, could be effectuated by the President even with the advice and consent of two-thirds of the Senate without ratification by an act of Congress in which the House of Representatives, as more directly in touch with the people who pay the taxes, had concurred.

The President, as I said before, may make a treaty in regard to the customs duties of the Nation, but it has been held in several cases that that treaty is of no effect until the necessary tariff laws shall have been enacted by Congress in pursuance of its terms. So it seems to me quite astonishing, on this particular subject, which deals with the property, the finances, the resources of the people, that the Senator not only contends that it is not proper to undertake a settlement by way of an act of Congress, but even goes to the extent of saying that Congress has no jurisdiction to deal with it. It seems to me it is peculiarly a matter within the jurisdiction of Congress.

Mr. STERLING. Mr. President, will the Senator permit a question?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from South Dakota?

Mr. POINDEXTER. I yield to the Senator from South Dakota.

Mr. STERLING. Congress had jurisdiction originally, had it not, to provide that these loans might be made to the foreign Governments?

Mr. POINDEXTER. It certainly had.

Mr. STERLING. And the making of the loans involved an agreement between this country and the foreign Governments to which they were made. Is not that true?

Mr. POINDEXTER. That is certainly true.

Mr. STERLING. And that agreement was made without the Senate having ratified it?

Mr. POINDEXTER. That is true.

Mr. STERLING. Now, does it not seem reasonable that Congress might provide for the refunding of these debts by the Executive without the ratification of an agreement for refunding by the Senate?

Mr. POINDEXTER. I think so. I think it seems entirely reasonable and proper, as long as Congress lays down the terms and conditions under which it is to be done.

Mr. WALSH of Montana. Mr. President, may I interrupt the Senator?

Mr. POINDEXTER. I yield to the Senator from Montana.

Mr. WALSH of Montana. The Senator from South Dakota—a very able lawyer—was not here when the feature which he has now presented by his questions to the Senator from Washington was under consideration. The Senator from Washington quite naturally agrees fully with the views evidently entertained by the Senator from South Dakota; but those of us who are questioning the power now asserted advance the proposition, first, that those loans were made in pursuance of the power of Congress as a war measure, and secondly, that they were made in pursuance of the power of the President of the United States as Commander in Chief of the Army. There can be no doubt at all that the Commander in Chief of the Army has the right to sell supplies and other property of the Government to a foreign power allied with us in the prosecution of the war, and he has the power to buy from them; and, of course, if he has the money available by virtue of any kind of an appropriation of Congress, he may loan the Allies money, and he may possibly even borrow money from them. The President of the United States, in time of war, as Commander in Chief of the Army and Navy, and the Congress of the United States, have vast powers that the Congress can not exercise in time of peace, and that the President of the United States can not exercise in time of peace.

The Senator from South Dakota might possibly reflect upon those views, and I trust in doing so he will feel that the matter is not quite so clear as his question might seem to imply.

Mr. STERLING. Mr. President, I know that the argument is made that what was done in making these loans to foreign powers was in pursuance of the war power of Congress and of the President as Commander in Chief. Assume that the loans were made in pursuance of such power; that does not go to say that they could not have been authorized by Congress independently of the war power of Congress and then executed by the President without a treaty. They were agreements of such a nature that they might, in my judgment, be made without ratification on the part of the Senate.

If the Senator will excuse me further——

Mr. POINDEXTER. Briefly, I will.

Mr. STERLING. I will defer what I was about to say. I may have a word to say later. I am interrupting the Senator.

Mr. POINDEXTER. The Senator from Montana, as I understand, contends that this bill, among other things, is unconstitutional because it provides for the appointment of officers to carry on foreign negotiations. Mr. President, the Constitution of the United States, in defining the duties of the President, declares that:

> He shall nominate and, by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers as they think proper in the President alone, in the courts of law, or in the heads of departments.

The Senator will note in Thirtieth Statutes at Large, at page 1117, an appropriation for what is called the Canadian Commission. I think it is a commission sometimes called the Boundary Waters Commission. I find this language used in that statute:

> The said commission is also continued during said fiscal year—

The year for which the appropriation was made.

I have not undertaken to make an exhaustive survey of the statutes, but there is a very clear and specific act of Congress establishing, or at least continuing in power for the fiscal year, a commission appointed to deal with a foreign country in regard to international matters. It would be a very unfortunate, not to say tragic, thing if this commission to which I have just referred, which has afforded its genial refuge for so many of our unfortunate colleagues, ducks who wobble but are not entirely dead, should, by virture of the activities of the Senator from Montana, be held to be entirely unconstitutional and to have no valid existence.

Another case, which is one of very common occurrence, is the raising of foreign representatives from the rank of minister to that of ambassador. It is always referred to Congress. One of the reasons why it is referred to Congress is because the necessary expenses for the maintenance of the establishment must be provided by Congress. We constantly deal with the question of the erection of buildings for the accommodation of our foreign representatives, and many instances might be cited of various character in which Congress deals with the foreign affairs of the country in their various phases.

Mr. President, I wish to cite briefly a few other authorities. In the great fisheries dispute, the northeastern fisheries dispute, which lasted for about 100 years and almost led to war on several occasions between Great Britain and the United States, involving the respective rights of American citizens and British citizens to fish on the banks of Newfoundland and the other grounds covered by the so-called northeastern fisheries in the Atlantic Ocean. In Larned's History, volume 2, page 1152, there is a reference to the enactment of legislation by Congress dealing with that quarrel and dispute which governed the action of the President—by and with the advice and consent of the Senate, I had better add, for fear of being misunderstood—in dealing with Great Britain about that subject of international dispute involving proprietary interests of pecuniary and financial value to the citizens of the respective countries. The author says, on page 1152—and I read this because I have not had time to go back into the dusty archives and dig out the original acts of Congress:

> On the 1st of July, 1883, "in pursuance of instructions from Congress"—

That is a significant expression, "in pursuance of instructions from Congress"—

> the President gave the required notice of the desire of the United States to terminate the fishery articles of the treaty of Washington, which consequently came to an end the 1st of July, 1885.

Yet the Senator from Montana says Congress can not deal with foreign nations.

> The termination of the treaty fell in the midst of the fishing season, and at the suggestion of the British minister Secretary Bayard entered into a temporary arrangement whereby the American fishermen were allowed the privileges of the treaty during the remainder of the season, with the understanding that the President should bring the question before Congress at its next session and recommend a joint commission by the Governments of the United States and Great Britain.

This was done, but Congress disapproved the recommendation.

I might cite another instance, within my own experience in the brief time I have had the honor to be a Member of this body, in the debates upon the Russian treaty which occurred here and in which I think the Senator from Montana [Mr. WALSH] perhaps participated, in which Congress dealt with a foreign question involving the foreign policy of the United States, involving a contract with a foreign power and the action of Russia in regard to American citizens of the Hebrew race. On account of certain alleged injustice and misconduct on the part of that country, as it was deemed by this country, Congress acted in that matter and terminated by act of Congress the treaty with Russia, the assertion of the Senator from Montana that Congress can not deal with a contract between this country and another country to the contrary notwithstanding.

I wish to cite a number of other instances. In Moore's Digest of International Law, page 363, a number of cases are cited in which Congress did deal with the foreign relations of the United States. I quote from that work:

In view of these well-known principles of law and matters of fact, it can not be supposed that it was intended, by the simple exchange of notes on January 31, 1891, to bind our Governments, as by a treaty, to certain duties or remissions of duty on the specified articles beyond the time when the Congress of the United States might, in the exercise of its constitutional powers, repeal the legislation under which the arrangement was concluded. By the terms of that legislation the President, so long as it was enforced, was invested with power to suspend its provisions touching the free entry of the specified articles under certain conditions the existence of which was to be determined by himself. It is to be assumed that the stipulation in the notes referred to in relation to the termination of the arrangement with Brazil was made with reference to that power, and that it was intended by the Executive merely as a declaration of the manner in which he would in the particular case exercise the special power conferred upon him by Congress. No other effect, it is conceived, can reasonably be ascribed to the stipulation.

From page 361, from the same volume, I quote the following:

It is manifest that the arrangement thus concluded rested wholly on legislation adopted by the United States of America and the United States of Brazil, respectively, and that the terms of this legislation were well known to the executive departments of both Governments, and were recognized by them as the basis of their action. So far, therefore, as the arrangement may have been considered as an international agreement it was made subject to the terms of that legislation.

Further, as to the agreements made in pursuance of acts of Congress, on page 218 of the same work:

The act of March 3, 1815, declared a repeal of discriminating duties against vessels, and products imported therein, of nations in which discriminating duties against the United States did not exist, the President to determine in each case by proclamation the application of the repeal. The acts of January 7, 1824, and May 24, 1828, likewise authorized the President to suspend by proclamation discriminating duties so far as they affected the vessels of a foreign nation, when possessed of satisfactory evidence that no such discriminating duties were imposed by that nation against the vessels of the United States. Section 11 of the act of June 19, 1886, as amended by the act of April 4, 1888, vests similar power in the President. A partial suspension is allowed by the act of July 24, 1897.

Here is the significant part of this extract which I am reading, which seems to me completely to explode, to whatever extent it may be of weight, not only the weight of this authority but the weight of the precedent in the action of Congress, the argument that Congress can not deal with a treaty, can not give instructions to the President as to negotiations with foreign countries. It seems to me to be impossible to differentiate this case, or these numerous cases which I have cited, in principle from the authority conferred upon the President under the pending bill.

I read:

On the authority of these statutes numerous arrangements have been reached with foreign States and made operative by proclamation. The evidence accepted by the President as sufficient may be a note or dispatch or a memorandum of an agreement.

Right there I pause to comment on the argument, as I understood it, of the Senator from Montana, that the transactions to be carried on with foreign countries under authority of this act constitute treaties and consequently must be dealt with by the treaty-making branch of the Government. It is difficult for me to construe a promissory note as a treaty. That is about all this transaction calls for. We are to take the bonds or the written promises to pay of these foreign countries under the terms of this act, in accordance with the limitations laid down therein. When they give us these promissory notes, how does that constitute a treaty? The transaction is completed. There is nothing further to be done. It is ended. Suppose we had a claim against some foreign country for $20, and Congress passed an act authorizing the President to accept a $10 gold piece from that foreign country in payment of that debt, and in pursuance of that statutory authority he accepted the $10 gold piece and put it into the Treasury of the United States; does that constitute a treaty between that country and the United States? Just so much as this transaction, in which we propose to accept from them certain written evidences of their obligations to us, would constitute a treaty.

Reading further from this authority, page 218, of the fifth volume of Moore's Digest of International Law, edition of 1906:

The proclamations relative to abolishing discriminating duties on trade with Cuba and Porto Rico of February 14, 1884, October 27, 1886, and September 21, 1887, were based on memoranda of agreements signed with Spain February 13, 1884, October 27, 1886, and September 21, 1887.

Section 3 of the tariff act of October 1, 1890, authorized and directed the President, whenever the Government of any country producing and exporting certain enumerated articles imposed duties or other exactions on the products of the United States which, in view of the free introduction of the enumerated articles into the United States, were, in his opinion, unreasonable or unequal, to suspend as to that country the privilege of free importation and subject the articles in question to certain discriminating duties.

* * * * * * *

There is authority to the President by act of Congress to make agreements with foreign countries. Ten commercial arrangements were concluded and made effective by means of this section.

Mr. President, I ask leave to incorporate in my remarks, without reading, the balance of this section.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Section 3 of the act of July 24, 1897, not only provides, as did section 3 of the act of 1890, for the imposition by proclamation of certain differential rates, but also for the conclusion by the President of commercial agreements with countries producing certain enumerated articles in which concessions may be secured in favor of the products of the United States; and it further authorizes the President, when such concessions are, in his judgment, reciprocal and equivalent, to suspend by proclamation the collection on those articles of the regular duties imposed by the act and subject them to special rates as provided in the section. On the authority of this section the President has concluded and made effective the commercial agreements of May 28, 1898, with France; May 22, 1899, with Portugal (protocol making corrections signed Jan. 11, 1900); July 10, 1900, with Germany; and February 8, 1900, with Italy.

Mr. POINDEXTER. As I stated several days ago in a colloquy with the Senator from Montana, it has been decided on numerous occasions by the courts, and the Senator from Montana admits that, that Congress may by act affect a treaty which has been previously made. So, having jurisdiction to lay down terms and conditions of the subject matter dealt with by treaty after the treaty has been made, it has a like jurisdiction to deal with the same subject matter before the treaty has been made.

In Tucker's Constitutional Law, volume 2, page 723, this authority of Congress is discussed as follows:

A grave question has arisen whether the exclusive power of treaty making, vested in the President and Senate, is unlimited in its operation upon all the objects for which a treaty may provide.

I understood that to be the fair deduction from the statement of the Senator from Montana, which I read a little while ago.

Can a treaty by compact with a foreign nation bind all of the departments of our own Government as to matters fully confided to them; can it surrender or by agreement nullify the securities for personal liberty engrafted upon the Constitution itself; can it cede to a foreign power a State of the Union or any part of its territory without its consent?

The Senator from Montana seemed to express surprise the other day at the suggestion which I made that Congress could cede the territory of the United States to a foreign country. I assume that he concedes the power to cede territory, being undoubtedly an act of sovereignty, must be vested somewhere in the machinery of the Government, and that he contends that the President, by and with the advice and consent of the Senate, can cede territory of the United States, but that Congress, especially the House of Representatives, directly subject to the people by being compelled to return to them for reelection or for the election of a new House every two years, can not dispose of the territory and the property of the United States, but that the President and the Senate may do so. It seems to me to be a preposterous argument, especially as such power is expressly conferred upon Congress by the Constitution.

I read further:

Can it regulate commerce with foreign nations in spite of the power of Congress to regulate commerce with them; can it provide for the rates of duty to be imposed upon certain articles imported from foreign nations or admit them free of duty, in the face of the power given to Congress to lay and collect taxes and duties; can a treaty appropriate money from the Public Treasury and withdraw it without the action of Congress; can a treaty dispose of any part of the territory of the United States, or any of their property—

"Any of their property"—and I presume the nine or ten billion dollars of obligations owing to us is property of the United States—

without the consent of Congress, which alone has power to dispose of and make rules and regulations concerning the territory and other property of the United States?

These important questions have several times arisen for discussion in our history, and upon them authoritative decisions have been made by other departments of the Government, which are based upon solid reason and sound principles of constitutional construction.

It can not be denied that very many of these questions must be answered in the negative, or the consequence would be that, under the treaty-making power, the President and Senate might absorb all the powers of the Government. In favor of the extreme claim of power for the President and Senate, it has been urged that a contract between the United States and a foreign nation must be conclusive against all departments of the Government, because it is a contract; but the answer to this contention is obvious and conclusive. It involves the petitio principii, by assuming that the contract is complete though it trenches upon the power of the other departments of the Government, without their consent. And if it be further urged that foreign nations know no party in the contract on the part of the United States except the President and Senate, the answer is equally conclusive that if our Constitution requires the consent of the departments to a treaty of the nature referred to, the foreign nation is bound to take notice of that fact, and can not claim a completed obligation, in the absence of the consent of the other departments. The maxim upon this subject is familiar: qui cum alio contrahit vel est, vel debet esse, non ignarus conditionis ejus. And if it be further urged that this is too refined a doctrine to regulate our delicate relations with foreign powers, the answer is that the treaty-making power of the Crown of Great Britain, where it involves a concession of the clear and absolute power of Parliament, has never been recognized as valid by the English Government, and has never been enforced.

To turn aside for just a moment from the immediate question, to refer for a moment to the duty of foreign nations dealing with us in the negotiation of a treaty to know and to be bound by the provisions of our Constitution, and the animadversions which from time to time in foreign countries and to some extent in this country have been passed upon the failure of our Government in certain instances to ratify treaties which have been negotiated by the President of the United States, I may call attention to the fact which is pointed out in the extract which I have just read, of which we have many modern instances subsequent to the publication of this great constitutional work of John Randolph Tucker, that foreign nations themselves have the same constitutional limitations, requiring the ratification of a treaty by their legislatures. The treaty of Versailles which was submitted by the President of the United States to the Senate, but which failed to receive the necessary two-thirds vote of that body to give it life, likewise was submitted to the legislative bodies of each one of the principal European powers who were parties to it and their legislative assent was required before it became binding upon the people of those nations. So, it does not lie in their mouths to complain of us that the legislative branch of our Government which deals with treaties likewise exercised its discretion as did their own parliaments.

The Queen may make a treaty to pay $10,000,000 to the French Government, but unless Parliament appropriates the money the treaty will be ineffectual. "It is from the fundamental laws of each State that we must learn where resides the authority that is capable of contracting with validity in the name of a State."

A treaty, therefore, can not take away essential liberties secured by the Constitution to the people. A treaty can not bind the United States to do what their Constitution forbids them to do. We may suggest a further limitation: A treaty can not compel any department of the Government to do what the Constitution submits to its exclusive and absolute will. On these questions the true canon of construction, that the treaty-making power, in its seeming absoluteness and unconditional extent, is confronted with equally absolute and unconditional authority vested in the judiciary. Therefore, neither must be construed as absolute and unconditioned, but each must be construed and conditioned upon the equally clear power vested in the others. For example, Congress has power to lay and collect duties; the President and Senate have power to make a contract with a foreign nation in respect to such duties. Can any other construction be given to these two apparently contradictory powers than that the general power to make treaties must yield to the specific power of Congress to lay and collect all duties—

And so it might be said in regard to the specific power of Congress to deal with property of the United States—

and while the treaty may propose a contract as to duties on articles coming from a foreign nation, such an executory contract can not be valid and binding unless Congress, which has supreme authority to lay and collect duties, consents to it.

I ask leave to print as a portion of my remarks the remainder of this section.

The PRESIDENT pro tempore. Without objection, permission is granted.

The matter referred to is as follows:

If it is then asked how are you to reconcile these two powers which appear to be antagonistic, the answer is clear. Congress has no capacity to negotiate a treaty with a foreign power. The extent of its membership makes this impracticable. The Constitution, therefore, left the House of Representatives out of all consideration in negotiating treaties. The executory contract between the United States and a foreign nation is therefore confided to the one man who can conduct the negotiations and to a select body who can advise and consent to the treaty he has negotiated. But this executory contract must depend for its execution upon the supreme power vested in Congress "to lay and collect duties." It is therefore a contract not completed, but inchoate, and can only be completed and binding when Congress shall, by legislation, consent thereto, and lay duties in accordance with the executory contract or treaty. The same reasoning may apply to all of the great powers vested in Congress, such as to "borrow money, regulate commerce, coin money, raise armies and provide a navy, make laws as to naturalization, bankruptcies, and exercise exclusive legislation" in the District of Columbia and Territories of the country. If these are sought by treaty to be regulated by the President and Senate, it can only be done when the Congress vested with these great powers shall give its unconditional consent.

Mr. Madison, in the reports of the convention which he has left to us, used an expression which is significant upon this point. He intimated that in making treaties eventual, that is, complete and final per se, the treaty-making power might be independent; but where they referred to matters that were incomplete without legislation, they would be incomplete until that consent was given.

The absurdity of any other construction as to the power to lay taxes, duties, and so on, is very palpable. We have seen from the Constitution that all bills for raising revenue shall originate in the House of Representatives, to which the Senate may or may not assent, and the President may veto; but if the President and Senate have the power to regulate the system of taxation and revenue by treaty without the consent of Congress, then the House of Representatives, which by the terms of the Constitution is made the originating body for such bills, without whose primal action the President and Senate can have no voice whatever in the matter, is to be excluded from any consent to the terms of the treaty of the President and Senate, who, by the constitutional method are not entitled to act at all until the House of Representatives has inaugurated a bill.

The reason in the nature of our system which makes the conclusion absolute is that in the balance of power which was ordained by the convention, the House of Representatives was to originate all taxation upon the people. The people at large dreaded the placing of the tax power in the hands of a majority of the States without regard to their size, and insisted that the power should be in the hands of the States according to the numerical proportion of their population. To give the President, with the advice and consent of two-thirds of the Senators present, the power to regulate taxation, is to reverse this scheme and destroy the equilibrium of the Constitution. For in 1790 two-thirds of the States containing 1,685,360 people could ratify a treaty against the other third of the States containing a population of 2,166,419; that is to say, that a minority could tax at will the majority. By the census of 1880 two-thirds of the Senate, representing 19,755,532, could regulate taxation against the other third, containing a population of 29,615,818; and by the late census of 1890 this disproportion would be greatly increased.

It has been shown in previous parts of this work that the regulation of commerce by a majority vote of the two Houses, instead of requiring two-thirds, was the result of a concession made upon a compromise. But if this regulation of commerce can be made by two-thirds of the States in the Senate, then under the census of 1880, above shown, two-fifths of the population of the country could regulate commerce against the other three-fifths, instead of the original purpose to require a vote of two-thirds to do so.

Mr. POINDEXTER. I direct especial attention to this statement by Mr. Tucker:

If these are sought by treaty to be regulated by the President and Senate, it can only be done when the Congress vested with these great powers shall give its unconditional consent.

Congress, as I have said several times heretofore, in my opinion, could give its assent after the negotiation, but Congress is asked by this bill to act in advance of the negotiations, to specify the terms which it will approve. It has been suggested by some Senators that there should be attached to this measure the requirement that whatever arrangements should be negotiated with foreign countries by the President should not take effect until they are again referred to Congress for its approval. It seems to me that that might be done, but it is perfectly superfluous if Congress sees fit before the negotiations to state the terms upon which they may be made. That is a more businesslike way of doing it, and that is exactly what we propose to do by this measure.

I now quote from Von Holst on Constitutional Law, on page 202, of volume 1:

As to the extent of the treaty power, the Constitution says nothing, but it evidently can not be unlimited. The power exists only under the Constitution, and every treaty stipulation inconsistent with a provision of the Constitution is therefore inadmissible and according to constitutional law ipso facto null and void. Simple and self-evident as this principle is in theory, yet it may be very difficult under certain circumstances to decide whether or not it has been transgressed in fact. Indeed, the chief difficulty arises from the question of the relation the treaty power of the President with the concurrence power of the Senate bears to the legislative power of Congress. This question is answered by saying that these powers must be coordinate, for treaties like laws are "sovereign acts," which differ from laws only in forms and in the organs by which the sovereign will expresses itself. It follows from this principle that a law can be repealed by a treaty as well as a treaty by a law. If a treaty and a law are in opposition, their respective dates must decide whether the one or the other is to be regarded as repealed. Neither the principle nor the correctness of these conclusions from it can well be disputed, and they are at any rate valid under constitutional law.

I quote from Cooley on Constitutional Limitations, at pages 31 and 32, as follows:

As between a law of the United States made in pursuance of the Constitution and a treaty made under the authority of the United States, if the two in any of their provisions are found in conflict, the one last in point of time must control. For the one as well as the other is an act of sovereignty, differing only in form and in the organ or agency through which the sovereign will is declared. Each alike is the law of the land in its adoption, and the last law must repeal everything that is of no higher authority which is found to come in conflict with it. A treaty may therefore supersede a prior act of Congress; and, on the other hand, an act of Congress may supersede a prior treaty.

Very briefly, Mr. President, I want to call attention to the decision of the Supreme Court in the Chinese Exclusion case, if I may be allowed to repeat in another form its effect as to the power of Congress to deal with foreign nations or whether Congress is confined to domestic matters in its jurisdiction, whether a Chinaman may come into the United States is a matter that affects China and also affects the United States; consequently it is a proper matter of negotiation and treaty enactment between those two countries; but if Congress passes a law providing that a Chinaman can not come into the United States, that law of Congress affects China just as it affects the United States. We can not possibly escape from that conclusion. So I say that the argument that it does not deal with a foreign matter is rather supertechnical. In the Chinese Exclusion case, at page 600, One hundred and thirteenth United States Reports, it is stated:

It must be conceded that the act of 1888 is in contravention of express stipulations of the treaty of 1868 and of the supplemental treaty of 1880, but it is not on that account invalid or to be restricted in its enforcement. The treaties were of no greater legal obligation than the act of Congress. By the Constitution, laws made in pursuance thereof and treaties made under the authority of the United States are both declared to be the supreme law of the land, and no paramount authority is given to one over the other. A treaty, it is true, is in its nature a contract between nations and is often merely promissory in its character, requiring legislation to carry its stipulations into effect. Such legislation will be open to future repeal or amendment. If the treaty operates by its own force, and relates to a subject within the power of Congress, it can be deemed in that particular only the equivalent of a legislative act, to be repealed or modified at the pleasure of Congress. In either case the last expression of the sovereign will must control.

I shall quote from another decision of the Supreme Court of the United States, and then I shall have concluded. I read from the decision of the court in the leading case of Fong Yue Ting *v.* United States (149 U. S., p. 713), as follows:

The power to exclude or to expel aliens, being a power affecting international relations, is vested in the political departments of the Government, and is to be regulated by treaty or by act of Congress—

I commend that particularly to the attention of the Senator from Montana [Mr. WALSH] and the Senator from Connecticut [Mr. BRANDEGEE].

The power to exclude or expel aliens being a power affecting international relations—

And, therefore, not being a domestic matter—

is vested in the political departments of the Government and is to be regulated by treaty or by act of Congress, and to be executed by the executive authority according to the regulations so established, except so far as the judicial department has been authorized by treaty or by statute, or is required by the paramount law of the Constitution, to intervene.

In Nishimura Ekiu's case, it was adjudged that, although Congress might, if it saw fit, authorize the courts to investigate and ascertain the facts upon which the alien's right to land was made by the statutes to depend, yet Congress might intrust the final determination of those facts to an executive officer, and that if it did so, his order was due process of law, and no other tribunal, unless expressly authorized by law to do so, was at liberty to reexamine the evidence on which he acted, or to controvert its sufficiency.

* * * * * * *

In our jurisprudence, it is well settled that the provisions of an act of Congress, passed in the exercise of its constitutional authority, on this, as on any other subject, if clear and explicit, must be upheld by the courts, even in contravention of express stipulations in an earlier treaty. As was said by this court in Chae Chan Ping's case, following previous decisions: "The treaties were of no greater legal obligation than the act of Congress. By the Constitution, laws made in pursuance thereof and treaties made under the authority of the United States are both declared to be the supreme law of the land, and no paramount authority is given to one over the other. A treaty, it is true, is in its nature a contract between nations, and is often merely promissory in its character, requiring legislation to carry its stipulations into effect. Such legislation will be open to future repeal or amendment. If the treaty operates by its own force and relates to a subject within the power of Congress, it can be deemed in that particular only the equivalent of a legislative act, to be repealed or modified at the pleasure of Congress. In either case, the last expression of the sovereign will must control." "So far as a treaty made by the United States with any foreign nation can become the subject of judicial cognizance in the courts of this country, it is subject to such acts as Congress may pass for its enforcement, modification, or repeal."

So, Mr. President, the Supreme Court of the United States has held that Congress may deal with international relations in the matter of the exclusion of immigrants from a foreign country, and that in doing so it may act through an executive officer to be selected by itself. That is in principle an exercise of the same authority as proposed by the pending bill when it authorizes the President to appoint a commission, subject to the advice and consent of the Senate.

Mr. WALSH of Montana. Mr. President——

Mr. POINDEXTER. I yield to the Senator.

Mr. WALSH of Montana. I should like to inquire from the Senator whether he ever understood me to assert that Congress had no power to enact legislation which may possibly affect foreign relations?

Mr. POINDEXTER. I understood the Senator to assert that the jurisdiction of Congress was limited to domestic matters, and I have read a decision of the Supreme Court which said that it could deal with international matters.

Mr. WALSH of Montana. The Senator obviously misunderstood me.

Mr. POINDEXTER. I read from the RECORD a quotation from the remarks of the Senator.

Mr. WALSH of Montana. The Senator misunderstood the RECORD.

Mr. POINDEXTER. I do not think it could be misunderstood; it was very plain.

Mr. WALSH of Montana. Of course, all our tariff legislation in a certain sense affects foreign countries; every customs law affects foreign countries; every shipping law affects foreign countries——

Mr. POINDEXTER. Yes.

Mr. WALSH of Montana. Every immigration law affects foreign countries. There is a vast field of legislation which it is very proper for Congress to enact that affects foreign relations. The Senator did not understand me. My statement was that with respect to negotiation of contracts and treaties with foreign countries Congress is powerless.

Mr. POINDEXTER. All I claim that we are seeking to do is to affect them.

Mr. WALSH of Montana. The Senator understands that I have no controversy with him as to the point to which I have referred.

Mr. POINDEXTER. I understand the Senator, I think. I read from the remarks of the Senator:

The question of the treaty-making power had some little consideration from Alexander Hamilton at the time the Constitution was before the country for ratification, and he laid down the doctrine, which I think has never been controverted, that the legislative power deals with domestic matters exclusively.

If the Senator makes the distinction that legislation which merely affects foreign matters does not deal with them, I have no quarrel with that; he is at perfect liberty to derive any possible comfort he may from that distinction. To "affect" foreign contracts and foreign relations is all that is proposed or desired. If the Senator claims that is not "dealing with them," it is immaterial. The object is nevertheless accomplished. When we pass a law laying down the limitations under which the executive authority can refund the obligations of foreign countries to us we are affecting matters of international interest, of relative international concern, and that is all that is necessary; that is all that I contend for. If I understand correctly the Senator to say it "affects," but does not "deal with them," he is perfectly welcome to draw that distinction, but I care nothing whatever about such a distinction. I am perfectly aware that Congress can not make a treaty; there is no dispute between us on that score; but it can deal with or affect—the proposition may be stated in either way desired—international matters. That is all that this bill proposes to do. I understand that the Senator admits that Congress has that authority. So I fail to see upon what ground his contention that the act is unconstitutional can be maintained. When Congress by express enactment repeals a treaty, as in the instance of the Russian treaty, it seems to me it is "dealing with it," but if the Senator from Montana would have it that way, I am content that we should say it was merely "affecting it." When we enact a Canadian reciprocity act, to go into effect when a similar act is passed by Canada, it seems as though Congress is "dealing" with foreign relations, and the effect is just the same if it is merely said to "affect" our foreign relations. So likewise, when commissions have been maintained and authorized by acts of Congress to negotiate boundaries, and when trade compacts in the many instances cited have been made by the President with foreign countries upon the authority and instruction of acts of Congress, Congress was exercising its control, as it is proposing to do here, over the foreign as well as the domestic affairs of the Nation.

Mr. HARRIS. Mr. President, I wish to have printed in the RECORD an editorial from the Macon (Ga.) Telegraph of the 25th instant relative to the pending bill.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[Editorial from the Macon (Ga.) Telegraph, Jan. 25, 1922.]

GIVE THEM A HUNDRED YEARS.

As a matter of course it is sincerely hoped that the United States Senate will arrive at the wisest and best possible solution of the question as to what should be done with the debt owed this Government by the nations of the Old World, whatever the decision may be. But we venture to suggest to so august and wise a body the thought that the soldier bonus and the foreign debt are two entirely separate issues. They should not be amalgamated or confused, for in so doing it is very probable that in an endeavor to adapt or adjust one to the other a muddle of impracticability may be made of both.

In the first place, in an endeavor to solve the foreign-debt question, considering it separately, we should bear in mind that much of this

money or debt is on account of war activities while the debtors were our war associates. Therefore it isn't just an ordinary debt. It represents money or valuables which we should have freely given, if necessary, to have kept these countries in the war as our associates. We should have cheerfully agreed to furnish the necessary war supplies if those countries would have agreed to furnish the men to use them. And if, after we got into the war, those countries had withdrawn from it, we should have in all probability been fighting Germany to this day, both with our men and materials.

In the next place, these countries, in times of peace and prosperity, were our customers. It was the people of those countries with their purchasing power that made markets for the surplus of our farms and manufactories. These former good customers are now about bankrupt. And in consequence of this condition we have stagnated in this country, gorged to the goozle with production for which there is no market. The longer this state of bankruptcy is approximated or continued among our former good customers the longer we shall choke.

The twin brothers, bankruptcy and poverty, are flourishing in Europe. It is to our interest to relieve this condition in so far as possible, just like any ordinary business enterprise, and get these former customers back on their feet. The way an everyday business affair is handled is that when a former good customer comes in and makes a showing of his assets and liabilities the creditors get together and decide on whether they will put him through bankruptcy, injuring his credit and forever impairing his business status; whether or not they will accept a compromise as the best disposition of the case; or whether or not they will give him time in which to work out his problem and save his credit.

In this case we earnestly urge the last of the three named solutions. Whatever is done should not involve any suggestion of charity, because charity tends to cheapen and destroy the object it seeks to help. Let our debtors pay their debts, but on such terms that it will not hinder nor embarrass their early restoration to place and power in the consuming and commercial world. Why not give them something like a hundred years in which to liquidate, at such a low rate of interest—say about 2 per cent—that it will not be a burden to them? We could well afford to write off the entire account, from a business standpoint, but there would be no respect on either side for the parties to such a transaction. If it had been handled originally as a gift or as supplies furnished for the account of the United States in war all would have been satisfactory. But it is in the shape of debt, an obligation, and it must be handled as such to maintain and retain the proper status of all parties.

The soldier bonus is another matter entirely. The soldiers are entitled to their deserts, regardless of the foreign debt. We owe them, or we don't owe them, and their case should be met and disposed of squarely on its merits. Trying to ride two horses to the mill is apt to spill the grain with which they are loaded.

Mr. McCUMBER. Mr. President, after listening for a considerable length of time to the debate upon the question raised by the Senator from Montana [Mr. WALSH], I have not in the slightest degree changed by opinion and conviction in reference to what I stated the other day, namely, that there is a very broad field in which concurrently the treaty-making power and the legislative power of Congress can operate, and each law made by the Executive through the treaty-making power or by the Congress of the United States will become the law of the land, and the latter, in so far as it modifies a previous law made by the Congress or by the Executive power through treaty, will govern. I still hold to that conviction, and I hold equally to the proposition that we can pass many laws subject to the action of a foreign Government, which will become operative when the foreign Government acts.

I have no doubt, of course, of the power which was exercised by which we made a treaty with Russia for the cession of Alaska. I have not the slightest doubt in my mind that we could have passed a congressional act which would declare that if the Russian Government should make a cession of the Territory of Alaska to the United States, upon that cession being filed with the Secretary of the Treasury, the Secretary of the Treasury should be authorized to make a payment of $8,000,000 to the Russian Government, and that it would be a binding law, and that that is one case in which the same result could be effectuated either through the treaty-making power or through an act of Congress.

But, Mr. President, I want to add one more case to the cases of precedents which have been cited and which I think perhaps is more in point to-day than anything that has been recited so far. I refer to the settlement of the Boxer rebellion claims.

Mr. WALSH of Montana. Mr. President——

Mr. McCUMBER. I yield to the Senator from Montana.

Mr. WALSH of Montana. The power under the Constitution to acquire additional territory was at one time the subject, as the Senator will recall, of very earnest contention by expounders of the Constitution. Some of them went so far as to claim that it could not be done under the Constitution; but the Supreme Court of the United States held that the power to acquire territory was referable either to the power to make treaties or to the power to declare war. It never occurred to the Supreme Court that it was a proper subject for congressional action. At least, none of the great expounders of the Constitution, including John Marshall, who in the Insurance Company case first laid down the doctrine that territory could be acquired, thought of getting it in the way of which the Senator now speaks; but let me ask the Senator this question:

Suppose that such legislation as the Senator has spoken of were enacted. Congress passes a law to the effect that if Russia should pass an act ceding Alaska to the United States, then the Secretary of the Treasury should pay to Russia $7,500,000, and thereupon, as I understand the Senator, the jurisdiction of the United States would be extended over Alaska. Suppose, however, the President of the United States should veto that congressional act, and suppose that the Congress then passed the law over his veto; would the jurisdiction of the United States then be extended over Alaska?

Mr. McCUMBER. The moment that the cession from the Russian Government had been made to the United States I claim that it would. Of course, there was no such enactment. Therefore the case in that form could not be before the Supreme Court; but I have not the slightest doubt in the world that if we made the proposition even to a foreign Government as a legislative act, and the foreign Government accepted, that, if it was one in which the Congress had jurisdiction in the matter of payment and in the matter of receiving an agreement from a foreign nation, we could do so.

Mr. WALSH of Montana. I understand the Senator to answer "Yes" to my question——

Mr. McCUMBER. Practically.

Mr. WALSH of Montana. That if the President vetoed that act, and it was passed over his veto, and the money was paid to Russia, that would be territory of the United States; and then the Senator would contend that if a man were charged with having committed a crime in Alaska he would be triable before the courts of the United States, and the Supreme Court of the United States would hold that the crime had been committed within the jurisdiction of the United States. I deny that.

Mr. McCUMBER. It would be within territory owned by the United States. The territory would have to belong to some one.

Mr. WALSH of Montana. Exactly.

Mr. McCUMBER. Russia would have the right to cede that territory; and when Russia had ceded that territory, and had received the cash of the United States, that territory would have some status, and the status would be that of a possession of the United States. As to what laws would be applicable, I do not care to argue at this time.

Mr. WALSH of Montana. The Senator contends that it would be the territory of the United States.

Mr. McCUMBER. I wish, however, to call attention to another case that, to my mind, is exactly in point.

The Senator from Montana at least indicates that the law under which these foreign obligations were created was of doubtful legality or authority, but that if we had such authority it must be based upon a war authority and not upon the general powers of Congress.

I do not care what position he takes in the matter, because there is no court that can ever pass judgment upon the obligation of a foreign Government to another foreign Government except the court of conscience of that Government itself as to whether it will make good; but I will take the other case.

By a mere protocol in 1901 we received the indemnity bonds of China for something more than $24,000,000. Senators can raise the question, if they see fit, that this Government had no right to receive the Chinese bonds because we had made no treaty with China, and a protocol is not a treaty; but we did receive the Chinese bonds. We acquiesced in the action of the executive department. The bonds were as legal against China, probably, as any bond could be, because China had agreed to them. Likewise, we have the obligations of these foreign Governments, made exactly in the same way, except that instead of a protocol they were made under an act of Congress the validity of which the Senator may question.

Now, the question arises, can Congress deal with the subject? Let me give a case exactly in point as a precedent, at least, and that is a joint resolution to provide for the remission of a portion of the Chinese indemnity. That joint resolution was approved May 25, 1908, and I want to recite just a portion of it:

Resolved, etc., That the President is hereby authorized to consent to a modification of the bond for $24,440,778.81, dated December 15, 1906, received from China pursuant to the protocol of September 7, 1901, for indemnity against losses and expenses incurred by reason of the so-called Boxer disturbances in China during the year 1900, so that the total payment to be made by China under the said bond shall be limited to the sum of $13,655,492.69 and interest at the stipulated rate of 4 per cent per annum, and that the remainder of the indemnity to which the United States is entitled under the said protocol and bond may be remitted as an act of friendship, such payments and remission to be at such times and in such manner as the President shall deem just.

And then, by a proviso, we retained $2,000,000 of the finally agreed sum to pay the indemnity for injuries done to American citizens, and several other conditions connected with that.

There was a law passed by Congress. I have no doubt but that the matter might have been dealt with by a treaty made

with China; but it could also have been dealt with in this manner, and it was dealt with in this manner.

Mr. WALSH of Montana. Mr. President——

Mr. McCUMBER. If we could exercise our legislative authority over the matter of remitting any portion of that claim or of changing its terms in any manner, why can we not do the same thing with reference to the obligations of these other countries?

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from North Dakota yield to the Senator from Georgia?

Mr. McCUMBER. I yield for a question.

Mr. WATSON of Georgia. A day or so ago the Senator from North Dakota made a statement on the floor with reference to some sort of consent agreement by some official of the Government to extend for two or three years, as I understood him, the interest collections on these immense debts. Will the Senator be so kind as to name the official who made that informal agreement?

Mr. McCUMBER. My remembrance is that it was Secretary Houston.

Mr. WATSON of Georgia. Will the Senator state in what form evidence can be found with reference to that fact?

Mr. McCUMBER. It will be found in the report of Secretary Houston, and in the hearings before the Committee on Finance.

Mr. WATSON of Georgia. I merely wished to have it made a matter of record.

Mr. McCUMBER. I shall try to do so. It is not before me just at the present time; but I shall get it and put it into the RECORD, as the Senator has requested.

The PRESIDING OFFICER. Without objection, the matter will be printed in the RECORD.

The matter referred to, taken from pages 58 and 59 of the annual report of Secretary Houston on the state of the finances for the fiscal year ended June 30, 1920, is as follows:

In the early autumn of 1919 the Treasury informed the treasuries of the European Governments to which it had made advances that it was prepared, in case they so desired, to discuss with them the exchange of the demand notes for long-time obligations, and in that connection the deferring of interest collection during the reconstruction period of two or three years from the spring of 1919.

Mr. McCUMBER. The following is an excerpt from the letter of Secretary Mellon to Senator Penrose, pages 179 and 180 of the hearings before the Committee on Finance:

1. In view of the action of my predecessors I am of the opinion that as to the principal foreign Governments receiving advances from the proceeds of Liberty bonds, this Government is committed to the postponement of the interest for two or three years (over two years of which have already elapsed) and to the spreading over subsequent years the payment of the postponed interest installments; but that this obligation is contingent upon such foreign Government carrying out with reasonable promptness, after this Government is ready to proceed, a satisfactory funding of its existing short-time obligations to this country. As to the compounding of interest, Secretary Houston, in his annual report to Congress for the year 1920, clearly shows that it was not contemplated that interest should be charged on the postponed interest, at least during the two or three year period. However, I regard the dates suggested by Secretary Houston in his annual report for the payment of this deferred interest as merely tentative and not a binding commitment.

In view of the public announcement on this subject made by Secretary Glass, communicated as it was to the foreign Governments, reported to Congress by both Secretary Glass and Secretary Houston, and acquiesced in for more than two years, I think good faith and fair dealing obligate this Government to the extent I have indicated.

The following is an excerpt from pages 188, 189, 192, and 193 of the hearings before the Committee on Finance:

Senator WALSH (reading): "In view of the public announcement on this subject made by Secretary GLASS, communicated as it was to the foreign Governments, reported to Congress by both Secretary GLASS and Secretary Houston, and acquiesced in for more than two years, I think, good faith and fair dealing obligate this Government to the extent I have indicated."

I wish you would explain just to what extent Secretary GLASS and Secretary Houston have committed this country to the policy or the position of not collecting interest on overdue interest.

Secretary MELLON. The Treasury made this statement to the foreign Governments.

Senator WALSH. Who was Treasurer at the time of the statement?

Secretary MELLON. I believe Secretary GLASS was.

Senator WALSH. Who is it directed to, Mr. Secretary?

Secretary MELLON. To the British Treasury. Mr. Chamberlain replied to it——

Senator WALSH. Have you the date, Mr. Mellon?

Secretary MELLON. Yes; December 2, 1919.

Senator WALSH. Now, give us the communication that you refer to.

Secretary MELLON (reading): "The Treasury is prepared, at the convenience of the Governments of the Allies, to take up with their representatives the funding of the demand obligations which the United States holds into long-time obligations and at the same time refunding during the reconstruction period of, say, for a year or two or three years of the interest on the obligations of foreign Governments acquired by the United States under the Liberty loan acts."

That was stated to the foreign Governments.

Senator WALSH. Do you construe that language to bind our Government to a position of refusing to insist upon compound interest?

Secretary MELLON. I can not see how it could be otherwise. That was replied to by Mr. Chamberlain, of Great Britain. * * *

The chancellor replied as follows:

"You are already aware that the British Government accepts, as far as they are concerned, the suggestions of the United States that the demand obligation of the Allies should be funded into long-time obligations and that for a period of two or three years—preferably three—the interest on the obligations of foreign Governments acquired by the United States should also be funded, and that we are ready to extend similar treatment to our allies in respect of their obligations to us."

Mr. McCUMBER. Mr. President, I want a word with the Senate now with reference to the time of voting upon this question, to see if we can get a unanimous-consent agreement.

The Senator from North Carolina [Mr. SIMMONS], who has seemingly, at least, had charge of the matter on the other side of the Chamber, indicated yesterday a desire to come to a vote some time to-day; and we took a recess a little before 5 o'clock yesterday afternoon with the understanding, at least, that when we met this morning the first thing we would do would be to have an agreement to vote upon the bill to-day. It was satisfactory to the Senator from North Carolina, after talking the matter over, as I understood, with some of his colleagues on the other side, that we should vote on the bill at 3 o'clock to-day. A good deal of snow has fallen over the country since that time, making travel somewhat difficult, and the Senator from North Carolina has not been able to attend the session to-day.

I am going to ask, not that we may have a final vote on Monday, but that after 3 o'clock on Monday no Senator shall speak more than once nor longer than five minutes upon the bill or upon any amendment that may be offered thereto. This is not an agreement to vote at any particular time, but to limit the debate; and, of course, it will be accompanied by a request that when we conclude our labors to-day we shall recess until Monday at 11 o'clock.

Mr. JONES of New Mexico. Mr. President, I have conferred with a number of Senators who have been interested in the bill, and there is a general feeling that, beginning at some time on Monday, the length of speeches should be limited; but no one, I believe, has expressed a willingness to agree to the limitation which the Senator from North Dakota has suggested. The common expression is about this—that beginning at even 2 o'clock on Monday the speeches upon the bill should be limited to 20 minutes, and the speeches upon each amendment to 10 minutes. I believe that is about the concurrence of view so far as I have been able to ascertain it, and it seems to me that that is a reasonable limitation; for, as the Senator well knows, whenever we get any kind of a limitation, we soon thereafter reach a vote.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. McCUMBER. I will ask if the Senator would not agree that after a certain hour to be fixed on Monday the limit shall be 10 minutes on the principal bill and amendments?

Mr. OVERMAN. Mr. President, I do not think we can come to any agreement to-day.

Mr. McCUMBER. I say, after some hour. Make it 4 o'clock, if the Senator desires.

Mr. OVERMAN. I know that my colleague [Mr. SIMMONS] was anxious to have a final vote on this measure to-day. He is snowbound and unable to get here. From the weather reports, the snow is going to continue. Whether my colleague will be able to be here Monday or not, I do not know. According to the weather reports, we may not have a quorum here Monday. I would not agree to any unanimous-consent agreement to-day. I think there will be no trouble about voting on the bill Monday if we can get a quorum here and my colleague is here.

Mr. McCUMBER. Would the Senator from North Carolina object to the unanimous-consent agreement suggested by the Senator from New Mexico?

Mr. OVERMAN. That would give each Senator half an hour. I think my colleague would be satisfied with a provision that no speech shall be longer than half an hour.

Mr. JONES of New Mexico. I thought that my proposal would probably meet the views of those who suggested that each Senator should have half an hour altogether; that is, that we divide it so as to give 20 minutes upon the bill and 10 minutes upon each amendment. That, in any event, would give at least 30 minutes to anyone who desired to consume so much time. It occurred to me that my suggestion was even more liberal than a general limitation of 30 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. JONES of New Mexico. We were discussing a modification of it.

Mr. McCUMBER. I will put the request in the form in which the Senator from New Mexico has just now placed it.

The PRESIDING OFFICER. Will the Senator from North Dakota state his request as modified?

Mr. McCUMBER. Will the Senator from New Mexico signify again the hour at which he desires to have the debate limited? Will 2 o'clock be satisfactory?

Mr. JONES of New Mexico. It will be satisfactory to me but other Senators suggest 3 o'clock. I suggest that we meet at 11 o'clock, and that at 3 o'clock on Monday debate shall be limited to 20 minutes on the bill and 10 minutes on each amendment.

Mr. OVERMAN. That will give half an hour altogether.

Mr. JONES of New Mexico. Yes; and even more than that, if a Senator should desire to discuss more than one amendment.

Mr. OVERMAN. I shall not object to that.

Mr. McCUMBER. I will present the request in that form.

The PRESIDING OFFICER. The Secretary will read the request as now framed.

The Assistant Secretary read as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that from and after 3 o'clock p. m., on the calendar day of Monday, January 30, 1922, no Senator shall speak more than once or longer than 20 minutes upon the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, or more than once or longer than 10 minutes upon any amendment offered thereto; and, further, that at the conclusion of the business of the Senate this day the Senate will take a recess until 11 o'clock, a. m., on Monday, January 30, 1922.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. WALSH of Massachusetts. I wish to ask the Senator from North Dakota if this means an early recess to-day?

Mr. McCUMBER. It means a recess whenever the Senate may agree to take a recess. I am ready to recess at any time to-day, but I desire to leave the hour subject to the wishes of those who may want to speak to-day. We do not desire to take a recess while anyone wishes to speak to-day.

Mr. KELLOGG. Do I understand that the Senator from North Dakota has agreed that after we have had a week of debate on the bill we are going to have another week or 10 days of debate?

Mr. McCUMBER. I do not think it will take even three hours after the time has been fixed before the matter will be settled. Without question, we shall reach a vote on Monday, if we have the agreement proposed. I have no doubt about it in the world. I know if this agreement is made, it is the expectation of those who are proposing it in good faith to get through on Monday.

Mr. KELLOGG. We are simply wasting time in debating matters that have not any importance whatever. The Senate has been for two or three weeks debating a measure of this kind which had already been debated over and over again.

Mr. WATSON of Indiana. Mr. President, I trust the Senator from Minnesota will not make an objection to the proposed unanimous-consent agreement. It has been talked over, and I feel quite sure that it will save time, and that the vote will be taken on Monday under the agreement. I can assure my friend from Minnesota that that will be the case.

Mr. KELLOGG. I shall not make any objection to it.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement submitted by the Senator from North Dakota? The Chair hears none, and it is so ordered.

Mr. WALSH of Massachusetts. Mr. President, I send to the desk an amendment which I propose to offer to the pending measure in due time, and ask that it be printed.

The PRESIDING OFFICER. It will be printed and lie on the table.

Mr. WALSH of Massachusetts. I ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment of Mr. WALSH of Massachusetts is, on page 3, line 14, after the word "finances," to insert—

but said commission shall immediately transmit to the Congress copies of any refunding agreements entered into, with the approval of the President, by each foreign Government upon the completion of the authority granted under this act.

THE MUSCLE SHOALS PLANT.

Mr. HARRIS. Mr. President, several days ago I called the attention of the Senate to the lobby and propaganda of the Fertilizer Trust and Water Power Trust to prejudice Congress against the lease of Muscle Shoals to Henry Ford or anyone else. I had printed in the RECORD extracts of letters and circulars which have been sent to Members, both of the House and the Senate; also to newspapers and others. They contained many false and misleading statements. These statements were contradicted yesterday at a meeting of the House Committee on Military Affairs by the Government's expert, Maj. Gen. C. C. Williams, Chief of Ordnance, United States Army, and one of the ablest and most efficient officers in our Army. Gen. Williams has reflected great credit on himself and our Government in all the important positions he has held since graduating at West Point. His statements appeared in the Baltimore Sun, which I ask to be inserted in the RECORD; also from the same paper indorsements of the Henry Ford offer by the Farmers' Conference now in session here. I also ask to be inserted in the RECORD a copy of telegram I sent Henry Ford on yesterday and the reply relative to incorporation in the contract of an agreement to manufacture fertilizers and sell to the farmers at a profit not exceeding 7 per cent. I also wish to insert copies of telegrams and letters relative to the Henry Ford lease.

There being no objection, the documents referred to were ordered to be printed in the RECORD:

JANUARY 27, 1922.

Hon. HENRY FORD,
Detroit, Mich.:

In Washington Star news article yesterday statement is made relative to your contract for Muscle Shoals, saying "one phase of the report, it was understood, will call attention of Congress to the absence from the contract of a provision definitely guaranteeing the manufacture of fertilizers by the plants after they are made operative under the Ford offer. Mr. Weeks steadfastly favored the inclusion of such a provision in the contract, but was unable throughout the negotiations to persuade Mr. Ford to accept the suggestion in the form desired by the Secretary of War."

If this statement is correct, Members of the Senate and House, including the agricultural bloc and delegates to farmers' conference and millions of farmers who approved your efforts will be greatly disappointed to know the farmers will be left at the mercy of the Fertilizer Trust. I recall press dispatches at one time said you would guarantee to sell fertilizers at profit not exceeding 7 per cent. The farmers are in deplorable condition and very despondent, and one hope of encouragement has been that Henry Ford would arrange through Muscle Shoals plant to get them cheaper fertilizers. In my judgment there is no doubt about Congress agreeing to lease with provision to insure farmers fertilizers. I sincerely hope the inclusion of such a proposition would not be objectionable on your part.

WM. J. HARRIS.

—

DETROIT, MICH., *January 27, 1922.*

Hon. WILLIAM J. HARRIS,
2400 Sixteenth Street NW., Washington, D. C.:

Replying to your telegram of even date. Sending you copy of Mr. Ford's proposal by mail to-night which contains provision referred to.

E. G. LIEBOLD,
General Secretary to Henry Ford.

—

ALBANY, GA., *January 27, 1922.*

Hon. W. J. HARRIS,
United States Senator, Washington, D. C.:

Kiwanis Club of Albany wishes to add its approval to the acceptance by United States Government of Ford's proposition in regard to Muscle Shoals proposition and ask that you support this measure.

GEORGE WM. JONES, Jr., *Secretary.*

—

WASHINGTON, GA., *January 26, 1922.*

Hon. WILLIAM J. HARRIS,
United States Senate, Washington, D. C.:

Resolutions carried unanimously indorsing Ford's Muscle Shoals proposition. Urge passage.

WASHINGTON KIWANIS CLUB.

—

Whereas it has been brought to the attention of the Kiwanis Club, of Rome, Ga., that Henry Ford has made an offer to the United States Government for the Muscle Shoals project, and that by the terms of that offer this work will be completed and operated; and

Whereas it will be of inestimable value to the South and all parts of this country to have said project completed and operated; and

Whereas having confidence in the honesty and ability of Henry Ford to complete this work and operate this plant to the best interests of the people: Be it

Resolved by the Kiwanis Club, of Rome, Ga., That we heartily indorse the offer of Henry Ford and ask that this offer be accepted by the United States Government; be it

Resolved further, That a copy of this resolution be forwarded to Senator WILLIAM J. HARRIS, Senator T. E. WATSON, and Representative GORDON LEE, with the request that they use their utmost interest to see that this offer is accepted; be it

Resolved further, That a copy of this resolution be forwarded to national headquarters of this club, with the request that a copy of the same be forwarded to each Kiwanis Club in this country with the request that they take similar action; and be it

Resolved further, That a copy of this resolution be forwarded to Henry Ford.

Above resolution unanimously adopted.

KIWANIS CLUB OF ROME, GA.,
[SEAL.] HUGH MCCRARY, *Secretary.*

—

ATLANTA, GA., *January 22, 1922.*

Hon. WILLIAM J. HARRIS,
United States Senate, Washington, D. C.:

Local building trade council request your support for the Ford Muscle Shoals offer.

E. E. GEORGE,
112 Trinity Avenue.

ATLANTA UNION LABEL LEAGUE,
Atlanta Ga., January 23, 1922.

Hon. WILLIAM J. HARRIS,
United States Senate, Washington, D. C.

DEAR SIR: At a regular meeting of the Atlanta Union Lable League held on the 18th of January I was instructed to address an appeal to you in behalf of Mr. Henry Ford's offer to take over the Government nitrate plant at Muscle Shoals, Ala., and to respectfully request that you use your good offices and influence in the United States Congress in securing the contract to Mr. Ford.

The masses of the people in the State of Georgia realize that the Ford offer, if accepted by the Government, will do more to relieve the southern farmer and the unemployed in the South than any other scheme yet offered; also the United States Government will be relieved of the large expenditure in money necessary to complete and operate the plants, which will be a great saving in taxes to the people.

With very best wishes, I am,

Very truly, yours,

T. J. BOGGS,
Secretary-Treasurer Atlanta Union Label League.

PHILADELPHIA, *January 27, 1922.*

Hon. Senator HARRIS.

RESPECTED SIR: Many of us are glad to know that you are taking the necessary steps to prevent certain immensely wealthy and powerful business cliques from balking Mr. Henry Ford's efforts to show how Muscle Shoals water properties can be run for the real benefit of this Nation.

Everyone knows by this time that Henry Ford can make good and that he is a power to be reckoned with outside of Wall Street trusts and allied interests, which forever stand in the way of material improvements and public interests which they do not control for their own uses.

If Mr. Ford had his rights, he and not NEWBERRY would be in Congress at this moment. Show up these men who are again trying to cheat Henry Ford out of this chance to help the American people into newer, practical, and better industrial methods at this time, when the rest of the "barons of industry" have fallen down on their jobs all over creation.

Respectfully, yours,

S. P. BYRNES.

Mr. HARRIS. I also ask to have printed in the RECORD an extract from the proceedings of the Farmers' Conference yesterday, appearing in the Baltimore Sun of this date.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Herbert Myrick, of Springfield, Mass., editor of Farm and Home, offered the amendment to the waterways report which recognized the Henry Ford offer for Muscle Shoals. The amendment, overwhelmingly adopted by the conference, read:

"To accomplish results without any further delay whatsoever we urge the Secretary of War and recommend that the Congress accept the Henry Ford proposal to take over the hydroelectric power and air-nitrate plant at Muscle Shoals, under the guaranty to produce about the present maximum capacity of the plant, being 100,000 tons of ammonium nitrate annually, for 100 years, thus opening the Tennessee River to navigation, insuring the cheap production of fertilizer, metals, and commodities, and insuring the United States nitrogen in time of peace or war."

Mr. Myrick later exhibited a telegram from Henry Ford saying that his offer to do these things was ready for fulfillment.

Mr. HARRIS. I also ask to have printed in the RECORD a press dispatch to the Baltimore Sun sent from Washington yesterday.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MUSCLE SHOALS' MERITS TOLD HOUSE COMMITTEE—CHIEF OF ORDNANCE OF ARMY TESTIFIES OF FITNESS TO MANUFACTURE NITRATES FOR WAR OR PEACE—FORD'S CONTRACT RECEIVED—WEEKS BELIEVED BY UNDERWOOD TO BE FAVORABLY INCLINED TO DETROIT MAN'S PLAN.

[From the Sun Bureau.]

WASHINGTON, *January 27.*

For the first time at this session of Congress the House Military Affairs Committee to-day entered upon a formal discussion of the great Muscle Shoals project and its future operation for war emergencies as well as commercial development.

Maj. Gen. Clarence C. Williams, Chief of Ordnance of the Army, a witness before the committee, told how readily the big plant on the Tennessee River could be adapted to either manufacture of high explosives for the national defense or for producing fertilizer for the agricultural interests.

WEEKS THOUGHT FAVORABLE.

Secretary of War Weeks told Senator UNDERWOOD that Mr. Ford's contract, brought back to-day from Detroit, where Mr. Ford signed it, would be sent to Congress next week, accompanied by a report on it from the Secretary. Mr. UNDERWOOD said he felt Secretary Weeks would give it a friendly indorsement.

There are two phases of the contract, it is said, which Secretary Weeks regrets—the absence of a definite guaranty for manufacture of the fertilizer and failure to fix the amount of capital which the company Mr. Ford agrees to create will have to finance the project.

Gen. Williams was subjected to a running fire of questions regarding Muscle Shoals. It was pointed out to the committee that the plant manufactures ammonium nitrate, and that it would require additional machinery to make ammonium sulphate, which is necessary for fertilizer.

"Do these nitrates deteriorate in explosive power?" asked Representative STOLL, of South Carolina.

WILL NOT DETERIORATE.

"No," replied Gen. Williams. "Not if they are properly housed. The ammonium nitrate and the T. N. T. will keep indefinitely."

"From the standpoint of preparedness," asked Representative FIELDS, of Kentucky, "it would be to the advantage of the Government to keep the plant in operation to its maximum, or at least a medium, average of production?"

"That would be an important step in preparedness," said Gen. Williams.

"Even if it were turned over to Mr. Ford or to any other bidder," said Chairman KAHN, "we still would have to do a great deal before we would begin to bring out nitrates for the Army."

"No, sir," said Gen. Williams, "not a great deal, because the largest part of the process is gone through in either case."

"But you would have to install some machinery?" insisted Chairman KAHN. "Have you figured on putting that machinery down there to be used in case of war?"

WAR MACHINERY THERE.

"That machinery," replied the general, "would not be used in case of war. The machinery there now is that which would be used in case of war."

"Nitrate plant No. 2," the general continued, "is the principal nitrogen-fixation plant which we have at Muscle Shoals. It has been operated sufficiently to demonstrate that it will produce the material it was built for and in the quantities it was designed for. The plant is now laid up 'in ordinary.' Only a few caretakers are there. Its disposition is pending."

"Including the cost of the land," Chairman KAHN stated, "the expenditure at Muscle Shoals has been $75,000,000, in round numbers, and the capacity of the plant is 110,000 tons of ammonium nitrate per annum."

WISCONSIN DELEGATES FAVOR FORD.

Nine of the eleven Members of the House from the Wisconsin delegation in a letter to Secretary Weeks stated that, in their opinion, the best interests of the country would be served by turning over the Muscle Shoals plants to Mr. Ford, provided his bid was reasonable.

"We feel that if Mr. Ford should acquire the plant," said the delegation, "his operation of it will result in greater benefit to the people of this country, and especially the farmers, than if acquired by other interests."

BONUS FOR EX-SOLDIERS.

The PRESIDING OFFICER (Mr. WILLIS) presented a resolution adopted by the Ohio-West Virginia Group Council Service Star Legion, favoring the enactment of the so-called five-point adjusted compensation bill for the relief of World War veterans, which was referred to the Committee on Finance.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSES:

A bill (S. 3080) granting an increase of pension to Charles A. Smith (with accompanying papers); and

A bill (S. 3081) granting a pension to Mabel A. Tibbetts (with accompanying papers); to the Committee on Pensions.

By Mr. KELLOGG:

A bill (S. 3082) to amend the act approved August 24, 1921, entitled "An act to amend the war finance corporation act, approved April 5, 1918, as amended, to provide relief for producers of and dealers in agricultural products, and for other purposes"; to the Committee on Agriculture and Forestry.

By Mr. BALL:

A bill (S. 3083) authorizing the Baltimore & Ohio Railroad Co. to construct an elevated railroad siding adjacent to its tracks in the city of Washington; to the Committee on the District of Columbia.

FEDERAL RESERVE BANK BUILDINGS IN NEW YORK CITY.

Mr. CURTIS. I move that the Senate take a recess——

Mr. HEFLIN. Will the Senator yield to me? I wish to introduce a resolution.

Mr. CURTIS. I have no objection, if there is to be no debate on it.

Mr. HEFLIN. I submit a resolution and ask for its immediate consideration.

The resolution (S. Res. 228) was read, considered by unanimous consent, and agreed to, as follows:

Whereas there have been confusing statements made in the press and in the Senate regarding the amount of money to be expended in the construction of the Federal reserve bank building or buildings in the city of New York; and

Whereas criticisms and complaints have been made regarding the manner in which the bids were obtained and the contract let for the construction of the said Federal reserve bank building or buildings: Therefore be it

Resolved, That the Federal Reserve Board be, and it is hereby, directed to furnish, at its earliest convenience, to the Senate copies of all bids submitted and of the contract or contracts made for the construction of the proposed Federal reserve bank building or buildings in the city of New York.

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 11 o'clock Monday.

The motion was agreed to; and the Senate (at 1 o'clock and 5 minutes p. m.) took a recess until Monday, January 30, 1922, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

SATURDAY, *January 28, 1922.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, Thou who dwellest in the beauty of holiness, which no mortal can approach, Thou art all in all to us and other refuge have we none. We draw near to Thee as a merciful Father. We would have our lives dear to us only because of their relationship to Thee, to our homes, and to our country. Always give us power to cultivate the heavenly graces of charity and forgiveness. O, in the depths of our breasts may there be graves like unto long forgotten places to which no paths ever lead and there in endless and unbroken silence may there lie buried the wrongs we have suffered. If our hearts are tired, if our eyes are weary, if the yoke hurts, sanctify these experiences and restrain them. O give bread and shelter to the hungry and homeless; give health to those who are in affliction; give wisdom to those who are in perplexity; and when earth's door closes, to all of us eternal rest. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

INDEPENDENT OFFICES APPROPRIATION BILL.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981.

The SPEAKER. The gentleman from Indiana moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois [Mr. MANN] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, with Mr. MANN in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9981, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes.

The CHAIRMAN. An amendment offered by the gentleman from South Carolina [Mr. BYRNES] is pending. The Clerk will again report it.

Mr. BYRNES of South Carolina. Mr. Chairman, I desire to ask unanimous consent to amend the amendment by striking out the figures "$400,000" and inserting "$500,000."

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to amend his amendment in the manner indicated. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered as amended.

The Clerk read as follows:

Amendment offered by Mr. BYRNES of South Carolina: Page 28, after line 12, insert a new paragraph, as follows: "Of the sums appropriated in this act not more than $500,000 shall be used for advertising purposes."

Mr. BYRNES of South Carolina. Mr. Chairman and gentlemen of the committee, $500,000 is a lot of money, and yet I have offered an amendment allowing the Shipping Board to spend up to $500,000 for advertising, not because I believe they ought to expend that much, but because it is a very small amount as compared with what they have spent for advertising, and it is a ridiculously small amount when compared with the amount they want to spend for advertising during the next fiscal year.

This Shipping Board has received lump-sum appropriations from the Congress ever since it was created. I served on the sundry civil subcommittee for two years during the war, having charge of the Shipping Board appropriation. I know that at that time there was no other way in which we could have appropriated for that organization except by making lump-sum appropriations. I did not like it then; now, in time of peace, I like it less.

From the day of its organization the Shipping Board has been subjected to criticism. The gentleman from Indiana [Mr. WOOD] said that it was "rotten." But the gentleman from Massachusetts [Mr. WALSH], who conducted a most extensive investigation, did not reach that conclusion nor make such a report, but on the contrary said that there was extravagance. I agree with the gentleman from Massachusetts. From the day of its creation there has been great extravagance.

Now, the present management of the Shipping Board, appearing before the committee, informs us that they estimate that $938,000 was spent for advertising for the fiscal year 1920–21, of which amount approximately $366,000 was spent for passenger traffic advertising and $501,000 for freight advertising. In all, $938,000 was spent by the Shipping Board for advertising during the year 1920–21.

You have criticized the extravagance of that board during that period, and righteously so. You were justified in that criticism. It was too much money to spend for advertising. Now, I ask you whether, in this day of economy, you are going to allow this board, which you have criticized for extravagance for spending $938,000, spend during the next fiscal year nearly twice that amount, or $1,715,000.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. WILLIAMSON. I was not present in the Hall when the gentleman began. Has the gentleman offered an amendment to reduce the amount?

Mr. BYRNES of South Carolina. I have offered an amendment which seeks to limit to $500,000 the amount that the Shipping Board can expend for advertising next year.

Mr. SWEET. Mr. Chairman, will the gentleman yield for a moment?

Mr. BYRNES of South Carolina. I will.

Mr. SWEET. Was this advertising paid out of $48,500,000 that we appropriated in the last bill?

Mr. BYRNES of South Carolina. It is impossible for me to answer, for this reason: The Shipping Board has received money, available for expenditure, from several sources. We reported $48,500,000 in a deficiency bill, and in the last regular appropriation bill we authorized them to use the proceeds of sales of assets. Now, if you will look in the hearings you will find out that the Shipping Board this year will spend——

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BYRNES of South Carolina. If you will look in the hearings you will find that Mr. Lasker says that the Shipping Board will spend this year, not $48,500,000 or $100,000,000, but $310,000,000, so that it is impossible for me to segregate the particular fund from which it will come. But this amount can be expended——

Mr. SWEET. That has been expended without a specific authorization for advertising?

Mr. BYRNES of South Carolina. Yes; because there was no specific authorization for anything.

Now, my friend from Illinois [Mr. MADDEN] says we should not "hamstring" the Shipping Board. If any organization has ever been turned loose with authority to spend money without limit, it is the Shipping Board. They will spend this year $310,000,000. They have a right to do it. There was no limit placed upon it. I come before you now and give you the only opportunity you will have to express an opinion as to the advertising expenditure that is deemed advisable.

Mr. COLE of Iowa. Mr. Chairman, will the gentleman yield for a question?

Mr. BYRNES of South Carolina. Yes.

Mr. COLE of Iowa. If this is a great business institution, does not the gentleman think it is profitable to advertise?

Mr. BYRNES of South Carolina. Certainly, to advertise; and the extent to which you advertise is a matter that we as business men must determine. The extent to which I suggest that this advertising be limited is to $500,000, and I want to go on and show why. If you will look at page 1131 of the hearings you will find that the United States Shipping Board proposes a budget, and they propose to expend for passenger and freight advertising $1,450,000. On page 1132 you will find that they propose to expend for advertising for sales and other purposes $265,000, making the total expenditure for advertising for the Shipping Board for the next fiscal year, unless you place some limit upon them, $1,715,000.

The question is whether that is an expenditure which we should authorize. I say that last year this Shipping Board, a business organization which Congress has long since determined was an extravagant organization, expended $938,000, $366,000

of which was for passenger advertising. This year this economical board proposes to spend for advertising $1,715,000, of which $900,000 is for passenger advertising, and the question before us is, as business men, Shall we authorize it?

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. BYRNES of South Carolina. I am sorry I can not yield. Now, in order to ascertain whether that is wise, let me call the attention of gentlemen to this fact: The seven lines doing business in America had a total expenditure for advertising in 1920 of only $695,000. The expenditure for all of the seven lines put together amounted to only $695,000. Yet the Shipping Board proposes to spend $1,715,000.

Mr. BANKHEAD. Does the gentleman know how many ships these seven lines were running?

Mr. BYRNES of South Carolina. I do not know that. I wish I could tell the gentleman, but I know that all the other lines put together expect to spend that much, and they must have more ships than the Shipping Board. Now, I do not for a moment make any criticism of the motives of the gentleman in charge of this advertising; but I know this: That if any organization of this Government comes to Congress asking for anything, we always allow for the enthusiasm of the man in charge of the department.

In charge of the Shipping Board now is a man whose business is advertising. It is natural that a man should have his own business as a hobby, that he should unduly emphasize its importance. So we find that where formerly we had an advertising man in the Shipping Board drawing $4,000, as soon as Mr. Lasker took charge he put in an advertising man and paid him $9,000 a year, and he immediately gave out a contract to place advertising. This $9,000 man does not place the advertising, but he gave out a contract to the Gundlach Advertising Agency to place this advertising. The gentleman from Tennessee [Mr. BYRNS] put into the RECORD the other day some figures, which have not yet been denied, showing that for placing these advertisements this agency was to receive 10 per cent. If they place $900,000 worth, you will see what they get.

Mr. BYRNS of Tennessee. Fifteen per cent.

Mr. BYRNES of South Carolina. That is worse.

Mr. LONDON. Do they get that from the Government?

Mr. BYRNES of South Carolina. The Shipping Board pays this advertising agency 15 per cent for placing the advertising, because it is always included in the amount charged by the magazine or newspaper. Knowing they have to pay the 15 per cent, they must add it to their bills. Then, in addition, he said they get a 5 per cent discount for cash, and the Government furnishes the cash, so as to allow the agency to pay cash to the newspapers and magazines and get the 5 per cent discount.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNES of South Carolina. I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. BYRNES of South Carolina. So you can figure for yourselves what this agency is going to get out of this $900,000 allotment for passenger advertising. The 15 per cent alone will amount to $135,000. Now, there is not a man on this floor who would vote for that if it was submitted to him as a direct proposition to authorize the expenditure of $1,715,000. But the appeal will be made to you that you should not put on this limitation, because by so doing you are hamstringing the Shipping Board. That appeal was made yesterday by my friend from Illinois [Mr. MADDEN]. But I call attention to this so that you will remember it when any man makes that appeal here, that the gentleman from Illinois [Mr. MADDEN] is the only man who has put a limitation upon the Shipping Board. He put a limitation on them that they should not have more than six officers or employees drawing salaries of over $11,000. Did that hamstring them? On the contrary, the Shipping Board reports to Congress to-day that they have in their employ the very same men who before that time were drawing $20,000 or $18,000 or $15,000. The very same men are serving them to-day and are accepting the $11,000.

The gentleman from Illinois [Mr. MADDEN] saved to the Treasury thousands of dollars by his limitation, and that shows the effectiveness, and not the ineffectiveness, of the limitation. He also placed upon the bill the very wise limitation that no lawyer should be employed except with the approval of the Attorney General; and all that I now ask is that you place a limitation upon the natural enthusiasm of an advertising man to emphasize unduly the importance of the business in which he has been engaged and thereby spend $1,715,000. In a business corporation the officers and board of directors would restrain the euthusiasm of the advertising agent. Here the agent is at the head of the organization and you alone can restrain him.

One thing more. The gentleman from Indiana [Mr. WOOD] called attention to the fact yesterday that the passenger traffic on the North American lines was so crowded that if any of you gentlemen wanted to get passage on any of those ships you would have to make application a long time in advance in order to get booked. If that is so, why is it not a good time to cut down on this passenger advertising instead of increasing it from $366,000 for 1920–21 to $900,000 for the next fiscal year? [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, the gentleman from South Carolina urges, amongst other things in support of his amendment, that Mr. Lasker is an enthusiast because he is an advertising man himself. To my mind the fact that Mr. Lasker is an advertising man, who is thoroughly conversant with the advertising business, should have some weight in the determination of the amount of money that should be allowed for this purpose. I believe that there is not a man living in the United States to-day who knows the value of advertising and how to place it to greater advantage than Mr. Lasker does. He has made a wonderful success at that business and has reduced it to a science. If you will read the hearings and what he has to say with reference to the manner in which he finds out the value of this advertising, I think you will have a different opinion than that entertained by the gentleman from South Carolina. It does look like the amount asked for here of one million and some thousands of dollars is a considerable sum for advertising, but the advertiser to-day is the man who succeeds. I think that the newspapers of this country can well afford to build a monument as high as the Washington Monument in memory of P. T. Barnum, who first demonstrated the value of advertising. I want to call your attention to the fact that this shipping business of ours—it is our business—is the biggest business in the world. There are 82 of these services, and before this debate is through I will put in the RECORD a statement of where they are located and the countries from and to which they extend, as follows:

UNITED STATES SHIPPING BOARD,
EMERGENCY FLEET CORPORATION,
INTEROFFICE MEMORANDUM,
January 24, 1922.

From: W. J. Love, vice president, in charge of traffic.
To: R. Sollitt, assistant to chairman.
Subject: Referring to conversation of this morning, this is to advise that we are presently maintaining 87 services.

Twenty of the principal services are listed below:

New York to Piræus, Saloniki, Smyrna, and Constantinople.
Baltimore, Philadelphia, and New York to Genoa, Naples, Barcelona, and Marseille.
New York to Rio, Montevideo, and Buenos Aires.
New Orleans, Gulfport, Pensacola, and Galveston to Brazil and Plate.
Pacific coast ports to Porto Rico and east coast South America.
New York to West Indies and Caribbean ports.
San Francisco and Los Angeles to Honolulu, Yokohama, Kobe, Shanghai, Manila, and Hongkong.
New York and other Atlantic ports to Yokohama, Kobe, Shanghai, Hongkong, and Manila.
Puget Sound to Yokohama, Kobe, Dairen, Shanghai, Hongkong, and Manila.
Columbia River to Yokohama, Kobe, Dairen, Shanghai, Hongkong, and Manila.
New York to Cherbourg, Plymouth, and Bremen.
New York and Philadelphia to Scandinavia and Baltic.
New York, Philadelphia, and Baltimore to French Atlantic.
New York, Boston, Philadelphia, Baltimore, Norfolk, and Newport News to Antwerp and Rotterdam.
New York, Philadelphia, and Baltimore to Hamburg and Bremen.
New Orleans to Liverpool and Manchester.
Galveston to Liverpool and Manchester.
New Orleans to French Atlantic.
Galveston and Texas City to French Atlantic.
Wilmington, Charleston, and Jacksonville to United Kingdom.

As an indication of what our vessels have been doing recently in six services selected at random, please note below:

Baltimore, Philadelphia, and New York to Genoa, Naples, Barcelona, and Marseille:	
Gross revenue	$57,000
Expenses	55,000
New Orleans to Liverpool and Manchester:	
Gross revenue	40,000
Expenses	45,000
New York to Hamburg and Bremen:	
Gross revenue	38,000
Expenses	35,000
New York to French Atlantic ports:	
Gross revenue	30,000
Expenses	37,000
San Francisco and Los Angeles to Orient:	
Gross revenue	75,000
Expenses	99,000
New York to Australia:	
Gross revenue	100,000
Expenses	180,000

W. J. LOVE,
Vice President, in Charge of Traffic.

Our shipping is a comparatively new business. We did not have any when the war broke out. Whatever we have now was built up during the period of the war and since that time. There are competitive lines all over the world traveling these same routes, and by reason of their long years of existence, and by reason of their advertising they have become known far better than ours, and they are far more advanced than ours, because of the fact that people are all creatures of circumstance and habit. We patronize the grocery store where we have been treated well. We patronize the dry goods store where we have been treated nicely, and it is through advertising that the public mind is converted from the old accustomed habit of doing business. So that if this concern of ours is to compete with all these other carrying vessels we must of necessity make some exertion in that direction. I call your attention to what some of these competitive companies are doing: In 1914, up to August 1, the Hamburg-American Line was expending for publication space and printed literature in America alone $770,000 a year. How much the aggregate of the Hamburg-American advertising expenditure amounted to for all its lines around the globe I do not know, but it is fair to suppose that it was many times $770,000. Now, there was an appropriation last year of a million and some odd thousand dollars for the purpose of advertising, not in America alone but for advertising all over the globe, all around the globe, for we have our vessels plying the seven seas, going to every important port upon the face of the earth. So you will see that the amount of money asked for in this bill is moderate as compared to the Hamburg-American Line's expenditure for this purpose. Yet our concern is a bigger concern that that, and we ought to do more of the carrying, especially to and from America, than the Hamburg-American Line does.

I desire to call your attention to some other figures that may be illuminating: The approximate expenditures of the Hamburg-American Line in 1913 for newspaper and magazine space in America was $500,000; of the Cunard Line, $350,000—this is for advertising in America alone, remember; the other British lines, $400,000; the French line, $500,000; the Lampert & Holt Line, $45,000; the Holland-America Line $65,000. So, if you will compare this expenditure with the amount of money asked for in this bill it is not much as compared with the money that is being expended by the competing lines. The only way you can arrive at any intelligent conclusion with reference to such matters is by comparison. Now, if we are to continue in this business, or if we are to go out of this business, is it not wise to conduct the business so that when we do get out we can get out to some advantage? If these people are attracted to the American Line it is going to be by some sort of an inducement to distract them from the other lines that they are accustomed to patronize. That is the purpose of this advertising. I will tell you how they are doing it. Mr. Lasker has laid his cards on the table, so that anybody can see the plan, and he gets dollar for dollar in results for every dollar of advertising that he expends.

If he is advertising in a country newspaper in California, or in Alabama, or in South Carolina, and there is a report comes in to the Shipping Board with reference to the rates that a given line makes for a given trip, they certify where they get their information, so that they can check back to the newspaper in which they are making the advertising, or the magazine, so that they may know whether they are getting value received for the advertising in that particular periodical or newspaper. If they find they are not getting value received, then they strike it off. Then, through this experimentation it is made possible for them to know exactly what they do get. This advertising business is a pretty big business. I confess that I do not know much about it, but through the wonderful experience of this man Lasker, who knows more about the advertising business than anything else, he is bringing returns to the Shipping Board.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Has the gentleman any figures showing what these competing companies are expending for advertising at the present time?

Mr. WOOD of Indiana. Yes. In 1920 the publication expenditures on other lines in America were as follows—this is for one year: The Cunard Line, $200,000; the I. M. M. Line, $300,000; the French Line, $75,000; the I. K. K., $50,000; the Holland-American, $35,000; the Lamport & Holt Line, $25,000; and the United American, $10,000.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. That is a total of a little more than $695,000 for advertising in America alone by these competing companies that the American Shipping Board has to compete with. They are old established lines, and were in existence before any Member here was born, and we are trying to place the American Shipping Board and its transportation facilities upon the ocean in competition in such a way that it may be made profitable if possible. That is the purpose of this, and it is not right to hamstring this thing by reason of cutting off this advertising. It is up to you to do it. I confess that I do not know anything about this business. This advertising business has been reduced to an exact science, and if we can not depend upon the acknowledged advertising authority in this country for our guidance, upon what may we depend? I do not want to set my judgment up against a man who knows something about this business. I do not know anything about it. I do not think there is anyone here as an individual who knows anything about it.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. NEWTON of Minnesota. Recurring to the statement made by the gentleman from Massachusetts [Mr. GALLIVAN] several days ago, Is the man who issued that publicity statement a part of the advertising force? I refer to the publicity statement with reference to a social function.

Mr. WOOD of Indiana. Oh, no; that man has not anything to do with it, and I will say in passing that this was just the same as if somebody in the gentleman's office was appealed to with reference to a social function, and was asked to give the names and a description of the dresses of the ladies, and so forth. He did it and happened to write it upon this kind of paper. It was a pure incident and had nothing to do with the Shipping Board.

Mr. GALLIVAN. Of course he was a $5,000 employee of the Shipping Board and a former newspaper man. Unquestionably he is connected with the division of information, because his communication came out on the official paper of the division of information of the Shipping Board, and he had all to do with it.

Mr. WOOD of Indiana. And if the gentleman from Massachusetts were asked to give some of the names of those who attended a social function at his house or at his friend's house, obliging, as he always is with these newspaper men, as we all desire to be, he would give them the information, no doubt, and he would write it on his congressional paper.

Mr. GALLIVAN. But what I read to the House was a revised copy, to be released on a certain day, and it was not asked for in advance. In fact, the newspapers were told that they must not print it until the day after the social function was held and the Ophelia roses were gathered together to decorate the table. [Laughter.]

Mr. WOOD of Indiana. I wish to say to the committee that we have bigger things to consider than these trifles. That is a mere trifle.

Mr. SWEET. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SWEET. The gentleman stated that he has great confidence in Mr. Lasker as an advertising man.

Mr. WOOD of Indiana. Yes.

Mr. SWEET. And the committee has placed this sum at $900,000.

Mr. WOOD of Indiana. It is $1,700,000.

Mr. SWEET. Is that the full amount that he asked for?

Mr. WOOD of Indiana. No; it is not.

Mr. SWEET. How much did he ask for?

Mr. WOOD of Indiana. It may be the full amount, but I do not think it is. It is the full amount that came to us, but I think it is not the full amount that he asked of the Budget. We were convinced that the gentleman knew what he was talking about.

Mr. SWEET. Then the committee took the judgment of the Budget rather than the judgment of Mr. Lasker on this advertising matter.

Mr. WOOD of Indiana. We took the judgment of Mr. Lasker, and we took also the judgment of the Budget. It is the purpose of the Budget and it is the purpose of this committee to be as economical as possible, and we have reduced this bill below the recommendations of the Budget very nearly $10,000,000; but this is one of the items that we did not feel we were justified in reducing for the reason that the gentleman made such a good case before us, and I think every member of the committee was convinced that we would not be doing what was best for the interests of the Shipping Board and our vessels upon the sea if we reduced this item for advertising.

Mr. WASON. Does the gentleman recall that in our investigation we were informed that last month in response to passenger "ads" they had 12,000 inquiries to answer?

Mr. WOOD of Indiana. That is a fact, and that is one of the demonstrations of how the results come from this advertising, and how they check back against the paper or the periodical in which they are making the advertisements to ascertain whether or not it is bringing results.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. OLIVER. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. OLIVER On how many of the 80 trade routes are we maintaining a passenger traffic?

Mr. WOOD of Indiana. I think the minutes disclose the number, but I wish to insert as a part of my remarks some of the principal trade routes that are now maintained. Twenty of them are listed here.

Mr. OLIVER. On which passenger traffic is maintained?

Mr. WOOD of Indiana. Twenty of the principal services are listed in those remarks, but I do not think it is disclosed whether or not they are all passenger or part passenger and part freight.

Mr. OLIVER. Does the gentleman happen to recall how many passenger vessels are being operated by the Shipping Board?

Mr. WOOD of Indiana. No; I do not. The minutes disclose that. This is one of the biggest investigations before our committee.

Mr. OLIVER. I did not find it in the hearings.

Mr. WOOD of Indiana. They have about 440 vessels of all kinds in operation on these 80 routes and some——

Mr. OLIVER. What percentage of that number are passenger vessels?

Mr. WOOD of Indiana. Well, I do not know.

Mr. OLIVER. Does the gentleman happen to know whether it is the policy of the board to advertise for cargo vessels or only passenger vessels?

Mr. WOOD of Indiana. Well, on that proposition I desire to call attention to what Mr. Love says upon that proposition:

Mr. LOVE. Of the $938,000 which it is estimated was spent for advertising by the Shipping Board during the fiscal year 1920–21—the records are so bad that I can vouch for no figures—considerably more than half is chargeable to freight advertising, or approximately $521,000. Passenger advertising consumed, as near as can be determined, $366,000, while advertising of ships and materials, the production of a motion-picture film, and the cost of an advertising survey accounted for the balance.

For the coming year it is proposed, roughly, to reverse this appropriation, spending a relatively large sum on passenger advertising. A total appropriation of $900,000 on the tentative basis outlined above is requested, this appropriation to be divided as follows:

United States Lines	$400,000
Munson Line	240,000
Pacific Mail	140,000
Admiral Line	120,000

The appropriations are to cover not only publication advertising in this country but whatever foreign advertising is done and the preparation of all posters, follow-up literature, etc.

This is a thing to which I wish to call attention. Not all of this appropriation is being consumed in advertising for either passenger carrying or for freight, but there will be of necessity a great amount of advertising for the sale of property, and I think this allocation goes into the hundreds of thousands of dollars.

Mr. BYRNES of South Carolina. The amount is $500,000 for freight and $900,000 for passenger.

Mr. WOOD of Indiana. So when you are considering this thing you should have in mind that all of this appropriation is not for the purpose of advertising the carrying of passengers or the carrying of freight. We have all over this world where there are human habitations property that must be disposed of, and much of it at a loss, most of it at a loss.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GALLIVAN. Mr. Chairman, I am in favor of the Byrnes amendment limiting the amount that can be spent for advertising to $500,000. I recall that Chairman MADDEN pleaded with us with his usual force not to hamstring the Shipping Board. I do not like to hamstring the Shipping Board and I do not like to occupy the position of attempting to hamstring the Shipping Board; but if you allow them to spend more than $700,000 to advertise their ships they are not going to meet with the success that that amount of money would ordinarily bring to them through their advertising for passengers to go on ships. This board and its ships have been hamstrung by the Volstead law; our fellow citizens will not sail on "dry" ships when they can get a "wet" one; and you could give them twice what is estimated for on this budget of theirs and they can not get the people to travel on their ships. What is the use of disguising that fact? That is the trouble we have got to face, and we might as well admit it. With the expenditure for advertising of $1,700,000 they would not get the number of passengers that all the other private lines will get with a total expenditure of only $600,000, and they will never get what the chairman of the Shipping Board is now hoping to get, a fair portion of the immigration which is coming to this country, because the immigrants' personal habits are interfered with on the Shipping Board vessels, and it is repugnant to ordinary human beings wherever they are born, to have their personal habits interfered with.

Mr. CABLE. If the gentleman will permit, would not the immigrants rather come on American ships than not come at all?

Mr. GALLIVAN. I suppose that is true, that rather than not come at all, if that is the only chance they would have, namely, to come on these boats, as a last resort they would come in Shipping Board vessels; but that is no argument, in my judgment. The whole trouble is that the Shipping Board is hamstrung by Volsteadism; and I dare say it is hoped that by this enormous expenditure of money to overcome the handicap which the Volstead law has put on our American Shipping Board ships. Most of this enormous sum of money will not bring results, and every man who listens to me and is familiar with conditions knows that I am telling facts. Why run away from them?

Now, something was said about two hundred thousand and odd dollars being spent in advertising the sale of surplus material. I do not want to reduce that amount. But there is a general objection, whenever it is known in this country that nine hundred thousand and odd dollars was spent in advertising these ships, in these hard times, to permitting the Shipping Board to spend even that sum in another year, and the gentleman from South Carolina [Mr. BYRNES] has advised the House that they are purposing to spend twice as much. I hope the Byrnes amendment will carry. We ought to let these reformers in the new Shipping Board learn that there are some reforms they have overlooked; here is a wonderful opportunity to effect a wholesome saving and stop a needless waste of the people's money. If the members of the new Shipping Board have the brains and patriotism and devotion to the people's interest attributed to them, here is a chance for them to show some of us who are listed as doubting Thomases.

Mr. BYRNS of Tennessee. I am in favor of the pending amendment. Something was said on yesterday about hamstringing the Shipping Board in its operations of the ships owned by the Government. I am quite sure that there is no one in the House who desires to hamstring the Shipping Board. As a matter of fact, under this bill the House is asked to appropriate more than $100,000,000, by way of a lump sum, in addition to all of the receipts that may come to the Shipping Board as a result of the operations of the boats now being operated. As was stated by the gentleman from South Carolina [Mr. BYRNES] a while ago, more than $300,000,000 was expended during the last year, according to Mr. Lasker, by the Shipping Board. I submit that, in view of the record made by the present administration of the Shipping Board, in the way of unprecedented increase of salaries paid out of this lump sum, Congress is entirely justified in placing certain limitations upon the appropriations made in this bill.

Now, it has been stated that the chairman of the Shipping Board, by way of explanation of his estimates, told the committee that he proposed to expend $1,715,000 during the year 1923 for advertisements. The gentleman from Indiana [Mr. WOOD] says that the chairman of the Shipping Board knows a great deal about advertising; that he is greatly impressed with its value. That is true. I am sure we are all impressed with the value of advertising. But the very fact that the chairman of the Shipping Board made his reputation and his fortune through advertising, perhaps gives him a somewhat exaggerated idea.

Mr. HUDSPETH. Will the gentleman yield right there?

Mr. BYRNS of Tennessee. I will.

Mr. HUDSPETH. What has been the appropriation heretofore for advertising?

Mr. BYRNS of Tennessee. I was about to say there has never been a direct appropriation for advertising, because this money is appropriated in lump sum, with full authority on the part of the Shipping Board to spend it just as it sees fit, and, as a matter of fact, even though the chairman stated he was expecting to spend $1,715,000 during the year 1923 for advertis-

ing, there is no limitation in this bill. The sky is the limit in so far as advertising is concerned. He may expend that amount or may expend several million dollars if he chooses.

Now, I had something to say the other day in regard to the advertising of the Shipping Board. It was stated, and it has not been denied, that this advertising largely has been placed in the hands of the Gundlach Advertising Agency. It was said that Mr. Gundlach conducted a rather small advertising business in the city of Chicago, with a small office in the city of New York. The gentleman from Indiana stated that he then proposed to place in the RECORD a statement by way of explanation of the contracts made with the Gundlach Advertising Agency. Up to this time he has not done so. But he stated at that time during the three months beginning October 1 and ending December 31, 1921, $125,505 had been turned over to the Gundlach Advertising Agency for advertising purposes, and upon which the Gundlach Advertising Agency received commissions amounting to over $18,800. If it is true that in that length of time the Gundlach Agency has made over $18,800; at the same rate during the entire year the agency will reap something more than $75,000 for its advertising services. But that is not all. The contract made with the Gundlach Advertising Agency provides that that agency is to receive 15 per cent upon the work of ad setting, making of halftones, art work, electrotypes, and the usual similar items. No statement is made as to just how much the advertising agency will earn under that part of its contract.

Now, I want to call your attention to this: The statement made by the gentleman from Indiana [Mr. WOOD] says that during those three months $125,500 was expended by the Gundlach Advertising Agency. It is true that the statement is made that over $18,800 was received by way of commissions from magazines and periodicals in which the advertisements have been carried, but you and I know full well that the newspapers and periodicals always add all commissions paid to the actual cost of the advertising. So, after all, the Federal Government paid the $18,800 by way of commission to the Gundlach Advertising Agency. Now, that advertising could not have covered the entire three months or could not have commenced on October 1, unless the contract was made with the Gundlach Advertising Agency at least 30 or, possibly, 60 days in advance. You know, as a matter of fact, that the agency could not have placed its contracts, it could not have prepared its copy, without a period of 30 or 60 days prior to the time the advertisements began.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. So the statement made by the gentleman from Indiana at the instance of the chairman of the Shipping Board is singularly silent as to just what commissions have been paid to this advertising agency, even during this period of three months. We do not know whether it was for three months or whether it was for 30 days or 60 days that this advertising was actually done and these large commissions paid, because I submit that the chairman of the Shipping Board could not have known at the time that statement was made as to all the advertisements during the latter part of December, because the accounts could not possibly have been received.

Now, I submit, gentlemen, that in view of the fact that $938,000 was expended in 1921, and that the chairman of the Shipping Board states to the committee that he proposes to expend $1,715,000 at least during the year 1923, Congress is justified in placing and should place some limitation upon the amount that is to be expended for that purpose.

Mr. OLIVER. Will the gentleman permit an interruption?

Mr. BYRNS of Tennessee. I yield.

Mr. OLIVER. The advertising is really for the purpose of keeping the losses within $50,000,000, because that is the amount you appropriate in a lump sum to cover the deficit from operation during 1923?

Mr. BYRNS of Tennessee. That is correct.

Mr. SNYDER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield.

Mr. SNYDER. What is the output of advertising that this money is spent for? What is the necessity of art work in the advertising that you speak of?

Mr. BYRNS of Tennessee. The gentleman will have to ask somebody that knows more about advertising than I do.

Mr. SNYDER. I know a little something about advertising, but I do not understand what all this money is needed for, unless it is for the sale of the ships or advertising the routes that the steamships sail on, for passenger purposes, and so on. Advertising the art work must be for embellishing the interiors of the ships that carry a very few people, over which we have no control.

Mr. BYRNS of Tennessee. I fancy the gentleman is correct in that statement.

Mr. SNYDER. I think the gentleman is absolutely correct in his statement that the money that was spent in advertising in those three months must have been contracted for previous to the expenditure on October 1 if there was much art work to be done in the advertising.

Mr. BYRNS of Tennessee. Undoubtedly, because it would necessarily take some length of time to prepare the advertising.

Mr. SNYDER. You say that the contract provided for 15 per cent to be paid to this agency that has the contract to place the advertising. Is it shown anywhere in the hearings the amount the advertising company gets from the periodicals and newspaper companies for placing advertisements with them?

Mr. BYRNS of Tennessee. The statement was made that the $18,800 came by way of commission from the newspapers and periodicals, but, as I have said, that is really a charge upon the Treasury, because, of course, we know the newspapers and periodicals added the commissions in their charge for advertising.

Mr. SNYDER. My thought is that Mr. Lasker, perhaps being the largest advertising medium in the country, ought to be able to establish in his own department a bureau of advertising that would not cost anything like the amount that is being paid to these fellows that are doing this advertising.

Mr. BYRNS of Tennessee. I think that will occur to anyone who thinks of it.

Mr. SNYDER. And there is no question but that 15 per cent is entirely out of order and much more than is paid by anyone else who advertises with these people.

Mr. BYRNS of Tennessee. The Shipping Board now has an advertising department within the board. Formerly, during the old administration, Mr. Lane was the advertising manager, and he received $4,000 a year. At present Mr. M. D. Claussen is head of this department and is receiving $9,000. He has an assistant, I think, who receives $241 a month, besides other employees, making the cost of his office $27,500 a year. In addition to that, there is a publicity agent who receives $6,000, so that, as a matter of fact, the Government is now paying $33,500 to employees within the Shipping Board, who are expected to give their attention to advertising.

Now, I entirely agree with the gentleman from New York [Mr. SNYDER] that the Shipping Board, especially since it is now headed by a man so familiar with the advertising game, ought to be able to do that work itself, and save this 15 per cent on this immense sum that is being expended for advertising purposes.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SMITH of Michigan. That is an example of Government operation, is it not?

Mr. WOOD of Indiana. Mr. Chairman, I move to strike out the last three words.

The CHAIRMAN. The gentleman from Indiana moves to strike out the last three words.

Mr. WOOD of Indiana. Mr. Chairman, the gentleman from Tennessee [Mr. BYRNS] the other day called attention to what is known as the Gundlach contract, and has said that up to this time no denial had been made in regard to the extravagant charges made with reference to this advertising. I have before me a letter received from Mr. Lasker which I desire to read upon that proposition. I have also the Gundlach contract, and the net result of its operation, which shows that it is very materially different from the assertions that have been made here. I will read first the letter that has been sent to me:

UNITED STATES SHIPPING BOARD,
OFFICE OF THE CHAIRMAN,
Washington, January 19, 1922.

Hon. WILL R. WOOD,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I have just been informed that the inclosed article from the New York Evening World was to be read on the floor of Congress during the debate on the Shipping Board appropriation. I had not seen the article until this evening. If the matter comes up, I will be grateful if you will read this statement on the floor should you deem it wise so to do.

Everything in the article is untrue from beginning to end.

The Gundlach Advertising Co. is an active competitor of the firm of Lord & Thomas, which latter firm I control. The Shipping Board is undertaking to sell passenger tickets by mail and thereby make the advertising pay for itself. I selected the Gundlach Co. largely because it is the leading mail-order advertising agency of Chicago, and it is with the work of the advertising agencies in that city, though competitors of mine, that I am best acquainted.

The full statement of our advertising can be found in the record we made before your subcommittee.

Mr. Brundage came to the Shipping Board in order to help me get the unbelievable confusion in its advertising affairs, which I found awaiting me, straightened out, and I asked him to temporarily undertake the work of reorganizing that department until I could get a permanent appointee. The opening of a London office for Lord & Thomas, long contemplated, was delayed for two months by me in order that Mr. Brundage might do this work for the Shipping Board. He was not in the employ of Lord & Thomas at the time he came with the Shipping Board, though it was then contemplated that he would open a London office for that firm. Mr. Brundage served the Shipping Board at a much smaller salary than Lord & Thomas is paying him in London.

The Gundlach Advertising Co. receives the regular commission paid all first-class advertising agencies by all advertisers, and the editor of the World, if he had the remotest interest in verity and decency, could have ascertained that fact by merely communicating with his own advertising department.

My financial and personal interest in the Gundlach Agency is exactly the same as that of the New York World in the New York American. I have not one penny's interest, direct or indirect, in the Gundlach Advertising Co.; on the contrary, as stated above, they are active competitors of Lord & Thomas. They are doing splendid work for the Shipping Board.

For your information, should you need them, I am inclosing the article referred to, the report of the advertising department from July 1, 1920, to December 31, 1921, which shows the great confusion in its affairs when the present board took hold and the progress that has been made; a copy of the letter authorizing the Gundlach Agency to do the work it is now doing for us, and the statement of the moneys paid the Gundlach Agency on advertising since it started the work under the letter referred to.

Sincerely, yours,

A. D. LASKER, *Chairman.*

UNITED STATES SHIPPING BOARD,
Washington, September 28, 1921.

GUNDLACH ADVERTISING AGENCY,
175 Fifth Avenue, New York.

GENTLEMEN: This supersedes the letter of authorization written you September 17, 1921.

You are hereby authorized as from September 17, 1921, and until further notice, to act as an agent of the United States Shipping Board in the preparation and placing of advertising, under terms and conditions as follows:

You will render regular advertising agency service, consisting of the preparation of copy, art work, and completed advertisements, and will oversee the mechanical production of such work, forward orders to publishers in accordance with estimates and schedules O. K'd by the Shipping Board advertising department, pay the publishers' bills, check the insertion of advertisements, and bill the Shipping Board for these services.

For advertising in periodicals by which you are allowed agency commission, you will charge the Shipping Board the regular published gross rate as shown on publishers' rate card, giving the Shipping Board the benefit of such cash discounts as the publishers allow you, providing your bills are paid by the Shipping Board within the cash discount date as specified in your invoice. For advertising in periodicals by which you are not allowed an agency commission you will charge the Shipping Board the regular published gross rate as shown on publishers' rate card, giving the Shipping Board the benefit of such cash discounts as the publishers allow you, providing your bills are paid by the Shipping Board within the cash discount date as specified in your invoices, except that you will charge the Shipping Board a service fee of 15 per cent above the net amount which you pay the publishers.

Your handling of mechanical production will include such work as ad setting, making of half tones, electrotypes, and the usual similar items. This mechanical work you will charge for at the net cost to you plus a service fee of 15 per cent, except that you will not charge a service fee on the cost of the paper stock and press run for circulars, posters, or other direct items, the Shipping Board to get the benefit of such cash discounts as you secure from the firms who perform the actual operations. This basis of charge and payment applies also to the making of art work.

It is understood, however, that if extra service work, such as the writing of booklets or other direct material, becomes a continuous and considerable expense to you—a burden disproportionate to the sum you are earning on commissions from publication advertising—you are to take up with us the matter of making service charges for this work.

Yours, truly,

D. E. BRUNDAGE,
Advertising Manager.

Approved:

RALPH V. SOLLITT,
Special Assistant to the Chairman.

Approved:

N. A. SMYTH,
Assistant General Counsel.

Now I want to call your attention to this Gundlach contract. I read:

Total amount of advertising placed through Gundlach from October 1 to December 31—three months—$125,505.40. (See p. 1 of report of the advertising department, United States Shipping Board Emergency Fleet Corporation, from July 1, 1920, to Dec. 31, 1921.)

Commission paid by newspapers and magazines on above amount to Gundlach, $18,825.81.

During the same period the above agency received less than $200 from us, representing 15 per cent commission provided for in last part of paragraph 4 on page 1 of advertising contract attached.

In this period—three months—the amount paid the Gundlach Agency under paragraph 1, page 2, of the Gundlach Advertising Agency contract was $268.74.

Of the $18,825.81 paid by the publications as commission to the Gundlach Agency, it cost that agency approximately 66⅔ per cent to do business, leaving it a profit of about 5 per cent on the total amount of money handled by them for three months' work, $6,275.27.

The Government has had returned to it in cash discounts during this time $2,510.10, which sum paid 50 per cent of the salaries of the advertising department of the United States Shipping Board Emergency Fleet Corporation during that period.

The total amount returned to the Government in cash discounts during the 15 months prior to the contract with the Gundlach Agency probably did not exceed $500.

REPORT OF THE ADVERTISING DEPARTMENT, UNITED STATES SHIPPING BOARD EMERGENCY FLEET CORPORATION, FROM JULY 1, 1920, TO DECEMBER 31, 1921.

The fifth annual report of the United States Shipping Board contains, on pages 77 and 78, the following report of the advertising department for the fiscal year ending July 30, 1921:

"The department was organized first as a bureau of information, later supervising the conduct of advertising work similar to that carried on by commercial organizations.

"The initial activity in this line was a country-wide advertising survey, for which the board appropriated $50,000. The work was done by a very large group of advertising agencies, the final cost being less than $8,000. Following this survey, a country-wide campaign in daily newspapers was conducted, at a cost of $75,000. This was a general campaign exploiting the passenger and freight services of the board. A separate similar campaign costing $20,000 was conducted through national magazines. Other freight and passenger advertising was placed direct by the department in newspapers, trade papers, and marine publications, at a total cost of approximately $66,000.

"Passenger and freight advertising of the individual operators of Shipping Board vessels was supervised by the department, the costs being approximately $630,000.

"The department supervised the preparation and placing of advertising campaigns for the disposal of surplus ships, shipyards, material, housing projects, and for the purchase of bunker coal, fuel, and lubricating oils, supplies, etc., at a total advertising cost of about $100,000.

"The department arranged for and supervised the production of a series of motion pictures. The cost for this enterprise was approximately $31,000. Total, $930,000."

On July 28, 1921, four weeks after the end of the fiscal year, the resignation of the advertising manager was accepted and the new advertising manager assumed charge the same day. One of the first problems he had to contend with was the checking and paying of between 600 and 700 vouchers for advertising, representing approximately $200,000. Many of these vouchers were months overdue. Extra help was employed, and the greater part of the vouchers were checked and paid within the next 30 days. The records show that the former advertising manager had requested additional help in order to enable him to keep up with the work of his department, but his requests were not allowed.

The second problem was to reorganize the advertising department on a business basis in order that the Government could discount its bills and benefit by the cash discount.

The third problem was a study of the passenger situation and the preparation of a plan for advertising passenger vessels owned by the Government and operated by the United States Lines, Munson Line, Pacific Mail Steamship Co., and the Admiral Line in order that these vessels might properly compete with the old-established lines. As a result of this work the attached "Recommendations of the advertising department, covering advertising for the period from October 1, 1921, to October 1, 1922," was prepared and submitted to the board. This plan is now being followed.

By adopting a system of "reply coupons," which give an accurate record of the cost per inquiry in each publication used, with the ultimate object of retaining only such publications as produce business at a cost which is considered profitable, an accurate check on the advertising is obtained. As a result of the advertising under this system, started November 6 and up to and including December 10, when the last piece of copy was placed, there were received 11,672 inquiries for transportation, as follows:

United States Lines	7,848
Munson Line	3,351
Admiral Line	301
Pacific Mail Steamship Co	172

An analysis of the first 2,750 inquiries showed that about one-third were certain that they would make the trip, and the number of people going per inquiry was on an average of two. Using these figures as a basis, we have as a result of our advertising secured approximately 23,342 prospects, of which 8,000 state that they are certain of going abroad. To figure these at the conservative rate of $300 per passenger, for the outward trip only, shows a possible income of $2,400,000, at an expenditure of $66,577 for advertising, exclusive of the cost of timetables, advertising, and booklets.

At the present rate inquires are being received, and taking into consideration the proposed advertising and circularizing plans for the next two months, it is not unlikely that we shall have a list in Washington of close to 50,000 names of prospective travelers. It is gratifying to note from the letters accompanying the coupons received that the sentiment of the writers shows a strong desire to patronize American ships.

The fourth problem was to secure for the Government the services of a competent advertising agency. Newspapers and magazines allow advertising agencies, through whom they receive about 95 per cent of the national advertising, a commission averaging about 15 per cent for the service which the advertising agency renders to the advertiser. The newspapers and magazines, however, will not allow this discount to the advertiser where the business is placed direct with them by the advertiser. All established steamship lines, foreign and domestic, employ advertising agents who render valuable service without cost to the advertiser, and for that reason it was deemed necessary to secure the services of an advertising agency in order to do business on the same footing as that of our competitors.

On November 15 the advertising manager, Mr. D. E. Brundage, resigned and was succeeded by Mr. M. B. Claussen.

It is a recognized fact that the names of patrons and prospective travelers are the lifeblood of a steamship organization. Taking this as a basis, there has been established in Washington a central circularizing department, with a master list and units in the offices of each of the operators wherein are recorded the names of all prospects secured for the various lines through advertising, circularizing, and personal inquiry. It is the object of this department in advertising and circularizing to secure within the next three months the names of every possible traveler in the United States in order that they may be solicited to travel on American ships.

The plan of freight advertising was authorized under General Order No. 75, authorizing operators to advertise. (Copy attached.) It was later superseded by General Order No. 112, April, 1921, directing the operators to first submit their recommendations to the advertising manager for his approval. (Copy attached.) This order is still in existence, but a plan is now under consideration and is being worked out whereby the control of the amount allotted to each operator will be on the basis of so many cents per hundred tons per annum, which, in connection with a central circularizing department, is expected to increase

the volume of business of the operators and decrease the amount which has heretofore been spent by the operators in newspapers and magazines for advertising.

As to the disposal of surplus material, the method pursued prior to July 1, 1921, in regard to advertising, was to place the copy with the publications direct, entailing a great deal of expense in issuing orders and checking the publications, all of which required considerable time and made it impossible for the Government to deduct the 2 per cent which is allowed for the prompt payment of the bills within 10 days. Many of these bills remained unpaid for a period as long as five months through lack of proper facilities to handle the work. This condition has been changed, and to-day advertising for this account is being placed and checked through the advertising agency. The bills are paid within the time discount is allowed, and the Government is receiving the discount, which is an item to be reckoned with, as it is of sufficient amount on all the accounts to pay three-fourths of the salaries of the staff of the advertising department.

Tabulation of expenditures for advertising July 1 to December 31, 1921.

Advertising sale of—	
Steel ships	$22,926.87
Wood ships	9,367.25
Barges and tugs	800.00
Subsistence supplies	2,001.21
Miscellaneous (financial, dredging, etc.)	6,467.69
Other advertising—	
Passenger and freight, placed direct by advertising department	5,319.22
Gundlach passenger and educational copy	114,485.78
Approximate amount for advertising in foreign papers (passenger advertising)	27,000.00
	188,368.02
Freight advertising placed by operators	215,677.91
Total	404,045.93

Summary of freight advertising placed by operators for period of six months, July 1 to December 31, 1921.

Total	$215,677.91

NOTE.—$321.25 average cost for advertising per sailing; 0.611 per cent of revenue for advertising per sailing.

Pay roll of advertising department for six months' period July 1 to Dec. 31, 1921.

July: $350, $200, $120, $110	$780
August: $750, $200, $120, $110, $100, $100	1,380
September: $750, $200, $200, $120, $110, $100, $100	1,580
October: $750, $200, $200, $120, $110, $100, $100	1,580
November: $750, $200 $200, $120, $110, $100, $100, $50	1,630
December: 750, $241, $200, $120, $110, $110, $100, $100, $100, $50, $50, $73, $45	2,049
July	780
August	1,380
September	1,580
October	1,580
November	1,630
December	2,049
Total for six months	8,999

Average per month, $1,499.83.

Passenger operator expenditures, by lines, Oct. 1 to Dec. 31, 1921.

(Chargeable to appropriation of $900,000.)

Admiral Line	$8,123.25
United States Lines	70,318.60
Munson Steamship Line	34,162.63
Pacific Mail Steamship Co	7,200.52
Total	119,805.00

As I understand, in the event that they did not collect their 15 per cent from the magazines which had the advertising, then the Shipping Board is responsible, but out of the $125,000 that was placed and out of the $18,000 commission received the Shipping Board actually paid but $200.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. If the Shipping Board, under the management of Mr. Lasker and this advertising section of the board, had placed this advertising itself, would it not have saved the commissions of $18,000 during the three months referred to?

Mr. WOOD of Indiana. Possibly that might have been true; but as I understand it——

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WOOD of Indiana. These advertisements have not been placed differently from other advertising. As I understand it, the great manufacturers of automobiles hire those agencies to place their advertisements, because this advertising business has been reduced to an exact science by getting the best possible service of agents who know how to place the advertising. The Shipping Board has done that thing, and it occurs to me that they have exercised wisdom in so placing it. They have so placed it that the contracts have actually cost the Government in the three months that the advertising has been going on but $200 out of a total commission of $18,000.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield again?

Mr. WOOD of Indiana. Yes.

Mr. BYRNS of Tennessee. The gentleman states that $125,500 was expended by the Gundlach Advertising Agency from October 1 to December 31. Does the gentleman know that that advertising was done from October 1 to and including December 31, or a portion of those three months?

Mr. WOOD of Indiana. I have the statement of Mr. Lasker that it was for the three months commencing October 1 and ending December 31.

Mr. BYRNS of Tennessee. Does not the gentleman know that a period of time was required by the Gundlach Advertising Co. prior to October 1 to get its copy work and its art work in condition and set up, so that they could begin to advertise on October 1?

Mr. WOOD of Indiana. I think that is correct. But this represents the actual advertising for three months. That is, in the preliminary work that the Gundlach Advertising Co. did, of course, it was taking their own responsibility for.

Mr. BYRNS of Tennessee. The contract with the Gundlach Advertising Agency also provides for a commission of 15 per cent on its handling and mechanical reproduction, which includes ad setting, the making of half tones, electrotyping, and similar items. Does the gentleman know what the Gundlach Advertising Agency has received for that particular work?

Mr. WOOD of Indiana. Only the information that I have from Mr. Lasker. I have called upon Mr. Lasker for it, and he has furnished it, and it is to the effect that, all told, the Government has been out only $200 on this advertising.

Mr. BYRNS of Tennessee. That is by way of commissions for that advertising, and does not refer to this extra percentage that was received for the work to which I have referred.

Mr. WOOD of Indiana. But in no event does the Government pay any portion of that until there is a failure on the part of the newspapers and periodicals having these advertisements and carrying them to pay it.

Mr. BYRNS of Tennessee. But the contract expressly says differently, and expressly makes provision for this extra provision of percentage.

Mr. WOOD of Indiana. I want to put in the RECORD this entire statement and the contract itself, and the items month by month that have been actually paid. If gentlemen have time and will scrutinize it, it occurs to me that the Government of the United States should be thankful that it has a man like Mr. Lasker who knows this advertising business. I myself do not know anything about it, and I suspect that there are but few of us here who know much about it. At its head he has been prudential in his placing of men, and it has resulted in costing the Government as little as it has cost.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNYDER. The point I make is that Mr. Lasker, being at the head of a large industry, and having in his bureau a well-equipped department of advertising, why should not that set of men make direct connection with the people who do the advertising, and thus save this 15 per cent?

Mr. WOOD of Indiana. I will tell you why. He has not the instrumentalities at his command. If all that advertising were to be in this immediate locality, it could be done, but it is being placed all around the earth.

Mr. SNYDER. If that is so, it certainly does not require all these men, who are drawing $30,000 in salary, to make one contract with one concern.

Mr. WOOD of Indiana. The total cost of the clerical force all told is $24,000. That is according to the report of the department.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent that the pending amendment be again reported.

The CHAIRMAN. Without objection, the amendment will again be reported.

The Clerk read as follows:

Amendment offered by Mr. BYRNES of South Carolina: Page 28, after line 12, insert a new paragraph as follows: "Of the sums appropriated in this act not more than $500,000 shall be used for advertising purposes."

Mr. SEARS. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. That motion is not in order.

Mr. SEARS. Then I rise in opposition to the motion to strike out the last two words.

The CHAIRMAN. The gentleman from Florida is recognized for five minutes.

Mr. SEARS. Mr. Chairman, my colleague, the gentleman from New York [Mr. SNYDER], wanted to know what this money was expended for. I have tried to tell the Members of the House that a large part of it was spent for the purpose of advertising to the public that there was nothing to be seen in America, and that Americans should go abroad.

I would also like to call the attention of the gentleman from New York in answer to his question to the gentleman who just preceded me, to page 1139 of the hearings, where Mr. Powell states, "Ask Mr. Lasker." And so I suggest to him, instead of asking Members of Congress, that he ask Mr. Lasker. I would also like to call the gentleman's attention to page 935 of the record, in which Mr. Lasker says:

I feel that I would like to put in the record myself anything that relates to advertising, because that is the one thing I know.

And yet he is at the head of the Shipping Board. Now, Mr. Chairman, my good friend from Indiana, the chairman of this committee [Mr. WOOD], has said that the Shipping Board was like a dog, that when you once began to kick him around everybody wants to kick him.

If my recollection serves me correctly, I do not recall any time within the past three or four years where Members on the Republican side were very anxious to defend the Shipping Board, nor do I think they are anxious to defend it to-day. I would also like to call their attention to the fact that many of the present high-salaried officials of said board were then working for the board at a smaller salary.

I call attention to page 932 of the hearings, in which Mr. Lasker states that he raised the salary of Mr. Keene from $6,000 to $9,500 and then to $10,000, and he says:

We raised him to $10,000, because we did not want to humiliate him.

Spending the money of the taxpayers, people who are groaning under the tax burden, merchants in your own town, in your own district, who are now wondering how they will be able to pay the next income tax; and yet we find the head of the great Shipping Board raising the salary of a man from $6,000 to $9,500 and then to $10,000, according to his own statement, on page 932, because he did not want to humiliate the man.

Then, Mr. Chairman, we have in this record a statement relative to Mr. Keene and why he was raised to $10,000. In order to save time, I will ask unanimous consent to insert it in the RECORD.

The CHAIRMAN. The gentleman asks unanimous consent to insert the statement in the RECORD. Is there objection?

There was no objection.

The statement referred to is as follows:

APPOINTMENT AND PROMOTION RECORD OF W. B. KEENE, TRAFFIC MANAGER.

Appointed February 18, 1918, at $4,800 per annum, Division of Operations, in charge of tug and barge traffic.

Transferred to New York February 1, 1919, as manager tug and barge department, with increase in salary to $6,000 per annum.

Effective August 6, 1919, salary was increased from $6,000 to $6,500 per annum.

Transferred and appointed assistant director of operations for the Gulf district February 1, 1920, with compensation at the rate of $9,000 per annum. (Effective Mar. 23, 1920, title of position made "district director.")

Transferred and appointed assistant director of operations, general office, Washington, August 1, 1920, with compensation at the rate of $9,500 per annum.

May 16, 1921, appointed acting director of operations, vice director, resigned.

Designated manager traffic department, Washington, on August 1, 1921, with increase in compensation from $9,500 to $10,000 per annum.

Mr. SEARS. We have before us the case of Mr. Claussen, advertising manager, who states that his salary is $750 a month. Of course no Member of Congress should complain of the testimony of Mr. Claussen. I have no fight with these gentlemen. I am simply stating the facts as brought out before the committee in the hearings. But what Member of Congress in his humble capacity, trying to serve the people and striving to return to normalcy and to reduce taxes, should complain of the statement of a man who is receiving $750 a month for some advertising propaganda when you are receiving only $625 a month. Certainly this distinguished gentleman is more able than any of my colleagues or he would not receive $750 a month. So you can go on through these hearings. The man whom Mr. Claussen succeeded received only $4,000 a year, while Mr. Claussen is now receiving $9,000 a year. And yet Mr. Lasker says, page 934 in the hearings:

Yes; but, frankly, I was limited to six men over $11,000, and there were other positions that were much more necessary than advertising, so I came within the limitation. Mr. Claussen is a very good man—and he is right here—but if this were a private business I would have gotten a much more widely experienced man, although to do that I would have had to pay more money.

On page 935 this party says:

For passenger advertising there is a tentative plan to spend at the rate of $900,000 a year.

Just think of it! Nearly a million dollars on a losing concern for passenger advertising alone, and yet we can not get a public building for any city because of our preached but not practiced program of economy.

I also find, on page 933 of the hearings, in part the following:

We advertise in the daily papers and advertise in the monthlies.

I note, however, later on, on the same page he says in part:

But the papers we are advertising in to-day are very small in number as compared with the papers used in the fiscal year expiring June 30, 1921.

I can but wonder what papers he is advertising in, nor can I help but wonder why he has made such a large cut in newspaper advertisements. Can it be it does not pay to advertise in the papers, and such being the case he feels it his duty to notify the world.

But, Mr. Chairman, I doubt very seriously if we should complain if what Mr. Lasker says on page 936 is correct. I quote:

Our bookings for March, April, and May are extremely heavy. It looks as if all the people of the United States wanted to travel on the vessels of the United States lines from the number of inquiries we receive and the reservations resulting therefrom.

Unless it be upon the one reason that we do not desire to depopulate the United States and that some Members of Congress desire to keep at least enough citizens at home to fill these high salaried offices.

Now take the case of another employee in the advertising section of the Shipping Board. In answer to a question of the chairman of this committee, "What was the excuse for giving you an additional $2,200?" he modestly replied:

It was a recognition of the responsibility I was carrying and to put me on a somewhat similar plane with men in the organization who were carrying somewhat similar responsibilities.

Normal? Mr. Chairman, I fear unless we make some radical changes the people will come to the inevitable conclusion we are abnormal.

Mr. WASON. Mr. Chairman, I move to strike out the last three words. I have listened attentively to this attempt to limit the advertising of the Shipping Board out of the appropriations that we authorize. I want to call the attention of my colleagues to the immense amount of business and the responsibility that devolves upon the activities of that establishment of this Government. From the time that we first voted to establish it down to the present time not one of us on either side of this Chamber has been able to know what has been going on in those activities, except that gold has been flowing from the Treasury faster than the water flows in any river in the world. Last July a new man was appointed head of the Shipping Board. He came from the Middle West. He has made his reputation out there. He has made a competency in his business. He is a successful manager. It was only at the urgent importunity of friends of the administration that he consented to come here and take up these duties at a nominal salary. He has surrounded himself with able men, as able as he can get in the country, he says. What has he done in six months? He has shown to you and to me what can happen in the activities of the Shipping Board or the Emergency Fleet Corporation organized under that board by looking into the future, taking care of the trade routes of the world, fostering them, and increasing the passenger service and untying our passenger ships from their moorings and having them sail the ocean, carrying passengers from our ports to foreign ports and from foreign ports back; and in order to do this he says that it is necessary to compete with those engaged in competition with the American Government in the carrying business for 1923. Does anyone doubt that A. D. Lasker knows when it is wise to advertise, or whether it pays to advertise? With all our millions tied up in ships, with ships lying at the docks and taken care of by employees, costing us large sums of money every month, he says we ought to advertise and get trade with these ships and get some income, and he tells you how he wants to do it, and he wants to do it by spending a little out of the $50,000,000 herein appropriated. My colleagues, is there anything unbusinesslike in his proposition to spend almost as much money in advertising for passengers for our shipping trade as competing lines expend? More than that, $265,000 of the amount that he allocates for 1923 is to advertise the wooden ships, which are surplus stock, for the salvaging of them and other material that the American people want to get sold, in order to get those things closed up and know exactly where we stand.

Mr. FROTHINGHAM. Will the gentleman yield?

Mr. WASON. Yes.

Mr. FROTHINGHAM. I should like to ask him if the Shipping Board are running more ships than these private companies that have been mentioned?

Mr. WASON. I understand that they are running a large number of ships. I know that they have trade routes. I know they are competing and are under severe competition with foreign-owned vessels, and the testimony shows that last month alone, in response to the Shipping Board's advertisements that have been criticized here, this department had to answer 12,000 inquiries, if we believe their statement, and I ask you to believe them. This is the first witness in four years who has told us the whole truth about the Shipping Board activities and its liabilities.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Carolina [Mr. BYRNES].

The question being taken; on a division (demanded by Mr. BYRNES of South Carolina) there were—ayes 33, noes 35.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The committee again divided; and there were—ayes 45, noes 49.

Accordingly the amendment was rejected.

Mr. BANKHEAD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 28, at the end of line 12, strike out the period and insert a colon and the following: "*Provided*, That no part of the sums hereinbefore appropriated shall be used to pay a greater sum than 5 per cent as commissions for the placing of advertising matter contracted for."

Mr. BANKHEAD. Mr. Chairman, I should like to ask the chairman of the subcommittee [Mr. WOOD of Indiana] if he has any objection to that amendment.

Mr. WOOD of Indiana. I take it for granted that the gentlemen who have made these contracts for 15 per cent commission have at least tried to be fair to the Government in placing this advertising.

Mr. BANKHEAD. I had hoped that the gentleman from Indiana, in view of the statement he made when last on the floor, would be willing to accept this amendment, in view of the contention that the funds of the Shipping Board have been used to pay 15 per cent commission for placing advertising matter. It is shown by the hearings that the Shipping Board for the next fiscal year propose to spend $1,700,000 for advertising purposes. If they continue the contract under which a 15 per cent commission is charged for the placing of this advertising matter, it will cost the Government of the United States the sum of $255,000. Now, the gentleman read a statement from this advertising concern stating that they had received only a very small amount of actual compensation for the placing of these contracts, but it is admitted here that the 15 per cent commission is paid for this purpose, and I have no doubt that in the long run it will come out of the funds of the Shipping Board.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. BANKHEAD. I hope the gentleman will make it very brief. I have not much time.

Mr. WOOD of Indiana. I understand that the gentleman proposes that the Government itself shall not pay exceeding 5 per cent commission upon its contribution for advertising purposes?

Mr. BANKHEAD. The purpose of my amendment is that the Government shall not pay exceeding 5 per cent commission to anybody under any circumstances for placing this advertising matter.

Mr. WOOD of Indiana. If that is the purpose of it, I have no objection. What I thought the gentleman meant was that they should not make a contract with any concern that collected more than 5 per cent from some outside party.

Mr. BANKHEAD. No; the purpose of my amendment is to meet the statement appearing in this evidence that the Shipping Board has paid as high as 15 per cent commission for placing this advertising matter.

Mr. WOOD of Indiana. I have no objection to the amendment myself if that is the purpose of it.

Mr. BYRNES of South Carolina. The purpose of the gentleman is to prevent the Shipping Board making a contract with the Gundlach Advertising Agency authorizing them to charge that 15 per cent, which notifies the magazines and the newspapers of the country that they can allow that for 15 per cent in fixing a rate.

Mr. BANKHEAD. Absolutely.

Mr. BYRNES of South Carolina. If the gentleman from Indiana will permit, the amendment would continue to permit the Shipping Board to make a contract with an advertising agency whereby the magazines will add to their rates the 15 per cent knowing that the Gundlach Advertising Agency can get that money from the Shipping Board to pay the increased rate. In other words, knowing that they will have to pay the Gundlach Agency 15 per cent, they simply add that amount to their bills.

Mr. WOOD of Indiana. I have no objection to the amendment.

Mr. BYRNES of South Carolina. I desire to amend the amendment by adding the following words at the end of the amendment:

Nor shall the Shipping Board enter into any contract under which they agree to allow an advertising agency to receive more than 5 per cent for placing advertising.

The CHAIRMAN. The gentleman from South Carolina offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BYRNES of South Carolina to the amendment offered by Mr. BANKHEAD: At the end of the amendment add the following language: "Nor shall the Shipping Board enter into any contract under which they agree to allow any advertising agency to receive more than 5 per cent for placing advertising."

Mr. WOOD of Indiana. Mr. Chairman, I think it would be a very serious mistake to adopt that amendment. If it is not adopted, the Shipping Board may make a very advantageous contract in placing this advertising, whereby the cost will not inure to the Government of the United States in any event in excess of 5 per cent, and you would simply be destroying the purpose of the amendment of the gentleman from Alabama.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. I want to ask the gentleman if he sincerely wants to accomplish the same purpose the gentleman from Alabama desires?

Mr. WOOD of Indiana. I do.

Mr. BYRNES of South Carolina. Taking that for granted, is it not a fact that this amendment will not disturb at all the contract that the Shipping Board now has with the Gundlach Advertising Agency by which they receive 15 per cent for placing advertising?

Mr. WOOD of Indiana. That possibly may be true upon the proposition that we can not legislate against an existing contract, but there may be other contracts, and as I understand it, although I may be mistaken about this, there are contracts made with these different agencies for the purpose of placing this advertising whereby the advertising agency seeks, first, to get their pay from the papers in which the advertising is placed. If that be true, that does not cost the Government anything, and in no event can it cost the Government more than 5 per cent if they have to pay it themselves. Therefore, why not give the Government some latitude so that they can place advantageously these advertisements no matter what it costs on the outside. If it does not cost us anything, we ought not to handicap the Shipping Board by making it impossible to do that.

Mr. BYRNES of South Carolina. Mr. Chairman, I desire to be recognized in support of the amendment to the amendment. I ask for recognition simply to make this plain. The gentleman from Indiana [Mr. WOOD] wants to agree with me when the Shipping Board makes a contract with the Gundlach Advertising Agency whereby they authorize them, as I understand his statement, to receive 15 per cent. Is that true?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. Say that the gentleman as the representative of the Gundlach Advertising Agency comes to me, and I have an advertising rate of $1 an inch or $5 an inch, and he says I must pay him 15 per cent for placing an advertisement with me. Does not the gentleman from Indiana know that I am going to add to my advertising rate such an amount as will enable me to pay that 15 per cent? I know that it can be paid, that it is authorized, that the Shipping Board will agree to pay the total amount, because they have authorized them to collect it, and that they are not going to reduce their rate 15 per cent, but are simply going to add the 15 per cent to make this amount.

Mr. WOOD of Indiana. If the amendment proposed by the gentleman from Alabama be adopted, that very arrangement the gentleman is talking about would not cost the Government anything except possibly the 5 per cent.

Mr. BYRNES of South Carolina. As the gentleman said on the floor in response to a question by the gentleman from Tennessee [Mr. BYRNS], it will cost the Government the amount of the commission which the advertising agency receives from

the magazines. If the board placed its own advertising it would save this 15 per cent.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina to the amendment offered by the gentleman from Alabama.

The amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The Clerk read as follows:

For the payment of claims, damage charges, and miscellaneous adjustments, $50,000,000, of which $30,000,000 shall be immediately available.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 28, line 25, after the word "available," strike out the period and insert a colon and the following language: "*Provided*, That no part of this appropriation shall be used for the payment of any such claims, damage charges, or miscellaneous adjustments unless based upon legal liability on the part of the United States in the written opinion of the legal representatives of the Shipping Board."

Mr. WALSH. Mr. Chairman, I reserve a point of order to the amendment.

The CHAIRMAN. The gentleman from Massachusetts reserves a point of order on the amendment.

Mr. WALSH. Mr. Chairman, on the reservation of the point of order to the paragraph, I desire to ask the gentleman from Indiana [Mr. WOOD] what authority at law there is for the payment of claims, damages, charges, and miscellaneous adjustments?

Mr. WOOD of Indiana. In answer to the gentleman's inquiry, I call his attention to the shipping act, subsection "c," page 34:

(c) As soon as practicable after the passage of this act the board shall adjust, settle, and liquidate all matters arising out of or incident to the exercise by or through the President of any of the powers or duties conferred or imposed upon the President by any such act or parts of acts; and for this purpose the board, instead of the President, shall have and exercise any of such powers and duties relating to the determination and payment of just compensation: *Provided*, That any person dissatisfied with any decision of the board shall have the same right to suc the United States as he would have had if the decision had been made by the President of the United States under the acts hereby repealed.

Mr. WALSH. Are these the claims mentioned in the shipping act that this money is to adjust?

Mr. WOOD of Indiana. That is what they are. It is not for the settlement of any claims that have been created by virtue of this current operation.

Mr. WALSH. Does not the gentleman think that this paragraph ought to be amended so that that would be clear? Under this language they can pay any claim whether it is authorized under the shipping act or not.

Mr. WOOD of Indiana. I have no objection to any amendment that might be offered to make it absolutely certain, if there is any doubt in the mind of the gentleman or of the committee with reference to the purpose of the proposal.

Mr. WALSH. The testimony which the gentleman took, which resulted in this item being placed in the bill, was with reference to claims which were permissible under the terms of the shipping act?

Mr. WOOD of Indiana. All of them.

Mr. WALSH. And no other claims were given consideration, either by the men who appeared on behalf of the Fleet Corporation and the Shipping Board or by the Committee on Appropriations?

Mr. WOOD of Indiana. That is correct. They were all with reference to claims that were created under this act and under this authority, and, as I stated, there are about $140,000,000 of those claims that, in the opinion of those who have had to do with the adjustment and attempted settlement, can be settled possibly with this $50,000,000.

Mr. WATSON. How many claims have been adjusted out of the $140,000,000?

Mr. WOOD of Indiana. About one-half of them have been adjusted.

Mr. WATSON. If they are adjusted, they will come out of the $30,000,000?

Mr. WOOD of Indiana. Out of the $50,000,000. Thirty million dollars is made immediately available.

Mr. DOWELL. Why should not Congress make this appropriation for the claims that have been adjusted, and then have the board bring in the other claims and adjust them and then allow them? Why make the appropriation in advance and leave it to the board to make the adjustment?

Mr. WOOD of Indiana. I will state in answer to the gentleman that there is a very good reason that that should not be done. We are hoping this Congress may adjourn by the 1st of June next. The Congress in all probability will not be in session when it is possible to have settled many of these claims to an advantage to the Government. If the Congress is to make this settlement, they will insist upon having a larger amount. It is a discretion that should be lodged in the Shipping Board.

And if their statement to us is correct it is going to result in a very great saving, and, as I stated the other day, and I repeat it now, a great number of these manufacturing concerns throughout the country to whom these claims are due are in a very precarious condition, and a few dollars now means more than twice as many dollars in the future.

Mr. WALSH. Does the gentleman have any objection to inserting after the word "adjustments" the words "authorized under the provisions of the merchant marine act of 1920"?

Mr. WOOD of Indiana. I have not.

Mr. WALSH. I withdraw my reservation of the point of order to the paragraph, Mr. Chairman.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report:

The Clerk read as follows:

Page 28, line 25, after the word "available," strike out the period, insert a colon and the following language: "*Provided*, That no part of this appropriation shall be used for the payment of any such claim, damage, charges, or miscellaneous adjustments unless based on legal liability on the part of the United States on the written opinion of the legal representatives of the Shipping Board."

Mr. DAVIS of Tennessee. Mr. Chairman, I assume that neither the chairman of the subcommittee nor any other member of the Committee on Appropriations has any objection to the principle embodied in the amendment I propose.

Mr. WOOD of Indiana. But it occurs to me it is a useless amendment for the reason that if these gentlemen are paid any of these claims without it having been done within the meaning of the amendment proposed the officials would be guilty of violating the law.

Mr. DAVIS of Tennessee. I thought the gentleman from Indiana would give that as an excuse for not accepting this amendment. It is the only excuse that could be offered, viewing these matters as the gentleman does. However, if I am given time I believe I can explain to the satisfaction of the Members of this House that this amendment is absolutely necessary in order to do the very thing it proposes to do. Now, in the first place this bill proposes an appropriation of $50,000,000, not to pay debts against the Shipping Board, which has been provided for in other appropriations, but it is for the payment of unliquidated claims against the Government to the aggregate amount of about $100,000,000. While it is true, as contended and as stated in the testimony of Mr. Lasker, that there are claims amounting to $298,000,000, from which are to be deducted offsets of $79,000,000, leaving a balance of $219,000,000, yet, as Mr. Lasker himself testified, nearly $55,000,000 of this amount are already in the admiralty courts, and $62,000,000 have been brought in the Court of Claims, and after deducting those amounts and the admitted offsets Mr. Lasker himself states that there are left only $100,000,000 for settlement by the Shipping Board. To quote Mr. Lasker:

Deducting, therefore, items in litigation, takes out $116,000,000 and leaves approximately $100,000,000 of claims for adjudication by the Shipping Board. We do not propose to ask any appropriation for the admiralty claims and for the claims in the Court of Claims, because they can only be asked for as the courts give their final decisions. That leaves us with approximately $100,000,000 of contractors' claims, claims for the requisitioning of vessels and miscellaneous claims to settle.

Now, with regard to these claims, I want to say this, that the Merchant Marine and Fisheries Committee has had occasion from time to time to give considerable investigation to these matters in connection with pending bills. Those claimants who have gone into the Court of Claims have gone there because they believed they had valid rights which they could successfully assert in a court. Those who have gone into the admiralty court have gone there for the same reason, and those who have remained on the outside, and who, as was admitted before the Merchant Marine and Fisheries Committee, at least in large part did not go into those courts because their claims were not based upon legal or contractual liability, so they have remained out of those courts. They are not going into those courts because their claims rest on no legal liability, and their only recourse is that their claims will be paid under a lump-sum appropriation, which claims they know could not stand in any court in the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS of Tennessee. This is a very important matter, and I ask unanimous consent to continue for 10 minutes.

Mr. WOOD of Indiana. Make it five minutes, and I will answer in that time.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. DAVIS of Tennessee. For a brief question.

Mr. DOWELL. Under this amendment, however, whether the claim is legal or not, if they have the written opinion of the attorney it makes it legal under this——

Mr. DAVIS of Tennessee. Will the gentleman——

Mr. DOWELL. Then why not accept the amendment suggested by the gentleman from Massachusetts and file these claims and come within the law instead of placing it in the hands of an attorney of the board. It seems to me that that throws the door wide open.

Mr. DAVIS of Tennessee. I am frank to say to the gentleman that I think that my proposed amendment is very mild and reasonable, and I would have liked to have gone further. I undertook to prepare an amendment which, if not accepted by the subcommittee of the Appropriations Committee, I hope will be accepted by the Committee of the Whole.

Mr. DOWELL. If the gentleman will just yield for a moment, I wish to say that his amendment is so mild it is of no value. The gentleman from Massachusetts [Mr. WALSH] has suggested an amendment which is of value.

Mr. DAVIS of Tennessee. If the gentleman will listen to my remarks, I think I can show him the meaning and the importance of my amendment.

Mr. OLIVER. The amendment of the gentleman from Tennessee in no way interferes with the amendment offered by the gentleman from Massachusetts or does it detract from it.

Mr. DAVIS of Tennessee. No; it does not. Now, in regard to these claims that this proposed appropriation is to cover, I want you to see what Chairman Lasker himself says about it. Speaking of these claims, he says:

> It is well known that a man or concern in making a claim against the Government adds in everything anybody else owes him and everything he owes anybody else. When that is all added up, he adds in the date for good measure; then when he gets through with that he multiplies it by six, or whatever number occurs to him, and then you have his claim.

And yet, in spite of that opinion of Chairman Lasker himself of the character of these claims, we are asked to make an appropriation that will authorize him to pay 50 cents on the dollar to claimants that refuse to go into the Court of Claims or the admiralty court for adjudication of their claims. Now, how does he propose to do it? He testifies as to the method, and here we are getting down to the meat of my amendment. Mr. Lasker says:

> Here is the way in which we are proceeding to adjust claims: Before the present Shipping Board came into being we had a department in the legal department of the Shipping Board which settled claims. When the new Shipping Board came in we found awaiting us what are the dregs of the claims, and therefore we wanted to have them more thoroughly checked than could be the case if done just by our own employees. So we established what we call the United States Shipping Board Claims Commission. We got very high-grade men on it, the members of the commission being Judge Walter D. Meals, formerly justice of the appellate court of Ohio, who is the chairman of the commission; Mr. Arthur W. Peele, of Patterson, Peele & Dennis, and vice president of the American Institute of Accountants; Mr. Homer L. Ferguson, president of the Newport News Shipbuilding & Dry Dock Co.; Capt. R. M. Watt, formerly chief constructor of the Navy; and Mr. F. W. Wood, of Baltimore, formerly president of the Maryland Steel Co. Thus, as you will see, we have the law represented, we have the practical shipbuilders represented, and we have the Government represented in shipbuilding through the Navy. Then we have the accountants of the country represented through their vice president.

Attention is called to the personnel of this commission, only one of whom is a lawyer, two of whom are taken from and are representatives of the ship-construction interests, one of whom is an accountant, and one of whom is a former officer in the Navy. That is the board that is given this jurisdiction, instead of the legal department. Now, why? Mr. Lasker proceeds as follows:

> Experience has now proved that this system can be improved, because whereas all claims up to now have been looked upon as purely legal questions, we have gained some experience and find that they also involve matters of fact that can be arrived at very readily by people who understand the shipbuilding industry. We are, therefore, instituting certain changes in the original system. It was a hard matter to get good shipbuilding men two or three years ago, because the shipyards were pretty full then, but now you can get all the shipbuilders you want.

You notice that he refers to the system that was in vogue. The system that was formerly in vogue was simply nothing more than the ruling of the former chairman of the Shipping Board, John Barton Payne, that these claims should not be allowed unless they were predicated upon contractual or legal liability on the part of the Government. And he stated—and it is a fact that can not be disputed, it was a fact that was admitted by the representatives of the ship-contracting interests that appeared before our committee—that the Shipping Board was proposing to and was settling with those claimants where they could agree upon the amount when their claims were predicated upon legal liability. But the trouble was, as was admitted, that they were asking damages from the Government that were not justified by any existing law or contract.

If I had the time, I would read from the hearings in which was stated the exact controversy, and that there was no trouble between them as to liability upon contracts or damages for the cancellation of contracts, but the complaint was where the ship contractors came in and asked that the Government reimburse them for the whole cost of their yards—to come in and make them whole. Although not predicated upon any contractual liability, they wanted the Government to pay them. In order to meet that situation the Committee on the Merchant Marine and Fisheries reported out a bill that was called a bill for the relief of wooden-ship contractors, and it proposed to pay and liquidate these claims that were not authorized to be settled by existing law, and so-forth. However, that bill was defeated in the House after full discussion, the House then refusing to authorize the payment of claims not predicated upon contract or legal liability. With regard to the questions involved in that bill and in at least a large part of these claims, there can not be any question. For instance, when Mr. Fahey, representative of these shipping contractors, was before our committee and discussed the position taken by Judge Payne with regard to these matters, the gentleman from Pennsylvania [Mr. EDMONDS], the ranking majority member on the Committee on the Merchant Marine and Fisheries, and who is well versed in these matters, made this statement:

> Mr. EDMONDS. I think Judge Payne is absolutely right, but then, of course, he is willing, I presume, if he gets the authority, to go as far as Congress will go with him.
>
> Mr. FAHEY. Certainly.
>
> Mr. EDMONDS. I think he is absolutely right in the stand he has taken, because I would not be in his position and take the responsibility of spending $49,000,000 or $50,000,000 of the taxpayers' money without authority. He would certainly be under severe criticism about it if he did.

However, that bill was reported out, and it came up for discussion on the floor of the House, and it was contended by the proponents of the bill, including Mr. EDMONDS, that these claims could not be paid according to contract or any existing law that was intended to meet that situation, and it was intended to make them whole, just as it was expressed, for instance, by Mr. EDMONDS, who took an active part in favor of the bill. He said:

> Mr. Payne doubted his authority to settle these contracts—not the portion of the contract that was legal, which Judge Davis called attention to, but the question of the claim that was made by these men for an entire return of the capital invested.
>
> The only thing in controversy is, Are you going to pay the original investment made by these men in shipyards?
>
> The bill is drawn around this fact—that it is desired to return the original investment to these men; in other words, pay for their plants.

The gentleman from Texas [Mr. HARDY], the ranking minority member on the Merchant Marine and Fisheries Committee, who likewise supported that bill for the relief of wooden-ship contractors, expressed it as follows:

> Mr. Chairman, I hope it will be understood by all the Members of the House that Mr. Payne based his action in refusing to adjust and settle these claims solely upon the legal proposition that as an administrative officer and as a good lawyer he did not believe that the Shipping Board has the right to make any settlements covering anything else except the legal obligations of the Government of the United States; that they had no right to consider the moral and implied obligations, or particularly the moral obligation.

During the consideration of said bill I offered an amendment to insert, after the word "claims," the words "based upon contracts, expressed or implied." In discussing my amendment the gentleman from Pennsylvania [Mr. EDMONDS] declared:

> Mr. Chairman, should the amendment proposed by the gentleman from Tennessee [Mr. DAVIS] pass, it would simply defeat the purposes of the bill.

And the gentleman from Texas [Mr. HARDY] stated:

> Mr. Chairman, as just stated by the gentleman from Pennsylvania [Mr. EDMONDS], the amendment now offered by the gentleman from Tennessee [Mr. DAVIS] is simply destructive of the whole bill. Already and without any legislation any shipbuilder has a perfect right to recover for contract prices whether the contract be expressed or implied.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DOWELL. Mr. Chairman, I appreciate what the gentleman is intending to do by his amendment, but I fear instead of closing the door he opens it wide. The reading of this amendment would indicate it provides for the payment of any of these claims upon the written opinion of the attorney for the Shipping Board. The amendment of the gentleman from Massachusetts [Mr. WALSH] closes the door, and only permits claims to be paid as permitted under the Shipping Board act passed some time ago. My fear of the gentleman's amendment

is this: Should the attorney for the Shipping Board render a written opinion regarding a doubtful claim, holding it to be legal and payable, would not this amendment, by reason of the opinion of the attorney, make the claim a legal one, irrespective of its otherwise legality? Illegal claims should not be paid. And Congress should not enact a law basing the legality of a claim upon the opinion of the attorney of the department passing upon it. I think the gentleman's intention is all right, but his amendment, instead of closing the door, might open it wide and permit any claim to be paid that the attorney may recommend.

Mr. OLIVER. Will the gentleman permit an inquiry?

Mr. DOWELL. Certainly.

Mr. OLIVER. Assuming the House should not adopt the amendment offered by the gentleman from Tennessee, and that the amendment of the gentleman from Massachusetts should be adopted, who do you think will pass on the legality of the claims?

Mr. DOWELL. I have no doubt that the attorney for the Shipping Board will pass upon the claim, but we should only allow a claim that is legal under the statute, and we should not legalize it because he passes upon it.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. OLIVER. If this amendment is adopted, how do we in any way disparage the amendment offered by the gentleman from Massachusetts?

Mr. DOWELL. We legalize the attorney's opinion. That is what we object to. I want to compel the board to comply strictly with the law, and I have no doubt the attorneys will so advise, but I am not willing in advance to legalize a claim on the written opinion of the attorney.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. CLARKE of New York. Is not that attorney for the Shipping Board the one who will have full and exact knowledge of the thing? Is he not the only one to pass upon it?

Mr. DOWELL. Certainly; but he must pass upon it under the act passed some time ago.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. NEWTON of Minnesota. The point is this, that if a member of the legal staff should declare a claim to be legal, his opinion would be final, and the gentleman objects to legalizing it in that way?

Mr. DOWELL. Yes. I do not wish an act of the Shipping Board to be considered as determining the legality of the claim in that way.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DOWELL. Yes.

Mr. DAVIS of Tennessee. My amendment provides that it shall not be paid unless that is done. The commission is composed of five members, only one of whom is a lawyer, and my idea is that a representative of the legal department of the Shipping Board should pass upon it, and give an opinion to the effect that the Government is liable before it is paid. It may not be paid then, but certainly it should not be paid until then.

Mr. DOWELL. I object to legalizing it in advance before he renders an opinion.

Mr. WOOD of Indiana. Mr. Chairman, I call the attention of the committee to a very dangerous proposal in this amendment, which reads as follows:

> That none of these claims shall be paid unless based upon legal liability on the part of the United States.

Now, I take it for granted that the lawyers here, at least, will understand that that might result in the prevention of the settlement of a single one of these claims. The gentleman from Tennessee [Mr. DAVIS], who introduced the amendment, after examining the facts and the law in regard to a certain claim, might or might not conclude that there was a legal liability. Myself, as a lawyer, on the other hand, with the same facts before me, might conclude that the gentleman from Tennessee was wrong. There is not a case of importance that is decided by the Supreme Court of the United States to-day but what there is a divided opinion with reference to the legal liability.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HUSTED. Who do you think would assume the responsibility of paying a claim if the statute itself would provide that the claim must be based upon actual legal liability?

Mr. WOOD of Indiana. Certainly it would not settle the claim. It would destroy the very purpose of it. If this appropriation is going to be worth anything, it is for the purpose of compromising and settling these claims. As Mr. Lasker says, the fact that there are among these claims millions of dollars that are absolutely just is one of the reflections upon this Government when no provision has been made to pay them short of the Claims Court.

There are lots of questions arising with respect to these claims in which honest men would honestly differ about this thing. Suppose the gentleman from Texas [Mr. BLACK] comes here as a claimant, and he feels in his heart that he is entitled to $50,000 in payment of that claim. Suppose the representative of the Shipping Board, on the other hand, is of opinion that he is entitled to only $35,000. The gentleman from Texas, we will suppose, is represented by a good lawyer, honest, and is convinced that he is right in his contention, and the legal member of the Shipping Board is equally honest and convinced in his opinion that he is entitled to only $35,000. In order that a settlement may be had, they will agree upon splitting the difference. Now, according to the contention of the gentleman from Texas, who is going to say that the representative of the Shipping Board or the gentleman representing the gentleman from Texas is right?

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. OLIVER. Would the gentleman be willing to authorize out of the Treasury of the United States money to be paid to a claimant where the legal authority employed by the Shipping Board said it was an illegal claim?

Mr. WOOD of Indiana. I would not; no.

Mr. OLIVER. If a condition such as the gentleman suggests should arise, of course if the claim can not be settled on a legal basis that party should be sent to the Court of Claims.

Mr. WOOD of Indiana. No. There is another consideration that enters into this matter. The Government was appealing to these men to furnish their material during the war. There are equities in these cases perhaps that ought to enter into the matter in many instances, and I suppose there are hundreds of cases where the equity side of the proposition ought to be determined. Now, if this amendment is adopted there can not be any equity in the case; none.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BEGG. On these claims where there is a dispute, for instance, where a claim is for $1,000,000 and the commission finds there is only $700,000, does not the gentleman think it a wise provision to send the whole thing to the Court of Claims, or at least the disputed part, rather than allow these people to compromise?

Mr. WOOD of Indiana. That might occur.

Mr. BEGG. It occurs in many instances.

Mr. WOOD of Indiana. Yes; and it will occur in these cases the way they are determining that thing now, and it strikes me it is the fairest thing in the world. I come before the Shipping Board with a claim. The gentleman representing the legal department of the Shipping Board turns it down. Now, the officer of the Shipping Board says to me as a claimant, "If you are willing you can submit this thing to the claims division, composed of the five men stated by the gentleman from Tennessee [Mr. DAVIS], where they sit in banc and try that case and make their recommendation, subject, however, to the final approval of the Shipping Board." If, after that thing is done, this claims commission finds out that I am entitled to something and the officer of the Shipping Board gives it his approval, that is the character of cases they are settling, and they will settle about $140,000,000 for $50,000,000.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. DAVIS of Tennessee. In the outset, after I offered this amendment, I understood the position of the gentleman from Indiana to be that he saw no objection to the principle embodied in the amendment, but declined to accept it because it was useless, because no Government official could pay any claim if it was not based upon legal liability. I understand the gentleman's present position to be different from that, and he now takes the position that, on account of equities, and so forth, involved, this restriction should not be imposed.

Mr. WOOD of Indiana. When the gentleman from Tennessee first read his amendment, without examining it I felt that it was a useless amendment, because the very thing he was suggesting in it would be the guidance of the men having it up for settlement. But on reading it again I find that he has

made it absolutely impossible for any man to take and settle these claims, for the reason that the gentleman from Tennessee might say that there was a legal liability and I might say that there was no legal liability, and there might be a dozen lawyers passing upon it, with a dozen different opinions about it. We all know that in the main, unless a man would stultify himself or be dishonest to the Government, some equitable or legal liability might appear, and there should be discretion lodged somewhere whereby honest men can settle honest differences. That is all that this would need.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. OLIVER. The amendment offered by the gentleman from Tennessee [Mr. DAVIS] should be adopted. In this connection I wish to read a statement made to Congress by the gentleman from Illinois [Mr. MADDEN] last August, which suggests the danger of appropriations of this character. The House then refused to make any appropriations to the Shipping Board for the settlement of claims, although the Shipping Board, through Mr. Lasker, its chairman, strongly urged that at least $24,000,000 be appropriated for the settlement of claims. The RECORD discloses that the House was unanimous in its approval of the position taken by the gentleman from Illinois [Mr. MADDEN], yet we now find the House confronted with a request from the Shipping Board for $50,000,000 for the purpose of settling claims. On page 4924 of the CONGRESSIONAL RECORD the following statement by Mr. MADDEN appears:

> They asked for $24,000,000 to pay claims. We did not think they ought to have the right to pay any claims, and so we cut that out. [Applause.] We did not think that any board ought to be charged with the responsibility or given the authority to adjust indefinite claims without limit. And as far as I am concerned, my attitude is this: I do not think any board ought to come and ask for money to adjust claims that have not been adjusted and certified. [Applause.] I do not think any claims after they are adjusted ought to be paid until after we have examined them, and I do not know whether they ought to be paid then until they have been litigated and go to final judgment. I think if you litigate these claims and let them go to final judgment, in most cases you will stop graft. However, we refused to allow any appropriation for the payment of claims.

Such was the attitude of the House in August, 1921, and no sound reason has been advanced for reversing that position. If the House should conclude to appropriate $50,000,000 for the settlement of claims, certainly there can be no sound objections to the adoption of the pending amendment, which seeks to require that a written opinion from the attorney of the Shipping Board must be obtained as to the legality of the claim before it is settled out of any part of the $50,000,000 herein sought to be appropriated. The very fact that the Adjustment Board, which will have in charge this $50,000,000, is probably organized without authority of law—only one member of the board being a lawyer—suggests the importance of requiring that before any claim is settled by this board it must be carefully considered by the attorney of the Shipping Board and the legal opinion obtained from him that it is a legal claim against the Government.

If the gentleman from Iowa [Mr. DOWELL] wishes to refer the claim to the Attorney General for his approval, then he can offer an amendment to that effect, but certainly the opinion of some responsible legal department of the Government should be obtained as to the legality of the claim before payment is made. It is not the purpose of the House in providing this fund to authorize the payment of mere equitable claims or those which can not be enforced in the Court of Claims. A statement by the chairman of the Shipping Board, Mr. Lasker, shows that there are outstanding only about $100,000,000 of claims which it is proposed to settle with this appropriation. He states that no part of the appropriation is asked for or will be used in the payment of the claims now pending in admiralty courts or in the Court of Claims, and we are asked here to appropriate $50,000,000 for the settlement of $100,000,000 of claims, and certainly the House, in view of the statement made by the gentleman from Illinois [Mr. MADDEN], which I have just read, will insist that a legal opinion from the Shipping Board attorney be made a condition precedent to the payment of any claim.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word. If I understand the last position of the gentleman from Indiana [Mr. WOOD], it is to the effect that the Shipping Board has so many lawyers that they would disagree among themselves and would never come to any conclusion if you allowed only legal liabilities. As a matter of fact, I think the amendment should be adopted, since if it is not adopted the board may allow any claim they want to, whether there is a legal liability or not. If we adopt the amendment suggested by the gentleman from Massachusetts, they will have to be such claims as are authorized by the merchant marine law, and in addition thereto then there must be an opinion by the legal department of the Shipping Board that there is a legal liability. Of course, these claims will be passed on in a practical way, as everyone knows, by the lawyer who has the matter in charge looking the thing over and determining whether it is a legal liability, and then his opinion will be subject to review by Mr. Schlesinger, who is the chief counsel of the board, or some one authorized by him.

The gentleman from Iowa [Mr. DOWELL] takes the position that it would make it legal when the attorney for the Shipping Board passed on it. That is an absurd statement, because it says that even after it is authorized by what is stated in this law, and even after it is authorized by the amendment that has been suggested by the gentleman from Massachusetts, then in addition to that it shall be disallowed unless the attorney or the legal department of the Shipping Board says that it is a legal liability. There is before us the question of adopting a policy. If we pay moral obligations of the Shipping Board when there is no legal basis, the floodgates are opened. All kinds of claims arose out of the war. There are sugar claims and other claims before the Committee on Agriculture which even the attorneys for the claimant admit are not legal liabilities. The attorneys for the company admit that there is no legal liability, and yet the Attorney General says the claims should be paid, and that is the whole issue. There will be a number of such claims presented. If you are going to allow moral claims, there is no telling how many will be presented in every department of the Government.

Mr. CLARKE of New York. Did not the Attorney General before the committee say there was not only moral but legal liability?

Mr. JONES of Texas. He said at first that he thought there was a legal liability, but that was before he knew the attorneys for the sugar company admitted that there was no legal liability, and he later qualified his opinion. If you are going to pay moral claims, there are all kinds of claims that will arise. The Government fixed prices on various things. It fixed the price of wheat. When wheat was $2.75 a bushel the Government fixed the price at $2.20 a bushel, and a great many farmers think they have a moral claim, and a lot of grain dealers think they have a moral claim against the Government on that account, and their claims are on a much higher basis than many of these. If any claim is to be allowed where there is no legal liability, thousands of claims will arise everywhere. If we pass the appropriation as it is worded here, I am sure that a great portion of this appropriation will be paid out on claims in which, even in the opinion of the attorney who passes on them, there is no legal liability.

Mr. HUSTED. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from New York.

Mr. HUSTED. Does not the gentleman think the Government ought to pay claims which would be legal as between individuals?

Mr. JONES of Texas. Oh, yes; but under this appropriation the board may pay claims that would not be legal liabilities as between individuals. There may be claims of various characters, some of which I have cited, where there is no legal liability and no contractual liability, and a man could not go into court and maintain the claim at all, and yet full authority is given here to settle them. These men, part of whom are interested in the ship business, would be allowed to permit such a claim to go through, and this appropriation would pay for it, even though all these 80 lawyers might render a combined opinion in which they all agreed that there was no legal liability. The board could say, "We will pay it anyway." Talking about practical matters, no concern pays a claim of any importance unless its attorney will state over his own signature that there is a liability. As a business proposition they would not permit claims to be paid until some lawyer had passed on them. They may have employed a firm of 40 lawyers, as was suggested here, but they would wait until the firm signed its firm name to the opinion that certain things should be done before they would consider that the matter had been ultimately and finally disposed of. If you do not adopt the amendment offered by the gentleman from Tennessee, you will throw the door wide open to all claims whether legal or not.

Mr. BEGG. Mr. Chairman, I move to strike out lines 23, 24, and 25.

The CHAIRMAN. That amendment is not in order at this time. The question is on agreeing to the amendment offered by the gentleman from Tennessee [Mr. DAVIS].

The question being taken; on a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 14, noes 30.

Accordingly the amendment was rejected.

Mr. WALSH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. WALSH offers the following amendment: Page 28, line 24, after the word "adjustment," insert the words "authorized under the provisions of the merchant marine act of 1920."

Mr. COOPER of Wisconsin. Mr. Chairman, I shall support the amendment offered by the gentleman from Ohio [Mr. BEGG] to strike out lines 23 to 25, inclusive. The proposition contained in those lines is most extraordinary. It is to turn over $50,000,000 for the adjustment of claims against the United States Government in private. That is exactly what it amounts to. Now, during the last year a great many gentlemen have been talking about getting back to prewar "normalcy." But did any person ever hear of a war measure that had less of "normalcy" about it than has this proposition to turn over without any restrictions $50,000,000 for what will, to all intents and purposes, be the private payment of claims? That is the proposition.

Mr. WALSH. Does the gentleman know of any other branch of the Government in which we take this method to settle claims?

Mr. COOPER of Wisconsin. No; I do not.

Mr. WALSH. We require them to come to Congress with a special act, do we not?

Mr. COOPER of Wisconsin. Yes.

Mr. WOOD of Indiana. There is no other business in any other branch of the Government that is like this.

Mr. COOPER of Wisconsin. We compel other claimants to go to the Court of Claims and establish their claims, and when judgments of that court are against the Government no money to pay them goes out of the United States Treasury until Congress knows what the findings are and passes a law authorizing payment. But here is $50,000,000 handed to a board, two of whom, I understand from what was said a moment ago, were members of shipbuilding firms, to do with practically as it pleases.

And some of these claims are for the building of ships. A lawyer will come with a claimant to this board having $50,000,000 at its disposal, and talk to its members. They can, after negotiations in private, make a decision in private, and they have unlimited power so to make it. Now, I am not saying that members of the board are dishonest, but the Federal Constitution and the various State constitutions make it plain that our forefathers believed that no person in an executive place ought, in time of peace, to be given absolute discretion in the disposition of public funds. Payment of claims against the Government ought to be made only after a public hearing, with an opportunity for the examination and cross-examination of witnesses not in private but in public. Analyze these four lines, forget all the talk that we have heard here about the possible settlements and adjustments to be made if this vast sum of money is thus turned over, and what is the proposition? Stated in a few words, it is to hand out $50,000,000 that the taxpayers in your district and in mine raised by hard work, and permit it to be used in the private settlement of claims, and the money to be paid out before you, the representative of your taxpaying constituents, know anything about the payments.

Mr. Chairman, such a proposition can not be defended in a time of peace. Perhaps when the war was on there may have been justification for presenting unlimited sums of money to men to be disbursed in their discretion. But now, three years after the war is ended, thus to turn fifty millions over to any body of men, and, of all persons, to a body having the record of the Shipping Board, is absolutely unpardonable. It is, as I said, turning over $50,000,000 of the public funds to be used for the adjustment of claims in private, and to be paid out before Congress can know anything about it.

Mr. OLIVER. Mr. Chairman, will the gentleman yield?

Mr. COOPER or Wisconsin. In time of peace this proposal can not be defended.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. OLIVER. Mr. Chairman, I ask unanimous consent that his time be extended for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. OLIVER. Will the gentleman yield?

Mr. COOPER of Wisconsin. Yes, sir.

Mr. OLIVER. Is the gentleman aware that there is no legal authority for the organization of this adjustment board that will have the right to expend the $50,000,000?

Mr. COOPER of Wisconsin. I infer it from the intimation which the gentleman's question carries. Moreover, the distinguished gentleman from Massachusetts [Mr. WALSH], who is very familiar with this subject, assured me a moment ago, in reply to my question, that there is no law regulating the procedure to be followed by this board in handling the $50,000,000. Any or all of its members can consult with the chairman or his lawyer anywhere at any time. They can hear witnesses anywhere in private, or they need not hear witnesses. We simply give them unlimited discretion to hand out the taxpayers' money in payment of private claims.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. DAVIS of Tennessee. The gentleman from Massachusetts is absolutely correct. This provision in the merchant marine act to which reference is made is simply a broad, general authorization to settle and adjust claims. It provides no method for procedure; it does not even provide that the claims shall be legal or based on contractual liability or anything.

Mr. COOPER of Wisconsin. Mr. Chairman, the more I think of this the more I am reminded that Thomas Jefferson said that "the Republic of the United States is, in large part, founded upon distrust of men in places of executive power."

Mr. DOWELL. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts, Mr. WALSH.

The amendment was agreed to.

Mr. BEGG. Mr. Chairman, I move to amend by striking out lines 23, 24, and 25 on page 28.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 28, strike out lines 23, 24, 25.

Mr. BEGG. Mr. Chairman, there are but two safe ways to adjust claims against the Government. The safest way is through the legal machinery organized by the Government, namely, the Court of Claims. To me that is the only way that seems at all within the bounds of reason for settling a claim of any size. A small claim of a few hundred dollars may be adjusted safely and satisfactorily by a department chief, but claims mounting into the millions it seems to me should go through the Court of Claims.

Many of these claims are disputed. I happen to know about several of them pending before the Shipping Board, and there is a dispute amounting to $5,000,000 in one particular claim.

Mr. McDUFFIE. Does not the gentleman think by having some one settle it in this way that the representatives of the Shipping Board would get a better settlement of these claims?

Mr. BEGG. In reply to that I would say no. If that is true, then what is the use of having the Court of Claims? Why not appoint an adjuster and let him settle everything? We are not requiring any of these claims two or three years after the war is over to go through the Court of Claims. I concede that perhaps we should not do that in every case. Then the only other safe proposition is to let the adjustment board hear the case and take the evidence and submit the evidence to this House through the Commitee on Claims, and let us have the evidence before we are asked to vote the money out. There is not a man here who has not a reasonable amount of intelligence and fairness, nor is there a man here who would not like to know something about where the money is going before he votes out $50,000,000.

I direct attention to what happened in the War Department, and I want it distinctly understood that I am not charging dishonesty. In the War Department under the Dent Act the same thing was allowed as in this proposition, only we appropriated on a larger scale. We have paid out to 10,000 or more contractors in the United States since the war ended between two and three billion dollars. Henry Ford's company, of Detroit, Mich., got seven and three-quarter million dollars from this Government, and incidentally I smile every time I read those facts; he is the man who was going to be patriotic and take no profit out of the war. Yet he drew seven and three-quarter million dollars out of this Government as adjusted claims and never delivered a monkey wrench. He received over $5,000,000 for spare parts and never sent down a single thing to the Government. He never constructed a building for that purpose. I would like to know if the spare parts could not have been utilized in the regular business that he is in? I can not prove that he got a dollar more than he was entitled to; but I do maintain that the whole public is entitled to know all of the facts in a settlement as big as $500,000, let alone $5,000,000.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BEGG. Yes.

Mr. DAVIS of Tennessee. Under the Dent Act, in spite of what the gentleman has said as to the results, it authorized only settlements upon contracts expressed or implied.

Mr. BEGG. Expressed or implied. They got under cover under that word implied. We are voting $50,000,000 to-day, and there are five men who are going to decide who shall receive it. The Court of Claims with its legal machinery will have nothing whatsoever to say about the legality or the validity of the claim or the rightfulness of it, and we are voting the money into the hands of five men to dispense where they will, how they will, and when they will; and every day we are reading in the newspapers right now that Mr. Mellon, the Secretary of the Treasury, is alarmed on account of the financial condition of the Treasury, and he states that we are liable to put ourselves into bankruptcy if we vote a bonus for the soldiers. The protests that are coming into my office against the soldiers' bonus are coming, nine times out of ten, from the biggest benefactors out of the settlement of war claims in this country. We found money to pay them, and if you are going to find money to the tune of $50,000,000 to give Mr. Lasker's five men to pay for the war claims, I say to you that we have plenty of money to give to the soldier boys. [Applause.] I want you to know that I am not demagoguing in that. I shall vote with any man in this House to force every man with a claim to go through the Court of Claims; and if we have not Courts of Claims enough, then I shall vote to establish enough so that they can hear the cases properly. At the same time, the Department of Justice is busy investigating many of these settlements under war powers. Overpayments were common, charges of graft numerous, and dissatisfaction rife; yet we vote $50,000,000 more to continue that unsatisfactory state. Why the grand rush? The same arguments that are made to-day for this item were made one and two years ago, yet these firms have not gone into bankruptcy.

Mr. HUSTED. Mr. Chairman, I understand there are about $300,000,000 of claims in suit against the Shipping Board, and those claims are being defended at a cost to the Government of $600,000 a year. In other words, it costs the Government one-fifth of 1 per cent to defend the claims actually in suit against the Shipping Board. I believe that is a very low rate of cost for legal defense. I do not believe that private suits are defended at less than 5 per cent. I believe that would be the absolute minimum, and I understand that the big, well-managed corporations do not defend their litigation on a basis better than 2½ to 3 per cent, depending upon the efficiency of the legal department and the amount of business defended.

Now the Shipping Board is defending its business on the basis of one-fifth of 1 per cent, and I think that is a pretty good argument in favor of its efficiency. It shows the Shipping Board is doing its business and defending the interests of the Government at a minimum cost. Now, in addition to the $300,000,000 of claims in suit, there are a great many million dollars of other claims which are not in suit, and the Shipping Board say they can settle those claims on a very advantageous basis, and they asked us to let them have $50,000,000, $30,000,000 of which to be immediately available for that purpose. I do not know how any private business could function if it was not permitted to settle its just obligations promptly. I do not believe anybody would do business with a private corporation that would not do so, and the Shipping Board is in no different position in that respect from any private corporation. There are just claims of people who will be ruined if those claims are not paid, and to say that they have got to go to the Court of Claims or to say that they have got to go into a court and sue on those claims is unjust and unreasonable and a bad and unprofitable business for the Government of the United States.

Mr. BEGG. Will the gentleman yield for a question?

Mr. HUSTED. We have got to have confidence in the men who are running the business of the country, and I see no reason on the record why we should not have confidence in the men who are in charge of the Shipping Board to-day. Why, you would think, to hear gentlemen talk upon the floor of this House, that they were a lot of crooks, that they were disposed to rob the Government, and if we put this $50,000,000 in their hands they would pay unjust and dishonest claims. We have no right to take any such position. We have a right to assume this money will be expended honestly, economically, and in the interest of the Government in the payment of just and righteous claims, and I do not believe there is any man on the floor of this House who really thinks the money would be expended in any other way. I think it would be most unjust and most unfair to say to these men who have these claims against the Government, "You must go into the Court of Claims, wait a year or two until you are ruined before you get the money, or go into the courts and sue there and get judgment and then come here and ask of the Committee on Appropriations to provide the money to pay the judgment. This business of running our merchant marine is a private business. It has to be treated in the same way. It has been very expensive to the Government of the United States, but we are in it, and we have got to get out of it in the best way we can. We ought not to hamstring the men who are in charge of it, and should not place them in a position where they can not manage the business in a business-like way. That is exactly what you will do if you proceed in the present course and carry out the present attitude in legislation. [Applause.]

Mr. DICKINSON. Mr. Chairman, on page 906 of the hearings the question was asked of Mr. Lasker:

> Mr. DICKINSON. That is a lump appropriation, but you did not set up any specific claims.
>
> Mr. LASKER. We are perfectly willing, if the Appropriation Committee desires it, to send special deficiency bills each week as we settle claims. However, if we had a lump sum in hand we could settle these claims infinitely cheaper than if the claimants must come before Congress and have special bills passed for the payment of their claims.
>
> Mr. WOOD. That is what I had in mind when I spoke about making it available, and for this reason, that some of these men are in need of money, and a more advantageous settlement could be made now than could be made after a while.
>
> Mr. LASKER. Yes. No doubt there are many claims that could be settled for less than the amount asked. I am not speaking of any claim in particular, but simply in a general way; there might be a claim which otherwise we would settle for $200,000, and if we had the cash in hand and could hand it over the counter we might settle it for $120,000. It is a most wasteful system of economy that the Government is following in not settling these claims for cash.

Mr. WALSH. Will the gentleman yield?

Mr. DICKINSON. In just a minute. Now, in reference to the organization referred to as the personnel he said:

> We got very high-grade men on it, the members of the commission being Judge Walter D. Meals, formerly justice of the appellate court of Ohio—

Now, the very fact he comes from Ohio ought to be some indorsement of this administration.

Mr. BEGG. That is the reason I wanted to cut out the $50,000,000.

Mr. DICKINSON. Then he proceeds to say:

> Mr. Arthur W. Peele, of Patterson, Peele & Dennis, and vice president of the American Institute of Accountants; Mr. Homer L. Ferguson, president of the Newport News Shipbuilding & Dry Dock Co.; Capt. R. M. Watt, formerly chief constructor of the Navy; and Mr. F. W. Wood, of Baltimore, formerly president of the Maryland Steel Co.

Now, let us go into this matter a little bit. It has been suggested by gentlemen that they would vote additional funds to create a new Court of Claims or an additional Court of Claims in order that these claims could be settled; but we have that commission already created. We have in it a personnel that is just as good as the Court of Claims. There is no more reason for saying these men are dishonest and will pay unjust claims than to say that the Court of Claims is dishonest, because they are organized in the same way, they are officials in the Government, they have sworn to do their duty, and not only that, but when the Court of Claims renders judgment the Government is bound by its finding—and I challenge any man to impugn any of these men—when this Court of Claims makes its finding its finding must be reviewed by the Shipping Board itself, which makes a double safeguard that this Court of Claims will not allow an unjust claim. You have either to do one of two things here. You have either got to say this whole thing is not worthy of the confidence of this House or you have got to say we have formulated a system here that at least equitably and properly safeguards the Treasury of the United States in the adjustment of these claims.

Now, if you put this in the Court of Claims, what does it mean? It means that these adjustments will not be made for two or three years, and you are going to have this thing stuck up here under the nostrils of Congress every year until all these claims are adjusted and the whole thing is taken care of. Now, here is the statement, and I believe this man knows what he is talking about, that if we will give him this personnel and permit him to work this thing out in this way he will adjust these claims before January 1, 1923, and that this phase, at least, of the Shipping Board will be taken out of Congress and will be disposed of. If you want to continue this thing in the same uncertain way in which all Government claims are paid, then go ahead and defeat this provision. If you want it to be adjusted in an orderly manner, under men that are just as honest as any men you can select, then support this proposition.

Mr. MADDEN. Mr. Chairman, in the month of August last, when the Committee on Appropriations reported an appropriation for $48,500,000 for the Shipping Board, we had a proviso that no part of that appropriation should be used for the pay-

ment of claims. I suggested then that I believed that all claims should be settled in the Court of Claims. Since that time the Committee on Appropriations has made a somewhat extensive investigation as to the situation in respect to pending claims. We find that there is $219,000,000 of claims pending, some of which, I assume, have very little merit, but some of which have great merit. Some of these claims are pressing. The honor of the Nation is at stake in connection with these matters. The question arises, Is the Nation willing to have it said of it that it is not willing to pay its just obligations? If we are not willing to have that said, the next question arises, How are we going to dispose of the obligations and what method shall be applied in their adjustment? Shall we send them to the Court of Claims or shall we try the cases before the board already in existence? Shall we send these claims to the Department of Justice to adjudicate or shall we permit the Shipping Board, the membership of which is familiar with the facts in all the cases, to adjust them? The Shipping Board tells the Committee on Appropriations that they have information which leads them to conclude that if they are given the power and the means that they will be able to do with $50,000,000 what they might not otherwise be able to do with double or treble that amount. The gentleman from Ohio, my friend Mr. BEGG, a short time since stated on the floor that $3,000,000,000 has been paid out through the War Department in the settlement of claims. Now, no such sum as that has been paid. The claims did not amount to that.

Mr. BEGG. Will the gentleman yield?

Mr. MADDEN. In just a moment. And all the claims in the aggregate settled by the War Department have been settled on the basis of 14 cents on the dollar on the face of the claims.

Mr. BEGG. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BEGG. I think the gentleman misunderstood me as saying three billion. I said between two and three billion dollars, and I have a photostatic copy of the War Department record in my office, and I will be glad to put it in the RECORD or show it to the gentleman.

Mr. MADDEN. That was the face of the claims proposed.

Mr. BEGG. No; that is the amount of money paid out of the Treasury under the Dent Act. I have a photostatic copy of it.

Mr. MADDEN. I will be glad to have the gentleman put it in the RECORD. But whatever the amount was, the basis of settlement was at the rate of 14 cents on the dollar. Now, in the settlement of claims through the Treasury Department on building contracts, the settlements were made on the basis of over 60 cents on the dollar. The Shipping Board advises the Apppropriations Committee that they will be able to make settlements which will not be in excess of 32 cents on the dollar.

Mr. OLIVER. My understanding is that the net amount of the claims outstanding is about $219,000,000.

Mr. MADDEN. That is what I said.

Mr. OLIVER. And of that number about $55,000,000 are in the admiralty court and about $62,000,000 in the Court of Claims, and that the Shipping Board is asking here, not for any money to settle any claim in either the admiralty court or in the Court of Claims, but that the sole purpose in asking for this appropriation is to have funds to settle $102,000,000 of outstanding claims.

Mr. MADDEN. It is $115,000,000.

Mr. OLIVER. As I have it, it is $102,000,000.

Mr. MADDEN. The corrected figures are $115,000,000.

Mr. OLIVER. Then, that will be paying about 50 cents on the dollar?

Mr. MADDEN. Something over 40 cents.

Mr. OLIVER. In the hearings Mr. Lasker indicates it may be necessary to draw on the funds that we are authorizing them to realize on from the sale of ships in order to settle claims.

Mr. MADDEN. We have no funds.

Mr. OLIVER. However, this may not be sufficient to settle $115,000,000 of claims.

Mr. MADDEN. My information is that $115,000,000 will settle all the claims. We have $306,000,000 of resources in the form of notes, open accounts, mortgages, and in that it is presumed there will be $75,000,000 of a loss, so that we would have, if we will deduct $75,000,000 from the $306,000,000, about $231,000,000. If they could utilize this $231,000,000 on the payment of claims, of the $115,000,000, they would be able to get along without any of the appropriations suggested in this bill. But they can not collect the money. They will not be able to collect it for some years to come. If they could, they would have resources over the amount of the claims that are now pending. So we come to you with the recommendation that we give $50,000,000 to the Shipping Board now, $30,000,000 of which shall be immediately available, with the understanding they can use that to settle claims that are urgent, pressing, and just.

The only question is, Will you let the Shipping Board make these settlements? Will you let the board that has been appointed for that purpose make the settlements? Will you transfer the power to the Department of Justice to make the settlements? I say to you that the Shipping Board does not care. They do not want the obligation of settling the claims, if they can avoid it, but there seems to be no other way, and my judgment is that we ought to give them the amount recommended in this bill by the Appropriations Committee, and put the Government of the United States on a basis where it can stand before the world as willing to pay its obligations. [Applause.]

Mr. WALSH. Mr. Chairman, I rise to direct an inquiry to the gentleman from Indiana [Mr. WOOD]. I am advised that the Weather Department of the Government has issued a storm warning to the effect that the already severe snowstorm is likely to be followed this afternoon by a 60-mile gale. I am also advised that all of the Government departments downtown have closed, and the employees have been permitted to go home. There are a great many Members here who live a long distance away, and I was wondering how long the gentleman from Indiana intends to stay in session this afternoon.

Mr. LANGLEY. And the indications show that it will snow for 24 hours yet.

Mr. WOOD of Indiana. I have no disposition to inconvenience any of the gentlemen here. If we can get a vote on this amendment, I will ask that the committee rise.

The CHAIRMAN (Mr. STAFFORD). The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. BEGG] to strike out lines 23, 24, and 25 on page 28.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BEGG. Mr. Chairman, a division.

The CHAIRMAN. The gentleman from Ohio asks for a division.

Mr. DAVIS of Tennessee. Pending that division, Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Tennessee makes the point of order that there is no quorum present. The Chair will count.

Mr. DAVIS of Tennessee. Mr. Chairman, I understand it is the intention to adjourn, and I withdraw the point.

The CHAIRMAN. The gentleman from Tennessee withdraws the point of order. The gentleman from Ohio [Mr. BEGG] demands a division on the pending amendment.

Mr. JOHNSON of Mississippi. Mr. Chairman, I ask that the amendment be again reported. There was so much confusion in the Hall that we could not hear it.

The CHAIRMAN. Without objection, the amendment will again be reported.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 28, strike out lines 23, 24, and 25, inclusive.

The CHAIRMAN. The question is on agreeing to the amendment.

The committee divided; and there were—ayes 18, noes 40.

So the amendment was rejected.

Mr. WALSH. Mr. Chairman, I offer an amendment to which the gentleman from Indiana has no objection, as I understand it.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 28, line 25, add a new paragraph, to read as follows:

"No part of the funds appropriated or made available in this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be expended for the preparation, printing, publication, or distribution of any bulletins, newspapers, magazines, journals, or other periodicals, or for services in connection therewith, not including, however, the preparation and printing of documents and reports authorized and required to be issued by law."

Mr. BLACK. Mr. Chairman, I wish to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLACK. I had an amendment to offer to the text. I understand that is a new paragraph. I would like to know if I can submit my amendment in advance of the new paragraph offered.

The CHAIRMAN (Mr. MANN). The Chair will recognize the gentleman from Texas.

Mr. DOWELL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Texas [Mr. BLACK] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 28, line 25, after the word "available," strike out the period and insert "*Provided*, That no claim shall be paid out of the amount appropriated herein unless the Shipping Board shall find that such claim grew out of an agreement, express or implied, entered into with the United States Shipping Board or the Emergency Fleet Corporation or their legal representatives."

Mr. WOOD of Indiana. Mr. Chairman, I reserve a point of order on that amendment, and I now move that the committee rise.

The CHAIRMAN. The gentleman from Indiana reserves a point of order on the amendment offered by the gentleman from Texas [Mr. BLACK]. The gentleman from Indiana moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MANN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1923, and for other purposes, had come to no resolution thereon.

ORDER OF BUSINESS.

Mr. MONDELL. Mr. Speaker, I take it that all the gentlemen understand that this bill will be taken up on Monday morning instead of the District bill, as was proposed.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 55 minutes p. m.) the House adjourned until Monday, January 30, 1922, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GREENE of Vermont: Committee on Military Affairs. H. R. 8924. A bill to amend the act entitled "An act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1921, and for other purposes," approved March 30, 1920; without amendment (Rept. No. 630). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHRISTOPHERSON: Committee on the Judiciary. H. R. 10159. A bill to further protect interstate and foreign commerce against bribery and other corrupt trade practices; without amendment (Rept. No. 631). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. EDMONDS: Committee on Claims. S. 160. An act for the relief of Kristina Furjak; without amendment (Rept. No. 628). Referred to the Committee of the Whole House.

Mr. WOODS of Virginia: Committee on Claims. S. 1951. An act for the relief of John Hickson, jr.; without amendment (Rept. No. 629). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9501) granting an increase of pension to James Forsyth Harrison; and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SINNOTT: A bill (H. R. 10185) authorizing the exchange of lands within or contiguous to the Malheur National Forest, in the State of Oregon, and for other purposes; to the Committee on the Public Lands.

By Mr. WARD of North Carolina: A bill (H. R. 10186) to make cadets eligible to United States Coast Guard Academy at New London, upon certificate from accredited school; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENHAM: A bill (H. R. 10187) granting a pension to Matilda Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10188) granting a pension to John Brantlinger; to the Committee on Invalid Pensions.

By Mr. FAUST: A bill (H. R. 10189) granting an increase of pension to Emma M. K. Dill; to the Committee on Invalid Pensions.

By Mr. SLEMP: A bill (H. R. 10190) granting an increase of pension to Mattie Ashby Birney; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 10191) granting a pension to Anna P. McCroskey; to the Committee on Pensions.

By Mr. VESTAL: A bill (H. R. 10192) granting an increase of pension to William Reiff; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3716. By the SPEAKER (by request): Petition of the Philadelphia Civil Liberties Committee, urging release of all political prisoners, etc.; to the Committee on the Judiciary.

3717. By Mr. CRAGO: Petition of the Eastern Guernsey Breeders' Association, protesting against limitation of Federal indemnity for tuberculosis eradication to area work; to the Committee on Agriculture.

3718. By Mr. FULLER: Petition of the Aero Club of America, favoring the Wadsworth bill (S. 2815) creating a bureau of civil aviation in the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

3719. Also, petition of Emil Johnson and 48 other citizens of Rockford, Ill., asking immediate passage of a protective tariff bill; to the Committee on Ways and Means.

3720. By Mr. GALLIVAN: Petitions of Messrs. Lawrence & Co., Walworth Manufacturing Co., Amory, Browne & Co., and the Pacific Mills, all of Boston, urging the appropriation for the Bureau of Foreign and Domestic Commerce as recommended by the Director of the Budget; to the Committee on Appropriations.

3721. By Mr. KISSEL: Petition of United States Custom Employees' Benevolent Association, of New York City, relative to certain legislation; to the Committee on Labor.

3722. Also, petition of the New York State Federation of Labor, urging passage of House bill 5331; to the Committee on the Judiciary.

3723. By Mr. RAKER: Petition of California Manufacturers' Association, of Oakland, Calif., protesting against the enactment of a cash bonus for soldiers; also petition of the American Valuation Association, of San Francisco, Calif., indorsing the principle of the American valuation plan; also petition of C. A. Love, of San Francisco, Calif., protesting against an embargo on the importation of German and other foreign photographic supplies and equipment; also petition of the American Legion national legislative committee, of Washington, D. C., urging the enactment of the adjusted compensation bill; to the Committee on Ways and Means.

3724. Also, petition of the board of temperance, prohibition, and public morals of the Methodist Episcopal Church, of Washington, D. C., indorsing Senate provision for concentration of liquors; also petition of the National Woman's Christian Temperance Union, of Washington, D. C., indorsing Senate amendment to House bill 9724 for concentration of liquors; to the Committee on the Judiciary.

3725. By Mr. TINKHAM: Resolution adopted by the Bostoner Saengerbund, relative to the conference to be held in Genoa; to the Committee on Foreign Affairs.

3726. By Mr. YOUNG: Petition of the State executive committee of the Nonpartisan League, signed by A. A. Leiderback as chairman, demanding that the Federal Government fix a minimum price of $2.20 per bushel for No. 1 dark northern spring wheat, that the United States Grain Corporation be revived, with power to buy the 1922 crop, and that the Government put on an intensive campaign to discourage and limit the wheat acreage throughout the Nation; to the Committee on Agriculture.

3727. Also, petition of Ole A. Kaastad and four others, of Hannaford, N. Dak., asking for the revival of the United

States Grain Corporation and for a fixed price on wheat; to the Committee on Agriculture.

3728. Also, petition of Paul Moeckel and 14 others, of Wishek, N. Dak., asking for the revival of the United States Grain Corporation and for a fixed price on wheat; to the Committee on Agriculture.

3729. Also, petition of M. C. Scheuffele and Henry Scheuffele, of Merricourt, N. Dak., asking for the revival of the United States Grain Corporation and for a fixed price on wheat; to the Committee on Agriculture.

3730. Also, petition of Victor Standinger, of Ellendale, N. Dak., and four others, asking for the revival of the United States Grain Corporation and for a fixed price on wheat; to the Committee on Agriculture.

SENATE.

MONDAY, *January 30, 1922.*

(Legislative day of Wednesday, January 25, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The bill is as in Committee of the Whole and open to amendment.

Mr. PITTMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll and the following Senators answered to their names:

Ashurst	France	McKellar	Sheppard
Ball	Frelinghuysen	McKinley	Shields
Brandegee	Glass	McLean	Smoot
Broussard	Hale	McNary	Spencer
Bursum	Harreld	Moses	Sutherland
Cameron	Harris	Nelson	Swanson
Capper	Harrison	Nicholson	Townsend
Caraway	Heflin	Norris	Wadsworth
Culberson	Jones, N. Mex.	Oddie	Walsh, Mass.
Cummins	Jones, Wash.	Overman	Walsh, Mont.
Curtis	Kellogg	Page	Warren
Dial	Kenyon	Pepper	Watson, Ga.
Dillingham	Keyes	Phipps	Watson, Ind.
Edge	Ladd	Pittman	Weller
Elkins	La Follette	Poindexter	Willis
Ernst	Lenroot	Ransdell	
Fernald	McCumber	Robinson	

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH] is detained on business of the Senate. I ask that this announcement may stand for the day.

Mr. PITTMAN. I was requested to announce that the Senator from Rhode Island [Mr. GERRY] is absent on account of illness, and that the Senator from Florida [Mr. TRAMMELL] is necessarily absent.

The PRESIDENT pro tempore. Sixty-six Senators having answered to their names, there is a quorum present. If there be no further amendment as in Committee of the Whole, the bill will be reported to the Senate.

Mr. WALSH of Montana. Mr. President, I desire to submit a few remarks concerning a feature of the matter to which I have heretofore directed attention. It is contended on the other side of the Chamber, as I understand, that though the making of the agreement, such as is contemplated by the bill before us, falls within the treaty-making power—that is to say, the agreement might be made by the President by and with the advice and consent of the Senate—it may also be made by congressional action through a commission appointed under the authority of an act of Congress. That is to say, Mr. President, the power of making agreements or contracts with foreign powers is concurrent, that the treaty-making power may be exercised with respect to certain contracts, at least, by the Congress.

I lay down the proposition that the treaty-making power vested by the Constitution in the President and the Senate is exclusive, and entirely so. The whole power is vested in the President and the Senate.

I wish to invite the attention of the Senate to the context of the Constitution in that part of it dealing with the treaty-making power. It is found in section 2 of Article II as follows:

> The President shall be Commander in Chief of the Army and Navy of the United States, and of the Militia of the several States, when called into the actual service of the United States.

I apprehend that no one will contend that that is anything but exclusive. I dare say no one will have the hardihood to say that Congress may by act appoint some one other than the President of the United States as Commander in Chief of the Army.

Mr. POINDEXTER. Mr. President——

Mr. WALSH of Montana. I yield to the Senator, although I wish that I might follow this line of argument.

Mr. POINDEXTER. I was merely going to ask one question on that immediate point. I think anyone would agree with the Senator on the proposition laid down, but I suppose the Senator will agree with the proposition that Congress could pass a law directing the policy of its military forces?

Mr. WALSH of Montana. The policy of the military forces? I admit nothing of the kind. The Commander in Chief can not be controlled by Congress in relation to the operation of the Army.

Mr. POINDEXTER. Does the Senator hold that Congress could not forbid an expedition of its military forces in some foreign country or direct such an expedition?

Mr. WALSH of Montana. Congress may declare war against a foreign country, but the carrying out of the war is within the exclusive jurisdiction of the President of the United States.

Mr. POINDEXTER. Consequently the power of the President as Commander in Chief is limited and subject to the laws of Congress.

Mr. WALSH of Montana. Of course, it is subject to the laws of Congress passed in accordance with the Constitution.

Mr. POINDEXTER. That is all we contend for.

Mr. WALSH of Montana. But if the Congress of the United States endeavors to invade the powers of the President of the United States as Commander in Chief, such action is not within the power of Congress. I continue:

> He may require the opinion, in writing, of the principal officer in each of the executive departments upon any subject relating to the duties of their respective offices, and he shall have power to grant reprieves and pardons for offenses against the United States except in cases of impeachment.

Does anybody contend that that is not an exclusive power? Is it within the power of Congress to pass a general law granting pardons to persons who are convicted of offenses against the Government of the United States?

Mr. NORRIS. Mr. President——

Mr. WALSH of Montana. If the Senator will pardon me, I desire to say there is pending before this body now a resolution requesting the President to exercise Executive clemency toward what are known as political offenders; but if we have the power to release such offenders, why not immediately pass an act discharging them from custody?

I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to ask the Senator in connection with the pardoning power—which, I admit, is exclusively in the hands of the President—would the Senator say that the fact that the President has that power exclusively prevents Congress from legally passing any law that might have any effect upon the President's exercise of his power, as, for illustration, would it be within the province of Congress to pass a law that should provide for the publicity of all recommendations and all resolutions by organizations of men and women, requesting the President to pardon certain offenders?

Mr. WALSH of Montana. I have no doubt Congress has that power. I have no doubt also that, within certain limits, Congress may regulate the pardoning power. I continue reading from the Constitution:

> He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur—

And in that same connection the clause continues—

> and he shall nominate, and, by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers as they think proper in the President alone, in the courts of law, or in the heads of departments.

The last clause relates to inferior officers, but with respect to all officers who are not inferior officers the power of the President is exclusive. These are all exclusive powers.

Mr. President, that very matter came before the Congress of the United States in the celebrated Fitz-John Porter case. A bill was pending before Congress and actually passed, I believe, and went to the President for his signature, restoring Fitz-John Porter to his place as an officer of the Army of the United States. The President called upon the then Attorney General, Mr. Brewster, who was recognized as one of the great lawyers who have held that place, and he advised the President of the United States that Congress had absolutely nothing to do with that matter; that Congress had no power to provide that a

certain man should be appointed an officer in the Army of the United States. After discussing the subject the Attorney General said in that connection:

The effect of the bill, then, is to authorize the President, with the advice and consent of the Senate, to appoint Fitz-John Porter to the position of colonel in the Army of the same grade and rank held by him at the time of his dismissal therefrom by the sentence, leaving it discretionary with the President to also place him on the retired list of the Army as of that grade. It supplies the President and the Senate with the authority to that extent to "carry into effect the recommendation of said board" through the exercise of the appointing power.

* * * * * * *

In answer to this it is submitted that Congress can not impose such requirement, and thus virtually assume a power (that of making an appointment to office) which does not constitutionally belong to it. Furthermore, if the bill be viewed as making it imperative upon the President to appoint, it must be deemed to make it equally imperative upon the Senate to "advise and consent" thereto. But these terms imply the right to exercise judgment and discretion, with which right such requirement would be inconsistent.

And he concludes as follows:

From the "foregoing powers" conferred upon Congress the power to designate by law a person to fill a military office can not be implied, since this would be in direct conflict with the power of appointment expressly given the President as above. Regarding the bill as imposing or attempting to impose upon the President a duty to appoint the person designated therein, it is without any support in the Constitution. It is an assumption of an implied power which is not based upon any express power and clearly invades the constitutional rights of the President.

The whole subject received the consideration of Judge Pomery in his celebrated work on the Constitution, from which I read at section 630, as follows:

The Constitution declares that the Executive power shall be vested in a President of the United States. The meaning of this clause is that he is the head of that department, that all its powers and functions immediately or mediately center in him, and that he, and he alone, is ultimately responsible for their due execution.

Going on to consider the question of foreign relations, he says at section 669:

All foreign relations are thus confided exclusively to the President, or to him in connection with the Senate.

Bear in mind, "all foreign relations are thus confided exclusively to the President, or to him in connection with the Senate."

Congress as such has no voice in or control over these matters, except the secondary power or duty of passing laws in certain instances to carry out the provisions of treaties.

At section 679 he says:

So far as those external relations affect the internal, and so far as the measures appropriate in exercising the function of controlling the external relations act within the interior and upon private persons and rights, just so far has the Government all the power under the Constitution which the exigencies of any occasion can demand. Where the act is legislative in its nature the Congress may legislate; where the act is executive in its nature the President may execute.

That is all I care to say, Mr. President, upon the contention made here that this is a concurrent and not an exclusive power which is vested in the President and the Senate.

KNICKERBOCKER THEATER DISASTER.

Mr. CAPPER. Mr. President, I desire to submit a resolution concerning the terrible disaster of Saturday night which has so profoundly shocked the city of Washington and the whole country. I think that the Congress has a responsibility in this connection that can not be evaded. We should know the facts, and, if anyone is to blame, it is the duty of the Congress or of the officials here in the city of Washington to find out just who is to blame and to place the responsibility. In order to bring about a thorough, a searching, and an immediate investigation, I ask unanimous consent at this time to submit a resolution and have it read.

The PRESIDENT pro tempore. Out of order, the Senator from Kansas asks unanimous consent to present a resolution. Is there objection?

There being no objection, the resolution (S. Res. 229) was read, as follows:

Whereas the tragedy at the Knickerbocker Theater last Saturday evening, January 28, 1922, resulting in the death of not less than 109 persons, and the serious injury of many others, has profoundly shocked the people of Washington and the entire Nation; and

Whereas the explanation that snow, although of an extraordinary quantity, was the chief cause of the collapse of the roof, appears to be unsatisfactory; and

Whereas it is currently reported that contractors and builders, especially during and since the World War, have ignored, evaded, or treated lightly the rules and regulations provided in the building code of the District of Columbia, especially those sections which make mandatory provision for assurance against such a terrible calamity as has just occurred; and

Whereas it has been persistently rumored that contractors and builders, determined to save money on the erection of residence and building structures, have acted in collusion with inspectors of buildings employed by the District of Columbia; and

Whereas it is the imperative duty of the Senate of the United States to know all the facts relating to this inexcusable tragedy, and also to learn what, if any, truth there is in the repeated assertions that the safety and health of thousands of citizens and residents of the District of Columbia have been jeopardized by the actions of careless contractors, builders, and building inspectors: Therefore be it

Resolved, That the Senate Committee on the District of Columbia be, and hereby is, authorized and directed to make a searching investigation into the Knickerbocker Theater tragedy, including the operations of builders, contractors, and building inspectors, especially in relation to structures erected during and since the World War; be it further

Resolved, That the said committee be authorized to employ such expert and other help as may in its judgment be needed to obtain all the facts connected with the disaster, and that the expenses of the investigation be paid from the contingent fund of the United States Senate.

Mr. FRELINGHUYSEN. Mr. President, I understand the Senator who has submitted the resolution is a member of the Committee on the District of Columbia, is he not?

Mr. CAPPER. I am.

Mr. FRELINGHUYSEN. May I ask the Senator if he has any knowledge of the present building laws of the city of Washington and how they are administered?

Mr. CAPPER. I have not any intimate knowledge on the subject of the building laws.

The PRESIDENT pro tempore. The Chair must observe at this point that the resolution necessarily must be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FRELINGHUYSEN. I should like to ask the Senator a question for information.

Mr. CAPPER. I repeat, in answer to the question of the Senator from New Jersey, that I have not any intimate knowledge concerning the matter to which he has referred. I have heard a great many rumors, though, in the last day or two that the laws of this city are not what they should be, and that their enforcement under the few regulations which have been established has been lax. It is a subject that should be thoroughly inquired into by some committee of the Congress.

Mr. FRELINGHUYSEN. Mr. President, I think that the proposed investigation should be a widespread one of the entire city government. I do not know under what committee of Congress jurisdiction of the subject would naturally fall, but I think the time has come in this city—and I speak as a property holder—when some committee of Congress should make an investigation looking to an improvement of the administration of the municipal laws of this city.

According to official records at the present time, there are twice as many automobile accidents in the city of Washington as in any other city of similar size in the country. There are, perhaps, deficiencies in the traffic laws and a laxity in their administration. There is no requirement whereby those who drive cars in this city shall be examined or qualified in any way for that purpose, such as exists in other cities.

I know from personal knowledge that there are in this city at the present time many buildings that are fire traps, and if at any time fire should occur there will be a great loss of life. The city has grown far beyond its proportions of 10 years ago. It is time that Congress should pay some attention to this matter, and that some civic leadership should be established to give protection to the citizens who reside here.

The PRESIDENT pro tempore. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. JONES of New Mexico subsequently, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 229) to investigate the Knickerbocker Theater tragedy and building operations during and since the World War, reported it without amendment.

TREASURY DEPARTMENT APPROPRIATIONS (S. DOC. NO. 122).

Mr. WARREN. Mr. President, I present the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes. I do not present the report for action at this time, but shall call it up at some convenient time hereafter.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) "making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 14, 19, 24, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 9, 10, 11, 12, 13, 15, 16, 17, 18, 22, and 23; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "$4,000,000: *Provided*, That for purpose of concentration, upon the initiation of the Commissioner of Internal Revenue and under regulations prescribed by him, distilled spirits may be removed from any internal-revenue bonded warehouse to any other such warehouse, and may be bottled in bond in any such warehouse before or after payment of the tax, and the commissioner shall prescribe the form and penal sums of bond covering distilled spirits in internal-revenue bonded warehouse, and in transit between such warehouses"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 1, 2, 3, 4, 6, 20, and 21.

F. E. WARREN,
W. L. JONES,
WM. J. HARRIS,
Managers on the part of the Senate.

MARTIN B. MADDEN,
WALTER W. MAGEE,
JOSEPH W. BYRNS,
Managers on the part of the House.

PETITIONS.

Mr. LADD presented a resolution adopted by the Wisconsin Hemp Order, of Madison, Wis., favoring an appropriation of $15,000 for the investigation of flax straw for paper and pulp, etc., which was referred to the Committee on Agriculture and Forestry.

He also presented 25 petitions of sundry citizens of North Dakota, praying for the enactment of legislation reviving the Government Grain Corporation so as to stabilize prices of certain farm products, which were referred to the Committee on Agriculture and Forestry.

BUREAU OF AERONAUTICS.

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (S. 3076) to create a Bureau of Aeronautics in the Department of Commerce, to encourage and regulate the operation of civil aircraft in interstate and foreign commerce, and for other purposes, reported it with amendments and submitted a report (No. 460) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 3084) to authorize and provide for the payment of the amounts expended in the construction of hangars and the maintenance of flying fields for the use of the air mail service of the Post Office Department; to the Committee on Post Offices and Post Roads.

By Mr. WADSWORTH:

A bill (S. 3085) for the relief of Thomas M. Hewitt, jr.; to the Committee on Claims.

By Mr. BALL:

A bill (S. 3086) providing for the removal of snow and ice from the paved sidewalks of the District of Columbia; to the Committee on the District of Columbia.

By Mr. KING:

A bill (S. 3087) to prevent further seizures by the Alien Property Custodian; and

A bill (S. 3088) to provide for the return of enemy property seized during the war; to the Committee on the Judiciary.

By Mr. HARRISON:

A bill (S. 3089) to provide for the appointment of a district judge in the northern and southern judicial districts in the State of Mississippi, and for other purposes; to the Committee on the Judiciary.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on January 27, 1922, the President approved and signed bills of the following titles:

S. 1099. An act to amend section 2372 of the Revised Statutes; and

S. 2133. An act adding lands to the State of Texas and ceding jurisdiction to the State of Texas over certain lands or bancos heretofore or hereafter acquired by the United States of America from the United States of Mexico.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. NORRIS. Mr. President, I have an amendment in the nature of a substitute, which I do not care to offer until all other amendments shall have been disposed of, because any other amendment offered to the bill would take precedence over the one which I intend to offer. Therefore I have not offered it formally; but there seems to be no other amendment, although several Senators have spoken on other amendments which they intended to offer.

Mr. CURTIS. Mr. President, I have just received information from the Senator from California [Mr. JOHNSON] that he is snowbound on his way to the city. He would like to have a vote on the amendment which he has proposed, and which I understand is lying on the table.

Mr. WALSH of Montana. Mr. President——

Mr. NORRIS. I yield to the Senator from Montana.

Mr. WALSH of Montana. I have an amendment to offer, which I shall be glad to offer at this time.

Mr. NORRIS. I should like to make inquiry in regard to the Senator from North Carolina [Mr. SIMMONS]. He has offered an amendment. It may be that he is likewise snowbound.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. I yield to the Senator.

Mr. JONES of New Mexico. I can state that the Senator from North Carolina is not able to get here. There has been no traffic over the Baltimore Pike, and the trains from Muirkirk are annulled until 2 o'clock. The Senator from North Carolina hopes that by 2 o'clock he may be able to get a train and arrive here about 3 o'clock. As we all know, he is very anxious regarding some amendments which he has proposed. I am advised that he desires to discuss one of those amendments before the Senate prior to the taking of a vote; and unless there is some other matter in connection with this bill which can be disposed of without any objection from any source, I believe that out of consideration to the Senator from California [Mr. JOHNSON] and the Senator from North Carolina [Mr. SIMMONS] this bill should be temporarily laid aside. It is through no fault of theirs that they are not here, and we all know that they are anxious to be heard and to vote upon these amendments. This is Monday morning, and unless some Senator can present some good reason otherwise I would suggest that we temporarily lay aside this bill and take up the calendar.

The PRESIDENT pro tempore. In order to prevent future misunderstandings, the Chair begs leave to suggest to the Senator from New Mexico that we are now operating under a unanimous-consent agreement which limits speeches after 3 o'clock to-day to 20 minutes upon the bill and 10 minutes upon any amendment.

Mr. NORRIS. Mr. President——

Mr. JONES of New Mexico. I recall the unanimous-consent agreement, and I do not see how that would interfere with temporarily laying aside the bill.

The PRESIDENT pro tempore. In the opinion of the Chair, it would not; but the Chair felt it his duty to call attention to the fact that after 3 o'clock to-day the speeches are limited.

Mr. NORRIS. Mr. President, I should like to say just a word, and then I will yield. I will yield the floor, so far as that is concerned.

As I said when I first rose, I have an amendment upon which I have addressed the Senate. When it comes before the Senate for a vote I desire to take a few minutes to explain it to those who were not present when I talked on the subject the other day; but it is an amendment by way of substitute. If I offered it now the bill would still be subject to any amendment that might be offered and the vote would have to be taken on such amendments prior to taking a vote on the amendment that I shall offer, and for that reason I have not formally offered it. I am aware of the fact that the Senator from North Carolina has taken a deep interest in this bill. He is a member of the committee. He has devoted considerable attention to it in the Senate in discussing it. The Senator from California has an amendment upon which he has addressed the Senate at considerable length, and I think he is deeply interested in it. Both of these Senators are detained from the Senate because of the storm. They are in no way to blame for their own absence. I would not want to take advantage of either one of them under

the circumstances; and I was going to suggest that unless some Senator wants to discuss the bill, or some amendment to it, we ought either to lay it aside or to take a recess until 3 o'clock, to give these Senators an opportunity to get here. I do not know whether they will be able to get here then or not.

We are not under any unanimous-consent agreement now, but we will be at 3 o'clock; but that unanimous-consent agreement is not one that provides for a final vote upon the passage of the bill, and hence can be changed at any time by another unanimous-consent agreement and can be modified. As I understand the rule, it can be modified without notice. We did not call the roll for the purpose of entering into this unanimous-consent agreement. It is not a final determination of the bill itself, and I think it can be modified at any time.

While I am perfectly willing to go ahead and I do not like the delay—for it seems to me we have had too much delay—here is an act of God that has prevented Senators who are interested in the bill from being here. It is impossible for them to get here, and it seems to me it would be manifestly unfair for us to proceed without them. Unless some Senator desires to speak on the bill, if the Senator in charge of the bill does not feel disposed to do so I shall myself submit a unanimous-consent agreement to wait until these Senators can be present.

Mr. McCUMBER and Mr. OVERMAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield to the Senator from North Dakota?

Mr. McCUMBER. Mr. President, there is no desire and no expectation of taking the slightest advantage of the enforced absence of any Senator.

Mr. NORRIS. I knew there was not.

Mr. McCUMBER. I had hoped that even though the Senator from North Carolina [Mr. SIMMONS] might not be able to come to the Senate Chamber before 2 or 3 o'clock, still we might dispose, not of the amendments, but of some of the speeches that are to be made upon the amendments prior to that time, and thus save a little time after the hour of 3 o'clock, when the speeches are to be limited. I have not the slightest objection to a unanimous-consent agreement that the bill may be temporarily laid aside until 3 o'clock, and then we would operate under the unanimous-consent agreement. Of course, if any Senator wants to speak on it in the meantime, he can do so.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. NORRIS. I yield to the Senator.

Mr. OVERMAN. I understand that it is impossible for my colleague [Mr. SIMMONS] to get here before 3 o'clock, as the trains have all been annulled and he can not get in in his car. As the Senator from Nebraska says, this unanimous-consent agreement was not correctly entered into. I could make a point of order against it, because the roll was not called. Senators all remember that. It is really no unanimous-consent agreement under the rules.

Mr. LA FOLLETTE. Yes; it is.

Mr. McCUMBER. I call the attention of the Senator to the fact that he is mistaken. It is not necessary to call the roll except when there is a unanimous-consent agreement as to the time the vote is to be taken, and there is no such agreement in this case.

Mr. OVERMAN. I think the Senator is right about that. I will ask the Senator if he will not agree to continue the unanimous-consent agreement until 3 o'clock to-morrow?

Mr. NORRIS. I will say that I entirely agree with the Senator from North Dakota. If some Senator wants to address the Senate on the bill at this time, I do not want to hinder him from doing so; but evidently there is not, or he would have taken the floor before I took it. I now ask unanimous consent that the bill be temporarily laid aside until 3 o'clock.

Mr. McCUMBER. And then that it will be taken up under the unanimous-consent agreement?

Mr. NORRIS. I think it would come up then under such an agreement.

Mr. OVERMAN. Mr. President, can there not be a unanimous-consent agreement to take up the bill to-morrow at 3 o'clock? Will the Senator agree to that? Then we could all be here.

Mr. McCUMBER. We could not very well change the unanimous-consent agreement unless we were certain that we had every one here who was here when we made the original agreement.

Mr. OVERMAN. Could not the unanimous-consent agreement be set aside by unanimous consent?

Mr. McCUMBER. It undoubtedly could be, but it would not be a fair proposition. I could not consent to that; and, with the liberality which we all enjoy in the discussion of any matter at any time, I am certain that if the Senator from North Carolina is not here at the time his amendment relative to the soldiers' compensation bill is taken up, he will have opportunity to discuss it at some other time, and he has discussed every other feature of the bill.

Mr. OVERMAN. I am sure the Senator does not want to take advantage of the weather and the conditions prevailing that prevent my colleague from being here to discuss this question.

Mr. McCUMBER. I hope he can get here. Trains are running regularly now between Baltimore and Washington. The track is open. I am informed that the Senator is at Muirkirk, a little station where only a few of the trains stop.

Mr. OVERMAN. Yes.

Mr. McCUMBER. I have not the slightest doubt, however, that if he will telephone over to Baltimore he can get one of the trains to stop and take him on.

Mr. OVERMAN. I hope he can. I do not know how that is.

Mr. NORRIS. At least, by that time we can get some definite word regarding our action.

Mr. CURTIS. Mr. President, if the Senator will yield, I should like to state that if Senators think it best I will offer the amendment of the Senator from California [Mr. JOHNSON] on his behalf. He spoke on it the other day. I am not favorable to the amendment, but I will offer it for him.

Mr. NORRIS. No, Mr. President; I would not want to agree to that. The Senator from California probably feels as I do about the amendment that I shall propose. He perhaps desires to avail himself of the unanimous-consent agreement. I do not know that he does; I have not talked with him about it; but he probably desires to explain the amendment somewhat when we vote on it, and I think we ought to take no action that would prevent him from doing so. The same thing is true of the Senator from North Carolina. I have been informed that the Senator from North Carolina expected to address the Senate to-day on the subject of at least one of his amendments. He tried the other day to get his amendment formally before the Senate, and he did not succeed in doing so, because finally there was an agreement between himself and the Senator from North Dakota that the committee amendment which had been agreed to should not be formally reconsidered at that time, but that it would be when we reached the place in the consideration of the bill where we could expect an immediate vote upon the amendment that the Senator from North Carolina desires to offer.

I ask that my request be stated to the Senate.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent that the unfinished business be temporarily laid aside until 3 o'clock. Is there objection?

Mr. JONES of New Mexico. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from New Mexico will state his inquiry

Mr. JONES of New Mexico. I should like to know if the Senate could, by unanimous consent now, defer for one day the consideration of the bill and the previous unanimous-consent agreement; or, in other words, consider this day as not applying to the bill under consideration?

Mr. McCUMBER. I could not agree to such a modification of the unanimous-consent agreement.

The PRESIDENT pro tempore. The Chair will answer the inquiry. The present occupant of the chair is of the opinion that the existing unanimous-consent agreement can be modified by another unanimous-consent agreement without the day's notice required in Rule XII.

Mr. JONES of New Mexico. Then I should like to submit to the Senate the advisability of deferring this bill, as well as the unanimous-consent agreement, for one day, considering this day as not applying to the arrangement we made on Saturday.

Mr. NORRIS. Let me suggest to the Senator that he refrain from making his request at the present time. Let the request which I have suggested be agreed to, and if at 3 o'clock the Senators for whom we lay the business aside are not able to be here, we can take up for consideration the Senator's request at that time. Those Senators, so far as I know, are the only Senators who have been prevented by the storm from being here, and if they come it will be unnecessary to put the matter over for another day.

Mr. JONES of New Mexico. I will state the reason why I make the suggestion at this time. We know now that the Senator from North Carolina [Mr. SIMMONS] and the Senator from California [Mr. JOHNSON] can not get here before 3 o'clock. The conditions are such that they may not be able to reach here at that time. If they should come, in all probability in order to dispose of the bill we would have to remain in session until a rather late hour, and traffic conditions in the city of Washington

are such that I apprehend other Members of the Senate would not care to remain in this part of the city until dark. It would inconvenience those of us who are here to have a late session this afternoon, and it is quite apparent that if we take the matter up at 3 o'clock, even under the unanimous-consent agreement, it would be a great inconvenience to many of us who are here to remain until the bill is disposed of. We have no assurance that the absent Senators can get here at 3 o'clock. That is the earliest possible hour at which they can get here.

Mr. OVERMAN. Mr. President, let me make a suggestion. Probably if those Senators do not get here, the Senator from North Dakota will agree that we shall take a recess until to-morrow. There is nothing in the unanimous-consent agreement which would prevent us from taking a recess.

Mr. JONES of New Mexico. What I was seeking to accomplish was that we might be able to advise the Senator from North Carolina [Mr. SIMMONS] and the Senator from California [Mr. JOHNSON] by phone, if possible, that they need not make the effort to get here after 3 o'clock. I believe that will appeal to the judgment of Senators, and that we should not, under the circumstances, impose upon those two absent Senators the extraordinary effort to get here at such a late hour in the day. I should like, if the Senate will agree, that some such arrangement as that shall be entered into. It seems to me that to insist upon going ahead and leaving the matter in an uncertain condition until 3 o'clock would be an injustice to those Senators.

We might take up the calendar and go through that to-day. I apprehend there are many matters on the calendar which could be disposed of. The Committee to Audit and Control the Contingent Expenses of the Senate can consider in a few minutes the resolution introduced by the Senator from Kansas [Mr. CAPPER] this morning, and doubtless make a report, and enable the Senate to dispose of that matter, which we all believe should be attended to at an early hour. There are many things on the calendar which should be considered, and I ask unanimous consent——

Mr. NORRIS. Mr. President, let me suggest to the Senator that one request for unanimous consent has been made, and I understand there can not be two requests for unanimous consent pending at the same time. We must dispose of one at a time. I would like to say to the Senator and to the Senate that, as far as I am concerned, if at 3 o'clock it is still impossible for the Senator from California and the Senator from North Carolina to be here, I shall be in favor of adjourning. Those Senators are deeply interested in this measure, one of them being a member of the committee which reported the bill. Both of them have given it a great deal of time and consideration, and both have amendments pending. I do not know how other Senators feel about it, but when Senators with such interest in a measure are prevented by a storm such as now prevails from being present, so that it is physically impossible for them to be here, I am not in favor of going ahead before they can be here.

I will agree with the Senator also that we ought to adjourn early to-day because Senators who are here will have some trouble to get home. Those who are situated as I am will perhaps have to walk 5 miles to get home, and they ought to start early to do that, especially in view of the fact that they have walked 5 miles to get here this morning.

I myself do not want the session to-day to run until late, and I do not believe other Senators do; but if those two Senators can come, and if they get here at 3 o'clock, we might just as well go on with the bill until the Senate wants to adjourn. There is nothing in the unanimous-consent agreement to prevent an adjournment. We can adjourn at this time if we want to do so, and the unanimous-consent agreement will be in force when we convene to-morrow. There is nothing which compels us to vote on this bill to-day. If at 3 o'clock the two Senators to whom I have referred are not here, and if the same conditions exist then which exist now, I am sure there will be a disposition on the part of the Senate either to take up something else or to adjourn until to-morrow.

Mr. JONES of New Mexico. Mr. President, I am sure the Senator did not hear what I said regarding the propriety of insisting that those Senators who have not been able to get here shall have an opportunity to be present. We know they can not get here before 3 o'clock, and I suggested, as a matter of courtesy and fairness, really, that it would be inadvisable to ask those Senators to come to the Senate to-day, knowing that they can not arrive before 3 o'clock, because the Senator from Nebraska certainly realizes that even if they get here by 3 o'clock, we can not dispose of the bill to-day and adjourn at a reasonable hour.

Of course, if the Senator from Nebraska insists upon his method of dealing with the matter, I shall make no objection to it whatever; but I wanted to present my view to the Senate. It seems to me that we ought not to ask those Senators to make this extraordinary effort to get here at 3 o'clock, with no assurance when they can get back, how long we can stay here, and when the rest of us can get home to-day. But, of course, I defer, necessarily, to the judgment of other Senators in the matter.

Mr. McCUMBER. Mr. President, on Friday the Senator from North Carolina [Mr. SIMMONS] was prepared to agree that we should vote on that day at 3 o'clock. He was agreeable to have 3 o'clock on Saturday fixed as the hour when the vote should be taken. The storm came on, and we fixed on Monday at 3 o'clock. The two Senators referred to, the Senator from California [Mr. JOHNSON] and the Senator from North Carolina [Mr. SIMMONS], I understand, have amendments pending. The Senator from North Carolina spoke, I think, three hours and a half on his amendment, and on the bill generally. The Senator from California completed his argument upon his amendment, and to as full a Senate as we usually have. I am informed that both those Senators have pairs, and therefore their absence would make no difference whatever in the final vote upon any amendment.

There are other Senators also who are interested in the final disposition of this measure. It does not seem to have occurred to the Senator from New Mexico that there are other Senators who have made arrangements to be absent to-morrow and who expect the vote to take place to-day. It is just as important to them when we have made a unanimous-consent agreement that we hold to that unanimous-consent agreement as it is to those who are necessarily absent, who have pairs, and who have fully argued their amendments. I believe that the Senators referred to can be here by 2 o'clock, as has already been suggested—that is, if they make a real earnest and honest attempt to get here—and if it should so happen that they can not be present they can utilize their pairs.

If there are any Senators who can speak now, and so shorten the time, so that we shall not have to be late after 3 o'clock, I hope they will proceed and discuss the matter from now until 3, when under the unanimous-consent agreement the speeches will be limited to 20 minutes. There is nothing to prevent that. We will hold the matter before the Senate right along for them, as long as anyone wants to speak, for an hour or five minutes, upon any proposition, and if no one does wish to speak at this time and it is desired that the bill shall be laid aside until 3 o'clock, I am perfectly willing to have that done and to have the measure taken up at that time under the unanimous-consent agreement.

Therefore, I am perfectly willing to follow the suggestion made by the Senator from Nebraska [Mr. NORRIS] that the bill be temporarily laid aside until 3 o'clock this afternoon, to be then taken up under the unanimous-consent agreement.

Mr. REED. Mr. President, that, of course, would mean that in effect we would be shortening the opportunity of discussion. We could proceed now and run along until 3 o'clock, and then the 20-minute rule will apply anyway. I am sure the Senator does not want to shorten the opportunity to discuss the bill.

Mr. McCUMBER. On the contrary, I suggested going right along if there is anyone ready to speak on the bill, and that any Senator shall speak as long as he may desire before 3 o'clock.

Mr. REED. From the spirit of the remarks which have been made, I presume we will do nothing of a definite nature anyway until 3 o'clock; but I want to say that I have been in the Senate long enough now to regard myself as an old Member, and I can very well remember that a few years back it was a common custom never to take up and dispose of a measure when any Senator who was necessarily absent wanted to speak upon it. That is a very good custom. We have our passages at arms and say things, as lawyers do in the trial of a case, which sometimes sound a little bitter, but the courtesies of the body and the decencies of the body ought to be preserved.

There is no question about the fact that an unprecedented storm has swept over Washington. The wonder to me is that there was a quorum of the Senate present on Saturday. I myself did not move out of my house, because the street in front of my house was impassable, and I assumed that the rest of the town was in the same condition. I could have put on a pair of waders, which I use sometimes when I go hunting, and made my way out, but I did not think there would be a quorum here. There ought to be no question about rearranging the unanimous consent so that we would preserve substantially the same condition as would have existed if there had been no storm intervening, and I hope that will be the spirit of the body. If it is not the spirit of the body, the day will come when we will find it very difficult to get unanimous-consent agreements, which have proven in the past to be a great means of expediting business.

I agree with the remarks of the Senator from New Mexico [Mr. JONES]. I think what he has suggested ought to be done. As far as I am concerned, I had a few observations to offer on

the bill in conclusion of what I was saying the other day. I am entirely willing to proceed and conclude what I have to say, unless some one desires that another measure shall be taken up.

Mr. NORRIS. Mr. President, in view of the statement of the Senator from Missouri that he desires to proceed now, I withdraw the request for unanimous consent presented by me a few moments ago.

Mr. REED. I am willing to give way to other business; but I can proceed with what I have to say, if that will save any time.

Mr. NORRIS. I withdraw the request, Mr. President, and I hope the Senator from Missouri will proceed.

Mr. REED. Mr. President, I had about concluded my remarks the other day in regard to the pending bill, but there are one or two arguments to which I wish to refer.

The Secretary of the Treasury has insisted that there are certain countries able to pay their interest beginning within six months from this date or from the dates the bonds are accepted. Among those countries he has named Great Britain. He has insisted that there are other countries which will find it utterly impossible to make interest payments for some time in the future, and that, therefore, he must be allowed the right to fix interest payments at such time as may suit himself. He argues that if a country were to give its bonds and then default in its interest it would embarrass that country and would result in an act of bankruptcy. In part I answered that argument on Friday, but let me make one or two observations with reference to it now.

In the first place, every one of those countries is now in default. It is very true that at the time they obtained the money they did not issue bonds in regular form, but it is also true that they solemnly agreed in writing to issue bonds containing substantially the same terms and conditions as the bonds issued by the American Government and sold to the American people. Over three years have passed by and that solemn obligation has been in default every minute of that time.

It is claimed by way of excuse that the Secretary of the Treasury through some agent entered into negotiations with various foreign Governments with relation to the giving of bonds and that at some point in those negotiations this agent undertook to say to the representatives of the foreign Governments that our Government might be willing to extend the time of payment. Thereupon one of the representatives of Great Britain, of course, readily accepted the suggestion, and further indicated that he would like to have three years instead of two years of a delay of interest. But the agent who was speaking for the American Government did nothing more than make a suggestion, which he undoubtedly intended to refer to the proper American authority; and in this instance that authority would necessarily have been the House of Representatives and the Senate. Even if he had assumed to speak for the American Government, he did so entirely without any legal authority whatsoever. His act was an absolute nullity.

An examination, however, of what transpired will, in my judgment, convince any fair-minded man there was no attempt on the part of this representative of the Treasury Department to commit the American Government to a postponement of the payment of interest. However, under all the circumstances, in view of the turmoil of the war and the exigencies surrounding foreign countries, there was no complaint—at least, no general complaint—made of this action.

As the matter now stands, therefore, these foreign countries are already in default on their solemn obligations in two respects. First, they have failed to deliver to us the bonds stipulated in the written instruments executed, and, second, they are in default in the payment of interest. If, therefore, all of the foreign Governments were to deliver to the United States Treasury their bonds stipulating for the payment of interest beginning, let us say, six months from this date, they only would have issued in due and proper form obligations which are in compliance with a written obligation already existing, duly signed and duly filed with the Treasury. They merely would have changed the form of the instrument and agreed to do what they are already solemnly bound to do by their written instruments delivered to us at the time the money was obtained. There is, therefore, no merit whatever in the claim that those Governments, by issuing new obligations in proper form, will in any manner place themselves in an embarrassing position even if they should fail in the future to pay the interest upon the new obligations in accordance with the terms written therein.

The second proposition——

Mr. HITCHCOCK. Mr. President, before the Senator leaves his first proposition, will he yield to me?

Mr. REED. Certainly.

Mr. HITCHCOCK. Is it not furthermore true that the obligation which those nations have signed contains a statement that they will, in case of the nonpayment of interest, put the amount of accumulated interest in additional bonds?

Mr. REED. I do not think that is in the original obligation, I may be in error.

Mr. HITCHCOCK. Let me read it.

Mr. REED. I shall be glad if the Senator will read it. It has been some time since I looked at it.

Mr. HITCHCOCK. This is the wording of the obligation:

> The Government of the United Kingdom of Great Britain and Ireland, for value received, promises to pay to the United States of America, or assigns, the sum of ——— on demand, with interest from the date hereof, at the rate of 5 per cent per annum. Such principal sum and the interest thereon will be paid at the Subtreasury of the United States in New York, or, at the option of the holder, at the Treasury of the United States in Washington, in gold coin of the United States of America of the present standard of weight and fineness, or at the option of the holder, at the Bank of England, London, England, in pounds sterling at the fixed rate of $4.76\frac{1}{2}$ to the pound sterling, and at any such place of payment without deduction for any British taxes, present or future.
>
> This certificate will be converted by the Government of the United Kingdom of Great Britain and Ireland, if requested by the Secretary of the Treasury of the United States of America, at par, with an adjustment of accrued interest, into an equal par amount of 5 per cent convertible gold bonds of the Government of the United Kingdom of Great Britain and Ireland conforming to the provisions of acts of Congress of the United States known, respectively, as second Liberty bond act, third Liberty bond act, and fourth Liberty bond act.

I draw that to the Senator's attention for the purpose of showing not only that the Treasury at that time interpreted the Secretary as having power to accept bonds for accrued interest, but that that specification was written into the contract signed by the United States and other countries.

Mr. REED. That simply strengthens the position for which I have been arguing, and, in my judgment, if there is any virtue in written contracts, settles the proposition. I am much obliged to the Senator. While I have been quite familiar with the contract from which he has just read, it has been some months since I have examined it, and the particular language had escaped my recollection. But without any specific provision it would follow as of course that whosoever borrows money and agrees to pay 5 per cent interest for it and does not pay the interest must either pay the interest or he must at least execute his obligation for it.

The other proposition advanced by the Secretary is that for some mysterious reason, if the countries issue their bonds and then default in the interest on those bonds, that will place them in a desperate condition. Mr. President, that is like saying that a bankrupt is put in a worse condition if he executes his note for the amount of his debt. The argument answers itself and requires no discussion from me. The bankrupt who can obtain the consent of his creditor to a settlement giving him further time, and who is only asked to execute his note for the amount, is an exceedingly fortunate bankrupt, indeed. He has a creditor who is singularly indulgent.

But, says the Secretary of the Treasury, if they are once defaulted, these bonds will go to a great discount in the market. What is there in that argument? The bonds will necessarily be held by our own Treasury, and whether they go to a discount or not they will be just as good and just as bad, just as valuable and just as worthless, as is the credit of the country itself. The credit of a borrowing country itself all depends in the last analysis upon the ability of the country to pay.

The final argument made by the Secretary of the Treasury is that he will find it necessary to make different terms of payment and different arrangements with reference to interest with the different countries, and that he must have a free hand in order to make those arrangements. The vice of that argument is that it proposes to put into the hands of the Secretary of the Treasury the power practically to give away millions, hundreds of millions, or perhaps billions of dollars of the money or credits of the American people.

The power to postpone the payment of interest indefinitely is a power virtually to extinguish the principal. If A owes B $100,000 which would nominally draw 6 per cent interest, and B agrees to postpone the payment of any interest for 10 years of time, the result is that he has given the principal of the sum to A, because the interest on $100,000 for 10 years' time at 6 per cent, if compounded, will more than equal the principal.

"But," says the Secretary, "I must make different arrangements, and, therefore, I should be permitted to agree with Great Britain to-day that she shall pay the interest at once; with France that she shall pay interest in the near future; with certain other countries that they shall not pay the interest for a long time in the future; and I shall be greatly embarrassed in my arrangements if I must act in accordance with a hard-and-fast rule laid down by Congress."

To my mind, if Congress lays down a hard-and-fast rule and says to the Secretary of the Treasury "You shall treat them all alike," it will assist the Secretary of the Treasury in making his settlements. He can go to the various debtor countries and say to them, "Here is my warrant of authority, outside of it I can not go; Congress has demanded that there shall be taken an obligation and that it shall contain certain terms, among which is the stipulation the interest shall become payable at certain fixed periods, beginning at a certain fixed date." With that sort of instruction from his principal, he can insist that the debtor countries shall immediately issue their bonds and agree to pay the interest. Therefore, an act of Congress such as is proposed to be embraced in the amendment offered by the Senator from North Carolina [Mr. SIMMONS] will aid the Secretary of the Treasury in insisting upon a settlement that shall provide for the payment of interest; and, Mr. President, it ought to be of great assistance to him.

Suppose the Secretary of the Treasury sits down with the English commissioner and proposes to exact from Great Britain the payment of interest in the immediate future; suppose that the English commissioner says to him, "Great Britain insists on being treated as well as other nations; there is no reason a burden should be put upon us which is not imposed on other nations; we are entitled, by comity at least, to the 'most-favored nation' treatment." Suppose the Secretary of the Treasury, being driven to it, is compelled to admit that he intends to give France an extension; that he intends to give Italy an extension; that he intends to give Czechoslovakia a still further and greater extension; will he not be placed in a position of great embarrassment; in a position that will, in fact, be defenseless? But, on the other hand, if he is able to say to Great Britain, "We insist upon treating all nations alike and you, as the greatest of our debtors, and the greatest of the nations outside of the United States, must set the example of coming to the table and settling with us in accordance with the terms of your written agreement." If he should take that latter position, Great Britain will be in no situation to refuse to come to a settlement at once.

Now, let us suppose that it so happens that Czechoslovakia is unable to pay its interest when due or that any other country is similarly situated, there will be, of course, a default in that interest; but we will not send our armies and navies over to collect the interest; the interest will simply be in default, just as it is in default at this blessed moment. The interest will be defaulted upon a bond just as the interest is now defaulted upon a solemn written obligation which binds the honor of every nation that has subscribed to that instrument.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. REED. I yield.

Mr. BRANDEGEE. I have not looked this matter up recently, but the Senator from Missouri will remember that when a bill introduced by him was being given consideration by the Committee on the Judiciary, and, I think, afterwards by the Committee on Finance, the papers by which the credits to these foreign nations were established were produced before the committee. Does the Senator happen to remember whether the evidences of debt held by the United States provided for the payment of interest?

Mr. REED. Yes; I have the document here. The Senator from Nebraska [Mr. HITCHCOCK] read it a few moments ago.

Mr. BRANDEGEE. I beg pardon. My attention was diverted at the time and I did not hear it. What was that provision?

Mr. REED. I will answer the Senator by reading the clause, which is as follows:

> The Government of the United Kingdom of Great Britain and Ireland—
>
> These documents are all similar—
>
> for value received, promises to pay to the United States of America, or assigns, the sum of ——— on demand, with interest from the date hereof at the rate of 5 per cent per annum.

Then follows the provision as to just how the debt shall be paid.

Mr. BRANDEGEE. The Senator from Missouri says that under that agreement these debtors are now in default as to the interest. This is, of course, a very difficult subject to arrange satisfactorily upon either theory; that is, whether the debtor nations agreed to pay interest, and do not pay it, or whether they said nothing about the times of the payment of interest, and do not pay it. I wish to ask the Senator, then, if some of these powers know now that they will not be able to pay interest, either semiannually, in what position will it place them in negotiations with our country? If the Secretary is instructed to agree upon extensions and to accept new evidences of the debt, if he is compelled to provide that such new evidences shall contain a provision that the interest shall be payable semiannually or annually, then the nation which knows that it will not be able to pay it within a month hence or a year is going to be required, is it not, to agree to something that it admits that it can not perform, and will not that be rather embarrassing as to a number of the powers? On the other hand, I can see if Congress says nothing whatever about the requirement as to the payment of the interest or as to the time when the interest on the loan shall be paid, the powers abroad may take the view, "It was proposed in Congress that we should pay interest semiannually or annually, and that proposition was voted down; therefore the United States does not expect us to pay the interest annually or semiannually, and we will take our time about it." So it seems to me that we are between two alternatives, neither one of which is very cheerful or roseate.

Mr. REED. I think that there is no difficulty about it, with all respect in the world to my very good and very able friend. I was saying that if new bonds are executed, and if we find that there is a default in the interest we will not send our Army and Navy over to conquer and devastate the country which is in default. We will have the obligation, and we will be at an end of caviling and trifling about it. We will then say to the debtor nation: "Pay as soon as you possibly can; we expect you in good faith to pay this interest." Should it become necessary in the future as to certain of the debtor countries to formally grant an extension of time, that may be done by a resolution of the Congress of the United States; that is a question which can be met when the emergency arises and can be viewed in the light of facts then existing.

But let us see what the real great difference is. In my judgment, it is to be found in this fact: If this indebtedness shall be permitted to drift, if we allow it to remain a sort of open account, although the debtor nations have solemnly agreed, of course, to put it into a particular form, if they are not called on now to reaffirm that obligation and do it in proper and solemn form, they will be led to believe that the United States does not mean business; they will be led to believe that somehow or other they will ultimately escape payment. If the interest is not demanded from them from time to time in due and proper form the sentiment, already widely disseminated, to the effect that the United States ought not to collect this debt at all, will gain force from our inactivity and our failure properly to proceed.

So, Mr. President, I insist with all the strength I am capable of putting into it that now is the time to call for a settlement; now is the time to call for a reratification, if you please, or a reaffirmation of the obligation that has already been taken. That is particularly true with reference to those Governments which, in fact, did not exist at all at the time some of this money was loaned. Some of these Governments were mere juntas existing within foreign Governments and asserting to themselves the authority of government. Yet many hundreds of millions of dollars were paid to such governments or to those men who asserted that they constituted the government of nations which had not yet been organized, whose boundaries, in some instances, had not been fixed.

I repeat what I said the other day—that there is beyond any earthly question a great movement among the great financiers of this country to induce the United States to cancel the indebtedness of these foreign nations. This they seek to do for the selfish and almost treasonable purpose of thereby rendering the securities they hold the more valuable and the more readily collectible; for, of course, if the United States were to cancel the indebtedness of these foreign Governments, every private debtor of those Governments would be just that much nearer the day of settlement and payment upon the obligations he holds.

It is time for the Congress to quit trifling with this matter, and it is time for the Secretary of the Treasury to conform to the will of Congress. Months and months and months have elapsed since he first came forward with his proposition that the Government should give him the right to settle eleven thousand millions of dollars of indebtedness in such manner and form as he might see fit. A more insolent proposal never has been made to the American Congress.

There is another phase of this question that is not to be overlooked. The real party to this contract, the real creditor in this case, is not the American Government. The real creditor in this case is that vast body of American citizens who put their hands into their pockets and loaned money to this Government, to be in turn loaned to foreign Governments, and who loaned their money to this Government upon an express under-

standing had between them and the Government of the United States. That understanding was represented first by the law of Congress, which expressly provided that the money might be borrowed from our citizens upon the bonds of the United States and that the United States might loan it to foreign Governments, but that the United States Government should take from those foreign Governments bonds similar in terms, in interest, and in all respects to the bonds issued by the United States to our people. The contract, therefore, made between the Government of the United States and the people of the United States who furnished the money was that they should loan their money, not to the Government of the United States unsecured, to be given away, to be wasted, and with no signer upon the bonds except the Government of the United States. The contract was that the Government of the United States should take collateral for every dollar that it loaned. That collateral was to be the obligations of foreign Governments; and the legal effect of it was if the money was providently loaned and if the foreign Governments responded that there would be interest and principal repaid by the foreign Governments which would wipe out every dollar of the indebtedness to the American people, so that instead of taxing our people to death, instead of taxing these bondholders to death to gather in the money to pay the interest on the bonds we would obtain that interest and the return of that principal from our foreign debtors; and that was the solemn obligation, sir, which we took to the American people.

Suppose this were a contract between private individuals. Suppose that A agrees with B that B will loan him $100,000 with authority to loan it to C, upon condition that A take from C the obligation of C for the amount; and suppose that A should fail to carry out his contract, and fail to take the obligation of C. Is there any question but that in a court of law or a court of conscience A would be held to have breached his contract with the party furnishing the money? There can be no question about that. I say without the slightest hesitation that when these bonds were sold to the American people, when the American farmer was borrowing money at the bank to buy bonds, when the washwoman was taking the little savings that she had gathered from her labor at the tub to buy a bond, when the merchant was straining himself to the point of bankruptcy in order to buy bonds, when all our people with warm hearts and with open hands were engaged in despoiling themselves to buy these bonds, if at a time like that the American people had been told that this money was to be loaned to foreign Governments and no securities taken in return, the American people with all their patriotism probably would have refused to subscribe to these bonds, at least as liberally as they did.

We are the custodians of the people's business at the present hour, and it is our duty to transact that business as faithful servants and to see to it that every line that was written in these instruments, every line that was written in the law, shall be faithfully carried out. If it then transpires in the end that certain Governments are unable or unwilling to pay their obligations we will meet that question when it arises, but let us insist now upon a full and a final and an absolute settlement of this indebtedness.

Mr. HITCHCOCK. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED. I do.

Mr. HITCHCOCK. I notice in the bill which is before the Senate that the commission is to be given this great power to adjust the interest and the maturity of the principal in such manner and for such periods "as shall be deemed for the best interests of the United States of America." I ask the Senator whether the hearings disclosed that this adjustment was necessary for the interests of the United States. I remember the address made by the chairman of the committee, the Senator from North Dakota, and he seemed to stress the idea that this was necessary to alleviate the condition of the debtors. I should like to know what the real motive was, as disclosed by the hearings. Was it in the interest of the United States or was it for the purpose of showing leniency to the debtors? There seems to be an inconsistency there.

Mr. REED. Mr. President, it is a little hard to answer that question categorically. There has been a propaganda going on in this country for five years which seems to have for its basic thought the idea that the United States is a Lady Bountiful for the whole world; that our resources are inexhaustible, our energies without limit, our power to pay and continue to pay without stint, and that the Congress of the United States, composed of men clothed with a little brief authority, have the right to give away the resources of this country whenever they see fit to pass a resolution to that effect—a proposition that seems to ignore the fact that the people who pay these moneys are not the Members of Congress, not the man who happens to be President, not the individual who chances to be Secretary of the Treasury, but that the people who pay these moneys are the taxpayers of the United States, and that in the last and final analysis every human being in the United States who is not a pauper is the payer of taxes. There seems to have been a theory that Congress has a right to give away the moneys collected from the people. I affirm that Congress has not now, and never had, the right to give away, without proper and just consideration, a single dollar of money wrung from the people in taxes; nor have we the power, as has been suggested by my friend from Utah [Mr. KING], to levy taxes except for strictly governmental purposes.

The whole atmosphere surrounding this and all similar transactions has seemed to be that if we can get money into the Treasury of the United States by hook or crook, then we have a right to do with that money whatever we please. That is an infamous doctrine. It is an utterly damnable doctrine. We have not that right. We have the power, but we have not the right, and if there were such a thing as a court having jurisdiction to control our acts, and keep us within the Constitution, a suit could be brought which would compel Congress to pursue the proper path marked by the Constitution.

Answering more specifically the question of the Senator, we voted this money originally, and expressly provided that it should be loaned to countries then engaged in war with the enemies of the United States. Yet over two thousand million dollars of this money was paid out after the last shot had been fired upon the Argonne front, after the battle flags had been furled, after our soldiers were crowding into transports to be returned to these shores, and after a state of actual peace existed, and after the President of the United States had declared in this Chamber, "Thus the war comes to an end." It was paid out in some instances, as I said a moment ago, to countries which did not even have boundaries yet established, whose Governments consisted in little juntas of men who had fled their native soil and set up pretended governments in other countries. All this was done in utter disregard of the plain letter of the statute.

The spirit of the thing was that Uncle Sam had boundless resources, and that it was our business to take care of all the rest of the world financially. Some good people thought we should take care of them politically for all time to come, a somewhat herculean job.

Coming more directly still to an answer to the question asked me by the Senator from Nebraska, the constant talk in the hearings was to the effect that we must help these other countries, we must assist these other countries, we must not be hard on these other countries. We were still acting as their aid and as their support. We were still talking about taking care of those countries. We were not proposing to treat them as the ordinary debtor is treated.

Mr. President, enough of that spirit has permeated my soul so that I recognize the fact that we ought, as far as we can, give them an opportunity to recover themselves; but we are giving them that opportunity to the fullest extent when we ask nothing more than that they recognize their obligations, that they agree to begin to pay the interest. Then, if the time comes when they can not pay the interest, let us settle that question at that time.

Mr. President, this Congress may not do its duty. It may brush aside its obligations. It may give this power to the Secretary of the Treasury, and he may exert it as he sees fit. I do not like to say it, but I fear it will be so exerted as to assist very materially private bondholders, private creditors of these countries.

I protest against it, and I have no hesitancy in saying that if there is any trifling with this question, if there is any failure on our part to do our duty, at the next election, which is coming very soon, the American people will express their opinion in no uncertain terms. That is not meant as a lecture; it is not meant as a threat. Standing here as one of the men charged with a high duty, that duty being chiefly to represent the sentiment of the people of my State, I say that there is no division of opinion among the people of the State, though there may be one or two bankers closely allied with the Morgan banks who take an opposite view.

So, Mr. President, I am in favor of the amendment offered by the Senator from North Carolina. I shall vote for it, and do whatsoever lies within my power to further its adoption.

Mr. McCUMBER. Mr. President, on Saturday the junior Senator from Georgia [Mr. WATSON] requested that I put into the RECORD the data on which I based the argument that this country was morally bound, at least, to grant an extension of time for the payment of interest by the foreign countries of from

two to three years. The Senator from Missouri [Mr. REED] has just given utterance to the declaration, in substance, that those countries are in default to-day in the matter of the payment of interest, and if they are in default to-day, it will not injure their credit any more if they issue their bonds, long-time obligations, and then default in the first six months' or year's interest.

I meet that with the assertion that no one of those countries considers itself in default to-day, nor do I consider them in default, in the payment of their interest. The Secretaries of the Treasury have agreed that they were not in default, and that we were morally bound to give them the extension of time.

The Senator from Missouri, and I think other Senators, have stated that we made a suggestion, and that that suggestion was never acted upon, that no moral obligation ensued as a result of that. I want to read into the RECORD now part of the testimony, the letters, and the report of the Secretary of the Treasury, and I wish those who are interested in that one phase of the question, as to whether we have morally obligated ourselves to give them time in the payment of the interest, or whether we have not done so, would give attention to these quotations. Mr. President, the following excerpts are taken from pages 58 and 59 of the annual report of Secretary Houston on the state of the finances for the fiscal year ended June 30, 1920. This is what he said in that report:

In the early autumn of 1919 the Treasury informed the treasuries of the European Governments to which it had made advances that it was prepared, in case they so desired, to discuss with them the exchange of the demand notes for long-time obligations, and in that connection the deferring of interest collection during the reconstruction period of two or three years from the spring of 1919.

Of course, if we stopped right there there would be no obligation whatever; but let us see what followed. I shall read now an excerpt from the letter of Secretary Mellon to the late Senator Penrose, pages 179 and 180 of the hearings before the Committee on Finance. However, I think I had better read first the statement of Secretary Mellon concerning the replies of the other Governments, which will be found, as I have quoted it, on page 1856 of the CONGRESSIONAL RECORD for Saturday, January 28. I will read a little of the colloquy which occurred in the hearing between the Senator from Massachusetts [Mr. WALSH] and the Secretary. The Senator from Massachusetts was reading a part of a letter from Secretary Mellon, and the testimony was as follows:

Senator WALSH (reading): "In view of the public announcement on this subject made by Secretary GLASS, communicated as it was to the foreign Governments, reported to Congress by both Secretary GLASS and Secretary Houston, and acquiesced in for more than two years, I think good faith and fair dealing obligate this Government to the extent I have indicated."

I wish you would explain just to what extent Secretary GLASS and Secretary Houston have committed this country to the policy or the position of not collecting interest on overdue interest.

Secretary MELLON. The Treasury made this statement to the foreign Governments.

Senator WALSH. Who was Treasurer at the time of the statement?

Secretary MELLON. I believe Secretary GLASS was.

Senator WALSH. Who is it directed to, Mr. Secretary?

Secretary MELLON. To the British treasury. Mr. Chamberlain replied to it——

Senator WALSH. Have you the date, Mr. Mellon?

Secretary MELLON. Yes; December 2, 1919.

Senator WALSH. Now, give us the communication that you refer to.

Secretary MELLON (reading): "The Treasury is prepared, at the convenience of the Governments of the Allies, to take up with their representatives the funding of the demand obligations which the United States holds into long-time obligations and at the same time refunding during the reconstruction period of, say, for a year or two or three years of the interest on the obligations of foreign Governments acquired by the United States under the Liberty loan acts."

That was stated to the foreign Governments.

Senator WALSH. Do you construe that language to bind our Government to a position of refusing to insist upon compound interest?

Secretary MELLON. I can not see how it could be otherwise. That was replied to by Mr. Chamberlain, of Great Britain. * * *

The chancellor replied as follows:

This is the crux of the whole matter. The quotation from the chancellor is as follows:

You are already aware that the British Government accepts, as far as they are concerned, the suggestions of the United States that the demand obligation of the Allies should be funded into long-time obligations and that for a period of two or three years—preferably three—the interest on the obligations of foreign Governments acquired by the United States should also be funded, and that we are ready to extend similar treatment to our allies in respect of their obligations to us.

Secretary Mellon said in his letter to the late Senator Penrose:

1. In view of the action of my predecessors I am of the opinion that as to the principal foreign Governments receiving advances from the proceeds of Liberty bonds, this Government is committed to the postponement of the interest for two or three years (over two years of which have already elapsed) and to the spreading over subsequent years the payment of the postponed interest installments; but that this obligation is contingent upon such foreign Government carrying out with reasonable promptness, after this Government is ready to proceed, a satisfactory funding of its existing short-time obligations to this country. As to the compounding of interest, Secretary Houston, in his annual report to Congress for the year 1920, clearly shows that it was not contemplated that interest should be charged on the postponed interest, at least during the two or three year period. However, I regard that dates suggested by Secretary Houston in his annual report for the payment of this deferred interest as merely tentative and not a binding commitment.

In view of the public announcement on this subject made by Secretary Glass, communicated as it was to the foreign Governments, reported to Congress by both Secretary Glass and Secretary Houston, and acquiesced in for more than two years. I think good faith and fair dealing obligate this Government to the extent I have indicated.

I think we must agree with the Secretary that when the proposition was made by this Government to the foreign Governments and the foreign Governments said they would accept our proposition to defer the interest for two or three years and then fund the interest into long-time obligations, and when the report of that agreement was made to Congress and we acquiesced in it and the treasuries of the several countries acquiesced in it, there is a binding moral obligation that we hold to the suggestion we made and which was accepted by the foreign Governments. So I take the position that these foreign Governments have a right to say, "We have not defaulted because we have deferred the interest and will put that interest into long-time bonds in an agreement made with the United States."

That case is entirely different from one in which the Government issues its bonds and on the first interest-paying date defaults. Then the credit of the Government is at stake, because that is an obligation which the Government is expected to meet, and expected to meet promptly, or to acknowledge its bankruptcy. There is a vast difference between the two.

I desire to answer briefly one other matter referred to by the Senator from Missouri. He intimates that the real motive back of the proposition of extending the interest beyond six months or one year emanates from a desire to protect the American holders of foreign bonds. The Senator from Missouri said that there are $4,000,000,000 of such bonds and obligations held in the United States. I had that matter looked into immediately, and I ascertained that of the bonds of foreign countries in Europe floated in this country, the Governments which are affected by this agreement—Cuba, Great Britain, France, Belgium, Russia, and Italy—all together floated and have outstanding about $838,000,000 in bonds. If we take the municipalities and the corporations whose bonds have been floated in the United States, the grand total outstanding would only amount to $992,000,000. This was a report made as of June 30 last. Since that time British obligations have been paid off in the sum of $93,713,000, so that should be deducted from the $992,000,000, leaving in the neighborhood of $898,000,000.

Mr. LA FOLLETTE. Mr. President——

Mr. McCUMBER. Since that time France has floated about $25,000,000 of French bonds, which would have to be added. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I wish to inquire whence emanates the report to which the Senator has referred?

Mr. McCUMBER. From the Treasury Department, and it is also printed in the Federal Reserve Bulletin of August, 1921.

That is the amount when all are taken together. If we were to take all of the obligations of all foreign Governments and of all of the municipalities of foreign Governments which have floated bonds here and all of their industrials which have been floated in the United States, the records which I have obtained from the same source show that they would amount to about $2,000,000,000, altogether.

So, Mr. President, I think there is no thought whatever in the mind of anyone that it is going to help the holders of any of those bonds in this country. I do not know to what extent municipalities or industries which have issued bonds have kept up their payments. My information is, though I may be in error, that the Governments which have floated their bonds have kept up payments on their bonds, but of that I am not absolutely certain. When I say all, I speak of the principal Governments, like Great Britain, France, and Italy.

Really, the suggestion for taking collateral security emanated, I think, from the discussions which were had before the Ways and Means Committee of the House and the Finance Committee of the Senate, when we were considering the question of prohibiting any commission or the Secretary from accepting any bonds other than those of the debtor country. However, we thought that it might be well, in the case of some of those countries, to get good collateral security if we could. In the second bill that provision was included.

The Senator from Nebraska [Mr. HITCHCOCK] made the statement a short time ago that we had shown no reason in the world why it would be for the interest of the United States to

extend the time of payment, that all we had done was to extend leniency to the foreign Governments. When we are dealing with creditors who are bankrupt or nearly bankrupt, it very often inures to the interest of the creditor to be most lenient with them and to give them time in which to make their payments. So when we are dealing with countries which are on the verge of bankruptcy and some of whom can not possibly pay the interest on their obligations within six months or one year or even two years, I think it is for the interest of this Government to compose our matters with those foreign Governments in such way that we can have a definite sum fixed in an obligation and made payable at a time in which they can make the payment without being compelled to admit their bankruptcy within six months or within two years. It is for our benefit as well as the benefit of our debtors to so arrange.

Mr. EDGE. Mr. President, one of the disturbing factors, from my viewpoint at least, which seems to have developed in the debate is an apparent feeling of a lack of confidence in responsible public officials. The debate seems to be predicated to some extent on the assumption that officials holding most important responsibilities under the Government will not perform their full duty or will be false to a great trust. I very much regret that sentiment. Laying aside just what may be the prerogative of Congress so far as defining or limiting legislation is concerned, it appeals to me as being very unfortunate because, of course, in the final analysis, if we can not depend upon Cabinet officers—practically the President of the United States, who under the pending bill is given the authority to select the commission, one of whom shall be the Secretary of the Treasury—it seems to me we are in a rather serious situation.

The Senate would not be giving up any of its prerogatives in this matter if we delegate whatever additional authority to the President, and the Secretary of the Treasury and the commission to be appointed, may be considered necessary. As I understand it the additional authority provided in this bill over and beyond already existing authority is rather slight.

I followed the argument and agree absolutely with the Senator from North Dakota [Mr. McCUMBER] that it is impossible from a practical business standpoint—and this is a practical business question, a matter of an indebtedness to this country of approximately $10,000,000,000—for the Senate of the United States or the Congress of the United States to write an act limiting the authority of those officers who must necessarily negotiate the debt; limiting them in such manner that it is impossible for them to act for the creditors, the taxpayers of the country, and secure for them the best possible arrangement.

It is an unfortunate situation, in my judgment, that we can not trust—and that is the only term I think we can use—the President of the United States and the Secretary of the Treasury to negotiate the best possible business arrangement with our debtors.

As has been very well said and thoroughly understood, I think, a majority of these countries are nearly or absolutely bankrupt. Their budgets do not balance to-day. Their issue of money, of course, it is understood, discounts the value of that money because of the financial conditions of the countries. They have some securities, however, collateral securities of various kinds and nature, that a commission acting for the United States could readily take over as a part of the security for bonds that might be taken by this country.

We can not legislate and serve the best interests of the country by attempting to define what the securities shall be or what particular consideration shall be given in the way of deferred interest in order to get possession of those securities. It seems to me it is absolutely parallel with the duty of every bank board of directors meeting once or twice a week in the banking institutions of the country. They have discounted paper or purchased commercial paper of various kinds. Some business enterprises are not successful, and the bank board recognizes the fact that the paper, with its indorsements and the securities back of it, is not sufficient to enable them to collect the full amount of the principal and interest which the paper represents. What is the bank going to do? Either through the executive committee or a subcommittee they probably have an interview with the man to whom they have loaned the money, as a result of which, after investigation, they come to the conclusion that the situation is such that they can not call payment of the paper at that moment, but that they probably can give a certain amount of time, and meanwhile they can take over some securities which the man may have in the shape of mortgages or something of that character, with the result that the bank ultimately does not lose the principal and the interest on the paper and also with the ever to be desired result that the borrower, being temporarily tided over, is perhaps ultimately able to regain his business stability and position.

I can not see where the present situation differs in the slightest degree from the illustration I have cited, excepting that the Government of the United States, representing the people of the United States, has as debtors 15 or 20 Governments abroad, with varying degrees of ability to pay, and that now we want to place their obligations in some businesslike form, to refund them, to add the accrued interest to the principal, where it is wise to do so, and to take over other securities where it is possible to obtain them; in other words, to negotiate a common sense business obligation between debtor and creditor.

So far as I have followed the debate this morning and heretofore, the only real objection I have heard stated to the proposed arrangement seems to be due to a feeling of suspicion or lack of confidence that our public servants, the Secretary of the Treasury and the President of the United States, who will be responsible for the naming of the other members of the commission, can not be trusted to represent the people of this country in that great responsibility.

It seems to me, Mr. President, that we are coming to a sorry period in our national life when the Congress can not delegate an authority which, while most important, still, as I look upon it, is purely of a departmental nature without feeling that our executive officers will not do their full duty or will be false to their great trust and to their oath. As a business proposition and as a national policy, it appeals to me very strongly that the Senate should adopt the report of the committee as presented, and should give latitude to our officials in order that they may negotiate the best possible terms with our debtors abroad. A hard and fast statute as to what we would or would not accept will only result in postponed action, and we will be just where we are to-day, with our obligations in a most unsatisfactory condition.

Mr. HITCHCOCK. Mr. President, the Senator from North Dakota [Mr. McCUMBER] makes a point of the fact that the Assistant Secretary of the Treasury, Mr. Rathbone, representing the Treasury Department, indicated to the British Government, and through the British Government to the other allied Governments, that the postponement of the payment of interest for two or three years might be considered acceptable. Admitting that to be so, the Senator must see, from a reading of the correspondence which has been duly printed for the use of the Senate, that the very postponement of the beginning of the payment of interest to April of this year and to June of this year implied that when those dates had arrived the payment of interest should begin. It also implied that the Treasury of the United States took the position that it would make no concessions beyond the mere deferment of the payment of interest.

Mr. McCUMBER. Let me correct the Senator, if he will allow me right there.

Mr. HITCHCOCK. I shall have to decline to yield to the Senator, as he declined to yield to me.

Mr. McCUMBER. I was not aware that I declined to yield to the Senator.

Mr. HITCHCOCK. I was aware of it. The Senator declined to yield to me not only to-day but on several previous occasions.

Mr. McCUMBER. I simply asked the Senator to wait until I had finished a sentence.

Mr. HITCHCOCK. And I ask the Senator to wait until I finish.

Mr. McCUMBER. I will do so, but the Senator is mistaken when he says that I impliedly forgot to state that these declarations did not cover the subject.

Mr. HITCHCOCK. I decline to yield for the same reason that the Senator from North Dakota declined to yield.

Mr. McCUMBER. Very well.

Mr. HITCHCOCK. And yet the Senator from North Dakota brought into the Senate here a bill which proposed, first, to give to the Secretary of the Treasury, and later to the commission, the power not only to defer interest but the power to reduce the rate of interest without limit. He brought into the Senate a bill which not only did that, but also gave power to the commission or to the Secretary of the Treasury to substitute other bonds for the bonds of the Governments which had been accepted; he brought into the Senate a bill which not only would have empowered the Secretary of the Treasury to fix the date of maturity of the bonds as provided by law but to fix the date of maturity for the bonds at any future period, say 100 years, which would give to the Secretary of the Treasury power to defer the payment of interest for 10, 20, or 30 years. It is only after the most determined fight which has been made in this Chamber and before the committee that a number of amendments and limitations upon those powers have been forced upon

the committee. First, the committee has been compelled to fix the utmost maturity of the bonds for the year 1947; second, the committee has been compelled to limit the power of the Secretary of the Treasury so that he may accept only the bonds of the country owing the debt to the United States; third, the committee has been compelled upon the floor of the Senate here to fix the rate of interest at not less than 4½ per cent. All of these gains have been made as the result of the opposition to this proposed legislation.

The record of the previous administration upon the subject of these obligations is plain. When it was proposed by the representatives of Great Britain in Paris that the United States should join Great Britain in a program by which the United States would relieve Great Britain of as much indebtedness as Great Britain would relieve the other countries of Europe of, the President of the United States himself, and later on the then Secretary of the Treasury, Mr. Houston, stated definitely that they would not and could not under the law abate the obligation of Great Britain or of any other country in any respect; that each must be considered upon its own foundation and upon its own merits; and that the attitude of the American Government was to treat those obligations as valid obligations, payable principal and interest, in accordance with the laws of the United States under which they were issued.

That correspondence further shows that the representatives of the United States and of Great Britain had progressed to a point in November, 1919, where the terms and specifications of the bonds which Great Britain was to issue to the United States were almost agreed upon, and during all of that negotiation the letters, as published in various Senate documents, show that the attitude of the Wilson Government was firm that these obligations must be met in full and that the interest must be paid in full. The utmost that was conceded was that for such interest as was in default up to 1922 additional bonds might be accepted, such bonds to be paid over a course of a number of years on the installment plan in the future; but as for the payment of interest and as for the payment of the principal the Government of the United States under Woodrow Wilson yielded nothing more. That is the history of the case, and will be found as I have stated it in various Senate documents.

Mr. President, I am not in the position of saying that it may not become necessary for the responsible authority of the United States, representing the American people, to make some concessions to many of the foreign Government debtors and possibly to all of them. An examination may show that it would be to the interest of this country and of its commerce to make some concessions, but what I say is that it is not right for the Congress of the United States, representing the people of the United States as it does to abdicate its control over this matter; it is not right for Congress to place in the hands of the Secretary of the Treasury or the President of the United States or the commission nominated by him the great power which was asked for by the Secretary of the Treasury when he came before the committee. He asked power to reduce the rate of interest to any figure which he might choose; he asked power to defer payment of the principal to any possible remote date that he might consider desirable; he asked power practically to make enormous grants, running to an unlimited amount, in the case of many of the debtor nations. I say not that it would be unwise, possibly, for the United States to make some concessions in the interest of the world and possibly in the interest of the commerce of the United States, but that it is monstrous in a Republic like ours to intrust to a few executive or administrative officers such enormous power as was involved in the request made by the Secretary of the Treasury. That is really the question before us now.

It is not a question as to whether we will abate some of the debt owed us by foreign countries and make concessions to our unfortunate debtors who have suffered so much; that is not the question; the question is whether Congress will hold the power to make that decision or will turn it over to a few men who are not chosen by the people to perform that function.

Mr. President, I agree with the idea that it may become necessary, and might become desirable, to negotiate some form of settlement with the debtor nations, but when that negotiation is made it should be brought to the Congress of the United States for approval, or at least to the Senate of the United States, if it be placed in treaty form. It is not right to repose in any body that great discretionary power which was proposed as this bill was originally introduced; and I should like to have the Senator explain here, if he can, why it was that he was willing to extend such vast power to the proposed commission or to the Secretary of the Treasury and was not in favor of imposing the limitations upon that power which he has been forced to accept in the form of amendments to the bill.

The pending amendment contemplates another limitation upon that power; the pending amendment is that offered by the Senator from North Carolina [Mr. SIMMONS], which proposes that the interest shall be paid semiannually, just as the United States is compelled to pay semiannually the interest on the money it borrowed. I understand the chairman of the committee and the committee itself are resisting the demand to impose that limitation. They are resisting the demand to have the interest paid semiannually, although, if this amendment fails, no one can tell when the interest will be paid; it will be purely in the discretion of the commission as to when the interest shall be paid if this amendment is not engrafted upon the bill.

The argument which the Senator from North Dakota advances as a reason why this amendment should not be adopted and why these countries should not promise to pay their interest semiannually is that if they made an agreement with the commission they would have to begin paying the interest six months afterwards, and they might not be able to do so. In reply I aver that if they are not ready to begin paying interest within six months, the time has not arrived to give them a definite extension. The United States can not possibly be in any stronger position as the result of this legislation than it is now. At the present time it holds the demand obligations of these countries. As long as it continues to hold demand obligations, it has the power in its own hands; and it would be folly for it, holding this power, to give up that power and make a great extension of time to the countries when they are in no position to begin paying interest even six months after that time.

If they are not able to begin paying interest six months after the time, the thing for us to do is to hold the demand obligations until they are able. But we know that at least one of those countries is able to pay interest and is willing to pay interest if it is required, and that is the British Empire. We know that the proper authority of the British Government—I think it was the chancellor of the exchequer—stated in his speech in the House of Commons last fall that Great Britain was arranging to begin the payment of interest upon its indebtedness to the United States this spring, and we know that he stated to the House of Commons how he proposed to begin the payment of that interest.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. HITCHCOCK. I yield to the Senator.

Mr. BORAH. There is nothing to prevent Great Britain now from paying interest at any time that she wants to, is there?

Mr. HITCHCOCK. Mr. President, while Great Britain is able to begin paying interest, there would be no reason under this authority why a great extension of time might not be made to Great Britain; and if we do not incorporate in this bill the amendment of the Senator from North Carolina that interest shall be payable semiannually, this commission would have power to extend a great leniency to Great Britain on that account, and Great Britain might well say to the United States: "Why should you be harder on us than you are on some of these other debtor nations?" In my opinion, it is putting the commission in a weak position with the diplomats and the statesmen of Great Britain to give this power to them, and place them in a position where they will be under pressure from the representatives of Great Britain to accord to Great Britain the same leniency of treatment that may be accorded to France or some other country.

I say that this legislation is ill timed. It is not proper at this time because only one of the nations in Europe is ready to begin paying interest. It is not proper at this time because if it is enacted it will probably result in that nation deferring the payment of interest. It will be better for us to hold those demand obligations as we do now until the time arrives when, under pressure from the United States, the countries are able to look forward six months and say, "We can begin paying interest." When that time comes it will be time enough to empower a commission or anybody else to make an arrangement with them, and when that arrangement is made it ought to be brought to the Congress of the United States for ratification.

A commission with full power to make a contract without any power above it for ratification will, of course, be comparatively powerless to protect the interests of the United States. If the nations of Europe who owe us this money know that any contract made with this commission must be submitted to the United States Congress or the Senate for ratification, they are not likely to seek a contract that would not meet the test of public opinion in the United States.

I say, therefore, that this legislation is ill-timed. It had better be deferred. If it is deferred, Great Britain will begin in April the payment of her interest to the United States, and the

other countries will begin much more quickly than they will under this legislation.

Mr. McCUMBER. Mr. President, I thought it appropriate while the Senator from Nebraska [Mr. HITCHCOCK] was making his statement, and making it upon an assumption that was not at all supported by the record, to call his attention to his error at the time. The Senator declined to yield for that purpose. For the purpose of making the record clear, I desire now to read parts of two paragraphs of the correspondence between the United States and Great Britain.

The Senator from Nebraska asked, If this Government made the proposal that it would extend the interest for one or two or three years, and the other Government responded that it would accept that proposition, would not that imply that the interest then should be paid at the end of two years or three years, whichever the case might be? Of course, if that had been the suggestion and the acceptance of the suggestion, that would be true; but, as a matter of fact, the suggestion contained the proposition that the interest should be funded, and the acceptance contained the statement that they would accept the proposition that the interest should be funded into a long-time obligation, and that the Allies would grant like leniency to their creditors.

This was the proposition:

> The Treasury is prepared, at the convenience of the Governments of the Allies, to take up with their representatives the funding of the demand obligations which the United States holds into long-time obligations and at the same time refunding during the reconstruction period of, say, for a year or two or three years of the interest on the obligations of foreign Governments acquired by the United States under the Liberty loan acts.

And the reply of Mr. Chamberlain was:

> You are already aware that the British Government accepts, as far as they are concerned, the suggestions of the United States that the demand obligations of the Allies should be funded into long-time obligations and that for a period of two or three years—preferably three—the interest on the obligations of foreign Governments acquired by the United States should also be funded, and that we are ready to extend similar treatment to our allies in respect of their obligations to us.

That answers completely the suggestion of the Senator from Nebraska that if we made the proposition to them to extend the time for two or three years, and they accepted it, that impliedly bound them to pay the interest at the end of the two or three years. The agreement, so far as it ripened into an understanding at all, was of an entirely different character, and implied that the interest, as well as the principal, should be funded into long-time bonds.

Mr. BORAH obtained the floor.

Mr. WALSH of Massachusetts. Mr. President, will the Senator from Idaho yield to me for a moment in order that I may ask the Senator from North Dakota a question?

Mr. BORAH. I yield.

Mr. WALSH of Massachusetts. Who is to pay these commissioners, and how are they to be paid—from what funds, and how much?

Mr. McCUMBER. We would have to depend upon an appropriation to take care of their expenses, of course.

Mr. WALSH of Massachusetts. There is no provision in the present bill for that.

Mr. McCUMBER. The Secretary, of course, already has his salary, and he would have to have nothing more except any necessary expenses that the department incurred. If anything at all is allowed to the other commissioners, of course, we would have to appropriate for it.

Mr. WALSH of Massachusetts. I thank the Senator from Idaho.

Mr. BORAH. Mr. President, I was a Member of Congress when these loans were made to the foreign Governments.

Under this legislation about $11,000,000,000 has been loaned and is now due. As I was a Member of this body which was responsible for the loaning, I feel that the least I can do is to do everything I can to see that it gets back, and I do not believe that it is a fulfillment of my obligation to impose upon some one else the obligation of seeing that it gets back and thereby say that I have performed my duty.

It is not a vote of lack of confidence in the Secretary of the Treasury or a vote of lack of confidence in the President of the United States or the administration. Those things are said for the purpose of agitating some one who is uneasy about his regularity in party affairs. They do not disturb me one way or another. I am far more concerned about the merits or demerits of the measure than I am about regularity. I think a Senator can do nothing less than vote for those measures which he believes will be most effective in returning to the Treasury of the United States, and indirectly to the taxpayers, that which he was responsible for having paid out.

Unless the two amendments proposed are adopted I shall not be able to vote for this measure, and for that reason I want to state briefly my views in regard to them.

Of course the nonpayment of interest is, in effect, a new loan. If we fail to impose upon the commission the obligation of collecting the interest annually or semiannually, and if the commission, taking the hint from the legislation, sees fit to postpone the payment of that interest, it is in effect nothing more than a new loan to that extent to the foreign Government. After all has been said, and the discussion is over, and the analysis is complete, that is the basis of this contention for nonpayment of interest. It is securing a new loan without an express authority for granting it.

Secondly, Mr. President, it ought to be remembered that the failure to collect interest is, in effect, imposing that amount of additional taxes upon the people of the United States. Just in proportion as we either forgive or postpone the payment of the principal or the interest, the taxpayers of this country must ultimately come in and make good.

I do not know what the proposed commission will do, but we are proposing by our legislation to say that we grant an additional loan to the foreign Governments, thereby imposing upon our people an additional burden in the way of taxes. Stripped of all verbiage, that is precisely the result of the failure to adopt these amendments.

There can be no object in leaving these amendments out of the bill if it is the intention of the Secretary of the Treasury and the commission to collect this interest. The reason why it is desired that it be left out of the bill is because they want the latitude which will enable them to postpone it; otherwise they would be very glad to have it in there, as authority. In other words, Mr. President, if it should be discovered, after attempted negotiations, that some particular nation could not pay its interest, there would be very little difficulty in the Secretary of the Treasury reporting back to the Congress in regard to that particular nation; but they turn the thing about, and advertise to the entire group of debtors that the Congress of the United States has practically invited them to ask for an extension of the time in which to pay the interest.

It reminds one of the story which is told in the biography of Gen. Grant, who, when a boy, was sent to a neighbor by his father to purchase a horse, with the instruction that he should pay the neighbor $50 for the horse, but if he would not take $50, he should pay him $75. So, when young Grant arrived, he informed the neighbor that his father had authorized him to pay him $50, and if he would not take that, he was prepared to pay $75. Then he said, "Now, what is the price of your horse?" Of course, it was $75. Mr. President, we are saying to each and every one of the debtor nations that if they feel disposed to ask for the nonpayment of interest, the lawmaking body of the Government of the United States has acquiesced already in that proposition.

In view of what has happened in the last three years, does anyone suppose that any of these nations will not feel that it can make better use of the interest than we can?

They have their obligations at home to meet, and they have their expenses, and they are also engaged in some enterprises in the way of extending their commercial affairs, so that they will, no doubt, feel that they are really not in a position to pay the interest now, because they have a better use to which to put their money. As a result, I doubt very much whether any of this interest will be paid for the next 5 or 10 years, which will result, as I said, in loaning a very large sum of money to those people.

The underlying fact in regard to this indebtedness is the powerful influence which is against collecting it at all, either principal or interest. I do not know that the administration entertains for a moment the idea that it will never be paid. I do not know how many Senators think that it will never be paid. We are discussing the matter here as seriously as if we expected it to be paid; but I do submit that the most powerful financial interests in the world, both in this country and abroad, intend that it shall never be paid, and the effect of the influence of those interests upon the Congress of the United States will be demonstrated in the future as in the past. I am not willing in any event to connive at the program of cancellation by postponing interest.

Mr. McKELLAR. Mr. President, does not the Senator think that if it is not paid it will be because we do not insist upon it in the right way?

Mr. BORAH. Yes; I think that is true. I think they can pay it. I think if we insist upon it they will pay it.

Mr. WALSH of Massachusetts. The Senator from Idaho will be interested to know that the Secretary of the Treasury an-

nounced to the Committee on Finance that in his opinion 80 per cent of this debt was collectible.

Mr. BORAH. Yes; I think it is collectible, but how much of it will be collected, I do not know. There is little evidence at hand now that any part of it will be collected. The only thing which will prevent cancellation is a continued sustained public demand upon the part of the people.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I yield.

Mr. KING. I do not think it is collectible immediately. I do not think it can be paid in gold within many, many years. I think if we pursue a wise and proper policy, a commercial policy, and do not impose prohibitive tariffs, in the exchange of commodities and the benefits derived therefrom, in the advantages which may be received, the debt in time will be paid; but it will be a long time, perhaps 25 or 30 or 40 years, before it can be *paid*. But it can not be paid in gold, and we might just as well disillusion ourselves if we are laboring under the impression that we are going to get the debt paid in gold and get it quickly.

Mr. BORAH. I realize that this debt can not all be collected at once, and I realize that the payment of the principal must necessarily be spread over a number of years; but the best way to notify a debtor every six months that he owes a debt is to collect interest on the debt. If he pays the interest regularly, he is not likely to get it into his mind that he does not owe the debt and never intends to pay the debt. I think that if we impose upon the debtor the obligation of paying the interest upon the debt annually, it will be a notification that the American people expect the payment of this money when it can be paid and under proper circumstances and conditions.

Mr. President, I was going to say that in a conversation a few days ago with a gentleman perhaps well known to all Members of the Senate, a man of national reputation, whose name possibly I am not privileged to use in public discussion, a man who has just returned from a four months' stay in Europe, he said the only place he knows of where the payment of this debt is still discussed is in the United States; that in the chancelleries of Europe, among the bankers of Europe, among the business men of Europe, among the economists of Europe, it is considered that the debt will never be paid, and that it is simply a question of postponing the settlement until, as they say, the public mind of America will accede to the wisdom of canceling the debts.

I read an article in the London Times a few days ago, which I can almost quote from memory, in which it was said that it is too soon to expect the American people to consent to the cancellation of these debts, but that that must ultimately be the course which is to be pursued. I have taken some trouble to ascertain the public view in England, and, Mr. President, I know of but one publication that contends that this debt ought to be paid or ever will be paid.

Mr. KING. Mr. President, I think perhaps in fairness to some of those publications and to the public mind of Great Britain it might be said that Great Britain has signified a perfect willingness not to collect debts due her in the event the United States did not push the collection of obligations due us, so that Great Britain would perhaps gain nothing by the transaction. If we should forgive her the debt, and she should forgive all those who were indebted to her, I think she would come out about even.

Mr. HITCHCOCK. Mr. President, I ask the Senator if he recalls the reply the United States made to that suggestion from Great Britain?

Mr. BORAH. I recall it. I do not pay particular attention to what is said by these diplomats with reference to paying this debt. They are not free, of course, to stand up and say, "We do not propose to pay." Whatever they think, they are not in a position to say it.

Mr. HITCHCOCK. Mr. President, the reply was that, as far as the obligation which Great Britain owed the United States was concerned, it was good, and was collectible.

Mr. BORAH. Yes; I remember that.

Mr. HITCHCOCK. But as far as the debts which many of the European countries owed to Great Britain were concerned, they were of no value, so that she would be giving up something of little value, and we would be giving up something worth a hundred cents on the dollar. That was the reply of the United States. That was the attitude of the United States.

Mr. KING. I do not think that reply was quite accurate, because the obligations to Great Britain are largely due from France and from Italy, and both the obligations of France and of Italy are good, in my opinion.

Mr. KING and Mr. McCORMICK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. I yield first to the Senator from Utah; then I will yield to the Senator from Illinois.

Mr. KING. I am advised by the Senator from Massachusetts [Mr. WALSH] that I understated the matter—that the obligations due to Great Britain are $8,000,000,000. Great Britain, therefore, if I understand her position, is willing to cancel the eight billion if we will cancel what is due from Great Britain to us.

Mr. BORAH. Mr. President, the debt owing Great Britain from other nations stands upon an entirely different footing from the debt owed by other nations to this Nation. Great Britain understood at the time those debts were created that it was in the nature of a subsidy to those Governments. They were not in a position at that time to perform their part in carrying on the war, and therefore Great Britain extended these loans in the nature of a subsidy. Now I yield to the Senator from Illinois.

Mr. McCORMICK. I was about to ask the Senator from Utah if he rated the considerable Russian debt to Great Britain as good. The Senator will remember that it is very large.

Mr. BORAH. I will answer that.

Mr. KING. Mr. President——

Mr. BORAH. I yield to the Senator from Utah.

Mr. KING. The Senator from Idaho says that he will answer it; but let me say I think the debts which Russia owes will be paid in time. I think they are good. I have that confidence in the integrity of the Russian people which makes me believe that in time Russia will pay every dollar which the Russian people owe to other nations.

Mr. BORAH. I would a good deal rather have Russian obligations than the obligations of some of the some other nations which we have.

Mr. KING. So would I.

Mr. SHEPPARD. Mr. President, the Senator spoke of diplomats. I would like to submit the definition of a diplomat which I heard a few days ago for the Senator's consideration.

Mr. BORAH. I hope it is entirely commendatory.

Mr. SHEPPARD. A diplomat is a man who appropriates your coat in so engaging a manner that you thank him for taking it.

Mr. BORAH. Mr. President, the Outlook, an English publication, states this matter just about as the English people understand it. It says:

> We have been assured in responsible American quarters that cancellation is impossible at present for political reasons; that all the latent anti-British and anti-European prejudices in the United States would flare up were such a project brought forward in Congress.
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> * * * * * * *
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> We are sorry, but clearly Europe must take America at her word when these things are said, and we in Europe must pin our hope to a process of education of the American masses and demand that our statesmen lose no opportunity—

That suggestion was wholly unnecessary—

> of enunciating the basic economic truths which weigh down upon us, hoping that America will see the light before irreparable disaster fastens upon us and a little later upon her.

I can see, for instance, why the Outlook would prefer a demand note to be changed into a 25-year bond, and also would prefer to have the interest payments deferred for 10 years, in order to give the English statesmen an opportunity to educate the masses of America to the belief that the entire debt ought to be canceled. As I said a moment ago, whether the Senators in this body who are opposing the amendments understand it or not, I venture to say that the controlling, moving, impelling power behind these two amendments is the fact that it is desired that an opportunity be given to educate the American masses to the cancellation of the entire debt, interest included. This article continues:

> The administration, we understand, has been quietly informing European Governments that a much better "atmosphere" for such a discussion will exist after official results have been reached concerning Pacific and armament problems.

Mr. President, I do not suppose the administration has given them any such information directly, but there is no doubt at all but that the opinion is entertained throughout the foreign countries that we ultimately will come to see the wisdom, from an economic standpoint, as well as from the standpoint of the equitable distribution of the war obligations, as they say, of the cancellation of this entire debt.

If that is the program, it is quite natural that they should say, "Let us not only postpone the payment of the principal for 25 years but let us postpone the interest just as long as we can." Nobody wants to pay interest on a debt that he does not expect ultimately to pay.

Again says another journal:

World trade can not revive—and if it does not we must starve—until interrelated international debts that weigh down all countries are wiped out, for only then can the exchanges be quieted down. The foundation upon which the pyramid of paper rests is the German indemnity. Once it is recognized that Germany can not pay the Allies, we in this country will be ready to agree that France and Italy can not pay us what they owe, and America will have to realize (but when?) that she can not collect the 10 milliards of dollars owed her by Europe.

I might spend the afternoon reading articles of that nature. I only read a sufficient number to indicate, as I have said, that the feeling is that the debt ought not to be paid at all.

Mr. President, I take the position that there is not a nation of Europe but could, in the interest of its own people, so adjust its budget as to be able to pay the interest upon its debt. All one need do is to run over their budgets and inform himself as to the amount of money which they are expending for those things which make not for peace and contentment and for the betterment of mankind but for their injury, and that by cutting it down even a small per cent they could meet the interest upon this debt.

So long as we continue to postpone the principal and continue to postpone the interest, my fellow Senators, do you realize that we are imposing upon the American people the burden of carrying European armament?

So long as you say to them, "In the dim distant future alone will you be called upon to meet the principal, and not until in future years will you be called upon to meet the interest," you are indirectly or impliedly encouraging them in proceeding to spend their money as they are expending it to-day. It would be a healthy thing for the people of Europe, it would be to the betterment of economic conditions throughout the world, if some pressure were put upon those people which would cause them to reflect as to the manner in which they are spending their money.

Mr. President, we are not without some difficulty in our own country. Of course, we have heard for the last few years so much about the great wealth of this Nation that when we are speaking with reference to our relationship to Europe we fail to comprehend that we have some difficulties of our own. I wish to ask Senators here present, when you go out this fall to see your constituents and to talk with them about the practical side of this proposition, and when you meet the farmer who is losing his farm because of his debts, and when you meet the business man who is discouraged and demoralized because of his taxes, and you say to him that it was not within the power of Congress to forgive his indebtedness or postpone his taxes or his obligations, what will he be likely to say to you when you have voted to postpone the indebtedness and the taxes of nations which are spending millions and millions for armaments?

He will say to you that you might at least have voted to require your agents to demand the payment of this interest and not forgive it in advance. When you meet your constituent and he says to you, "My children are out of school because I have not the means to clothe them and to feed them," and you will find constituents in some of the congested centers where they will say to you, "My children are hungry, but you did not postpone the exactions of this Government so far as we are concerned," what will your answer be?

It is up to us, it seems to me, and this is the very least that we can do, to say to our commission, which is the agent of this body which loaned the money, "Make a demand upon these people for interest. Let them present the facts, and when the facts are presented to you return them to this body and we will pass upon the question." I am not in favor of some other agent taking the responsibility that rests upon me. I am willing to assume it for myself.

Mr. President, I would be perfectly willing to forego the Simmons amendment if, in lieu of it or as a result of the final contest, the amendment offered by the Senator from California [Mr. JOHNSON] were adopted. If the final settlement is brought back to this body, with the facts which will be presented to the commission, for the action of this body, so that it may pass upon the question of whether or not a certain settlement shall be made, I would be perfectly willing, so far as I am concerned, to be content with that. But the proposition is not only to refuse to put into the bill a proposal for the collection of interest, but to take it completely out of the hands of the loaning department of the Government and report not at all to that body for its confirmation, but to settle it entirely through the agency which we have created.

It may be that the agency is far more competent, and I do not doubt that it is, to take up the question of negotiations; but I deny the proposition that five men, I do not care who they are, are wiser in their judgment and counsels as to final settlement than the entire body selected by the people of the United States to protect the Treasury and the taxpayers of the United States. If that were true, it were better that we abolish the lawmaking department entirely and create a commission, as they have in some cities, to transact the business of the people. Certainly we who loan the money and are responsible for it ought to be willing to take the responsibility for exercising our judgment as to how that money shall be returned.

Therefore, unless an amendment is included in the bill providing for a return to this body of the commission in case satisfactory settlement can not be had, I shall vote against the bill upon its final passage.

Mr. KING. Mr. President, before the Senator takes his seat I should like to ask for some information.

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I yield.

Mr. KING. I was compelled by reason of illness to be away from the Senate practically all of last week. I am advised that during the consideration of the bill the Senator from Montana [Mr. WALSH] argued, and ably argued as he always does, a legal proposition, namely, that it is not a legislative function to settle these obligations because it involves entering into a contract between the United States and other nations; that it was an Executive function and that the Executive had the authority and it was his duty to make a treaty respecting his obligation and then to submit the treaty to the Senate for ratification.

If the Senator cares to express it, I should be very glad to have his opinion, because if that is the view which should prevail, if that view is correct, then obviously the legislation which we now have before us is not needed.

Mr. BORAH. I was very much impressed with the argument made by the Senator from Montana. I have no doubt at all that that is one method by which this debt could be settled. I have no doubt that the President has the power to negotiate a contract of settlement and send it here for confirmation the same as he would send here a treaty for ratification.

The only question upon which I have not been able to satisfy myself and upon which I offer no opinion at this time, is whether or not that is exclusive. I am not clear that it is the exclusive method of settling the question. I know that Mr. Hamilton, in the Federalist, seems to argue that whatever comes within the treaty-making power is exclusive and must be carried on and consummated under that power. However, I am frank to state that I have not made up my mind whether it is exclusive or not.

Mr. JOHNSON. Mr. President, last week I presented the amendment which has just been alluded to, an amendment designed to retain in the Congress the power of ultimate determination of any settlement which might be made. I have heard three arguments advanced in opposition to the amendment. In respect to those arguments I desire to say just a word in response.

The Senator from Indiana [Mr. WATSON] opposed the amendment while indorsing its principle because, he said, it indicated a lack of confidence in the President or in the Secretary of the Treasury.

The Senator from Washington [Mr. POINDEXTER], as I recall his argument, opposed the amendment because he did not think it was a good business way to deal with the transaction. The Senator from Wisconsin [Mr. LENROOT] had two other reasons to which I shall advert presently.

The arguments of the Senator from Indiana and of the Senator from Washington, the one that it was a vote of a lack of confidence, the other that it was not a good business proposition, are the sort of arguments the beginning of which is the end. Of course, to the statement, dogmatic in character, that this may be in derogation of the dignity of the administration, there can be no response except a negative. If it be a vote of lack of confidence in the administration for the Congress of the United States either to continue its duties or to reserve a part of its power, what is it when Congress supinely abandons its duty and abdicates its power? So, Mr. President, I do not think we need deal at all with the response that this is a vote of lack of confidence in anybody. There is no such purpose in the amendment and it can have no such effect. To defeat it is a vote of lack of confidence in ourselves, and after all we are the people with whom we are going to live the rest of our lives.

The Senator from Wisconsin [Mr. LENROOT] said, in answer to this amendment, that it is not essential or necessary nor should it be adopted because after all there is little discretion under the bill for the commission to perform.

Little discretion there may be; at any rate, there is discretion, and, to my mind, a very important discretion under this bill intrusted to the commission. If the Senator from Wisconsin is correct in saying that this amendment embodies a correct and accurate principle, then, if under the bill there is

any discretion lodged in the commission, the principle should be followed and we should adopt the amendment.

He states as his second objection to the amendment that the Senate, with its peculiar rules and with a half dozen Members arguing daily might indefinitely postpone final action when the settlement was presented to it for ultimate and final determination. We have waited three years, Mr. President, for the settlement of the interest. It would not do us any harm to wait for three months, for the people of the United States to act upon what may be done under this bill in secrecy in the days to come. That there would be any considerable delay I do not for an instant concede, but assume that there would be the delay of a week or a month or two months or three months, what of it? We have already delayed three years the settlement of the interest due upon these obligations, and a further delay of one, two, or three months, so that the people of the country might know what was being done, would be a delay in the interest of the people of the country rather than in the interest of some gentlemen who may be interested in foreign bonds or in international banking.

Therefore, Mr. President, I suggest that the objections which have been urged are untenable. The amendment, I assume, of course, will be defeated, for I assume that we have got into the habit of abdicating our functions and abdicating them as to $10,000,000,000 will be a mere bagatelle. However, I wish it presented, and I desire to have a yea and nay vote upon the question whether or not it shall be adopted.

Mr. WALSH of Massachusetts. Mr. President, I desire very briefly to point out some objections to the pending measure. It seems to me there are two very substantial objections to it.

First of all there is absolutely no need whatever of this proposed legislation. There is now ample law upon the statute books to provide sufficient authority for the Secretary of the Treasury of the United States to refund the debt which is due us. That is a proposition which is not seriously disputed.

Mr. KING. Mr. President, will the Senator yield to me?

Mr. WALSH of Massachusetts. I gladly yield to the Senator.

Mr. KING. Is the Senator from Massachusetts now referring to the principal of the debt, or the principal and interest, or to both?

Mr. WALSH of Massachusetts. I am referring to both principal and interest.

Mr. KING. Is the Senator also referring to indebtedness which is due the United States for which we have no bonds or I O U's or any other form of obligation?

Mr. WALSH of Massachusetts. I am referring to the major debt which is owed to us by foreign countries and for which we have their certificates of indebtedness.

Mr. KING. May I suggest to the Senator that it has been stoutly denied, as I understand the position of the Senator having this bill in charge, that the present law authorizes the funding of the deferred interest due the United States? He admits that the present law perhaps authorizes the refunding of the principal, but contends there is nothing in the law which will permit taking the interest, treating it as a separate account, and refunding it. I should like to ask the opinion of the Senator from Massachusetts as to that.

Mr. WALSH of Massachusetts. I am referring to the debts which are collectible and which are due this country from foreign countries. The other debts, to which the Senator refers, nearly everybody agrees are not collectible; they can not be collected. The former Secretary of the Treasury, the Senator from Virginia [Mr. GLASS], made it very clear that that was his judgment in a speech made a few days ago; but so far as the great bulk of the debt, the major portion of the money due us from foreign Governments, is concerned, the present law gives, in my opinion, the Secretary of the Treasury ample authority to collect the principal and the interest and to refund it. I am also of the opinion that there is ample authority to refund the accrued interest which has not been paid.

Secondly, this is not the time to refund this debt. The worst time to refund a debt is when the debtor is facing bankruptcy. The chances are then all against making a good trade. The condition of the countries of Europe is worse this very year than it has been at any other time. To attempt to refund this debt now is to seize an opportunity for negotiating that is most favorable to those who owe us the money and least favorable to our own country. There can be no convincing answer to that proposition. The time to refund this debt will be when there has been a change from the present period of depression to an era of prosperity throughout the world. The Congress could not render a better service to the people of our country or afford a better chance to collect this debt in acceptable and favorable terms than to let the present notes or securities remain as they are until the conditions of business and of finance throughout the world change. That is the time, not now, to make to our debtors a proposition for refunding the debt. Let those who can pay their interest as it becomes due and let us wait till more propitious times for making new contracts with all of them.

Mr. SPENCER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Missouri?

Mr. WALSH of Massachusetts. I yield.

Mr. SPENCER. Do I understand the Senator from Massachusetts to advocate that the matter be left just as it is without any action whatever, at least, for the present?

Mr. WALSH of Massachusetts. Yes; I advocate that. It is unnecessary to enact any more legislation; there is enough legislation with reference to the matter now on the statute books.

Further, even the power given under the present law, the present, I contend, is not the time to urge refunding. It ought to be left until a later period.

Mr. SPENCER. Has the Senator from Massachusetts any idea as to how many weeks or months or years the form of this debt ought to remain unchanged?

Mr. WALSH of Massachusetts. I have no idea. I might say to the Senator, however, that we have now waited for three years to collect some of the interest due on these debts because of the financial condition of these foreign countries; and yet, at a time when we know that their condition is worse than it has been at any time during the last three years, we are now proceeding to make new contracts to refund these debts.

Mr. SPENCER. Would the inference be a fair one, then, that in the opinion of the Senator probably the proper time to refund the debt would not occur for at least more than three years in the future?

Mr. WALSH of Massachusetts. I do not agree to any such proposition. We have our evidences of these debts, and all that is here proposed is that we take new evidences of these debts. We now have the notes of the debtor nations, but can not collect upon them, and all that can be done under the proposed refunding operation is to substitute one form of security for another; that is all that is meant by "refunding." We are not going to proceed to collect this debt; but it is merely proposed that we destroy the present certificates and notes which we hold and substitute some other form of indebtedness. That is all that this bill provides for. I say the time to substitute one security for another is not when the debtor is bankrupt, or is facing bankruptcy, but when he has overcome his financial distress and is beginning to enter upon an era of prosperity.

Mr. SPENCER. I wish to ask the Senator another question. Is not the Senator mistaken in making the statement that we already have the evidences of the debt? There is a part of this settlement which has to do entirely with the sale or transfer of property.

Mr. WALSH of Massachusetts. That is true as to a very small part of the indebtedness. I am talking about the billions of major indebtedness and not about the few millions of other indebtedness. We are talking about the great bulk of the debt; and the only part that will ever be collected is now represented by the indentures of our debtor nations in the vaults of the United States Treasury.

Mr. SPENCER. A part of which is not in securities, as I presume the Senator will admit.

Mr. WALSH of Massachusetts. A very small part of it—yes, that is true—but I am talking about the part which is collectible and which constitutes the great bulk of the debt.

Mr. SPENCER. Is it not the Senator's understanding also that some of the foreign debtor nations, at least Great Britain, France, and Italy, if this debt were refunded and interest-bearing securities substituted for those now held, would speedily begin to pay interest upon their refunded obligations, whereas now there is no interest being collected or paid?

Mr. WALSH of Massachusetts. All I can say to the Senator in answer to his inquiry is that I think the foreign Governments will be in a most pitiable and deplorable plight if they give us bonds, the interest on which is payable semiannually, and then do not meet their payments. If they are unable to meet the interest obligations due on their notes which do not specifically designate the time for paying interest, what will their position be when they give us bonds in which the day and the hour for paying interest is determined? We know that many of the debtor nations can not pay the interest every six months on the bonds which they may substitute for their notes which we now hold.

Mr. SPENCER. But some of them can.

Mr. WALSH of Massachusetts. Exactly; but why do not those Governments which are now in a position to do so pay the interest which they owe us?

Mr. SPENCER. That is the very object of the commission we are proposing to create. We are not now in possession of any notes requiring interest within a limited time.

Mr. WALSH of Massachusetts. Does the Senator argue seriously that the Secretary of the Treasury can not now accept from every one of the debtor countries the interest due to the United States?

Mr. SPENCER. I do not believe there is any provision giving the Secretary of the Treasury the power to arrange for the payment of interest.

Mr. WALSH of Massachusetts. Have we enacted a law which gives to the Secretary of the Treasury authority to postpone, to delay, to refuse to collect, or hesitate to demand the interest on our people's money that the Government loaned to these foreign countries?

Mr. SPENCER. The Senator from Massachusetts may be right about that.

Mr. WALSH of Massachusetts. Of course, we have not.

Mr. SPENCER. The truth of the matter is that the last administration said that there would be no interest collected for a certain time, and the present administration has taken precisely the same position. Whether or not they had any legal authority to say that I am not now questioning, but that was the word that was given to the foreign countries, and morally, I think, we are bound by it. That is the reason no interest has been collected for the past two or three years.

Mr. WALSH of Massachusetts. I prefer to take the word of the Senator from Virginia [Mr. GLASS], who was the Secretary of the Treasury at the time that word was given, than to accept any suggestion made by any other Member of this body as to that proposition. As the Senator from Missouri knows, the Senator from Virginia very seriously questions whether any such consent was given or agreement was entered into with these foreign countries.

Mr. NORRIS addressed the Chair.

Mr. SPENCER. Mr. President, I should like——

The PRESIDING OFFICER. Just a moment; the Senate will be in order. Does the Senator from Massachusetts yield, and, if so, to whom?

Mr. WALSH of Massachusetts. I yield to the Senator from Missouri to ask another question.

Mr. SPENCER. I should agree with the Senator from Massachusetts in taking anything that the Senator from Virginia may say at its face value, but I do not understand that the Senator from Virginia ever said anything to the effect that Mr. Houston when he was Secretary of the Treasury had not let it be understood that there would be for a certain period of time no enforcement of the payment of interest on the debts due to this country from foreign nations. Whether or not the extension was for a definite expressed number of years I do not know, but, as I understand, it was made known that for a time the payment of interest would be waived, and the present administration took precisely the same view. That is the reason interest has been waived.

Mr. WALSH of Massachusetts. I understood the former Secretary of the Treasury, the present Senator from Virginia [Mr. GLASS] to say that when our Government undertook, through its representatives, to refund these debts the proceedings and negotiations were broken up for some reason of which he had no knowledge.

Mr. HITCHCOCK. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I call the attention of the Senator to the correspondence which occurred about the 1st of December, 1919, between Mr. Rathbone, the Assistant Secretary of the Treasury, who was in Europe, and Mr. Blackett, representing the British treasury. In that correspondence Mr. Rathbone furnished a memorandum to the British treasury, indicating that it would be acceptable to the Treasury of the United States, that the payment of interest should be postponed for three years. In the same memorandum he provided a schedule of the payment of the principal in accordance with the law of the United States already in existence and for the payment of the accrued interest, covering three years, over a period of years on the installment plan.

The reply of the British treasury to the correspondence was that such an arrangement would be satisfactory to the British treasury, except that they did not feel that they would be justified in providing also in the same bonds for an amortization of any part of the principal. They were perfectly willing to have the principal mature in 1947, to pay interest during that whole period, and to pay on the installment plan the three years' interest already accrued; and the only thing they criticized and preferred not to accept was the amortization of the principal.

That contract is practically made, and Great Britain has already prepared to begin the payment of interest this spring. The British chancellor of the exchequer has made the statement in the British House of Commons that Great Britain would be prepared to begin this spring the payment of interest, and yet it is proposed by the passage of this legislation to empower this commission to postpone the payment of interest indefinitely. Why do that when the greatest debtor we have is ready to begin the payment of interest and has made preparations to begin the payment of interest this spring?

Mr. SPENCER. May I, out of the courtesy of the Senator from Massachusetts, read this sentence which clarifies what I had in mind?

I may say, in the first place, that I do not understand that this commission is compelled to accept any bonds that are due 25 years from their date. The commission may take bonds due in three years or in five years or at any other time. The prohibition is only as to the maximum length of time for which the bonds shall run.

Mr. HITCHCOCK. I understand; but let the Senator glance at this situation: In 1919 the United States was insisting to Great Britain that she begin the payment of interest at a definite date, and that date was specified. Suppose Congress empowers a commission or the Secretary of the Treasury indefinitely to postpone the payment of interest; that supersedes the former arrangement——

Mr. SPENCER. Undoubtedly.

Mr. HITCHCOCK. And undoubtedly Great Britain will not begin the payment of interest this spring. There is no reason why we should treat Great Britain in any harsher manner than the other debtors, and Great Britain would object to having a harsher rule applied to her; but Great Britain would be very glad to embrace the changed attitude of Congress.

The attitude of this Government has been with Great Britain heretofore, under the former administration, that she should begin the payment of interest on that indebtedness, and the correspondence shows that repeatedly the representatives of our Treasury Department invited Great Britain to name a date at which the payment of interest would be begun; and yet it is proposed here now in Congress to empower a commission to postpone that date indefinitely, because that postponement applies to Great Britain just as much as it applies to any other country.

Mr. WALSH of Massachusetts. I will say to the Senator from Missouri that the Secretary of the Treasury has felt that there was a moral obligation upon our Government not to press payment for the past three years.

Mr. SPENCER. It was a little stronger than that, because what I had in mind——

The PRESIDING OFFICER. Senators will please speak one at a time.

Mr. WALSH of Massachusetts. But I am talking, the Senator will bear in mind, about the condition of these countries, about their finances, and whether or not this is an opportune time to refund a debt, when these countries are in desperate financial straits.

Mr. SPENCER. The Senator made that perfectly clear; but I gathered from what the Senator said in our cross-talking that the Senator believed that neither the Treasury under the former administration nor the Treasury under the present administration had made anything that could be fairly called a real obligation upon the part of this country to defer the payment of interest for any definite number of years.

Mr. WALSH of Massachusetts. I have heard that discussed in the Finance Committee and also by the former Secretary of the Treasury [Mr. GLASS], and most of those who have considered this aspect of the question take the position that there was no agreement made; but the present Secretary of the Treasury—and that is enough for me; I will accept that—says that he feels morally bound by the messages that were sent back and forth from this country to Great Britain to live up to what he thought was a waiver of the collection of interest for three years.

Mr. SPENCER. Let me read to the Senator this single sentence and see if the Senator does not agree that there was a definite and positive moral obligation to waive that interest. I think the question was asked by the Senator from Massachusetts himself of Secretary Mellon:

I wish you would explain just to what extent Secretary GLASS and Secretary Houston have committed this country to the policy or the position of not collecting interest on overdue interest.

Secretary Mellon replied:

The Treasury made this statement to the foreign Governments:
Senator WALSH. Who was Treasurer at the time of the statement?

I presume the Senator meant, "Who was Secretary of the Treasury." The answer is, from Secretary Mellon:

I believe Secretary GLASS was.
Senator WALSH. Who is it directed to, Mr. Secretary?
Secretary MELLON. To the British Treasury. Mr. Chamberlain replied to it——
Senator WALSH. Have you the date, Mr. Mellon?
Secretary MELLON. Yes; December 2, 1919.

That, of course, was the former administration. Now, here is the sentence:

Senator WALSH. Now, give us the communication that you refer to.

This is the communication that was given to Great Britain in 1919 under the administration of President Wilson. The Treasury of the United States said to Great Britain at that time:

The Treasury is prepared, at the convenience of the Governments of the Allies, to take up with their representatives the funding of the demand obligations which the United States holds into long-time obligations and at the same time refunding during the reconstruction period of, say, for a year or two or three years of the interest on the obligations of foreign Governments acquired by the United States under the Liberty loan acts.

That was stated to the foreign governments.

Senator WALSH. Do you construe that language to bind our Government to a position of refusing to insist upon compound interest?

And then this concluding sentence. Secretary Mellon replied:

I can not see how it could be otherwise.

Now let us see what impression it made upon the British Government when they heard that proposition, made by the Secretary of the Treasury under the Wilson administration. This is what the Chancellor of Great Britain replied:

You are already aware that the British Government accepts, as far as they are concerned, the suggestions of the United States that the demand obligations of the Allies should be funded into long-time obligations, and that for a period of two or three years—preferably three—the interest on the obligations of foreign Governments acquired by the United States should also be funded, and that we are ready to extend similar treatment to our allies in respect of their obligations to us.

Does not the Senator think that that language clearly creates as between the United States and Great Britain the moral obligation that during at least the first one or two or three years of the reconstruction period interest should not be collected?

Mr. WALSH of Massachusetts. I have told the Senator repeatedly that I accepted the statement of the Secretary of the Treasury that he felt that our Government was morally bound.

Mr. SPENCER. I was not asking how the Secretary of the Treasury felt. I am asking the Senator from Massachusetts whether he does not think we ought to consider that our Government is morally bound?

Mr. WALSH of Massachusetts. Mr. President, may I have the attention of the Senator from Virginia [Mr. GLASS]? After these negotiations which have just been read is it not a fact that either the Senator from Virginia or his successor as Secretary of the Treasury undertook the refunding of this debt with the British Government, and that Great Britain broke off negotiations without any action being consummated?

Mr. GLASS. I have repeatedly made that statement here; yes.

Mr. WALSH of Massachusetts. So I understood—repeatedly. So that that was the end of the negotiations with the British Government; but the present Senator from Virginia himself undertook to refund this debt, and he said on the floor of the Senate a few days ago—I read his speech again yesterday—that for some reason he never was able to find out why the British Government broke off all negotiations.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. WALSH of Massachusetts. I do.

Mr. McKELLAR. I call the Senator's attention to the further fact that according to the statement which has just been read by the Senator from Missouri he said "two or three years," and that time has expired.

Mr. SPENCER. No; the three years has not expired.

Mr. McKELLAR. No; not the three; but the British representatives said "two years, or preferably three." That did not bind this Government to three years. Certainly the most that could be claimed for it was that it bound us to two years.

Mr. SPENCER. May I ask the Senator from Massachusetts who was Secretary of the Treasury in December, 1919? Was it the present Senator from Virginia or was it Secretary Houston?

Mr. GLASS. Mr. President, some time before I left the Treasury I dispatched Mr. Rathbone, the Assistant Secretary of the Treasury in charge of foreign loans, to Europe, and addressed a communication to the foreign Governments stating that this Government was prepared to discuss with their representatives the funding of this indebtedness and the postponement of the payment of the interest—prepared to discuss with them that matter. Mr. Rathbone accordingly went to London and Paris and took up the discussion, and was in process of negotiation—in fact, had made considerable progress in the negotiations for the funding of this indebtedness—when suddenly the negotiations were terminated by Mr. Lloyd-George.

Mr. SPENCER. But will the Senator be good enough, for my own information, to tell me whether on December 2, 1919, the Senator from Virginia was Secretary of the Treasury or Mr. Houston was Secretary of the Treasury?

Mr. GLASS. I was. I was Secretary of the Treasury until the 2d of February, 1920.

Mr. SPENCER. So I thought. Then this correspondence occurred while the Senator from Virginia was Secretary of the Treasury.

Mr. WALSH of Massachusetts. Mr. President, to resume my argument, I recognize the fact that the present administration wants to undertake the refunding of this debt, and I desire now to discuss very briefly the manner in which it should be done.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Nebraska for a question?

Mr. WALSH of Massachusetts. I yield.

Mr. NORRIS. Since the Senator was interrupted so much will he permit a further interruption? While the Senator was engaged in his colloquy with the Senator from Missouri I tried to obtain the Senator's attention, but was unable to do so. I wanted to interrupt the Senator on the question that was the subject of that colloquy.

Mr. WALSH of Massachusetts. I yield.

Mr. NORRIS. The Senator from Massachusetts, as I understand, did not say what he thought. The Senator from Missouri was clearly of the opinion that the correspondence which he read was morally binding on the Congress and the Government of the United States. Does the Senator from Massachusetts agree with that proposition?

Mr. WALSH of Massachusetts. I think I would have done what Secretary Mellon has done if I had been Secretary of the Treasury.

Mr. NORRIS. I should like to ask the Senator from Missouri, then, or the Senator from Massachusetts, who agrees with the Senator from Missouri, if he will say whether he would still feel that the Congress was bound and the Government of the United States was bound if the Secretary of the Treasury had agreed that no interest should be paid for 50 years? Would we be morally bound by that?

Mr. WALSH of Massachusetts. I do not think so. I do not think any Secretary of the Treasury had authority to defer the payment of this interest.

Mr. NORRIS. Where is the time, then, where he had the power? Will the Senator place that time? How far could the Secretary go under the law, and where could he not go? If he could agree and bind us by saying: "You need not pay any interest for three years," would it bind us if he had said "three years and six months," or would it bind us if he had said "four years," or would it bind us if he had said "You never need pay the interest"? Where is the time?

Mr. HITCHCOCK. Mr. President——

Mr. WALSH of Massachusetts. I do not think any agreement could have bound us; but, in view of the correspondence and negotiations that passed between this Government under the former administration and the British Government, I do think the new Secretary of the Treasury could have and should have morally recognized that there appeared to be a postponement of the payment of the interest for three years.

Mr. NORRIS. The Senator feels that it was not technically a legal postponement——

Mr. WALSH of Massachusetts. I do not think it was.

Mr. NORRIS. But that we are morally bound. I still put the question up to the Senator, Where is the limit on the morality of the question? Would we be morally bound if he had postponed the payment of interest for four years? Would we be morally bound if he had postponed it for five years?

Mr. WALSH of Massachusetts. I think that when a new Secretary of the Treasury came into office and found that his predecessors had for two years postponed the collection of interest, for some reason or other, or had not collected the interest, and that the foreign Governments claimed that a leeway of six months or a year more was given them, he ought to have done just what Secretary Mellon did, waive any attempt to collect the interest.

Mr. NORRIS. The Senator has made it perfectly clear that he agreed with Secretary Mellon; but the Senator has not yet answered my question.

Mr. WALSH of Massachusetts. I think legally he could have demanded the interest.

Mr. NORRIS. I am putting the question to the Senator as to how far we can go morally. Where is the limit? I would like to know how far the Secretary of the Treasury, without any law on the subject, can morally bind the Government and bind Congress. If he had put it beyond the term of office of the present administration, would that morally bind us?

Mr. WALSH of Massachusetts. Certainly; there is no time limit. No one could waive the legal requirement for the collection of interest due on these debts. But the fact is, that someone did actually give consent—implied at least—to a postponement for two or three years.

Mr. NORRIS. I am not speaking of the legal requirements; I am speaking entirely of the moral requirement. I would like to get the Senator's idea as to how far the Secretary of the Treasury can go in morally binding us. He has said that if he tried to fix the time at 50 years, it would not morally bind us, but that if he fixed it at 3 years, it would morally bind us. Where is the line of morality?

Mr. WALSH of Massachusetts. I have answered the Senator as best I can by stating the facts in this case. The present Secretary of the Treasury came into office with the claim made that the payment of this interest had been waived, and that there were only a few months remaining before the time would arrive when the interest would become due after the time had expired covered by the waiver of the payment of the interest.

Mr. NORRIS. The Senator made his position on that perfectly plain, I think. Of course, the Senator does not have to answer my question; he is under no obligation to answer it, but I would like to have somebody answer it and tell where that line of morality runs. I am curious to know. How far can the Secretary legally bind us, laying aside the technicalities of the question?

Mr. HITCHCOCK. Mr. President——

Mr. WALSH of Massachusetts. I regret that I can not fix the hour and the day and the minute when the moral obligation expires. Ordinarily there can be no moral obligation founded on a waiver of legal requirements. But what could anyone do about it?

Mr. HITCHCOCK. I think it ought to be stated here that in the document in which the Assistant Secretary of the Treasury proposed a settlement to the British Government, which the representatives of the British Government substantially accepted, the condition was laid down that the accrued interest should be paid, not in cash but in bonds.

Mr. NORRIS. Where was the authority for that?

Mr. HITCHCOCK. I am coming to that. I do not know that there is any such authority, but the fact was that at that time Great Britain and every other country had defaulted in the payment of the interest. This was in 1919, and those bonds were written a year and a half or two years before. The interest was already in default, and the testimony shows that the Government of the United States was endeavoring to get Great Britain to begin the payment of interest as the one nation able to do it. As an inducement to bring that about, to get Great Britain to agree definitely as to the payment of the interest, Mr. Rathbone suggested that the time limit on the nonpayment should cease in 1922.

Mr. NORRIS. Where was the authority for that?

Mr. HITCHCOCK. I will come to that in a moment.

Mr. NORRIS. The Senator can not find it.

Mr. HITCHCOCK. When the time came for the payment of the interest that had thus accrued, the British representing that they were not able to pay it in cash, it was agreed that they should pay it in bonds. I do not know that it was the intention of the Government at that time, but I assume that the representatives of the Treasury would have submitted that to the Congress of the United States for ratification.

Mr. NORRIS. When they were submitting that to the foreign Governments, if they ever intended to submit it to the Congress of the United States, it seems to me, if they had an eighth-grade education they would have said to the foreign Governments: "We are without authority to give you any extension. We can not modify the contract you made when you borrowed the money, by which you agreed to pay it. We will have to go to Congress to have our act made legal." Nothing of that kind occurred. They assumed all the time that they had the authority, and they did not have any.

Mr. HITCHCOCK. It is also true that Congress was aware that the interest had not been paid, that Congress was aware that there was a default, and was taking no action to press for payment. I think it may be safely assumed that this was an effort on the part of the Treasury to get a definite agreement out of Great Britain, and probably it would have been submitted to the Congress of the United States for ratification, as any agreement now should be submitted to this body for ratification, and I think my colleague agrees with me on that point. But the fact is that in the very document which suggested the deferring of the payment of the interest to this year, it was stipulated that this year it should be paid, and interest should be paid in cash from now on, and what interest has not been paid should be represented in bonds. So it was not intended that the interest should be forgiven, but merely that instead of being practically on a book account, unpaid, it should be represented by securities held by the United States.

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Virginia?

Mr. WALSH of Massachusetts. I yield.

Mr. GLASS. Perhaps it is pertinent to state what I have twice before stated to the Senate with reference to this particular point of authority. Mr. Rathbone, Assistant Secretary of the Treasury, in charge of the foreign loans, is himself a lawyer of some distinction, of New York City. It was the considered judgment of Mr. Rathbone and of the legal department of the Treasury that the existing Liberty loan statutes gave ample authority to the Secretary of the Treasury to negotiate the funding of these bonds, the defaulted interest included.

There was some suggestion made upon the floor of the other branch of Congress that that authority was not clear, and some disposition shown to question it, whereupon the Secretary of the Treasury addressed a letter—which appears in the Senate document I have before me—to the chairman of the Finance Committee of the Senate, the late Mr. Penrose, and to the chairman of the Committee on Ways and Means of the House of Representatives, Mr. FORDNEY, stating to those gentlemen that he was advised by the legal authorities of the Treasury that the existing law afforded ample authority for the funding of this debt, the interest included, and saying that if there was the slightest doubt on the part of the Ways and Means Committee of the House or the Finance Committee of the Senate the Treasury would like to be apprised of it, in order that it might ask further authority, if the authority did not then exist, as the Treasury thought it did.

Both the chairman of the Finance Committee of the Senate and the chairman of the Ways and Means Committee of the House, the latter, as I know, after consultation with all the members of that committee, notified the Secretary of the Treasury that they conceded the right of the Treasury to proceed under existing law to fund not only the major indebtedness but the accrued interest, and acting in those circumstances the Secretary of the Treasury dispatched Mr. Rathbone to England to pursue the negotiations.

Mr. WALSH of Massachusetts. The Senator from Virginia has made exactly the same statement heretofore, and I think it must be very clear to the Senate that the former administration considered, and had the approval of Congress in the belief, that there was ample authority under the law to refund this debt and the accrued interest.

Mr. WATSON of Indiana and Mr. NORRIS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield, and if so, to whom?

Mr. WALSH of Massachusetts. I yield first to the Senator from Indiana, who has been waiting for some time.

Mr. WATSON of Indiana. I want to make a partial response to the inquiry addressed by the Senator from Nebraska to the Senator from Massachusetts.

Mr. NORRIS. Will the Senator, before he takes that up, let me refer to the authority spoken of by the Senator from Virginia?

Mr. WATSON of Indiana. Certainly.

Mr. NORRIS. If the Senator from Massachusetts will permit?

Mr. WALSH of Massachusetts. I will be glad to yield.

Mr. NORRIS. I do not want the Senator from Massachusetts or any other Senator to get the idea, from what I have said, that I am of the opinion that the Secretary of the Treasury does not have the authority. I believe he has always had the authority, not only to refund the principal, but the unpaid interest, and I think that this legislation, therefore, is unnecessary. I am not contending for anything to the contrary; but that he had authority to extend the time of payment beyond that implied by the original law under which they borrowed the money I deny, and always have denied.

Mr. WALSH of Massachusetts. With that statement I am in entire accord.

Mr. WATSON of Indiana. Mr. President, the testimony before the Finance Committee was all of one tenor, that is to say, as has been repeated on this floor times without number, there was probably no legal warrant for extending the time for the payment of the interest, but because of the fact that we were in war, or had just emerged from war, and because of the fact that our allies or associates in the war were in deep financial distress, which fact was recognized by the Treasury Department, it was suggested to the allied Governments that we enter into negotiations for the funding of the debt. But at the same time it was stated that if it would suit the convenience of the allied Governments, the payment of the accrued interest might be postponed for a time.

The Senator from Nebraska [Mr. NORRIS] has asked what the length of the postponement should be. I think his colleague [Mr. HITCHCOCK] has well responded to the inquiry; but it is affirmatively stated in this language in the agreement, which has been read here times without number, but which it will probably pay to read again:

The Treasury is prepared, at the convenience of the Governments of the Allies, to take up with their representatives the funding of the demand obligations which the United States holds into long-time obligations and at the same time refunding—

For how long?—

during the reconstruction period of, say, for a year or two or three years of the interest on the obligations.

Mr. NORRIS. The refunding?

Mr. WATSON of Indiana. The refunding.

Mr. NORRIS. The refunding of the interest?

Mr. WATSON of Indiana. Of the interest, during the reconstruction period. The Senator from Nebraska asked if his colleague would agree that the payment of this interest should be postponed for 50 years. He answered no. It was definitely stated here, as definitely as an agreement of that kind could state it, that during the period of reconstruction, say one year, or two years, or three years, the payment of the interest should be postponed; but evidently believing that the period of reconstruction would have expired at the end of three years it was provided that the interest at that time should be paid, or that payments on the interest should begin. I insist that there is a moral obligation, not a lega.

Mr. WALSH of Massachusetts. I agree with the Senator. Whether the former administration acted within the law or not, the result was that the new Secretary of the Treasury inherited what I believe was a moral obligation that he very properly carried out. If the time had been more than a few months, he might have insisted on the strict legal position that the original law prescribed.

Mr. WATSON of Indiana. I agree with the Senator from Nebraska that the Secretary of the Treasury had no legal right to postpone the payment of the interest, so that whatever moral obligation exists will expire at the end of the 3-year period, which, I understand, will be reached within a very few months. Therefore, taking into consideration that we ourselves offered that suggestion affirmatively to our debtor nations, a matter not coming from them as their proposition, but going from us to them, under the language I have read; that they accepted it for a period of three years, and the Treasury Department acquiesced in it; that the Senator from Virginia [Mr. GLASS], then Secretary of the Treasury, reported it and Secretary Houston reported it; and that the Congress of the United States, knowing the facts and circumstances, acquiesced in it, I contend that there is a binding moral obligation that the payment of the interest should be postponed for a period of three years, beyond any doubt, if moral obligations can bind the people to the exclusion of legal obligations.

Mr. McKELLAR. Mr. President, will the Senator from Massachusetts yield to me to ask the Senator from Indiana a question?

Mr. WALSH of Massachusetts. Certainly.

Mr. McKELLAR. Then, if the moral obligation extends only three years, why does the committee present us a bill which would allow this commission to extend the payments of interest for any length of time it desires until 1947? Why not stop at the end of the moral obligation, the three-year period?

Mr. WATSON of Indiana. Mr. President, the Senator asked me that question the other day when I was on the floor, along with half a dozen other questions, and I spent two hours in discussing that whole matter, answering it, as I think, completely. What is the use of going over it again?

Mr. NORRIS. It will take only two hours.

Mr. McKELLAR. I did not understand the Senator the other day.

Mr. WATSON of Indiana. The time for general debate will expire in just a minute.

Mr. NORRIS. Will the Senator from Massachusetts yield again? The Senator has been very kind.

Mr. WALSH of Massachusetts. I yield cheerfully.

Mr. NORRIS. The Senator from Indiana is laboring under the impression now that he has fixed definitely what the moral obligation is, but the truth is that nobody had any authority to make that obligation, and if they had made it for 4 years or 5 years or 10 years, there would not have been any difference, as far as the principle involved is concerned. My question is still unanswered, Where is the limit of the moral obligation, and what is the right and authority of the Treasury Department to make it?

The PRESIDENT pro tempore. The Chair ought to state that at this hour the unanimous-consent agreement takes effect, and that hereafter Senators are limited to 20 minutes on the bill and 10 minutes upon any amendment. There is now an amendment pending.

Mr. NORRIS. May I inquire what is the amendment now pending?

The PRESIDENT pro tempore. The amendment offered by the Senator from California [Mr. JOHNSON].

Mr. GLASS. Mr. President—

Mr. WALSH of Massachusetts. I yield to the Senator from Virginia for a brief statement.

Mr. GLASS. Merely to keep the record straight, I feel constrained again to say that the Senator from Indiana [Mr. WATSON] does not state with entire accuracy the question immediately under discussion.

As a matter of fact this Government never dreamed of suggesting to any foreign Government that it should postpone the payment of its interest. The Government stood ready and anxious at all times to collect the interest on the indebtedness. The representatives of foreign Governments themselves suggested the inability of those Governments to pay the interest, and it was responsive to that suggestion from foreign Governments that the Secretary of the Treasury suggested that the Treasury was prepared to discuss with representatives of foreign Governments the question of funding the principal of this indebtedness and also the postponing of payment of the interest.

That was not an affirmative suggestion by this Government. It was in response to suggestions that certain of the foreign Governments were unable to pay the interest at that time. The Treasury merely signified that it was prepared to discuss the question, and it did enter into the discussion, and the discussion was terminated by those foreign Governments.

Mr. WALSH of Massachusetts. Mr. President, the discussion has gone afar from the proposition I undertook to demonstrate, first, that this legislation is not necessary, and, second, that this is not the opportune time to refund our foreign debts. I shall now very briefly discuss the proposition of how, in view of the fact that the majority intend to pass this bill, this debt should be refunded. There are two ways of doing it, publicly or secretly.

Heretofore every transaction in connection with this foreign debt has been in the open. The amount of the loan, the time when the principal should be paid, the rate of interest, the time for the payment of interest—every detail has been known to every American citizen. For the first time the veil of secrecy is to spread over these foreign loans.

Whose money is this $11,000,000,000? From whom did it come? To whom does it belong? It has come from the pockets of the American people and has passed through this Government, as if it were through a conduit, directly into the treasuries of our allies of the late war. Our Government has simply acted as a conduit in sending money from the people of this country to the people of Europe. We made it clear and definite and certain to the people of the country how it should be loaned, what the terms should be, exactly the same terms that our Government promised to make with them in the Liberty bonds which we issued to them in the name of our Government.

Why change that policy now? Certainly there is no object in changing it and making the transaction secret if it is of benefit to the American people. The only object there can be in making the transaction secret now is because something unfavorable to the American people is going to take place. Who can object to the amendment of the Senator from California [Mr. JOHNSON] or the amendment which I offered along the same line? If the result of this refunding is to be as favorable as the present law or the present agreement, or if it is to be made more favorable to America, then what Senator or Congressman will hesitate to approve and ratify any agreement that is made?

There is just one reason for secrecy. There is one reason for now hiding from the American people for the first time the

negotiations about this debt between foreign Governments and our own Government, and that is in order to make some agreement, some compromise, some rearrangement of this debt on more favorable terms to our debtors than now exists. As the Senator from Idaho [Mr. BORAH] pointed out only a moment ago, whatever terms are made that are more favorable than the present law provides for will come out of the pockets of the American people in additional tax burdens.

Thus, Mr. President, I urge that we proceed, if the present administration is bound to this course, to refund this debt openly and publicly, and that we limit the authority which we give to these commissioners who are to negotiate this refunding proposition, so that our approval and sanction will be necessary before these negotiations are legal. It is one thing to give them power to negotiate for the refunding of these debts, but it is indefensible for us, as the representatives of the people who toiled and sacrificed to raise this money, to permit these negotiations to become binding on our people regardless of our approval or consent. Let our people know every step and every move that is made to postpone collection or substitute securities for their money. We, not this commission, are responsible for this most valuable asset. If it is lost or impaired in value we are responsible.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. WALSH of Massachusetts. I would like to take my time on the bill.

The PRESIDENT pro tempore. The Chair understands that the Vice President, as President of the Senate, has ruled that under such circumstances as now surround us, while an amendment is pending a Senator may not use his time allotted to the bill itself. The Chair would be glad to be advised by some one who may have been present when the ruling was made whether he is correct with regard to the matter.

Mr. WALSH of Massachustts. I had supposed that after 3 o'clock a Senator might take 10 minutes upon any pending amendment and 20 minutes upon the bill.

The PRESIDENT pro tempore. The Chair has no disposition to overrule a decision made by the President of the Senate, but will adhere to that ruling unless the Senate otherwise determines.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. KING. I am not sure that I apprehend exactly the position of the Chair, but as I understand the rule which is now governing us, a Senator may speak 20 minutes on the bill, or on any subject which he pleases, and then follow it, if an amendment is pending, for 10 minutes; that is, he may take his entire 30 minutes when there is an amendment pending.

The PRESIDENT pro tempore. The Chair does not understand that to have been the ruling of the President of the Senate, but the Chair will be glad to be advised with respect to the matter.

Mr. McCUMBER. Mr. President, if the Senator will permit me a mere suggestion——

Mr. WALSH of Massachusetts. Certainly.

Mr. McCUMBER. My understanding is that any Senator may speak after 3 o'clock for 20 minutes on the bill itself and for 10 minutes on any amendment. I assume that a Senator may choose which one he will speak on first, but I would suggest where a Senator intends to utilize his 20 minutes upon the bill, in order that the Chair may be governed in fixing the time, the Senator announce when he rises that he is talking to the bill and not to an amendment. Then the Chair will have no difficulty whatever in determining the time the Senator is taking in conformity with the unanimous-consent agreement.

Mr. NORRIS. Mr. President——

Mr. WALSH of Massachusetts. I hope this is not coming out of my time.

The PRESIDENT pro tempore. The Chair will assure the Senator from Massachusetts that this time will not be charged against him.

Mr. NORRIS. I wish to call attention to a violation of the unanimous-consent agreement which I admit often takes place. The unanimous-consent agreement provides that no Senator shall speak more than once or longer than 20 minutes upon the bill or more than once or longer than 10 minutes upon any amendment offered thereto. It is a physical impossibility for any Senator to talk on the bill when there is technically an amendment pending before the Senate. While he may talk about the weather or anything he pleases, he is conclusively presumed to be talking about the motion that is then pending before the Senate. When a motion is pending, no matter what the Senator says, he is conclusively presumed to be talking to that motion.

Now, a motion is pending and under the unanimous-consent agreement I claim, and I do not believe anybody can successfully controvert it, that he can not talk about the bill and can not be presumed to be talking about the bill or to the bill as long as that amendment is pending. If he ever talks about the bill or to the bill, he does so when there is no amendment pending before the Senate. That ought to be the ruling of the Chair, because that is right, no matter what has been done in the past.

The PRESIDENT pro tempore. The Senator from Nebraska has stated the ruling which, as the present occupant of the chair understands it, has been made by the President of the Senate.

Mr. WALSH of Massachusetts. Mr. President, I took the floor about a quarter past two and I have had the opportunity to deliver my argument during only about 15 minutes of that time. I shall accept the ruling of the Chair and resume discussion of the bill when some other amendment is under consideration.

The PRESIDENT pro tempore. Let the Senate clearly understand the application of the unanimous-consent agreement.

Mr. KING. Mr. President, if the Chair will entertain an observation, I do not agree with the construction placed upon the rule by the distinguished Senator from Nebraska. Permit me briefly to call attention to the phraseology of the unanimous-consent agreement:

> It is agreed by unanimous consent that * * * no Senator shall speak more than once or longer than 20 minutes upon the bill * * * or more than once or longer than 10 minutes upon any amendment.

It was known when the unanimous-consent agreement was entered into that there were amendments pending. I doubt that any Senator understood that he was to be denied discussion of the bill for a period of 20 minutes, until every amendment was disposed of, because some Senators doubtless intended to speak upon the bill, not upon an amendment, and they expected to speak upon the bill before disposition was made of all the amendments.

My understanding is that under the rule, when the phraseology of the unanimous-consent agreement is similar to that found here, a Senator might speak at any time before the vote was taken upon the passage of the bill, either upon an amendment, if one were pending, or upon the bill, for the period which was agreed upon. It seems to me that has been the practice and I confess my surprise to learn that a different practice is now insisted upon as the rule of the Senate. I submit for the consideration of the Chair that this language means that a Senator may speak 20 minutes on the bill at any time whether an amendment is pending or whether the bill itself is pending.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Is the Senator speaking upon the pending amendment?

Mr. KING. I am speaking to a parliamentary inquiry to get enlightenment from the Chair, if I do not succeed in enlightening the Chair.

The PRESIDENT pro tempore. The Chair understands that this exact point has been ruled on not only by the present President of the Senate, but by a former President of the Senate, so that no matter what the opinion of the present occupant of the Chair may be, he does not feel that he can overrule or ought to overrule a decision already made. The Chair suggests that, in answer to a parliamentary inquiry already made, he expressed the opinion that the unanimous-consent agreement could be modified by unanimous consent without the 24 hours' notice provided by Rule XII.

Mr. KING. Mr. President, a parliamentary inquiry. As I understand the ruling of the Chair, no Senator then may speak on the bill until the amendments have been disposed of?

The PRESIDENT pro tempore. The Senator from Utah will understand that when the bill itself is pending and under consideration, and no amendment is pending, a Senator may speak for 20 minutes upon the bill. The Chair may say that during most of the day there has been no amendment pending, and if that condition should continue, then a Senator could speak for 20 minutes.

Mr. KING. I suggest to Senators who have amendments that so long as Senators desire to discuss the bill for the 20 minutes they withdraw their amendments temporarily, in order to give opportunity for Senators to exhaust their 20 minutes, and then to renew their amendments.

Mr. NORRIS. May I interrupt the Senator?

Mr. KING. I have not any time.

Mr. McCUMBER. Mr. President, I think we can arrange the matter.

The PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. McCUMBER. Mr. President, I ask unanimous consent that the Senate give such construction to the unanimous-consent agreement under which we are now operating that any Senator may declare when he rises whether he is speaking to the bill or to a pending amendment; that if he states he is speaking to the bill he may be allowed 20 minutes, and if he makes no statement he will be presumed to be speaking to the pending amendment. Such a construction would clarify the matter, and I can see no objection to it. Let any Senator for himself determine whether he wants to speak on the bill or on an amendment.

Mr. OVERMAN. Mr. President, when the unanimous-consent agreement was entered into it was understood that the practice should continue which has prevailed for 10 years or more in the Senate, contrary to the rulings which have been made by the present occupant of the Chair and his predecessor, namely, that a Senator could at any time speak on the bill and also on the pending amendment. I read from the debate which occurred at the time when the unanimous-consent agreement was entered into:

Mr. JONES of New Mexico. It will be satisfactory to me, but other Senators suggest 3 o'clock. I suggest that we meet at 11 o'clock, and that at 3 o'clock on Monday debate shall be limited to 20 minutes on the bill and 10 minutes on each amendment.

Mr. OVERMAN. That will give half an hour altogether.

Mr. JONES of New Mexico. Yes; and even more than that, if a Senator should desire to discuss more than one amendment.

Mr. OVERMAN. I shall not object to that.

It seems to me that that was the understanding.

The PRESIDENT pro tempore. But the Chair must be guided by the unanimous-consent agreement as it appears from the RECORD.

Mr. OVERMAN. But I think the unanimous-consent agreement was as I have stated.

Mr. NORRIS. Every Senator may have a half hour if he wishes to, and the time will come when every Senator may talk on the bill under the construction which has been given the unanimous-consent agreement by the Chair.

Mr. OVERMAN. After every amendment has been voted upon a Senator may do so.

Mr. NORRIS. Exactly; but the Senator is assuming that after a Senator speaks to an amendment he must discuss something else.

Mr. OVERMAN. No; the Senator knows that heretofore when a Senator rose to speak on the bill he would say, "I am speaking on the bill," and when his time on the bill was exhausted he would say, "I will now speak on the amendment."

Mr. NORRIS. I have seen also the practice followed as announced by the Chair.

Mr. OVERMAN. The Senator has also seen the practice followed of a Senator offering an amendment in order to extend his remarks. That has been done.

Mr. NORRIS. And a Senator may do it yet. This proposition does not prevent any Senator speaking 20 minutes on the bill when the amendment is disposed of. If a Senator has the floor before another amendment is offered, he can speak 20 minutes. So a Senator can speak 20 minutes after another amendment shall have been disposed of or after all amendments shall have been disposed of. No Senator will be prevented from speaking 20 minutes. It seems to me that the construction by the Chair of the unanimous-consent agreement is the only one that the language will bear, and I object to a modification of it.

The PRESIDENT pro tempore. Is there objection to the understanding proposed by the Senator from North Dakota [Mr. McCUMBER]?

Mr. NORRIS. I object, Mr. President.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from California [Mr. JOHNSON].

Mr. JOHNSON and Mr. ASHURST called for the yeas and nays, and they were ordered.

Mr. WATSON of Indiana. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

Mr. McKELLAR. A parliamentary inquiry, Mr. President. Is the roll about to be called for a quorum or for a vote?

The PRESIDENT pro tempore. The Senator from Indiana [Mr. WATSON] suggested the absence of a quorum, and the roll is about to be called upon that demand.

Mr. McKELLAR. A point of order. The yeas and nays were called for and ordered, and the Secretary was directed to call the roll. He called the name of the Senator from Arizona [Mr. ASHURST]. Under the rule, I submit that no other motion is in order.

The PRESIDENT pro tempore. The Chair overrules the point of order made by the Senator from Tennessee, inasmuch as the Senator from Arizona had not answered on the roll call for the yeas and nays.

Mr. JOHNSON. Mr. President, in view of what has transpired in respect to the calling of the roll and the suggestion of the absence of a quorum, I ask the Senator from North Dakota, in charge of the bill, if it is his intention to have an adjournment because of the amendment of the Senator from North Carolina [Mr. SIMMONS]?

Mr. McCUMBER. I do not think I have a right to argue the question now.

The PRESIDENT pro tempore. Debate is not in order pending the calling of the roll. The Secretary will proceed with the calling of the roll to ascertain whether or not a quorum is present.

On the roll call the following Senators answered to their names:

Ashurst	Glass	McKellar	Smoot
Ball	Hale	McKinley	Spencer
Borah	Harris	McLean	Stanley
Brandegee	Harrison	McNary	Sterling
Broussard	Heflin	Moses	Sutherland
Bursum	Hitchcock	Myers	Swanson
Capper	Johnson	Nelson	Townsend
Caraway	Jones, N. Mex.	Nicholson	Underwood
Colt	Jones, Wash.	Norris	Wadsworth
Culberson	Kellogg	Oddie	Walsh, Mass.
Cummins	Kenyon	Overman	Walsh, Mont.
Curtis	Keyes	Page	Warren
Dial	King	Phipps	Watson, Ga.
Dillingham	Ladd	Pittman	Watson, Ind.
Edge	La Follette	Poindexter	Weller
Ernst	Lenroot	Robinson	Williams
Fernald	Lodge	Sheppard	Willis
Fletcher	McCormick	Shields	
Frelinghuysen	McCumber	Simmons	

The PRESIDENT pro tempore. Seventy-four Senators have answered to their names. There is a quorum present. The question is on the amendment proposed by the Senator from California [Mr. JOHNSON].

Mr. JOHNSON. I ask for the yeas and nays upon that amendment.

Mr. OVERMAN. I ask that the amendment be stated.

The PRESIDENT pro tempore. The yeas and nays have already been ordered. At the request of the Senator from North Carolina, the Secretary will state the amendment.

The ASSISTANT SECRETARY. At the bottom of page 2 it is proposed to add a new section, as follows:

SEC. 3. When, under and in accordance with section 2, the said commission shall with any country reach an agreement of adjustment, settlement, or refunding, such agreement, before it is consummated or becomes final, shall be reported to and shall be approved by Congress.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment of the Senator from California which has been stated. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the senior Senator from Oklahoma [Mr. OWEN]. In his absence I transfer that pair to the junior Senator from Michigan [Mr. NEWBERRY] and vote "nay."

Mr. McKELLAR (when his name was called). I have a general pair with the junior Senator from Indiana [Mr. NEW], which I transfer to the Senator from Rhode Island [Mr. GERRY], and will vote. I vote "yea."

Mr. STERLING (when his name was called). I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Arizona [Mr. CAMERON] and will vote. I vote "nay."

Mr. FLETCHER (when Mr. TRAMMELL's name was called). I wish to announce that my colleague [Mr. TRAMMELL] is necessarily absent. If he were present, he would vote "yea" on this question. I understand that he has a general pair with the Senator from Rhode Island [Mr. COLT].

The roll call was concluded.

Mr. COLT (after having voted in the negative). I transfer my pair with the junior Senator from Florida [Mr. TRAMMELL] to the senior Senator from Pennsylvania [Mr. CROW], and will allow my vote to stand.

Mr. McCORMICK (after having voted in the negative). I have a standing pair with the junior Senator from Wyoming [Mr. KENDRICK], who, I notice, is not in the Chamber. I transfer that pair to the junior Senator from Oregon [Mr. STANFIELD] and will let my vote stand.

Mr. CURTIS. I have been requested to announce that the Senator from Delaware [Mr. DU PONT] is paired with the Senator from Louisiana [Mr. RANSDELL].

The result was announced—yeas 36, nays 44, as follows:

YEAS—36.

Ashurst	Culberson	Harris	Jones, N. Mex.
Borah	Dial	Harrison	King
Brandegee	Fletcher	Heflin	La Follette
Broussard	France	Hitchcock	McKellar
Caraway	Glass	Johnson	Moses

Myers	Pomerene	Shields	Underwood
Norris	Reed	Simmons	Walsh, Mass.
Overman	Robinson	Stanley	Walsh, Mont.
Pittman	Sheppard	Swanson	Watson, Ga.

NAYS—44.

Ball	Frelinghuysen	McCormick	Smoot
Bursum	Gooding	McCumber	Spencer
Capper	Hale	McKinley	Sterling
Colt	Harreld	McLean	Sutherland
Cummins	Jones, Wash.	McNary	Townsend
Curtis	Kellogg	Nelson	Wadsworth
Dillingham	Kenyon	Nicholson	Warren
Edge	Keyes	Oddie	Watson, Ind.
Elkins	Ladd	Page	Weller
Ernst	Lenroot	Pepper	Williams
Fernald	Lodge	Phipps	Willis

NOT VOTING—16.

Calder	Gerry	Norbeck	Shortridge
Cameron	Kendrick	Owen	Smith
Crow	New	Poindexter	Stanfield
du Pont	Newberry	Ransdell	Trammell

So Mr. JOHNSON's amendment was rejected.

Mr. SIMMONS. Mr. President, I offer the amendment which I sent to the desk on Friday. I understand that it will be necessary first to reconsider the amendment offered by the Senator from North Dakota [Mr. MCCUMBER], which was adopted, and which the Senator said he would be willing to have reconsidered at the proper time for the purpose of making my amendment in order. I refer to the amendment of the Senator from North Dakota fixing the rate of interest at 4½ per cent.

Mr. McCUMBER. The Senator desires to have that reconsidered in order that he may offer which amendment?

Mr. SIMMONS. The amendment providing for the payment of the interest semiannually or annually, as provided in existing law.

Mr. McCUMBER. I ask unanimous consent that the vote by which the Senate adopted the amendment referred to by the Senator from North Carolina, as amended, may be reconsidered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The vote by which the amendment, as amended, was adopted is reconsidered.

Mr. SIMMONS. I ask to have my amendment to the amendment stated.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. It is proposed to add at the end of the amendment already agreed to, at the foot of page 2, a comma and the words:

payable semiannually or annually in accordance with the provisions of existing law.

So that if amended the proviso will read:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States of America by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 4½ per cent per annum, payable semiannually or annually, in accordance with the provisions of existing law.

Mr. SIMMONS. Mr. President, I was not here at the time the unanimous-consent agreement was made, but I understand that we are allowed only 10 minutes upon an amendment. Am I correct?

The PRESIDENT pro tempore. The Senator is correct.

Mr. SIMMONS. Mr. President, I do not wish to review the arguments that have been made with respect to this amendment, except in the briefest possible way.

I wish to state again before the vote is taken that the Secretary of the Treasury has made it perfectly clear to my mind, at least, in his testimony before that committee that his preference as to settling this foreign indebtedness was to take obligations or bonds for the principal indebtedness and to cover the deferred interest into a higher interest rate. I wish to call the attention of the Senate to the fact that if that method of settlement is adopted, inevitably the people of the United States never will receive for this indebtedness any more than the principal of the bonds and interest that may hereafter accumulate. They will lose every dollar of the interest that has already accumulated. They will lose practically every dollar of the interest that may hereafter be accumulated as the result of an extension of interest payments, and all of it wrapped up in the interest rate will go to the purchasers of those bonds in case they are ever put upon the market and sold; and we have been notified that the White House is now considering a proposition to take the $4,000,000,000 of bonds due us by Great Britain and place them upon the market and sell them to raise the money with which to pay the soldiers' bonus.

Secondly, Mr. President, I desire to call attention to the fact that if this arrangement is made, and the interest is further deferred, as the Secretary of the Treasury indicated was his purpose, and the time for interest payments is extended in some cases 3, 4, 5, and 10 years, the way is paved by the action of the Secretary of the Treasury by which the private individuals who hold the five billions of privately owned foreign bonds will be enabled to collect their debt before the United States Government is able to collect its debt. It will be a legal priority, created by act of Congress, in favor of the great national and international private bondholders of this country.

Mr. President, I think I have made myself clear upon that point. I want to say to Senators on the other side of the Chamber that if they want to take the risk of an arrangement by the Secretary of the Treasury—and he said that was his preference; he said the President approved it—if the Senators on the other side wish to take the risk of an arrangement by the Secretary of the Treasury, the closest and most intimate representative in this country to-day of the interests that will be benefited, let them do it; and if the result that I have predicted shall come and the international bankers shall be given a present of the accumulated interest of a billion of dollars upon these bonds, let the responsibility be upon them and the Republican Party. If Senators on the other side are willing that an arrangement shall be made by which the billion of dollars now due the American people as a result of the sacrifices they made in raising this money that was lent during the war shall be postponed in order to give the international bankers of the United States an opportunity first to collect both their principal and their interest, let them do it. The responsibility will rest squarely on them and the political party which for the moment is in the majority in all branches of the Government.

Mr. WILLIAMS. Mr. President, I noticed a remark in the address of the Senator from North Carolina [Mr. SIMMONS] which rather grated upon my feelings. He spoke of Senators "upon the other side" of the Chamber wanting to do this or that. This is not a party question, Mr. President; it is a matter of foreign relations, of international relations. It far transcends any question of partisan character.

I do not suppose there is a man in this body whose politics come nearer being his religion than mine; but politics stop at the seashore. During President Wilson's administration I found occasion once to denounce a great partisan conspiracy directed against the peace of the world in the name of a war upon a Democratic President. Now that I and my party are in the minority, I am not going to forget that.

Mr. President, the Senator from North Carolina says that he is afraid we will not receive any more than the bond and interest. What more do we want than the bond and interest?

Mr. SIMMONS. Mr. President, I beg the pardon of the Senator, if he will permit me to interrupt him.

Mr. WILLIAMS. I can not yield. I have only 10 minutes.

Mr. SIMMONS. The Senator misrepresents me. I did not say that.

Mr. WILLIAMS. I appeal to the stenographer's notes.

Mr. SIMMONS. I said that we would not get more than the principal, while the international bankers would get the interest.

Mr. WILLIAMS. Mr. President, I do not want this taken out of my time. The Senator's exact language, as I took it down at the time, was that we would not receive any more than the bond and interest, and his assertion was that the payment of the interest would be postponed, and that maybe in the long run we would get nothing more than the bond and the interest at the time of entering into the contract; in other words, we would miss the interest upon the interest, which is, in ordinary language, compound interest.

Suppose some of these people who owe our people something can not pay anything at all next year, or the year after, or the year after that, but come before us, their creditor, they as humble debtors, and say, "If you let us put the interest into the note and make the note payable sufficiently far in the future, we can pay both principal and interest; but if you demand the interest every year, we simply can not pay it." Suppose that appeal were made to you by individual debtors and you are creditors, and it was put upon a common-sense business basis, would your answer be, "No; because maybe after a while I will get nothing except the bond, or the note, and the interest, and the interest deferred for several years, with the loss of the interest on the interest." That is what it means. In other words, you want to come forward as a great Nation and say, "I want bond and interest, and interest upon interest, compound interest, if you can not pay the interest."

I do not know what Senators may think of that, but I would not treat one of my debtors that way, if he were crippled. This is not a tradesman's proposition; it is not a money lender's proposition. This is an international question. It is a question between "gentleman" nations, who, a short while ago, were fighting for their lives and their civilization, and the Senate is insisting upon treating it as if it were a bond for a pound of

flesh, or a bond for a hundred dollars with interest at 10 per cent, payable semiannually.

Mr. President, if there is anything in the history of the Democratic Party, from the time of Thomas Jefferson, when he organized it, down to now, which compels me to adopt that sort of a policy, I do not know it; and if there is anything in the Republican Party which compels Senators on the other side to adopt it—and there may be, because I am not acquainted with your ethics very well, if you have any ethics—then go ahead and adopt it.

Mr. President, as far as I am concerned, I want to treat this matter as if it were a question of honor between gentlemen. We went to one another's assistance, to save the civilization and the freedom and the property rights of the world, and to save the democracy of the world, and, however much you may scorn the phrase, to make this world a safe place for democracy, and then after we are through with the fighting, after we have whipped the enemy, after we have entered into an armistice which amounted to a peace, then we come to one another and say, "You owe me a dime; pay it. You owe me a hundred dollars, or a million dollars, or a billion dollars. Pay it, and pay the interest semiannually." What are you going to do if they can not pay it? Are you going to make war on them because they can not?

When Mr. Wilson was President of the United States I stood here and contended day after day that the American people and the American Senate owed him something as President ex officio. We owe something to the Executive all the time, in foreign relations. The Constitution has conferred upon the Executive the privilege of initiating foreign relations, and I believe what is wrong about this bill in the main is that it too much limits that power, and as a Democrat, especially representing in a sort of a way a part of the southern Democracy, a Democracy of chivalry and of generosity, I am not willing to stand here and insist upon Shylock's pound of flesh, and insist that it be paid at periodical times, annually and semiannually, and if not, that the interest upon the interest shall be computed, and compound interest shall be paid by our debtors and received by us.

Mr. President, as far as I am concerned, I shall vote against the amendment of the Senator from North Carolina, and if I had been present when the amendment to which that is an amendment was adopted, I would have voted against that.

A part of this bill deprives the Executive of the power even to negotiate for the exchange of bonds of our different debtors. Suppose 10 of you owed me money, and one of you came to me and said, "I have B's note for so much, and he is much more solvent than I am. Let me pay you in B's note." Would I not be a fool, as a business man, to say no? Suppose one of you came to me and said, "I am bankrupt. I am insolvent. I can not pay you in full, but I can hand you C's obligation to me, and D's obligation to me, and E's obligation to me, and you get out of it what you can, and I will not take advantage of the bankruptcy law; I will try to pay the balance." Would you say no? Would you especially say it if it was an affair between gentlemen, late associates in the Great War, instead of being merely an affair between debtors and money lenders?

I protest that this business shall not be put upon the basis of money lenders' ethics.

Mr. LENROOT. Mr. President, the Senator from North Carolina suggests that unless his amendment be adopted, it will be possible for this commission, instead of adding the interest due at the time the new bonds are accepted, to amortize that interest by a higher rate upon the original principal, and that the bonds would then be sold to private parties and the Government and the people would lose the accumulated interest.

I had supposed, Mr. President, that it had been accepted upon both sides of the aisle that under the bill as it now stands, the commission would have no such power as the Senator from North Carolina has suggested. The chairman of the Finance Committee the other day gave it as his construction that the commission would not have any such power. I feel very clear that it would not; but if there be any doubt about it, if the Senator from North Carolina, if he has any doubt about it, would offer an amendment upon that point, I should personally be very glad to support it.

However, the amendment the Senator now proposes does not affect that question either way. If there be anything in the Senator's point, the commission would have exactly the same power after his amendment was adopted that it would have without the amendment. His amendment has only to do with the interest provided in the bond, whether it be upon the original principal, or whether it be upon the original principal plus the accumulated interest, and that affects only the question of whether that interest, when it is paid, shall be paid semiannually or annually, or whether the commission shall have discretion to postpone the payment of the interest for a period of time.

Under any construction the commission has no power to cancel this interest or any part of the principal, and if there was the slightest ground for the construction that the Senator now proposes to give, that there would be any authority in the commission to forego the interest due at the time the bonds shall be taken, not adding it to the principal, I would be glad to join with the Senator in clearing up any doubt on that question.

As for myself, I have no doubt. In my opinion, under the bill as it stands the commission has no such power, but the amendment proposed by the Senator from North Carolina does not affect that question either way. So that when the Senator urges as one reason for the adoption of his amendment the argument that it would prevent the commission from doing this thing, the Senator, it seems to me, must see that he is entirely mistaken and that it has no relevancy to it whatever.

Mr. HITCHCOCK. Mr. President, it is rather amusing to me to hear the Senator from Mississippi [Mr. WILLIAMS] deplore having this made a party question, when it is somewhat notorious that the Senators on the other side of the aisle have had at least one and, I think, two party caucauses on the subject and practically bound their members who participated in the caucus to swallow the whole thing as presented to the Senate. There were some Senators on the other side who either withdrew from the caucus or refused to participate in it, but those who did participate in the caucus have evidently considered the matter settled, and very few of them have been in the Senate during the discussion of the merits of the question. It is very evident that they are voting upon this matter as a party question, supporting the party administration in the demand it is making for the creation of a commission with tremendous discretionary power.

Nor can I agree with the Senator from Mississippi that the Senator from North Carolina by the amendment which he offers is attempting to collect the last pound of flesh from the debtors in this case. He is not attempting to collect interest on interest. That is not the proposition. The question simply is whether this commission shall be given the tremendous discretionary power of postponing indefinitely the time for the payment of the interest.

The Senator from North Carolina proposes that the interest shall be paid semiannually and annually in accordance with our existing law in relation to the bonds we issued to produce the money for these loans. If his amendment is beaten, the commission will have the power to say that interest may be paid once in 10 years, or once in 20 years, or at the end of the whole period of time, and that would be equivalent to a great gift of money which belongs to the people of the United States.

Mr. President, I have said heretofore to-day that I am not standing here saying that no concession should be made to these debtors, and that nothing should be done to ease up on the payment of a very difficult debt for them. What I say is that Congress should not abdicate its power and convey to a commission or to the Secretary of the Treasury the tremendous power to decide those questions.

This is a question involving hundreds of millions of dollars, and I expect thousands of millions of dollars, and it is not right for the represenatives of the people to turn over to that commission the power to say whether or not the interest shall be paid annually or semiannually or once in 10 years. To defer the interest for such a great length of time as they would have the power to do under this bill is to make an enormous gift. Therefore I am in favor of the amendment offered by the Senator from North Carolina.

I believe that Congress should decide whether we are to alleviate the condition of this contract, that the representatives of the people, and not a little commission of men selected by the Executive, should decide this important question and vote away the money which belongs to the people of the United States. I say that we here in the Congress of the United States should decide it and not have a little commission, subject to all sorts of influences, vested with tremendous power to vote away money that belongs to the people of the United States. I am in favor of this amendment to the amendment as one of the restrictive measures, one of the measures we have already forced into the bill, in order to limit the powers of the commission.

Mr. BRANDEGEE. Mr. President, I voted for the amendment proposed by the Senator from California [Mr. JOHNSON] because it does not seem to me that the commission provided for in the bill ought to be authorized to make a settlement of these debts, to which Congress might be opposed. It seems to me if the debts are to be extended for a period of years or possibly a quarter of a century, any settlement made by the commission or its successors ought to be such a settlement as would meet the approval of Congress.

But I am not able to vote for the amendment proposed by the Senator from North Carolina, among other things, for one or two of the reasons suggested by the Senator from Mississippi.

The amendment proposed by the Senator from North Carolina, if applied strictly and rigidly, and it does not seem susceptible of any other application, would compel a nation which knew that it could not pay its interest annually to agree to pay it annually, thereby compelling it to agree to what it knew it could not perform, or else it would prevent any settlement whatever with that nation. One of those alternatives must be true. I have no doubt there are nations which can not in the next two years pay their annual interest on the sums they owe this Government. I am not willing to vote for an amendment which would prevent any settlement with them or which would compel them to make an international contract, if they would consent to make it, when they knew in advance that they could not perform the terms of it.

Mr. SIMMONS. Mr. President, I wish to remove every possible doubt as to the meaning of my amendment. To meet the suggestion of the Senator from Wisconsin [Mr. LENROOT] I wish to change my amendment so as to add immediately at the close thereof the following words:

Or to authorize the commission to amortize accumulated interest by including such interest in the rate of interest to be charged.

The PRESIDENT pro tempore. The Senator from North Carolina modifies his amendment and the Secretary will report it as modified.

The ASSISTANT SECRETARY. Add after the words "existing law" the following:

Or to authorize the commission to amortize accumulated interest by including such interest in the rate of interest to be charged.

Mr. GLASS. Mr. President, may I ask the Senator from North Carolina to explain just how there may be an amortization of the interest when the interest rate is fixed by existing law and the maturity also? How would it be possible to do that?

The PRESIDENT pro tempore. The Senator from North Carolina has exhausted his time on the pending amendment.

Mr. KING. Mr. President, it strikes me that this is in the nature of a new amendment.

Mr. LODGE. Mr. President, a point of order. It is an amendment in the third degree, as I understand it.

Mr. SIMMONS. No; I am simply perfecting my amendment. This was added to my amendment.

Mr. LODGE. The Senator is modifying his own amendment?

Mr. SIMMONS. Yes.

Mr. LODGE. Of course that is all right.

Mr. GLASS. I will not confine my inquiry to the Senator from North Carolina. I would like some Senator, who is as well posted about matters of finance as is the Senator from North Carolina, to tell me exactly how this may be done.

Mr. SIMMONS. Mr. President, may I interrupt the Senator from Virginia?

Mr. GLASS. I yield to the Senator from North Carolina.

Mr. SIMMONS. I will state to the Senator that I myself have not seen the necessity for the amendment, and I thought my original amendment accomplished the purpose which I had in mind and avoided the difficulty that I have explained to the Senate. However, the Senator from Wisconsin [Mr. LENROOT] raised the question and suggested that I offer an amendment which would accomplish the object he had in mind. He said he would be glad to vote for it then. I drafted this modification and showed it to the Senator from Wisconsin, and I understood him to approve of the amendment as I have modified it.

Mr. LENROOT. Mr. President, will the Senator from North Carolina yield?

Mr. SIMMONS. The Senator from Virginia has the floor.

Mr. GLASS. I yield to the Senator from Wisconsin.

Mr LENROOT. The Senator from Wisconsin stated that he did not believe the bill did authorize any such transaction as the Senator from North Carolina contemplated, but that the Senator from Wisconsin, if the Senator from North Carolina had any doubt about it, was willing to support any amendment which would permit it.

Mr. GLASS. It could not authorize it with the rate of interest fixed, and the maturity determined.

Mr. SIMMONS. Neither does the amendment which I have offered.

Mr McCUMBER. Mr. President, a point of order. The unanimous-consent agreement is not being adhered to.

The PRESIDENT pro tempore. The unanimous-consent agreement is not being violated. The Senator from Virginia had a right to speak for 10 minutes on the amendment.

Mr. BORAH. Mr. President, I hope the Senator from North Carolina will leave his amendment as it was originally.

Mr. SIMMONS. I have no sort of objection to that. I only did it to accommodate the view taken by the Senator from Wisconsin.

Mr. BORAH. Does the Senator from North Carolina think he will get the votes of other Senators by adopting that course?

Mr. SIMMONS. No; I do not.

Mr. BORAH. He might lose the vote of the Senator from Idaho.

Mr. SIMMONS. I am satisfied with the original amendment, and I withdraw the proposed modification.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from North Carolina to the committee amendment, the modification having been withdrawn.

Mr. SIMMONS. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement as before with regard to my pair and its transfer, I vote "nay."

Mr. EDGE (when his name was called). Making the same announcement of my pair and its transfer as on the previous vote, I vote "nay."

Mr. McCORMICK (when his name was called). I transfer my pair with the Senator from Wyoming [Mr. KENDRICK] to the junior Senator from Oregon [Mr. STANFIELD] and vote "nay."

Mr. STERLING (when his name was called). On this vote I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from California [Mr. SHORTRIDGE] and vote "nay."

Mr. FLETCHER (when Mr. TRAMMELL's name was called). I wish to make the same announcement as before as to the absence and pair of my colleague [Mr. TRAMMELL].

The roll call was concluded.

Mr. McKELLAR (after having voted in the affirmative). I have already voted. I have a general pair with the junior Senator from Indiana [Mr. NEW], which I transfer to the junior Senator from Rhode Island [Mr. GERRY] and allow my vote to stand.

Mr. DILLINGHAM (after having voted in the negative). I observe that the Senator from Virginia [Mr. GLASS] has not voted. I have a general pair with that Senator, which I transfer to the Senator from New York [Mr. CALDER] and allow my vote to stand.

Mr. CURTIS. I wish to announce that the junior Senator from Delaware [Mr. DU PONT] is paired with the senior Senator from Louisiana [Mr. RANSDELL].

The result was announced—yeas 32, nays 49, as follows:

YEAS—32.

Ashurst	Harrison	Myers	Shields
Borah	Heflin	Norris	Simmons
Broussard	Hitchcock	Overman	Stanley
Caraway	Johnson	Pittman	Swanson
Culberson	Jones, N. Mex.	Pomerene	Underwood
Dial	King	Reed	Walsh, Mass.
Fletcher	La Follette	Robinson	Walsh, Mont.
Harris	McKellar	Sheppard	Watson, Ga.

NAYS—49.

Ball	France	McCumber	Spencer
Brandegee	Frelinghuysen	McKinley	Sterling
Bursum	Gooding	McLean	Sutherland
Cameron	Hale	McNary	Townsend
Capper	Harreld	Moses	Wadsworth
Colt	Jones, Wash.	Nelson	Warren
Cummins	Kellogg	Nicholson	Watson, Ind.
Curtis	Kenyon	Oddie	Weller
Dillingham	Keyes	Page	Williams
Edge	Ladd	Pepper	Willis
Elkins	Lenroot	Phipps	
Ernst	Lodge	Poindexter	
Fernald	McCormick	Smoot	

NOT VOTING—15.

Calder	Glass	Norbeck	Smith
Crow	Kendrick	Owen	Stanfield
du Pont	New	Ransdell	Trammell
Gerry	Newberry	Shortridge	

So Mr. SIMMONS's amendment to the amendment of the committee as amended was rejected.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDENT pro tempore. The question now is upon agreeing to the amendment of the committee as amended.

Mr. WALSH of Massachusetts. I move the amendment which I send to the desk.

The PRESIDENT pro tempore. Is it an amendment to the committee amendment?

Mr. WALSH of Massachusetts. No.

The PRESIDENT pro tempore. The question now is on agreeing to the committee amendment as amended.

Mr. JONES of New Mexico. Let the amendment be stated, Mr. President.

The PRESIDENT pro tempore. The Secretary will state the committee amendment as amended.

The ASSISTANT SECRETARY. The amendment of the committee as amended is as follows: Beginning on page 2, line 20, after the word "therefor," to insert the following proviso:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 4½ per cent per annum.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as amended.

Mr. REED. I desire to offer an amendment to the amendment. I move, at the end of the amendment, after the words "per annum," to insert the words "or to defer the time of payment of interest in any case for more than two years."

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Missouri to the amendment of the committee as amended.

Mr. REED. Mr. President, I desire to say a word or two on the amendment to the committee amendment. I offer the amendment by way of a compromise and in the hope that it may receive the serious consideration of the Senate.

In a word, the bill as drawn, without some qualifying phrase, will give to the Secretary of the Treasury the authority to defer the payment of interest forever. It is an authority which we ought not to grant. Taking it as a fact that there are certain countries which will be unable to meet their interest immediately, a two years' further extension—four years having already been granted—is certainly long enough to satisfy any argument that may be made in favor of an extension of time.

Of course, this is not a partisan question, as stated by the Senator from Mississippi; it is a great international question; but it has been made pretty much a partisan question by a caucus. I hope that the caucus action is not of such character as absolutely to compel the Members of the Republican Party to vote down all amendments that may be offered. If that course is pursued, then, of course, there is no use in offering any further amendments. If the Secretary of the Treasury is to draw this bill, have it reported, have it acted upon by a Republican Party caucus, and if that is the end of the whole matter, then we might as well recognize the fact.

To take the bonds of a country and defer the interest thereon for more than two years from this date—four years of interest deferment having already occurred—is nothing short of a vote by Congress to permit the Secretary of the Treasury practically to nullify these debts. It is, I think, without using any harsh terms, describable only in the statement that it is a repudiation of our obligation to the American people. It is such a power as has never been vested in the hands of any one man. The fact that a commission will have been appointed will not save the face of the matter at all, for the commssion will be completely subservient to and controlled by the Secretary of the Treasury.

Mr. President, I wanted to say that much, and I hope that we may have a vote upon the amendment to the amendment upon its merits and not controlled by caucus action.

Mr. LODGE. Mr. President, there has never been a binding "caucus" of any kind held by the Republicans of the Senate at any time since I have been here, so far as I am aware. I think it was tried by the Democratic Party lately to bind their Members in the Senate by a two-thirds vote, but I believe they gave it up. There was a conference held in reference to this bill, the matter was discussed, as such matters always have been, but there was not a binding "caucus." I repeat that we have never had a binding "caucus."

To the suggestion of the Senator from Missouri [Mr. REED] there is, it seems to me, one very complete objection. If we insert in this proposed legislation a limitation of two, three, or four years, or whatever the time may be, every Nation will claim it. One Nation, at least, is able to begin its semiannual payments of interest the moment binding arrangements shall have been made.

If we fix the date at two years, all nations will claim it. Such a provision would simply put off the payment of the interest to the nations which can afford to begin the payment at once; and, perhaps, such a limitation as affecting other nations would be so narrow, as the Senator from Connecticut pointed out in connection with the last amendment, that it would lead either to their giving a bond which they might repudiate or to no agreement at all.

I think it is not going too far to say that in a great international transaction of this character it is not unreasonable to presume that the President, the Secretary of the Treasury, or whoever may compose the proposed commission are not going to act like idiots or knaves or traitors any more than did the last Secretary of the Treasury, to whom we gave in time of war the immense power of extending these credits. In the financial dealings of the Government we must trust our authorized fiscal agents. We always have done so; I know of no case where they have defrauded the country or undertaken to do anything in connection with financial transactions which was not for the interest of the American people.

It seems to me this particular amendment, although designed to hamper the Secretary of the Treasury, will simply lead to our giving another general extension to all of the debtor nations, whether they are able to pay or not.

Mr. REED. Mr. President——

The PRESIDENT pro tempore. The Senator has already spoken once.

Mr. REED. I ask the Senator from Massachusetts if he will yield for a question?

Mr. LODGE. Certainly.

Mr. REED. Does the Senator from Massachusetts think for a moment that all of the debtor nations are not going to know from time to time of the extensions granted to any of them? Great Britain, for example, will know in advance that we propose to give an extension to Czechoslovakia, and that that will be just as detrimental to our settlement with Great Britain as though we wrote into this bill a provision that there should in no case be an extension longer than two years.

Mr. LODGE. I think that they will know when the arrangements come to be made what extensions we make. Undoubtedly we shall have to make different extensions of time to the various debtor nations.

Mr. REED. Then why if they know that would they not all insist on equal extensions?

Mr. LODGE. If we establish a hard and fast limitation of two years they will all want it.

Mr. REED. Why will they not be just as insistent if they know that in certain instances extensions are to be granted which are indefinite in point of time as they will if they know that the extensions which might be made could not run beyond two years?

Mr. LODGE. Because in the one case they are perfectly aware that we are making a different arrangement, perhaps, with each country, and that what we do in dealing with one country does not in the least govern what we do in dealing with another; but if we should lay down a hard, fast limitation of two years every nation would come under such a provision and, of course, they would take advantage of it.

Mr. BORAH. Mr. President, the Senator from Massachusetts has stated in his objection to this amendment the objection which has so strongly presented itself to me and to which I adverted to-day to leaving the proposition out of the bill entirely. The Senator is of the opinion that if we insert in the bill a provision that the time of the payment of interest shall not be time extended beyond two years, all of the debtor nations will claim an extension up to that time; and I think probably that is true. But if we leave out of the bill any provision at all with reference to the payment of interest and all the debtor nations will be informed as the negotiation proceeds as to what is taking place between different nations, the same question exactly will arise. In other words, the Congress in advance has served notice on the nations of Europe that, so far as Congress is concerned, we do not expect the payment of interest except upon such terms and conditions and discretion as the debtor nations themselves will propose.

If we should insert in the bill a provision that interest should be paid within a certain time, and any particular nation should not be able to pay it, the Secretary of the Treasury could take that circumstance into consideration, and, under the amendment which was offered by the Senator from California, the fact be reported back to Congress; but now we are serving notice on them that, without their having asked for an extension, we consider their situation to be such that they may postpone the time within their own discretion. If they say to the Secretary of the Treasury, "We are not able to pay the interest for five years," what is the Secretary of the Treasury going to say to them? If they say they are not able to pay it for 10 years, what is the Secretary of the Treasury going to say to them? We are taking their word for it; he must take their word just the same as we have taken their word. I should like to ask before I sit down has any nation asked for an extension of time before their payment shall begin?

Mr. WILLIAMS. Mr. President, I will answer that. The only request that I know of in that respect is shown by their actions in not paying interest and saying they could not, and their actions are much stronger than words.

Mr. BORAH. Of course the Senator can argue upon that proposition, but what I want to know is, Has any nation indicated that it wanted to postpone the payment of interest?

Mr. LODGE. I think they have indicated it, for they have all postponed it.

Mr. BORAH. Precisely so. They have postponed it; and now we, by an act of Congress, invite them to ask for a postponement again.

Mr. LODGE. I do not see that at all. I think when they get the authority to make these arrangements for the new bonds it would be perfectly preposterous to suppose that Great Britain—which is a solvent nation and will undoubtedly pay her debts—would say, "You have given an extension of two or three years to Finland or Poland." Finland owes us $8,000,000. "Therefore you must give a similar extension to us, who owe you $4,000,000,000." Of course that would not stand for a moment with any nation whose credit must be maintained as the British credit must be maintained.

Mr. BORAH. It would be just as preposterous, if this clause were inserted here by the Senator from Missouri, to claim that England would ask for two years' extension because we proposed to give two years' extension to Czechoslovakia.

Mr. LODGE. Ah, no; if you give it to all the world, that is a different thing.

Mr. WILLIAMS. Oh, no.

Mr. BORAH. We are not giving it to all the world.

Mr. LODGE. You are, substantially, by that hard-and-fast limit.

Mr. BORAH. No; we are simply proposing that in no instance shall the time be extended over two years. It does not say that all interest shall be extended for two years, but that in no instance shall it be extended beyond that. That is all it says.

Mr. NORRIS. Mr. President, my objection to the amendment offered by the Senator from Missouri [Mr. REED] is that it extends the time too long. It is, however, a shortening of the time in the bill, which is indefinite. It all comes back to the fact that no one knows now just what Governments are going to ask for time, and what Governments are going to be able to pay promptly, and what Governments have been able to pay their interest during the past three years. There is not any doubt but that several Governments have been able to pay, and would have paid before this; and yet I am not one who would object to a continuation of the time that has already been given if it were brought about in a proper way.

We come back, therefore, to this proposition: The Secretary of the Treasury has now, and has had every day since every dollar of this money was loaned to the foreign Governments, all the authority that he needs, all that he needs now, for the purpose of refunding this debt and putting it into bonds in accordance with the Liberty loan acts. If it be true that any Government could not pay without hardship and could give a respectable reason for it, I certainly would be one who would favor extending time to them, no matter what Government it might be. I do not want to work any hardship upon any Government; but the way to find out is to proceed to enforce the law that we now have on the statute books, and let the Government that can not pay say so, and give its reason for it to the Secretary of the Treasury.

So we come back to the proposition which we will have an opportunity to vote on before we get through, as to whether the only reasonable route to travel now is not to say to these Governments: "Here is your debt. We want to put it in the form of a bond according to the law that existed under which you borrowed it." They knew what the law was when they borrowed it, as we knew what it was when we loaned it. That contract has been made. It has been in existence all the time. If it is a hardship to anybody and they can give any reasonable rule for changing it or modifying it, I should be glad to change it or modify it; but no Government has come to us for a modification.

We have no notice of anybody demanding more time, and here we propose in this bill to make the time indefinite. If there were anything in the proposition that putting in a limitation according to the pending amendment would be notice to all the world, and everybody would ask for it, as the Senator from Massachusetts said, then we have a much worse proposition already in the bill. We have here a power to a commission to extend the time indefinitely. If it is going to work that way, why will not every Government, the first thing after this law is passed, say: "We want 10 years; we want an indefinite time," and there is no limit but the sky that can be given?

It seems to me, Mr. President, that if we will take the law as it is, and in a respectful, decent way require every Government to comply with it that can comply with it, and, in the case of those that can not, take up their cases and report them back, there is no doubt but that Congress would give such consideration to them as they deserve, and extend to any worthy countries more time if they needed more time and asked for it. So far nobody has asked for it. So far nobody knows whether anybody wants more time. Therefore, Mr. President, it seems to me that I would favor any limitation on this, the shorter the better, because it will sooner bring us to the time when, if there is such an obstacle in the way, we will come up against it. We ought to have known about it long ago.

Mr. BRANDEGEE. Mr. President, I desire to refer to a remark made by the Senator from Idaho [Mr. BORAH], who asked:

> What is the Secretary of the Treasury going to do about this if we do not adopt this amendment?

I assume that the Secretary of the Treasury is going to do exactly what the Senator from Nebraska has indicated he ought to do under the existing law: He is going to try to get the very best terms he can from each one of these debtors. He is going to hear their statements; he is going to verify their claims as to their ability to pay the principal or interest; and if he thinks they can pay the interest annually or semiannually he is going to insist upon their doing it. He is going to insist upon it whether we put in the Reed amendment, now pending, or not. He is not going to extend the term for their payment of interest to two years unless he thinks it is necessary, even if we should adopt the Reed amendment. I assume that he is going to hold every one to the payment of its debt and the interest upon it if it can be collected.

In answer, however, to the question of the Senator from Idaho, "What is the Secretary going to do about it if they say they can not pay the interest?" I desire to suggest that the Secretary will do exactly what the Senator from Idaho or I or any other Senator would do. If they will not pay, the Secretary will probably report that fact to Congress, and Congress can say what shall be done. If they say they can not pay and will not pay, I assume there is nothing except to consider whether we will go and attempt to collect it or not. I know of but one way of collecting it, and that is the same way that was tried by a foreign government against Venezuela when Grover Cleveland was President, and they did not collect anything by that method.

Mr. BORAH. Mr. President——

Mr. BRANDEGEE. I yield to the Senator from Idaho.

Mr. BORAH. The Senator says that the Secretary of the Treasury will probably report back to Congress. I do not know why he should report back to Congress. The Senate has just voted that it does not desire to have him report back to Congress.

Mr. BRANDEGEE. No; as I understand the Senate has just voted that it would not be necessary for the agreements made by the commission to be approved by Congress before they went into effect; but I say that if the Secretary is unable to renew these obligations or to come to an agreement with these nations, which involve the voluntary consent of both debtor and creditor, the country will know it, and the country will decide what they will do about it under those circumstances.

Mr. SIMMONS. Mr. President, does the Senator contend that under the present bill the Secretary would not have the full, unlimited power to extend the payment of this interest for 10 years, if he saw fit, without Congress having any restraining voice whatsoever in the matter?

Mr. BRANDEGEE. No; I do not contend that.

Mr. SIMMONS. I want to say to the Senator that the only thing the Secretary really insisted upon to the last ditch in connection with this whole thing was his power to extend indefinitely the time of payment as his judgment might dictate without any report to Congress for its approval, and undoubtedly I think if the bill should pass now and the Secretary saw fit he could extend the time of payment for 10 years, and Congress would be utterly helpless to prevent that if it did not approve of it.

Mr. BRANDEGEE. Mr. President, that is the reason why I voted for the Johnson amendment, providing that the arrangements made by the commission with the foreign debtors should not be binding upon the country until Congress approved of them. I agree with the Senator about that.

Mr. SIMMONS. That is the reason why I voted for it; but that proposal was voted down.

Mr. BRANDEGEE. I know that.

Mr. SIMMONS. The bill as it now stands does not place any restrictions at all upon the power of the Secretary with reference to the extension of time for the payment of interest.

Mr. BRANDEGEE. I know that, too; and I am confronted with the fact that these Governments owe us some money and we have their I O U's for it, and we want something more substantial, and something, perhaps, that is negotiable, a more formal kind of agreement; and it is proposed to try to agree with them, if we can, upon what the form of that agreement shall be and what its terms shall be. I do not think we can fix the form of the agreement and compel them to "sign here." It will have to be voluntary. It will have to be the subject of negotiation and discussion and of meeting of the minds and a voluntary agreement to make a contract. It can not be a one-sided contract and it can not be made under duress. If they agree, well and good. I should like to have the proposed agreement only tentative and subject to the ratification of Congress; but the Senate has decided the other way.

I think we shall have to allow the best agreement to be made that it is possible to make. It is very unusual, perhaps, to give to any one set of men—a few men, a governmental commission—this vast power, for it is a vast power; and I regret the necessity of doing it, though not because I distrust the commission or anybody who will be likely to be a member of it, no matter which party is in power. As the Senator from Massachusetts has said, we voluntarily and freely gave the last Secretary of the Treasury great powers. We were compelled to do it. The situation is entirely unusual and novel, and I hope will never occur again in the history of this country; but under the circumstances and in view of the attitude the Senate has taken, I think the best thing we can do now is to leave the matter to this commission.

Of course, I do not think it is any argument to say that anybody who regrets leaving the matter to the commission thereby distrusts the President or the Cabinet or the commission. That is not the point. They do not distrust their integrity. They may not think these great powers should be exercised by the judgment of so few men, and they may distrust their infallibility. I wish some other method could be devised, but I thoroughly realize that the Congress can not negotiate these infinite details. Inasmuch as the Senate has voted that it would not have them submitted for the approval of Congress, I am going to vote for the committee amendment as it stands.

Mr. PITTMAN. Mr. President, the Senator from Connecticut [Mr. BRANDEGEE] always addresses himself frankly to a question. He admits that this is an extraordinary power to grant to a commission. He regrets the necessity of it. The question that arises in my mind is, What is the necessity of it? No one has denied that the President of the United States has full power under the Constitution to carry on negotiations leading up to the agreements which the Senator from Connecticut has in mind. The Senator from Connecticut, who possibly is familiar with the subject, says that evidently the Secretary of the Treasury does not know what kind of an agreement he can make with these various debtor nations; that it will require a negotiation to reach agreements. If a contract must be made with these nations, the President, under the Constitution, has the right to carry on the negotiations and make the contract, but only subject to ratification by two-thirds of this body. Is the necessity to get rid of the ratification of this body? Is that the necessity of granting all this extraordinary power to a commission? It requires negotiation. There will probably be a necessity for different agreements with different Governments. Some, so we understand, are able to pay their interest now; others may not be able to pay theirs for several years. But in any event, as the Senator from Connecticut said, it requires negotiations, it requires the ascertainment of facts, it requires the using of discretion after those facts have been ascertained. Is the Senator willing to grant a commission whose membership he does not know to-day and can not know until he has granted them the power—is he willing, I ask, to grant that commission the discretion which is imposed upon him, of determining upon a certain state of facts whether or not this Government should enter into a contract of a certain kind with a foreign Nation? Is he willing to leave to a commission that he does not know the discretion to determine whether or not Great Britain should be allowed 1 year or 10 years, under a given state of facts, to pay the interest on their debt to the United States?

Yet that is what he knows he is doing when he votes for this bill. He is giving up his discretion as a United States Senator, a discretion he must use as a duty of his office, to an unknown commission to determine what shall be done with the state of facts that are not yet known.

Mr. BRANDEGEE. Mr. President, does the Senator agree with the Senator from Nebraska that the President already has the authority, or that the Secretary of the Treasury already has the authority to make these agreements?

Mr. PITTMAN. No; not that the Secretary has the authority to make an agreement. The President of the United States has the authority to ascertain the facts, to negotiate an agreement. He has the right to do that through the Secretary of the Treasury, or through anybody he wants, and when that agreement is negotiated, then, of course, under the Constitution it is reported to the Senate for ratification or confirmation by two-thirds of the Senate.

Mr. BRANDEGEE. The Senator is now talking about the necessary constitutional formalities for the ratification of a treaty, I assume?

Mr. PITTMAN. Yes.

Mr. BRANDEGEE. Does the Senator think that the debtor and creditor nations can not make any agreement about the evidence of an existing debt except by a treaty?

Mr. PITTMAN. I am not going to discuss whether or not the act under which this money was loaned was constitutional or not constitutional. We treat it as if it were, and there is an existing agreement already under that act, and undoubtedly no other agreement is essential to the carrying out of that act; but I am talking about the necessity of new negotiations, not under that act, and if there must be new negotiations—and the Senator from Connecticut seems to think there must be—and if there must be the ascertainment of facts before you can determine what agreements to make, then I say you can do it through the constitutional power of the President, with the ratification by the Senate, and the only necessity for not doing that that I can see, if there is a necessity, is to prevent the Senate of the United States from having any voice in determining what shall be done with a certain state of facts.

If the commission does negotiate good agreements with these various countries, equitable agreements, based upon the facts, there is no question whatever but that this body would ratify them. A body now which contains a majority of Members who are willing to give the Secretary unlimited authority would certainly ratify any reasonable proposition he brought in here, but if you fear he might bring in a proposition which was not fair, and which this body would not ratify, then such a condition is the strongest argument against granting such authority to him. All of us want to do the fair thing by our debtors and some of us want to do it ourselves.

I state before going further that I do not think Congress has the constitutional power to pass this act. I agree with the argument made against the constitutional authority of Congress to delegate and grant the power provided in this act; but if it did have the constitutional authority, then under the frank statement made by the Senator from Connecticut I would be convinced still in my own mind that the delegation of such an authority to an unknown commission would be a violation of our duties as representatives in this body, and I would not vote for it.

Mr. BRANDEGEE. Mr. President——

The PRESIDENT pro tempore. The Senator from Connecticut has already spoken once upon this amendment.

Mr. BRANDEGEE. I want to ask the Senator from Nevada a question, unless his time has expired.

Mr. PITTMAN. I yield.

Mr. BRANDEGEE. Are not almost all commissions which Congress authorizes to be appointed by the President unnamed when they are authorized?

Mr. PITTMAN. Yes; and for that reason we do not give them very much authority.

Mr. BRANDEGEE. We have given the Interstate Commerce Commission great authority, have we not?

Mr. PITTMAN. We have given them great authority, it is true; but, as a matter of fact, every member of that commission was confirmed by this body.

Mr. BRANDEGEE. That is very true; and I would be perfectly willing to have the members of this commission confirmed by this body.

Mr. PITTMAN. I will state further that, while the Interstate Commerce Commission are given great authority, and in many cases too much authority, their authority is prescribed by the statute adopted by Congress and limited by our Constitution.

Mr. BRANDEGEE. I understood the authority of this commission was to be prescribed by the bill we are now considering. I also understood that the members of the commission were to be confirmed by the Senate.

Mr. PITTMAN. Also, while the Interstate Commerce Commission has great authority, and a great many think it has

too much authority, their decisions are subject to strict limitations, and there is appeal, even to the Supreme Court of the United States, from their decisions. There is no appeal from the decisions of this commission it is now proposed to appoint by this bill. An attempt was made to provide an appeal to this body from any decision made by the commission, but Senators not only want to grant this proposed commission absolute power but they do not want even to reserve the right of appeal to this body.

Mr. BRANDEGEE. I did.

Mr. PITTMAN. But the proposed amendment that the commission should report to Congress has been voted down.

Mr. KING. Mr. President, owing to illness, I have been absent from the Senate during most of the discussion relating to the pending bill. When the measure was first reported, it occurred to me that its objects were proper and that there was necessity for its enactment. Further consideration of the subject, and a reading of the able speech of the Senator from Montana [Mr. WALSH], has brought me to the conclusion that there is no reason calling for the passage of the bill now before us. Indeed, Mr. President, I believe that all of this discussion is a work of supererogation and that we could with propriety put aside this bill and address ourselves to important and needed legislation.

It is true that a number of European nations are indebted to the United States for money advanced during and immediately following the war, but it is likewise true that the authority conferred upon the Secretary of the Treasury to make these advancements was sufficiently broad and comprehensive to enable him to refund the present outstanding obligations. In other words, large amounts were advanced by the United States, and the Secretary of the Treasury was authorized to loan to various nations an aggregate not exceeding $10,000,000,000 and to purchase at par their obligations therefor, and he was likewise authorized and directed to obtain for the amounts so advanced bonds, or other forms of obligations, of the form and character which the United States was compelled to issue in order to secure from the people of the United States the money which it advanced to the nations referred to.

The law which authorized the loans or advancements is a continuing statute, and the Secretary of War has not exhausted all of the authority and power conferred upon him thereby. It is his duty to obtain from the debtor nations obligations of the character called for by the law authorizing loans, and the law is plain and definite as to the conditions that are to be authorized in the bonds executed by the debtor nations and received by the United States. It has been contended that the Treasury Department was derelict in making advancements without obtaining the form of security which the law contemplated should be given by the debtor nations; but, conceding the justice of this contention, it is patent that the authority still exists with the Treasury Department to obtain from the debtor nations the bonds and securities provided for in the act in question. Why does not the Secretary of the Treasury proceed and obtain the bonds called for by the acts of Congress authorizing the loans? There has been some contention that there is not authority for the Secretary of the Treasury to receive other than cash from the debtor nations for deferred-interest payments.

It seems to me that such a construction of the act authorizing the loan to foreign nations is too narrow and is certainly against the spirit of the law. In my opinion, not only has the Secretary the authority to refund the principal, but it is his duty to press for the collection of the interest. If he has any doubt as to his authority to postpone the payment of interest and put it in the form of bonds, then the subject could be brought to the attention of Congress in the proper manner. However, there is no doubt but that the President would have the right to take up this matter with the debtor nations and negotiate a treaty which met his approval and submit the same to the Senate for ratification or rejection. If existing law does not fully provide for the settlement of all questions growing out of our foreign loans, and if additional agreements are necessary to effectuate satisfactory settlements, then it would seem to be a matter for the executive branch of the Government to consider, rather than the legislative branch of the Government. Undoubtedly the President has the authority, if there are unsettled matters between the United States and the nations who are indebted to it, to enter into negotiations with such nations for the purpose of settling such questions.

Under the Constitution the Executive conducts foreign negotiations. There are unsettled questions between this Government and other Governments. Congress is not charged with the duty of entering into negotiations for the purpose of settling controversies or questions between the United States and other nations. We have ambassadors. The President, through them or through other channels, may take up with other nations all questions that affect the relations between such nations and the United States. If the Treasury Department can not under existing law fully protect the interests of the United States or secure from other nations such obligations evidencing their indebtedness to the United States as it may deem proper, the President of the United States in the exercise of his authority may enter into negotiations for the purpose of adjusting the entire matter. He may make such treaties as he believes proper and then present them to the Senate for their consideration. Undoubtedly there are some small amounts due the United States from European nations which the Secretary of the Treasury would not be authorized to fully settle. For instance, the Grain Corporation obtained obligations from European nations which are the property of the United States. The Secretary of the Treasury does not have authority, as I read the law, to refund this obligation, but undoubtedly the President could by a treaty provide suitable terms of settlement, and upon ratification of the treaty by the Senate the terms of the treaty could be executed.

Mr. President, it seems to me that we are encroaching upon the prerogatives of the President and are seeking by legislation to do something which the President should do. We can not afford to support any measure which denies to the President his constitutional rights and prerogatives. I repeat what I stated at the outset, this measure seems to me to be wholly unnecessary; and it also can be challenged upon the ground that it is unconstitutional.

The PRESIDING OFFICER (Mr. STERLING in the chair). The question is upon agreeing to the amendment to the amendment.

Mr. HEFLIN. Mr. President, before the final vote is taken upon this very important question, I want to say a word to the Senate.

The amendment offered by the senior Senator from California [Mr. JOHNSON] simply provided that this commission of five men to be appointed by the President of the United States to handle this foreign indebtedness was to report its recommendations back to Congress for the approval or disapproval of the representatives of the people of the United States. What is the Congress? It is composed of the lower House, whose Representatives come from every community in the country, and the Senate, with two Senators from each of the sovereign States of the Union.

The proposition submitted by the Senator from California is a very fair one. Who in this body could object to that? Who in the other branch of Congress, who in the country at large, can lodge a valid objection to requiring five men who are handling an indebtedness amounting to nearly $11,000,000,000, a debt due to this Government by foreign countries, to report its recommendations back to Congress? What is it, Mr. President, that causes the Senate to refuse to require this thing to be submitted back to the Congress, composed of the representatives of the American people? There is not a Senator here who can give a valid reason to the intelligent man or woman in this country as to why it should not be done. There is no execuse for the failure to allow Congress to pass upon this tremendous question.

This $11,000,000,000 is due to the Government. The Government belongs to the people and Congress is the people's national legislative body. Then why not require these five men to report to Congress, and before they can make an agreement or settlement that is binding upon this Government secure the approval of the American Congress? Mr. President, the American people should not stand for this thing. There are 500,000 ex-service men out of employment and in distress, and you will not give them adjusted compensation, but the majority party in this body took the tax off the profiteers of the country, and now, as the climax of this sort of work, you are going to take away from the Congress of the United States, the representatives of the American people, the right to say whether or not they approve this settlement that your five men will make.

Do you know what these five men are going to do and are you afraid that Congress would not approve their recommendations?

Mr. President, the people of this country ought to resent and repudiate the action just taken upon this question. I saw the roll call solemnly had this afternoon, and only seven Republican Senators, in a body where you have 24 majority, joined with the Democrats to have the people's Congress pass judgment upon the settlement which is to be suggested by this commission of five men. Ah, Mr. President, I have seen Senators here to-day whose faces have almost grown unfamiliar to me. I do not know where they have been, but they are here now when this refunding bill is to be put through and this strange deal is to

be put over. They are here answering to their names and swelling the volume of votes against giving the people's Congress the right to say whether they will accept this settlement made by five commissioners to be appointed by the President.

If Woodrow Wilson had been President and we had had a Democratic Senate and a Democratic House and we had undertaken to put over a deal like this, you would have whispered over there so loud it could have been heard the country over that there was something radically wrong about it. That is what you would have said.

Now, what do you suppose the American people are going to say about this ten or eleven billion dollars when you put it into the power of these men to reduce interest rates or to postpone the payment of principal and interest payments for years and years in the future in order that Wall Street, as I said the other day, may clear the way and come up to collect from these same foreign countries her $5,000,000,000 of indebtedness? You are here to answer to your names to-day when this bloody thing is about to be consummated. Eleven billion dollars owing to this Government by foreign countries, and you put it into the hands of a commission of five men to say we will let Wall Street collect its debts first.

Of course, that is what is going to be done. The time is coming when we ought to talk plainly and let the American people know what is going on here. We ought to let them know so they will have an opportunity this fall to clean up the situation and send men down here who will vote to give their representatives a chance to pass upon a question of such magnitude as this.

Mr. President, I repeat, it is astounding that the Senate will go on record in a solemn roll call to take away from the American Congress the right to pass judgment upon the settlement to be submitted by five men to be appointed by the President. I do not care who they are, whether they are Democrats or Republicans, the American people have a right to have this thing passed upon by their representatives and to say, "We accept it" or "We reject it." Is there anything unfair about that? Is there anything un-American about that? Is there anything improper about that? Not at all; it is fair, it is just, it is right, and yet I saw you vote on a roll call a moment ago to deny to the people of the United States the right to say through their Congress whether they would accept or reject the settlement to be made by your commission of five men.

Mr. WALSH of Montana. Mr. President, before the pending amendment is disposed of, I wish to advert to the colloquy between the Senator from Nevada [Mr. PITTMAN] and the Senator from Connecticut [Mr. BRANDEGEE].

The Senator from Connecticut referred to the fact that the Congress had repeatedly created commissions and had delegated functions and powers to them. In every one of those cases the commissions were created and directed to proceed to carry out a law. The commission, which is to be created by the pending bill, is to act as in its judgment shall be deemed for the best interests of the United States of America. I undertake to say that if any of the commissions heretofore created by Congress were authorized to act in the premises as they thought was for the best interests of the country, it would have been regarded by the Supreme Court of the United States as an unjustifiable delegation of power. I think that has ordinarily been made the test.

Any one of these commissions can be created for the purpose of determining the existence of a fact; for instance, what is a reasonable rate to be charged, what is an unfair practice, and other things of that kind; but if a commission were turned loose to act in any premises as in its judgment is for the best interests of the country, it would be considered as an unwarranted and unjustifiable delegation of power.

The Congress of the United States is called upon to act as in its judgment is for the best interests of the country, and that power it can not delegate to any commission. That is a further objection to the creation of this commission with any such power.

Mr. BRANDEGEE. Mr. President, I merely wish to remark that I, of course, agree that where Congress is creating a commission to perform domestic acts, the Congress, if it attempted to delegate any power to it, must prescribe the rule within which the commission is to act; but this is not a domestic question, except as to one side of it, and we could not come very near to laying down any of the details which necessarily ought to be left to the discretion of the commission.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Missouri [Mr. REED] to the committee amendment as amended.

Mr. HITCHCOCK. I call for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement as before with regard to my pair and its transfer, I vote "nay."

Mr. EDGE (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

Mr. FRANCE (when his name was called). Upon this amendment I am paired with the senior Senator from Iowa [Mr. CUMMINS]. If permitted to vote, I would vote in the affirmative.

Mr. McKELLAR (when his name was called). As previously announced, I have a pair with the junior Senator from Indiana [Mr. NEW]. I transfer that pair to the junior Senator from Rhode Island [Mr. GERRY] and vote "yea."

The PRESIDING OFFICER (when Mr. STERLING's name was called). Making the same announcement as before as to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. McCORMICK. Making the same announcement as on the last vote as to my pair and its transfer, I vote "nay."

Mr. RANSDELL (after having voted in the affirmative). I have a pair with the Senator from Delaware [Mr. DU PONT]. That Senator is not present, so I withdraw my vote. If at liberty to vote, I would vote "yea."

The result was announced—yeas 33, nays 44, as follows:

YEAS—33.

Ashurst	Heflin	Norris	Stanley
Borah	Hitchcock	Overman	Swanson
Broussard	Johnson	Pittman	Underwood
Caraway	Jones, N. Mex.	Pomerene	Walsh, Mass.
Dial	Kenyon	Reed	Walsh, Mont.
Fletcher	King	Robinson	Watson, Ga.
Glass	La Follette	Sheppard	
Harris	McKellar	Shields	
Harrison	Myers	Simmons	

NAYS—44.

Ball	Fernald	McCumber	Poindexter
Brandegee	Frelinghuysen	McKinley	Spencer
Bursum	Gooding	McLean	Sterling
Cameron	Hale	McNary	Sutherland
Capper	Harreld	Moses	Townsend
Colt	Jones, Wash.	Nelson	Wadsworth
Curtis	Kellogg	Nicholson	Warren
Dillingham	Keyes	Oddie	Watson, Ind.
Edge	Lenroot	Page	Weller
Elkins	Lodge	Pepper	Williams
Ernst	McCormick	Phipps	Willis

NOT VOTING—19.

Calder	France	Newberry	Smith
Crow	Gerry	Norbeck	Smoot
Culberson	Kendrick	Owen	Stanfield
Cummins	Ladd	Ransdell	Trammell
du Pont	New	Shortridge	

So Mr. REED's amendment to the amendment of the committee as amended was rejected.

Mr. SIMMONS. Mr. President, I offer an amendment to the committee amendment, to add the words which I send to the desk.

The PRESIDING OFFICER. The proposed amendment to the amendment will be reported.

The ASSISTANT SECRETARY. Add at the end of the committee amendment a comma and the following:

Or, without the consent and approval of Congress, to defer the time of payment of interest in any case beyond three years.

Mr. SIMMONS. Mr. President, the Secretary of the Treasury was entirely content with the restrictions proposed to be put upon his powers except the one which provided for the semi-annual payment of interest. The Secretary of the Treasury objected to that upon the sole ground that it would take from him the power to extend the time for the payment of the interest as his judgment might see fit.

The Secretary of Treasury—and I ask attention of Senators on the other side of the Chamber to this statement—stated and reiterated that, in his judgment, there would probably be no request for extension on the part of Great Britain. He said that possibly Great Britain might ask for a year's extension, but not for more than that. However, he said, he thought that France and Italy would probably ask for possibly two or three years' extension. With respect to those three powers he said he did not expect a request for an extension beyond three years; but he said that it might be necessary, in his judgment, to extend the time of payment for the smaller nations which are indebted to us, possibly for some nations as long as 10 years, and he did not wish his power in that respect to be in any way abridged.

Under the amendment which I have now offered, the Secretary of the Treasury, without coming back to Congress, would have authority to extend the time of the payment of interest for as long as three years, but if he proposed to extend it for

longer than three years he would have to come back to Congress for its approval. I do not think, Mr. President, there ought to be serious objection to the proposition which I now make. I believe, and I urged in the committee, that some limitation of that character upon the power of the Secretary would aid him in getting a better settlement in the interest of the United States; because if he were permitted to complete the transaction and reach a final settlement, it would be much more acceptable to the Government than to have to come back to Congress. Therefore if we permit him to settle without coming back to Congress by giving an extension of three years, it would be a strong incentive to the debtor nations not to ask for more than three years, because naturally they would, if possible, desire to avoid the matter having to be referred back for the approval of the Congress.

Mr. President, I do not wish to make myself objectionable to the Senate by unnecessarily stressing the importance of some limitation upon the power of the Secretary of the Treasury with respect to the payment of interest. I think it is desired by the people of this country to coerce as much as they can a speedy settlement of these obligations, to the end that we may begin to receive interest upon them. I am very much afraid, if some limitation is not placed upon the power of the Secretary, in view of the purposes expressed by him before the committee, that he will be inclined to grant to the debtor Governments a very much longer extension in the matter of interest payments than will be satisfactory to the people of this country or will be in their interest.

This is the only question about which we had trouble in the committee. I am not the only Senator who insisted upon limitations upon the power of the Secretary of the Treasury. Neither are the Democrats upon the committee the only Senators who insisted upon that limitation. We not only unanimously once agreed upon imposing it, but even after the strenuous insistence of the Secretary of the Treasury, members of the majority of the committee, notably the Senator from Utah, who have voted here to-day for unlimited power on the part of the Secretary of the Treasury in this matter were just as much convinced and argued just as strongly in the cross-examination of the Secretary against conferring upon him this power as I did.

Mr. President, I believe that we ought to require any settlement arrived by the Secretary of the Treasury with respect to the matter all interest to be subject to the limitation which I have suggested. We have imposed limitations in this bill upon practically every other power which the Secretary may exercise. The Secretary of the Treasury first asked that we give him power to exchange these bonds. We have decided that that power ought not to be given him. The Secretary as he first drafted the bill would have been given the power of cancellation. We have decided that he ought not to be given that power. The Secretary of the Treasury did not seriously object to the limitations upon his power in that respect. Why, then, should the Secretary of the Treasury, and why should his partisans and supporters in this body, insist upon his being given unlimited power with respect possibly to the most essential feature in connection with the settlement of this whole question, namely, the time of the payment of the interest?

The Secretary of the Treasury in the bill which he first drafted asked unlimited power with respect to the time of the payment of the principal. We have refused to give him that authority; we have expressly limited his authority in that respect. Now, why is it insisted here that when it comes to the matter of the payment of interest we should grant to him a power which we refused to grant with reference to the exchange of bonds, with reference to cancellation of the debt, or with reference to the time of the payment of the principal?

The PRESIDING OFFICER. The time of the Senator from North Carolina has expired. The question is on the amendment offered by the Senator from North Carolina.

Mr. REED. Mr. President, I have listened this afternoon to a curious argument made by the Senator from Massachusetts [Mr. LODGE]. It is that if we grant to the Secretary of the Treasury unlimited authority to defer interest payments all the debtor nations will pay their interest promptly; but if we say that the Secretary shall not be allowed to defer the interest payments for more than two years our foreign debtors will immediately declare that they want the two years. That is a new kind of argument to me. Of course, everybody who has any sense at all knows that when we come to negotiate for the settlement of the loans made to foreign Governments some time will elapse, and during that period of time every country will understand exactly what every other country is going to obtain. It will be known by Great Britain, a nation which we are told is able to pay its interest, that we propose to extend the time of payment to Czechoslovakia or some other country. If Great Britain is inclined to take advantage of that fact, she will do so, and if she is not inclined to take advantage of that fact, but to play the honorable part of the great nation she is, she will make her agreement to pay us regardless of the fact that some other nation obtained an extension.

We have been told there was no caucus upon this bill. That is a mere caviling at words. I suppose there was no caucus, technically speaking, but there was a conference. "Conferences" are what we always have in the Senate. I waste no time in debating a proposition of that kind. There undoubtedly was a meeting, and a meeting of minds and a concert of action, and that concert of action is being manifested here on the floor to-day. So a question, I repeat, which the Senator from Mississippi [Mr. WILLIAMS] declared is a great international question, has in that way been made a party question.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Mississippi?

Mr. REED. Certainly.

Mr. WILLIAMS. If the Senator will pardon me, a question can not be made a partisan one by the action of one party alone; it takes two to make it a partisan question.

Mr. REED. I understand that, and the Senator from Mississippi is perfectly justified, if he sees fit, in disregarding the action of the Republican caucus and voting on this matter as a great international question. I am not complaining of that at all.

Mr. President, we might as well talk plainly about this matter. When Congress passed the Liberty loan acts it did not leave any discretion of any importance with the Secretary of the Treasury. It provided in good, fixed terms that the obligations received from foreign Governments should be similar in character and terms to the obligations of our own bonds, and we proceeded by acts of Congress to fix the obligations of our own bonds. So we left the Secretary of the Treasury no discretion whatever except that he might advance money to different countries then engaged with the United States in conducting a great war, but upon terms that were written by Congress. Accordingly he made advances; he took written instruments binding these countries to issue their obligations in accordance with the terms of the acts of Congress. That power exists to-day, and the Secretary of the Treasury to-day could take those obligations.

What is the purpose of this bill, however? The purpose of this bill is to wipe out a part of the law as it exists, to nullify it, to destroy it, and to grant a power denied to the former Secretaries of the Treasury, and denied under the law to the present Secretary of the Treasury.

Here is the language:

> That * * * the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase at par, from such foreign Governments then engaged in war with the enemies of the United States, their obligations hereafter issued, bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act, to enter into such arrangements as may be necessary or desirable for establishing such credits and for purchasing such obligations of foreign Governments, and for the subsequent payment thereof before maturity, but such arrangements—

That is, with foreign Governments—

> shall provide that if any of the bonds of the United States issued and used for the purchase of such foreign obligations shall thereafter be converted into other bonds of the United States bearing a higher rate of interest than 3½ per cent per annum under the provisions of section 5 of this act, then and in that event the obligations of such foreign Governments held by the United States shall be, by such foreign Governments, converted in like manner and extend into obligations bearing the same rate of interest as the bonds of the United States issued under the provisions of section 5 of this act.

So that as the law now stands the Secretary of the Treasury can make these settlements, but if he makes them he must provide for the payment of the interest as written in the law of the United States. He now desires to be relieved from that obligation of the law. He now desires the authority to settle these obligations of foreign Governments, and to waive the interest for an indefinite period of time. In other words, we are asked now to repeal the sound provision of the law as it now exists, and to do it for the purpose of granting to this representative of Wall Street—who, as I demonstrated the other day, is the second richest man in the United States, and who was the director, I think, of 68 corporations at the time he took his office—the authority to extend indefinitely the interest upon these loans.

We were told the other day by the Senator in charge of this bill that the deferred interest is a small matter. It is only a thousand millions of dollars, equal to one-half of our national debt at the time we entered this war. We talk about it as a trifling matter, but if we want a few millions——

Mr. HITCHCOCK. Mr. President, I call the Senator's attention to the fact that the whole debt of the United States was only a thousand million dollars at the time we entered the war.

Mr. REED. I said one-half; it is equal to the entire debt. I thank the Senator for the correction. If we want a few millions of dollars to improve a river that will result in the reduction of freight rates all over the great Central West, the cheeseparers at the other end of the Avenue tell us we can not have that money, that we must economize, but when we are dealing with foreign countries we talk about a thousand millions of dollars as though it were a trifle. We talk about it as though it were inconsequential. We talk about deferring the interest on ten thousand millions of dollars—aye, eleven thousand millions of dollars—as though it were nothing, and then if we want a few millions of dollars for the highways of this country we are told that we must cut down the expenses of the Government. That is the kind of economy that is being practiced here.

I have no hesitation in prophesying that if we give this authority to the Secretary of the Treasury this great account with foreign Governments will be juggled in the interest of the private bondholders of the United States, those who own the obligations of foreign Governments, and of foreign individuals. That is the reason why this fight is being made as it is being made here; and yet the agricultural bloc, which has been boasting that it has been standing by the people of the United States, in this instance is responding to the crack of the whip, and the handle of the whip is in the clutches of the gentlemen who have been trying to induce us to forgive entirely our foreign debts in order that they may collect their private debts.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. STANLEY. Mr. President, in this connection I wish to say that I am surprised and grieved at the failure of the agricultural bloc to block whatever the Senate needs to have blocked that amounts to anything.

This thing of giving a stone where bread is asked is illustrated by the services of the agricultural bloc to agriculture. There is nothing more necessary, Mr. President, than that the soil, the basis of all industry, should be maintained in something like its virgin fertility. Every factory, every mill, every agency of commerce, grows out of it as literally as if it had its roots in the rich knoll; and yet, when an effort was made to preserve the greatest instrumentality for the preservation and the restoration of the soil, we heard a great cock-and-bull story about certain interests, certain patentees in Canada, that were going to be benefited by junking the great nitrate plant in Alabama. Since that time Edison and Ford, or for that matter any other business man who has sense enough to know the value of nitrates, have demonstrated that this was a paying proposition; and to-day, when Ford offers to buy the nitrate plant, we do not hear anything of this strange monopoly up in Canada or somewhere else that had a power plant and two or three mills down in Alabama and was going to absorb the nitrate interests of this country.

The trouble was that the nitrate proposition was fought by the Steel Corporation, it was fought by the great chemical companies, and the agricultural bloc were too wise to block the Steel Corporation; but they did offer a duty of 15 cents a bushel on corn and 30 cents a bushel on wheat, that have been going down ever since the duty was imposed. They might just as well offer the farmer a square foot of smoke or a square mile of hot air. And now, again, the great international bankers make a demand for hundreds of millions of dollars—the jugglery of these bonds, the manipulation of these bonds by the men who know how to handle them like a fakir at a fair knows how to handle 32 cards. That demand is made, which means millions to those who are interested, and does the agricultural bloc block? Not when Wall Street is on the main line and you are liable to derail a golden special! No, sir! They will offer us a duty on hides, or wool, or tanbark, or peanuts.

I do not blame Mr. Mellon. I do not blame the old guard. I do not blame those tried and valiant defenders of special interests, who make no secret of the fact that great property rights should be protected and that the Republican Party should remember its creator in the days of its youth; but I am surprised, I am grieved, to see the agricultural bloc, with its superpartisan piety wrapped like a phylactery around it, bowing in due deference to the demand of Wall Street and again failing to block when blocking would amount to anything to the farmer, whose patron saint it is, if you believe in Santa Claus.

Mr. WILLIAMS. Mr. President, whenever a man goes out Don Quixoting, he erects a windmill of his own, attacks it, and entirely overcomes it, and then goes home and brags about the result. I said nothing about giving charity to Europe. If I had said anything, I would not be amenable to any criticism. The American Government does not give charity to Europe. The American people give it every day, and I hope in the name of God that the time will never come when they cease to give it as long as it is needed.

The Senator undertakes to repeat to me, of all men—he of all men and I of all men—the eternal platitude that justice must precede generosity. That is true; there can be no justice without generosity, because if you do an injustice you are ungenerous to the person to whom you do it, of course; but, at the same time, there can be no justice without generosity; there can be no justice without mercy; and when the Senator talks about this as a money lender's proposition, where certain people owe us certain moneys which they must pay, principal and interest, nolens volens, I would like to inform him of two facts: First, they are sovereign powers themselves. They can repudiate their debts any morning they get ready. No international law has ever given the right to proceed to war in order to make a repudiating nation pay its debts. I would like to call the Senator's attention to the fact that 17 American States, in the history of this country, repudiated their debts, and European creditors settled it.

When you proceed with this legislation as if nobody were interested in it except the United States, you are proceeding upon the theory that it does not take two people to make a contract, which is absurd. You think you can draw up anything you please and put it in an American statute and bind all Europe by it. That is absurd. You can not reach any conclusion of present difficulties except by an agreement between ourselves and the other nations. Whether the difference between us be a difference of debtor and creditor, or whether it be something else, internationally speaking, the only remedy between nations is war, and if you announce beforehand that foreign nations have to do this and have to do that and have to do the other thing, that means that if they do not do it you are going to make them do it, and you have no court to appeal to, and you have no way to make them do it except by artillery and cavalry and infantry.

This question should never have been brought up. If I had been President of the United States, I never would have sent it here; I never would have sent the Secretary of the Treasury here to present such a matter. I would have gone along and dealt with these various debtor nations one by one, because each one of them stands upon a different footing from the others, and I would have brought back my agreements with them, and I would have submitted those agreements to the Senate of the United States, or to the Congress of the United States, if an appropriation had been required, or if a law had been required to change an ancient law, because the Executive by treaty can not do those two things. It can not appropriate money and it can not violate a law.

Mr. President, the Senator thinks that because I have said this ought not to be a money lender's proposition, therefore I am a quixotic sort of wild-haired gentleman who wants the United States to give away to somebody everything it has. I never said that. The great powers of this earth cherish their honor as much as we do ours. The question is not whether the great powers will pay their debts; it is a question as to how lenient we are going to be toward suffering debtors—small powers. An attempt has been made in this bill to fix it so that you can not even negotiate with them. It is fixed so that they can not even exchange the bonds of people whose bonds we would rather have for others.

Mr. President, there is poor little Serbia, which received an ultimatum. The Senator said we won the war. We did not. The whole civilized world put together won the war, and I am tired of this miserable American brag about our winning the war. It is not true, it is not chivalrous, it is not generous, and it is not nice to say it. France lost a million and a half men, Great Britain lost three-quarters of a million, little Belgium lost nearly a quarter of a million, little Serbia lost over a third of a million before we came in and put up mainly our dollars. Our dollars!

We lost 50,000 men, I believe. Do you think that because we lost a few dollars Serbia and Belgium have not a right to put against those few dollars the hundreds of thousands of men who lost their lives, leaving widows and children behind them? Do you remember that when we fought for the world civilization and its democracy we were nearly three years getting in, and in the meanwhile they had been having their lands torn up, their houses burned down, devastation of every industry in the world, the schools stopped, the churches closed, lives lost, widows created, orphans created, all this time?

Ah, Mr. President, I am an American. I am an ambassador from a sovereign American State, but I am ashamed and tired

of this constant talk about our winning the war. We did our part; we did it nobly; we did it superbly; but it is my opinion that Germany would have been whipped anyhow. It would have taken longer.

Whether that be true or not, the others did as much as we did, if not more. France did a thousand times as much. Great Britain did several times as much. So many of you hate her very name, that I will not try to put it in numbers. Italy did more than we did. Belgium did infinitely more. Serbia did infinitely more to win the war than we did.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. The Senator from Arizona has already spoken once upon this amendment.

Mr. ASHURST. I just wished to inquire if I have any time on the bill, and if so, if I have a right to speak at this time?

The PRESIDING OFFICER. Not at this time.

Mr. STANLEY. Mr. President, I have not spoken on the bill and I spoke less than 10 minutes on the amendment. So I wish to speak about 5 minutes longer.

The PRESIDING OFFICER. The unanimous-consent agreement provides that no Senator shall speak more than once upon an amendment. Under the ruling heretofore made the Senator can not speak upon the bill while an amendment is pending. The question is upon the amendment offered by the Senator from North Carolina [Mr. SIMMONS] to the amendment of the committee as amended.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. The Chair inquires of the Senator from Nebraska if he has spoken before on the pending amendment?

Mr. HITCHCOCK. I have not, but I am just informed that the Senator from North Dakota [Mr. MCCUMBER] would like to arrange to have a recess taken. I yield to him for the purpose of submitting his request.

Mr. McCUMBER. Mr. President, allow me to make a statement, not upon an amendment, but upon the order of business. A request has come to me from the other side of the Chamber that we take a recess until 11 o'clock to-morrow morning, with the understanding that at not later than 2 o'clock to-morrow all debate shall cease and we shall vote upon any amendment that may be pending and upon the bill without further debate.

Mr. NORRIS. Mr. President, I am not going to agree to that, because I realize the amendment which I have to offer will come as the last thing and there would then be no opportunity to explain it. I wish to discuss it a little.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from North Carolina [Mr. SIMMONS] to the amendment of the committee as amended.

Mr. SIMMONS. On that I call for the yeas and nays.

The yeas and nays were ordered.

Mr. HITCHCOCK. Mr. President, I did not intend to yield the floor except for the purpose of allowing the Senator from North Dakota to submit his request. I have a word or two to say upon the pending amendment.

The Senator from Mississippi [Mr. WILLIAMS] assumes in the first place that the United States is without existing contracts with these countries. The fact is that under existing law the United Stats did enter into written contracts with all of these countries and that those contracts embrace all but six or seven hundred million dollars of the indebtedness. These contracts are definite and certain. They provide for the payment of a certain sum of money at a certain rate of interest, and being due on demand the power rests solely within the United States as to the making of the demand. They are demand obligations. Therefore it is not a question as to whether it takes two to make a bargain. The bargain has already been made, and it has been made under the authority of the United States legislative power and exists at the present day.

Mr. WILLIAMS. Mr. President, I hope the Senator will not put me in the position of being ignorant of the fact that there was an agrement between the foreign Governments and our own.

Mr. HITCHCOCK. I am not attempting to do anything with the Senator except that I desire to say that when he stated it took two to make a bargain——

Mr. WILLIAMS. It takes two to modify a bargain, too.

Mr. HITCHCOCK. And that therefore we must create this commission to do that he took a line of argument that is entirely unnecessary.

Mr. WILLIAMS. Oh, Mr. President——

Mr. HITCHCOCK. I decline to yield further.

Mr. WILLIAMS. It takes two to make a bargain, and the Senator desires to modify an old bargain.

Mr. HITCHCOCK. The Senator really abandoned his case when he said that the President already had the power to modify the existing agreement and submit it to the Congress of the United States or to the Senate for acceptance.

The question is not whether we are going to recognize the equities of Serbia or the equities of Belgium or the equities of France. The question is not whether we are going to respond to a reasonable degree of generosity, but the simple question is whether that act of generosity, that act of liberality, is to be done by the Congress of the United States representing the people, or whether that enormous power is to be vested in the hands of a few men to be appointed by the President of the United States.

That raises the question whether we have here a Republic. Is this a Republic in which the representatives of the people are to possess the power to give away the people's money, to exercise generosity, or have we an autocratic form of government in which the Congress is divested of that great power and it is placed in the hands of a few people?

Why, Mr. President, the prime minister of France himself would not venture to abate any of the reparations due from Germany to France without consulting his Chamber of Deputies. Time and again when propositions have been made to him to do that, he has gone to his Chamber of Deputies to get the authority of the chamber representing the people of France.

Yet it is proposed here in the United States that Congress shall vest that great power in the hands of a commission, not selected by Congress but selected by the President, and that commission is to exercise this enormous power over an interest amounting to $500,000,000 a year, one-half as much as Congress has heretofore expended annually.

Mr. STANLEY. Mr. President, just a question——

Mr. HITCHCOCK. I yield.

Mr. STANLEY. The Senator is not unmindful of the fact that the principal function of Congress these days is to act as a conduit to convey power from the people to some bureau. We are governed by bureaus entirely. Why should we not follow that course in this case?

Mr. HITCHCOCK. Mr. President, I take the position that the Congress of the United States ought to exercise its responsibility and its power. If it is necessary to be generous, let Congress be generous. We are responsible to the people. If we make a mistake they will hold us accountable for it. But we have not any right to divest ourselves of that power and abrogate that power and relieve ourselves of the duty by turning it over to a little commission, a commission which would have the power to delay the payment of $500,000,000 a year for 20 years, if it pleased, a commission which would have greater power over the finances of the United States than Congress has over the finances of the United States.

I therefore say to the Senator from Mississippi that it is not a question whether we shall be generous or not, it is not a question whether we shall be overexacting or not. It is a question whether we are going to abrogate the power and turn it over to a little commission of men and say we relieve ourselves of the responsibility. I do not care whether the commission acts wisely or unwisely, whether it is overgenerous or overniggardly. We have not any right to put that power in the hands of any commission if this is still a republic and the power still remains in the hands of the representatives of the people.

SEVERAL SENATORS. Vote! Vote!

Mr. JONES of New Mexico. Mr. President, I know that the Senate is anxious for a vote, but I know also that it is impossible to get a vote to-night at any reasonable hour. That has been indicated by the Senator from Nebraska [Mr. NORRIS], and it is evident from amendments which are yet to be offered. If we are to remain here until those amendments can be disposed of, there is no use to hasten in any way whatsoever; we can take our time. If that is the program I think the Senate may very well listen to some cogent remarks upon the subject.

Mr. President, this matter has been discussed in the main purely upon the assumption that the Government of the United States has an intangible thing here with which it is dealing, that it has something which neither has earmark, boundary, terms, nor conditions, a mere I O U. I wish, in all earnestness, to call to the attention of the Senate precisely the situation in which the Government stands at this hour. We never loaned a dollar to Great Britain or France. I reiterate that in the common acceptation of the terms, we never loaned a dollar to either one of our allies. What this Government of ours was authorized to do, and what it did, was to buy the obli-

gations of those Governments, an entirely different thing from the making of a mere loan and the taking back of an I O U. I desire to call attention to the law upon that subject:

Section 2 of the act provided—that we should go out and loan money? Not at all. It provided—

That for the purpose of more effectually providing for the national security and defense and prosecuting the war by establishing credits in the United States for foreign Governments, the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States—

Now, to do what?

to purchase at par from such foreign Governments then engaged in war with the enemies of the United States their obligations hereafter issued, bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act.

That is what the Secretary of the Treasury was authorized to do. He was authorized to buy the obligations of those countries at par.

Mr. President, at this point I wish to insert as a part of my remarks, without reading, the entire section.

The PRESIDING OFFICER. Without objection, leave will be granted.

The section referred to is as follows:

SEC. 2. That *for the purpose of more effectually providing for the national security and defense and prosecuting the war* by establishing credits in the United States for foreign Governments, the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase at par, from such foreign Governments *then engaged in war with the enemies of the United States*, their obligations hereafter issued, *bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act*, to enter into such arrangements as may be necessary or desirable for establishing such credits and for purchasing such obligations of foreign Governments and for the subsequent payment thereof before *maturity*, but such arrangements shall provide that if any of the bonds of the United States issued and used for the purchase of such foreign obligations shall thereafter be converted into other bonds of the United States bearing a higher rate of interest than 3½ per cent per annum under the provisions of section 5 of this act, then, and in that event, the obligations of such foreign Governments held by the United States shall be, by such foreign Governments, converted in like manner and extent into obligations bearing the same rate of interest as the bonds of the United States issued under the provisions of section 5 of this act. For the purposes of this section there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000,000, or as much thereof as may be necessary: *Provided*, That the authority granted by this section to the Secretary of the Treasury to purchase bonds from foreign Governments as aforesaid shall cease upon the *termination of the war between the United States and the Imperial German Government.*

Mr. JONES of New Mexico. What sort of obligation did the United States buy? It was not a mere I O U for the mere lending of money, but under this law they purchased at par certain obligations of those various Governments. It has been read here time and again, but I can not believe that it has received due consideration from the Senate. What were those obligations which were bought at par and which were authorized to be so bought? I submit that no more solemn obligation could be entered into than was entered into between these Governments when this Government of ours bought at par the obligations of those foreign Governments.

Here is the obligation which was bought from Great Britain and which is a mere sample of those which were bought from other countries:

The Government of the United Kingdom of Great Britain and Ireland, for value received, promises to pay to the United States of America, or assigns, the sum of ———, on demand, with interest from the date hereof at the rate of 5 per cent per annum.

That was not all the obligation. The obligation continues:

Such principal sum and the interest thereon will be paid at the Subtreasury of the United States in New York or, at the option of the holder, at the Treasury of the United States in Washington in gold coin of the United States of America.

That was not all the obligation. I read further:

This certificate will be converted by the Government of the United Kingdom of Great Britain and Ireland, if requested by the Secretary of the Treasury of the United States of America, at par, with an adjustment of accrued interest, into an equal par amount of 5 per cent convertible gold bonds of the Government of the United Kingdom of Great Britain and Ireland conforming to the provisions of acts of Congress of the United States known respectively as second Liberty bond act, third Liberty bond act, and fourth Liberty bond act.

I ask that the whole of the obligation may be inserted in my remarks without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The document referred to is as follows:

SECTION 6.

(Form of certificate or obligation taken from all foreign Governments.)

CERTIFICATE OF INDEBTEDNESS—SIXTH SERIES.

The Government of the United Kingdom of Great Britain and Ireland, for value received, promises to pay to the United States of America, or assigns, the sum of ——— on demand, with interest from the date hereof, at the rate of 5 per cent per annum. Such principal sum and the interest thereon will be paid at the Subtreasury of the United States in New York or, at the option of the holder, at the Treasury of the United States in Washington in gold coin of the United States of America of the present standard of weight and fineness, or, at the option of the holder, at the Bank of England, London, England, in pounds sterling at the fixed rate of $4.76⅞ to the pound sterling, and at any such place of payment without deduction for any British taxes, present or future.

This certificate will be converted by the Government of the United Kingdom of Great Britain and Ireland, if requested by the Secretary of the Treasury of the United States of America, at par, with an adjustment of accrued interest, into an equal par amount of 5 per cent convertible gold bonds of the Government of the United Kingdom of Great Britain and Ireland conforming to the provisions of acts of Congress of the United States known respectively as second Liberty bond act, third Liberty bond act, and fourth Liberty bond act. If bonds of the United States issued under authority of said acts shall be converted into other bonds of the United States bearing a higher rate of interest than 4½ per cent per annum, a proportionate part of the obligations of the Government of the United Kingdom of Great Britain and Ireland of this series acquired by the United States under authority of said acts shall, at the request of said Secretary of the Treasury, be converted into obligations of said Government of the United Kingdom of Great Britain and Ireland bearing interest at a rate exceeding that previously borne by this obligation by the same amount as the interest rate of the bonds of the United States issued upon such conversion exceeds the interest rate of 4½ per cent but not less than the highest rate of interest borne by such bonds of the United States.

———, ———,
For the Government of the United Kingdom of Great Britain and Ireland.

Dated, this — day of ———, 1918.

Mr. JONES of New Mexico. There is your law. There is your obligation. What are we doing with it now? What is it proposed that we shall do now? It is proposed that we shall surrender and modify the obligation which we bought under existing law and which we bought at par.

There is not a single one of those obligors who has yet appeared before the United States and asked for a modification of those obligations. When the Secretary of the Treasury appeared before the Senate Finance Committee I asked him that question, whether any Government had applied for a modification of its obligation, and he said no. I asked him if he had taken up negotiations with any one of them, and he said no. So we have this situation: We have the law expressly authorizing the Secretary of the Treasury to purchase at par certain obligations of these foreign Governments. The foreign Governments presented the obligations; they were obligations to pay so much money with 5 per cent interest; and, at the request of the Secretary of the Treasury, to convert those obligations into other long-term bonds.

Mr. President, I can not see why this matter is brought up here at this time unless there be some sinister purpose which is not manifest from any of the record in the case. When we have already bought the obligations of these countries, when they have given their solemn promise to pay so much money and to enter into other obligations specifically provided for in the ones which we now hold, I should like to know why there is such a demand here now to modify this contract? I am not willing to enter into the realm of prophecy, because I submit that the burden is upon those who are pressing this bill to show why it should be done. It is for them to give a reason. It is not for us to surmise and speculate as to why it is done; but the law authorized the Secretary of the Treasury of the United States to use the gold dollars collected from the people of this country for the specific purpose of buying obligations of foreign countries. He bought those obligations at par upon their face; they bear 5 per cent interest; not one of these Governments has applied for a modification.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROBINSON. Mr. President, it must be apparent to all Senators that a conclusion of this matter can not be reached this evening. It is now 6.20 o'clock. Under the peculiar conditions which exist, I think the Senate ought to take a recess until some time to-morrow. Some of us have waited very patiently for the Senator from North Dakota, in charge of the bill, to indicate a purpose to do that. For my part, if I thought that a vote could be reached within a few minutes, I would be perfectly willing to remain here, but I can not understand why we should be expected to remain here indefinitely under the circumstances as they exist. I therefore move that the Senate take a recess until 11 o'clock to-morrow, if that hour is acceptable to the Senator from North Dakota.

Mr. McCUMBER. Mr. President, I will ask the Senator from Arkansas to withhold that motion for the time being. I think, perhaps, all the argument has been made that it is desired to make upon the particular amendment which is now pending and that we can now have a vote upon it.

Mr. ROBINSON. Mr. President——

Mr. McCUMBER. Let me say——

The PRESIDING OFFICER. Does the Senator from Arkansas yield further to the Senator from North Dakota?

Mr. ROBINSON. I yield for a moment.

Mr. McCUMBER. Let me say further to the Senator that there are some Senators—I do not know how many—who came back from their homes in order to vote upon this matter to-day, and they have to leave again to-morrow. They are very anxious to have a vote to-day. I tried to fix some time to-morrow when a vote could be taken. I myself have an engagement at 3 o'clock to-morrow, but, of course, if it is absolutely necessary, I shall have to break that engagement; that is all there is to it.

Now let me ask the Senator if he will not consent that we now vote upon the pending amendment, and then have a short executive session, at its conclusion taking a recess until to-morrow at 11 o'clock?

Mr. ROBINSON. Mr. President, I am advised by a number of Senators about me that they expect to speak on the pending amendment. I can not understand why it is necessary now to press this amendment to a vote and to leave other amendments undisposed of. The Senate can easily finish the bill within a reasonable limit of time to-morrow. I, therefore, move that the Senate take a recess until 11 o'clock to-morrow.

The PRESIDING OFFICER. The question is upon the motion of the Senator from Arkansas to take a recess until 11 o'clock to-morrow. [Putting the question.] The "noes" seem to have it.

Mr. ROBINSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement as to my pair and its transfer as on the previous roll call, I vote "nay."

Mr. McKELLAR (when his name was called). I have a general pair with the junior Senator from Indiana [Mr. NEW], which I transfer to the junior Senator from Rhode Island [Mr. GERRY], and vote "yea."

Mr. RANSDELL (when his name was called). I have a pair with the junior Senator from Delaware [Mr. DU PONT], but, under my arrangement with him, I feel at liberty to vote on this question, and vote "yea."

Mr. STERLING (when his name was called). Making the same announcement as to my pair and its transfer as on the last vote, I vote "nay."

The roll call was concluded.

Mr. DILLINGHAM (after having voted in the negative). Let me inquire if the Senator from Virginia [Mr. GLASS] has voted?

The PRESIDING OFFICER. The Senator from Virginia has not voted.

Mr. DILLINGHAM. I have a general pair with that Senator which I transfer to the junior Senator from Delaware [Mr. DU PONT], and allow my vote to stand.

Mr. CURTIS. I desire to announce that the Senator from Iowa [Mr. CUMMINS] is paired with the Senator from California [Mr. JOHNSON].

The result was announced—yeas 32, nays 44, as follows:

YEAS—32.

Ashurst	Heflin	Overman	Simmons
Borah	Hitchcock	Pittman	Stanley
Broussard	Jones, N. Mex.	Pomerene	Swanson
Caraway	King	Ransdell	Underwood
Dial	La Follette	Reed	Walsh, Mass.
Fletcher	McKellar	Robinson	Walsh, Mont.
Harris	Myers	Sheppard	Watson, Ga.
Harrison	Norris	Shields	Williams

NAYS—44.

Ball	Fernald	McCormick	Phipps
Brandegee	France	McCumber	Poindexter
Bursum	Frelinghuysen	McKinley	Spencer
Cameron	Gooding	McLean	Sterling
Capper	Hale	McNary	Sutherland
Colt	Jones, Wash.	Moses	Townsend
Curtis	Kellogg	Nelson	Wadsworth
Dillingham	Kenyon	Nicholson	Warren
Edge	Keyes	Oddie	Watson, Ind.
Elkins	Lenroot	Page	Weller
Ernst	Lodge	Pepper	Willis

NOT VOTING—20.

Calder	Gerry	Ladd	Shortridge
Crow	Glass	New	Smith
Culberson	Harreld	Newberry	Smoot
Cummins	Johnson	Norbeck	Stanfield
du Pont	Kendrick	Owen	Trammell

So the Senate refused to take a recess.

Mr. McCUMBER. Mr. President, it is evident that Senators generally do not wish to bring this matter to a final vote to-day. I deprecate the attempt to take the matter into the hands of either side of the Chamber, as we are trying to do the best we can to get a vote as soon as it is possible and to accommodate everyone. That was the idea in entering into the agreement which was reached on Saturday last.

Mr. President, it is desired to hold a brief executive session for the purpose of making some reports, and then I shall move that the Senate take a recess until to-morrow at 11 o'clock. I desire to give notice that I intend to press the matter to-morrow to a final vote.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. Before yielding I move that when the Senate concludes its business on this calendar day it take a recess until to-morrow at 11 o'clock a. m.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. I should like to have a vote on my motion.

Mr. REED. I merely wish to ask the Senator a question. I presume, then, that those of us who do not stay here for the executive session may go home with the understanding that, with the exception of executive business, there will be no business transacted?

Mr. McCUMBER. Certainly.

Mr. REED. Very well.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Dakota that when the Senate concludes its session this afternoon it take a recess until to-morrow at 11 o'clock a. m.

The motion was agreed to.

EXECUTIVE SESSION.

Mr. McCUMBER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 6 o'clock and 40 minutes p. m.), under the order previously made, the Senate took a recess until to-morrow, Tuesday, January 31, 1922, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate January 30 (legislative day of January 25), 1922.

UNITED STATES ATTORNEYS.

Walter G. Winne, of New Jersey, to be United States attorney, district of New Jersey, vice Elmer H. Geran, resigned, effective February 16, 1922.

Randolph Bryant, of Texas, to be United States attorney, eastern district of Texas, vice E. J. Smith, resigned.

UNITED STATES MARSHALS.

Thomas N. Hazelip, of Kentucky, to be United States marshal, western district of Kentucky, vice Edgar H. James, term expired.

William Robert Rodman, of Rhode Island, to be United States marshal, district of Rhode Island, vice John J. Richards, term expired.

RETIRED LIST OF THE ARMY.

Henry William Daly, late major, Quartermaster Corps, United States Army (Emergency), to be first lieutenant on the retired list of the Army of the United States with rank from January 26, 1922.

APPOINTMENTS IN THE REGULAR ARMY.

VETERINARY CORPS.

To be second lieutenants with rank from January 23, 1922.

Jack Glendon Fuller, late first lieutenant, Veterinary Corps, United States Army (Emergency).

Ralph Henry Lewis, late second lieutenant, Veterinary Corps, United States Army (Emergency).

Frank Marion Lee, late captain, Veterinary Corps, United States Army (Emergency).

Norman Walker Ackerman, late second lieutenant, Veterinary Corps, United States Army (Emergency).

James Donald Young, of Wisconsin.

POSTMASTERS.

ALABAMA.

Jewell Bratton to be postmaster at Jemison, Ala. Office became presidential October 1, 1920.

Jacob A. Johnson to be postmaster at Vernon, Ala., in place of W. C. Johnson. Incumbent's commission expired March 16, 1921.

Meige C. Bronson to be postmaster at Dadeville, Ala., in place of A. A. Leach. Incumbent's commission expired July 23, 1921.

William P. Shurett to be postmaster at Rockford, Ala. Office became presidential January 1, 1921.

Stella K. Martin to be postmaster at Planterville, Ala. Office became presidential April 1, 1921.

Joe L. Hinson to be postmaster at East Tallahassee, Ala. Office became presidential July 1, 1920.

John R. L. Carmack to be postmaster at Brewton, Ala., in place of C. R. Rankin, resigned.

John E. Sutterer to be postmaster at Cullman, Ala., in place of S. J. Griffin, resigned.

ARKANSAS.

Samuel C. Scott to be postmaster at Wheetley, Ark. Office became presidential April 1, 1920.

William O. Roberts to be postmaster at Sheridan, Ark., in place of R. W. Glover. Incumbent's commission expired April 19, 1921.

Alexander C. Gillies to be postmaster at Black Oak, Ark. Office became presidential July 1, 1920.

Ida Burns to be postmaster at Heber Springs, Ark., in place of J. W. McClenny, resigned.

CALIFORNIA.

Marion B. Cheever to be postmaster at Camp Meeker, Calif. Office became presidential October 1, 1921.

Thomas H. Faus to be postmaster at Lindsay, Calif., in place of C. B. Fair. Incumbent's commission expired February 4, 1919.

Alice R. Scheeck to be postmaster at Eldridge, Calif., in place of G. A. Thoren, declined.

Roswell M. Wilbur to be postmaster at Delano, Calif., in place of Hope Lockridge, resigned.

Joseph F. Carroll to be postmaster at Bell, Calif. Office became presidential January 1, 1921.

Thomas J. Durfee to be postmaster at Bieber, Calif. Office became presidential October 1, 1920.

John P. Day to be postmaster at Woodlake, Calif., in place of J. P. Day. Incumbent's commission expired July 21, 1921.

Loring N. Kirk to be postmaster at Upland, Calif., in place of H. O. Blohm. Incumbent's commission expired June 27, 1920.

CONNECTICUT.

John L. Eliot to be postmaster at Clinton, Conn., in place of J. L. Eliot. Incumbent's commission expired July 21, 1921.

FLORIDA.

Edwin C. Shuler to be postmaster at Hosford, Fla. Office became presidential October 1, 1921.

Agnes M. Moreman to be postmaster at Maitland, Fla., in place of V. Ervin, declined.

Donald A. Flye to be postmaster at Haines City, Fla., in place of G. D. Langston. Incumbent's commission expired August 1, 1921.

Bonnie B. Wilson to be postmaster at Sneads, Fla. Office became presidential April 1, 1921.

Orville L. Bogue to be postmaster at Oxford, Fla. Office became presidential October 1, 1921.

Cecilia E. Kilbourn to be postmaster at Carrabelle, Fla., in place of Lynn Kilbourn, to correct name.

GEORGIA.

Lelia B. Tart to be postmaster at Oliver, Ga. Office became presidential January 1, 1921.

Gordon B. Hulme to be postmaster at Kingston, Ga. Office became presidential January 1, 1921.

George R. Burton to be postmaster at White Plains, Ga. Office became presidential January 1, 1920.

IDAHO.

Bertha M. Gorrie to be postmaster at Deary, Idaho. Office became presidential January 1, 1921.

Ransom M. Coburn to be postmaster at Lewiston, Idaho, in place of R. L. Pennell. Incumbent's commission expired March 4, 1920.

ILLINOIS.

John W. Miller to be postmaster at Okawville, Ill., in place of W. F. Hagebusch. Incumbent's commission expired August 17, 1921.

Robert Murphy to be postmaster at Tilden, Ill. Office became presidential April 1, 1921.

Bruce C. Krugh to be postmaster at Homer, Ill., in place of J. P. McPherren. Incumbent's commission expired September 11, 1921.

INDIANA.

Harvey S. S. Bell to be postmaster at Galveston, Ind., in place of H. S. Chamness, resigned.

Gay R. Paul to be postmaster at Ray, Ind. Office became presidential April 1, 1921.

John W. Rudolph to be postmaster at Montgomery, Ind. Office became presidential October 1, 1920.

IOWA.

Rufus W. McKnight to be postmaster at Marengo, Iowa, in place of J. J. Glenn, resigned.

Benjamin A. Brown to be postmaster at Colfax, Iowa, in place of L. H. Lyon. Incumbent's commission expired August 7, 1921.

KANSAS.

W. F. Bomgardner to be postmaster at Palco, Kans. Office became presidential October 1, 1920.

Marion W. Covey to be postmaster at Miltonvale, Kans., in place of G. C. Buche. Incumbent's commission expired July 23, 1921.

Maggie Dowell to be postmaster at Gaylord, Kans., in place of Maggie Dowell. Incumbent's commission expires February 4, 1922.

KENTUCKY.

Henry I. Neely to be postmaster at Hazel, Ky. Office became presidential October 1, 1920.

Marion Weatherholt to be postmaster at Cloverport, Ky., in place of C. E. Lightfoot. Incumbent's commission expired July 21, 1921.

William E. Winslow to be postmaster at Wingo, Ky. Office became presidential October 1, 1920.

Lucille C. Yates to be postmaster at Grayson, Ky., in place of C. K. Lewis. Incumbent's commission expired July 21, 1921.

LOUISIANA.

Margaret Berger to be postmaster at McDonoghville, La. Office became presidential July 1, 1921.

MAINE.

George H. Howe to be postmaster at Caribou, Me., in place of R. C. Gary, declined.

Winnifred J. Libby to be postmaster at Ocean Park, Me. Office became presidential January 1, 1921.

James L. Dunn to be postmaster at Cumberland Center, Me. Office became presidential October 1, 1921.

MARYLAND.

James O. Wilson to be postmtster at Hebron, Md. Office became presidential January 1, 1921.

Lloyd T. Hayden to be postmaster at Centerville, Md., in place of W. J. Woodford. Incumbent's commission expired February 28, 1920.

Samuel G. Nuttle to be postmaster at Denton, Md., in place of A. E. Cooper. Incumbent's commission expired June 23, 1920.

MASSACHUSETTS.

Earl W. Polmatier to be postmaster at Williamsburg, Mass., in place of R. F. Burke. Incumbent's commission expired January 24, 1922.

L. Edward St. Onge to be postmaster at Ware, Mass., in place of W. B. Kelly. Incumbent's commission expired August 3, 1920.

Benjamin Derby to be postmaster at Concord Junction, Mass., in place of James Nagle. Incumbent's commission expired January 24, 1922.

MINNESOTA.

John Bowden to be postmaster at Spring Valley, Minn., in place of John Bowden. Incumbent's commission expired May 17, 1921.

Walter W. Pearson to be postmaster at Nevis, Minn., in place of W. W. Pearson. Incumbent's commission expired August 7, 1921.

Ralph V. Townsend to be postmaster at Minnesota Lake, Minn., in place of R. V. Townsend. Incumbent's commission expired August 7, 1921.

Wallace R. Ackerman to be postmaster at Mapleton, Minn., in place of C. H. Dietz, removed.

Bertram L. Sweet to be postmaster at Jasper, Minn., in place of W. H. Lake, resigned.

Harlan J. Miner to be postmaster at International Falls, Minn., in place of C. E. Nightingale. Incumbent's commission expired May 17, 1921.

William E. Fay to be postmaster at Chisholms, Minn., in place of Millie Berkman, resigned.

Andrew Bromstad to be postmaster at Milan, Minn., in place of Andrew Bromstad. Incumbent's commission expires February 16, 1922.

MISSISSIPPI.

Nettie M. Scott to be postmaster at Lake Cormorant, Miss. Office became presidential January 1, 1921.

Willie R. Lester to be postmaster at Crowder, Miss. Office became presidential July 1, 1921.

Ruth Seale to be postmaster at Lyon, Miss., in place of J. W. Fontaine, resigned.

Walter T. Heslep to be postmaster at Indianola, Miss., in place of A. B. Smith, resigned.

Charles B. Turner to be postmaster at Ellisville, Miss., in place of Maggie J. Hill. Incumbent's commission expired March 9, 1920.

Amos D. Dorman to be postmaster at Myrtle, Miss. Office became presidential July 1, 1920.

Mary E. Herring to be postmaster at Madison Station, Miss. Office became presidential January 1, 1921.

Robert J. E. Barwick to be postmaster at Glen Allan, Miss. Office became presidential July 1, 1920.

Mattie B. Catchings to be postmaster at Georgetown, Miss. Office became presidential July 1, 1920.

Mary E. Holtzclaw to be postmaster at Utica Institute, Miss. Office became presidential July 1, 1921.

Marion W. Thornton to be postmaster at Pachuta, Miss. Office became presidential January 1, 1921.

Lily B. Maxwell to be postmaster at Camden, Miss. Office became presidential January 1, 1921.

Frankie M. Storm to be postmaster at Benoit, Miss. Office became presidential October 1, 1920.

Hubbard E. McClurg to be postmaster at Ruleville, Miss., in place of H. E. McClurg, resigned.

Henry A. Moore to be postmaster at Oxford, Miss., in place of C. A. McCharen, resigned.

Thomas A. Chapman to be postmaster at Friar Point, Miss., in place of M. F. Johnston, resigned.

MISSOURI.

Horace P. Bassett to be postmaster at Wheeling, Mo. Office became presidential January 1, 1921.

Benjamin F. Northcott to be postmaster at Sumner, Mo. Office became presidential January 1, 1921.

Harland F. Kleppinger to be postmaster at Rockville, Mo., in place of D. D. Hitt. Incumbent's commission expired July 25, 1921.

Charles O. Vaughn to be postmaster at Weaubleau, Mo. Office became presidential October 1, 1920.

Charles T. Wright to be postmaster at Stoutsville, Mo. Office became presidential April 1, 1921.

Archie C. Witt to be postmaster at Gower, Mo. Office became presidential January 1, 1921.

Leonard Ancell to be postmaster at Higbee, Mo., in place of M. W. Spurling. Incumbent's commission expired July 25, 1921.

Knox G. Thomas to be postmaster at Verona, Mo., in place of C. E. Miller, resigned.

MONTANA.

Margaret F. Stevens to be postmaster at Pony, Mont. Office became presidential October 1, 1921.

Mordena C. Busey to be postmaster at Eureka, Mont., in place of M. C. Busey. Incumbent's commission expired July 21, 1921.

Ralph H. Bemis to be postmaster at Belt, Mont., in place of J. S. Pearson. Incumbent's commission expired July 21, 1921.

NEBRASKA.

Alfred G. Taylor, to be postmaster at Chappell, Nebr., in place of T. J. Oberender, declined.

NEW HAMPSHIRE.

Hiram W. Eldredge to be postmaster at Antrim, N. H., in place of A. M. Swett. Incumbent's commission expired April 24, 1920.

Caroline G. Colby to be postmaster at New Market, N. H., in place of C. A. Morse, removed.

NEW JERSEY.

Frank E. Marinaccio to be postmaster at Madison, N. J., in place of F. C. Carle. Incumbent's commission expired March 16, 1921.

NEW MEXICO.

Clyde E. Ely to be postmaster at Deming, N. Mex., in place of W. E. Foulks. Incumbent's commission expired July 21, 1921.

John C. Luikart to be postmaster at Clovis, N. Mex., in place of A. B. Wagner. Incumbent's commission expired July 21, 1921.

Oliver G. Cady to be postmaster at Alamogordo, N. Mex., in place of L. R. Hughes, removed.

NEW YORK.

Mary H. Dunn to be postmaster at Bellmore, N. Y. Office became presidential October 1, 1921.

Robert B. Irwin to be postmaster at Nichols, N. Y., in place of R. B. Irwin. Incumbent's commission expired July 21, 1921.

Charles H. Huntoon to be postmaster at Sayville, N. Y., in place of M. J. Manton, resigned.

NORTH CAROLINA.

Arthur H. Gibbs to be postmaster at Whittier, N. C. Office became presidential April 1, 1921.

Sam L. Franks to be postmaster at Franklin, N. C., in place of C. L. Ingram. Incumbent's commission expired April 16, 1921.

NORTH DAKOTA.

Desha V. Poland to be postmaster at Parshall, N. Dak., in place of T. F. Cooper, resigned.

Joseph J. Simon to be postmaster at Thompson, N. Dak. Office became presidential October 1, 1920.

William A. Borderud to be postmaster at Davenport, N. Dak Office became presidential July 1, 1921.

Minnie E. Anderson to be postmaster at Leonard, N. Dak., in place of M. E. Anderson. Incumbent's commission expired March 16, 1921.

OHIO.

John M. Doan to be postmaster at Marietta, Ohio, in place of F. G. Henry. Incumbent's commission expired May 10, 1920.

William G. Hoffer to be postmaster at Willshire, Ohio. Office became presidential January 1, 1921.

George W. Hurless to be postmaster at Waterville, Ohio. Office became presidential October 1, 1920.

Harold L. Sansbury to be postmaster at Vinton, Ohio, in place of H. D. Devore. Incumbent's commission expired July 21, 1921.

OKLAHOMA.

Irvin T. Boldrey to be postmaster at Helena, Okla., in place of J. M. Staten, resigned.

Thomas E. Miller to be postmaster at Francis, Okla., in place of D. M. Watson. Incumbent's commission expired October 3, 1921.

Jason A. N. Horton to be postmaster at Hunter, Okla. Office became presidential April 1, 1919.

Charles L. Bell to be postmaster at Lindsay, Okla., in place of J. L. Avey, resigned.

Lee R. Johnson to be postmaster at Olustee, Okla., in place of T. I. Truscott. Incumbent's commission expired July 23, 1921.

William I. Fisher to be postmaster at Cordell, Okla., in place of H. C. Hubbard. Incumbent's commission expired April 19, 1921.

OREGON.

Leon W. Lundell to be postmaster at Weston, Oreg., in place of L. R. Van Winkle. Incumbent's commission expired July 21, 1921.

PENNSYLVANIA.

Fred J. Kintner to be postmaster at Mehoopany, Pa. Office became presidential July 1, 1921.

Mary V. Clemens to be postmaster at Linfield, Pa. Office became presidential January 1, 1921.

Jacob M. Aiken to be postmaster at Yeagertown, Pa., in place of I. J. Keller. Incumbent's commission expired August 7, 1921.

Robert C. Simpson to be postmaster at Woodlawn, Pa., in place of Christian Henderson, resigned.

George A. Leach to be postmaster at Lemoyne, Pa., in place of Oscar Wolfensberger. Incumbent's commission expired August 7, 1921.

John M. Gelder to be postmaster at Carbondale, Pa., in place of P. F. Connor, deceased.

Joseph L. Wilson to be postmaster at Glassmere, Pa. Office became presidential April 1, 1921.

Helen P. Howell to be postmaster at West Alexander, Pa., in place of Leroy Alexander. Incumbent's commission expired August 7, 1921.

Benjamin T. Phillips to be postmaster at Selinsgrove, Pa., in place of M. S. Schoch. Incumbent's commission expired October 5, 1921.

Alice Krebs to be postmaster at Pottsville, Pa., in place of James Kingsbury. Incumbent's commission expired August 7, 1921.

SOUTH CAROLINA.

William B. Gross to be postmaster at Holly Hill, S. C., in place of J. F. Way. Incumbent's commission expired August 10, 1921.

SOUTH DAKOTA.

Richard A. Hummel to be postmaster at Hot Springs, S. Dak., in place of C. S. Eastman, resigned.

William F. Berens to be postmaster at Worthing, S. Dak. Office became presidential April 1, 1921.

TENNESSEE.

Harry M. Aycock to be postmaster at Kerrville, Tenn. Office become presidential January 1, 1921.

Rex E. Stribling to be postmaster at Clifton, Tenn. Office became presidential January 1, 1921.

Bernard S. McMahan to be postmaster at Alcoa, Tenn. Incumbent's commission expired October 1, 1920.

Fannie J. Latta to be postmaster at Somerville, Tenn., in place of C. M. Reames, resigned.

Joe R. Taylor to be postmaster at Etowah, Tenn., in place of S. W. McKinney, resigned.

Newton S. Moore to be postmaster at Whiteville, Tenn., in place of G. H. Rhodes. Incumbent's commission expired July 25, 1921.

John T. E. Williams to be postmaster at Jonesboro, Tenn., in place of J. S. Pritchett, resigned.

TEXAS.

William C. Kenyon to be postmaster at Amarillo, Tex., in place of M. W. Cunningham, resigned.

James B. Christner to be postmaster at Weslaco, Tex. Office became presidential July 1, 1921.

Roland B. Paul to be postmaster at Riohondo, Tex. Office became presidential July 1, 1921.

Oscar Yeager to be postmaster at Ringgold, Tex. Office became presidential July 1, 1920.

Robert Montgomery to be postmaster at Ponta, Tex. Office became presidential April 1, 1921.

Nora M. Kuhn to be postmaster at Paige, Tex. Office became presidential April 1, 1921.

George L. Fitch to be postmaster at Handley, Tex. Office became presidential October 1, 1920.

John H. Atterbury to be postmaster at Benjamin, Tex. Office became presidential October 1, 1920.

Grover C. Chambliss to be postmaster at Anahuac, Tex. Office became presidential July 1, 1921.

Jewell D. Woodard to be postmaster at Bardwell, Tex. Office became presidential April 1, 1921.

Lewis E. Wigton to be postmaster at Alamo, Tex. Office became presidential July 1, 1921.

Maggie Beck to be postmaster at Hillsboro, Tex., in place of W. A. Fields. Incumbent's commission expired December 17, 1919.

Charles E. Bradford to be postmaster at Decatur, Tex., in place of J. H. Cates, resigned.

Hugh B. Eades to be postmaster at Blossom, Tex., in place of Minnie Burke. Incumbent's commission expired July 21, 1921.

Joseph N. Johnson to be postmaster at Dalhart, Tex., in place of C. H. Walker. Incumbent's commission expired July 21, 1921.

Oria H. Sieber to be postmaster at Crosbyton, Tex., in place of K. G. Burke. Incumbent's commission expired July 21, 1921.

John W. Ward to be postmaster at Big Springs, Tex., in place of Burney Reagan. Incumbent's commission expired August 7, 1920.

Peter G. Lucas to be postmaster at San Antonio, Tex., in place of G. D. Armistead, resigned.

VIRGINIA.

James K. Carter to be postmaster at Clinchport, Va. Office became presidential January 1, 1921.

Floyd E. Ellis to be postmaster at Roanoke, Va., in place of L. B. Davis, resigned.

James E. Johnson to be postmaster at New Church, Va. Office became presidential April 1, 1921.

Ella M. Shifley to be postmaster at Rose Hill, Va. Office became presidential April 1, 1921.

WASHINGTON.

Leonidas I. Wakefield to be postmaster at Elma, Wash., in place of S. A. Claflin, appointee declined.

Eugene M. Splawn to be postmaster at Lyle, Wash. Office became presidential April 1, 1921.

Willis Swank to be postmaster at Cheney, Wash., in place of F. W. Reuter. Incumbent's commission expired March 23, 1920.

WEST VIRGINIA.

Madge M. Hager to be postmaster at Hamlin, W. Va. Office became presidential October 1, 1920.

WISCONSIN.

John F. Rhinehart to be postmaster at Gays Mills, Wis., in place of J. L. O'Neil, resigned.

Carson J. Lawrence to be postmaster at La Farge, Wis., in place of G. C. Roberts. Incumbent's commission expired June 2, 1920.

WYOMING.

Jason A. Hobbs to be postmaster at Rawlins, Wyo., in place of Louis Schalk. Incumbent's commission expired January 24, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 30 (legislative day of January 25), 1922.

COLLECTOR OF INTERNAL REVENUE.

Frank R. Stewart to be collector of internal revenue for the district of Arizona.

UNITED STATES MARSHAL.

Thomas J. Sparks to be United States marshal, district of Arizona.

REGISTER OF THE LAND OFFICE.

Walter Spencer to be register of the land office, Glenwood Springs, Colo.

PROMOTIONS IN THE ARMY.

AIR SERVICE.

Arthur George Fisher to be lieutenant colonel.
Burt Eugene Skeel to be captain.

MEDICAL CORPS.

Foster Cannon Howard to be captain.
Charles Francis Shook to be captain.

CHAPLAIN.

Julius Joseph Babst to be captain.

POSTMASTERS.

DELAWARE.

Napoleon B. Register, Lewes.

ILLINOIS.

Galen W. Morton, Beardstown.
Howard A. Hammer, Buda.
Clare D. Sherwood, Lake Villa.
Harry E. Beekman, Petersburg.
Harold J. Henderson, Raymond.
Ernest L. Roosa, Rockport.
Marcus Gerbrick, Stanford.

INDIANA.

Dudley C. Engle, Albany.
Harvey C. Hyer, Eaton.
Prince A. Edwards, South Whitley.

IOWA.

Walter H. Lake, Bedford.
Glen D. Curtis, Buffalo Center.
John R. Barker, Indianola.
Eugene E. Heldridge, Milford.

MAINE.

Charles E. Davis, Eastport.
Charles J. Bragdon, Gardiner.
Royal W. Bradford, Turner.
David L. Duncan, Washburn.
Ellsworth D. Curtis, West Paris.

MASSACHUSETTS.

Frederick A. Shepard, Amherst.
Jennie Holbrook, East Douglass.
Wilmur B. Brown, Harvard.
William F. Runnells, Newburyport.
Charlotte L. Parker, Osterville.
Elisha S. Pride, Prides Crossing.

NEW JERSEY.

Lorenzo S. Spates, Linden.
Emma A. Clawson, Scotch Plains.
Wilbur K. Sloan, Swedesboro.
John H. Stegmann, Westwood.

NEW YORK.

Charles H. Whitson, Briarcliff Manor.
Fred B. King, Gloversville.
George Hubbard, West Coxsackie.

NORTH CAROLINA.

Estelle Green, Spruce Pine.

PENNSYLVANIA.

Samuel M. Lambie, Ambridge.
Charles N. Thompson, Buck Hills Falls.
Eva E. Sechler, Cherry Tree.
Frederick M. Dunlap, Chicora.
Lena M. Trettel, Coal Center.
Robert S. Gumaer, Dalton.

James A. Mayoun, Dingmans Ferry.
Elmer P. Richards, Easton.
Benjamin F. Evans, Hopewell.
George R. Jones, Jackson Center.
George H. Mull, Knox.
Frank H. Shenck, Landisville.
Harry Zanders, Mauch Chunk.
John Wilson, Mayfield.
William H. Yoder, New Kensington.
Howard Weiss, Northampton.
Raymond J. Fisher, Robesonia.
Gilbert C. McIntyre, Six Mile Run.
Merlin R. Hinsdale, Sugargrove.
Marshall C. Parshall, Warren.

TENNESSEE.

Bertha P. Compton, Alexandria.
Willie F. Judd, Baxter.
Lorenzo A. Large, Niota.

WEST VIRGINIA.

Harry F. Cunningham, Grant Town.
Calvin F. Brown, Harrisville.
Elmer E. Hood, Keyser (late Coulee City).
Clay A. Wilcox, Piedmont.

WISCONSIN.

Wallace M. Comstock, Oconto.
Elmer O. Trickey, Vesper.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 30, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, speak. We are waiting for Thy gracious spirit and longing for Thy voice to cheer. We ask for fuller light, deeper love, and greater faith.

Our city is smitten, impoverished, and hushed by the hand of death—a calamity too awful for words. We draw back with trembling. Yet may we be chastened and moved with generous pity and led to the deepest reflection. O remember those who are in the desolation of their grief, like prisoners in a barren dungeon. Hear the mother in her anguish, be with the father in his unspoken heartbreak, and console all hearts that are so full that their cries can not be uttered. O forgive our delays. With us things are so partial, obscure, and uncertain. We see through a glass darkly and sometimes lose our way. But as the days pass by and the night fast approaches we would see Him who took the scourge, the spear, and the cross that all troubled hearts might have peace and eternal rest. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, January 28, 1922, was read and approved.

LEAVES OF ABSENCE.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent for a 30 days' leave of absence for my colleague, Mr. SPROUL, whose nephew was killed in the Knickerbocker Theater disaster on Saturday night last.

The SPEAKER. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, as far as I know my colleague, Mr. SMITHWICK, of Florida, was the only Member of the House who was in the Knickerbocker Theater at the time of the accident Saturday night. He is quite severely injured, and I ask unanimous consent for an indefinite leave of absence for him on account of that fact.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRAND. Mr. Speaker, I ask unanimous consent for leave of absence for my colleague, Mr. CRISP, for to-day and to-morrow, on account of illness.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to extend and revise my remarks upon the Air Mail Service.

The SPEAKER. Is there objection?

There was no objection.

THE KNICKERBOCKER THEATER DISASTER.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MONDELL. Mr. Speaker, we have all been very greatly shocked and saddened by the frightful catastrophe which occurred at the Knickerbocker Theater in this city on Saturday evening last. We are all anxious to do everything that we can to relieve the injured, to aid and comfort those who mourn the loss of friends, and to prevent, if possible, recurrence of like catastrophes.

A number of gentleman have asked me whether the House would order an investigation. I have suggested to them that inasmuch as under the law there must be a thorough investigation, or should be by the coroner's jury, and inasmuch as the District Commissioners have given notice that they intend to make a thorough investigation of the matter, and the District engineer commissioner has given notice that he intends to very thoroughly investigate the question of the character of the building, it would not, in my opinion, be wise for the Congress to begin an investigation until these official bodies directly responsible shall have undertaken and concluded the investigations they are proposing to make. In the meantime, from conversation with the chairman of the Committee on the District of Columbia [Mr. FOCHT], as well as other members of that committee, it is my understanding that the District Committee is proposing to keep closely in touch with the investigations that are to be made, and if at any time it seems proper and wise for that committee to take up the matter and investigate it on its own account it will do so. Until the District Committee shall have concluded that it is wise and proper that an investigation should be undertaken by Congress, I imagine nothing in that direction will be undertaken by this body.

CALL OF THE HOUSE.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. Evidently there is not.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The doors were closed and the Sergeant at Arms was directed to notify absentees.

The Clerk called the roll, and the following Members failed to answer to their names:

Ansorge	Fish	Langley	Rose
Anthony	Fisher	Lawrence	Rossdale
Bacharach	Fitzgerald	Lee, N. Y.	Rucker
Barkley	Frear	Lineberger	Ryan
Beck	Fulmer	Linthicum	Sabath
Bond	Funk	McLaughlin, Nebr.	Sanders, N. Y.
Bowers	Gahn	McLaughlin, Pa.	Schall
Brinson	Gallivan	McPherson	Shaw
Britten	Gilbert	Mansfield	Siegel
Brooks, Pa.	Goldsborough	Mead	Slemp
Browne, Wis.	Goodykoontz	Mills	Smithwick
Burke	Gould	Montague	Sproul
Burton	Graham, Pa.	Morin	Steagall
Cable	Harrison	Mudd	Steenerson
Campbell, Pa.	Hill	Nelson, A. P.	Stiness
Carew	Houghton	Nelson, J. M.	Strong, Pa.
Chandler, Okla.	Husted	Norton	Sullivan
Chindblom	James	O'Brien	Taylor, Ark.
Clark, Fla.	Jefferis, Nebr.	Ogden	Taylor, Colo.
Classon	Johnson, S. Dak.	Olpp	Tincher
Connolly, Pa.	Kahn	Parker, N. J.	Upshaw
Cooper, Ohio	Keller	Parks, Ark.	Vare
Crisp	Kelley, Mich.	Perkins	Volk
Curry	Kendall	Perlman	Volstead
Deal	Kennedy	Petersen	Walters
Dempsey	Kincheloe	Radcliffe	Ward, N. Y.
Doughton	Kitchin	Rainey, Ala.	Watson
Drewry	Knight	Reavis	White, Me.
Driver	Knutson	Reece	Williamson
Edmonds	Kreider	Reed, N. Y.	Wise
Fairfield	Kunz	Riordan	Yates
Fess	Lampert	Rodenberg	

The SPEAKER. On this call 303 Members have answered to their names, a quorum.

Mr. WALSH. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Massachusetts moves to dispense with further proceedings under the call.

The motion was agreed to.

THE LATE FORMER REPRESENTATIVE BARCHFELD.

Mr. FOCHT. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. FOCHT. Mr. Speaker, in the great catastrophe which befell this city on Saturday evening ex-Representative A. J. Barchfeld, a former Member of this body, who long represented an important industrial district in Pennsylvania, lost his life. I am sure that I but reflect the sentiments of the great number of friends who long knew him when I say that we deplore the loss of that life in its full, rounded manhood, with many years of usefulness in prospect to his State and to his country, and the Members and friends who knew him bow in deep regret, and we extend the profoundest sympathy to the members of his family.

INDEPENDENT OFFICES APPROPRIATION BILL.

On motion of Mr. WOOD of Indiana, the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill (H. R. 9981), with Mr. TOWNER in the chair.

The CHAIRMAN. When the House adjourned on Saturday there was pending an amendment offered by the gentleman from Texas [Mr. BLACK], to which a point of order was reserved by the gentleman from Indiana [Mr. WOOD].

Mr. BLACK. I ask that the point of order be passed upon, and I make the point of order that the gentleman from Indiana has not stated the ground for his point of order.

The CHAIRMAN. The gentleman from Indiana will please state his ground.

Mr. WOOD of Indiana. Mr. Chairman, I reserved a point of order on the amendment of the gentleman from Texas on Saturday evening because of the fact that we were on the point of adjourning, and I really did not understand the purport of it. Having read the amendment, I am now inclined to think that it is in order; so I withdraw the point of order.

The CHAIRMAN. The gentleman from Indiana withdraws his point of order.

Mr. BLACK. Mr. Chairman, I ask that the amendment be reported in my time.

The CHAIRMAN. Without objection, the amendment will be reported again.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 28, line 25, after the word "available," strike out the period and insert: "*Provided*, That no claim shall be paid out of the amount appropriated herein unless the Shipping Board shall find that such claim grew out of an agreement, expressed or implied, entered into with the United States Shipping Board or the Emergency Fleet Corporation or their legal representatives.

Mr. BLACK. Mr. Chairman, at the very outset I want to say——

Mr. WOOD of Indiana. I will say to the gentleman that as far as I am concerned I have no objection to this amendment.

Mr. BLACK. Very well. I shall not take up any of the time of the House in making an argument in support of an amendment which the chairman of the committee has agreed to accept.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The amendment was agreed to.

Mr. WALSH. Mr. Chairman——

Mr. DAVIS of Tennessee. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The Clerk informs the Chair that the gentleman from Massachusetts [Mr. WALSH] has offered an amendment, which, without objection, the Clerk will again report.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 28, line 25, add a new paragraph to read as follows:

"No part of the funds appropriated or made available in this act for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be expended for the preparation, printing, publication, or distribution of any bulletin, newspaper, magazine, journal, or other periodical, or for services in connection therewith, not including, however, the preparation and printing of documents and reports authorized or required to be issued by law."

The CHAIRMAN. The parliamentary clerk informs the Chair that the gentleman from Tennessee [Mr. DAVIS] has sent to the desk a preferential amendment. Does the gentleman desire to have that considered?

Mr. DAVIS of Tennessee. Yes; I do.

The CHAIRMAN. The preferential amendment will be reported.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Tennessee: On page 28, line 24, after the word "adjustment," strike out the figures "$50,000,000" and insert in lieu thereof the figures "$25,000,000."

The CHAIRMAN. The gentleman from Tennessee [Mr. DAVIS] is recognized.

Mr. DAVIS of Tennessee. Mr. Chairman, if that amendment should prevail and if I should be recognized for the purpose I would then offer an amendment to reduce the $30,000,000 available to $15,000,000. My purpose in offering this amendment is this. As Chairman Lasker himself fully explained in the hearing and as was explained to those who were present during the discussion on Saturday, this appropriation of $50,000,000 is not intended for the settlement of all the pending claims against the Shipping Board aggregating $219,000,000, because it is not intended to liquidate the $63,000,000 of claims that are pending in the Court of Claims or the $55,000,000 that are pending in the admiralty courts. This, as explained by Mr. Lasker in the hearings on page 907, leaves a balance of $100,000,000 of claims presented by claimants who did not have sufficient faith in the validity or correctness of their claims to go into the Court of Claims or the admiralty court. Mr. Lasker himself describes these claims which he asks permission to settle, as follows:

We found awaiting us what are the dregs of the claims.

In discussing these very claims at the hearings on this bill, Chairman Lasker further stated:

It is well known that a man or concern, in making a claim against the Government, adds in everything anybody else owes him and everything he owes anybody else. When that is all added up, he adds in the date for good measure; then when he gets through with that he multiplies it by six, or whatever number occurs to him, and then you have his claim.

Now this $50,000,000 would settle all of these claims upon the basis of 50 cents on the dollar. As it was explained by the gentleman from Illinois [Mr. MADDEN] on Saturday, the War Department under authorization and appropriations made for the settlement of claims against the Government have settled those claims on a basis of 14 cents on the dollar of the amount of the claims. The Shipping Board itself has already adjusted and settled a large number of claims. They have settled more than 70 of the wooden-ship claims alone, and they have settled a number of others, and have made awards which have not been paid on still a number of others. All of those they have settled they have settled on the basis of about 25 cents on the dollar. They were claims about which there was no question as to liability, and were not "the dregs of the claims," as these are, as explained by Mr. Lasker. Consequently, in view of the fact that it is a most extraordinary procedure, authorizing a commission—not of jurists or lawyers, but of laymen with one exception—to adjudicate those claims that involve technical legal questions as well as questions of fact, and in view of the fact that we are giving them that extraordinary power instead of requiring "these dregs of claims" to assert their alleged rights in the courts, as two-thirds of the claimants have already done, we should certainly not give authority and an appropriation to pay that character of claims at 50 cents on the dollar.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DAVIS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for five minutes additional.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for five minutes. Is there objection?

Mr. WOOD of Indiana. Mr. Chairman, I object. This whole matter was thrashed out Saturday, and there is not a kernel left in the straw, and I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the Chair announced the "noes" appeared to have it.

On a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 33, noes 53.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Massachusetts is recognized in support of his amendment. Does he desire to have it again reported?

Mr. WALSH. Mr. Chairman, I do not care to take the time of the committee except to say this is practically the same provision that has been carried, I think, in the sundry civil bill for the past two or three years—two years at least—and it seeks to preclude the publication of magazines and newspapers which in past times was indulged in by the Shipping Board to a great extent during the life of its activity. It will not in any way prevent the advertising in newspapers or magazines, but would simply prevent the Shipping Board from setting up a bureau or department down there with editors and copy writers such as they have had before this provision was carried in the bill.

Mr. WOOD of Indiana. Mr. Chairman, the committee has no objection to this amendment.

The question was taken, and the amendment was adopted.

The Clerk read as follows:

No part of the sums appropriated in this act shall be used to pay the compensation of any attorney, regular or special, for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation unless the contract of employment has been approved by the Attorney General of the United States.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 29, line 6, after the word "States," insert the following: "And in no event shall more than $350,000 of sums appropriated by this act be expended as compensation for such attorneys, regular or special.

Mr. WOOD of Indiana. Mr. Chairman, I reserve a point of order, and in making the point of order I wish to state that this same amendment was introduced by the gentleman once before.

Mr. JONES of Texas. No.

Mr. WOOD of Indiana. Well, if it is not, wherein is the difference?

Mr. JONES of Texas. This amendment allows $350,000 and the other was for $250,000.

The CHAIRMAN. The gentleman from Texas.

Mr. JONES of Texas. Mr. Chairman, I notice in the testimony that they have 80 lawyers in the Shipping Board and Emergency Fleet Corporation. The testimony shows that there are 78, but here is the list of 80, 40 on page 1116 and 40 on page 1117, which costs $650,000. I suppose 2 of them ran around so much they could not count them. I heard a story in the far West of a defendant who had four lawyers. The judge asked him if he had counsel. He said, "Yes," and in fact that he "would like to trade one of his lawyers for a good witness." I think they have too many lawyers. I am not sure that the limitation ought to be such as it is on all the lawyers. I am not sure they could not have paid more for some two or three lawyers, but I believe a business man could take the claims they have, employ 20 good lawyers, 20 good claim agents, 20 good law clerks, secure them all for not more than $350,000, and do this work and do it just as well as by all these high-priced lawyers. They have an average of $8,000 apiece for all of these men who are listed here.

I call attention to this fact: There are still five months to run of the present appropriation. There are $650,000 of this year's appropriation, and that has five months to run. It seems to me if these lawyers get down to their knitting and try to dispose of these matters, they ought to be able with the $650,000 appropriation for this year, which has five months to run, and then $350,000 for next year, on these claims, from what has already developed, to be able to dispose of these matters; at least the claims should be reduced by July 1 so that some of the lawyers could be dispensed with. It is not necessary to hire high-priced lawyers altogether. Reference was made here the other day to a firm of lawyers with 40 in the firm. I will venture the assertion that if you will look over the list they do not average over $3,000 apiece outside of the members of the firm. There is a firm of lawyers in the Southwest with three men who are at the head of the firm making some $50,000 apiece. They have some 25 lawyers in the firm. The average price they pay those 25 lawyers is $3,000 apiece. They have one who is working for $3,500, who the Federal district judge of that district says is one of the best lawyers who has ever appeared in his court. He had been working for eight years at that time and was drawing $3,500 per year. He has not the art of publicity and of getting his services before the public. But if you go out and look at an organization of lawyers you very soon find out who are the real lawyers. You can pay a few of them good salaries and have them supervise the work. In his testimony Mr. Schlesinger says that he is not sure that a lot of this work can not be done by law clerks and by claim agents. In different concerns of the country a lot of the work, the details, the investigation, and the determining of the merits of the cases are attended by law clerks and claim agents. It does not require a lawyer to determine whether a case has merit. All they need him for is to determine the legal liability and have him try the cases.

It seems to me if you take the $350,000, with what we have for the five months of this year, they could do all the work that needs to be done, or they could change the system, as I suggested a while ago, and employ 20 or 30 good lawyers and the balance in law clerks and claim agents. That looks feasible and reasonable. I think they ought to have plenty of funds to really do the work, but none to waste. I think with that limitation they could really do the work. They have 80 lawyers already arranged for until July 1. With the adoption of my amendment they could retain 50 of them under their present plan or could change the plan as before suggested.

Mr. McDUFFIE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, I do not and I hope no Member of Congress wishes to hamper or hinder the work of the Shipping Board. We are anxious to see our flag upon every sea and our merchant marine a success, but we are also interested, and the people of this country are interested, in the manner in which their money is being expended by the Shipping Board.

Now, I agree with the gentleman from Texas [Mr. JONES], that probably the best thing the Shipping Board has done was to get some real experts to attend to the operation of our fleets. But I do believe there is more or less duplication or overlapping of duties as between the Shipping Board with its five bureaus and the duties of the various bureaus or division of the Emergency Fleet Corporation.

For instance, there is a Bureau of Law in the Shipping Board, about which my good friend from Iowa seemed to get a little excited the other day. The legal department of the Shipping Board has 14 lawyers instead of 2 or 3, as he suggested. What are their duties? They study the laws of foreign Governments and attend a few hearings before the Shipping Board. I believe you can get a $20,000 lawyer, if it takes a very high-priced lawyer, or even a $10,000 lawyer, and I want to say that this country is not alive with $10,000 lawyers—I mean lawyers whose services are worth ten thousand annually—to do that work within the course of the year, without the expenditure of $37,000 or $47,000 for a Bureau of Law and such a large legal department in the Shipping Board. I do not think so large an amount for a Bureau of Law and legal department of the Shipping Board is justified in the light of the fact that the legal divison of the Emergency Fleet Corporaton has employed some 60 or 70 lawyers who might be used by the Shipping Board.

I do not understand the process of reasoning on the part of your leadership nor your ideas of economy when you permit the Shipping Board to spend $8,200,000 to recondition the *Leviathan* and sell her for $6,000,000, and yet, I am informed, your leaders propose to spend only about $13,000,000 for the improvement and maintenance of all the rivers and harbors of the whole Nation. I do not mean improvement, because there can not be improvement nor even maintenance for so small an amount.

I notice from the hearings here that certain sums of money are to be expended by the Shipping Board proper, in addition to the amounts estimated for five bureaus in the Shipping Board, separate and apart from the Fleet Corporation.

You, of course, understand that the Shipping Board acts only in an advisory capacity, having reserved to itself the right to review and veto the acts of the Emergency Fleet Corporation.

Under this bill you are turning over to the Shipping Board large lump-sum appropriations, to be expended as they see fit, with no strings as to any activity. I find on page 867 of the hearings a list of small estimates, the first of which is for $1,500 to spend for subsistence, for whom or why or where I do not know, nor do the hearings show. For furniture, $5,000. With all the furniture we have distributed around in these various surplus office buildings in Washington, I can not conceive any reason for spending that much money for furniture for the board. It is true these are small amounts, but small amounts make up the large amounts, and we should look after the small items also in this legislation. I notice another item, for newspapers, $1,400. The board is proposing to spend $1,700,000 for advertising in the next year. What necessitates this expenditure of $1,400 for newspapers? Miscellaneous services, $7,000. What sort of services, and who will perform these miscellaneous services? I notice also books and periodicals, $2,500. What sort of books and what branch of the service needs them? I see here an item, miscellaneous supplies, $3,000. What sort of supplies, and for whom? It occurs to me that the committee should know why these items are asked for and if they are essential to the operation of the Shipping Board.

I want to call the chairman's attention to another matter upon which I am sure the committee would like a little information.

I notice the Emergency Fleet Corporation is a member of a great insurance pool, and every month the Emergency Fleet Corporation contributes $250,000 to that pool. The chairman of the subcommittee, the gentleman from Indiana, very properly asked how much the United States Government was getting out of this, but his question was never answered. You may learn this from the hearings, and I am satisfied the gentleman from Iowa [Mr. DICKINSON] is aware of it, and I call upon him to tell this committee how much goes back to the Government or the Emergency Fleet Corporation of that $3,000,000 which is put into that great insurance pool in the course of a year. Here is

$1,000,000 every four months going into an insurance pool, the American Steamship Owners' Mutual Protection and Indemnity Association (Inc.), which is comprised of the shipping organizations throughout this country, and yet we do not know what benefit the Emergency Fleet Corporation or the Shipping Board has ever derived from that insurance pool.

The hearings also disclose the fact that within the organization of the Shipping Board there is a Bureau of Construction to be maintained, at a cost of $20,360, with one expert who draws a salary of $9,000. This bureau does no constructing whatsoever, and in answer to a question propounded by Mr. Wood, Mr. Lasker said the duties of this bureau involve the study of construction. My suggestion to the committee is that with 1,300 idle ships a study of construction may be necessary in the future, but is certainly not necessary now. Aside from this it is my judgment that whatever study of construction necessary in the operation of our merchant marine may well be done by that division of the Emergency Fleet Corporation which has to do with the actual construction of ships.

I realize, gentlemen of the committee, that the Shipping Board is confronted with many difficult problems, and we must be patient and as helpful as possible in our consideration of this great enterprise. No one is more anxious than I am to cooperate with my best efforts for the ultimate success of an American merchant marine, yet upon reading the hearings such items as those I have mentioned above struck me as being unnecessary and possibly an expenditure of public moneys which could be avoided and at the same time not interfere with the orderly processes of the Shipping Board.

This is, or at least it should be, a day of economy on the part of those who have the power to appropriate the public money from the Treasury. Many charges have been made about the waste and extravagance of the Shipping Board. True, it has become popular pastime in this House to condemn the board. I am not indulging in this pastime, yet if the exercise of caution in appropriating money during these times of depression and financial distress for any department of the Government could become more of a pastime in this House those who bear the burdens of Government would be much better off.

In this bill you are carrying an appropriation of $100,459,000, of which nearly one-half million is to be used for the Shipping Board alone for administrative purposes and fifty millions for the use of the Emergency Fleet Corporation in actually operating the fleet and fifty millions for the payment of claims. You appropriated last August some forty-eight millions, at which time the gentleman from Indiana [Mr. WOOD] had much to say on this floor derogatory to the Shipping Board. These are very large amounts of money and I want to feel that we are accomplishing something, and not one penny of it should be expended unless there is absolute necessity for such expenditure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last three words of the amendment.

The CHAIRMAN. The gentleman from Iowa is recognized in opposition to the pro forma amendment.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman who has just taken his seat [Mr. MCDUFFIE] has said that he did not understand the course of reasoning by which the committee proposed to spend $8,000,000 in reconditioning the *Leviathan* and then subsequently selling it for $6,000,000. I would have thought he would have fully understood from the remarks of the gentleman from Indiana [Mr. WOOD] when that matter was under discussion. The gentleman from Indiana said, after making some remarks directly with refernce to myself, that it was easy for a demagogue and those who were talking back to their districts to criticize some of the practices of the Shipping Board or some of their proposals.

Mr. Chairman, I did not offer the amendment with reference to the *Leviathan*. If there had been any credit in connection with it, it would not have been mine had it been adopted. I did not expect at the time I made my remarks with reference to the reconditioning of that ship that any of my sayings would go back to my district, much less did I expect anybody to impugn my motives. I do expect, however, to hear in the next election from those taking the platform for the Democratic Party some reference to the remarks of the gentleman from Indiana. When gentlemen rise here in good faith and desire to cut out some of these expenditures the gentleman from Indiana makes the insulting insinuation that they are "demagogues" and men who want to talk back to their districts. I do not know of any finer campaign material for the other side than that which was furnished by the gentleman from Indiana when he was arraigning those who were objecting to the reconditioning of the *Leviathan*. I know something about that vessel. She is 968 feet long, if I remember right, and about 100 feet wide. She is a stable ship. She would make a splendid airplane carrier. She probably could be turned into an airplane carrier without expending the five millions, as the Shipping Board proposes to expend in order to fit her as a passenger ship. But whether that is done or not, we could save upwards of $10,000,000 if, instead of putting this ship into the passenger service after an expenditure of $8,000,000, we made her into an airplane carrier.

Now, Mr. Chairman, I do not care to discuss again the question of whether the *Leviathan* can ever operate at a profit in the passenger traffic. I shall be content to leave to the final result and the figures that will in time be given, the decision of whether or not the *Leviathan* will ever be made to pay, and whether we can get even $6,000,000 for her after paying out $8,000,000 to recondition her.

The gentleman from Indiana referred me to page 1129 of the hearings for the comparative expenses of other vessels in the transatlantic service. There was no such comparison there, although the gentleman said if I could not find it I was lost to reason and persuasion. When we propose to authorize the Emergency Fleet Corporation to spend millions of dollars in lump sums of one or more millions, it is time their proposals should be considered fully and fairly, and it is time they should be considered on their merits. Objections should be met by arguments and not by the kind of talk indulged in by the gentleman from Indiana. [Applause.]

The CHAIRMAN. Does the gentleman from Indiana desire recognition?

Mr. WOOD of Indiana. Yes.

The CHAIRMAN. The gentleman from Indiana is recognized for five minutes.

Mr. WOOD of Indiana. Mr. Chairman, I hope the gentleman in discussing this bill will discuss the matter before us and not distract attention from the matter immediately before us by talking about something else. The question is whether or not the amendment offered by the gentleman from Texas [Mr. JONES] should be adopted. I thought the same amendment had been offered the other day, but by this amendment he confesses being wrong then by raising the limit $100,000. This matter has been gone over time and again, and I therefore ask for a vote on this proposition.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. JONES].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. JONES of Texas. Mr. Chairman, I demand a division.

The CHAIRMAN. The gentleman from Texas demands a division.

The committee divided; and there were—ayes 24, noes 60.

So the amendment was rejected.

Mr. PADGETT. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes out of order.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for 10 minutes out of order. Is there objection?

Mr. WOOD of Indiana. I wish the gentleman would wait for some other time. We have been over a week in the debate on this bill thus far. We want to make progress and conclude it. I hate to object to the request of the gentleman from Tennessee, but I think we should proceed in order. I will not object to the request of the gentleman from Tennessee, but I will serve notice now that hereafter during the consideration of this bill we shall confine ourselves to the discussion of it.

The CHAIRMAN. The gentleman from Tennessee [Mr. PADGETT] is recognized for 10 minutes.

Mr. PADGETT. Mr. Chairman, it is my purpose to submit some remarks and general observations on the subject of the observance of law and order.

I think the condition of the country now is such that there is no subject of more vital importance than a due regard for law and a faithful observance and obedience to legislation, and especially is that true with reference to the persons in authority, persons who stand well in the community.

It is sometimes asked if we should do wrong that good may result, or that if the law should be violated in order to accomplish some good purpose? I think that the consensus of good opinion is that it should not. The answer, I think, is in the negative, and that the law should be observed and legislation should be obeyed.

Having this mind, I recall that in 1909 Congress passed legislation on this subject to which I desire to call attention at the present time. In the sundry civil appropriation act of March 4, 1909, Statutes at Large, volume 35, page 1027, section 9, we find the following:

SEC. 9. That hereafter no part of the public moneys, or of any appropriation heretofore or hereafter made by Congress, shall be used for the payment of compensation or expenses of any commission, council, board, or other similar body, or any members thereof, or for expenses in connection with any work or the results of any work or action of any commission, council, board, or other similar body, unless the creation of the same shall be or shall have been authorized by law, nor shall there be employed by detail hereafter or heretofore made or other personal services from any executive department or other Government establishment in connection with any such commission, council, board, or other similar body.

Those of us who were in the House at that time know why that legislation was enacted. It was to put a stop to promiscuous boards and commissions without authority of law and without the consent of the Congress.

It will be noted that the first part of this legislation prohibits the use of appropriations to pay any boards or commissions or councils or the expenses thereof and that the second portion of it prohibits the employment or detail of personal services from any executive department or Government establishment in connection with any such commission, council, board, or other similar body. I want to call attention to the fact that on August 25, 1921, in circular No. 26, by direction of the President, and Charles G. Dawes, Director of the Bureau of the Budget, the Federal Liquidation Board was created.

October 10, 1921, in a similar manner, in circular No. 41, the Federal Traffic Board was organized and created.

October 10, in circular No. 42, the Federal Specifications Board was created.

November 22, 1921, in circular No. 47, the Interdepartmental Board of Contract and Adjustment was created.

December 23, 1921, in circular No. 52, the Federal Personnel Board was created.

August 25, 1921, in circular No. 25, the Federal Purchasing Board was created.

All of these boards are given supervisory control and given authority to deal with questions and to exercise authority and jurisdiction, and created as far as I have been able to find—and I have made some search in the matter in order to ascertain—without the authority of Congress and in direct contravention of this express statute that was placed upon the statute books by Congress in order to inhibit the creation of boards of this kind and character.

Mr. KING. Mr. Chairman, will the gentleman yield for a question?

Mr. PADGETT. Yes.

Mr. KING. Was there any violation of this law prior to the time stated by the gentleman from Tennessee; and if so, by whom?

Mr. PADGETT. That may be. I have not looked into that. I do not know. But I do know that one wrong does not justify another and two wrongs do not create one right.

Mr. KING. I simply wanted to know what the precedent for it was.

Mr. PADGETT. There may have been a precedent, but if it has been created heretofore, now is the time to stop it; now is the time to call attention to it and now is the time to emphasize the importance and the necessity of observance of the law; and the more important it is for the higher ones in authority to have respect for the will of Congress as expressed in its legislation and obedience to the law of the land as an example to others and for the good influence that it may have in instilling into the public thought and inspiring in public action regard for law and obedience to good government. [Applause.]

The CHAIRMAN. The Clerk will proceed with the reading of the bill.

The Clerk read as follows:

Not more than 13 officers or employees, including 7 attorneys, of the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation shall be paid an annual salary or compensation in excess of $11,000.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BYRNS of Tennessee: Page 29, line 7, strike out the word "thirteen" and insert the word "six," and strike out the words "including seven attorneys," in lines 7 and 8.

Mr. BYRNS of Tennessee. Mr. Chairman, it will be recalled that when the deficiency bill was under consideration in August last the House, at the instance of the gentleman from Illinois [Mr. MADDEN], adopted a provision providing that not more than three officers or employees of the Shipping Board should be employed at a salary exceeding $12,000. Later on the bill passed the Senate with this provision eliminated, and as finally enacted it provided that not more than six officers or employees should be employed at a salary exceeding $11,000.

I understand from the hearings that at the present time there are employed by the Shipping Board two officers or employees at $35,000 a year each, one at $30,000 a year, two at $25,000 a year each, and one, if I remember correctly, at $20,000 a year in addition to the seven members of the Shipping Board who under the statute draw $12,000 a year each. This amendment if adopted will simply continue the law as it is now written, so that all of those officers or employees who are now employed at salaries exceeding $11,000 may continue in their employment. The pending bill provides that there shall be 13 officers or employees at a salary exceeding $11,000, 7 of whom shall be attorneys. In other words, the pending bill proposes to give to the Shipping Board the authority to employ seven attorneys at a salary exceeding $11,000 a year.

Mr. MANN. Will the gentleman yield for a question?

Mr. BYRNS of Tennessee. I yield.

Mr. MANN. What is the highest salary now paid to an attorney?

Mr. BYRNS of Tennessee. If I remember correctly, the highest salary now paid to an attorney is $11,000. There are now 15 attorneys employed at $11,000 a year. We have been told by the general counsel of the Shipping Board just how many of these attorneys were selected. The general counsel did not go into the States and pick good lawyers from the country at large, but he tells us that he went to the city of New York and talked there to such firms as Stanchfield & Levi, and to Mr. Root's firm, and other big corporation firms and asked them to suggest attorneys to be employed by the Shipping Board. We know that prior to the enactment of this provision he was paying $25,000 to one or two attorneys, that he was paying $20,000 to another, that he was paying $15,000 to several, and yet it is a singular fact that after this provision was incorporated into the law every one of those attorneys continued to work for the Shipping Board at a salary of $11,000 a year, and they are now so employed. And I take it that if this provision is adopted the Shipping Board will not lose the services of a single attorney who is now employed. The gentleman from Indiana [Mr. WOOD] had something to say upon this subject when it was under consideration in August last, and I want to read to you a part of his remarks, because he discussed the situation and salaries paid much more clearly and forcibly than I possibly can discuss it.

Mr. WOOD said this:

Gentlemen who have charge of the administration of the Government ought to welcome constructive criticism. It certainly would be helpful to them. I am criticizing and will continue to criticize this board for the exorbitant fees they are proposing to pay, unjustifiable, in my opinion. I maintain that instead of paying these men $25,000 or $35,000 a year as expert lawyers, they could have gone into the State of Virginia, the State of Indiana, the State of Illinois, or almost any State, into any town of 5,000 inhabitants, and could have gotten men who have never received $10,000 a year in their lives, who are as good if not better lawyers than any of the high-priced gentlemen who have been selected. They are paying these men simply because they happen to apply to some high-priced firm with an established reputation.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Those remarks occur on page 4934 of the CONGRESSIONAL RECORD. I had occasion to say the other day that the Shipping Board in the matter of fixing salaries had absolutely run riot in the amounts fixed. I call attention to some of the salaries and the increases which appear from these hearings, brought out by the gentleman from Indiana, with particular reference to the salaries being paid attorneys by the Shipping Board. You will find that there is a man named Sharkey who in 1917, according to the gentleman from Indiana, was drawing $1,200 a year, who is now on the salary roll at $3,600 a year. There is a man named Tanner, who in 1917 was drawing $1,000 a year, who is now drawing $3,900 a year. There is a man named Jackson, who in 1919 was drawing $2,100 a year, and is now drawing $5,000 a year. A man named Gendron was drawing $1,000 a year in 1919, and has now been promoted and is drawing $6,000 a year. There is a man named Annewalt who in 1919 was drawing $2,100 a year and who is now drawing $4,800 a year. There is a man named Martin who in 1919 was drawing $1,500 a year who is now drawing $4,200 a year. A man named Bowen was drawing $4,000 a year in 1919 and is now drawing $7,500 a year. A man named Fairbanks, the hearings show, a short while ago, in a small Vermont town, was making from $3,000 to $5,000

a year as an attorney, and he is now drawing $11,000 a year as attorney for the Shipping Board. A man named Aron was drawing $4,000 a year a short while ago and is now drawing $10,000 a year. A man named Laws, only a few years ago in the Department of Justice was drawing a salary of $2,500, and he is now getting $10,000 a year. A man named Fitch in 1917 was drawing $1,500 a year and is now drawing $3,900 a year. Massey in 1917 drew $1,500 a year and now gets $3,600.

Mr. Schlesinger, the general counsel, says that it is a crime that Mr. Fitch is not drawing more than $3,900 a year at the present time. The gentleman from Indiana, in the course of the hearings, very properly asked him what kind of a crime was being perpetrated in 1917 when Mr. Fitch was drawing only $1,500 a year.

That is a list of some of the attorneys who are being employed by the Shipping Board, and yet we are asked by this provision in this bill to give the general counsel the right to employ seven attorneys at salaries exceeding $11,000 a year. There is no limit as to what he may pay them. The sky is the limit. He may make it $15,000, $20,000, or $25,000 if he chooses, because we are appropriating the money here in the sum of $50,000,000, part of which is to be placed at his disposal in employment of attorneys.

It was said the other day that a former Member of this House from the State of Kentucky, Mr. Caleb Powers, whom we all know studied law only two or three years ago while serving as a Member of this House, has been put on the salary roll at $5,000 a year. It was disclosed in August last that a former distinguished Member of this House, who served a number of years, from West Virginia, and who since 1912 had been out of a Government job, as soon as this new Shipping Board was named was promptly employed at a salary of $9,500 a year. When Mr. Schlesinger was asked what his duties were, he said it was to appear before the committees of the House on behalf of the Shipping Board and to prepare such amendments as the Shipping Board might desire to the shipping law.

Eleven thousand dollars a year is sufficient, as the gentleman from Indiana says, to procure the very best talent, and if the general counsel, instead of going to important corporation firms in the city of New York, will go out into the country, into Indiana, Virginia, Tennessee, and other States and get his lawyers, he will be able to get good ones for much less than $10,000 a year. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. WOOD of Indiana. Mr. Chairman and gentlemen of the committee, I remember very well the speech the gentleman from Tennessee has called attention to. I have never said and will never say that the salaries paid to some of these gentlemen are not abnormally high. I do wish to bring to your attention, however, the evidence that came before your committee. It is not evidence of a weak man nor of a fool that he sometimes changes his ideas about existing conditions. We had a terrible catastrophe here in this city on Saturday night. It beggars description. I have heard people who arrived there immediately thereafter tell about the confusion and the excitement and how because of the lack of some executive head to immediately assume command many lives were probably lost. Differentiated only in degree is the situation with reference to the Shipping Board. I was appalled when I heard a description of what confronts these gentlemen. I made the speech referred to by the gentleman from Tennessee during the consideration of the deficiency appropriation bill, when I confess that I had no idea of the enormity of the situation.

I know you gentlemen on the Democratic side do not want to cripple the possibilities of this concern. I believe if you will read the hearings you, too, will have a different viewpoint from that expressed by some gentlemen. You should be at least charitable upon your side. This administration had to shoulder a great burden, which you placed upon it when you were in authority. I am not criticizing because of the fact that I know that because of the waste and graft and such things that come with war while you were in charge these things happened, but, nevertheless, it remains for this administration to clear up the débris, to save that which is worth saving, and to consign to oblivion at the same time that which we desire to forget. I have repeatedly called attention to the fact that there are more than $300,000,000 worth of claims outstanding against this institution, not of the creation of the present board, created by the past administration, which must be determined some way or other. I know we are confronted politically, when the opportunity affords itself, to take advantage of the party that is charged with responsibility. Some gentlemen, I fear, are trying to go a little along that line.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. HARDY of Texas. Does not the gentleman believe that with a salary of $7,500 a year he could go to Indiana or Texas or Virginia and get strong men, able men, young men, not connected with any of this business, who would give their whole time to it and as much ability as he can get anywhere?

Mr. WOOD of Indiana. I will agree with the gentleman absolutely. I think we have good lawyers in my community. I think we have got them in every State in the Union who are not only the peers but the superiors of many of these men who seem to be drawing these large salaries. But listen: You can not get a man down in Texas who is getting $5,000 a year under a salary contract to give that up and come up here and temporarily connect himself with these salaries because of the fact that he is surrendering what he has got there, and you know if you and I went back to our habitats and tried to pick up the strings of our practice we gave up when we came here we would find the boys have got them, and we will never get them again. That is the sacrifice which the gentleman and myself have made. There is much in the argument that these men are gathered here temporarily——

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. I ask for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana? [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. They are gathered here but temporarily, and if the gentleman who is responsible for this legal department knows what he is talking about he is insisting that if this organization of his is not broken up that he will take and reduce it one-half by the 1st day of January next, so that we ought really to take a chance and let him be responsible rather than take it ourselves, even admitting, and I am going to agree with all the gentleman says that these salaries seem exorbitant, and are and would be if they were connected with a permanent or ordinary business.

Mr. MANN. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. MANN How will it break up the organization not to increase the salaries which those now are at present receiving?

Mr. WOOD of Indiana. I wish to explain that. As I stated before, we have got $300,000,000 worth of these claims. The dockets in many of the courts are filled up with Government claims without sufficient Government lawyers to take care of them. I wish to call attention to one statement. The gentleman from Tennessee called attention to a man by the name of Aron. We inquired into what these men were doing. I called attention in the examination to a man by the name of Aron, and Mr. Schlesinger said:

> He was earning $15,000 or $16,000 a year. He was recommended highly. I had never seen him before in my life, but his record was fine. Mr. Aron was handling 37 receiverships in New York, which have all been consolidated into one. There was an annual expense of $500,000 a year to the Shipping Board in those receiverships, and he has reduced it to $50,000 by consolidating them. He has 1,500 claims in those receivership cases under his jurisdiction, and in addilton to that he and one other man, Mr. Brewster, are handling every one of the labor claims that come before the Construction Claims Commission.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. ZIHLMAN The gentleman from Tennessee stated these attorneys were employed on the recommendation of leading law firms in New York. Has the gentleman any information as to the appointment of these special experts and special counsels of the $10,000 class?

Mr. WOOD of Indiana. Mr. Schlesinger states it very fully. He was trying to get men fit for exceptional places where these peculiar character of claims were to come up. He tried to get the advice of those who were in a position to know where he could find them, and I do not think that any one would charge that there is any scandal or slander——

Mr. ZIHLMAN. Has the gentleman any information concerning one B. J. Laws, who was formerly stenographer to a Member of this House and is receiving $10,000 a year as special counsel?

Mr. WOOD of Indiana. No; I do not know anything about the case.

Mr. ZIHLMAN. I can say to the gentleman that he was appointed from the District of Columbia, and he was formerly stenographer in the district attorney's office here and is now listed as receiving $10,000 a year.

Mr. WOOD of Indiana. One gentleman was referred to by the gentleman from Tennessee [Mr. BYRNS], Mr. Fairbanks. These gentlemen, and I have no apologies to makes for them,

came here and took whatever office they could, say a $2,000 position, because it was a bombproof place. After the danger was over they branched out into these places. I say I am not defending them at all.

Mr. MOORE of Virginia. Will the gentleman allow me to ask him a question?

Mr. WOOD of Indiana. Yes.

Mr. MOORE of Virginia. I know the gentleman is himself a very able lawyer, and I agree with him that no one should wish to cripple the Shipping Board; but can the gentleman out of his knowledge of the situation give us some statement of a typical case, a sort of a case that the lawyers are called upon to handle, taking a fairly average case, or perhaps a case that is more than ordinarily complicated? I would like to ascertain whether cases are of such sort as to require the employment of the high-priced lawyers who are now engaged, or whether they could not be taken care of just as the gentleman said a few months ago, by such lawyers as you can easily find in Indiana and in many other States of the Union?

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD of Indiana. I will state in answer to the gentleman from Virginia that Mr. Schlesinger does give a number of those concrete cases, and also because the number of cases that were allocated to these different men who are in charge of these defenses, and the fact that they have to contend with the biggest lawyers, the largest concerns, representing the largest corporations in the United States, men who are receiving salaries incomparable to the salaries received by these men, that is another thing that enters into the equation.

Now, I wish to speak directly with reference to the amendment.

Mr. WALSH. Is it not true that a number of attorneys have to be employed to handle suits in admiralty, which is specialized work?

Mr. WOOD of Indiana. Yes. That is the crux of this proposed increase. The amendment of the gentleman from Tennessee, if adopted, would leave the law exactly as it is now. The only thing that is attempted by this committee is to recommend that there be an employment of seven additional men in the legal department. And we have tried to show you the reason why. As suggested by the gentleman from Massachusetts—and I desire the attention of the gentleman from Virginia on this proposition, for he can appreciate it—the reason for this recommendation is in the fact that the hearings disclose that in the admiralty courts, where the great number of these claims are now pending and must be determined within a very reasonable length of time, we are utterly unprepared to cope with gentlemen found on the other side. Now, then, this proposition is, if it is adopted, that there will be seven additional lawyers employed at a salary not to exceed $15,000. Some of them might be less than $15,000, but the aggregate of the staff would not exceed an average of $15,000. It is for the reason that we have claims amounting into the millions which depend, if you please, upon not only the erudition but upon the ability of a man as the practitioner by reason of his acquaintance with the court, by reason of his association with the lawyers who are retained on the other side, and we all know there is much in it, and that is one of the things that might be contended. You can take a lawyer from Texas who knows more about general law than these experts, but if you throw him suddenly into this vortex he is lost until he can accustom himself to his new environment. And then this thing is not going to last over six or seven months, and why should we take a chance on breaking up the machine which these men say they are going to bring to a successful conclusion?

Mr. OLIVER. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. OLIVER. If this passes, as the gentleman has recommended it, there will be retained in the services at the higher salaries men who are now in the service.

Mr. WOOD of Indiana. Mr. Schlesinger tells us that a number of these men were employed at a larger salary, but by reason of the amendment they were reduced to $11,000, and some have quit and some intend to quit. Their places have to be filled. Some of these men would not even stay if they were awarded a higher salary, I am told—and I must depend on what they tell me, for I have not seen them. But even with this increase they would have to get other men, and that makes it all the harder, for strangers must be put into their places. And it is all the more essential that experts who can handle this business should really be put into those places.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman from Indiana in opposing the amendment of the gentleman from Tennessee [Mr. BYRNS] says that we do not appreciate the organization that was turned over to the present board; that things were in a deplorable condition. Now, admitting that that is true, he wants you to believe that you can remedy this deplorable condition by maintaining in the legal department of the Shipping Board the lawyers who were there during all the time when this deplorable condition was brought about, and simply increasing their salaries. The gentleman from Tennessee read to you the name of lawyer after lawyer who has been in the Shipping Board for two and three years, and who is there to-day. If the legal department is in a bad fix they are responsible for it. And this present board, instead of getting rid of those men whose incompetency you have criticized and now criticize, proposes to remedy it by simply paying them more money for their services.

One or two illustrations ought to be given you. The gentleman from Tennessee referred to the case of Mr. Gaines, who is on the roll at $9,500 a year, and concerning whom Mr. Lasker testified in August. Mr. Lasker said:

> You gentlemen probably do not realize it, but we have meetings of the Merchant Marine Committees of the House and Senate probably two or three times a week. New legislation is coming up every day, and we are called upon to be present at those meetings and to express what we think the legislation ought to be, or draft new bills or to modify bills and other similar matters. We employ Mr. Gaines to have charge of that work.

In other words, to be informed of the times when the Merchant Marine Committees of the House and Senate meet, the gentleman is employed at $9,500 a year.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. HARDY of Texas. I do not recall that Mr. Gaines ever appeared before the Committee on the Merchant Marine and Fisheries.

Mr. BYRNES of South Carolina. He was not employed to appear; he was employed to advise the Shipping Board when the committee did meet. [Laughter.]

As to Mr. Massey, the gentleman from Indiana referred to him, and the gentleman from Massachusetts asked if it was necessary to employ an admiralty lawyer. Of course it is. Mr. Massey is an admiralty lawyer. He was employed at first at $1,500 by this old corrupt board, but when this present economical and efficient board came in they continued to retain the services of this man who had served during all that rottenness and corruption, and increased his salary to $3,600. I read from the hearings on page 1112:

> Mr. WOOD. Do you not think that it would have been a good idea to have changed a lot of those people? The thing was so rotten at that time that a change could not have hurt.
> Mr. SCHLESINGER. He is needed in the department where he works, and he is a good admiralty lawyer.
> Mr. WOOD. Is he an admiralty lawyer?
> Mr. SCHLESINGER. Yes, sir; and he has a number of cases. Let me read you what he has.
> Mr. WOOD. He comes from Oklahoma.

[Laughter.]

An admiralty lawyer from Oklahoma was something new to the gentleman from Indiana, and he is something new to me. But he received $1,500 under this old and extravagant board, and this present economical and highly efficient board increased the salary of this admiralty lawyer to $3,600.

Mr. CLOUSE. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. CLOUSE. Is it not true that admiralty trial lawyers get usually from $3,600 to $5,000 a year?

Mr. BYRNES of South Carolina. I presume their compensation varies. Here is another one, a Mr. Hallett, another admiralty lawyer on this force. Quoting again from the hearing, Mr. WOOD, who can express himself very forcibly at times, could not express himself more forcibly than when he said this:

> They had him down here at the War Risk Bureau, until it was perfectly patent that they had to let him go. They did let him go, and he fell out of these into your lap, either at the same salary or at a bigger one.

[Laughter.]

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BYRNES of South Carolina. Now, this admiralty lawyer, who was discharged by the War Risk Bureau, according to the gentleman from Indiana [Mr. WOOD], waltzes over to the

Shipping Board and enters its service at an increased salary. The truth is that any man connected with any one of the governmental departments during the last year, or who is now connected with them, who has ever had a certificate as a lawyer and who does not go over to the Shipping Board and get a big salary is not doing justice either to himself or to his family, because all he has to do is to apply. [Laughter.] Yet we are told by the gentleman from Indiana that the Shipping Board needs this money to employ these high-priced lawyers.

I challenge any man to look at this record and say how much they need for their legal department. If you will look on page 1127, you will find that Mr. Powell, who submitted a statement from the comptroller's office, says that they need for "other expenses" $514,000, and he goes on to say that under this item of "other expenses" they will spend more money for special counsel, and he wants a total of $1,400,000 for the legal department. He stated they wanted $963,000 for "salaries and wages" and $514,000 for "other expenses," making a total of $1,400,000. On the same page he says he wants only $700,000 for salaries.

Now, if you will turn to Mr. Schlesinger's testimony, on page 1121, you will find that he says:

I think we ought to have $600,000 for the attorneys alone, and no increase in the clerical force.

They do not agree among themselves except in one thing, and that is that they want to have the right to pay high salaries to these men. Now look at the Claims Commission. Four of them are laymen. They state that they need admiralty lawyers. Everybody knows that when they employed Mr. Massey, an admiralty lawyer from Oklahoma, and Mr. Caleb Powers, of Kentucky, they are as well equipped to try admiralty cases as a New York lawyer would be to try a replevin case about a mule. [Laughter.]

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes.

Mr. WOOD of Indiana. Does not the gentleman think that considering the comparisons which the gentleman is making between Oklahoma and Kentucky lawyers we ought to have a real admiralty lawyer?

Mr. BYRNES of South Carolina. I quoted what the gentleman stated. I know that the Oklahoma lawyer probably knows no more about admiralty law than a New York lawyer knows about the replevining of a mule. Our friend from Indiana has always advocated economy. He has done so until this Shipping Board cast its spell over him. Now he has raised the limit and even violated the rule that we had agreed upon, not to exceed the Budget estimates, because, as I shall show you, when the estimate of the Shipping Board came before our committee, through the Budget Bureau, they wanted only $50,000,000, and then in January they submitted a supplemental estimate of $50,000,000. That estimate was transmitted through the Budget Bureau, and the gentleman from Indiana [Mr. WOOD] said, "You have not got anything on me. I can be as liberal as you, and I will give them the right to use $55,000,000 from sale of assets." So that when the Budget Bureau sends a total estimate here of $100,000,000, this bill seeks to go them $55,000,000 better than the Budget Bureau asks for. Does their record justify it?

When every page of the testimony contains statements of the raising of salaries of men from $1,500 and $2,000 to $8,000 and $10,000, when they are spending money as no agency of the Government has ever spent money, do you now propose to increase the number of men who are to receive these large salaries? Do you know what will happen? Just what the gentleman from Indiana [Mr. WOOD] indicated. They are not going to get any big lawyers around the country and pay them $15,000. They are simply going to raise the salaries of six or seven lawyers who are now in the legal department of the Shipping Board, and take some more of the law clerks who are receiving $1,500 and $2,000 and increase them to $8,000 and $10,000 a year.

Mr. LAYTON. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. SWEET. Mr. Chairman, I move to strike out the last word. I desire to ask the gentleman from Indiana [Mr. WOOD] a few questions. What machinery has been set up by the Shipping Board to take care of these claims?

Mr. WOOD of Indiana. They have allocated the claims to the different heads of their legal department. I have before me a statement of the heads of the departments to which they have been sent, and I have also a statement showing the number of claims that each one of them has.

Mr. SWEET. How many claims are there?

Mr. WOOD of Indiana. There are more than 3,000.

Mr. SWEET. And the amount of these claims is how much?

Mr. WOOD of Indiana. About $300,000,000.

Mr. SWEET. About $291,000,000.

Mr. WOOD of Indiana. More than that, practically $300,000,000.

Mr. SWEET. I have before me the statement that was made to the Senate. Now they have set up some kind of a board or commission down there, have they not, to pass on these claims?

Mr. WOOD of Indiana. Yes.

Mr. SWEET. And that board is mainly constituted of attorneys, is it not?

Mr. WOOD of Indiana. No; there is only one attorney on it. They have one attorney, one practical shipbuilding man, one material man, one business man, one operator. The board is composed of five men, but there is only one practicing lawyer who is a member of it.

Mr. SWEET. All these claims do not go through this commission, do they?

Mr. WOOD of Indiana. Oh, no. The great bulk of this legal work for which we are asking these additional attorneys is for trial attorneys.

Mr. SWEET. That is the point I am after.

Mr. WOOD of Indiana. Some of these men have 50 or 60 cases assigned to them involving millions of dollars, and the gentleman knows as a lawyer that one man can not take care of that many cases and do each one of them justice in six months' time.

Mr. SWEET. This bill carries an appropriation of $50,000,000 to pay these claims.

Mr. WOOD of Indiana. No; not these claims. The $50,000,000 that is carried here is for the purpose of adjusting those claims that may be agreed upon between the Shipping Board and the claimants, through the attorneys of this claims commission.

Mr. SWEET. The Shipping Board has settled some $522,000,000 of claims, has it not, for $140,000,000? I was wondering how you arrived at the $50,000,000 to settle these claims, whether it was an estimate based on what had been settled.

Mr. WOOD of Indiana. It is an estimate, and some pains has been taken, as I stated the other day. I am sorry the gentleman was not here——

Mr. SWEET. I was here when the gentleman made his statement, but it was not very clear to me at the time.

Mr. WOOD of Indiana. There are a lot of these concerns that are anxious to get their money, and they would be perfectly willing to accept a great deal less now than they might possibly recover if their claims were left to go through the claims courts; and unless there is some authority given to the Shipping Board to settle these claims they must take their course through the claims courts, which may mean three or four or five years. Nobody knows how long that will take.

Mr. SWEET. The claims that the gentleman says amount to about $300,000,000 have been filed largely within the last three years—that is, in 1919, 1920, and up to September 30, 1921. I find that there were 2 claims filed in 1917, 10 in 1918, and the balance of these claims have been filed during 1919, 1920, and up to September 30, 1921. Those are not war claims, are they?

Mr. WOOD of Indiana. Yes; every one of them is a war claim.

Mr. SWEET. How far back do they go?

Mr. WOOD of Indiana. They go back to the commencement of the war. The gentleman will understand that the Shipping Board was not created until 1916 and the Emergency Fleet Corporation after the war commenced, and all of these claims grow out of contracts either express or implied that originated by reason of the war.

Mr. WALSH. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Do these claims include some of the claims made by the builders of wooden ships, who relied upon some sort of a nebulous promise alleged to have been made by Mr. Hurley, which he denies?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Those are included?

Mr. WOOD of Indiana. They are included in the $300,000,000.

Mr. WALSH. And they are to be taken care of out of this $50,000,000, are they?

Mr. WOOD of Indiana. No; they are not.

Mr. SWEET. I do not understand just what this $50,000,000 is intended to pay. I notice from the statement made that these claims are required to go to the Court of Claims unless this $50,000,000 is appropriated. I should like to know just what claims are to be paid out of the $50,000,000, if they are not war claims.

Mr. WOOD of Indiana. They are war claims. I will tell you what they propose to settle out of the $50,000,000. They are claims about which there is little or no dispute. Many millions of dollars of them have been adjusted, and they would be perfectly willing to make settlements now if there was any way to settle them.

There is not one of these claims about which there is any serious doubt and concerning which there is even the taint of fraud which they propose to settle out of the $50,000,000.

Mr. SWEET. Have these claims been listed?

Mr. WOOD of Indiana. Yes.

Mr. SWEET. Is there any place where we can find them? Looking through this report made to the Senate in Document 103——

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SWEET. Mr. Chairman, I ask unanimous consent to have my time extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SWEET. In looking over this report I do not find any separate list of claims here that ought to be covered by the $50,000,000.

Mr. WOOD of Indiana. If the gentleman will examine the hearings before the committee he will find this. Document 103 comprises all of the claims.

Mr. SWEET. Yes; but it also comprises claims now against the Shipping Board in the ordinary run of business.

Mr. WOOD of Indiana. That is correct.

Mr. SWEET. And $50,000,000 here appropriated in this bill is for taking care of those current claims, is it not?

Mr. WOOD of Indiana. No. The $50,000,000 appropriated here is not appropriated for that purpose. Fifty million dollars are appropriated for satisfying whatever deficit may occur by reason of the operation of the business.

Mr. SWEET. That is to pay current claims, is it not?

Mr. WOOD of Indiana. No; that is to pay operating expenses.

Mr. SWEET. No claims at all?

Mr. WOOD of Indiana. No.

Mr. SWEET. Then, there is in this bill only $50,000,000 to pay back claims?

Mr. WOOD of Indiana. That is correct.

Mr. SWEET. And claims which they have practically agreed upon.

Mr. WOOD of Indiana. That is correct.

Mr. SWEET. Does that explain why these claims are brought up to the 30th day of December, 1921?

Mr. WOOD of Indiana. That may be or may not be the explanation. Here is what has transpired: The Shipping Board ever since this present administration has been trying to get everybody to submit his claim. They have been submitting all kinds of claims. There are good claims, bad claims, padded claims, and every character of claim. This legal department, I expect, to-day is charged with more responsibility than other portions of this organization for the reason that they have the deadwood with which to contend, and these claims that grew out of the war by reason of the speculation and everything that was rife during the war has made it harder for them to determine.

Mr. SWEET. I realize that; and right in that connection the settlement of these claims is left largely to their judgment.

Mr. WOOD of Indiana. Yes.

Mr. SWEET. As the settlement of claims of a business concern.

Mr. WOOD of Indiana. Absolutely.

Mr. SWEET. And they are not hampered by provisions of law in any way, because there is no law in existence by which they can be governed in the settlement of a claim; and if they pass on a claim and say that it is equitable and just, and recommend its payment, it is paid, is it not?

Mr. WOOD of Indiana. No.

Mr. SWEET. Where is the law on the proposition that governs them any more than governs the President or the officers of a private concern?

Mr. WOOD of Indiana. The gentleman is right about that.

Mr. SWEET. The gentleman has often said that this is a great business concern.

Mr. WOOD of Indiana. Yes.

Mr. SWEET. These attorneys in passing on these claims pass upon them in the ordinary way as they believe the law to be in dealing with a great business, but if they make a mistake in the claim and approve it, in that event the claim is paid.

Mr. WOOD of Indiana. Yes; but, of course, the Supreme Court has made mistakes itself.

Mr. SWEET. Oh, it is so much easier to get a claim settled with attorneys than it would probably be to submit it to the Supreme Court, because the Supreme Court would be governed—for they would determine it according to provisions of law, and, while attorneys may wrangle over these matters, the truth of it is that many settlements undoubtedly will be made here which would not meet the test of the courts.

Mr. WOOD of Indiana. That may be true; but there has to be some human agency, and even if mistakes may be made we should take all of the equations into consideration.

Mr. SWEET. I can agree with the gentleman largely upon the question of business, but when you come to a payment of past claims, claims which go back into the war, I differ with the gentleman.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. MANN. Mr. Chairman, in passing I would like to say that I regard Caleb Powers as one of the brightest men I have ever met. Joseph H. Gaines, who was employed by the Shipping Board to keep track of things going on in Congress, is one of the brightest men who ever came into this House, and in my judgment his was an eminently proper scope of employment.

I suppose it is a part of the partisan attack to attack these gentlemen.

I do not understand yet, and I have listened to this debate from the start, the necessity for increasing the pay of any of the attorneys of the Shipping Board. I have the highest respect for Mr. Schlesinger, the present general counsel, if that is the proper title, of the Shipping Board. They have a number of attorneys who are receiving salaries of $11,000 a year. I do not agree at all with my friend from Indiana [Mr. WOOD] or my friend from South Carolina [Mr. BYRNES], and with many other country lawyers in the House, all of whom probably would express the same opinion, that some country lawyer, a fine man, well posted in the general practice of the law, is the proper man to select for the purpose of attending to the present work of the great Shipping Board. However, we now have a great organization of attorneys, the gentleman from Indiana tells us. Less than a year ago the House provided that there should be no one employed at an expense of over $12,000 a year except three. Afterwards we agreed with the Senate to employ six at salaries over $11,000 a year. The organization there is complete. What is the reason now why seven of these attorneys should have an increase in salary from $11,000 to $15,000 or $20,000 or $25,000 a year? It is true the employment is temporary. It is true also that lots of attorneys would like to receive this employment for the advertisement that goes with it the rest of their lives.

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. WOOD of Indiana. The gentleman says that he can not see the necessity for employing any more men. I call attention to what Mr. Schlesinger said——

Mr. MANN. Oh, I did not say anything about any more men. I voted with the gentleman on the question of men and the amount of money that could be expended.

Mr. WOOD of Indiana. But the gentleman is now speaking with reference to increasing the salaries. I wish to call attention to what Mr. Schlesinger said on this provision. I asked him what he would do with this if it were awarded, and he said:

> Mr. SCHLESINGER. I would first try to get an admiralty lawyer in New York at the head of the department there, which is sadly in need of it. We probably could not get one under $20,000. Then I would like to get about four or five more special counsel, who would be very high-priced men. I would like to put them on some of those very special cases, and have them to investigate them and run them down. That in itself would take pretty nearly $100,000.

Mr. MANN. Very likely. What they would do would be to take the men they have now in the office and increase their pay. We reduced it last year. We cut it down last year. They were receiving more money when they went into the service of the Government, and we reduced the pay of the attorneys, so that their highest should be only $11,000 a year, and not one of them quit, so gentlemen say. I have great respect for good lawyers. They receive high fees, but I think it is time that this Republican House stopped paying these enormous outrageous salaries that are not necessary. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLIVER. Mr. Chairman, as the House knew the gentleman from Indiana [Mr. WOOD] last August, and even later at the time of the consideration of the reclassification bill, he was justly entitled to the reputation of an economist, and in my personal association with him I have always valued his good judgment in matters of public expenditures. He seems, how-

ever, to have fallen under some kind of hypnotic spell, since he conducted the hearings on the bill we are now considering, especially on that part of the bill relating to appropriations for the Shipping Board. Mr. BYRNS of Tennessee has read an interesting statement made by the gentleman from Indiana last August, when appropriations for the Shipping Board were being considered in the deficiency bill, and I wish to submit a further very strong statement made by the gentleman from Indiana [Mr. WOOD] at the same time. It related to the employment of high-salaried men in the legal department of the Shipping Board, and I am informed that the parties referred to are still in the employ of the Shipping Board, and one of them will likely have his salary increased, if the board is now authorized by this bill to grant increased salaries to seven attorneys, as proposed. Quoting from the gentleman's [Mr. WOOD] speech before the House last August, on page 4934, I read as follows:

I want to call attention of the committee to an imposition upon those in charge of the legal department of the Shipping Board. I called the attention of Congress two years ago to the same character of graft then being practiced on the Government. At that time, directly after the armistice was signed, there was appointed what was called a War Claims Board, and the Assistant Secretary of War was at the head of the board.

There was a man by the name of Fairbanks, who came from some little town up in Vermont—St. Johnsbury, I think, who testified that he was receiving $1,000 a month for the service he was rendering; that prior to coming here he never earned more than $2,500 a year in the practice of law. He was a lieutenant in the Judge Advocate's office and resigned to take this position paying $1,000 a month. There were 75 of these men getting all the way from $7,500 a year up to $12,000, $15,000, and $17,000 a year. We were given to understand that they would be continued but a short time. I now find that this man Fairbanks was continued in that job until about four months ago, when he was disconnected on the incoming of the present administration——

Mr. LAYTON. Will the gentleman yield?

Mr. OLIVER. In one minute, when I finish reading from the speech of the gentleman from Indiana [Mr. WOOD]:

Then he attempted to set up a business in this town for himself, but by some hokus pokus we find him again as one of the attorneys for the Shipping Board, drawing not $12,000 a year but $15,000 a year.

In reply, then, to a question by the gentleman from Kentucky [Mr. KINCHELOE] as to whether these parties would be dropped from the pay roll, the gentleman from Indiana [Mr. WOOD] made this statement:

They will not be put off the pay roll by this bill, but their salaries will be fixed by the limitation in it. That is as far as we could go; more added would have made it subject to a point of order. But I hope there will be permanent legislation coming from the proper committee whereby it will be made absolutely impossible in all future time for men to grab the Government by the neck in a time of its distress.

The House will remember that this was the attitude of the gentleman from Indiana [Mr. WOOD] last August, and yet we now find him advocating the employment of seven attorneys for the Shipping Board, without any limit as to the salary to be paid them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLIVER. I ask for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. OLIVER. I yield to the gentleman from Delaware.

Mr. LAYTON. I only wanted to say I think there ought to be a bill introduced in the House that no Member of the House should be allowed to quote another Member of the House back further than 30 days. [Laughter.]

Mr. OLIVER. I think it would save considerable embarrassment if such a bill should pass. [Laughter.] The question propounded by the gentleman from Iowa [Mr. SWEET] was certainly very pertinent to the matter now under discussion, because it developed this state of affairs, that on Saturday afternoon, against protest from Members on both sides of the aisle—and this is not a partisan question—the gentleman from Indiana [Mr. WOOD] objected to limitations being placed on the Adjustment Board in the expenditure of the $50,000,000 appropriated in this bill for the settlement of claims. The discussion disclosed that a large part of the $50,000,000 might be used for the purpose of setting what may be termed "equitable claims," and not alone in the payment of claims constituting a legal and enforceable liability against the Government. All claims presented, if viewed from the viewpoint of the claimant, presents some grounds of equity, but surely the House was in error when it refused to place a proper limitation on the Adjustment Board in the expenditure of this $50,000,000 so as to prevent the payment of claims on which no suit could be sustained against the Government in any court and which constitute no legal liability against the Government.

Mr. MANN. Will the gentleman yield?

Mr. OLIVER. Yes.

Mr. MANN. Was the gentleman here when we adopted that original amendment requiring these claims to be legal claims?

Mr. OLIVER. No, sir. No such amendment was adopted.

Mr. MANN. Such an amendment was agreed to, with a statement in favor of it by the gentleman from Indiana [Mr. WOOD].

Mr. OLIVER. I have great respect for the accuracy of the recollection of the gentleman from Illinois, but he is in error as to that.

Mr. MANN. The gentleman was not here.

Mr. OLIVER. I was here, and taking part in the debate, but the gentleman was silent. The gentleman from Wisconsin [Mr. COOPER] will remember how much the gentleman from Illinois is in error.

Mr. MANN. Will the gentleman permit an interruption? I appeal to the gentleman from Texas [Mr. BLACK], who offered the amendment, which was agreed to, if I am not correct.

Mr. COOPER of Wisconsin. No such amendment was adopted Saturday.

Mr. MANN. Maybe the gentleman from Wisconsin was not here. We agreed to that amendment this morning.

Mr. COOPER of Wisconsin. But a reader of the RECORD would never know it.

Mr. OLIVER. I do not want this colloquy taken out of my time.

The CHAIRMAN. The gentleman from Alabama will proceed.

Mr. OLIVER. The gentleman from Illinois [Mr. MANN] is in error as to the amendment adopted. He will find that the House refused to adopt an amendment limiting the expenditure of this $50,000,000 to the payment of legal claims. The amount will be placed at the disposal of the adjustment board, and so far as any limitations now carried in this bill are concerned the board will not be precluded from considering claims other than those constituting a legal liability against the Government.

Mr. MANN. We agreed to that amendment which was offered last Saturday by the gentleman from Texas [Mr. BLACK], and we agreed to that amendment this morning.

Mr. DAVIS of Tennessee. Here is the amendment:

Provided, That no claim shall be paid out of the amount appropriated herein unless the Shipping Board shall find that such claim grew out of an agreement, express or implied, entered into with the United States Shipping Board or the Emergency Fleet Corporation or their legal representatives.

Mr. OLIVER. I am surprised that the gentleman from Illinois—as good a lawyer as he is——

Mr. MANN. I admit that.

Mr. OLIVER (continuing). Would, for a moment, insist that such an amendment will confine the Adjustment Board to the consideration of claims constituting a legal and enforcible liability against the Government. The gentleman from Indiana [Mr. WOOD] refused on Saturday last to accept an amendment offered by the gentleman from Tennessee [Mr. DAVIS], which sought to require a written opinion from the general counsel of the Shipping Board as to the legality of all claims passed on by the Adjustment Board before payment was made. In the discussion of that amendment the gentleman from Indiana [Mr. WOOD] referred to claims which might not constitute a legal claim against the Government, and yet which the Adjustment Board might find it desirable to settle. I call the attention of the gentleman of Illinois to the fact that "a claim growing out of an agreement, express or implied, entered into with the United States Shipping Board or Emergency Fleet Corporation," may not necessarily constitute a legal liability against the Government. In fact, it has been stated that the holders of these claims, which it is proposed to settle out of this $50,000,000 appropriation, recognize that they have no claim enforcible in the courts, and for that reason no suits have been filed seeking to enforce the same, yet we, in this bill, have appropriated $50,000,000 to enable the Adjustment Board to settle—not claims pending in court—but claims which have been outstanding for more than two years and on which no suits have been brought, and for which no legal liability exists.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WALSH. Mr. Chairman, I ask that the amendment be reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 29, line 11, after the figures "$11,000," add: "But no compensation or salary shall exceed $25,000."

Mr. WALSH. Mr. Chairman, I offer this amendment with the idea of securing an expression from the House, and if it is adopted or enacted into law as an expression of the Congress, the time has well arrived when we can get along with these extremely high-salaried officials, even for this important business like the business of the Shipping Board. We pay our Cabinet officers, who operate the executive departments, equally as important as this business which we are trying to get rid of, $12,000 a year. Now, Mr. Powell, I think it is, who comes here and is at the head of the Emergency Fleet Corporation, has a salary, I understand, much below $25,000 a year—gets a dollar a month. He is running this Emergency Fleet Corporation and is bringing order out of chaos, and is putting regulations resulting in efficiency and organization into effect. But we pay $35,000 to two or three officials and $28,000, perhaps, to others, and I believe if we enact that no compensation shall exceed $25,000 we will not be hampering the efficiency of this organization, nor will we be restricting the field from which we can secure competent and efficient men to direct the destinies of this business.

Mr. WOOD of Indiana. Is it proposed by your amendment that out of this appropriation not more than $25,000 shall be paid for any salary?

Mr. WALSH. Yes, sir.

Mr. MANN. No; not out of this appropriation.

Mr. WOOD of Indiana. Out of any appropriation?

Mr. MANN. The provision in the bill is that not more than so many officials shall be paid——

Mr. WALSH. Shall be paid——

Mr. MANN. Eleven thousand dollars, or no compensation or salary shall exceed $25,000.

Mr. WOOD of Indiana. That is what I understood—that no part of this appropriation shall be paid in excess of $25,000 to anybody. Is that what you mean?

Mr. WALSH. The Shipping Board shall not pay more than $25,000.

Mr. MANN. The Shipping Board shall not pay more than $25,000.

Mr. WALSH. It might be paid out of funds that are available. It is the maximum they can pay for salaries. Now, if they are gradually reducing these claims, if they are gradually perfecting an organization for the future, if they are gradually getting plans laid whereby they can turn this fleet over to private ownership, I say that $25,000 now, particularly with the depression that exists in shipping circles, is a highly remunerative salary to be paid these men. If they are not willing to take it, let them go back and accept their positions with the competing lines and go into competition with the Emergency Fleet ships. But I believe we are not restricting the field in any sense which would deprive us of competent people, men who will come down here and give their services at salaries at a little more than $2,000 a month, especially when we have been able to get Mr. Powell, formerly at the head of the Fore River Ship Corporation, a mighty good shipbuilder, one of the officials of the Bethlehem Shipbuilding Corporation, for a dollar a month to supervise and be the vice president in charge of all these high-salaried officials. So when we say the limit should be $25,000 a year we are not doing the Shipping Board and the Fleet Corporation any injury whatever. [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, I shall come to the conclusion pretty soon that I am on trial along with the Shipping Board here. [Laughter.]

Now, it does not make any more difference to me than it makes to anybody else here what you do with this Shipping Board, whether you kick it into the river or not. It has caused me more trouble than it has caused anybody else, I expect. I have tried as best I could to get the facts before you, so that you can do with it exactly as you please. It is like Champ Clark's hound dog. Everybody thinks it will be popular to kick at it. But stop a moment and consider what you are possibly doing. We have been talking here in Congress for about half a century concerning the establishment of an American merchant marine. If we are ever going to establish one, it is now or never, because we have less excuse now for failure to establish an American merchant marine than we have had in a quarter of a century or will have again for three-quarters of a century, in my opinion. We have this great aggregation of property on our hands, scattered all over the world, operating as best it can under the most difficult and trying circumstances, when the greatest skill and ability must be exercised in order to make it operate at all, until such time as conditions grow better and something may be realized out of it.

Now, gentlemen, do not confuse the three men who are getting $35,000 a year with the lawyers. There is not a lawyer who is getting or can get since this amendment has passed more than $11,000 a year, and the head of the legal department, who I know is making a sacrifice here of $100,000 a year, has reduced his own salary in order that criticism might not be leveled against him.

Mr. Powell, who has been working for a dollar a month, has been subjected to the most severe criticism because he has been working here for a dollar a month, and he is criticized as having some selfish interest in view; otherwise, it is said, he would not be here working for a dollar a month.

Now, we are criticized because three of these men are working at salaries of $35,000 a year. Who are they? Mr. Powell does not pretend to be an operator. He is an organizer. It takes organization now; and he is giving his services to this country, and all the while is being damned for it by men in this House. As to these men who are getting $35,000 a year, if you will read the hearings you will find they are men who are making a sacrifice to come here and do it. They are not as rich as Mr. Powell. Is it right to ask these men to give up the possible opportunities of their lives at the head of the greatest industry in the world and say that they shall be hampered and scandalized and criticized because of their performance of patriotic duties? Neither of these three men is a lawyer. There are just three of them receiving $35,000 a year. One of them is Mr. Smull, one of the greatest ship operators in the world. Another is Mr. Love, with an equal reputation, and the other is Mr. Frey, from the Pacific coast.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Is Mr. Frey getting $35,000? He was getting only $25,000 last August.

Mr. DICKINSON. Two of these men are receiving $35,000 and one is receiving $30,000.

Mr. WOOD of Indiana. Are you going to take a chance? Mr. Smull testified that he could not afford to be here for a cent less and will not stay. If Mr. Smull is rendering $100,000 worth of service for $35,000, would we not be foolish in striking his name off the books? Is there a man here who feels that he would like to take the responsibility of getting a man to succeed Mr. Smull? If there is, let him hold up his hand.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. The gentleman from Alabama may be able to furnish the man. Who is he?

Mr. McDUFFIE. I am only going to answer the gentleman's question. I think I could furnish a man for less than $30,000. But what I wanted to do was to remind the gentleman of the fact that few men in the shipping business to-day are making more than $25,000 at the present time.

Mr. WOOD of Indiana. Yes. And a lot of shipping concerns are keeping their high-salaried men at a loss in order to prevent a further loss of money in the future. The time when you want big men, strong men, courageous men, is in the hour of distress. That is when you need them. If you want a competent commander to lead your army, you need him most when the army is demoralized in order to have him put it in fighting trim. We have a lot of these fellows who can fight sunshiny-day battles, but we have few who can fight through the clouds and the mire and the mud.

Gentlemen, you can do exactly as you please. Yours is the responsibility, not mine. I say you are making a great mistake if you do the thing that is proposed by this amendment. [Applause and cries of "Vote!"]

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. HARDY of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. HARDY of Texas. Mr. Chairman, I am very much in favor of the amendment offered by the gentleman from Massachusetts; but I rose not for the purpose of discussing that particularly, but to correct an error that I made. I stated, in referring to Mr. Gaines, that he had not appeared before the Committee on the Merchant Marine and Fisheries. I know Mr. Gaines very well. He is a clever gentleman. I understand that in making my statement regarding him I did him an injustice. He did come before our committee once or twice, appearing on the matter of the load line, a matter about which our committee is as well versed as anybody else. My reference to Mr. Gaines was not intended to be personal. I hope it will not be

so understood. Nevertheless he is a capable lawyer from an inland State; not an admiralty lawyer. If we keep up this high rate of salaries we shall have the Shipping Board to resemble the bunghole of a molasses barrel, with all the bees buzzing around it for something sweet and juicy. I think you can get good men and able men who will devote all their time to carrying on the work of the litigation of the Shipping Board.

I hope we have not got somebody employed there to study the policies to be advocated, because the Members of Congress ought to study the policies necessary for the upbuilding of the American merchant marine. It will not be done by high-priced employees. It will not be done by high-priced lawyers to represent the Shipping Board in its various and sundry suits. It will be done by the establishment of a policy that is the reverse of some of the policies we have had heretofore. It will be done by the establishment of a policy that will enable the American merchant marine to furnish to the world the cheapest unit of transportation. We will never get it by any other means, and I hope that this Congress will not be led by high prices and by high salaries of lawyers and managers to say that the American merchant marine can not compete with the world unless Congress goes into the coffers of the Treasury of the United States and pays a vast subsidy. I am afraid all this legal talent is leading up to an argument for a great subsidy to run the American merchant marine in competition with the other merchant marines of the world. We can not pay the big salaries that private corporations pay that have monopolies of the great necessities of life, because when they pay a vast salary all in the world they do is to turn around and charge it up to the public; but when we pay a vast salary we must tax the people who support the Government to pay that salary. I hope this Congress will do what its leaders have been attempting to do. I hope it will get on its economical clothes and let us adopt the amendment of the gentleman from Massachusetts [Mr. WALSH].

Mr. JOHNSON of Mississippi. Mr. Chairman, I rise to oppose the pro forma amendment. I am going to take only a moment. I ask unanimous consent that a short article be read by the Clerk.

The CHAIRMAN. The gentleman asks unanimous consent that a short article be read by the Clerk in his time. Is there objection?

There was no objection.

The Clerk read as follows:

[Kansas City Star, Jan. 26, 1922.]

KICK ON KANSAS MOB LAW—NEXT LEGISLATURE MAY BE ASKED TO REPEAL IT—FEELING IS GROWING OVER STATE THAT CITIES ARE NOT SAFE UNDER NEW INTERPRETATION OF THE STATUTE.

Kansas towns are finding the State's anti-mob law a "costly" statute.

Kansas City, Kans., has 59 suits pending against the city now, totaling $949,978. Twenty-six of these are the result of trouble in the packing-house strike. The suits range from $5 to $25,000.

Independence has had judgments returned against it for $37,250 and other suits still pending as a result of a race-war outbreak there.

Under the law, three or more persons banded together to commit depredations on life or property constitute a mob. As a result, a large number of suits have been brought against municipalities held responsible under the law, and now there is a demand for its repeal.

It is quite probable that the next session of the Kansas Legislature will be asked to repeal or modify the law under which the supreme court has ruled that three or more persons constitute a mob for whose illegal action the municipality can be held responsible.

The feeling is growing over Kansas that no city is safe under the new interpretation of this statute, and the judgments recently obtained against the city of Independence, as well as the suit brought in Wyandotte County by the jeweler whose store was robbed by three men, have served to give cumulative force to this sentiment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WALSH].

The question being taken, there were on a division (demanded by Mr. WOOD of Indiana)—ayes 58, noes 16.

Accordingly the amendment was agreed to.

The Clerk read as follows:

No part of the sums appropriated in this act shall be available for the payment of certified public accountants, their agents or employees, and all auditing of every nature requiring the services of outside auditors shall be furnished through the Bureau of Efficiency: *Provided*, That nothing herein contained shall limit the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation from employing outside auditors to audit claims in litigation for or against the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation.

Mr. MANN. Mr. Chairman, I reserve a point of order on the paragraph.

Mr. DAVIS of Tennessee. Mr. Chairman, I desire to offer an amendment.

Mr. MANN. Is this practically the existing law, or is it a new provision, inserted at the suggestion of Mr. Brown?

Mr. WOOD of Indiana. Mr. Brown has not anything to do with it. They have been doing their own auditing.

Mr. MANN. Why should they call on the Bureau of Efficiency? What auditors do the Bureau of Efficiency have?

Mr. WOOD of Indiana. This is the language submitted by the Bureau of the Budget. The Bureau of Efficiency has expert auditors. There is no question about that.

Mr. MANN. Why should they have expert auditors? What has the Bureau of Efficiency to do with auditing?

Mr. WOOD of Indiana. I am utterly amazed at the gentleman from Illinois.

Mr. MANN. That is not uncommon. [Laughter.]

Mr. WOOD of Indiana. No; and it seems to be growing more frequent. If the Bureau of Efficiency is a real Bureau of Efficiency it must have an auditing department within itself. How could they measure efficiency without auditing?

Mr. MANN. Certainly they do advise some departments about auditing, but they are not practical auditors that ever I heard.

Mr. WOOD of Indiana. On the other hand, they are practical auditors and have in their employ some of the most practical auditors in the employ of the Government. I am utterly amazed that the gentleman from Illinois did not know that. He generaly knows almost everything.

Mr. MANN. Well, I know better than that.

Mr. WOOD of Indiana. The gentleman does not know any better than that, and if he does not know that he is not alive to the situation.

Mr. MANN. Here is the situation: We have a general accounting department, which is the auditing department of the Government. We have an auditing department in the Shipping Board. We have a few teachers of auditing in the Bureau of Efficiency who are not in the main practical auditors themselves. Now it is proposed to have them create a new bureau to audit the Shipping Board.

Mr. WOOD of Indiana. No; that is not the purpose at all.

Mr. MANN. That is what it says, practically.

Mr. WOOD of Indiana. Before this time they have been employing independent auditors. They had the Montgomery Auditing Co. and some other auditing company, and were paying out a large amount of money for work that ought to be done by the auditors employed by the Government for auditing the business of the Government.

Mr. MANN. This is not any inhibition against the employment of outside auditors.

Mr. WOOD of Indiana. It is an inhibition except under the proviso.

Mr. MANN. Except that the outside auditors shall be furnished through the Bureau of Efficiency.

Mr. WOOD of Indiana. Yes.

Mr. MANN. That is all. What peculiar qualifications has the Bureau of Efficiency for selecting auditors for the Shipping Board rather than having the Shipping Board select its own auditors?

Mr. WOOD of Indiana. The Bureau of Efficiency has its auditors, who are paid by the Government. Heretofore the Shipping Board has gone outside the Government service and employed independent auditors who were in nowise connected with the Government, just as the gentleman from Illinois [Mr. MANN] might employ an auditor. He would employ some auditing agency to do his auditing. That is the way they have been doing.

Mr. MANN. Does the Bureau of Efficiency have a sufficient force to do this auditing for the Shipping Board?

Mr. WOOD of Indiana. We hope it has. I do not know whether it has or not.

Mr. MANN. Is that on the theory that the men in the Bureau of Efficiency have nothing to do, or is it expected that they will have nothing to do in the future, not having very much to do now that is necessary to be done?

Mr. WOOD of Indiana. I will say to the gentleman that I was not responsible for this language being put in, but I suppose that the Bureau of the Budget, in looking for some channel through which some expense might be reduced, thought it wise to provide that the Bureau of Efficiency should do this auditing rather than pay out the money of the United States for independent auditors.

Mr. MANN. I must confess I do not see any difference, so far as paying out the money is concerned, whether it is paid to outside auditors or paid to extra people employed in the Bureau of Efficiency.

Mr. WOOD of Indiana. We are trying to save money, and we would better keep those employed that we are paying for the service rather than to pay somebody on the outside for services that ought to be rendered by somebody on the inside.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

Mr. MANN. Mr. Chairman, what became of the point of order?

The CHAIRMAN. Does the gentleman from Illinois desire to make the point of order?

Mr. COOPER of Wisconsin. Mr. Chairman, I make the point of order that the gentleman from Illinois reserved.

Mr. WOOD of Indiana. To what does the gentleman from Wisconsin make the point of order?

Mr. COOPER of Wisconsin. I make the point of order to the language against which the gentleman from Illinois reserved the point of order.

Mr. MANN. No amendment can be offered while a point of order is pending, Mr. Chairman.

The CHAIRMAN. What is the point of order?

Mr. MANN. Mr. Chairman, the language to which I reserved the point of order was:

and all auditing of every nature requiring the services of outside auditors shall be furnished through the Bureau of Efficiency.

That is legislation. It is no part of a limitation at all.

The CHAIRMAN. And this is a new provision?

Mr. MANN. This is not law.

Mr. WOOD of Indiana. Mr. Chairman, I think the point of order is well taken, if the gentleman insists upon it, but I want the gentleman to know that he is simply entailing extra expense upon the Government.

Mr. MANN. I did not make the point of order, although I did not get a very satisfactory explanation.

The CHAIRMAN. Does the gentleman from Wisconsin make the point of order?

Mr. COOPER of Wisconsin. I do.

The CHAIRMAN. To what language is the point of order addressed?

Mr. COOPER of Wisconsin. To the following language:

and all auditing of every nature requiring the services of outside auditors shall be furnished through the Bureau of Efficiency.

The CHAIRMAN. The gentleman from Indiana concedes the point of order to that?

Mr. WOOD of Indiana. I concede the point of order is well taken.

The CHAIRMAN. The point of order is sustained.

The Chair recognizes the gentleman from Tennessee to offer an amendment, which the Clerk will report.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Tennessee: Page 29, line 2, after the word "corporation" insert a new paragraph, as follows:

"No part of the sums appropriated in this act shall be used for the maintenance of a bureau of construction."

Mr. WOOD of Indiana. Mr. Chairman, I reserve the point of order on the amendment.

Mr. DAVIS of Tennessee. Mr. Chairman, during the hearings on this bill, when Mr. Lasker was testifying as to the personnel of the Shipping Board employees, among others he enumerated was the bureau of construction, with a special expert at $9,000, a special expert at $5,000, clerk to commissioner at $2,400, senior clerk at $2,400, and stenographer at $1,560, making a total of $20,360. The gentleman from Indiana [Mr. WOOD] asked the question:

Who is going to tell us something about this bureau of construction?

Mr. LASKER. I will tell you about it.

Mr. WOOD. You are not constructing any more vessels, are you?

Mr. LASKER. The bureau of construction of the Shipping Board, under Admiral Benson, has nothing to do with the construction department of the Emergency Fleet Corporation.

In that connection, there is carried a large appropriation during the current year of over $15,000,000 for the Division of Construction, which is the one referred to here; but this is a different proposition to which my amendment is directed, as shown by the further statement of Chairman Lasker, as follows:

The duties of the bureau of construction of the Shipping Board under the Jones Act are to make academic studies of domestic and foreign construction and costs in order to give private shipowners the benefit of the Government's research as to the types of ships needed, and also to make studies with the Navy as to the type of merchant marine the Navy needs in order to encourage and induce American shipowners to build the types of ships needed for the Navy.

In the first place, Chairman Lasker has already recommended that the auxiliary fleet or transport vessels of both the Navy and the Army be dispensed with. With reference to future construction, the Shipping Board now owns 1,724 vessels, of 11,287,125 dead-weight tons. In addition to that there is a tonnage of 2,300,000 of privately owned American vessels. It is generally regarded by experts that we already have in the United States a considerably larger percentage of ships than American commerce can possibly utilize for many years to come. We are confronted with a very great problem in disposing of ships we already have. Likewise, we have a world tonnage of about 60,000,000 tons—far in excess of any previous period—and experts generally agree that there is considerably more world tonnage than is needed even in prosperous times. Yet, in spite of that situation, we are proposing to appropriate funds in this bill to carry on a bureau of construction in order to conduct investigations as to the character of vessels that ought to be constructed in the future. I think it is ridiculous, and it ought to be stricken out. It simply means the employment of some of those experts who are carried on this roll, whose services are not needed, and this is one place where we can save at least that much without impairing in the least our merchant marine, either Government or privately owned. Consequently, it occurs to me that the amendment should be adopted.

Mr. WOOD of Indiana. Mr. Chairman, the point of order I make is that it is seeking to change existing law. In the organic act providing for the creation of the Shipping Board, section 12 provides that the board shall investigate as to the relative cost of building merchant vessels in the United States and in foreign maritime countries, and the relative cost, advantages, and disadvantages of operating in the foreign trade vessels under United States registry and under foreign registry. That section goes very fully into it, and section 9 and section 37 also go to show that that shall be a part of their duty.

Now, I do not think there will be any construction unless some occasion arises with the service we have. I make the point of order that it is in contravention of existing law; also sections 11, 19, 23, and 25 of the merchant marine act, which provides for construction.

The CHAIRMAN. The Chair is ready to rule. With this clearly provided for in existing law, it is proper at any time to put a limitation on an appropriation bill. That does not change the existing law. It only goes to the point of saying that this year on this appropriation bill we will not make the appropriation. It is a limitation clearly just such as are provided for in four or five different places on the same page, and the point of order is not sustained. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 19, noes 33.

So the amendment was rejected.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer another amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 29, line 22, after the word "corporation," insert a new paragraph, as follows:

"No part of the sum appropriated in this act shall be used in conducting investigations with a view of rebating purchasers of Shipping Board vessels by refunding the difference between the value of the vessels at the time sold and the present value."

Mr. WOOD of Indiana. Mr. Chairman, I make the point of order against that amendment, because it changes existing law, and it does not show upon its face it is going to save money to the Government, but, on the other hand, might possibly cost a larger sum.

The CHAIRMAN. The point of order is not sustained on the grounds stated in the preceding ruling.

Mr. DAVIS of Tennessee. Mr. Chairman, soon after the war quite a number of Shipping Board vessels were sold, and the purchasers of those vessels participated in the very great prosperity that then obtained in shipping circles, and made doubtless large profits. The profits being made at that time in seagoing commerce were of such a character that, according to the report on the merchant marine bill, made by Senator JONES from the Committee on Commerce, there were net profits in the operation of the Shipping Board vessels of $137,549,568 for the year ending June 30, 1919, and, of course, private operators were making money in proportion during that time, and yet, by reason of the decline in the price of tonnage, the purchasers of those vessels at that time started a propaganda in favor of their being rebated the difference between what they paid for the vessels at that time, which averaged about $177 a ton, and the present price of tonnage when the bottom had dropped out of the business and, as everybody knows, no ship can be sold at anything like its true value. Now they went to work with the Shipping Board in an effort to secure the rebate referred to, which matter is testified to by Chairman Lasker

in the hearings on this bill, and, after reviewing this situation and the claims made by these purchasers for rebates, he states the other side of it in this language:

The other side of the question is this: These people did not buy this tonnage for patriotic reasons from the Shipping Board—they bought it to make money. Should this Government be Santa Claus to adults who go into a transaction for the purpose of profit? Those are the two ways that the question appears to the Shipping Board. So we called a meeting of the pioneer purchasers.

And then he goes on to explain that they were so persistent that the Shipping Board finally suggested that if they would submit their reports and requests they would conduct an investigation and then would report to Congress what they thought they were entitled to. Mr. Lasker himself says that it is very clear that the Shipping Board has no right to make any such rebate without further congressional action. Without there being any legal basis or any congressional suggestion, or any authority from any source, they are now engaged in conducting investigations along this line, and therefore encouraging these men to make these claims and to become imbued with the idea they are entitled to rebates. I say it is a useless function that is being performed and ought to be stopped.

Mr. WOOD of Indiana. Mr. Chairman, all I desire to say in answer to the gentleman in support of his motion is that it occurs to me that there is more necessity at this particular time for this particular kind of an investigation of which he complains than at any other time. I desire to quote from the Shipping Board act as follows:

The board in fixing or accepting the sale price of such vessels shall take into consideration the prevailing domestic and foreign market price of the available supply of and the demand for vessels, existing freight rates and prospects of their maintenance, the cost of constructing vessels of similar types under prevailing conditions, as well as the cost of the construction or purchase price of the vessels to be sold, and any other facts or conditions that would influence a prudent, solvent business man in the sale of similar vessels or property which he is not forced to sell. All sales made under the authority of this act shall be subject to the limitations and restrictions of section 9 to the shipping act, 1916, as amended.

Now, then, if you are going to have this board do what the law compels it to do, you ought to at least have some provision whereby they can do the things the law compels them to do, else we will come back here next year and find that they have not done the very things the law compels them to do, because they did not have the appropriation to do them with, and then criticize them for it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. DAVIS].

The question was taken, and the amendment was rejected.

Mr. LONDON. Mr. Chairman, I move to strike out the last word.

The Shipping Board, or, rather, the merchant-marine venture, has cost so far three and a half billion dollars. It is a veritable bottomless pit. I would like to see every appropriation for the board stricken out. It is not proposed to establish a merchant marine to be owned by the American people. It is not suggested that the Nation should own the fleet for which the people have paid, but it is cynically proposed that we take more money out of the pockets of the people of the United States in order to help organize a fleet which should be some day sold to private interests for a song. That is what we are doing. It is a direct case of the exploitation of the people by private interests. It is socialism reversed. It is the socialism of plutocracy. Every appropriation for the Shipping Board means an appropriation for the benefit of a group of shipowners into whose coffers money is to be poured out of the pockets of the poor. Out of the funds of the United States Treasury, funds to be raised by taxation, we are to develop a new private industry. What sort of democracy do you call that?

The gentleman from Delaware [Mr. LAYTON], who has been so insistent in his condemnation of socialism, does not protest against this kind of socialism. He seems to take it for granted that it is the duty of Congress to appropriate money so that we may develop an industry for private capital.

Mr. LAYTON. Will the gentleman yield a moment?

Mr. LONDON. For a short question.

Mr. LAYTON. I do not think you have heard a word, as far as my mouth is concerned, as to my attitude on this bill.

Mr. LONDON. Then I presume the gentleman's attitude is the same as mine, except that I say what I think on the question.

Mr. LAYTON. I would have to go a good way to be with the gentleman, because I am afraid of him generally.

Mr. LONDON. I am not afraid of anybody, not even of the gentleman from Delaware. Nor am I afraid of myself, because I know what I want.

Now, our experience with the Shipping Board is, of course, one of the fruits of the war for democracy. After we had started out in company with the Czar of Russia and with the King of Serbia and the King of England and the King of Italy and the peerless champion of democracy, the Mikado of Japan, to make the world safe for democracy we got ourselves into all sorts of trouble. This is one of the results of the noble attempt to bayonet Europe into a higher spiritual state—into a genuine democracy. Nothing so illustrates the rapacity, the vileness, the immorality, the decay of plutocracy as our experience with the Shipping Board. We were told that our Nation was in danger; that our civilization was threatened; the very existence of the Republic was menaced, but plutocratic interests kept on robbing, kept on stealing, and they do not want to stop it now. Now they do it in a lawful way. We vote into their pockets now. The whole business, every line relating to the Shipping Board, should be stricken out. In a way, I sympathize with those in charge of the Shipping Board. Nobody can be connected with it without having his name some day mixed up in some scandal. I would like to see everybody who has any self-respect get out of that vortex of capitalistic filth.

Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

No part of the funds of the United States Shipping Board Emergency Fleet Corporation shall be available for the rent of buildings in the District of Columbia during the fiscal year 1923 if suitable space is provided for said corporation by the public buildings commission.

Mr. WALSH. Mr. Chairman, I move to strike out the last word, simply to ask why this restriction is limited only to the Fleet Corporation and does not include the Shipping Board as well?

Mr. WOOD of Indiana. My understanding is that it is because the Shipping Board has a provision for it and the Fleet Corporation has not. I have no objection to amending it, but that is the only reason for it. The Shipping Board is in a Government building and the Fleet Corporation is outside.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

No part of the sum appropriated in this act shall be used to pay any claims of the United States Navy Department against the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation arising prior to July 1, 1921, or to pay any final judgment rendered in any suit authorized by the act entitled "An act authorizing suits against the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes," approved March 9, 1920.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Why is it that these claims shall not be paid out of this appropriation?

Mr. WOOD of Indiana. It is for this reason: Of course, if these claims were paid out of the appropriation it might mean a diminishment of the appropriation, and in order that there might not be any uncertainty about it we put it this way. There is a question with reference to about $16,000,000 worth of claims between the Navy Department and the Shipping Board. There have been vessels transferred, and so forth, and we thought we would prevent any appropriation being made until we knew exactly what ought to be paid.

Mr. WALSH. Of course, the claims existed prior to the transfer of these vessels. Now, the claim comes on how much an allowance shall be made because they have transferred some vessels from the Shipping Board to the Navy board?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. Is it thought that some of the funds made available in this act shall be used for settling these claims?

Mr. WOOD of Indiana. There was the possibility of its being done. In order that it might not be done and the amount hereby appropriated might be had for the purpose of operation of the Shipping Board and the Congress might know what was being expended and that there might not be any uncertainty concerning these matters between the Navy Department and the Shipping Board, we thought the provision ought to be made.

Mr. WALSH. This says, "No part of the sum appropriated." That would apply to direct appropriations in this act. Some of the funds are made available in this act for the payment of claims. Ought not that language to be included here—"no part of the sum appropriated or made available in this act"?

Mr. WOOD of Indiana. There will not be any part of that $50,000,000 available for this purpose, for the reason that the $50,000,000 appropriated for claims is for claims that are due under contracts or otherwise. Our purpose in putting this in was in order that no part of this sum should be paid to the Navy Department.

Mr. WALSH. The amount received for the fiscal year 1923 is made available for the Emergency Fleet Corporation?

Mr. WOOD of Indiana. Yes.

Mr. WALSH. If that is made available for the Emergency Fleet Corporation, could they not spend part of that for settling these claims in the absence of a direct appropriation of any sum being made for that purpose?

Mr. WOOD of Indiana. Possibly that might be done, but I do not think there is any danger of its being done. They are so regardful of their moneys that they are not likely to do it.

Mr. CHALMERS. That was the reason for putting it in?

Mr. WOOD of Indiana. Yes; that was the reason for putting it in—to prevent their paying any claim brought by the Navy Department.

Mr. WALSH. Yes; and to preclude them from paying a final judgment in admiralty suits?

Mr. WOOD of Indiana. Yes; out of these sums; so that they will have to come to Congress for it.

Mr. WALSH. Mr. Chairman, I withdraw my pro forma amendment.

Mr. BYRNES of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BYRNES of South Carolina. Out of what did the claims brought by the Navy Department against the Shipping Board arise?

Mr. WOOD of Indiana. Most of it is for operation of vessels during the war.

Mr. BYRNES of South Carolina. I understood the gentleman to make the statement in responding to a question of the gentleman from Massachusetts [Mr. WALSH] that he did not want to authorize the Shipping Board to pay these claims out of funds made available as direct appropriations. Is it not a fact that the Shipping Board is asking us for authorization to cancel the claims of the Navy Department?

Mr. WOOD of Indiana. No. There is a dispute between the Shipping Board and the Navy Department as to just exactly what is due, just as there might be between the gentleman himself and myself on an open account. They do not want to be compelled to pay it out of this, nor did we want them to do it until we knew what the sum was and until final and definite settlement could be had.

Mr. BYRNES of South Carolina. Would it not stand on the same footing as other questions as to which there is a dispute?

Mr. WOOD of Indiana. No. We did no want to do it beyond the amount already allowed unless we knew exactly what it would be.

Mr. BYRNES of South Carolina. I understand that the Shipping Board is asking for the cancellation of these accounts from the Navy Department.

Mr. WOOD of Indiana. No.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. JONES of Texas. Answering the question of the gentleman from Massachusetts [Mr. WALSH] a while ago as to the payment of claims, it seems on page 48 this fund for payment of claims is made available for carrying out the operations of the merchant marine act. Could they not pay these claims out of funds available but not directly appropriated?

Mr. WOOD of Indiana. I think you can rely on the Shipping Board not paying the Navy anything until they have to. This is peculiarly a bookkeeping transaction at best when it does come, but in order that Congress may know——

Mr. JONES of Texas. This refers not only to the Navy but to the United States Shipping Board Emergency Fleet Corporation?

Mr. WOOD of Indiana. Yes. The fact of the matter is that the debt is against the Shipping Board, and the Emergency Fleet Corporation had nothing to do with it.

Mr. JONES of Texas. So that they could not pay out these funds?

Mr. WOOD of Indiana. No.

The CHAIRMAN. The time of the gentleman from Indiana has expired. The Clerk will read.

The Clerk read as follows:

UNITED STATES VETERANS' BUREAU.

For carrying out the provisions of an act entitled "An act to establish a Veterans' Bureau and to improve the facilities and service of such bureau and to further amend and modify the war risk insurance act approved August 9, 1921," including salaries and expenses of the central office at Washington, D. C., and regional offices and suboffices, and including salaries, stationery and minor office supplies, furniture, equipment and supplies, printing and binding, rentals and alterations, heat, light, and water, miscellaneous expenses, including telephones, telegrams, freight, express, law books, books of reference, periodicals, ambulance service, towel service, laundry service, repairs to equipment, storage, ice, taxi service, car fare, stamps and box rent, traveling and subsistence, salaries and expenses of employees engaged in field investigation, motor vehicles, including purchase, maintenance, repairs, and operation of same, salaries and operating expenses of the Arlington Building and annex, including repairs and mechanical equipment, fuel, electric current, ice, ash removal, and miscellaneous items, $25,815,942: *Provided*, That on or before the 15th day of each month when Congress is in session, the Director of the Veterans' Bureau shall transmit to the President of the Senate and the Speaker of the House of Representatives a statement giving in detail (a) the total number of positions at a rate of $2,000 or more per annum, (b) the rate of salary attached to each position, (c) the number of positions at each rate in the central office and in each district office or suboffice, and (d) a brief statement of the duties of each position.

Mr. CROWTHER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. CROWTHER. Mr. Chairman and gentlemen of the Committee, the unemployment problem still stares us in the face and a conservative estimate evidences the fact that we have 3,000,000 American workers who are deprived of an opportunity to earn a living. This condition of affairs is due almost wholly to the fact that the tariff bill passed in this House on July 21 last year has been delayed in the Senate month after month, resulting in our markets being deluged with cheaply produced foreign goods, and a resultant slowing up of our industrial activities.

If these 3,000,000 toilers earned an average wage of $4 a day, then the delay at the other end of the Capitol is causing a loss of $12,000,000 a day. I trust that I may be permitted to digress from the subject matter under discussion in order to present the following statement:

That on the 30th and 31st of this month in this city the National Association of Manufacturers will hold a special convention. The manufacturers are but voicing the sentiments of American wage earners when they declare that the delay over tariff is retarding the restoration of business.

This National Association is seeking no participation in rate making nor seeking special favors. Its one purpose is to ask that all ad valorem duties be imposed on the basis of American valuation.

That they have substantial backing in their convention for this vital principle is evidenced by the vote which was taken among some 6,000 manufacturers who employ nearly 3,000,000 persons. The vote shows 77.7 per cent in favor of American valuation, 21.7 per cent opposed to it, and 1.6 per cent of ballots cast defective. The vote represents a total of 2,336,000 employees on the side of American valuation and 621,000 opposed.

ORIGINAL PLAN—TARIFF REVISION FIRST.

When this Congress met in April, 1921, the tentative program was to write a new tariff bill and follow it as soon as possible with a revised tax bill. This was after a conference at the White House where our distinguished leaders were assembled to discuss legislation for the extraordinary session. This was good news to the manufacturers of this country and carried a message of prosperity to the millions of workers throughout the land. Nobody expressed any surprise at such procedure for the country by a tremendous majority had swept back into power the party of protection. [Applause.]

HOUSE COMMITTEE ON WAYS AND MEANS GET BUSY.

The Ways and Means Committee, under the direction of its most capable and masterful chairman [Hon. JOSEPH W. FORDNEY], immediately got into harness for the preparation of a tariff bill, in relation to which they had been holding hearings for three months. This committee labored zealously and untiringly, and the House of Representatives passed the Fordney tariff bill July 21, 1921, and without a moment's rest from their labors the committee commenced work on the revision of the tax bill. During this period there had developed a most insidious propaganda against an administrative factor contained in the bill, namely, American valuation. The combined influence of the international bankers, the importers, and the free traders was exerted to defeat this provision.

IMPORTERS NOT AGAINST AMERICAN VALUATION BUT AGAINST PROTECTION.

Their attack did not fool anybody but themselves, for it was apparent that they were not so much against American valuation as they were against protection in any form. All the disturbance about prohibitive rates under this plan of valuation was pure buncombe for if they had been honest in their objections and logical in their deductions, they would have gone before the Finance Committee and asked for a careful revision of the rates computed on American valuation that none might prove prohibitive. But that was not their method of approach, they simply declared themselves as against this eminently fair and absolutely necessary factor in the administration of the tariff bill and have up to the present moment offered no valid

or substantial reason for their attitude. There has been some criticism regarding the passage and extension of the emergency tariff bill. Some Members holding that as the agricultural interests were in a measure satisfied with the relief it afforded, they were not as anxious for a permanent tariff law as those of us who represent industrial communities. I do not believe that this criticism is warranted, for the Members of this House know full well that the condition that must be recognized for the good of the country is interdependence, rather than independence. There should be no sectional lines drawn in placing so essential a fundamental of Republican principle on the statute books. The West is Wall Street and Wall Street is the West. Gentlemen of the House, this is no time for blocs, either industrial, agricultural, labor, or capital. What we need in the Republican Congress is an all-American bloc, dedicated to the establishment of the shortest route to normal conditions. [Applause.] Frequent reference is made to this return to normal conditions, and a flood of capitalistic propaganda distributed through the press calling attention to the fact that wages are too high. The return to normalcy by the wage-reduction route will not be a very popular movement, and it is unfair for capital during this period of depression to take advantage of labor's necessity and cut wages to a point where the standards of living for our great body of workers must be lowered. [Applause.] There were too many high salaries and too high a rate of wages paid during the war period, but that always happens in an emergency. Remember that with the end of the war came the end of the job, and the added problem of inducting 4,000,000 soldiers back into industrial, technical, and professional vocations. A great percentage of them have never been able to get back to their prewar standard as to earning power.

It is a favorite, and in some circles a popular cry, "Wait till we get back to prewar times." Gentlemen, we are never going back, so far as wages are concerned; it is not an American method. "Forward, march," has been the program that put the old U. S. A. on the map, and it has been the motto of dough boy and devil dog, business man, and wage earner. [Applause.]

ORGANIZED LABOR SHOULD HELP.

In regard to American valuation: I feel that organized labor should use every ounce of its influence to have this important fact incorporated in the Fordney tariff bill. It is the one method that will help to maintain the wage standards and give our manufacturers a square deal in competition with European producers. American industry will be false to itself and the labor which it normally employs if it does not from this time forth devote itself indefatigably to the business of making it clear to Congress and the President that what the country needs now more than any other one thing is the protective tariff which the President has so splendidly outlined and urged; but that the only way such protection can be made to effectively serve its purpose is by administration of the tariff upon the American value for application of the ad valorem rates.

Great Britain has cast her boasted free-trade principles to the winds and on October 1 last put into effect a tariff on nearly 7,000 articles of 33⅓ per cent, with the duty to be calculated on home valuation, which is synonymous, of course, with our proposed plan of American valuation. The facts are that England is threatened, as in prewar times, with a flood of German and other cheaply produced European products, and she is determined to protect her industries against it.

Great Britain is quite willing and anxious that that trade be diverted to the United States, a live cash customer, and so enable Germany to pay her reparations to France and the other countries to liquidate their indebtedness to her. All this reparations fund and war indebtedness is to be paid by the United States opening her ports to cheap European and oriental products, while American mechanics and their families are sacrificed on the altar of unemployment. It is high time we realized that "America first" means something. [Applause.]

In the district which I have the honor to represent the unemployment problem has reached an almost unsolvable stage. The General Electric Co. and the American Locomotive Works, of Schenectady, are operating with greatly reduced forces. Amsterdam, N. Y., has been more fortunate, and, with a diversity of industries, has managed to keep her mills running on nearly full time, with the exception of the glove mills and the oil mills. Johnstown and Gloversville, in my district, the home of American-made gloves, began to feel the full effects of the low Underwood rates as soon as trade relations were reestablished in 1919. The winter of 1920 and 1921 was the worst season for many years, but they faced the music, feeling sure that this Congress, called April 11, would give them a tariff bill that would once more give them necessary protection against the low production costs of France and Germany. This winter of 1921 and 1922 finds the glove and leather shops closed, as are also the cotton-glove shops. Thirteen million dollars' worth of gloves were imported for the 11 months of last year ending with November 30, and nearly every man, woman, and child who received gloves for Christmas had gloves not made in America.

What we lost by foreign valuation and depreciated foreign currency is demonstrated by these figures: Importations from 1898 to 1913 averaged $5,000,000 per year and paid a duty of $3,200,000, the equivalent of 64 per cent ad valorem of declared foreign valuation. During 1920 the importations amounted to $13,250,000 and paid but $1,660,000 duty, the equivalent of less than 13 per cent ad valorem.

Mr. Chairman, I hope every Republican Member of this House will urge upon his Senators the necessity of haste in passing a tariff bill. Our leaders have dwelt eloquently on the accomplishments of this Congress and its record warrants that meed of praise, but the people of this country gave the Republican Party a tremenduous majority, and every Republican vote was a vote for nationalism as against internationalism; for a protective tariff as against free trade. When that sort of message comes from the American people the wisest and best thing the party in power can do is to give heed and obey the command. [Applause.]

Mr. NEWTON of Minnesota. Mr. Chairman, I rise in opposition to the pro forma amendment.

In the section before us there is a provision for the support and maintenance of regional and suboffices of the Veterans' Bureau. The Veterans' Bureau bill became a law in August, 1921. So far as I was concerned I felt that it was somewhat unwise to clothe the 14 regional offices with the power to make compensation awards, grant vocational training, and to pass upon the question of insurance claims; but we were told that that should be done, and that was the only thing that could be done in order to provide proper service for the disabled service men. It seemed to me and I know that it seemed to a great many Members of the House at that time that decentralization was all right, but that it ought not to go beyond the point of merely coming in contact with the service man, seeing that he was given the most thorough attention and examination, given all the advice and counsel in reference to the submission of proof, and seeing that that proof was preliminarily passed upon; but we did think it was unwise to so decentralize that all of the files in the Veterans' Bureau at Washington should be transferred to these 14 regional districts. At the present time the files of 3 of the 14 regional districts have been transferred. That means that this great organization that it has taken some four years to develop here in Washington, that was just about commencing to function so that files could be located and claims passed upon, has suddenly had a considerable portion of its files transferred. These files are shipped in box cars, under guard, of course, and every care taken to safeguard them until they reach the regional district. We are confronted with this situation: Here is a man who is sick in district No. 10, at the city of Minneapolis. The doctors there say that he should go to Arizona because of his tubercular condition. They write down here to Washington and his file is transferred to the Arizona district.

The result is that when he comes up again for examination his papers and everything are being considered there, in a district where he has not come in contact with the officers before. They know nothing about him, nobody else knows anything about him. This makes for trouble. It is going to be multiplied a thousandfold when all these files are transferred. In the law we provided that these regional offices should cease to exist within five years from the date of the passage of the act. The director of the bureau testified in the hearings before the committee that it will take about three years before they can get these files sent out into these regional districts. In other words, before all the 14 districts can have these files transferred it will take about three years. Then there will be only about two years when these regional district offices can function with all these files. They must then be returned. From the experience we have had it does seem to me that Congress might well take action to prevent extreme decentralization and confine these suboffices and these regional offices so as not to grant jurisdiction involving the transfer of all of these claims and their files.

Mr. LONDON. Will the gentleman yield?

Mr. NEWTON of Minnesota. I yield to the gentleman from New York.

Mr. LONDON. Who is authority for the statement that it will take three years to transfer the files?

Mr. NEWTON of Minnesota. My authority is Col. Forbes, the director of the bureau. He so testified in the hearings before the subcommittee.

Mr. LONDON. What reason did he give?

Mr. NEWTON of Minnesota. I do not know that Col. Forbes gave any reason, but I can well understand the reasons therefor.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONDON. I ask that the gentleman's time be extended five minutes.

The CHAIRMAN. The request is made that the time of the gentleman be extended five minutes. Is there objection?

There was no objection.

Mr. NEWTON of Minnesota. For example, there are 900,000 claims that have been filed here with the Veterans' Bureau. There are 900,000 claims on file. The sorting out of these claims is an enormous task when it is remembered that there are thousands of requests for information regarding these claims every day. Three or four thousand requests come in every day from Members of Congress regarding claims, and it is an enormous job. The sorting out of these claims in accordance with the districts the allotting and getting them ready for shipment, and then getting them out to the regional offices is a very great undertaking. Then when you get them to the regional offices you have got to get your filing force ready, you have got to have your filing cases ready, and it will be months, literally months, before you can locate some of these claims. In the meantime the demands upon the Congressmen for action upon the part of this Government bureau will increase in accordance with the delay incidental to this transfer.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. HICKS. I am very much interested in what the gentleman says, and I agree with him. In my district I think the files have been changed. New York is under the regional system at the present time. My own experience is right along the line of that of my friend from Minnesota. It is slowing down action in the Veterans' Bureau by having that regional branch in the city of New York. I can not get half the results we used to get when the files were in the city of Washington.

Mr. ANDREWS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. ANDREWS of Nebraska. Suppose a soldier in the gentleman's district writes to him to assist in expediting matters, where does the gentleman send his letter?

Mr. NEWTON of Minnesota. If the soldier now lives in district No. 10, in my district, I have to write to Washington, and I have to write to Minneapolis, because I have no means of knowing whether his claim for compensation was started before the veterans' act became a law or afterwards. If it was started afterwards, Minneapolis is the office where the claim can be found. That office has original and final jurisdiction. If started before, then the papers are still in Washington; but when the papers are transferred to Minneapolis, all correspondence must be with the district office, save on appeal cases.

Mr. ANDREWS of Nebraska. And when a boy in Minneapolis writes to the gentleman in Washington, the gentleman writes to Minneapolis to answer the soldier in Minneapolis.

Mr. NEWTON of Minnesota. Yes; and to carry it further, if the boy is transferred to a district in which Arizona is located, then I have to write three letters. It seems to me that very soon we ought to give very serious consideration to curtailing this extreme decentralization of the Veterans' Bureau. [Applause.]

Mr. HERRICK. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. HERRICK: Page 31, line 23, after the word "position," insert: "That no part of the funds appropriated shall be used to pay the salary of F. C. Kile, district manager of the Veterans' Bureau at Dallas, Tex., after March 1, 1922."

Mr. HERRICK. I do not know that the offering of this amendment is going to do any particular good, but I have found the administration of the work of the Veterans' Bureau by its district manager at Dallas, Tex., marked by such inefficiency and indifference and disregard of the wishes of disabled veterans that I believe the service would be improved if he could be eliminated. I have had a good deal of business with his office, for all our Oklahoma ex-service men come under his jurisdiction. When I have made complaints of failure on the part of his office to carry out the intent of the law in the relief of disabled soldiers, he has whitewashed the offenders under pretense of investigating the offense. He has insisted that Oklahoma soldiers go to his home town of San Antonio for vocational training or else be denied training, notwithstanding the fact that as good or better training can be had in Oklahoma, where the soldier can be nearer his home and his family. If an Oklahoma soldier needs hospitalization, he must go to Texas. He seems to find Oklahoma a convenient annex to the State of Texas for the purpose of supplying patients for a hospital at Houston and students for a training center at San Antonio. His work is quite the opposite of decentralization, for it tends to centralize everything in favored Texas towns. He certainly must like to see the Government pay the railroads for transporting Oklahoma soldiers to and from Texas. I find that it takes longer to secure action upon compensation claims than when they were handled by the bureau here in Washington and that the action when finally taken is not so fair to the veterans. The American Red Cross workers, the American Legion workers, and all others who are unselfishly trying to assist disabled men to secure what the country desired they should have and what Congress thought had been assured for their aid are making complaint that the Dallas office and some of its suboffices refuse to give advice or information and actually delay the settlement of claims.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. HERRICK) there were—ayes 15, noes 60.

So the amendment was rejected.

The Clerk read as follows:

Compensation: For military and naval compensation for death or disability, $160,000,000.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word. I want to cite a positive, concrete illustration of the matter that the gentleman from Minnesota [Mr. NEWTON] just discussed. I have in mind the case of a soldier in my district whose compensation was reduced from $90 to $22.50 a month last June. He has a wife and child. I have been trying incessantly since last June to get that case readjudicated, an effort being made all of the time to prove greater disability than the department has been willing to concede. In the latter part of October last I received word from the bureau here that the matter was entirely in the hands of the Boston office and that a telegram had been sent to the regional director of the Boston office to expedite the case. An examination has been made by two physicians appointed by the board, the regular board physicians, and the papers should have been, and I suppose were, in the Boston office very soon after the 25th of October. From that time to this the soldier has had nothing beyond the $22.50 a month for the support of himself and wife and child. His claim is one of total disability. Just what the nature of the report made by the two physicians is I do not know. But I do know that even messages from the director general here to the regional director in Boston since October last can not produce action. The director in Boston failed to reply to letters and telegrams that I have sent until one day last week I received a long communication from him in which he said that the reason no result was obtained in the case was owing to the decentralization and the passing of the papers. They could not get at the files. I infer that the Boston office is one of the three to which the gentleman from Minnesota refers. It is a mighty unfortunate situation for the soldier. If we made a mistake in that decentralization vote passed at the time of the last amendment to the Sweet bill, let us recognize that error now and change it promptly. [Applause.] I agree fully with the gentleman from Minnesota that the construction of the decentralization proposition has gone altogether too far.

And if the authority here in Washington, Col. Forbes, can not get the information from his subordinates since the 27th of October, when the examination was made of this man; if no result from that time to this can be obtained, something is wrong with the system or else with the employees.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. TREADWAY. Certainly.

Mr. SANDERS of Indiana. What jurisdiction would the gentleman think could be given to the district officer?

Mr. TREADWAY. Well, I am not competent to pass on that. I think the committee did the very best it could, and if I remember rightly the committee of which the gentleman from Indiana is a member did not favor the complete decentralization scheme which the House passed. However, I may be mistaken, but I think the House passed it over the head of the Committee on Interstate Commerce. It is my recollection that the law goes further than the report that the gentleman and Mr. SWEET made.

Mr. SANDERS of Indiana. The committee favored a smaller number of offices, but the committee did favor the district division.

Mr. TREADWAY. But not so complete that it was all taken out of Washington and transferred to the regional offices, as I recall the situation at that time?

Mr. SANDERS of Indiana. I think the bill as originally reported gave the district offices jurisdiction to pass on the claims. That is my recollection.

Mr. TREADWAY. I realize the great inconvenience of all that sort of work, and I think from the appearance of the thing we made a serious blunder so far as obtaining prompt action on behalf of the soldier is concerned. We intended to expedite adjustments for the veterans, but my experience is that either the system is a failure or the officials are inefficient. I hope a remedy can soon be found.

Mr. CLOUSE. Mr. Chairman, I move to strike out the last two words. Gentlemen of the committee, I quite agree with the gentleman from Minnesota [Mr. NEWTON] and with the gentleman from Massachusetts [Mr. TREADWAY] and with all others who have spoken in reference to the decentralization plan. I know that my experience has been very unsatisfactory since the adoption of the so-called Sweet bill. In fact, I have frequently written the Veterans' Bureau to be informed that the file of papers are with the district manager at Atlanta, Ga. Ofttimes I request that the papers be sent back to the Veterans' Bureau in order that I may have the privilege of looking into the matter to see whether or not the ex-service man has presented his case in a proper way. I think the thing we should do here, seeing as we do that we have made a mistake in the plan that was followed in the recent Sweet bill, is for the committee to bring in an amendment to that bill and bring those papers back to Washington where we can look after them. [Applause.] Now, I want to make this further observation, gentlemen——

Mr. RAYBURN. Will the gentleman yield?

Mr. CLOUSE. Briefly.

Mr. RAYBURN. The gentleman realizes, of course, that the committee brought in the bill in response to the judgment of everybody who had anything to do with the administration of this law, all the authorities of the bureau, and that every ex-service man's organization in the United States passed resolutions unanimously indorsing this decentralization. Does not the gentleman think that if we had brought in a bill that did not allow these regional offices the final authority that it was quite possible that the House would have passed the bill allowing it just as they did with reference to the suboffices, which were increased to 140 in the House?

Mr. CLOUSE. I quite agree with the gentleman, and I am not trying to criticize gentlemen for any action that has been taken. I voted to do this myself, but from my observation I think we have made a mistake, and therefore, like men, let us correct it. Now, there is another question.

Hundreds of thousands of ex-service men who bared their breasts on the battle field of Flanders went there untutored and uneducated. They came back in the same condition. They knew absolutely nothing about how to prepare their case and present it to the Veterans' Bureau or the district manager; but under the provisions of this bill—and, gentlemen, I want to call your attention to this fact, because I believe it is of vital importance to every ex-service man in the country—we have inserted a provision in the law that prohibits any attorney from charging an ex-service man more than $3 for any services he may render him in preparing and presenting his case to the bureau. In my judgment that provision has deprived thousands of ex-service men from receiving prompt and just consideration, because no attorney can give his case proper attention for this fee, and what I think should be done, and what I hope the committee having jurisdiction of this question will do, will be to amend it so that an attorney may charge something reasonable for his services and at the same time render proper service to the veteran. Now I do not want the bridle taken off so that he can impose on an ex-service man, but I want the ex-service man to have his rights presented to the Veterans' Bureau and get that to which he is rightfully and justly entitled. I have just recently had a case up with the Veterans' Bureau where a young lawyer—who, by the way, the very day he was admitted to the bar to practice law in my State, volunteered his services and went to France, and who was in the heat of battle—he came back here and his comrades in arms came to see him and consult and advise in reference to the preparation of their cases. One of them had great difficulty in explaining to this board of doctors down here just what his ailments were, and after he had convinced them of the fact that he had a disability then he had again to go down there and convince them that it was of service origin and was contracted in the line of duty.

This young fellow took affidavits of his comrades, scattered all over the United States, and finally after about a year's time convinced the Veterans' Bureau of the merits of that claim. He charged him $25. Do you know what happened? They were on the verge of indicting him in the district court for violating the provisions of this law. That ex-service man would never have received a dollar of compensation, in my judgment, but for the services of that young attorney.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOOD of Indiana. Mr. Chairman, all of the debate that has been had thus far upon this proposition is, of course, clear outside of the matter immediately under consideration. But I wish to take this opportunity of calling the attention of this committee to what this decentralization is costing the Government. I was opposed to it originally, and I think it was the greatest mistake we ever made. [Applause.] It is costing us between $14,000,000 and $16,000,000 more than it would have cost us if we had not had the decentralization, besides all the disappointment and vexation that is being entailed and will continue to be entailed by reason of the decentralization itself.

I wish to call the attention of the committee to a further proposition that we will have to consider before we get through with the final consideration of this bill. An additional estimate has been brought to the attention of the committee, coming in too late, and which I think it is not well for us to consider in this body even by way of amendment, but perhaps will have to be considered by the Senate, asking for $19,000,000 more for vocational training, an emergency that has occurred since the submission of this item, and $9,000,000 more for operation of these offices created by reason of this decentralization.

Mr. DOWELL. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. DOWELL. Does the gentleman mean that the offices now will cost $9,000,000 more than they would have cost under the other system?

Mr. WOOD of Indiana. Yes. They will cost $16,000,000 more, but they are going to ask for an additional appropriation of $9,000,000 in addition to what they have already asked for their operation. That is what it is costing us by reason of this decentralization theory that was going to take this work to the boys, back to the communities in which they are. The fact is we are taking it away from them, so far as the results are concerned.

Mr. PADGETT. Will the gentleman permit me to state that one day last week I got three letters from ex-soldiers, and I went down to the Veterans' Bureau and was informed that two of the cases had been sent to Atlanta and one to St. Louis. We had to notify those three boys of that, and then write three letters, two to Atlanta and one to St. Louis. Two days afterwards I got two letters with like results, that had to go to Atlanta, and this morning I got another letter and went down to see about it, and found the case was in Atlanta and had to go through the same process. It is a woeful mistake, and the sooner corrected the greater blessing it will be. [Applause.]

Mr. WOOD of Indiana. This ought to be a lesson to us. We just simply yield to clamor and demand sometimes, and do the very thing we should not do, in trying to accomplish a good purpose.

Mr. HERRICK. Is it the intention of the gentleman to present an amendment abolishing these regional offices and bringing back these records to Washington?

Mr. WOOD of Indiana. That would have to go to the proper legislative committee. This committee has nothing to do with it.

Mr. ROGERS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and gentlemen of the committee, this seems to be something in the nature of an experience meeting this afternoon. I should like to add my own impression as to the present situation. I desire to say at the outset that I have no feeling against any official of the Veterans' Bureau. On the contrary, I have the kindest personal feeling for all of them, from the top to the bottom, with whom I have any acquaintance. But I feel I must say this—and I think I am voicing the impression of most of the Members of the House in saying it—that I think the service the disabled soldier is getting is very appreciably worse than it was six months ago, and I think the service six months ago was appreciably worse than it was six months before that. We are confronted with this difficulty, among others, whenever we take up a disability case with the Veterans' Bureau: If we take it up with Washington we are relegated to Boston, in my case, or to Minneapolis, or to Tennessee, or whatever the locality of the Member writing may happen to be. If we take it up, on the other hand, with our locality at home we are relegated to Washington. And I have file after file of instances where Boston has referred

me to Washington and where Washington, in the same case, has referred me to Boston. No one knows at this moment with which end of the line he should communicate in order to do justice and get justice for the disabled soldier with an honest claim. I confess I had hoped that that was characteristic merely of the period of transition, and that when ultimate decentralization was effected we should see definite improvement of a permanent character. But nearly six months have elapsed since the enactment of the Sweet law of August 9, 1921, and things to-day are worse rather than better.

I am a good deal disturbed at the comment of the gentleman from Minnesota [Mr. NEWTON] this afternoon, to the effect that the director of the bureau has himself stated it will take some three years more to effect this decentralization. If I am correct in so quoting the gentleman——

Mr. NEWTON of Minnesota. Three years after the passage of the act.

Mr. BANKHEAD and Mr. SANDERS of Indiana rose.

The CHAIRMAN. To whom does the gentleman yield?

Mr. ROGERS. I will first yield to the gentleman from Indiana [Mr. SANDERS].

Mr. SANDERS of Indiana. I would like to inquire whether the gentleman knows the director of the bureau thinks we ought to repeal the provision for decentralization?

Mr. ROGERS. I am not competent to pass upon that question.

Mr. NEWTON of Minnesota. I have not talked personally with the Director of the Veterans' Bureau, and I have no right to pass judgment upon his opinion, but I do know that some of the men who are doing the actual work there have put up to me some of their problems, or, at least, as I have talked to them those problems have come to me, and I think they are almost insurmountable so far as speed is concerned, if we keep up this extreme decentralization.

Mr. ROGERS. I now yield to the gentleman from Alabama.

Mr. BANKHEAD. Mr. Chairman, I may be mistaken in my recollection, but I will ask the gentleman if he was not one of those who was very insistent that we should embark on this decentralization, and was it not his will that was very largely followed by the committee?

Mr. ROGERS. I am perfectly frank to say to the gentleman that from the outset of this problem I did believe that decentralization was at least a partial remedy; and I am also perfectly frank to say that I am not yet convinced that it is not a remedy. It seems to me that if we can decentralize effectively and fairly, speedily and completely, it is logical to assume that a man in Alabama or a man in Boston or a man in Springfield, Ill., can get better results from an office that is dealing with only one-fourteenth of the cases and from an office that is geographically near at hand, so that he, or his legion officers, or some other interested person who may go to that office can deal personally with his particular case.

Mr. BANKHEAD. But with the information now before the gentleman as to the practical working of decentralization, what is the gentleman's opinion?

Mr. ROGERS. My purpose this afternoon was to make inquiry as to whether the difficulties with which we are all familiar and with which I dare say we are all struggling are difficulties due to the system, in which even we had better abandon decentralization, or difficulties of administering the system. Frankly, I do not know.

In my own case I have visited several times the district manager of district No. 1, in Boston, an admirable gentleman. While this has no bearing on his fitness, it is worth while remembering that he was a famous half back on the Yale eleven a few years ago; and he has the apparent virility and courage and push that you would expect to find in a brilliant football player. Whether it is his fault, or the fault of his subordinates, or the fault of the system, I do not know; but I do know that I can not get replies back from his office on the simplest cases within a reasonable time, and that when they do come they are seldom satisfactory.

Weeks will elapse before I get an acknowledgment in some cases, and when the acknowledgment does come it does not in the least advance the cause I am seeking to advance. So far as Washington is concerned, frequently I will simply get a rereference to Boston, and in some cases even that will be greatly delayed. Formerly I used to go down to the War Risk Bureau, as it then was, or even telephone there, with the confident expectation that I should get action within 24 hours or, perhaps, even the same day. Now it is apt to take as many days to make the same progress as it then took hours.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. WOOD of Indiana. Mr. Chairman, all this talk is out of order. We expect to finish this bill to-night. There is no reason why we should not finish it. I hope gentlemen will allow us to get along to some place where debate will be in order. At some other point gentlemen might give their experience, but if the time is extended we shall be here until to-morrow night.

Mr. ROGERS. Mr. Chairman, I will withdraw my request, and ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. ROGERS. Under leave granted to extend my remarks I print a letter which I wrote some six weeks ago to a correspondent in Boston:

DECEMBER 16, 1921.

Mr. JOHN D. BATES,
Military editor Boston Evening Transcript, Boston, Mass.

DEAR MR. BATES: I have read with very great interest your letter dated November 26, but only received by me this morning.

I have had very great hopes that tremendous improvement in the adjudication of compensation and other claims would result from the enactment of the decentralization law. After four months I still have the hope, but nothing more as yet. Improvement, so far as my experience indicates, has not yet resulted. In fact, I think that the Veterans' Bureau—and I speak only for the cases in my own office—has recently been and is doing poorer work than at any time since 1919. Of course, I can judge only by results, and I am not getting results. I do not expect to get an award of compensation or of training in every case. You and I know perfectly well that many apply for the one or the other, or both, who are not entitled thereto under the law. But I do maintain that every applicant—whether he intercedes directly or through his Senator or Congressman—is entitled to a speedy adjudication of his claim. This he is certainly not getting.

I inclose herewith a memorandum referring briefly to a dozen cases which happen to be open in my office at this moment. Some of them show more dereliction than others. But the Washington Director of the Veterans' Bureau is constantly sending forth through the press proud boasts to the effect that the bureau is at last on a current basis. He cites cases where a claimant presents his case to the Veterans' Bureau for the first time and a few hours later walks out of the building with a compensation check in his pocket. I can not get any such results as these, and I assure you that it is not for lack of diligence in trying. Some cases I have presented personally to responsible officials of the bureau, either in Washington or in Boston, six or eight or even ten times.

I have had several agreeable conversations with the district manager in Boston, whom I personally like very much. He tells me—has told me more than once—that if I do not get results within 24 hours from the time the case is brought to his attention there is something wrong with his system. But I have never, I think, in a single case out of the many scores I presented to the Boston office, gotten favorable results in 24 hours or 24 days.

I learn through the press and otherwise of the activity of "clean-up squads." These cheery items describe how representatives of the bureau go into the very communities of the disabled and deal with the men face to face. It is a splendid idea. The use of the "clean-up" squad suggests that only a few scattered cases have been left unsettled which the Veterans' Bureau is determined to go out and close up without a second's delay. I do not know what results have been achieved elsewhere. I do know that several hundred men found it necessary to wait upon the "clean-up" men when they were in Lowell six weeks ago. Perhaps some of the cases then presented have by this time been settled either favorably or adversely. My guess is that 90 per cent of them are still unsettled and will be for a good long time to come. One of the most prominent Legion men in Lowell, who has taken a great interest in helping the disabled men, told me recently that so far as he knew very few adjudications had resulted from the Lowell sessions. Certainly our own correspondence with Lowell claimants since the visit of the "clean-up squad" would not indicate that the millenium had arrived or even started. I dare say the "clean-up squad" itself did excellent work. The difficulty doubtless is that when their reports get back to the Boston office—or perchance to the Washington office—the same hand of death is laid upon them that is reaching out to minister to the letters which are sent from this office.

Latterly I have gotten so discouraged in dealing with the Boston office that we have resumed our dealings directly with the Washington office. I am not sure that we are not jumping from the frying pan into the fire, but, whether we are dealing at the moment with Boston or with Washington, we are quite sure that the other must be better, hence our occasional changes back and forth.

I am not unmindful of the difficulties which attend the task of the director in Washington and the manager in Boston. The job is unquestionably a vast one. It has become complicated by the program of decentralization which is apparently even now still in-process. But our first consideration must be to get results in the most deserving type of work which devolves upon a Congressman.

Here is a not unusual case: A soldier named Armand Alix, of Lowell, was wounded in the head by shrapnel in 1918. The piece of shrapnel remained embedded in the center of his brain, and could not be removed. Dr. Cushing and others had him under their care. The man was helpless, and there was no doubt from the beginning that he was and would be totally disabled. Yet he had been given only a temporary total rating, which excluded him from the benefits of his $10,000 insurance. He has struggled to have this rating changed to permanent, but in vain. I first heard of the case on October 13, and wrote a strong letter to the Washington office of the Veterans' Bureau.

Under date of October 18 Director Forbes wrote me that "This claim is being held in abeyance pending receipt of report of physical examination requested October 13, 1921." What they had been doing for a long, long time before, nobody knows. On receipt of this letter I took the matter up with the district manager in Boston on October 20. On October 28 Director Forbes wrote me that the report of physical

examination referred to in his letter of October 13 had not been received and he was wiring the district manager at Boston to expedite the report. Under date of October 31 I received a reply to my October 20 letter to the district manager at Boston. The district manager stated that the case was pending, awaiting the receipt of certain papers bearing on the case which had been requested from Washington. Under date of November 2 I wrote the district manager at Boston a strong letter calling attention to the fact that Washington was blaming Boston and Boston was blaming Washington. I closed my letter thus: "Which is right? With whom shall we deal? Can't some action be taken to cut further red tape in this meritorious case?" On November 5 the district manager at Boston finally telegraphed he was recommending Alix for permanent total disability and was forwarding examinations requested by the central office.

Alix died November 8. Under date of November 16 I received from Director Forbes word that the claimant had been awarded permanent and total rating from July 22, 1918. Here was an admission that for three years and more this soldier had in fact been totally and permanently disabled as a result of wounds received in action. But he never had the satisfaction of knowing that the Government had recognized his rights. He had died a week before the award was made.

This is not an isolated case, although the circumstances make it a particularly distressing one. Frankly, I am at my wit's end. You are quite at liberty to make any use of this letter that you see fit.

Sincerely, yours,

JOHN JACOB ROGERS.

—

(Adrien Bellehumeur, United States Naval Hospital, Chelsea; residence, Hudson, Mass.)

Wrote district manager at Boston, November 29, 1921, inquiring concerning status of compensation claim. Received reply promptly that "case will be reviewed immediately and you will be advised." Nothing heard since.

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(LeRoy S. Draper, C–700,795.)

Case brought to my attention October 8, 1921. Immediately wrote district manager at Boston. Also presented case personally to the Boston district manager, who was in Washington October 21, 1921. Report received October 29, 1921, that report of an examination of August 30, 1921, was awaited, and also other papers requested from Washington. Again, on November 7, Boston office wrote me that "there is a slight mix up in the requests for examination." "Special examination is being requested this date." On November 19, in reply to another inquiry from me, the Boston office advised, "Have requested claimant to submit affidavits." Nothing since.

—

(Eli C. Dufour, C–523,689.)

Wrote district manager at Boston, December 6, 1921, inquiring concerning vocational training and compensation. No reply received.

—

(Robert A. Fitzner, North Billerica, Mass.)

Wrote Boston office, December 2, 1921. Reply received promptly that case would be looked into. Nothing heard since.

—

(Herbert Jane, C–834,534.)

Sent evidence to Boston December 5, 1921, in support of compensation claim. No acknowledgment received and nothing heard since.

—

(Alexander J. Lambert, C–491,664–N.)

Wrote Boston, September 20, 1921, inquiring concerning application for vocational training. No reply received. Presented case in person to Boston office October 5. No action taken. In answer to another inquiry later received reply November 24, "Case is pending, awaiting information from central office." Nothing heard from Boston since.

—

(Alphonse Lessard, C–223 756–R.)

Case brought to my attention October 6, 1921. Wrote Boston October 7. No reply received. Called to attention of district manager, who was in Washington October 21, 1921. Reply received October 22 that case would be looked into "on my return to Boston." No reply having been received, again wrote Boston manager November 8. Report received November 30 states, "Information has been requested from central office." Nothing heard since.

—

(William F. Murray, C–706 898.)

Case brought to my attention October 26, 1921. Wrote Boston same day. Reply received October 28 that case was pending awaiting information from Washington. No further report being received, wrote to Boston again December 5. Reply received December 8 that case would be looked into. No further report received.

—

(Edward Ryan, C–523 150.)

Case brought to my attention December 6, 1921. Wrote Boston same day. No reply received.

—

(Fred J. Ryan, C–487 256.)

Case brought to my attention December 3, 1921. Wrote Boston same day. No reply received.

—

(James D. Sunderland, Lowell, Mass.)

Appealed from decision granting him section 3 training. Wrote Boston October 25, 1921. Reply received November 4 that final decision was awaiting information from Washington. Having heard nothing further I again wrote Boston December 8. No reply received.

Mr. HERRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HERRICK. Would an amendment to this bill abolishing these regional offices and bringing back the records to Washington and centralizing all these bureau activities in Washington be in order?

The CHAIRMAN. The Chair could not tell until he knew what it contained.

Mr. SANDERS of Indiana rose.

The CHAIRMAN. The gentleman from Indiana is recognized for five minutes.

Mr. SANDERS of Indiana. Mr. Chairman, I appreciate very much the desire of the distinguished chairman of the subcommittee [Mr. WOOD] to proceed with the consideration of this bill, but I wanted to speak for just about five minutes on the proposition that has been raised here, of repealing the provision for the district offices and suboffices.

I do not know whether this decentralization is going to be a success or not. I know that nobody knows now whether it is to be or not. As a member of the committee that helped to report out the Sweet bill I know that we labored long and earnestly before we finally reported the bill providing for district offices and suboffices. We brought the bill into the House with the provision for a number of district offices, giving the district offices final jurisdiction in these matters and creating a small number of suboffices. The House, over the committee's recommendation, increased the number of suboffices, and it was only by a diligent fight on the part of the committee that we prevented the enactment of legislation which would have given the 148 suboffices complete jurisdiction that is now given the district offices.

Everyone who has studied the proposition at all knows that there is going to be difficulty and hardship and some lost files in changing this system. This law was passed in August of last year. This is January. Nobody knows whether it is going to succeed or not, so far as actual results now are concerned. I think it can unquestionably be said that, so far as Washington is concerned, so far as the Congressman is concerned, his difficulties with cases which are presented to him are manifestly increased. The decentralization was for the purpose of putting the administration close to the soldier boys, so that the soldier boys could reach the suboffices and the district offices.

Now, it follows necessarily that when a Congressman is appealed to, with the file in the district office or the suboffice, the Congressman has greater difficulty in getting cases through the Washington office into the district office and in the suboffice. The point I am making is that it is not necessarily a bad law because our difficulties increase. When we passed this bill at the earnest insistence of the service men and brought into the form of legislation the remedy that would give relief to the service man, and we all praised the bill, I could not help but wonder—and I think I expressed the idea on the floor of this House—I could not help but wonder whether it could be carried into effect. How easy it is in a legislative enactment to make wise provision to take care of all of the complaints of 4,000,000 men, dealing with a half dozen different questions—compensation, insurance, hospitalization, vocational training! How easy it is to write it into the law!

How easy it is to write it into the law, and how difficult it is for the process of administration, with all its imperfections, with all its human frailties, to give the benefit to the final beneficiary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SANDERS of Indiana. Mr. Chairman, I would like one more minute.

The CHAIRMAN. The gentleman from Indiana asks leave that his time be extended for one minute. Is there objection?

There was no objection.

Mr. SANDERS of Indiana. The point I want to make is, let us not decide suddenly to change the policy we have agreed upon. Let us remember the difficulty that is always in the way of the practical administration of a law which embraces 4,000,000 beneficiaries and covers half a dozen different elements. We say there is delay because they want an affidavit to prove this and an affidavit to prove that. We wrote the law. We have to surround it with these requirements. The difficulties must necessarily be there. These administrative officers can not grant compensation unless the law is complied with. Let us not condemn them for carrying out the provisions of the law which we wrote. [Applause.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Vocational rehabilitation: For carrying out the provisions of the act entitled "An act to provide for the vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended, $127,000,000: *Provided*, That no part of the foregoing sum shall be used for the establishment, maintenance, or operation of training schools at any Army camp or cantonment acquired for use as a training center, except Camp Sherman, Chillicothe, Ohio: *Provided further*, That the enrollment of trainees at the training school, Chillicothe, Ohio, shall not exceed 1,000 at any

one time: *Provided further*, That no part of the foregoing appropriation shall be expended for construction work except necessary minor repairs.

Mr. HERRICK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HERRICK: Page 34, line 13, after the word "repairs," insert a new paragraph, as follows:

"All regional offices of the Veterans' Bureau are hereby abolished and all records pertaining thereto are hereby transferred to the central office at Washington D. C."

Mr. WOOD of Indiana. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. WOOD of Indiana. My point of order is that it is a change of existing law and legislation on an appropriation bill.

The CHAIRMAN. The point of order is sustained.

Mr. REECE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. REECE: Page 34, line 7, after the word "cantonment," strike out the remainder of the paragraph and insert a period after the word "cantonment.'

Mr. REECE. Mr. Chairman, the purpose of this amendment is simply to prevent the establishment, maintenance, or operation of training schools at any Army camp or cantonment.

I have talked with a large number of ex-service men, as well as other men, who are familiar with this phase of rehabilitation work, and in their opinion it is not a wise policy to carry it on at these Army camps and cantonments. The committee evidently thought the same, since it excluded all the camps except Camp Sherman. The chief objection to carrying on this rehabilitation work at these Army camps and cantonments is that the ex-service men who have been wounded are segregated into these Army centers where they are still under the old Army environment, and to a degree under the old regulations, when they ought to be dissociated from them and put out into civilian life, and get civilian ideas by mingling with civilians. That is the purpose of the amendment, and I submit it for the consideration of the House.

Mr. WOOD of Indiana. Mr. Chairman, I desire to say a word upon this amendment. The committee spent considerable time in hearing evidence upon this question pro and con. I will confess that as far as I am personally concerned I am in sympathy with the amendment, but I think it would be very unwise to adopt it, and I will tell you why. The Chillicothe institution has already been established. They have assembled there what is assumed to be a practical university to teach all that may be taught in other institutions, and in addition to teach some of the things that can not be taught elsewhere. There are some things that appeal to the average mind in favor of this undertaking, but it is entirely experimental. Whether it will be a success or not no one knows. If it is a success the experimentation authorized in this measure will be developed. If it is not a success we will all know it. We do not want to take away from these young men any possible opportunity. It has been demonstrated that there are some who are peculiarly afflicted who can not be given the advantage of vocational training in the institutions of this country. There are those who are afflicted with epilepsy, who can not be placed in danger, and some other peculiar cases that may be treated at this institution.

Mr. RAYBURN. Will the gentleman yield for a question?

Mr. WOOD of Indiana. I yield to the gentleman from Texas.

Mr. RAYBURN. Under what authority was this institution established?

Mr. WOOD of Indiana. I do not think under any authority.

Mr. RAYBURN. How many of these universities did the Director of the Veterans' Bureau want to establish; five, did he not?

Mr. WOOD of Indiana. I do not know. I do not want to do the director of the bureau any injustice, and I do not think this idea originated with him. It was proposed that a number of these cantonments be utilized for this purpose during the time of this vocational education, but they have not attempted to carry it out at any place except at Camp Sherman. There they have established an institution which is now a going concern. They have, I think, some 360 ex-service men there, or had at the time of our last hearing upon this proposition, and they have an overhead established which will take care of at least 1,000. If it is confined to 360 it will make the proportional expenditure very extravagant; but if it is permitted to go to the length of educating or trying to educate 1,000 men there, it will bring the expense of that institution within a reasonable approximation of similar expenses for like education in other places.

I yield to the gentleman from Alabama.

Mr. HUDDLESTON. If there is no authority of law for this institution, what is the necessity for any part of this proviso?

Mr. WOOD of Indiana. Perhaps I ought to have said in answer to the gentleman from Texas [Mr. RAYBURN] that it may be a question upon which lawyers might honestly differ whether there is or is not authority; but they claim authority under section 9 of the vocational rehabilitation act.

Mr. HUDDLESTON. This proviso appears by implication to authorize the expenditure.

Mr. WOOD of Indiana. Yes; and the gentlemen felt they had a right to do it. I do not propose to set up my opinion against them.

Mr. HUDDLESTON. May I ask the gentleman whether the Comptroller General has passed on this expenditure?

Mr. WOOD of Indiana. Yes. The expenditure has thus far been allowed. I feel we will be taking upon ourselves a responsibility that should not be taken under existing conditions. There will be no further expenditure on any of these other proposed institutions.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. WOOD of Indiana. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

Mr. HUDDLESTON. Will the gentleman yield?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. The limitation with reference to the education of trainees is 1,000. I think that with the admonition that the director of this bureau has received at the hands of the committee and from different Members of Congress, before any of these other enterprises are undertaken he will at least advise with Congress. There was a rumor that they proposed to establish a nautical school on one of these vessels belonging to the Shipping Board. That was purely imaginary. On investigation we found there was no attempt at that at all. The only thing being done was in response to a demand for that sort of education to inquire whether it was practical and advisable. I believe your committee has acted wisely in making this limitation what it is. I believe it would be unwise if we destroyed this experiment which has been undertaken by those who were in charge of the administrative branch of this activity.

Mr. REECE. Mr. Chairman, I ask unanimous consent to withdraw the amendment which I offered, and offer in its place a substitute, which I send to the desk.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to withdraw the amendment which he offered, and offers as a substitute the amendment which the Clerk will report.

The Clerk read as follows:

Page 34, line 7, after the word "cantonment," strike out the remainder of line 7 and all of lines 8, 9, and 10, and insert a semicolon after the word "cantonment."

The CHAIRMAN. Is there objection to the substitution?

There was no objection.

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last word. I shall support the amendment offered by the gentleman from Tennessee [Mr. REECE], for I can not understand how the health of a thousand disabled ex-service men will be improved by herding them together in a camp or cantonment. And I can not see how the health of 500 men suffering from epilepsy can ever improve when they are placed together in a camp, even though it is for the purpose of vocational education. Leaving aside the question of the vast expenditure of money, it is most certainly a wrong treatment for the men themselves. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. WOOD of Indiana) there were—ayes 79, noes 35.

So the amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. WOOD of Indiana. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9981)

making appropriations for the Executive, and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WOOD of Indiana. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. RICKETTS. Mr. Speaker, I demand a separate vote upon the Reece amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments en grosse. The question is on agreeing to the other amendments.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the Reece amendment.

The Clerk read as follows:

Page 34, line 7, after the word "cantonment," strike out the remainder of line 7 and all of lines 8, 9, and 10 and insert a semicolon after the word "cantonment."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. WALSH) there were—ayes 70, noes 32.

Mr. RICKETTS. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. As many as are in favor of taking this vote by the yeas and nays will rise and stand until counted. [After counting.] Eleven Members, not a sufficient number, and the yeas and nays are refused.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. LANGLEY and Mr. BYRNES of South Carolina rose.

The SPEAKER. For what purpose does the gentleman from Kentucky rise?

Mr. LANGLEY. Mr. Speaker, I have a motion to recommit.

The SPEAKER. For what purpose does the gentleman from South Carolina rise?

Mr. BYRNES of South Carolina. I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BYRNES of South Carolina. I am opposed to the bill.

Mr. LANGLEY. Mr. Speaker, will the gentleman from South Carolina yield to me, so that I may offer an amendment to his motion to recommit? I concede that under the general practice, although it is not in the rules, he is entitled to recognition.

The SPEAKER. The Chair thinks that he must recognize the gentleman from South Carolina.

Mr. LANGLEY. I think the Chair is correct, but I do not think I ought to be shut off in any such way. I want to offer an amendment to his motion to recommit, and did not for the moment realize the exact status of the parliamentary situation.

The SPEAKER. The gentleman is not in order.

Mr. LANGLEY. While I have not had a chance to carefully examine the precedents, I think my contention is correct.

The SPEAKER. The gentleman is not in order. The Clerk will report the motion to recommit.

Mr. LANGLEY. I was conversing for the moment with my beloved friend, Uncle JOE CANNON, and overlooked the fact that the time had not yet arrived for me to make my motion to recommit. The ruling of the Chair, of course, is correct.

The Clerk read as follows:

Mr. BYRNES of South Carolina moves to recommit H. R. 9981 to the Committee on Appropriations with instructions to report the same forthwith with the following amendment, striking out the language in lines 23, 24, and 25, on page 28, which is as follows:

"For the payment of claims, damage charges, and miscellaneous adjustments, $50,000,000, of which $30,000,000 shall be immediately available," and insert, on page 28, after line 12, a new paragraph reading as follows:

"Of the sums appropriated and made available for expenditure in this act for the United States Shipping Board and United States Shipping Board Emergency Fleet Corporation not more than $500,000 shall be expended for advertising purposes."

Mr. MADDEN. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. MANN. The language which the Clerk read to be stricken out is not correct. It is intended with the amendments agreed to. There were two amendments.

Mr. BYRNES of South Carolina. Yes; with the amendments agreed to. I ask unanimous consent——

Mr. MANN. I do not think the motion need be changed, but the language reported to be stricken out ought to include both amendments.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry. Would not the motion of the gentleman from South Carolina be in order if he should move to strike out lines 23 to 25, inclusive?

The SPEAKER. It would be in order, of course.

Mr. LANGLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Let us straighten out this first. Does the gentleman from South Carolina desire to withdraw or change his motion?

Mr. MANN. I do not think that the motion need be changed. It needs only to strike out those three lines reported with the amendments agreed to.

Mr. BYRNES of South Carolina. Yes; to strike out those three lines as amended.

The SPEAKER. The Clerk will again report the motion to recommit.

The motion to recommit was again reported.

Mr. LANGLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair will recognize the gentleman in due time.

Mr. MADDEN. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. BYRNES of South Carolina. Mr. Speaker, I ask unanimous consent to change the motion so it will read "as amended."

The SPEAKER. That is in order. Is there objection? [After a pause.] The Chair hears none. The gentleman from Illinois moves the previous question, and the gentleman from Kentucky makes a parliamentary inquiry.

Mr. LANGLEY. I desire to ask the Chair if a motion to recommit is defeated is another motion to recommit in order?

The SPEAKER. No; it is not in order.

Mr. LANGLEY. Somebody has ruled it is.

The SPEAKER. The Chair would be very glad for the gentleman to cite such a precedent.

Mr. LANGLEY. I do not happen to have at the moment the citation of the ruling, but I will submit it to the Chair later on.

Mr. WOOD of Indiana. Mr. Speaker, I think the motion of the gentleman from South Carolina is not only confusing, but——

The SPEAKER. This is not debatable, the previous question having been ordered.

Mr. BEGG. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. BEGG. The motion to recommit is composed of two substantive motions, and I demand a division.

The SPEAKER. It has been decided that a motion to recommit can not be divided.

The question was taken, and the previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from South Carolina to recommit the bill with instructions.

The question was taken, and the Speaker announced that the noes seemed to have it.

On a division (demanded by Mr. BYRNES of South Carolina) there were—ayes 41, noes 72.

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARRETT of Tennessee. Did I understand the Chair to rule in response to an inquiry that this motion was not divisible?

The SPEAKER. The Chair thinks that a motion to recommit can not be divided.

Mr. BYRNES of South Carolina. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. LANGLEY. Mr. Speaker, I do, too.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and there were—yeas 116, nays 172, answered "present" 1, not voting, 141, as follows:

YEAS—116.

Almon	Buchanan	Dupré	Hayden
Bankhead	Bulwinkle	Favrot	Hoch
Barkley	Burtness	Fields	Hooker
Beck	Byrnes, S. C.	Fisher	Hudspeth
Beedy	Byrns, Tenn.	Frear	Hull
Begg	Carew	Fulmer	Humphreys
Bell	Carter	Gahn	Jacoway
Bird	Clouse	Gallivan	Johnson, Ky.
Black	Collier	Garner	Johnson, Miss.
Blanton	Connally, Tex.	Garrett, Tenn.	Johnson, S. Dak.
Boies	Cooper, Wis.	Garrett, Tex.	Jones, Tex.
Bowling	Davis, Tenn.	Gensman	Ketcham
Brand	Dominick	Hammer	Kopp
Briggs	Dowell	Hawes	Lampert

Lanham	Nelson, A. P.	Rogers	Ten Eyck
Larsen, Ga.	Oldfield	Rouse	Tillman
Lazaro	Oliver	Sanders, Tex.	Treadway
Lee, Ga.	Overstreet	Sandlin	Tyson
Linthicum	Padgett	Scott, Tenn.	Underhill
Logan	Paige	Sears	Vinson
London	Park, Ga.	Sisson	Ward, N. C.
Lowrey	Parks, Ark.	Stedman	Weaver
Lyon	Parrish	Stevenson	White, Kans.
McClintic	Quin	Stoll	Wilson
McDuffie	Rainey, Ill.	Strong, Kans.	Wingo
McSwain	Ramseyer	Sumners, Tex.	Woodruff
Mann	Rankin	Swank	Woods, Va.
Michener	Rayburn	Sweet	Wright
Montague	Roach	Taylor, Ark.	Young

NAYS—172.

Ackerman	Evans	Kissel	Reed, W. Va.
Andrew, Mass.	Fairchild	Kleczka	Rhodes
Andrews, Nebr.	Faust	Kline, N. Y.	Ricketts
Anthony	Focht	Kline, Pa.	Riddick
Arentz	Foster	Kraus	Robertson
Atkeson	French	Larson, Minn.	Robsion
Barbour	Frothingham	Layton	Rodenberg
Benham	Fuller	Lea, Calif.	Rosenbloom
Bixler	Gernerd	Leatherwood	Ryan
Bland, Va.	Glynn	Lehlbach	Sanders, Ind.
Bowers	Goodykoontz	Little	Shelton
Box	Gorman	Longworth	Shreve
Brennan	Graham, Pa.	Luce	Sinclair
Brooks, Ill.	Green, Iowa	Luhring	Sinnott
Brown, Tenn.	Greene, Mass.	McArthur	Slemp
Burroughs	Greene, Vt.	McCormick	Smith, Idaho
Butler	Griest	McFadden	Smith, Mich.
Campbell, Pa.	Griffin	McLaughlin, Mich	Snell
Cannon	Hadley	McPherson	Snyder
Chalmers	Hardy, Colo.	Madden	Stafford
Chandler, N. Y.	Hardy, Tex.	Magee	Steenerson
Chindblom	Hawley	Maloney	Stephens
Christopherson	Hays	Mapes	Summers, Wash.
Clague	Herrick	Miller	Swing
Clarke, N. Y.	Hersey	Mondell	Taylor, N. J.
Cole, Iowa	Hickey	Montoya	Taylor, Tenn.
Cole, Ohio	Hicks	Moore, Ohio	Temple
Colton	Himes	Moores, Ind.	Thompson
Connell	Hogan	Morgan	Tinkham
Coughlin	Houghton	Murphy	Towner
Crago	Hukriede	Newton, Minn.	Vaile
Cramton	Hutchinson	Nolan	Vestal
Crowther	Ireland	O'Connor	Voigt
Curry	Jefferis, Nebr.	Osborne	Volstead
Dallinger	Johnson, Wash.	Parker, N. J.	Walsh
Darrow	Jones, Pa.	Parker, N. Y.	Wason
Davis, Minn.	Kearns	Patterson, N. J.	Webster
Denison	Kelly, Pa.	Porter	Winslow
Dickinson	Kendall	Pringey	Wood, Ind.
Dunbar	Kiess	Purnell	Woodyard
Echols	King	Raker	Wurzbach
Elliott	Kinkaid	Ransley	Wyant
Ellis	Kirkpatrick	Reece	Zihlman

ANSWERED "PRESENT"—1

Langley

NOT VOTING—141.

Anderson	Dunn	Lee, N. Y.	Rossdale
Ansorge	Dyer	Lineberger	Rucker
Appleby	Edmonds	McKenzie	Sabath
Aswell	Fairfield	McLaughlin, Nebr.	Sanders, N. Y.
Bacharach	Fenn	McLaughlin, Pa.	Schall
Blakeney	Fess	MacGregor	Scott, Mich.
Bland, Ind.	Fish	Mansfield	Shaw
Bond	Fitzgerald	Martin	Siegel
Brinson	Fordney	Mead	Smithwick
Britten	Free	Merritt	Speaks
Brooks, Pa.	Freeman	Michaelson	Sproul
Browne, Wis.	Funk	Mills	Steagall
Burdick	Gilbert	Millspaugh	Stiness
Burke	Goldsborough	Moore, Ill.	Strong, Pa.
Burton	Gould	Moore, Va.	Sullivan
Cable	Graham, Ill.	Morin	Tague
Campbell, Kans.	Harrison	Mott	Taylor, Colo.
Cantrill	Haugen	Mudd	Thomas
Chandler, Okla.	Hill	Nelson, J. M.	Tilson
Clark, Fla.	Huddleston	Newton, Mo.	Timberlake
Classon	Husted	Norton	Tincher
Cockran	James	O'Brien	Upshaw
Codd	Jeffers, Ala.	Ogden	Vare
Collins	Kahn	Olpp	Volk
Connolly, Pa.	Keller	Patterson, Mo.	Walters
Cooper, Ohio	Kelley, Mich.	Perkins	Ward, N. Y.
Copley	Kennedy	Perlman	Watson
Crisp	Kincheloe	Petersen	Wheeler
Cullen	Kindred	Pou	White, Me.
Dale	Kitchin	Radcliffe	Williams
Deal	Knight	Rainey, Ala.	Williamson
Dempsey	Knutson	Reavis	Wise
Doughton	Kreider	Reber	Yates
Drane	Kunz	Reed, N. Y.	
Drewry	Lankford	Riordan	
Driver	Lawrence	Rose	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. CRISP (for) with Mr. NEWTON of Missouri (against).

Mr. CAMPBELL of Kansas (for) with Mr. PATTERSON of Missouri (against).

Mr. THOMAS (for) with Mr. WILLIAMS (against).

Mr. KINCHELOE (for) with Mr. REED of New York (against).

Mr. BROWNE of Wisconsin (for) with Mr. RADCLIFFE (against).

Mr. MOORE of Virginia (for) with Mr. WHEELER (against).

Mr. MANSFIELD (for) with Mr. VARE (against).

Mr. J. M. NELSON (for) with Mr. OLPP (against).

Mr. KITCHIN (for) with Mr. LINEBERGER (against).

Mr. POU (for) with Mr. MILLSPAUGH (against).

Mr. STEAGALL (for) with Mr. APPLEBY (against).

Mr. GILBERT (for) with Mr. FITZGERALD (against).

Until further notice:

Mr. KAHN with Mr. CULLEN.

Mr. LAWRENCE with Mr. SMITHWICK.

Mr. CHANDLER of Oklahoma with Mr. JEFFERS of Alabama.

Mr. REBER with Mr. UPSHAW.

Mr. KNUTSON with Mr. DOUGHTON.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. ROSSDALE with Mr. RIORDAN.

Mr. VOLK with Mr. ASWELL.

Mr. MORIN with Mr. COCKRAN.

Mr. FREE with Mr. DRIVER.

Mr. BACHARACH with Mr. WISE.

Mr. MUDD with Mr. HUDDLESTON.

Mr. VARE with Mr. COLLINS.

Mr. NORTON with Mr. BRINSON.

Mr. KELLER with Mr. MARTIN.

Mr. BURKE with Mr. O'BRIEN.

Mr. BLAND of Indiana with Mr. SULLIVAN.

Mr. KNIGHT with Mr. RUCKER.

Mr. KENNEDY with Mr. TAGUE.

Mr. DUNN with Mr. DRANE.

Mr. BURTON with Mr. KINDRED.

Mr. OGDEN with Mr. CANTRILL.

Mr. FESS with Mr. TAYLOR of Colorado.

Mr. SIEGEL with Mr. DREWRY.

Mr. MILLS with Mr. KUNZ.

Mr. PERLMAN with Mr. LANKFORD.

Mr. EDMONDS with Mr. MEAD.

Mr. STRONG of Pennsylvania with Mr. GOLDSBOROUGH.

Mr. BLAKENEY with Mr. DEAL.

Mr. COOPER of Ohio with Mr. HARRISON.

Mr. CONNOLLY of Pennsylvania with Mr. SABATH.

Mr. ANDERSON with Mr. RAINEY of Alabama.

Mr. LANGLEY. Mr. Speaker, I have a pair with the gentleman from Florida [Mr. CLARK], and therefore I wish to answer "present."

The result of the vote was announced as above recorded.

Mr. LANGLEY. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. LANGLEY. I ask unanimous consent to address the House for one minute, and most of that one minute will be occupied in reading the motion to recommit that I endeavored to offer a few moments ago.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to address the House for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. LANGLEY. Mr. Speaker and gentlemen of the House, I am against this civil-service nonsense. I have always been against it, because I have been up against it and know what it means. [Applause.] I think that the greatest embarrassment to Republican Members of Congress all over the United States to-day is that they can not name their own friends to these places. I am called on to carry out my promises but am helpless in my efforts to redeem my promises. [Laughter and applause.]

Now, I ask unanimous consent, Mr. Speaker, to insert in the RECORD the motion to recommit, which I think was in order, and which I think the Chair, with all due respect to him, was mistaken in his ruling that it was not in order.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to insert in the RECORD the motion which he thinks was in order. Is there objection?

Mr. WALSH. Mr. Speaker, the gentleman might think it was in order. It was not offered on the floor.

Mr. LANGLEY. I beg the gentleman's pardon. I sought to offer it.

Mr. WALSH. I do not see what useful purpose can be served.

Mr. LANGLEY. The gentleman from Massachusetts does not know what I know. [Laughter.]

Mr. WALSH. I regret to say that that is very true. [Laughter.]

Mr. LANGLEY. If you want to object, go ahead and do it. I will put it in the RECORD to-morrow or some other day. I want the RECORD to show that I am against the President's order and sought to have a debate on it.

Mr. WALSH. At the intercession of the distinguished gentleman from Georgia [Mr. PARK], I will not object.

The following is the motion referred to:

Mr. LANGLEY, of Kentucky, moves to recommit the bill H. R. 9981 to the Committee on Appropriations, with instructions to that committee to report it back to the House forthwith, with the following amendment:

"Strike out, on page 7, the paragraph beginning with line 10 and ending with line 15, and the succeeding paragraph, beginning with line 16 and ending with line 21."

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BLANTON. Division, Mr. Speaker.

The House divided, and there were—ayes 167, noes 41.

Mr. BLANTON. Mr. Speaker, I make the point of no quorum. I think we ought to have one.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-seven Members are present, a quorum.

So the bill was passed.

On motion of Mr. WOOD of Indiana, a motion to reconsider the vote by which the bill was passed was laid on the table.

BOARD OF VISITORS TO NAVAL ACADEMY.

The SPEAKER appointed the following as members of the Board of Visitors to the United States Naval Academy:

Mr. HICKS, Mr. KELLEY of Michigan, Mr. SNYDER, Mr. CRISP, and Mr. CAMPBELL of Pennsylvania.

EXTENSION OF REMARKS.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of law and order.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD on the subject of law and order. Is there objection? [After a pause.] The Chair hears none.

Mr. LARSEN of Georgia. Mr. Speaker, I make the same request.

Mr. WALSH. On law and order?

Mr. LARSEN of Georgia. No; on agriculture.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. HERRICK. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

REREFERENCE OF BILL.

Mr. NEWTON of Minnesota. Mr. Speaker, I ask unanimous consent that the bill S. 621, which is on the Unanimous Consent Calendar, be rereferred to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. ROUSE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter from Raymond A. Lasance, national adjutant of the Disabled American Veterans of the World War, together with a memorial presented to the President.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. WALSH. Mr. Speaker, those memorials are ordinarily put through the basket.

Mr. ROUSE. This is in regard to the condition of the ex-service men.

Mr. WALSH. It does not make any difference what they are in regard to. They usually go through the basket. I think we ought not to start the practice of printing memorials in the RECORD unless it is in regard to something of most unusual importance.

Mr. ROUSE. This is of great importance.

Mr. GARRETT of Tennessee. This is a copy of the memorial that was sent to the President.

Mr. WALSH. Is it a memorial to the President?

Mr. GARRETT of Tennessee. A copy of it.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The following is the letter and memorial referred to:

THE DISABLED AMERICAN VETERANS OF THE WORLD WAR,
NATIONAL HEADQUARTERS,
Cincinnati, Ohio, January 17, 1922.

DEAR SIR: Our national commander, Judge Robert S. Marx, in the course of his recent address to the Ohio State convention of our organization at Columbus revealed the startling conditions of neglect, indifference, overcrowding, and profiteering surrounding the insane veterans in Ohio. The statements made by Judge Marx were followed by a no less startling confirmation and admission of their truth by the State authorities of Ohio having charge of the State institutions for the insane.

As the recognized national association of the wounded and disabled men themselves we, therefore, felt it our duty to make a Nation-wide investigation of the treatment of the insane veterans. This investigation was conducted by our chapters throughout the Union and disclosed the same conditions of genuine neglect, indifference, overcrowding, and profiteering as were found to exist in Ohio. For these reasons we have presented a memorial to President Harding urging the prompt relief of this situation by the appropriation of the sum of $16,500,000, to provide adequate and sufficient hospitals to take care of the insane and tubercular ex-service men, a copy of which memorial is inclosed herewith. A bill to provide this appropriation has been introduced in Congress and is known as the Langley bill. We feel that the situation calling for the enactment of this bill into a law is an emergency requiring immediate action by Congress and are appealing to you for help in securing the most immediate action. May we count upon your support?

Yours, very truly,

THE DISABLED AMERICAN VETERANS OF THE WORLD WAR,
By RAYMOND A. LASANCE, *National Adjutant.*

WASHINGTON, D. C., *January 11.*

The Disabled American Veterans of the World War, as the official national association of the wounded and disabled men themselves, to-day presented to President Harding a memorial reciting the inadequate treatment and neglect of the mentally disabled veterans of the recent war and appealing for Government hospitals and immediate relief from conditions of gross overcrowding, profiteering, and mistreatment of insane veterans in pauper and criminal asylums.

The memorial presented reads as follows:

"We, the Disabled American Veterans of the World War, as the official national organization of the wounded and disabled men themselves, respectfully present this memorial in behalf of the thousands of our mentally disabled comrades, who, unable to speak for themselves, are the victims of gross neglect, callous indifference, deliberate profiteering, and inadequate treatment to an extent which is a black reproach to the honor of this rich Nation.

"We present this memorial in the confident belief that as the President of the United States and having the welfare of the disabled soldiers of the Nation at heart, you will not permit the conditions recited herein to continue one instant longer than is absolutely necessary to provide the means and money to right this injustice.

"We begin this statement of fact by depicting conditions in Ohio, because as an Ohioan familiar with Ohio institutions and government, you will readily understand that if such conditions exist in Ohio, which is considered to have better institutions for the care of the insane than most States, the conditions in the other States of the Union are no better and in many States are even worse.

INADEQUATE TREATMENT IN OHIO.

"We represent that in the State of Ohio to-day—

"First. The Government of the United States has provided no hospital facilities of any kind to care for mentally disabled ex-service men.

"Second. That the United States has farmed out the insane ex-service men of Ohio to State asylums which are notoriously overcrowded, undermanned, and inadequately equipped to treat and care for them.

PATIENTS SLEEP ON FLOOR.

"Third. That, for example, in the Longview Asylum of Hamilton County, Ohio, there are 42 gallant soldiers who broke down mentally under the stress of war, although Longview is so overcrowded that 240 of the inmates sleep on the floor like cattle every night.

"Fourth. That although approximately one-half of the 250 mentally diseased and curable cases are being daily doomed to permanent improper medical treatment and hospital care for their mental diseases, these men are given no medical treatment of any kind for their mental diseases, and curable cases are being daily doomed to permanent insanity.

"Fifth. That the tubercular and nontubercular patients in these institutions are not separated, but are all mixed together.

FIFTY PER CENT PROFIT MADE ON SOLDIERS.

"Sixth. Finally we represent:

"That the State of Ohio is making a profit averaging $300 a year for every service man confined in Ohio asylums, which profit is made from the money paid by the United States Government to the State. The truth of these charges is frankly admitted by the officials of the State institutions.

CHARGES ADMITTED.

"Dr. E. W. North, sperintendent of Longview Asylum, in a public statement issued December 28, 1921, said: 'These statements are not exaggerated in any particular.'

"Dr. H. S. MacAyeal, director of the State welfare department, said in a public statement, issued December 30, 1921, that the State of Ohio made the profit shown by the following table on each insane soldier in its institutions, namely:

Statement showing the profit made by the State of Ohio on each insane soldier for the year ending Dec. 30, 1921.

Institutions.	Cost per man.	Received from United States.	Profit made by State per man per year.
Athens State Hospital	$277.86	$547.50	$276.66
Cleveland State Hospital	238.24	547.50	309.26
Dayton State Hospital	309.54	547.50	237.96
Lima State Hospital	310.75	547.50	236.75
Massillon State Hospital	234.20	547.50	304.30
Longview Hospital	231.28	547.50	316.22
Toledo State Hospital	286.86	547.50	260.64
Ohio Hospital for Epileptics	332.69	547.50	214.81
Institution for Feeble-Minded	226.57	547.50	320.93

"The State of Ohio makes a profit of more than $125,000 annually by reason of ex-service men in Ohio asylums.

NEGLECT OF INSANE VETERANS NATION WIDE.

"What is true in Ohio is true in practically every State in the Union, because of the failure of the United States to provide adequate facilities for the medical care and hospitalization of our mentally disabled comrades.

"The national magnitude of the problem may be grasped from the fact that almost one-third (27 per cent) of all sick soldiers now in hospitals are mental cases.

UNSEEN ARMY OF NEGLECTED INSANE.

"Moreover, for every mentally afflicted soldier in any institution to-day there is another soldier who should be receiving treatment, but whose family will not consent to have him adjudged a 'pauper insane' and sent to one of these State asylums for the pauper or criminal insane, which are the only places now available. If the Govenrment had proper hospitals, these men who now form the unseen army of neglected insane would glady come forth and half of them would be restored to useful citizenship. We charge that not only are these cases totally neglected, but that in thousands of cases the United States Government has farmed out its responsibility to care for its own fighters, who broke down mentally because of their service.

ONE-HALF INSANE VETERANS "FARMED OUT."

"We charge that conditions in Ohio are duplicated in almost every State in the Union, and that to-day nearly one-half, namely, 48 per cent, of all neuropsychiatric patients are farmed out to 'contract' institutions, asylums, and what not. It is a misnomer to call these 'contract' places 'hospitals.' They are mostly nothing more than 'lockups.'

"Of the 13 Government hospitals for mental cases only 1—St. Elizabeths—was built for that purpose. All of the rest are makeshifts—remodeled schools, inebriate institutions, Army posts, soldiers' homes, etc. A complete list of existing Government facilities is herewith attached as annex No. 1 to this memorial.

FOUR THOUSAND VETERANS IN "CONTRACT" ASYLUMS.

"When all the money now appropriated for additional facilities is spent and the facilities are finally available—two years hence—only 2,860 more beds will exist, and there are now, to-day, over 4,000 mentally sick soldiers in unfit, overcrowded, and undesirable 'contract' asylums and an equal number who ought to be hospitalized but are rightfully unwilling to go to such places as Longview, and the Government officials admit they can offer nothing better.

SHORT 4,000 BEDS.

"Moreover, when the extra beds for which money has been appropriated by public act 384 are ready—in two or more years—the increasing number of patients will still leave the United States Government short 4,000 beds to properly hospitalize the mentally disabled ex-service men who will then need hospital care.

"This need is growing greater. On July 16, 1921, there were 7,440 neuropsychiatric cases in hospitals, of whom 3,632 were farmed out to 'contract asylums.' The United States Senate committee reported August 24, 1921 (Rept. 233, pt. 2), that there was an urgent need for 4,375 more beds for mentally unbalanced veterans of the World War.

HUMAN LIFE AT STAKE.

"The Senate committee reported that this need will exist after all the money for hospitals now appropriated is spent. They found that $16,000,000 more must be spent to take care of the tubercular and mental patients. Yet to date nothing has been done. Meanwhile human life is at stake. Every day's delay adds to the growing risk of our comrades whose mental condition is becoming incurable because insanity is a disease which grows progressively worse.

"The crying pity of this criminal neglect of the Government to care for these insane veterans is that all competent physicians and physchiatrists agree that fully one-half of these young soldiers can be restored to reason or socially and economically rehabilitated by prompt medical care. These thousands of brave Americans who could be cured are to-day being doomed to mindless lives and to permanent insanity by neglect, indifference, or ignorance.

MORE HOSPITALS ONLY REMEDY.

"We therefore address this appeal to you for action to save these men. The remedy is simple. It is sufficient Government hospitals adapted for the treatment of mental cases.

"By this, we mean real hospitals—not phantom hospitals—hospitals built and equipped for the care of mental cases, not makeshifts—and not 'lock ups' or asylums, miscalled hospitals. There is no remedy except to provide Government hospitals with sufficient beds to care for every one of these service men. What if we do have to scrap part of these hospitals when the need ceases to exist—we daily build naval and military armaments intended to end life, which in a few years are useless and then scrapped. Why not build hospitals to save life when the need is urgent, even if in 20 years part of these hospitals like armaments must be scrapped?

"Let us appropriate some of the money we will save from 'scrapped' ships to build these hospitals.

SIXTEEN MILLION NEEDED NOW.

"It will cost $16,000,000 now to provide enough Government hospitals to care for all the insane and all the tubercular veterans. This bill is before Congress. It is based on the findings of the best medical experts, headed by Dr. White and appointed by the Secretary of the Treasury. We ask, Mr. President, that you urge Congress to appropriate the money to provide these hospitals without delay.

RECOMMENDATION FOR EMERGENCY.

"Meanwhile we face the emergency of caring for these patients until the money is appropriated and after that until the hospitals are built and the personnel, staff, and equipment obtained, and the hospitals ready to receive patients. This will take at least two years. Something must be done quickly to bridge this terrible gap. We respectfully suggest the following measures of immediate relief:

INDEPENDENT COMMITTEE OF SERVICE MEN.

"First. Since contract hospitals must be used for two or more years to come, we urge infinitely more rigid supervision than is now provided by the Veterans' Bureau and Public Health Service, and to obtain this we recommend that an independent commission of ex-service men be appointed in every State to assist the Veterans' Bureau in supervising the care given insane veterans in contract institutions.

ABOLISH THE PROFIT.

"Second. In view of the large profit now being made by many public and private contract institutions which are giving inferior care and receiving more than twice the amount they actually spend on the service men we recommend not only the rigid examination of the facilities offered before the payment of bills but also that every institution receiving money from the United States Government for the care of disabled soldiers and sailors be required to spend every dollar received for the benefit of such soldiers and sailors exclusively.

ESTABLISH DISPENSARIES.

"Third. We further ask that Government dispensaries be provided where emergency care and treatment can be supplied. The policy of the Veterans' Bureau is to relieve the Hospital load by discharging patients from hospitals as soon as the maximum hospital improvement has been reached and to send these patients to special training centers. Mental cases must be taken care of between their discharge from the hospital and their rehabilitation, and the dispensary is essential to take care of this interval. Such dispensaries will also be able to treat many cases effectively and prevent the progress of their disease and the necessity of hospitalization.

DEVELOP SOCIAL SERVICE.

"We also petition the good offices of the Executive to request the Government agencies to organize a program of community social service to cooperate with the Government in the rehabilitation of all mental patients. Efficient social service will be a big factor in preventing incipient cases from progressing to a point requiring hospital care and from preventing improved cases from going back to asylums. Consideration of both humanity and economy unite to influence the development of such social service, which is to-day wholly unorganized.

FINAL APPEAL.

"Mr. President, in the name of 10,000 young soldiers, sailors, and marines who sacrificed their minds for America we ask that America now give its millions quickly and generously to restore to the thousands who can still 'come back,' God's most precious gift to man—his reasoning powers. We are certain our appeal will not be in vain.

Annex to memorial.

TABLE NO. 1.

"Only existing Government-operated hospitals:

Institution.	Leased or owned.	Total beds now available.
Public Health Service No. 62, Augusta, Ga.	Leased	200
Public Health Service No. 37, Waukesha, Wis. (at present for psychoneuroses)	Owned	300
Public Health Service No. 42, Perryville, Md. (at present for psychoneuroses)	do	400
Public Health Service No. 49, Philadelphia, Pa.	do	420
Public Health Service No. 57, Knoxville, Iowa.	Leased	172
Public Health Service No. 34, East Norfolk, Mass. (for epileptics)	do	230
Public Health Service No. 74, Gulfport, Miss.	do	150
Public Health Service No. 76, Maywood, Ill. (Speedway)	Owned	1,000
Public Health Service No. 44, West Roxbury, Mass.	Leased	300
Marion National Sanitarium, Marion, Ind. (N. H. D. V. S.).	Owned	1,000
St. Elizabeths Hospital, Washington, D.C.	do	800
Total beds now available		4,972

TABLE NO. 2.

"Hospitals which will exist after all money appropriated by public act 384 is completely expended:

	Bed capacity.
Public Health Service No 62, Augusta, Ga.	500
Public Health Service No. 37, Waukesha, Wis. (at present for psychoneuroses)	300
Public Health Service No. 42, Perryville, Md. (at present for psychoneuroses)	700
Public Health Service No. 49, Philadelphia, Pa.	420
Public Health Service No. 57, Knoxville, Iowa.	172
Public Health Service No. 34, East Norfolk, Mass. (for epileptics)	230
Public Health Service No. 74, Gulfport, Miss.	150
Public Health Service No. 76, Maywood, Ill. (Speedway)	1,000
Public Health Service No. 44, West Roxbury, Mass.	300
Marion National Sanitarium, Marion, Ind. (National Home for Disabled Volunteer Soldiers)	1,050
St. Elizabeths Hospital, Washington, D. C. (not yet available)	800
Provisional Hospital No. 2, Fort Logan H. Roots, Ark. (not yet available)	240
Provisional Hospital No. 19, Fort McKenzie, Wyo. (not yet available)	220
Provisional Hospital No. 7, Tuskegee, Ala. (for colored patients) (not yet available)	250
Provisional Hospital No. 10, Palo Alto, Calif (not yet available)	500
Roman Catholic Orphanage, New York City (not yet available)	1,000
	7,832

TABLE NO. 3—SUMMARY.

Total number of beds urgently required for neuropsychiatric patients	11,270
Total beds now available in Government-operated institutions	4,972
Total present shortage	6,298
Total additional beds for which money has been appropriated	2,860
Total shortage of urgently needed beds for which no appropriation has been made	3,438

"Very respectfully,

"THE DISABLED AMERICAN VETERANS OF THE WORLD WAR,
"By ROBERT S. MARX, *National Commander.*

"Attest:

"RAYMOND A. LASANCE,
"National Adjutant."

Mr. BARBOUR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial of January 29, 1922, from the New York Times relative to the Sequoia National Park.

Mr. WALSH. On what subject?

Mr. BARBOUR. It is in regard to the bill H. R. 7452, now pending on the Unanimous Consent Calendar, that provides for the enlargement of the Sequoia National Park and changing the name to Roosevelt-Sequoia Park.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Following is the editorial referred to:

[From the New York Times, Jan. 29, 1922.]

THE SEQUOIA PARK.

The Sequoia National Park has as its particular glory that it preserves the "most magnificent forest perhaps to be found in the world." This is a forest of giant trees, many of which were in existence 2,000 years before the Christian era and have grown to a height of 300 feet and a girth of 30. To this reservation of patriarchal trees, contemporaries of Homer, it is now proposed to add a great stretch of scenic wilderness—canyons, waterfalls, forests, glaciers, granite slopes, and alpine meadows—making a total area of 1,100 square miles, instead of 252, with peaks of the Sierras on its borders which John Muir called the "Mountains of Light." Among these rises Mount Whitney, the highest mountain in the United States. With such enlargement and such elevation in its scenic grandeur, it will become not only one of the capital national parks but perhaps the most attractive of the Nation's playgrounds.

This reservation, now a part of the national-forest area, is to be known in its enlarged boundaries as the Roosevelt-Sequoia Park—if the Barbour bill becomes a law. Mr. Mather, the Director of the National Parks, states that, in its amended form (forbidding the granting of sites for the commercial development of water power), the bill has now the harmonious support of all advocates of the park, and even that of a number of its former opponents. Los Angeles has been looking to this area for sources of future water power, but it is hoped that even that city will see that the trees of the park far outweigh the local value of the water power.

The boundaries of this proposed park have been drawn by the National Parks Service, and represent due consideration of scenic and recreational values, on the one hand, and the proper use of natural resources on the other. In drawing the lines of the park something has happened that has never happened before, except in the slight rectification of boundaries: A portion of the present Sequoia Park area has not been included in the Roosevelt-Sequoia Park. This is disturbing, and would be more so if there were not complete confidence in the wisdom and fearlessness of the Forest Service in protecting every tree or grove in the national domain that needs protection. In the revision and great enlargement of the bounds of the present park not only has a part of the present park been eliminated but two groves of sequoias—small by comparison with the great groves that are still included in the proposed park—are left outside. The answer—and it is entirely satisfying under the present administration of the Forest Service—is to pass the Barbour bill, make this large reservation, and then see to it that our excellent Forest Service is in no way impaired or interfered with in its scientific care of our national forests, including these precious redwoods.

LEAVE OF ABSENCE.

Mr. DRIVER, by unanimous consent (at the request of Mr. WINGO), was granted leave of absence, on account of important business.

ADJOURNMENT.

Mr. WOOD of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until Tuesday, January 31, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

491. A letter from the national adjutant of the American Legion, transmitting financial report for the calendar year 1921, supplemental to the report to Congress filed January 3, 1922, for the fiscal year 1921; to the Committee on the Judiciary.

492. A letter from the president of the Washington & Old Dominion Railway, transmitting report for the 12 months ending December 31, 1921; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. STEENERSON: Committee on the Post Office and Post Roads. H. R. 10161. A bill authorizing the use of special canceling stamp in certain post offices; without amendment (Rept. No. 634). Referred to the House Calendar.

Mr. FOSTER: Committee on the Judiciary. H. R. 4800. A bill making armistice day a legal holiday; without amendment (Rept. No. 635). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. ROSE: Committee on Claims. H. R. 7695. A bill for the relief of James E. Connors; without amendment (Rept. No. 632). Referred to the Committee of the Whole House.

Mr. GLYNN: Committee on Claims. H. R. 2742. A bill for the relief of J. B. Waterman; without amendment (Rept. No. 633). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SNYDER: A bill (H. R. 10193) extending time for allotments on the Crow Reservation; protecting certain members of the Five Civilized Tribes; payment for tuition of Indian children in Montana; relief of Indians occupying certain lands in Arizona, New Mexico, and California; issuing patents in fee in certain cases; establishing a revolving fund on the Rosebud Reservation; leasing, for mining purposes, certain lands on the Fort Peck (Mont.) Reservation; memorial to Indians of the Rosebud Reservation killed in the World War; additional water rights on the Crow Reservation; conferring authority on the Secretary of the Interior as to alienation in certain Indian allotments, and for other purposes; to the Committee on Indian Affairs.

By Mr. HUTCHINSON: A bill (H. R. 10194) providing for the purchase of a site and the erection thereon of a public building at Princeton, N. J.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10195) providing for the extension of the post office at Trenton, N. J.; to the Committee on Public Buildings and Grounds.

By Mr. SWEET: A bill (H. R. 10196) to provide for the applicability of the pension laws to certain classes of persons in the military and naval services not entitled to the benefits of article 3 of the war risk insurance act as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS of Illinois: A bill (H. R. 10197) to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War, to certain widows, former widows, dependent parents and children of such soldiers, sailors, and marines, and to certain Army nurses, and granting pensions and increases of pensions in certain cases; to the Committee on Invalid Pensions.

By Mr. RODENBERG: A bill (H. R. 10198) to amend an act entitled "An act to provide for the opening, maintenance, protection, and operation of the Panama Canal, and for the sanitation and government of the Canal Zone," approved August 24, 1912; to the Committee on Interstate and Foreign Commerce.

By Mr. RYAN: Resolution (H. Res. 275) for the appointment of a committee of three by the District Committee of the House of Representatives for the investigation of the collapse of the Knickerbocker moving picture theater and for the redrafting of a building code and proper inspection of public buildings; to the Committee on Rules.

By the SPEAKER (by request): Memorial of the Legislature of the State of Nebraska, urging the passage of legislation authorizing the immediate construction of the St. Lawrence waterway project; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRIGGS: A bill (H. R. 10199) granting a pension to Mary Gleich; to the Committee on Invalid Pensions.

By Mr. HICKS: A bill (H. R. 10200) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, No. 25036, August 9, 1859; to the Committee on the Post Office and Post Roads.

By Mr. McCORMICK: A bill (H. R. 10201) for the relief of the Flathead Nation of Indians; to the Committee on Indian Affairs.

By Mr. MERRITT: A bill (H. R. 10202) granting a pension to Henry M. Conlin; to the Committee on Pensions.

By Mr. MORGAN: A bill (H. R. 10203) granting an increase of pension to Abigail Crooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10204) granting an increase of pension to Sarah J. Ross; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 10205) granting an increase of pension to Elizabeth Jane Fee; to the Committee on Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 10206) for the relief of Wynona A. Dixon; to the Committee on Claims.

By Mr. VINSON: A bill (H. R. 10207) granting an increase of pension to Charlie L. Pennington; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerks' desk and referred as follows:

3731. By the SPEAKER (by request): Cablegram from the president of the Municipal Assembly and president of the Council Administration of San Juan, urging the passage of the Campbell bill; to the Committee on Insular Affairs.

3732. By Mr. CAMPBELL of Pennsylvania: Petition signed by residents of the thirty-second congressional district, asking for a tax on beer and light wine for the soldiers' bonus; to the Committee on Ways and Means.

3733. By Mr. CRAGO: Resolution adopted by the directors of the Pennsylvania State Chamber of Commerce for the eradication of bovine tuberculosis to limited districts (county or township) wherein complete elimination is undertaken; to the Committee on Agriculture.

3734. By Mr. CURRY: Petition of Paul Scharrenberg, secretary-treasurer of the California State Federation of Labor, of San Francisco, Calif., for the enactment of Senate bill 755, providing accident compensation for longshoremen; to the Committee on the Judiciary.

3735. By Mr. DYER: Telegrams and letters from various persons in St. Louis, Mo., opposing the soldier-bonus legislation; to the Committee on Ways and Means.

3736. By Mr. FROTHINGHAM: Petition of citizens of Brockton, Mass., opposing the passage of the compulsory Sunday observance bill; to the Committee on the District of Columbia.

3737. By Mr. FULLER: Petition of J. Rockman and 55 other citizens of Rockford, Ill., asking for the earliest possible enactment of the Fordney tariff bill, based on American valuation; to the Committee on Ways and Means.

3738. By Mr. GALLIVAN: Petitions from the American Steam Gauge & Valve Manufacturing Co., of Boston, Mass.; United States Envelope Co., Worcester, Mass.; Hendee Manufacturing Co., Springfield, Mass., urging appropriation for Bureau of Foreign and Domestic Commerce as approved by Director of the Budget; to the Committee on Appropriations.

3739. By Mr. KETCHAM: Petition of residents of Allegan, Mich., protesting against House bill 4388; to the Committee on the District of Columbia.

3740. By Mr. KISSEL: Petition of Frederick Kashler, of Nibbe, Mont., opposing the Towner-Sterling education bill; to the Committee on Education.

3741. Also, memorial of Motion Picture Theater Owners of America, of New York City, thanking Congress for the repeal of the 5 per cent film rental tax at the special session; to the Committee on Ways and Means.

3742. By Mr. McDUFFIE: Resolution of the Alabama Manufacturers' Association, urging that certain steps be taken for the relief of the railroads and other transportation; to the Committee on Interstate and Foreign Commerce.

3743. Also, resolution adopted by the Board of Commissioners of the City of Mobile, Ala., indorsing the Ford offer and urging the Alabama delegation in Congress to lend their support and effort in the interest of this most important movement; to the Committee on Interstate and Foreign Commerce.

3744. By Mr. RIDDICK: Petition of farmers of Prairie Elk, Mont., urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3745. Also, petition of farmers of Broadview, Mont., urging the revival of the United States Grain Corporation; to the Committee on Agriculture.

3746. By Mr. SINCLAIR: Ten petitions by citizens of Tolley, Powers Lake, Hettinger, La Moure, Price, Binford, Enderlin, Grassy Butte, Lansford, and Fortuna, N. Dak., urging the revival of the United States Grain Corporation and stabilization of prices of farm products; to the Committee on Agriculture.

3747. Also, 10 petitions by citizens of Midway, Werner, Dunn Center, Ray, Hofflund, Zap, Rawson, Alexander, Alamo, New Leipzig, Snow, De Sart, Carpio, and other places in North Dakota, urging the revival of the United States Grain Corporation and stabilization of prices of farm products; to the Committee on Agriculture.

3748. Also, petition of citizens of York, N. Dak., in support of House bill 7735; to the Committee on Agriculture.

3749. By Mr. SMITH of Michigan: Petition of 42 citizens of Battle Creek, Mich., protesting against the passage of House bill 4388, providing for the regulation of Sunday observance by civil force under penalty for District of Columbia; to the Committee on the District of Columbia.

3750. Also, petition of the American Funeral Director, favoring a bill to regulate the practice of undertaking and embalming in the District of Columbia; to the Committee on the District of Columbia.

3751. Also, petition of Michigan Maccabees, favoring House bill 5823, providing for protection of wild animals and wild fowl; to the Committee on Interstate and Foreign Commerce.

3752. By Mr. SNELL: Resolutions passed by the members of Hammond Grange, of Hammond, N. Y., urging the passage of the Voigt bill (H. R. 8086); to the Committee on Agriculture.

3753. Also, resolutions passed by Silas Wright Grange, of Canton, N. Y., urging the passage of the Voigt bill (H. R. 8086); to the Committee on Agriculture.

3754. By Mr. TEN EYCK (by request): Petition of St. Louis Cash Register Co. (Inc.) and American Cash Register Co., relative to the tariff bill; to the Committee on Ways and Means.

SENATE.

TUESDAY, *January 31, 1922.*

(Legislative day of Wednesday, January 25, 1922.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

SUBSTITUTE ESTIMATES, UNITED STATES VETERANS' BUREAU (S. DOC. NO. 123).

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting estimates of appropriations for the United States Veterans' Bureau for the fiscal year ending June 30, 1923, as substitutes for the estimates contained in the Budget—salaries and expenses, $34,970,974.65; military and naval compensation, $160,000,000; medical and hospital services, $64,658,681.50; vocational rehabilitation, $146,409,188.80; total, $406,038,844.95—and constituting a net increase over the Budget estimates of $20,117,142.95, which, with the accompanying letter from the Director of the Bureau of the Budget and other papers, was referred to the Committee on Appropriations and ordered to be printed.

UNITED STATES NAUTICAL ALMANAC.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Navy, transmitting, in response to Senate resolution 202, agreed to January 4, 1922, directing the Secretary to submit to the Senate certain statements referred to in a report of the Superintendent of the Naval Observatory, a statement of Prof. Eichelberger regarding conditions in the Nautical Almanac Office, and also a statement of Prof. Campbell regarding an error in the eclipse map of May 28 and 29, 1919, etc., which was referred to the Committee on Appropriations.

REPORT OF THE CAPITAL TRACTION CO.

The PRESIDENT pro tempore laid before the Senate a communication from the president of the Capital Traction Co. transmitting, pursuant to law, the report of the company for the year ended December 31, 1921, which was referred to the Committee on the District of Columbia.

REPORT OF WASHINGTON & OLD DOMINION RAILWAY.

The PRESIDENT pro tempore laid before the Senate a communication from the president of the Washington & Old Dominion Railway transmitting, pursuant to law, the report of the company for the year ended December 31, 1921, which was referred to the Committee on the District of Columbia.

REPORT OF EAST WASHINGTON HEIGHTS TRACTION RAILROAD CO.

The PRESIDENT pro tempore laid before the Senate a communication from the president of the East Washington Heights Traction Railroad Co. transmitting, pursuant to law, the report of the company for the year ended December 31, 1921, which was referred to the Committee on the District of Columbia.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commis-

sions, and offices for the fiscal year ending June 30, 1923, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 6119) to authorize the coinage of a Grant memorial gold dollar and a Grant memorial silver half dollar in commemoration of the centenary of the birth of Gen. Ulysses S. Grant, late President of the United States, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS.

Mr. TOWNSEND presented a resolution adopted by Columbia Community Center, of Detroit, Mich., favoring the extension of payment for 20 years of Austria's debt to the United States; which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Battle Creek, Mich., remonstrating against the enactment of compulsory Sunday observance laws, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented a letter in the nature of a petition from the officers of the Society of Louisiana Certified Public Accountants, of New Orleans, La., favoring the passage of Senate bill 2531, providing for a board of accounts in the District of Columbia, which was referred to the Committee on the District of Columbia.

He also presented a resolution adopted at a meeting of Parsons Post No. 81, Department of Kansas, Grand Army of the Republic, favoring the enactment of House bill 7123, the so-called Morgan bill, providing for an increase in pensions of Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Dickinson County, Kans., praying for the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted at a meeting of the Woman's Guild, Sibley Memorial Hospital, of Washington, D. C., and the Woman's Republican Club, of Columbus, Ohio, favoring the passage of the so-called Capper-Fess physical education bill, which were referred to the Committee on Education and Labor.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 3090) amending section 1 of the interstate commerce act; to the Committee on Interstate Commerce.

By Mr. TOWNSEND:

A bill (S. 3091) granting a pension to Alice S. Kaywood (with accompanying papers); to the Committee on Pensions.

By Mr. FRELINGHUYSEN:

A bill (S. 3092) for the relief of the estate of George B. Spearin, deceased; to the Committee on Claims.

By Mr. McKELLAR:

A bill (S. 3093) granting a pension to Johnson Ensor (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 3094) for the relief of James H. Kelley; to the Committee on Military Affairs.

By Mr. OWEN:

A bill (S. 3095) to adjust and settle the claims of the loyal Shawnee and loyal Absentee Shawnee Tribe of Indians; to the Committee on Indian Affairs.

HOUSE BILL REFERRED.

The bill (H. R. 9981) making appropriations for the Executive and for sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1923, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized, under certain conditions, to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from North Carolina [Mr. SIMMONS] to the amendment of the committee as amended.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	Lenroot	Reed
Ball	Glass	McCumber	Robinson
Brandegee	Gooding	McKellar	Sheppard
Broussard	Hale	McKinley	Simmons
Bursum	Harreld	McLean	Smoot
Calder	Harris	McNary	Spencer
Cameron	Harrison	Moses	Sterling
Capper	Heflin	Nelson	Sutherland
Caraway	Hitchcock	Nicholson	Swanson
Cummins	Johnson	Norris	Townsend
Curtis	Jones, N. Mex.	Oddie	Wadsworth
Dial	Jones, Wash.	Overman	Walsh, Mass.
Dillingham	Kellogg	Page	Walsh, Mont.
Edge	Kenyon	Pepper	Warren
Elkins	Keyes	Phipps	Watson, Ga.
Ernst	King	Pittman	Watson, Ind.
Fernald	Ladd	Poindexter	
Fletcher	La Follette	Ransdell	

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH] is detained on business of the Senate. I will let this announcement stand for the day.

Mr. FLETCHER. I wish to announce that my colleague [Mr. TRAMMELL] is necessarily absent from the Senate. I wish this announcement to stand for the day.

The PRESIDENT pro tempore. Seventy Senators have answered to their names. There is a quorum present.

Mr. SIMMONS obtained the floor.

Mr. WARREN. Will the Senator yield for a moment?

Mr. SIMMONS. Certainly.

Mr. WARREN. I wish to ask unanimous consent to take up the conference report on the Treasury Department appropriation bill. If it leads to any extended remarks, I shall not press it.

The PRESIDENT pro tempore. Is there objection?

Mr. McCUMBER. With the understanding that the pending bill is laid aside temporarily for the consideration of the conference report and that the conference report will require no debate, I shall have no objection, but I wish to reserve the right to object if it leads to any discussion.

The PRESIDENT pro tempore. The Senator from Wyoming asks unanimous consent that the unfinished business be temporarily laid aside.

Mr. HARRISON. I do not think it is right to take up the conference report and bind everyone not to ask any questions about it. There may be some questions to be asked about the report.

Mr. WARREN. If the Senator will allow me, perhaps I ought to state that this is a partial report and it is my intention simply to ask that the report be adopted and that the remaining unsettled amendments be insisted upon by the Senate and referred back to the conferees.

Mr. HARRISON. The Senator, of course, will explain what we are asked to adopt, what the conference committee have agreed on, and what amendments are still in disagreement. I have no objection to taking up the conference report.

Mr. McCUMBER. If it is going to lead to debate I shall have to object.

The PRESIDENT pro tempore. Objection is made. The pending question is upon the amendment offered by the Senator from North Carolina [Mr. SIMMONS] to the amendment of the committee as amended. On this question the yeas and nays have been ordered.

Mr. CURTIS. Let the pending amendment be stated.

The PRESIDENT pro tempore. The Secretary will report the amendment to the amendment.

The ASSISTANT SECRETARY. Add at the end of the committee amendment, at the bottom of page 2, the following:

Or, without the consent or approval of Congress, defer the payment of interest in any case for a longer period than three years.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I am paired with the junior Senator from Maryland [Mr. WELLER], who is absent. For that reason I withhold my vote.

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Vermont [Mr. DILLINGHAM]. In his absence I withhold my vote.

Mr. McKELLAR (when his name was called). I have a general pair with the junior Senator from Indiana [Mr. NEW], which I transfer to the junior Senator from Rhode Island [Mr. GERRY] and vote "yea."

Mr. RANSDELL (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. In his absence I withhold my vote.

Mr. WATSON of Indiana (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. I am released by him personally upon all amendments to the pending measure, and therefore I vote. I vote "nay."

The roll call was concluded.

Mr. STERLING. I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the junior Senator from Oregon [Mr. STANFIELD] and vote "nay."

Mr. EDGE. I transfer my general pair with the senior Senator from Oklahoma [Mr. OWEN] to the junior Senator from Michigan [Mr. NEWBERRY] and vote "nay."

Mr. ERNST. I transfer my pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Pennsylvania [Mr. CROW] and vote "nay."

Mr. BROUSSARD. I transfer my pair with the junior Senator from Maryland [Mr. WELLER] to the senior Senator from Ohio [Mr. POMERENE] and vote "yea."

Mr. McLEAN (after having voted in the negative). I transfer my pair with the Senator from Montana [Mr. MYERS] to the junior Senator from California [Mr. SHORTRIDGE] and allow my vote to stand.

Mr. CURTIS. I wish to announce the following pairs:

The Senator from Maryland [Mr. FRANCE] with the Senator from South Dakota [Mr. NORBECK];

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL];

The Senator from Massachusetts [Mr. LODGE] with the Senator from Alabama [Mr. UNDERWOOD]; and

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Wyoming [Mr. KENDRICK].

The result was announced—yeas 27, nays 41, as follows:

YEAS—27.

Ashurst	Heflin	McKellar	Shields
Broussard	Hitchcock	Norris	Simmons
Caraway	Johnson	Overman	Swanson
Dial	Jones, N. Mex.	Pittman	Walsh, Mass.
Fletcher	King	Reed	Walsh, Mont.
Harris	Ladd	Robinson	Watson, Ga.
Harrison	La Follette	Sheppard	

NAYS—41.

Ball	Fernald	McKinley	Smoot
Brandegee	Frelinghuysen	McLean	Spencer
Bursum	Gooding	McNary	Sterling
Calder	Hale	Moses	Sutherland
Cameron	Harreld	Nelson	Townsend
Capper	Jones, Wash.	Nicholson	Wadsworth
Cummins	Kellogg	Oddie	Warren
Curtis	Kenyon	Page	Watson, Ind.
Edge	Keyes	Pepper	
Elkins	Lenroot	Phipps	
Ernst	McCumber	Poindexter	

NOT VOTING—28.

Borah	Gerry	Newberry	Stanfield
Colt	Glass	Norbeck	Stanley
Crow	Kendrick	Owen	Trammell
Culberson	Lodge	Pomerene	Underwood
Dillingham	McCormick	Ransdell	Weller
du Pont	Myers	Shortridge	Williams
France	New	Smith	Willis

So Mr. SIMMONS's amendment to the committee amendment as amended was rejected.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment reported by the Committee on Finance as amended.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The bill is still before the Senate as in Committee of the Whole and open to amendment.

Mr. SIMMONS. Mr. President, I desire to offer an amendment which I send to the Secretary's desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from North Carolina will be stated.

Mr. NORRIS. I desire to inquire of the Senator from North Carolina if the amendment which he now proposes is the so-called bonus amendment?

Mr. SIMMONS. It is the so-called bonus amendment.

Mr. NORRIS. I ask the Senator from North Carolina if he will not defer offering that amendment until after the substitute which I am going to offer to the bill shall have been voted on? His amendment will then be in order.

Mr. SIMMONS. I shall be very glad to accommodate the Senator from Nebraska.

Mr. NORRIS. I ask the Senator from North Carolina if he now offer this amendment, it might be embarrassing to certain Senators to have to vote on that amendment first.

Mr. SIMMONS. I withdraw my amendment temporarily, Mr. President.

The VICE PRESIDENT. The Senator from North Carolina temporarily withdraws his proposed amendment.

Mr. JONES of New Mexico. Mr. President, at the end of section 3, page 3, line 8, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from New Mexico will be stated.

The ASSISTANT SECRETARY. On page 3, at the end of section 3, after the word "thereof," it is proposed to insert "with interest upon all deferred payments."

Mr. JONES of New Mexico. Mr. President, the remarks which I made on yesterday were for the purpose of leading up to the amendment which I have now offered. I then endeavored to show that at the present time we have all the obligations which it is either necessary or advisable for the Government to have with respect to the major loans until the time arrives when the debtor nations are ready to begin payment. I called attention to the form of the obligations which the Government holds at the present time. Those obligations provide that the foreign Governments shall issue bonds, the terms of which are specified. There is no reason why those bonds should not be called for now; so I say that the present arrangement is all that ought to be desired until the time comes when the debtor countries are to begin payment.

Mr. President, I see no reason why we should now readjust this indebtedness and yet have the time of payment deferred for two or three years. Why do that now? If we are going to make some arrangement which shall go into force only in the future, and when we do not expect present payment, why give up the obligations which we now have? So, Mr. President, it seems to me that we ought not to embark upon a readjustment of these matters until all payments which are to be deferred shall be deferred on a cash basis or on a basis looking to the payment of the interest upon them.

If Senators will study the bill they will find that, while there is a provision in it that the rate of interest shall not be less than 4½ per cent, there is no provision in it which requires that any rate of interest shall be charged upon deferred payments. I ask the Senator in charge of the bill to point out, if he can, where there is any requirement in this bill that deferred payments shall bear any rate of interest. It is left to the proposed commission to fix a rate whenever any rate is to be fixed, and the bill provides that when a rate is fixed it shall not be less than 4½ per cent; but I fail to find in the bill any requirement that any rate of interest shall be fixed on deferred payments. Therefore it seems to me that there ought to be a provision in the bill so that after the new arrangement shall be entered into deferred payments shall bear interest, or, in other words, put the transaction upon a cash basis. So I have proposed this amendment: At the end of section 3, the latter part of which provides that there shall be no cancellation of such indebtedness except through payment thereof, add the words "with interest upon all deferred payments."

What objection can there be to such an amendment? It is simply a requirement that when any arrangement is entered into for the payment in the future of any part of this indebtedness whatever deferred payments there may be shall bear interest. If the bill does not contain some such provision as that, what is the use of disturbing the obligations which we have at the present time? If we are not going to put the transaction upon a cash basis, why disturb or modify the obligations which the Government now holds?

Mr. HITCHCOCK. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. I wish to inquire whether the Senator's amendment would make it necessary to collect interest on the interest already deferred?

Mr. JONES of New Mexico. It will now; it simply provides that when the commission shall exercise its power it shall not provide for deferred payments without interest upon such deferred payments.

Mr. HITCHCOCK. That is, if they should provide that the interest of a certain country may not be paid for the next 10 years, they could not do so without providing that such country pay interest on the deferred interest?

Mr. JONES of New Mexico. That is the purpose of the amendment.

Mr. DIAL. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from South Carolina?

Mr. DIAL. Would it not be better to specify the rate of interest?

Mr. JONES of New Mexico. The bill in the previous section provides that the rate of interest shall not be less than 4½

per cent, and whenever they charge interest at all under this bill it must be at a rate not less than 4½ per cent.

Mr. DIAL. I did not know whether that applied simply to the principal or to the interest on interest.

Mr. JONES of New Mexico. That is the purpose of the amendment, and it seems to me that it ought to be accepted by the chairman of the committee in charge of the bill—that whenever we do have deferred payments they shall bear interest. There is no reason why the present arrangement should not continue until the foreign obligations are put upon a cash basis, and whenever that is done, of course, all deferred payments ought to bear some rate of interest.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield to the Senator from Utah.

Mr. KING. Do I understand the Senator to contend that we should compound the interest upon the deferred payments?

Mr. JONES of New Mexico. If there is interest funded, of course, it will amount to that; but I submit that nobody in any business transaction ever enters into an agreement to defer present obligations—I mean, obligations which are payable at the present time—and postpone payment without charging interest upon it. No business concern ever does anything else. Whenever you are going to extend the time for the payment of anything, that is a new contract; and it seems to me, although it may be in the nature of compounding interest, that it is what is done in business life every day.

Mr. KING. The Senator means that he would compute the interest now due, not compound it every six months from the time of the issue of the obligations?

Mr. JONES of New Mexico. Certainly not. If they want to refund the present interest and then have it spread over a period of years, the commission would have authority to do that upon the payment of interest.

Mr. KING. That is right.

Mr. JONES of New Mexico. But it is not a compounding proposition from time to time. They have the opportunity now to pay this interest, if they want to, to avoid any future interest; but if the interest now due is refunded and put into long-term obligations those obligations should bear a rate of interest. It is simply applying business methods to this transaction. If they do not want to pay interest upon the deferred payments of interest, let them pay the interest now, just the same as any individual would do. The necessity for this refunding has not been shown; but if they do want to refund any part of this and spread it out over a period of years, let it be in the form of an obligation which bears upon its face at least that it is intended as a cash transaction, and to settle up and take a new start upon the payment of this indebtedness. It will give them an opportunity to refund any part of it, but it requires that if they do refund the deferred payments shall bear interest.

Mr. McCUMBER. Mr. President, one would think from some of the arguments that are made on the floor of the Senate that we were a famished Nation, hungering for the last drop of blood that we can possibly extract from our debtors. I do not believe that the American people want to occupy that attitude.

Mr. President, I have never heard of any civilized nation, any nation that expected to meet its obligations when they became due, giving a bond that anticipated beforehand that it did not expect to meet the interest on its bonds when they were due, and expected to pay interest upon interest. If we placed that in the law it would be at least an indication to the nations of the world that we hardly expected them to pay their interest when it became due, but that we did expect to give them a further time on their interest, on condition that they pay interest upon the deferred interest. What we want is to collect our interest. What we want is a bond given by a government on such terms, with interest at such a rate, payable at such times, that the nations will meet it, and then we expect them to pay that interest when it becomes due. I think that every nation that intends to give us a bond will give us a bond that will carry with it the implication, not that the interest may be deferred, but that the interest will be paid when it is due.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from New Mexico?

Mr. McCUMBER. I do.

Mr. JONES of New Mexico. Does the Senator mean that he is not going to refund the interest that is due now at all?

Mr. McCUMBER. Mr. President, provision is made for the refundment of the accumulated interest, because that accumulated interest is of itself an obligation. I shall be glad when we get that accumulated interest into a bond bearing interest; but I do not believe that it is the proper thing for us to do to ask a compound interest upon that interest. I think we will receive bonds for the accumulated interest and that such bonds will bear the same rate of interest that the other bonds bear.

Mr. JONES of New Mexico. Does the Senator believe that this commission should have power to forego the payment of any of this interest?

Mr. McCUMBER. Mr. President, the bill provides that the commission can not forego the payment of one penny of the interest. The bill gives authority to convert the interest into long-time bonds if the countries are not able to pay it.

Mr. JONES of New Mexico. Then, may I ask the Senator whether it is his idea that the long-term bonds into which the interest shall be refunded shall not bear interest?

Mr. McCUMBER. Mr. President, it is to be converted into long-time bonds bearing interest. Why does the Senator waste time in asking me that question when the bill itself is so clear and so definite that there can be no misunderstanding?

Mr. JONES of New Mexico. Then, what objection has the Senator to my amendment?

Mr. McCUMBER. I gave my objection to it. If the Senator can not understand it, and wants me to repeat it, I must say that I can not take the time to repeat it. I stated the reasons why I thought this country should not ask for compound interest upon the interest which may become due under the bonds which will be received. Now the Senator asks me to state them over again.

Mr. JONES of New Mexico. Mr. President, my amendment has nothing to do with that situation.

Mr. McCUMBER. Oh, yes; it has.

Mr. JONES of New Mexico. The amendment which I propose is that in stipulating for deferred payments, those deferred payments shall bear interest. That is all that my amendment means, and it is simply a limitation upon the commission. If this Government of ours ever wants to remit a part of this indebtedness, I say that the Congress of the United States should do that, representing the American people, and not confer upon any commission the power to do it.

Mr. McCUMBER. Mr. President, I have the floor. The Senator has had his time. By no such maneuvering as that is the Senator going to get another opportunity to speak for 10 minutes. The Senator is making a second argument, and that is contrary to our unanimous-consent agreement.

The Senator is mistaken when he says that his amendment applies only to the defaulted interest upon the demand obligations. The way his amendment is worded it would compel them in issuing bonds to provide that all interest shall bear interest after it becomes due.

Mr. JONES of New Mexico. No, Mr. President; I call the attention of the Senator——

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from New Mexico?

Mr. JONES of New Mexico. To the language of my amendment——

The PRESIDENT pro tempore. Just a moment. Will the Senator suspend a moment until the Chair discovers whether the Senator from North Dakota yields?

Mr. McCUMBER. I will yield for a question.

Mr. JONES of New Mexico. I want to call attention to the language of my amendment. It is at the end of section 3, which provides:

> That this act shall not be construed to authorize the exchange of bonds or other obligations of any foreign Government for those of any other foreign Government, or cancellation of any part of such indebtedness except through payment thereof.

Now, my amendment follows:

> With interest upon all deferred payments.

That is, which the commission may defer.

Mr. McCUMBER. Why, of course. Therefore any matter that they may defer will bear interest; and all of the obligations will have to be deferred, or most of them, beyond the time now fixed by law. Therefore, under the amendment offered by the Senator, it would be necessary to provide in the bonds for compound interest.

I say frankly that that should not be done, and I have here the evidence that was taken before the committee, in which the Secretary of the Treasury holds that under the agreement that was made with the foreign nations they could not compound the interest upon the past-due interest. I shall not take the time to read it now, because I have not the time to read it, but it is clear and definite that the understanding between the Governments was that we should not charge them compound interest upon the deferred interest; and therefore when they take all

of the deferred interest and issue long-time bonds for it, those bonds to bear interest, that is all that we can ask.

Mr. HITCHCOCK. Mr. President, I am very much surprised at the statement of the chairman of the committee. When the amendment proposed by the Senator from North Carolina [Mr. SIMMONS], to the effect that interest should be paid either annually or semiannually, was defeated, the Senate left the commission absolutely free to fix any time it pleased over which interest could be paid. It left the commission free to say that interest should be paid once in 2 years, or once in 3 years, or once in 5 years, or once in 10 years, or even once in 20 years; and if the commission exercises that power, as I believe it intends to exercise the power, these debtors would be given the benefit of the use of the money during that period.

If the amendment offered by the Senator from North Carolina had prevailed, these nations would have been required to pay their interest so that it would be kept current, but as it is now—and the Senator from North Dakota knows it—the commission has power to defer the payment of interest for 20 years, and during that time the interest would accumulate into an enormous sum of money on which no interest would accrue.

Section 2 of the bill provides that this commission shall have the power to refund or convert, and to extend the time of the payment of the interest; but that power is indefinite. There is no limit upon it. If it provided for the payment of the interest at the end of 10 years, then, if we figure the interest at $500,000,000 a year, constantly accumulating, the debtor nations would have the use of $300,000,000 free of charge, because the interest for the first year would be five hundred million, for the second year it would amount to a thousand million, at the end of the third year it would be a thousand five hundred million, and at the end of the fifth year it would be three thousand million dollars, and by the end of the 10 years it would be twice that amount. So the average amount of money which this commission has the power, under the bill, to allow to the debtor nations free of any interest is at least three thousand million dollars, if we figure it on a 10-year basis.

As I understand it, it is the purpose of the amendment offered by the Senator from New Mexico to make that impossible, to make it impossible for this commission to defer the payment of interest without providing for the collection of interest on the deferred interest, and that is all there is to the amendment. If the Senate wants to put in the hands of this commission the power to defer the payment of the interest indefinitely without charging any interest on the deferred interest, it is giving to the commission the power to give the use of thousands of millions of dollars to the debtor nations without any charge.

Mr. KING. Will the Senator yield?

Mr. HITCHCOCK. I yield.

Mr. KING. The objection is made that the language contained in the amendment offered by the Senator from New Mexico contemplates a compounding of interest upon that deferred interest for the period of three years, so that instead of ascertaining what the interest would be at the date of the refunding, in the aggregate, you take the interest and then compound it every six months from the time the first obligations were issued up to the time the refunding bonds shall be executed; so that would be compounding the interest, and if the amendment is susceptible of that construction, it ought to be clarified.

Mr. HITCHCOCK. Personally, of course, I should not approve the idea of compounding the interest, and I doubt whether the amendment is susceptible of that construction.

Mr. JONES of New Mexico. It was not so intended.

Mr. HITCHCOCK. I thought not. If it is susceptible of that construction, it could easily be corrected. What we should do, in justice, is to say to this commission, "You shall not allow the use of the money belonging to the people of the United States without interest. You are not required to compound the interest, but you should, if you defer the payment of the interest over a long period of time, make some charge for the payments so deferred."

Mr. SMOOT and Mr. NORRIS rose.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield; and if so, to whom?

Mr. HITCHCOCK. I yield to the Senator from Utah to ask a question.

Mr. SMOOT. I have just entered the Chamber. I have taken no time in discussing this matter during the debate, but if I understand the amendment offered by the Senator from New Mexico, it is intended to provide that we should charge compound interest—that is, interest on the interest on the loan.

Mr. HITCHCOCK. No; that is not the proposition.

Mr. SMOOT. It is interest on interest.

Mr. HITCHCOCK. The condition is this: We have defeated the amendment offered by the Senator from North Carolina providing that interest should be paid semiannually. That leaves the commission free to make the interest payable once in 10 years.

Mr. SMOOT. Or once in 25 years.

Mr. HITCHCOCK. Or once in 25 years. That would result in an enormous gift to the other nations. The Senator from New Mexico proposes that if that is done and the commission exercises that power it shall make a charge for the average interest covering that period.

Mr. SMOOT. I wanted to be certain about it, and I want to ask the Senator from New Mexico a question in regard to it.

Mr. NORRIS. Mr. President, the Senator from New Mexico has not the floor.

Mr. SMOOT. Has the Senator from Nebraska the floor?

Mr. NORRIS. No; but the Senator from Nebraska is entitled to have it.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Nebraska.

Mr. NORRIS. That is what I was trying to tell the Senator from Utah. I believe there is a misunderstanding on both sides in regard to the proposed amendment. Unless I am entirely mistaken, the Senator from New Mexico and my colleague are both mistaken as to the necessity of it, and as to what would be accomplished by it, and the Senator from North Dakota is likewise mistaken as to what would happen if the amendment were agreed to.

We will not be able by this amendment to remedy the defect which exists in the bill on account of our failure to vote into the bill the amendment offered by the Senator from North Carolina [Mr. SIMMONS]. This will not affect that at all.

Mr. President, I want to get the best possible legislation out of this, and I want the attention of Senators. If I am mistaken, I would like to be corrected, because I would like to vote directly on the amendment. This amendment is proposed to be added to section 3 of the bill. Let us read section 3:

> That this act shall not be construed to authorize the exchange of bonds or other obligations of any foreign Government for those of any other foreign Government, or cancellation of any part of such indebtedness except through payment thereof.

There are two things provided for. Let us eliminate one of the clauses so as to analyze it properly. Let us eliminate the first one, and it would read:

> That this act shall not be construed to authorize the cancellation of any part of such indebtedness except through payment thereof.

The Senator from New Mexico wants to add right after that the words "with interest on all deferred payments." Let us see how that would make the bill read:

> That this act shall not be construed to authorize * * * the cancellation of any part of such indebtedness except through payment thereof, with interest upon all deferred payments.

My contention is that that does not change the legal sense of the language one iota. The bill without the Senator's amendment would provide that the commission shall not cancel any part of the indebtedness except through payment. If the interest were a part of the indebtedness, they would have no right to cancel it. They can defer it, it is true, and I voted for the amendment offered by the Senator from North Carolina, which would have prevented that. I think the Senate made a serious mistake when they voted down that amendment, because it is true that this commission, under the bill as it stands now, would be able to defer the payment of this interest until the maturity of the bonds, in 1947. But this amendment of the Senator from New Mexico will not correct that error, as my colleague argued. As I look at it, it will make absolutely no difference whatever. The amendment reads, "with interest upon all deferred payments." That means that if there is any interest due on deferred payments, it must be collected when the thing is canceled; but it means that without the amendment, because it says that it shall not cancel any of the indebtedness except through payment, and interest is part of the indebtedness.

Mr. WATSON of Indiana. Mr. President, in order to get the Senator's viewpoint, I would like to ask him whether he favors compound interest?

Mr. NORRIS. No; I do not. As I look at it, the amendment offered by the Senator from New Mexico does not provide for compound interest. I do not think it adds anything to the bill at all. It would not accomplish what he apparently thinks it would, namely, to remedy the defect which exists by reason of the fact that we defeated the amendment offered by the Senator from North Carolina.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. I yield.

Mr. JONES of New Mexico. I ask the Senator if he finds anything in the bill now which requires the commission to provide for any interest upon any obligation for the future?

Mr. NORRIS. Yes.

Mr. JONES of New Mexico. Where?

Mr. NORRIS. That goes with the funding operation. I do not think there is any doubt about that, and, even if there were, this would not correct even that. The particular part of the bill to which the Senator seeks to attach his amendment, shorn of all the clauses which modify it, would provide simply this, that the commission shall not cancel a debt except by payment. If there is interest due as a part of the debt, they can not cancel the interest any more than they can cancel the principal. So, as far as I can see, it makes no difference, as a matter of law or of fact, whether this amendment is agreed to or not.

Mr. WATSON of Indiana. Mr. President, while the Senator from New Mexico is on his feet I wish to ask him a question.

The PRESIDENT pro tempore. In whose time?

Mr. WATSON of Indiana. In my time.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Indiana.

Mr. WATSON of Indiana. I would like to ask the Senator from New Mexico whether he refers in his amendment to compound interest when he uses the language "with interest upon all deferred payments"?

Mr. JONES of New Mexico. Not at all, if the Senator please; and at this juncture, in order to meet that suggestion, I would like to perfect my proposed amendment, in order to make it clearer, so as to make it read "with interest upon the principal of all deferred payments." I should like, if the Chair please, to modify or change my amendment so that it will read in that way.

Mr. SMOOT. Will the Senator read his proposed amendment again, with the change he has made in it?

Mr. JONES of New Mexico. I propose to have it read, "with interest upon the principal of all deferred payments," and I ask to have that substituted for my other amendment so as to meet the suggestion of the Senator from Utah.

Mr. WALSH of Massachusetts. Does the Senator from New Mexico offer that as a substitute for his other amendment?

Mr. JONES of New Mexico. I will perfect my amendment by changing it so as to read in that way.

The PRESIDENT pro tempore. The Senator from New Mexico modifies his amendment, and the Secretary will state the amendment as modified.

The ASSISTANT SECRETARY. On page 3, line 8, after the word "thereof," insert a comma and the words "with interest upon the principal of all deferred payments."

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

Mr. SMOOT. Mr. President, it seems to me that that is a useless amendment. The bill gives the authority to provide the rate of interest, and of course the rate of interest will be running against the principal until the obligation is paid.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I yield.

Mr. JONES of New Mexico. I stated that the principal purpose of the amendment was to prevent the commission from accepting long-term obligations without a provision in those obligations for the payment of interest. The bill provides that when the interest is charged it shall be at a rate of not less than 4¼ per cent; but there is no provision in the bill which specifies that deferred payments, of principal or anything else, are to bear interest.

Mr. SMOOT. In answer to what the Senator from New Mexico has just stated, I think I am safe in saying that the practice, and I think the law as well, is that whatever rate of interest is provided for in an obligation it shall apply even though the payments are deferred; and it is for that reason, Mr. President, that I think the amendment of the Senator from New Mexico is unnecessary. I do not think it will add one thing to the power granted the commission, nor do I think that by adding it there would be a different rate of interest charged. I can not conceive of that being the case.

The Senator's original amendment, if adopted, would have compelled the collection of interest upon interest, but the way he has modified that amendment, it does not give the commission any authority additional to what they have under the bill. If the rate of interest is agreed upon by this Government and the foreign Government, and it should be 4¼ per cent, and if the payments are not made at the end of 25 years—and none will have to be made until the end of 25 years—then there will either be another instrument drawn, an extension granted, or a refunding of the bonds at that time, or there will be a default upon the part of the Government owing the United States.

It seems to me that the amendment is out of place. It does not add to or take from the object of the bill in any sense. Therefore I shall vote against it.

Mr. LENROOT. Mr. President, I wish to ask the Senator from New Mexico [Mr. JONES], in my time, what he considers the principal of a deferred payment.

Mr. JONES of New Mexico. The amount due which is promised to be paid by the obligations.

Mr. LENROOT. Then, if the interest is not paid on a given day after the bonds are issued, does the Senator consider that that becomes the principal within the meaning of his amendment?

Mr. JONES of New Mexico. Not at all; because it is not deferred by the terms of the agreement between the parties.

Mr. LENROOT. But suppose they agree to defer it and it is not paid?

Mr. JONES of New Mexico. If they agree to defer it, then, of course, it provides for interest upon the amount of the principal of the new obligation, which would make provision for deferring the payment.

Mr. LENROOT. Then, the Senator is in favor of compound interest after the obligations are issued?

Mr. JONES of New Mexico. Not at all. The amendment, as I construe it, does not mean any such thing at all.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from New Mexico to the amendment of the committee as amended.

Mr. JONES of New Mexico. I call for the yeas and nays.

The yeas and nays were ordered and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I am paired with the junior Senator from Maryland [Mr. WELLER], who is absent. Therefore I withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I do not see him present. I am unable to obtain a transfer. I merely desire to say that if the Senator from Alabama were present and I were at liberty to vote I would vote "nay."

Mr. McKELLAR (when his name was called). Making the same announcement as heretofore as to my pair and its transfer, I vote "yea."

Mr. STERLING (when his name was called). Making the same announcement as on the former vote as to my pair and its transfer, I vote "nay."

Mr. WALSH of Montana (when his name was called). I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN], who is absent. Therefore I withhold my vote.

Mr. WATSON of Indiana (when his name was called). Making the same announcement as heretofore as to my pair and my release therefrom, I vote "nay."

The roll call was concluded.

Mr. DILLINGHAM (after having voted in the negative). I notice that the Senator from Virginia [Mr. GLASS] has not voted. I have a general pair with that Senator, which I transfer to the senior Senator from Pennsylvania [Mr. CROW] and allow my vote to stand.

Mr. COLT. I have a general pair with the junior Senator from Florida [Mr. TRAMMELL], which I transfer to the junior Senator from Michigan [Mr. NEWBERRY] and vote "nay."

Mr. LODGE. I find that I can transfer my pair with the Senator from Alabama [Mr. UNDERWOOD] to the Senator from California [Mr. SHORTRIDGE], which I do, and vote "nay."

The result was announced—yeas 25, nays 46, as follows:

YEAS—25.

Ashurst	Heflin	Owen	Stanley
Caraway	Hitchcock	Pittman	Swanson
Culberson	Jones, N. Mex.	Reed	Walsh, Mass.
Dial	King	Robinson	Watson, Ga.
Fletcher	La Follette	Sheppard	
Harris	McKellar	Shields	
Harrison	Myers	Simmons	

NAYS—46.

Ball	Ernst	McKinley	Pomerene
Brandegee	Fernald	McLean	Smoot
Bursum	Gooding	McNary	Spencer
Calder	Hale	Moses	Sterling
Cameron	Jones, Wash.	Nelson	Sutherland
Capper	Kellogg	Nicholson	Townsend
Colt	Keyes	Norris	Wadsworth
Cummins	Ladd	Oddie	Warren
Curtis	Lenroot	Page	Watson, Ind.
Dillingham	Lodge	Pepper	Willis
Edge	McCormick	Phipps	
Elkins	McCumber	Poindexter	

NOT VOTING—25.

Borah	Glass	Norbeck	Underwood
Broussard	Harreld	Overman	Walsh, Mont.
Crow	Johnson	Ransdell	Weller
du Pont	Kendrick	Shortridge	Williams
France	Kenyon	Smith	
Frelinghuysen	New	Stanfield	
Gerry	Newberry	Trammell	

So the amendment of Mr. JONES of New Mexico to the committee amendment as amended was rejected.

CONFIRMATION OF JUDGE WILLIAM S. KENYON.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Chair lays before the Senate a communication from the President of the United States, which will be read.

The Assistant Secretary read as follows:

TO THE SENATE OF THE UNITED STATES:

I nominate WILLIAM S. KENYON, of Iowa, to be United States circuit judge, eighth circuit, vice Walter I. Smith, deceased.

WARREN G. HARDING.

THE WHITE HOUSE,
Washington, January 31, 1922.

Mr. CUMMINS. Mr. President, following a long-established custom, I ask unanimous consent for the consideration of the nomination in open executive session, without its reference to the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nomination is before the Senate in open executive session. The question is on confirming the nomination, and Senators who favor it will rise.

All the Senators present rose.

The PRESIDING OFFICER. The nomination is unanimously confirmed, and the President will be notified. The Senate will resume its legislative session.

ADJUSTMENT OF FOREIGN LOANS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

Mr. WALSH of Montana. Mr. President, I move to strike out so much of the bill as begins with the word "and," in line 16, on page 2, and ends with the word "therefor," in line 20, on the same page.

The PRESIDING OFFICER. The Senator from Montana proposes an amendment, which the Secretary will state.

The ASSISTANT SECRETARY. On page 2, line 16, of the original print of the bill, after the words "United States of America," it is proposed to strike out the following words:

and to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Montana [Mr. WALSH].

Mr. WALSH of Montana. Mr. President, it has been made perfectly clear in the debate that the occasion of this legislation, so far as the loans of this Government to foreign countries are concerned, is to get rid of the necessity of the ratification by the Senate of the United States of any arrangement which may be made; that is to say, so that a binding obligation or contract may be entered into without the approval of the United States Senate, as in the case of agreements with foreign powers generally; but no one has undertaken to explain that portion of the bill to which the amendment which I have offered is addressed.

The bill, as will be observed, deals with two classes of claims: First, those bonds or other obligations represented by loans made by our Government to other Governments; and, second, claims of whatever character they may be, arising in whatsoever manner they may arise, claims that are now in existence and claims that may hereafter come into existence. These are to be settled and adjusted as is provided in this provision of the bill. I have searched the reports of the committees dealing with the measure, and I find no explanation whatever as to why we should commit to a commission the settlement and adjustment of other claims against foreign Governments. Indeed, Mr. President, no suggestion has been made in any of the reports, no intimation is given by any of the members of the committee on the floor, as to just exactly what claims there are against foreign Governments not now represented by the bonds or obligations in the nature of written acknowledgments of indebtedness.

Mr. NORRIS. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Nebraska.

Mr. NORRIS. I just came into the Chamber and did not hear read the amendment which has been proposed by the Senator from Montana. Will the Senator please briefly state the effect of the amendment and where it comes in in the bill?

Mr. WALSH of Montana. I have moved to strike out the concluding portion of section 2, appearing on page 2 of the original print of the bill, which reads:

And to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. WALSH of Montana. I yield to the Senator from Arkansas.

Mr. ROBINSON. This provision seems to propose to authorize the commission to adjust any claims that this Government may have against any foreign Government without regard to the question of war loans.

Mr. WALSH of Montana. Exactly, and to include claims which the Government now has and claims which may arise in the future.

Mr. ROBINSON. During the life of the commission.

Mr. WALSH of Montana. Exactly; during the life of the commission.

Mr. President, there is no occasion of which I know for legislation of this character. It merely emphasizes the argument that has heretofore been made, that vast powers are being lodged in the proposed commission, apparently for no purpose on earth except to deprive the Senate of the United States of its constitutional right to ratify agreements that are made with foreign powers.

Mr. POMERENE. Mr. President, will the Senator from Montana yield for a question?

Mr. WALSH of Montana. I yield to the Senator from Ohio.

Mr. POMERENE. The provision referred to would also authorize the commission to settle such claims as those growing out of the sinking of the *Lusitania*.

Mr. WALSH of Montana. Undoubtedly. I was going to refer to that. I suppose there are many claims which are presented to the Government, but of any large class of claims now existing I know nothing, except such claims as may arise or have arisen against the German Government by reason of unlawful acts during the World War, such as the sinking of the *Lusitania*. This bill proposes to empower the commission to adjust all such claims against the Government of Germany, but I apprehend that it is for the purpose of adjusting claims against other Governments that this provision is inserted in the bill rather than to adjust claims against the Government of Germany. There are claims of our Government against the Government of Great Britain growing out of violations of the laws of neutrality applicable prior to the time that we entered the World War. It will be recalled that our Government protested loud and long against the illegal acts of the British Admiralty directed against our commerce prior to the time that we entered the World War, and I have no doubt that claims are asserted on behalf of citizens of the United States by our Government against the Government of Great Britain. Apparently the commission to be created is to be given power to adjust and settle all those claims, and, Senators will observe, without any limitation whatever upon its powers.

Mr. SIMMONS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from North Carolina?

Mr. WALSH of Montana. I yield to the Senator from North Carolina.

Mr. SIMMONS. Does not the Senator from Montana think it a significant fact that while in that part of the bill which deals with the bonds and obligations that are due the United States from our allies the meaning of the language is made absolutely clear by the insertion of the words "arising out of the war," those words are omitted in connection with the claims to which the Senator is now addressing himself? Is not that omission exceedingly significant; and does it not in itself indicate a purpose to extend the authority of the commission not only to obligations growing out of the World War but to obligations generally growing out of any cause whatsoever?

Mr. WALSH of Montana. Mr. President, it is exceedingly significant that the important qualifying words applying to the case of the bonds and obligations are not used when reference is made to the question of other claims. I should like to inquire of the chairman of the Committee on Finance if he will kindly advise us as to the purpose of this particular provision of the bill?

Mr. McCUMBER. I will try to answer when the Senator from Montana shall have concluded.

Mr. WALSH of Montana. I yield to the Senator from North Dakota for that purpose now.

Mr. McCUMBER. I did not want to break into the Senator's speech; but, if he desires, I will proceed now.

The PRESIDENT pro tempore. The Senator from North Dakota.

Mr. McCUMBER. Mr. President, I call the Senator's attention to section 2 of the bill, which provides:

SEC. 2. That, subject to the approval of the President, the commission created by section 1 is hereby authorized to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration)—

Then follows the language—

arising out of the World War, into bonds or other obligations of such foreign Government in substitution for the bonds or obligations of such Government now or hereafter held by the United States of America, in such form and of such terms, conditions, date, or dates of maturity, and rate or rates of interest, and with such security, if any, as shall be deemed for the best interests of the United States of America.

From this point the Senator desires to strike out the remainder of the section down to the first proviso. The Senator will observe that, while there are included obligations held by the United States Grain Corporation, the War Department, the Navy Department, and the American Relief Administration, the language used would limit those obligations to such as arose, of course, directly out of the war. I am not positive, but am of the opinion that at least so far as the American Relief Administration is concerned, other indebtedness was created after the war that did not arise directly out of the war. While the question may have been settled as to what those obligations are—and I think it is fully settled as between the two Governments—I would have doubt in my own mind whether we would not have to split some of those obligations in two if we limited the meaning of the phrase to obligations which arose out of the war.

The Senator has also mentioned that this provision might allow the settlement of claims against Germany. We have ratified and entered into a treaty with Germany which takes care of all of such claims, with the possible exception of a single class. I think the treaty does not provide for the consideration and settlement of one claim, namely, the claim of the army of occupation, but that, I imagine, is the only claim against Germany which could be settled by the commission which is not provided for in the treaty with Germany. That is my information from the Treasury Department.

Mr. WALSH of Montana. Mr. President, will the Senator pardon an interruption?

Mr. McCUMBER. Certainly.

Mr. WALSH of Montana. When the German treaty was under consideration I called attention to the fact that no provision whatever was made for the adjustment of claims, and it was responded that they would be taken care of by a later treaty. So the Senator is mistaken in his view that the claims against the German Government are taken care of by the treaty.

Mr. McCUMBER. The addition to the treaty of the so-called Knox resolution providing that we should have the right to avail ourselves of the treaty of Versailles, it seems to me, would take care of most of the claims against Germany, such as those growing out of the sinking of the *Lusitania*, and claims of a similar character.

Mr. WALSH of Montana. Mr. President, if the Senator will recall the debate, he will remember that that is not the case. The resolution to which he has referred provides that all claims are reserved; but it was specifically pointed out at that time that the treaty provided no machinery whatever, and I showed clearly that the treaty of Versailles provided no machinery whatever for determining the amount of such claims; but the Senator from Massachusetts [Mr. LODGE] answered by saying, "We will negotiate another treaty providing for taking care of those claims."

Mr. McCUMBER. The treaty provided for the taking care of those claims, but further legislation was needed to provide the machinery for that purpose. However that may be, there was furnished through the Grain Corporation and the American Relief Administration, for instance, funds long after the war was over, and, while those claims have been settled, I think the wider expression used in the bill is necessary in order that authority may not be limited particularly to advances made during the war.

Mr. ROBINSON. Mr. President, giving to the language which the Senator from Montana [Mr. WALSH] seeks to have stricken from the bill its natural effect, in my opinion it can not be construed in any other way than to authorize the commission created under the bill to adjust and settle any claim, now existing or that may arise during the life of the commission, on behalf of the United States Government against any foreign Government. The language is so explicit and comprehensive that no question of construction arises as to its correct application. If this bill passes with the language retained which the Senator from Montana seeks to have stricken out, it will provide a machinery for the settlement of every claim which the United States Government has or may hereafter have while the commission is in existence against every Government in the world.

An examination of the German treaty discloses that no provision was made in that treaty for the method of settling claims against Germany, and the same is true of the treaty with Austria. The whole question was left open to future arrangements. Under a bill which has the ostensible purpose of providing for refunding our loans to foreign Governments we are asked to authorize a commission to settle every claim, without any requirement that its proceedings shall be reported to any authority under the Government of the United States. We do not have to apply technical rules of law to reach this conclusion. We can not reach any other conclusion if we apply the ordinary rules of construction applicable in such cases.

Mr. WALSH of Montana. Mr. President, will the Senator pardon an interruption?

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Montana?

Mr. ROBINSON. I yield, with pleasure.

Mr. WALSH of Montana. In reference to the bonds and other obligations, it will be observed that the powers of the commission are restricted within comparatively narrow limits. Here authority is given to adjust and settle these claims upon any terms whatever that the commission may desire. I inquire of the Senator whether, in his judgment, the Congress of the United States can delegate any such power to a commission?

Mr. ROBINSON. I think not. The Senator from Montana yesterday stated the correct limitation on the power of Congress to delegate its authority to commissions or other bodies. Under the Constitution Congress is required to exercise its discretion as to what constitutes the best interests of the United States and the people of the United States, and it can not delegate that power to any commission; but in addition to the constitutional question which has been so clearly presented in connection with another feature of the bill by the Senator from Montana there is involved a question of policy of very far-reaching significance.

Does the Senate of the United States desire to commit itself to the policy of permitting this commission, without limitation and without any requirement or obligation to report its proceedings to the Congress, to take any action it pleases in the settlement of all outstanding claims and of all claims that may arise between this Government and any foreign Government? Why, the language is so broad that it embraces every claim of every character—every claim that now exists and every claim that may arise while this commission exists.

I thought that the Senate made a grave mistake in rejecting yesterday the amendment of the Senator from California [Mr. JOHNSON]; that in declining to require this commission to report its proceedings and acts to the Congress we had gone a long way toward abandoning our constitutional prerogative and toward neglecting our plain duty; but to me it is monstrous to give this commission or any other commission unlimited authority to settle every claim without defining or restricting in any way the method by which it shall proceed or the circumstances that shall govern its actions and conclusions.

Mr. WALSH of Massachusetts. Mr. President——

Mr. ROBINSON. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. The United States Government has a claim of several millions of dollars against the British Government for transporting troops and supplies during the war. Is it the opinion of the Senator from Arkansas that that claim could be handled by this commission and adjusted and settled?

Mr. ROBINSON. Certainly. The language of the bill embraces every claim that this Government has or may have against any other Government during the life of the commission.

Mr. HARRISON. Mr. President, I am sure we were all delighted when the nomination of our colleague came to the Senate for appointment to this very high judicial position. I am quite sure that no person in that district could be found possessed of more splendid qualities to make a rare and exceptional judge than Senator KENYON. In this body he has been one of the very best Senators who have represented any State

in the last decade. Progressive at all times, he has not only stood for that character of legislation, but he has been an outstanding figure and a leader for purity in elections and against corruption in all forms.

When the vote on his confirmation was taken a few moments ago in open executive session of the Senate a rare compliment was paid him; and as I saw every Senator on the other side of the aisle rise in his place and vote to confirm Senator KENYON as a judge of the circuit court of appeals I could not keep my thoughts from going back a few weeks, recalling that the same Senators who now vote to take him out of this body had by their votes only a few weeks ago retained in the Senate one who had won his seat through corrupt and inexcusable methods. Your vote to-day does you credit; your vote the other day discredits you. Certainly this nomination did not come to Senator KENYON because he had stood as the President had stood and as the great rank and file of you Senators had stood, retaining Senator NEWBERRY as a Member of this body. No Senator in all that discussion fought the right of Senator NEWBERRY to retain his seat here harder than did the junior Senator from Iowa [Mr. KENYON]. He inveighed with force, logic, and eloquence against your procedure and predicted disaster in the coming election to those of you who defiled this body by voting to indorse such corruption and methods as had been employed in Michigan.

Some reason other than his exceptional qualities and his position in the Newberry case moves his selection.

Some weeks ago the Senator from New Hampshire [Mr. MOSES] made a speech in this Chamber. He criticized, maligned, and abused the so-called "agricultural bloc," and in the course of that speech referred to the agricultural group as the "Ken-Cap-Klan" of the United States Senate; so I suppose by this nomination the President and those in this body who are so anxious to break up the agricultural bloc desired to take the "Ken" out of the "Ken-Cap-Klan." Well you have done it.

Although the country will accept that and interpret that as the true motive that prompted this nomination, I am charitable enough to believe that the President considered also his judicial poise and the splendid legal qualities possessed by him. His long experience as a lawyer, his training here and elsewhere eminently qualifies him to make a most splendid judge; but away out in the Middle West, and through the agricultural sections of the country, many of the farmers whose eyes are now riveted on the Congress of the United States and whose attention was attracted to the agricultural conference here last week will wonder if it was not due to a desire upon the part of the President and his advisers to rid the Senate of the United States of the leader of the agricultural group. Those progressive and patriotic "sons of toil" are not easily fooled. They can see the trail left behind, if not the serpent as it passes. It will need some explanation to remove that impression from their minds.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. HARRISON. Yes; I yield.

Mr. NORRIS. If the Senator assumes that to be true, what would he say of the leader who would consent to that kind of a proposition?

Mr. HARRISON. Mr. President, I am quite sure that Senator KENYON, as well as myself and others, is a man not of the means that many men possess to-day in public life.

Senator KENYON has given some of his best years to the public service, at a time, too, when he could perhaps have made in other lines of activity from three to ten times as much as he has received as a United States Senator or as an Assistant Attorney General. He perhaps realizes that he must get into some other employment that will pay more money and do away with the expenditures necessary to be elected to public office, so I shall not criticize anyone for accepting the place that has come to him; but the country will believe that it is in part, at least, because of the desire of the leadership of the present administration to break up the agricultural bloc in the United States Senate that this nomination has come to us to-day.

I appeal to the distinguished Senator from Kansas [Mr. CAPPER] who sits before me, a part of the "Ken-Cap-Klan," to continue to associate with us in the work that we have set out to do. Let us not be tempted, flattered, nor deterred in the work that lies ahead of us. Let us not forget the needs of agriculture at this time, and pledge with renewed faith our determination to carry on the battle. I hope, too, that in the mind of the President the idea will not be conceived nor will you on the other side intimate or suggest to the President some alluring position or tempting offer to the distinguished Senator from Kansas.

I trust also that the distinguished Senator from North Dakota [Mr. LADD], who has been a member of the agricultural group and who has helped us on this side of the aisle to pass beneficent legislation for the farmers of the country, will not be tendered an office so that he will leave us.

Mr. NORRIS. Mr. President——

Mr. HARRISON. And I can say the same thing about the distinguished Senator from Nebraska.

Mr. NORRIS. Does the Senator from Mississippi think that the Senator from North Dakota would be justified in leaving if he, like the judge, got $500 additional salary?

Mr. HARRISON. I do not think the Senator from North Dakota would take it; but I do think that if the President thought he could thereby break up this agricultural bloc he would find some place for him in the Government service.

Mr. JONES of New Mexico. I suggest to the Senator from Mississippi that there are other positions in life and other services which one could imagine would be very much more congenial to the distinguished Senator from Iowa, who is now retiring from this body, than the continual fight which he has had to wage here.

Mr. HARRISON. I do not blame the Senator under the circumstances for wanting to leave the Senate. Here he has fought for purity of elections and to oust from this body one who had been indicted by a grand jury in Michigan and tried and convicted by a jury there with Republicans on the jury, and he appealed to his colleagues to stand with him for purity of elections, and when he made a great speech they left the Senate Chamber. His way is not their way. Republicanism under the present leadership in this body and elsewhere must be very obnoxious, distasteful, and unpleasant to him. I do not blame him for taking this tempting offer, under the circumstances, but I do hope that the other members of the agricultural bloc will stand with us and help us to pass the legislation recommended by the agricultural conference held in this city last week, which is an indorsement of the work of the Joint Congressional Commission on Agricultural Inquiry.

Mr. BRANDEGEE. Mr. President, I had noticed the language in the bill which the Senator from Montana has moved to strike out. The first part of the bill states that the commission created by section 1 is hereby authorized, and then the language proposed to be stricken out reads:

> And to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

While I have had no occasion to read the report of the committee in full, I glanced over it yesterday, and I saw no reference to this matter in the report. I ask the Senator from North Dakota if any explanation was given to the committee by the official of the Government who appeared in behalf of this legislation as to why this provision was thought wise, and as to what specific claims it would cover.

Mr. McCUMBER. Mr. President, I think the only reference to this matter in any of the testimony before the committee was in regard to the obligations which were taken by the War Finance Corporation and others, which obligations were created to some extent after the war, and therefore were not war obligations. We would want the language to be sufficiently broad so that we would not have to differentiate between the obligations which grew out of the war and those which were given as a matter of charity immediately after the war. That is one feature of it.

The other feature is this: I know of only one Government claim, and that was presented by the Treasury Department after the report was put in, a claim of the United States for payment of money due for the maintenance of our troops in Germany, which has not yet been settled. The Government has no right, of course, to take anything but cash in settlement of that claim, because Germany has agreed to pay cash. They could not settle it by the giving of bonds. The bill would authorize the commission, that being a Government claim, to accept the bond of Germany, due at some future time, and at such a rate of interest as they should agree upon, to cover the expenses of the American Army of occupation.

That is the only unsettled claim I know of. Of course, it is easy to settle that claim, because the terms were fixed by the treaty of Versailles, and Germany has agreed to pay whatever the cost may be. Consequently, there is only the question of determining what the cost is, and then put the matter into a bond or obligation of the German Government, due at such time as the German Government can pay it.

Mr. BRANDEGEE. Mr. President, the Senator mentions only one specific claim. I think this language is altogether too broad. It authorizes not only the settlement of claims arising

out of the war, but the settlement of any kind of a claim which this Government has against any other Government in the world, whether it was engaged in the war or not, not only past claims, but claims which may arise in the future. I can not see the necessity of authorizing this commission, the primary object of which is simply to transfer the existing evidences of the foreign nations' debts to us into a long-time, permanent and regular kind of a security—purely a Treasury operation—to sit as judge, to adjust and settle every claim this Government may have against any foreign Government, in Europe or in South America, or Asia or Africa, no matter how arising, or whether yet arisen. I see no reason for granting such a power.

Mr. POMERENE. Will the Senator allow me to suggest a thought to him, to be taken out of my own time?

Mr. BRANDEGEE. Certainly.

Mr. POMERENE. The Senator will recall that at the time we had up for consideration the treaty of peace with Germany the question arose as to what was included in the term "claims of the United States Government." That was in connection with the proposal to retain any title we might have in the property seized by the Alien Property Custodian. It was at that time contended by certain members of our committee that the term "claims of the United States" included also claims of the nationals. As the treaty was then framed I did not think it did and suggested an amendment, which was adopted; but if the contention of the Senators who took the other view is correct, then, as this bill is framed, "claims of the United States" might include all claims which we might have against the German Government growing out of the sinking of the *Lusitania* or of the *Sussex* or any other of those maritime disasters.

Mr. BRANDEGEE. I understand the view presented by the Senator. Of course, I assume it is the intention to have a mixed arbitral commission appointed for the settlement of claims of our nationals against Germany, but, as I said, this provision authorizes the creation of the commission to adjust and settle, and accept securities in payment of, all claims this Government now has or may have against any government in the world, whether arising out of the late war or not. The primary object of the bill, as I said before, is to transform obligations, which are entirely different from claims, in my opinion, obligations which are now represented by a more or less informal sort of security, into obligations which are more formal. Where there is a written obligation, like an I O U, the claim has been made and settled and there is a written agreement about it; but this anticipates, I should judge from its language, a mere claim which is evidenced by no writing as yet and which is not laid before us for identification.

Mr. WALSH of Montana. Mr. President, will the Senator permit an inquiry?

Mr. BRANDEGEE. If I have any time left.

Mr. WALSH of Montana. I gather that the Senator from North Dakota [Mr. MCCUMBER] takes the position that claims for injuries done the property of citizens of the United States are not in the nature of claims by this Government against a foreign Government. I always took the other view of it. I would like to ascertain what the view of the Senator from Connecticut is.

Mr. BRANDEGEE. Mr. President, I do not think my guess about that would be at all reliable. I can see the view taken by the Senator from Ohio, that in a treaty like the one recently before us the term "claims of the United States" might include claims of citizens of the United States; but I have not looked the subject up.

Mr. FLETCHER. Mr. President, I had gathered the impression from the discussion the other day, and particularly from the remarks made by the Senator from North Dakota [Mr. MCCUMBER], the chairman of the committee, that this was intended to cover those items which have grown out of transactions taking place since the war, not evidenced by any bonds or obligations, and included such items as might have arisen by reason of the activities of the Grain Corporation, the War Department, the Navy Department, or the American Relief Administration.

I supposed that those items were to be taken care of in this provision. But when we examine it a little more carefully we find—and I infer from the later remarks of the Senator from North Dakota that he takes this view—that those are not included at all. In the early part of this section, beginning on page 2, we refer to obligations of any foreign Government hereafter received by the United States of America, and the language is, "including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration."

But in the provision which we are now considering that language is omitted, so that it would seem to exclude all those claims. The only justification for this, it seems to me, would be the desire to take care of those claims by this sort of a provision. But they are not included in this. We are limited in this clause to claims not now represented by bonds or obligations which the United States of America now has, or hereafter may have, against any foreign Government. The clause is limited to claims now in existence or which may hereafter arise in favor of this Government against any foreign Government. It does not take care of those items which are not now covered by bonds or obligations and which arose after the war, such items as are mentioned earlier in the paragraph. They are expressly left out. They are evidently purposely left out. Certainly they are not included. It seems to me if the clause should go in at all, it should carry the inclusion of obligations growing out of the activities of the Grain Corporation, the War Department, the Navy Department, and the American Relief Administration.

It seems to me, too, that it ought to be modified, at least if we do not adopt the amendment offered by the Senator from Montana, so as to include any such claims, even of that kind, that might arise hereafter. These matters are pretty well understood now. I think there is really no difference between this Government and the other Governments as to the amounts of the outstanding obligations or claims, if we can classify them as claims.

I can see that the Senator from Connecticut [Mr. BRANDEGEE] is correct in drawing a distinction between obligations and claims, but in this particular provision I think the word "claims" was intended to cover any kind of an obligation not evidenced by a bond or written security of some sort. Even those items growing out of transactions of the Grain Corporation, the War Department, the Navy Department, and the American Relief Administration are no longer, as I am informed, open to any question between our people and the foreign Governments. The amount of those items is practically understood or agreed upon. Why, in taking care of them here, limit the bill to those items which have been agreed upon and settled so far as the amounts are concerned? The only question that is open is whether we can have security for them or not, and if so what form that security should take, and what time should be given and what the interest, if any, shall be charged.

These are matters of arrangement and negotiation which I think might well be left in charge of the Secretary of the Treasury or some commission, if we create this commission. I am opposed to the commission. I think the whole thing ought to be left to the Secretary of the Treasury. But let us stop there with the transactions as they are closed to date, and not leave the door wide open for anything that may take place hereafter to be under the jurisdiction of this commission. It seems to me that the only justification for this clause would be to reach a satisfactory adjustment and settlement of the transactions which have taken place, not only by the Government itself but by these agencies of the Government, such as the American Relief Administration, the Grain Corporation, and the War and Navy Departments. Those matters might well be taken care of under some such clause as this, but those matters ought to be limited to the status which they now hold, and not be considered as still possible of growth and expansion to create no obligations hereafter which the commission would have the power to adjust. Let us take the situation as it is and adjust it under the bill, because, as I said, there is no difference, there is no matter of negotiation to go through with. The items are well understood and the amounts involved are agreed upon between our people and the other peoples concerned.

Mr. LENROOT. Mr. President, I think the language is altogether too broad, and I shall vote for the amendment, not because I do not think there ought to be something here, but it ought to go to conference, so that in conference the matter may be fully considered and its scope restricted.

Mr. KING. Mr. President, will the Senator permit an inquiry? The Chair may take it out of my time.

Mr. LENROOT. I yield to the Senator from Utah.

Mr. KING. We have in mind exactly the items that are to be considered or are embraced within these loans which are proposed to be stricken out. So why not designate them and authorize the funding of those obligations comprised in those items?

Mr. LENROOT. I do not know of anything that is now pending, which the Senator would now propose to designate, that is not already represented by at least an I O U; and if represented by an I O U, authority is given without this clause to accept the obligation.

Mr. KING. Then the clause ought to be stricken out.

Mr. LENROOT. It would seem so to me. The only things that I know of that are unsettled and for which the Government of the United States has no kind of obligation are claims against Germany for the payment of our soldiers on the Rhine; and if there be any general claims of our Government against Germany growing out of the treaty, and I do not know whether there are any or not, those would be included in this authority. I do not think it occurred to anybody—certainly not to one who was not a member of the committee—that the scope of the bill was intended to cover any such claims.

Mr. FLETCHER. Mr. President, were not the obligations of Germany with reference to our troops on the Rhine covered by the Knox resolution and the treaty which followed it, and taken care of in the Versailles treaty, which is to that extent recognized by our Government so far as this expense in concerned, and was it not provided there, too, that this expense should be first paid by Germany in advance of reparation?

Mr. LENROOT. I was just coming to that. I do not believe that I would care to vote authority to this commission to subordinate to the reparation claims of France and Great Britain the claims of the United States for the payment of our soldiers. It certainly was understood that those claims should be paid, and paid in cash, and any authority to accept long-time obligations for those claims would not be showing a favor to Germany, but would enable France and Great Britain to have a superior claim upon Germany ahead of the United States.

I do not know at present why the United States should forego its cash payment in that regard, and in any event I do not think that that character of claim is one within the general purview of the bill. I do not believe the scope and the power of the commission should be extended to any such extent. I am frank to say that if I had supposed this language was susceptible of that construction—and I now think it is—I perhaps would have had something to say about this at a previous time.

Before I take my seat, Mr. President, I wish to say just a word about the political speech of the Senator from Mississippi [Mr. HARRISON]. I hope when the terms of the Senator from Kansas [Mr. CAPPER] and the Senator from Nebraska [Mr. NORRIS] expire and they come before the people of their respective States for reelection the Senator from Mississippi, whose eloquent voice will be heard throughout the land, will be apprising the people then of the value of the services of those Senators, and that the people of their respective States will return them to the Senate.

Mr. BORAH. Mr. President, I quite agree with the contention of the Senator from Montana and other Senators as to the construction of this clause, and I shall be very glad to vote for the amendment, as the amendment is in perfect harmony with the entire bill. I can not imagine any greater power than the power which is granted preceding this clause, but it is worth while to consider it. It says—

> To adjust and settle any and all claims not now represented by bonds or obligations which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor.

I sincerely hope that this will be stricken out and that it will not come back with the conference report, as I assume, in all probability, it will. Of course, we can only deal with it while it is here, and therefore I shall be very glad to vote for the amendment.

The PRESIDING OFFICER (Mr. STERLING in the chair). The question is on the amendment proposed by the Senator from Montana.

Mr. NORRIS. Let us have the yeas and nays.

The yeas and nays were ordered.

Mr. POMERENE. Mr. President, may we have the amendment stated again?

The PRESIDING OFFICER. The Secretary will report the amendment.

The ASSISTANT SECRETARY. It is proposed, on page 2, beginning in line 16 of the bill as printed when reported from the committee, after the words "United States of America," to strike out the comma and the words "and to adjust and settle any and all claims not now represented by bonds or obligations which the United States of America now has or hereafter may have against any foreign Government and to accept securities therefor."

Mr. OWEN. Mr. President, I wish to take just a moment of the time of the Senate to call attention to some remarkable figures in the committee's report which I think ought to receive the attention of Senators. In speaking of the national debt, population, and per capita indebtedness of the United Kingdom, France, the United States, and Italy, it is based upon the prewar value of the respective currencies. Under that statement France appears to have a debt of $51,000,000,000. In point of fact the franc is worth now only 8 and a fraction cents, and estimated at its real value the indebtedness of France is only $22,000,000,000. Italy, where the lire is worth only 4 and a fraction cents, instead of having an indebtedness of $18,000,000,000, has an indebtedness of only $4,000,000,000. France, instead of having $1,229 per capita indebtedness, would have an indebtedness of only $537 and Italy an indebtedness of only $127.

I call attention to that because, while these figures are correct on the basis of the prewar value of their currencies, they are misleading as a matter of fact and would indicate that we ought to deal more generously in regard to this matter, because these countries are much more seriously indebted than we are.

I wish to make one further observation, Mr. President. These nations have practically the same material resources which they had before the war, except a very small fraction of France where are the devastated areas. They have practically as great productive power as they had before the war.

I wish to put in the RECORD a table indicating the rate of normal taxes and surtaxes imposed in the year 1921 on individuals in the United States, Great Britain, Canada, and France. It shows that France has no normal tax on incomes of any amount. Even where a man has a million dollars per annum income there is no normal income tax upon it, while all the other nations have such an income tax. I ask to have the table inserted in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

TABLE NO. 7.—*Rate of normal tax and surtaxes imposed for the year 1921 on individuals in the United States, Great Britain, Canada, and France.*

If the net income exceeds—	And if the net income does not exceed—	The tax on that portion of the net income falling within this bracket is—							
		United States.		Great Britain.		Canada.		France.	
		Normal tax is—	Surtax is—	Normal tax is—	Surtax is—	Normal tax is—	Surtax is—	Normal tax is—	Surtax is—
		Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
$0	$900	4	None.	15	None.	4	None.	None.	2
$900	$3,000	4	None.	30	None.	4	None.	None.	2
$3,000	$4,000	4	None.	30	None.	4	None.	None.	4
$4,000	$4,500	8	None.	30	None.	8	None.	None.	4
$4,500	$5,000	8	None.	30	None.	8	None.	None.	6
$5,000	$6,000	8	1	30	None.	8	1	None.	6
$6,000	$8,000	8	2	30	None.	8	2	None.	8-10
$8,000	$10,000	8	3	30	7½	8	3	None.	10-12
$10,000	$12,000	8	4	30	10	8	4	None.	12-14
$12,000	$14,000	8	5	30	12½	8	5	None.	16-18
$14,000	$16,000	8	6	30	12½	8	6	None.	18-20
$16,000	$18,000	8	7	30	15	8	7	None.	20
$18,000	$20,000	8	8	30	15	8	8	None.	20-22
$20,000	$22,000	8	9	30	17½	8	9	None.	22
$22,000	$24,000	8	10	30	17½	8	10	None.	24
$24,000	$26,000	8	11	30	20	8	11	None.	24
$26,000	$28,000	8	12	30	20	8	12	None.	26
$28,000	$30,000	8	13	30	22½	8	13	None.	26
$30,000	$32,000	8	14	30	22½	8	14	None.	28

TABLE NO. 7.—*Rate of normal tax and surtaxes imposed for the year 1921 on individuals in the United States, Great Britain, Canada, and France*—Continued.

If the net income exceeds—	And if the net income does not exceed—	The tax on that portion of the net income falling within this bracket is—							
		United States.		Great Britain.		Canada.		France.	
		Normal tax is—	Surtax is—	Normal tax is—	Surtax is—	Normal tax is—	Surtax is—	Normal tax is—	Surtax is—
		Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
$32,000	$34,000	8	15	30	25	8	15	None.	28-30
$34,000	$36,000	8	16	30	25	8	16	None.	30
$36,000	$38,000	8	17	30	25	8	17	None.	30-32
$38,000	$40,000	8	18	30	25	8	18	None.	32
$40,000	$42,000	8	19	30	25	8	19	None.	32-34
$42,000	$44,000	8	20	30	25	8	20	None.	34
$44,000	$46,000	8	21	30	25	8	21	None.	34-36
$46,000	$48,000	8	22	30	25	8	22	None.	36
$48,000	$50,000	8	23	30	25	8	23	None.	36-38
$50,000	$60,000	8	24-28	30	25	8	24-28	None.	38-40-42
$60,000	$80,000	8	29-38	30	25	8	29-38	None.	44-46-48
$80,000	$100,000	8	39-48	30	30	8	39-48	None.	48-50
$100,000	$120,000	8	52	30	30	8	52	None.	50
$120,000	$150,000	8	52	30	30	8	52	None.	50
$150,000	$200,000	8	56	30	30	8	56	None.	50
$200,000	$300,000	8	60	30	30	8	60	None.	50
$300,000	$500,000	8	63	30	30	8	63	None.	50
$500,000	$1,000,000	8	64	30	30	8	64	None.	50
$1,000,000	$1,000,000 and over.	8	65	30	30	8	65	None.	50

Mr. OWEN. I wish to make the further observation that these debts are held by the nationals of France, of Great Britain, and of Italy, and that while they appear as a government liability they are in fact a national asset.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Montana, on which the yeas and nays have been ordered. The Secretary will call the roll.

The Assistant Secretary proceeded to call the roll.

Mr. RANSDELL (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. DU PONT]. In his absence, I withhold my vote.

The PRESIDING OFFICER (when Mr. STERLING's name was called). The present occupant of the chair announces his pair and its transfer as on the former vote, and votes "yea."

The roll call was concluded.

Mr. BROUSSARD. I am paired with the junior Senator from Maryland [Mr. WELLER] and am not able to secure a transfer. Therefore I withhold my vote. If permitted to vote, I should vote "yea."

Mr. COLT. Making the same announcement as before as to my pair and its transfer, I vote "nay."

Mr. DILLINGHAM. I transfer my general pair with the Senator from Virginia [Mr. GLASS] to the senior Senator from Pennsylvania [Mr. CROW], and vote "nay."

Mr. McKELLAR. Making the same announcement as on the previous vote relative to my pair and its transfer, I vote "nay."

Mr. McLEAN (after having voted in the negative). I transfer my pair with the Senator from Montana [Mr. MYERS] to the junior Senator from California [Mr. SHORTRIDGE], and will let my vote stand.

Mr. McCORMICK. I have a general pair with the junior Senator from Wyoming [Mr. KENDRICK] which I transfer to the junior Senator from Oklahoma [Mr. HARRELD], and vote "nay."

Mr. CURTIS. I am requested to announce the following pairs:

The Senator from Massachusetts [Mr. LODGE] with the Senator from Alabama [Mr. UNDERWOOD]; and

The Senator from Maryland [Mr. FRANCE] with the Senator from South Dakota [Mr. NORBECK].

The result was announced—yeas 39, nays 35, as follows:

YEAS—39.

Ashurst	Heflin	Norris	Simmons
Borah	Hitchcock	Overman	Stanley
Brandegee	Johnson	Owen	Sterling
Caraway	Jones, N. Mex.	Pittman	Swanson
Culberson	Jones, Wash.	Poindexter	Townsend
Cummins	King	Pomerene	Walsh, Mass.
Dial	La Follette	Reed	Walsh, Mont.
Fletcher	Lenroot	Robinson	Watson, Ga.
Harris	McKellar	Sheppard	Willis
Harrison	McNary	Shields	

NAYS—35.

Ball	Colt	Ernst	Kellogg
Bursum	Curtis	Fernald	Keyes
Calder	Dillingham	Frelinghuysen	Ladd
Cameron	Edge	Gooding	McCormick
Capper	Elkins	Hale	McCumber
McKinley	Nicholson	Phipps	Wadsworth
McLean	Oddie	Smoot	Warren
Moses	Page	Spencer	Watson, Ind.
Nelson	Pepper	Sutherland	

NOT VOTING—22.

Broussard	Harreld	Newberry	Trammell
Crow	Kendrick	Norbeck	Underwood
du Pont	Kenyon	Ransdell	Weller
France	Lodge	Shortridge	Williams
Gerry	Myers	Smith	
Glass	New	Stanfield	

So the amendment of Mr. WALSH of Montana was agreed to.

Mr. WALSH of Massachusetts. I move the adoption of the amendment which I send to the Secretary's desk, and ask that the amendment may be read.

The PRESIDING OFFICER. The amendment proposed by the Senator from Massachusetts will be stated.

The ASSISTANT SECRETARY. On page 3, at the end of line 11, after the word "finances," it is proposed to insert:

> But said commission shall immediately transmit to the Congress copies of any refunding agreements entered into with the approval of the President by each foreign Government upon the completion of the authority granted under this act.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Massachusetts.

Mr. WALSH of Massachusetts. Mr. President, the pending bill proposes to delegate to a commission the authority to negotiate and make agreements for the refunding of the exceedingly great debts owed our Government by foreign Governments. It not only gives authority to negotiate in reference to those debts, but it gives absolute and final authority to complete negotiations and bind our Government without any congressional action. Conferring such authority, without the check of review or approval by the legislative branch of our Government, is an evasion of our responsibility to conserve this great asset, the most valuable asset that the American people possess, one which is equal to an asset of $100 for every man, woman, and child in the United States. By the passage of this bill we are to announce to our people that the Congress of the United States rids itself of all further responsibility in the matter of refunding this debt. The Congress, charged with the responsibility of levying taxes and conserving the funds and assets of our people in the Public Treasury, is about to place in the hands of an appointive commission final authority and great discretion in the handling and safeguarding of this asset.

My amendment seeks at least to give to the people through Congress the result of the deliberations of the proposed commission. Why should we be compelled to ask that we be informed in the future of the binding agreements made by this commission. It ought not to be necessary to propose such an amendment here; there ought to be no question whatever about the right of Congress to secure information as to how this commission binds our Government, but it is necessary to propose the amendment because the Secretary of the Treasury announced to the Finance Committee that he would prefer not to have such a provision in the bill. As the reason for his position he stated that when negotiations were completed with one country they would be communicated to other countries if he was called upon to inform Congress of them at the completion of each refunding

transaction with each of the debtor nations, and this might result to the disadvantage of the United States. This amendment will settle this question: Does the Congress of the United States want to say to the American people, "We will rid ourselves of all responsibility; this fund is beyond our control; its disposition will be vested absolutely in a commission; but we will also go so far as to say to the country, 'We do not care what this commission does and we do not want any detailed information as to what settlements, agreements, or securities have been accepted'"?

To be sure, the bill provides for annual reports being made by the commission in the Treasury Department reports, but the information as to refunding transactions heretofore contained in the reports of the Treasury Department has been meager; indeed, out of all proportion to the importance of this subject. The Committee on Finance spent weeks in trying to find out just the status of these debts. There are at least five volumes on the desk of every Senator containing the testimony and the information which was obtained about these debts after days and days of hearings before the Senate Finance Committee.

I can not see any valid objection, at least, to having this one safeguard thrown around this proposed legislation, namely, a provision that when the commission completes its negotiations with a given country a copy of the agreement or contract made shall be sent to the Congress of the United States for its inspection and for the information of our people. How can such information be refused our people? Can not at least the Congress insist that it be informed, even if it does not want to approve or disapprove the acts of this commission? Let us have at least the little advantage that may come from the fact that these negotiators of our people's rights in these funds will realize that full details and all agreements are, when completed, at once to be made public. If there are any sinister influences at work, this provision may make them pause. Though we tell them they can do as they please, let us at least demand all information about their commitments and adjustments.

Mr. McCUMBER arose.

Mr. WALSH of Massachusetts. I yield to the Senator from North Dakota.

Mr. McCUMBER. I was about to give reasons why I think we could well accept that amendment, but I will wait until the Senator has finished and then I will give my reasons.

Mr. WALSH of Massachusetts. I am not so anxious to hear my own voice as to continue my argument. If the Senator accepts the amendment, I will cheerfully yield the floor.

Mr. McCUMBER. Mr. President, under the bill, as it now reads, it is provided that the annual report of this commission shall be included in the annual report of the Secretary of the Treasury on the state of the finances. Under the bill as it is drawn, whenever the commission accepts the obligations, which will be in the form of bonds, and settles with any country, of course, any influence that it might have upon those bonds ceases, and its power over the bonds ceases. They become, then, the property of the United States, and would naturally be reported in the annual report, and that is all that has been asked in the bill. The Senator desires, however, that as soon as the commission has made its agreement with any country—and, of course, the agreement must be embodied in the bonds of that country—it shall immediately report that agreement to Congress. I can see no reason on earth why that can not be put into the bill if the Senator wants it there. Certainly as soon as they made the agreement the whole country would know it, and it would be published; but I agree with the suggestions made by the Senator, and, as far as I am personally concerned, I will accept the amendment.

The PRESIDING OFFICER. Is there objection to the amendment of the Senator from Massachusetts [Mr. WALSH]? The Chair hears none, and the amendment is agreed to.

Mr. McKELLAR. Mr. President, I wish to ask the chairman of the committee a question.

A day or two ago I suggested an amendment of this kind:

Provided, That said commission shall not have the power to extend the payment of interest after the bonds bearing interest have once been taken.

As I recall, the Senator agreed to that amendment in principle, but desired to change it or offer one that seemed to him to suit the situation better. If the Senator has that amendment, can it be brought up at this time?

Mr. McCUMBER. I have no objecion to bringing it up right now, if the Senator desires.

Mr. President, I offer the following amendment. After the end of section 2, insert the following:

Provided further, That when the bond or other obligation of any such Government has been refunded or converted as herein provided, the authority of the commission over such refunded or converted bond or other obligation shall cease.

Mr. McKELLAR. That will be entirely satisfactory.

Mr. McCUMBER. I think that is the only construction that could be put on the bill as it now stands. The Treasury Department so understands it, but to make it doubly certain I have no objection to that amendment going in. In other words, when they get the bond of a foreign Government and agree what it is and it is delivered and accepted by this Government, then it is the property of the United States, to be dealt with thereafter by Congress.

Mr. WADSWORTH. Mr. President, will the Senator yield to me for just a moment? I am in entire sympathy with the amendment, but I am wondering if it is properly expressed. These bonds, when they are finally accepted, will be new bonds.

Mr. McCUMBER. Yes.

Mr. WADSWORTH. As I understand this amendment, the idea is not to permit the commission to postpone the payment of interest beyond the time of acceptance of the bonds.

Mr. McKELLAR. Mr. President, will the Senator speak a little louder so that we may hear him on this side?

Mr. McCUMBER. I am assuming that before any bond is taken, of course, the bond itself will provide when the interest is to begin to be paid—that must be the case—and then, when it is accepted, it will become an obligation that is due to the United States and owned by the United States, and the commission ought not to have any authority to deal with it any further than that. Therefore, I think that covers the point made by the Senator.

Mr. WADSWORTH. The question I wanted to ask, and which I did not reach, is, in what event is one of these bonds to be refunded?

Mr. McCUMBER. This relates entirely to the refunding of bonds for past obligations—obligations that are now due us. That is what the bill deals with; and when those obligations have once been funded into long-time obligations the commission has completed its work.

Mr. WADSWORTH. As a matter of fact, this bill provides for the funding of obligations, not for the refunding of bonds.

Mr. McCUMBER. The word "refund" is used with reference to obligations. We have some demand obligations. To a certain extent, they are funded.

Mr. WADSWORTH. To-day?

Mr. McCUMBER. Yes; but the word "refunding" is used here as well as "funding." It relates only, however, to bonds that will be taken for the obligations due the Government.

Mr. WADSWORTH. The term "refunded," may I suggest, implies a second funding of a bond or an obligation which has been once funded.

Mr. McCUMBER. We have the expression "refund or convert" in the bill throughout, and consequently I have used exactly the same terms.

Mr. REED. Mr. President, while the Senator is on his feet I should like to ask him a question.

Let us assume, now, that the Secretary, under this power which it seems to be determined shall be granted to him, shall conclude to postpone the payment of the interest on this indebtedness to any one country, let us say Poland: What provision is there for protection of the United States as to the interest which may accrue, although it is not to be paid for some time in the future? Is there any provision in this bill that authorizes the Secretary of the Treasury to take obligations for that accrued interest as it accrues, so that we will have something to show for it?

Mr. McCUMBER. Is the Senator asking me the question?

Mr. REED. Yes.

Mr. McCUMBER. Mr. President, under the bill the commission will have no authority to accept anything less than the amount of principal and interest that is due this country. They will not have any authority to remit or to excuse any part of the accrued or the accruing interest. If it should be necessary, say, in the case of Poland, that interest should not become payable, say, for three or four years, I should assume very naturally that the commission would do the only thing they could do under the bill, namely, provide that the principal should be a sufficient sum greater to take care of the accruing interest up to that time, or that it should be taken care of in some other way, so that no interest will be lost. That might be provided in the terms of the bond. A bond might be made for 10 per cent or 20 per cent more if it were to run for four years before interest began to be paid. That amount might be added to it, and then a provision might be made that the interest should be 5 per cent or whatever interest should be agreed upon.

Mr. BURSUM. Mr. President, will the Senator yield?

Mr. McCUMBER. I am speaking, of course, in the time of the Senator from Missouri.

Mr. REED. Mr. President——

The VICE PRESIDENT. The Senator from Tennessee [Mr. MCKELLAR] has the floor.

Mr. BURSUM. Would it be within the power of this commission to convert the interest into bonds?

Mr. McCUMBER. Why, yes; if they were disposed to give them that length of time, they could take what would be the interest at that time and put it into a bond.

Mr. BURSUM. Exactly so; but would not that settle the question?

Mr. McCUMBER. That would settle it; yes.

Mr. BURSUM. If the interest were converted into new bonds?

Mr. McCUMBER. Certainly it would settle it.

Mr. SIMMONS. Mr. President, then I understand the Senator from North Dakota as conceding that there would be two possible ways of adjusting the interest in case the commission should extend the time of payment of interest for 10 years. One of those ways would be the consolidation of the 10 years' interest into the principal sum. The other way would be to adjust the interest rate so that it would cover the extended and accumulated interest during the period of extension.

That is just exactly the point I have been insisting upon; and I want again to emphasize the fact that the Secretary clearly indicated his preference for including this interest in the rate of interest to be charged upon these bonds. If that is done, then the 10 years' interest that is extended, and that would be properly due the United States, would not be consolidated in the principal, but would be covered in the rate of interest charged. That rate might be a 6 per cent rate or a 7 per cent rate, or possibly an 8 per cent rate, but likely not higher than a 7 per cent rate. I make the point again that if that is done, and we should put those bonds upon the market, which undoubtedly would be the case, as I have so frequently referred to here, the bonds would be sold only at par, and the inevitable result would be that the Government would lose the interest and the purchaser of the bonds would gain it.

I merely refer to that. I do not want to make any argument about it, but I refer to that as an illustration of what may happen if this particular method is adopted by the Secretary; and he clearly indicated that that was his preference of the two methods in the case of any of the small nations who may insist upon and may be given 10 years' extension for the payment of interest.

Mr. McCUMBER. May I suggest to the Senator that if the Secretary or the commission should make any such arrangement as that, whereby they would absorb the interest in a higher rate of interest for the given length of time, if they left that open for the debtor country to take up those bonds at any time and thereby avoid the payment of the interest which has been included in the higher rate, such an act would be clearly violative not only of the spirit but of the terms of the bill. Therefore, if they would do anything of that character, they must insert a provision to the effect that if it is paid before due a greater rate of interest must be paid.

Mr. SIMMONS. I agree with the Senator that if they should do that, and at the same time make it possible by the contract for the debtor to pay off the principal before the time of payment, they would do an indefensible thing; but why give authority to a commission to do a thing which if done would be indefensible? That is begging the question. Assuming that they did not do that the bond would become the property of the United States. Eo instanti that the agreement is made the United States would have authority to sell that bond, and if it sold it before the time of interest extension expired, and sold it at par, the people would necessarily lose the amount of interest covered in the rate of interest, and that would accrue to the benefit of the purchaser of the bond.

Mr. REED. Mr. President, is there an amendment pending?

The VICE PRESIDENT. The technical status of the bill is that it is in Committee of the Whole and open to amendment. The Senator from North Dakota has offered an amendment. In order that it may be considered, it will be necessary to reconsider the vote by which the amendment to which he proposes an amendment was agreed to.

Mr. McCUMBER. I think it can be offered as an amendment of the second proviso, can it not, without reconsidering some other amendment?

Mr. McKELLAR. That there may be no trouble about it, I ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered so as to permit the offering of the amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote by which that amendment was agreed to is reconsidered. The Secretary will state the amendment now offered by the Senator from North Dakota.

The READING CLERK. At the end of the amendment already agreed to, at the bottom of page 2, insert a colon and the following:

Provided further, That when the bond or other obligation of any such Government has been refunded or converted as herein provided, the authority of the commission over such refunded or converted bond or other obligation shall cease.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. REED. Mr. President, I move to strike out, in line 14, page 2, the words "or hereafter."

The VICE PRESIDENT. The Secretary will state the amendment.

The READING CLERK. On page 2, line 12, in the original print, strike out the words "or hereafter."

Mr. REED. I ask the chairman of the committee if he can not accept that amendment?

Mr. McCUMBER. No; Mr. President, I think not.

Mr. REED. Then, Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	McKellar	Sheppard
Ball	Frelinghuysen	McKinley	Shields
Borah	Gooding	McNary	Simmons
Brandegee	Hale	Moses	Smoot
Broussard	Harreld	Nelson	Stanley
Bursum	Harris	Nicholson	Sterling
Calder	Harrison	Norris	Sutherland
Cameron	Heflin	Oddie	Swanson
Capper	Hitchcock	Overman	Townsend
Caraway	Johnson	Owen	Wadsworth
Colt	Jones, Wash.	Page	Walsh, Mass.
Culberson	Kellogg	Pepper	Walsh, Mont.
Curtis	Keyes	Phipps	Warren
Dial	King	Poindexter	Watson, Ga.
Edge	Ladd	Pomerene	Watson, Ind.
Elkins	La Follette	Ransdell	Willis
Ernst	McCormick	Reed	
Fernald	McCumber	Robinson	

The VICE PRESIDENT. Seventy Senators having answered to their names, a quorum is present.

Mr. REED. Mr. President, I want for a moment to enlist the attention of the Senate to this amendment. The Senate has already stricken out the words giving the commission authority "to adjust and settle any and all claims, not now represented by bonds or obligations, which the United States now has or hereafter may have against any foreign Government and to accept securities therefor."

In consonance with that I am offering an amendment to strike out the words "or hereafter" in the clause authorizing the Secretary of the Treasury to convert any obligation of any foreign Government received by the United States "arising out of the World War into bonds or other obligations of such foreign Government," and to take "in substitution for the bonds or obligations of such Government now or hereafter held by the United States of America, in such form and of such terms, conditions," and so forth.

I ask the Senate to strike out the words "or hereafter." We are dealing with a concrete question, the present indebtedness of foreign Governments to the United States. All of that debt is represented by some form of security, and the authority to be granted is to settle that indebtedness now represented by some one of the various kinds of securities held by this Government.

If we permit the words "or hereafter" to remain, then this commission, at any time during its life, can proceed to settle any claims hereafter arising. Is it the purpose of the Senate to grant that kind of authority, to give to this commission the authority at any time during its life to settle and adjust any claim of the United States? Surely that is not the purpose of the Senate, and I am surprised that the chairman of the committee in charge of the bill does not accept the amendment.

Mr. SIMMONS. I call the Senator's attention to the fact that the word "hereafter" appears in the same sense in the sixth line of page 2 of the bill, and possibly that should be provided for.

Mr. REED. It appears in the copy of the bill which I have in line 14, but it is line 12 as referred to in the amendment; and it also occurs in line 6; but I shall attack only one proposition at a time.

Mr. SIMMONS. I do not know that it is necessary, to accomplish the purpose of the Senator, to interfere with line 6, but I merely called it to his attention.

Mr. REED. It does seem to me that the Senate surely can not intend to give an authority to this commission to settle claims which may hereafter arise. When the claims hereafter arise let us deal with them as they arise and not grant away our authority over them to-day, when we do not know what they may be.

If it be answered that there will be no such claims, then I reply that striking out this word will do no harm. If it be answered that there may be such claims, and we do not know what they may be, then I reply that we ought to deal with them when they arise.

On this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KING. Mr. President, may I ask the Senator, if his time has not expired, or. if it has, in my own time——

Mr. REED. My time has not expired.

Mr. KING. Does not the Senator misapprehend the meaning of the words "or hereafter"? I may be wrong in my hasty interpretation of the word "hereafter," but it seems to me that it contemplates that during the life of the commission they may convert the obligations of the Government into other obligations of the Government, but it does not contemplate, as I read it, that they may settle other claims than those arising out of the war and for which obligations now exist.

Mr. REED. That would only make it worse. It is proposed to allow these gentlemen to take a set of bonds and then retransmute those bonds during the life of the commission and do with them as they please for three years, which is equally as bad.

Mr. KING. I am not defending that, but I was wondering whether the construction for which the Senator was contending was quite accurate.

Mr. REED. It would cover both cases, in my opinion.

Mr. KING. I am not quite clear as to the meaning of the word as found in the bill.

Mr. REED. It ought not to be here.

Mr. WATSON of Indiana. Mr. President, the object of the measure, of course, is to give the commission authority to fund the indebtedness owing by our associated Governments or those which are now indebted to us on claims growing out of the war. My understanding of the word "hereafter" is that at the present time all the obligations owing to the Government, because of sales of material by the War Department, the Navy Department, the United States Grain Corporation, and the American Relief Administration, are not now in any bond; that is to say, they have not been reduced to bonds and the character of obligation has not yet been made manifest; the matter has not yet been reduced to writing.

I do not know whether that is so or not. We have telephoned up to the Treasury Department to find out why they have insisted on the words "or hereafter" being retained. The chairman of the committee, who has gone to lunch, told me that he was not sure that all these obligations had been reduced to writing, and that this refers to such obligations growing out of those indebtednesses as had not been actually reduced to writing.

Mr. REED. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Indiana yield to the Senator from Missouri?

Mr. WATSON of Indiana. Certainly.

Mr. REED. Let us assume that they have not been reduced to writing. The first transaction that we would have would be to take the obligation of that Government, and when we take that obligation we should take it in the form of a bond. There would be no sense in taking an obligation and then having that obligation hereafter transmuted into bonds. The whole transaction should be had at once.

I can tell the Senator why the word "hereafter" is in here, if he will permit me in his time. I have exhausted my privilege on the subject.

Mr. WATSON of Indiana. I am glad to yield to the Senator from Missouri for that purpose.

Mr. REED. It is merely because the bill as originally framed was brought to us giving the Secretary of the Treasury power for all time to handle all this great indebtedness, and we have been changing the bill from time to time, and have now in many important respects changed its purport, but we still find some of the old phraseology here. This is a part of the old phraseology that ought to go out.

Mr. WATSON of Indiana. I thought it was a very great mistake when the Senate struck out the language embraced in the amendment of the Senator from Montana [Mr. WALSH], but inasmuch as the Senate saw fit to strike out that language I confess that at this time I do not see the significance of the word "hereafter."

The report comes just now from Assistant Secretary of the Treasury Wadsworth that every day they are receiving notes and obligations from foreign Governments for war material sold by the War Department and the Navy Department, and that they simply want the word "hereafter" in the bill in order to enable them to clean up all those obligations. He says it will not amount to, perhaps, more than a million dollars, and that the object in having the word "hereafter" in the bill was to enable them to handle the situation until the obligation should be reduced to some form of writing.

Mr. REED. But the language is broad enough so that they could take a bond and then afterwards refund that bond. The trouble is the language is not limited to the case of which the Senator speaks. It is entirely too broad.

Mr. WATSON of Indiana. I do not see the force of the Senator's objection. Inasmuch as we know the objects of the bill and the purposes that are intended to be accomplished by it and precisely what the department intends to do, I can not see why the word "hereafter" is at all fatal.

Mr. REED. I do not say that it is fatal, but I say it is a grant of power which might readily be abused by somebody.

Mr. WATSON of Indiana. Of course, any power can be abused by somebody if we are not to have any respect for anybody's authority.

Mr. REED. That argument, of course, would lead us to just a plain grant of authority and say to the Secretary of the Treasury, "Go out and do whatever you please."

Mr. WATSON of Indiana. That is exactly what I wanted to see done, so far as I am concerned.

Mr. REED. I believe the Senator did.

Mr. WATSON of Indiana. Absolutely. I never had any doubt in the world that the whole thing could have been adjusted and settled in a short time if we had gone at it in a businesslike way instead of fooling with it for six months in the Senate.

Mr. REED. If the Secretary had gone out and developed a plan of settlement of these bonds and say to us, "Here is the settlement I can get through," we would have had a chance to pass on it.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Connecticut?

Mr. WATSON of Indiana. I yield, though I do not wish to lose all my time.

Mr. BRANDEGEE. I merely wish to suggest to the Senator from Missouri, though I am not sure about it, that the word "hereafter" in the fourteenth line, which the Senator has moved to strike out, is put in there to make the provision of the bill uniform with the same word or practically the same word used in line 6.

Mr. REED. That is true, and I intend to move to strike out the word in line 6. I did not think it proper to include the two in the one motion to amend.

Mr. WATSON of Indiana. I will say to the Senator from Missouri that I am told that the sales are not yet entirely completed; that only last week there were some railroad cars, for instance, sold out of certain materials, and that those have not all been disposed of yet and the matter reduced to writing in the form of definite obligations. Why should not that authority be granted? How can they abuse that authority in the future?

Mr. REED. Who is selling those materials?

Mr. WATSON of Indiana. The War Department. No one is going to abuse that authority.

Mr. REED. I think it is an abuse of authority to sell the materials of the Government, and sell them on time, at this juncture at all. It is a gross and an indecent abuse of authority.

Mr. WATSON of Indiana. I do not think so. I do not agree with the Senator at all. I think the Secretary of War has absolute authority to sell these materials under previous acts of Congress.

Mr. REED. He has authority to sell them, but I do not think the Secretary of War has authority to sell them on time and to extend credit. When are we going to quit extending credit to bankrupt governments? We do not sell these things to our own people on time. However, I am trespassing on the time of the Senator from Indiana.

Mr. WATSON of Indiana. I am entirely willing that the Senator shall do so, but I am not going to discuss at this time the particular question he has raised. The thing has been done and I think the Secretary of War has authority to do it. He thinks he has the authority to do it.

We desire to get the indebtedness in the form of writing, in the shape of a definite obligation. Is there any objection to that? The Senator proposes to strike out the word "hereafter" to cut off that possibility. Why should that be done? This is all a fixed and definite thing. No one is going to abuse this authority, as everybody understands.

Mr. REED. But the Senator just said it is not fixed and definite. When he said we are selling these goods at the present time and not receiving the money for them, he says, in effect, that the thing is not fixed and definite, because that is something which is going on every day.

Mr. WATSON of Indiana. But these materials are in Europe already.

Mr. REED. I do not care where they are.

Mr. WATSON of Indiana. They are not going to be brought back to this country by anybody.

Mr. REED. There is a great difference between owning a thing even in Europe and selling it to a bankrupt government on time, a Government which the Senator tells us can not pay even its interest.

Mr. WATSON of Indiana. We had better get something out of it than nothing.

Mr. REED. Oh, I do not know about that.

Mr. WATSON of Indiana. This is a practical way to dispose of these materials, and that is all there is to it.

Mr. REED. I think we had better get something out of it than nothing. We had better get something more than the security of a country which is already in default and which we are told will continue to be in default.

Mr. WATSON of Indiana. I do not agree with the Senator that those Governments are in default on interest payments. There is a fundamental difference between us on that point. My contention is that we specifically arranged with those Governments that the interest might be postponed for two or three years.

Mr. REED. When did we arrange that?

Mr. WATSON of Indiana. We have gone into that time and time again.

Mr. REED. By whose authority was it done?

Mr. WATSON of Indiana. The Secretary of the Treasury—first Secretary GLASS, and then Secretary Houston, and as construed by Secretary Mellon. The Senator understands all that well enough.

Mr. REED. Yes; I understand it.

Mr. WATSON of Indiana. The Senator was at the committee hearings and heard all those statements made. Then, too, all of these things were read into the record when my friend from Missouri did not happen to be present.

Mr. REED. Yes; I have read them in the record.

Mr. WATSON of Indiana. There was an agreement that the interest should be postponed for two or three years, and after that further negotiations were broken off and no further interest payments were made, but now, when these are reduced to fixed obligations, and especially if we get them in the form of bonds, there will be no question in the world that the nations which are able to pay will pay, and those which are not able to pay will not pay until such time as they can.

Mr. REED. And in the meantime we are selling them more material.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. REED. I am afraid I took most of the Senator's time.

Mr. WATSON of Indiana. No; though I did not get to say very much.

Mr. SPENCER. Mr. President, as I look at the pending amendment to strike out the word "hereafter," in line 6, and the same word in line 14, it would be absolutely destructive of the purpose of the bill. The bill provides, in the first place, that the Government shall refund or convert not only the obligations which we now have, but as well such obligations as hereafter we may receive. In other words, Czechoslovakia and Poland owe us some money for grain or supplies which were given to them a long while ago. We have yet received no obligation from them. It is like a book account. There is no obligation signed by the Governments which owe us the money.

When these obligations come in, if they should in the next week or 10 days, of course the commission ought to be in a position to convert or refund those obligations with bonds, and yet if the Senate would strike out in line 16 the word "hereafter," there would be no power for the commission to deal with such obligations, because they came into the hands of the United States after the passage of the act.

Mr. REED. Mr. President, may I ask the Senator a question?

Mr. SPENCER. I am glad to yield.

Mr. REED. Is the Senator sure he is accurate in his statement that we have nothing from Czechoslovakia?

Mr. SPENCER. My information is obtained from the report of the committee that the amounts of money, running somewhere into the millions, due from those countries for supplies purchased from the United States Grain Corporation, some from the War Department, some even from the Navy Department, and others from the American Relief Administration, have not yet been paid for in the shape of negotiable or definite obligations. If they have, if we have every obligation that is coming to us, then there is no harm in the word "hereafter." If we have not, then the Senator will agree with me that it is absolutely essential.

Mr. HITCHCOCK and Mr. REED addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield, and if so, to whom?

Mr. SPENCER. I yield first to the Senator from Nebraska.

Mr. HITCHCOCK. If the Senator will permit me, the report made by the Committee on Finance shows that we hold these obligations, and gives the dates and amounts.

Mr. SPENCER. As I recollect, it does not give all of them.

Mr. HITCHCOCK. I can cite them to the Senator.

Mr. SPENCER. I shall be glad to have them.

Mr. HITCHCOCK. Under the act of July 9, 1918, we hold the obligation of Czechoslovakia, dated May 29, 1919, for $5,000,000; another one dated June 15, 1919, for $5,000,000; another dated August 10, 1919, for $4,900,000; another one dated October 14, 1919, for $2,464,000; another one dated February 10, 1920, for $1,290,000; and another one dated May 1, 1920, for $1,962,000. Those are obligations of the Army and Navy.

We also hold obligations from Czechoslovakia, dated June 30, 1919, for $6,428,000 on account of the American Relief Administration. So the obligations are already liquidated; that is, the claims are liquidated in the form of obligations in the Treasury.

Mr. SPENCER. If the Senator will turn to page 8 of the report from which he is reading, he will find amounts from sales of surplus war materials, from the American Relief Administration, and from the sales of flour by the United States Grain Corporation to some 10 or more countries. There is no date given as to any of that indebtedness. It may be that there is some form of indefinite I O U for those amounts, but my information is that there is no definite obligation.

Mr. REED. Will the Senator yield for a question?

Mr. SPENCER. Certainly.

Mr. REED. Does the Senator remember the report of Mr. Hoover, that even the money that he had taken over there and distributed had been secured by certain obligations of the foreign Governments involved by collateral and different forms of securities? The Senator has made a very broad assertion that these claims are not liquidated. If they have not been liquidated, somebody ought to be sent to jail.

Mr. SPENCER. The junior Senator from Missouri did not say they had not been liquidated. The junior Senator from Missouri said that his information was that the obligations from these countries were not in any definite shape in all cases. It may be that there are definite obligations. In such cases there is no harm in the use of the words referred to. The senior Senator from Missouri has had too great experience in the drawing of contracts not to know the advisability of providing somewhere that the negotiating authority shall have power to reconvert every form of obligation, whether we have actually received it as a matter of fact before the date of the passage of the proposed law, or whether we have received it months afterwards; and the words "or hereafter," in line 6, and the words "or hereafter," in line 14, are precisely to give that authority.

Mr. REED. Of course they are.

Mr. SPENCER. If we have a commission of four men, together with the Secretary of the Treasury, to deal with this question, why should the senior Senator from Missouri want so to tie their hands as to limit the necessary negotiating power rather than to give a decent license of power adequately to perform the task which they will have to perform?

Mr. REED. If the Senator will pardon me, I have had some experience in drawing contracts; I have also had some experience in drawing powers of attorney; and I am not inclined to give to an attorney in fact unlimited authority.

The PRESIDING OFFICER. The Chair will state to the senior Senator from Missouri that he has once spoken upon this matter.

Mr. REED. I know I have, but I was trying to speak in the time of the junior Senator from Missouri. I was trying to answer his question.

Mr. SPENCER. I shall be very glad to have the Senator answer.

The PRESIDING OFFICER. The junior Senator from Missouri had taken his seat, and the Chair supposed he had yielded the floor.

Mr. SPENCER. I have not yielded the floor, now that I know the senior Senator from Missouri wants to say a word in reply.

Mr. REED. I want to reply to the question which the junior Senator from Missouri directed personally to me. If these claims are liquidated, then, under the authority granted, with the words "or hereafter" stricken out, they may all be settled. If they have not been liquidated, then under the general authority to settle claims the commission may proceed to settle them; but whether they are obligations or not——

Mr. SPENCER. They can not refund or convert anything except obligations now or hereafter existing.

Mr. REED. They can take bonds.

Mr. SPENCER. They refund, convert, or take other obligations.

Mr. REED. "Or take obligations?"

Mr. SPENCER. That is right.

Mr. REED. The commission is authorized to refund or convert and to extend the time of the payment of interest or principal, or both, of any obligation of any foreign country now owing the United States.

Mr. SPENCER. "Now owing," which seems to necessitate some provision for any other obligations that may hereafter need refunding or conversion.

Mr. REED. So that every debt, whether it is represented by any instrument or not, is an obligation; every dollar that is due us is an obligation; and they have got the right to take a bond for it. The only reason for the words "or hereafter" in this instrument is to cover future transactions. That is why they are here.

Mr. WATSON of Indiana. Oh, no.

Mr. REED. That is why this language has been insisted on; that is why the Secretary of the Treasury insisted on its insertion before the committee. If this authority is left here the Secretary of the Treasury can accept the bonds of Great Britain to-morrow and reconvert them the day after.

Mr. SPENCER. Why should he not? Suppose we took the bonds of Great Britain to-morrow at 4½ per cent running for 30 years, and three months afterwards Great Britain desired to change them to bonds running for 15 years, why should he not reconvert them?

Mr. REED. Or to 30 years.

Mr. SPENCER. He would not reconvert them into bonds running for 30 years, because there is a limit in the law.

Mr. REED. Now, I have the Senator just exactly where I want him. I do not mean that he is at a disadvantage, but we shall understand each other. The Senator wants the Secretary of the Treasury, together with the commission, to have the authority for the three years' time to take bonds and then to reconvert them, and to do with them as they please for three years' time, subject to such limitations as are in the bill.

Mr. SPENCER. There is not any doubt as to that if the interests of the Government would be thereby subserved.

Mr. REED. I do not want that authority conferred on any human being. It is the business of Congress to attend to those matters; and if we give the Secretary of the Treasury the right to make this adjustment once that is sufficient authority; it is going further than we ought to go. Now, the junior Senator from Missouri takes the opposite view. He says the Secretary of the Treasury and the commission should be trusted for three years to do as they please with the $11,000,000,000 of the money of the United States. I have not any doubt he would like to see the 3 years extended to 30 years, provided he knew that his party would stay in power that long, but I do not trust these gentlemen; I am not so trustful as is my friend.

Mr. SPENCER. There will be no difficulty about that.

The PRESIDING OFFICER. The time of the junior Senator from Missouri has expired.

Mr. HITCHCOCK. Mr. President, the report filed by the Finance Committee shows on several pages that the Secretary of the Treasury already holds the obligations of various foreign Governments for surplus war supplies sold by the Army and the Navy——

Mr. SPENCER. The Senator may be right as to that.

Mr. HITCHCOCK. That he already holds obligations on account of the American Relief Administration under the act of February 25, 1919; that he already holds the obligations of the United States Grain Corporation under the act of March 30, 1919. The obligations which have been received from the Secretary of War and the Secretary of the Navy aggregate $574,673,710; the obligations received from the American Relief Administration aggregate $84,093,963; and the obligations held by the American Grain Corporation aggregate $56,858,802; so that there is no warrant for the statement that the words "or hereafter" must be incorporated in this bill for the purpose of caring for the debts which other nations owe us through these three instrumentalities. Obligations are already held, and they are not "hereafter" to be held.

The only reason that I can see for inserting the words "or hereafter" is to give the power to the commission which the Senator from Missouri [Mr. SPENCER] himself now declares it should have; that is to say, after it has made a bargain with one of the debtor nations, extending its time of payment, or extending its interest period, or making some other concession to it, and has made a report to that effect to Congress, nevertheless, if the words "or hereafter" are to be included in the bill the commission, without any additional authority, shall have the right to grant another extension of time to that nation.

Mr. SPENCER. Within three years.

Mr. HITCHCOCK. Within three years. I say that simply shows how wide it is proposed to make the powers of this commission. It is practically abdicating to that commission not only the power to make a bargain for the extension of the period of payment but it is proposed to give it the power to modify the agreement subsequently in any way it may please under the law for three years.

Mr. SPENCER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. HITCHCOCK. I yield.

Mr. SPENCER. Does the Senator from Nebraska see any difficulty or danger in this proposition? If, for example, the commission is created and in pursuance of its duties it takes from Czechoslovakia bonds running 25 years, with no interest for the first two years, but with the interest included in the principal, and six months after it takes such bonds, which lie in the Treasury of the United States, the statement comes from the representatives of Czechoslovakia, "We can do much better than that; we thought we needed 25-year bonds with no interest payment for two years, but we now find we are in a position to give 20-year bonds and commence paying interest within a year." Is there any danger or lack of wisdom if the commission is still in being in giving it authority during the three years to which its powers are limited to say, "We will gladly exchange the securities which we now hold for those which will be more advantageous to the United States of America." Wherein lies the danger of that?

Mr. HITCHCOCK. Mr. President, that would be a very fine state of affairs, if we were living under an absolute government, and we proposed to vest in the hands of the Executive power over the people's money, but under the Constitution of the United States the Congress of the United States, representing the people of the United States, is the body which should decide such questions. We have gone too far, in my opinion, when we vest in the commission the power even to make the original bargain, let alone the additional power of modifying it after several years have elapsed. I think that it is an abdication of the power of the Congress of the United States, and that it is an outrage under a republican form of government like ours, to vest in the hands of a few men this enormous power to deal with the nations of the world without any appeal, to make that little commission of men the supreme authority to administer thousands of millions of dollars which belong to the people of the United States. I think it is an outrage; I think it is a perversion of the government of a Republic.

Mr. WATSON of Indiana. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Indiana?

Mr. HITCHCOCK. I yield.

Mr. WATSON of Indiana. Did not the Secretary of the Treasury under the last administration have power conferred on him to sell bonds of our Government and to fix all the conditions of the bonds, including the rate of interest?

Mr. HITCHCOCK. No.

Mr. WATSON of Indiana. He did have that power; but it is not proposed to confer any such power on the present Secretary of the Treasury.

Mr. HITCHCOCK. No; the Congress was very careful in the matter to which the Senafor from Indiana refers. It conferred upon the Secretary of the Treasury the power to buy certain securities of foreign countries, but Congress provided

that the rate of interest on those bonds should be the same rate of interest that was paid on the Liberty bonds of the United States.

Mr. WATSON of Indiana. Mr. President——

Mr. HITCHCOCK. I will ask the Senator to wait a moment. Congress provided that the maturity of those obligations should be the same as that of the bonds of the United States and the rate of interest should be the same.

Mr. WATSON of Indiana. But the Senator did not get my point. When our own bonds were issued we conferred upon him absolutely the power to fix the terms, including the rate of interest.

Mr. HITCHCOCK. That is another question.

Mr. WATSON of Indiana. Oh, no; it is not another question; it is the bestowal of power upon an officer.

Mr. HITCHCOCK. That is a bestowal of power that is historic. That is in accordance with the manner in which we always have proceeded when we have had to borrow money and go into the market for it; but we now have a case where we have loaned money to foreign nations, and, instead of dealing with that transaction as we dealt with it heretofore, we propose to intrust to a little commission of men during the next three years the duty and the power of dealing with the debtor nations of the world, not only to grant them extensions, but after they have been granted and the contracts have been made to modify the terms and conditions. I say it is an abdication, an abandonment of the powers of Congress over this tremendous interest of the people of the United States. The Senator may not think so, but, no matter what confidence he may have in such a commission, he is taking a tremendous risk when he reposes in them such enormous power to deal with foreign nations in that way. We do not even permit the President of the United States to deal with foreign nations without submitting the result of the negotiations to the Senate of the United States. The transactions and bargains concluded with foreign countries are carefully provided for by the Constitution of the United States. The President can initiate, but when he has made a bargain he has got to come here and submit it to the Senate of the United States, and he has got to have a majority of two-thirds of the Senate before his action binds the American Nation; yet it is proposed to give this little commission this prodigious power over this illimitable amount of money. I say you are taking a risk, and you are running into a scandal, and you are furnishing us a very good asset for the next campaign.

Mr. SPENCER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. SPENCER. I have no time of my own, but perhaps the Senator from Nebraska will let me ask him a question.

I quite understand the point of the Senator from Nebraska. He makes it clear that he believes that it is vicious and dangerous to intrust this power to a commission of four men. Even though they have to come before the Senate for confirmation, even though the approval of the President of the United States is also required, even though they can not release a single dollar of obligation of any foreign Government, he nevertheless thinks it is dangerous. What I ask him is this: If we once establish the proposition that the commission ought to be created and that this general power of dealing with $11,000,000,000 of foreign obligations ought to be vested in this commission, with the limitations of this bill, after we have once taken that step does not the Senator from Nebraska think that in the line of fairly carrying out the policy announced by the creation of the commission, the commission ought to have the very power that is included in the words "hereafter" in the sixth and fourteenth lines?

Mr. HITCHCOCK. I think it is very difficult to make the bill any worse than it is, but I think those words accomplish it, if it can be done. I think it is an attempt to get away from responsibility to the American people. You, sir, as the Senator from Missouri, can not vote on a proposition of this sort without being responsible to your constituents nor I to mine; but this commission has no responsibility. There is no appeal from it. There is no relief for the American people; and if it makes an unconscionable bargain and throws away thousands of millions of dollars, there is no relief. I say it is apparently an attempt on the part of the representatives of the people here, who should be responsible to the people of the United States, to escape that responsibility and to vest this enormous power in the hands of a few men.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HEFLIN. Mr. President, I listened with a great deal of interest to the speech of the Senator from Nebraska [Mr. HITCHCOCK]. I do not see how any Senator can disagree with him.

This is a tremendous question that we have before this body to-day. It took the power of Congress to lend this money to the foreign nations. It took a mighty drive in the sale of Liberty bonds to obtain the money from the American people to supply these foreign nations with the money they now owe us; and here we are, in a Republican Congress with a majority of 24 in the Senate, going to surrender our right to pass upon the settlement suggested by these four men working in concert with the Secretary of the Treasury.

Mr. President, what is there back of this scheme?

I suggested here a week ago, and it has been frequently talked about since, that there are $5,000,000,000 of indebtedness of foreign nations due to certain interests in this country, and most of them are in Wall Street.

This $11,000,000,000 due to the Government of the overburdened taxpayers of America is going to be sidetracked. It is going to be babied along to the rear, and the interest rates juggled, and the payment of interest postponed down the future for years and years to come, while these Wall Street interests come forward and demand payment of their claims. That is the case in a nutshell. That is exactly what the Senate of the United States is about to agree shall be done. All that we ask is what the Senator from California [Mr. JOHNSON] proposed in the amendment which he offered, asking that this commission of five men be required to submit back to Congress for approval or disapproval whatever suggestion it had to make with regard to these settlements; and you deny us the right to do that.

Senators, I inquire again, what is it that has prompted this course? Are these men already decided upon? Do you already know what they will do when they are appointed? I think you do. I believe that some of you on the other side know now who will compose this commission, and I am satisfied that some of you know just exactly what they are going to recommend with regard to postponing the payment of this foreign debt, in order that these interests in the United States who contribute big funds to the Republican Party at election time shall proceed with the collection of their debt.

I wish the people of the United States knew just exactly what was going on here. Would that there was some way that we could get it to the country just exactly as it is! Of course, I know and you know that the Republican bosses and money lords of this country own the large part of the press of the country, and whatever grain of truth filters down to the reader amongst the masses is so colored and warped and twisted that they hardly know what is going on.

I want to assert again that it took the solemn action of the American Congress, approved by the President, to loan this money to the foreign nations, and not when we come to ask that it be paid back the Republican Party, in power from the President down, asks us to lodge the power in the hands of four men with a Republican Secretary of the Treasury to do as they will with this thing. We say, "Will you not let them submit it back for Congress to accept or reject?" "No, sir." Why not? What have you in your minds? What are you intending to do? What is it that you intend to do which makes you afraid to submit the proposed settlement or recommendation back to Congress? Oh, Mr. President, it is an awful thing that is about to be perpetrated upon the American people. Let me ask the junior Senator from Missouri [Mr. SPENCER], who suggested to the distinguished Senator from Nebraska [Mr. HITCHCOCK] that the names of the men to be appointed on this commission would be submitted here for confirmation, does that mean anything in view of the seating of NEWBERRY? I saw the Republican side of this Chamber vote to confirm the sale of a seat in this body, and if it will vote to confirm the sale of a seat in the United States Senate do you suppose there will be any trouble about the President, who favored the seating of Mr. NEWBERRY, having this commission confirmed in this body? If it were found necessary to get one or more out of that side who might vote with us, they will appoint them to some office. You know what David did with Uriah when he wanted to dispose of him? He sent him to the battle front and had him shot. The President of the United States has a milder-mannered way of disposing of a Republican Senator who votes with the Democrats to bring relief to the distressed farmers of the South and West. To-day he has taken from the firing line of the farmers' friends in the Senate the leader of the agricultural bloc, Senator KENYON, of Iowa. I regret to see the able and faithful Senator from Iowa leave this body. I wish him much happiness in his new field of service.

Mr. BORAH. Mr. President, we now hold the obligations of these foreign Governments in a form which I take to be quite

as legal and binding as any form to which they may be hereafter reduced. There seems to be an idea that we have some kind of an intangible evidence of debt which needs to be put into a more binding form; but the bond which we shall take will have no more binding force legally than the bond which we now have.

We have, for instance, from Great Britain a bond which reads as follows:

The Government of Great Britain and Ireland for value received promises to pay to the United States of America or assigns the sum of ——— dollars on demand, with interest from the date hereof at the rate of 5 per cent per annum—

And so forth.

Of course, Mr. President, if I had a note of that kind outstanding, I doubtless would be greatly worried until I got it exchanged and transformed into a note which was to be paid 25 years from now. If the transformation could be had, it would be a great accommodation to me, because a demand note is a very annoying circumstance, whether to an individual or to a nation.

But, so far as we are concerned, "we should worry." We have a demand note bearing 5 per cent interest, payable annually. What better will we have when we get the bonds?

Mr. WATSON of Indiana. Does my friend from Idaho think that that sort of an obligation is negotiable, transferable, and can be sold?

Mr. BORAH. I am coming to that. That is precisely what I want to talk about. There is a reason for wanting to reduce this to the form of a bond, and unless somebody absorbs that bond, unless somebody buys it, you are in no better position than you are by having this present obligation. You desire a bond, because you hope somebody will purchase it and absorb it. Who will do it? Nobody will do it but our people.

Mr. KING. And they will not unless the Government guarantees it.

Mr. BORAH. Even if the Government should guarantee it, there is nothing which the Republican Party could do so disastrous to the future, from an economic standpoint, as to push into the possession of the individual people of this country who have money this $11,000,000,000, or any part of it. That which is bleeding the United States white to-day is the fact that our money, instead of being expended to extend our own industries and build up our own prosperity, is being used in just this kind of security.

Mr. WATSON of Indiana. Of course, Mr. President, if we had these obligations funded which are now in the form of bonds they could not be sold in the United States, probably, without the Government guaranty, unless provision were made to make those bonds nontaxable, because an English bond sold anywhere in the United States would be subject to all local taxes of every kind.

Mr. BORAH. Mr. President, there is plenty of money to invest in just that kind of security; but the Senator answers himself, it seems to me. You are either going to change this bond so that some one will purchase it or you are not. If you do not, then the Government of the United States, if it must hold that bond, is in no better position than in holding this demand note.

Mr. President, why the haste about this change?

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Tennessee?

Mr. BORAH. I yield.

Mr. McKELLAR. The Senator asks why this haste about the change. Does the Senator think that there will be very much haste in changing the securities to the securities named in this bill when five years is given in which to make the change? Does not the Senator think that instead of haste in making the change the object and purpose of this bill is simply to extend the time of the interest payment?

Mr. BORAH. Possibly the Senator is correct. Mr. President, last summer there convened in the city of Paris some of the leading international bankers of the world, and while in session there they came to this conclusion, that Europe never can and never should undertake to pay these public debts; that it would be economic madness for her to undertake to do so; that the slate will have to be wiped clean of this class of indebtedness; and, said the bankers assembled—declared in substance—there need not be any worry about the United States provided sufficient time is given to educate the public mind of the United States as to the economic necessity of a cancellation of the debt.

Provided sufficient time is given. We now have a demand note, the interest payable annually. The first step which the Senator would take if he were conducting this transaction for the purpose of securing ultimate cancellation would be to have this note extended for 25 years, in order, as the London press says day after day, that there may be given an opportunity to the economic leaders of the world to educate the people of the United States as to the necessity of cancellation.

Any man who discusses this bill or considers it without considering the underlying proposition of the entire scheme—and that is ultimate cancellation—in my judgment, misinterprets the facts and circumstances which surround this legislation.

What would be the second step toward cancellation?

Mr. WATSON of Indiana. Mr. President, does the Senator assert on the floor of the Senate that the President of the United States, all the members of the Cabinet, and all the members of the Finance Committee, who have given this subject the most earnest consideration, animated, I assume, by the highest patriotic motives, are all conniving and scheming in some way or other to get this debt canceled?

Mr. BORAH. I have not made any assertion of that kind. I do not deal with particular individuals. I define a situation.

Mr. WATSON of Indiana. I am asking the Senator.

Mr. BORAH. I say I have not made any assertion of that kind. I am stating that the underlying proposition of this entire scheme is ultimate cancellation. I have not any more doubt about it than that I look into the good-looking face of the Senator from Indiana.

Mr. WATSON of Indiana. Now let me ask the Senator another question.

Mr. BORAH. I could go further and say, if the Senator desires me to say it, that I do not know that the President or the Cabinet would entertain that proposition at all; but my friend knows that in the ultimate sweep of the years the influences which control legislation are not lodged in any particular man's mind or any particular individual or set of individuals.

Mr. WATSON of Indiana. Notwithstanding the specific declaration in this bill itself that no dollar of it shall be canceled?

Mr. BORAH. Yes; within the next three years. Nobody expects it to be canceled in the next three years. Nobody expects it to be canceled in the next five years. As has been said, it takes time to educate the public mind to this proposition, and that is what they are now engaged in. There are plenty of influences in the United States of tremendous force in the Republican Party which are openly advocating it now. There are any number of men who contribute to the success of the Republican Party year after year who are advocating it every day, some of them in their newspapers.

Only a few nights ago a most distinguished person, speaking in the city of Washington, said that the first duty of the American people was to cancel this debt, in order that we might have economic sanity restored. You can go anywhere outside of official life and you will find any number of men who advocate the cancellation. You will find men sitting here in the Senate Chamber, men of perfect sincerity, of unquestioned integrity, who insist that the only thing to do is to cancel this debt.

I am not blind to the proposition, nor is the Senator from Indiana, as to what effect that will ultimately have in the disposing of this matter, but the first thing which the Senator would do, assuming he was in favor of the cancellation, would be to secure an extension of 25 years in which to consider the proposition, and to prepare for it.

The second thing which the Senator would do would be to see that there was no interest paid within any reasonable length of time. If the Senator owed a note which he expected ultimately to have canceled, or the consideration for which he believed was not just, he would not want to pay interest upon it for five years if he hoped ultimately to be relieved of its payment.

Therefore, Mr. President, though I ought not to say it in such a way as to indicate that it is in the minds of the Senators who are advocating this at this time, I assert that the ultimate plan with reference to this debt, among those who deal with such things, is its ultimate cancellation.

When this bill shall have been passed the disposition or ultimate settlement of this $11,000,000,000 will have been taken out of the hands of everyone except four or five men. It will go to secret conferences.

The VICE PRESIDENT. The Senator's time has expired.

Mr. SHIELDS. Mr. President, the discussion of the words appearing on line 14, page 2, of this bill, "or hereafter," and the fact that no very clear explanation to my mind has been made of their presence in the bill, suggests to me a use which may be made of them, even though it may not be intended now.

Some two years ago, as I remember, it appearing that further loans were being made to various European nations, and to Liberia in Africa, under the Liberty loan acts, or the provision of those acts providing for loans to our allies to enable them

to more successfully conduct the war, the Senator from Missouri [Mr. REED] introduced a bill to prohibit any further such loans, and that matter was very thoroughly investigated by the Committee on the Judiciary, to which the bill was referred.

I read from the report of that committee on that bill:

Since the date of the armistice approximately $1,500,000 has been loaned to foreign Governments.

Credits have been established for foreign Governments on which advances have not as yet been made, to the extent of approximately $129,000,000.

Of the original $10,000,000,000 provided for by Congress, approximately $300,000,000 over and above the $129,000,000, already referred to, remain.

Among the contemplated loans at the time of that investigation was, as I remember now, five million to the Republic of Liberia, and the evidence tended to show, if it did not conclusively show, that that, of course, was not to be used in the prosecution of the war, for the war was over, and, furthermore, there was an absolute inability on the part of Liberia to aid in the prosecution of the war. It was to pay a bonded debt which that little Republic had created, I believe it was stated, to some American financiers. It occurs to me now that I afterwards heard that that was controverted.

A few days ago I read in the press that the proposition to loan Liberia $5,000,000 was now under discussion by the present administration, and that it had been favorably discussed by the proper officers. It thus occurred to me that probably these words, "or hereafter," might be intended to cover any loans or advances which might be made of this $300,000,000 left over under the Liberty loan acts. That is certainly a better explanation than has been made of it by the proponents of this bill.

In view of that fact, I think it would be very proper to have an amendment to this bill so as to prevent any further such advances to aid our allies or others in winning the war, now some two or three years after the war is over, and I offer the amendment which I send to the desk.

Mr. McCUMBER. I understand there is one amendment pending.

Mr. ROBINSON. Let the amendment be read.

Mr. SHIELDS. I ask that it be read and lie on the table until we dispose of the pending amendment.

The VICE PRESIDENT. The Secretary will report the amendment.

The READING CLERK. It is proposed to add a new section to the bill, as follows:

SEC. —. No further moneys shall be paid under the authority of the so-called first Liberty loan act, approved April 24, 1917; the so-called second Liberty loan act, approved September 24, 1917; the so-called third Liberty loan act, approved April 4, 1918; the so-called fourth Liberty loan act, approved July 9, 1918; or the so-called Victory loan act, approved March 3, 1919, unless express authority of Congress shall hereafter be granted.

Mr. KING. Mr. President, perhaps I misunderstood the position of the Senator from Idaho [Mr. BORAH] in the remarks made by him a moment ago, but if I interpreted his position correctly it was that because the United States held the obligations of certain European nations there was no reason for transmuting the same into long-time obligations. I am constrained to dissent from that view, at least if it shall be contended that there is no moral obligation resting upon the United States to extend the time of payment of the demand notes held by the United States. It is my understanding that the credits extended to our allies called for obligations to be given by them, which were to be of substantially the same character as those executed by the United States when it borrowed money during the war. The first Liberty loan act, approved April 24, 1917, declared that it was an act to authorize an issue of bonds to meet expenditures for the national security and defense and for the purpose of assisting in the prosecution of the war, to extend credit to foreign Governments, and so forth.

The provisions of the acts of Congress bearing upon this question, in substance, are that the United States should purchase at par the obligations of our allies, and that the debtor nations should evidence their indebtedness to the United States by giving bonds bearing the same rate of interest and substantially the same provisions as the bonds of the United States issued under the provisions of such acts. In the pressure incident to the war credits were extended to our allies, but bonds were not given by the allied nations evidencing the indebtedness resulting from the advances. Obligations were issued of a temporary character and payable on demand, with the understanding that these obligations were to be taken up and long-time bonds given by the debtor nations to the United States, the terms of the same being substantially the same as found in the bonds issued by the United States. The United States issued bonds to the extent of billions of dollars. These bonds do not mature, perhaps, for 20 or 30 years.

Mr. McCUMBER. They mature in 1947.

Mr. KING. Mr. President, the debtor nations understood—or, at least, they were justified in believing—that their short-time obligations would be transmuted or converted into long-time obligations; and I insist that there is a moral obligation on the part of the United States to take up the notes and obligations now held by the United States and given by the allied nations and to refund the indebtedness and accept from these nations bonds carrying the same rate of interest and payable at the same time as provided in the bonds issued by the United States.

Mr. President, though I believe that our allies are entitled to have their indebtedness refunded, I am not in favor of the pending bill. My contention is that existing law is sufficiently broad to authorize the Secretary of the Treasury to refund the indebtedness due to the United States. He has the authority to receive the bonds of the debtor nations containing substantially the same provisions as to interest and time of payment as are found in the bonds issued by the United States.

It is possible that in the negotiations that may be called for in effectuating this result some conditions may develop that may call for further action upon the part of our Government. In that event, if it is a question between the United States and other nations, the President of the United States, under his constitutional powers, can present the matter to the nations involved and enter into such arrangements as he may deem proper to fully settle and adjust the matter. These arrangements may be denominated a "contract" or a "treaty." Upon concluding the matter he can then submit it to the Senate for its action.

But at the present time there is no controversy between the United States and other nations growing out of these obligations. The debtor nations have not applied to the United States for a modification of the terms under which they obtained the money. They voluntarily gave their obligations and, as I understand, are willing now to refund the short-time obligations and to execute suitable bonds evidencing their indebtedness. What is the necessity of further legislation?

But if, as stated, a situation develops which shows that the present law does not fully comprehend all questions that may arise, then the President possesses full authority to enter into agreements respecting any possible controversy or question of doubt and then submit them to the Senate for action. Therefore, Mr. President, I contend that we are wasting time in discussing the present bill.

The debate upon this bill might give the impression to disinterested parties that the United States was pressing with severity its claims against its former allies. I have sometimes thought that there was too much feeling exhibited in various parts of our country against our allies and that there was some form of propaganda calculated to inflame the minds of the people against the brave and heroic people who gave so much in defense of liberty and to secure in part at least the same objects as were sought by the United States when it entered the war.

Mr. President, we should take into account the bankrupt condition of Europe and the critical situation of our former allies. Most of the nations of Europe are in a precarious condition, not only politically but economically and industrially. The domestic debts are so stupendous as to be beyond our powers of comprehension, and the obligations to the United States are so enormous that it seems almost impossible for the debtor nations to meet them. They have but little gold. The credit of most of them is exhausted. Their production, not only of finished products but of raw materials, is reduced to a minimum, and the entire situation is such as to call for most generous treatment upon the part of the United States. I have no sympathy with any effort to drive sharp bargains with our debtor nations or to augment their burdens and intensify their griefs. I am anxious to aid in every possible way the rehabilitation of Europe. I desire to see the sun of prosperity shine upon all lands and peace and justice abound in all the earth. It would be poor policy for the United States to cut from Europe the pound of flesh and destroy the European nations economically.

The United States derived hundreds of millions of dollars of profit annually in her commercial relations with Europe. If Europe is prosperous it will bring added prosperity to our country. A bankrupt Europe would mean a distressed, if not bankrupt, United States. Of course, it would mean the loss of the sixteen to eighteen billions of dollars owing from Europe to the United States. It would mean, moreover, the destruction of our foreign trade and commerce, with the destructive reactions that would follow.

Something has been said by the Senator from Idaho about cancellation of the European debts. There is much to be said in favor of a cancellation by European nations of all debts

due each of them, and a cancellation by the United States of the obligations due it from our former allies. Undoubtedly, if these mutual obligations were, in the language of the Senator from Idaho, "wiped out," there would be a remarkable revival in the trade and commerce of the world. If Great Britain were to release her debtors of the eight billions due her, and she were to be relieved from her indebtedness to the United States, it would be of immense advantage to the nations of Europe, and if the cancellation extended to all, undoubtedly Europe would be greatly prospered and benefited.

There are two sides to this question. Many reasons have been given by Mr. Vanderlip and other distinguished Americans in favor of a mutual cancellation of obligations growing out of the war. A recent book has been written by Mr. John Foster Bass, who gave us a most admirable work on "The Peace Tangle," and Dr. Moulton, a book entitled "America and the Balance Sheet of Europe." They recommend that the United States cancel the allied debts due to it. They review the conditions of Europe and offer valuable suggestions looking to an alleviation of the almost intolerable conditions that now exist throughout the world. Senators will remember the statement by Mr. McKenna, former chancellor of the British exchequer, who said that "if the broken countries of Europe are not restored, even the States still solvent will slip, one by one, into the general ruin."

Mr. President, even a selfish policy upon the part of the United States would require that it address itself in every proper way to a stabilization of economic as well as political conditions in Europe. If the weak States of Europe fall, the stronger ones will be dragged down, and with economic and political chaos in Europe no one can foretell the awful catastrophe that would engulf the world. This is a time for world fellowship, for a fine spirit of internationalism, for generous Christian brotherhood, for helpfulness, and for the application in international affairs of that true altruism which in the end must triumph and bring nations and peoples into harmonious relations.

Mr. President, I am not advocating that we cancel the debts due from the allied nations to the United States. I would not, as I now see the situation, vote for such a measure, but I do plead for a policy to be adopted with reference to our international dealings that is not only just but is essentially humane and generous. I plead for a spirit of amity and indeed affection that will bind together not only the allied and associated nations but all the nations of the earth. A narrow, provincial nationalism is not consistent with the spirit of the hour, and the great nation is the one who carries justice and mercy and fellowship and heals the nations afflicted.

Mr. McCUMBER. Mr. President, there is only one question in the case now, and that is the question whether or not we should strike out the word "hereafter"—obligations of a foreign Government which may "hereafter" come into the hands of the United States. We are settling and propose to settle in this case the obligations for the sale of supplies made by the Navy or the Army which are still over in France. We have been making such sales recently. We made some sales only a few days ago.

The question is, if we make some such sales after the bill has been passed and the law enacted and we desire to include in the settlement any amount arising from such sales, whether or not we should allow such amounts to be funded into long-time bonds. I think we should. I do not know why we should leave out a few million or a few hundred thousand dollars in the final settlement with France or Belgium or Great Britain simply because it was not an obligation at the time we passed this bill.

I can not imagine that the word "hereafter," in the sense in which it is used, could cover anything else. Remember that we are dealing with obligations which grew out of the World War, and it is so stated that these are the obligations. There is a question in my mind whether this obligation for a sale now of property that was shipped over to France during the World War could be considered an obligation growing out of the World War. Of course, the thing which was sold was something that we transferred to the shores of France during the war, and it would not pay us, possibly, to ship it back to the United States.

I would like to have such sums included in our settlement if there should be any made after this bill becomes a law and before the matter is fully settled. I can not see any serious objection to that. I do not think that it amounts to a great deal. It will not cover very many claims at most, but it ought to be broad enough so that it would cover any claim that might come into existence which was directly or indirectly connected with the World War.

Mr. REED. Mr. President, will the Senator yield for a question?

Mr. McCUMBER. I yield.

Mr. REED. Why would it not cover the right to accept the obligations of Liberia, for instance, for the $5,000,000 loan that we are told it is proposed to make under the claim that it is covered by commitments or arrangements made by virtue of the World War bond act?

Mr. McCUMBER. Liberia is not owing us that sum now. We did not advance the money. She has not received the money. We necessarily have not her obligation. If we advance the money to her, I assume it will have to be done pursuant to some kind of an arrangement by treaty with Liberia under which she will receive it. If the President, by and with the advice and consent of the Senate, loans Liberia $5,000,000, or feels, by reason of the relations which existed between this country and Liberia, that we still ought to extend the $5,000,000 credit which we did not extend to her, that would be the subject of a treaty and the terms of which would be fixed under the treaty. The Senator does not claim now that what we propose to do with Liberia in the future is an obligation that would come under the provisions of the pending bill?

Mr. REED. I am very much afraid it would.

Mr. McCUMBER. I think not. I can not imagine that we can make a loan to Liberia now without either congressional action or a treaty. It has to be done by some kind of law. As a matter of fact, there is no claim on the part of Liberia at the present time. She gave an obligation at one time under which she was supposed to have a credit. She did not draw the money, and the obligation has been canceled.

Mr. REED. Oh, no.

Mr. McCUMBER. Yes; the obligation has been canceled, and if the Senator will call up the Treasury Department he will find that is the case. Having been canceled, there is no obligation on our part to advance the amount, and there is no indebtedness now due us from Liberia. If we create an obligation hereafter by loaning them money, we have to get further authority from Congress.

Mr. REED. Will the Senator answer a further question? When was our arrangement with Liberia canceled?

Mr. McCUMBER. It was withdrawn on the 4th day of November last.

Mr. REED. The Senator certainly will desire to reexamine that question if he means that it is claimed that the United States Government has absolutely declined to carry out the arrangement for the payment of $5,000,000.

Mr. WATSON of Indiana. Mr. President, will the Senator permit me?

Mr. McCUMBER. Certainly.

Mr. WATSON of Indiana. The reports of the Secretary of the Treasury states that—

> the credit in favor of Liberia was established only for a specific purpose. The balance of this credit was withdrawn on November 4, 1921.

Mr. REED. That is, the credit?

Mr. WATSON of Indiana. Yes.

Mr. REED. That does not cover the whole question. It was contended during the hearings on the matter that we were still under obligation to Liberia.

Mr. WATSON of Indiana. My recollection about it is, if the Senator will permit me, and his may accord with mine, that we were under some obligation to grant a credit of $5,000,000 to Liberia some time during the war, but that expired by reason of some limitation or other, the terms of which I have forgotten. England was to advance so much and France so much, and they advanced their portions, and we were under some sort of a moral obligation to advance the remainder, but the Secretary of the Treasury, my recollection is, said that it could not be done without authority of Congress, and that that was hereafter to be asked.

Mr. REED. I think the Senator is in error and the record, of course, will have to be examined.

Mr. WATSON of Indiana. Yes; we will have to look at the record.

Mr. REED. The point I am making and the question I am asking the Senator is, Suppose it is true that we shall hereafter sell goods to European countries and sell them on credit, does the Senator then contend that this commission would have the authority to fix the terms of payment?

Mr. McCUMBER. Not as the bill now stands.

Mr. REED. If the Senator leaves the word "hereafter" in it certainly will have that authority.

Mr. McCUMBER. No; because the words "or hereafter" there used relate to obligations arising out of the World War. If we should now sell anything to any foreign Governments, unless possibly the transaction might connect itself with some

understanding or obligation made while the World War was in existence, we could not say that it arose out of the World War.

Mr. REED. Then, if the Senator please, that cuts the entire ground out from under those who have been claiming that the reason they want the words "or hereafter" left in the bill is to take care of these very claims for the sale of goods which the Senator now says we can not make and that would not be covered under this bill.

Mr. McCUMBER. Mr. President, let the Senator from Missouri be fair. I said that we did make arrangements in France and elsewhere for the sale from time to time of surplus material which was shipped over to the Old World while we were carrying on the World War and that probably sales of goods that were over there, that were to be taken over by those Governments, and the prices later to be fixed upon, might be said to grow out of the World War. Certainly such transactions would have to be connected in some way with the obligations of the World War in order, as the bill now stands, to have the bill apply to them.

Mr. REED. But every claim connected with the World War has been settled long ago.

The VICE PRESIDENT. The time of the Senator from North Dakota has expired.

Mr. POMERENE. If I may, I will ask the Senator from North Dakota a question in my own time, and let him answer in my time.

The VICE PRESIDENT. The Senator from Ohio.

Mr. POMERENE. The Senator from North Dakota has stated, and I know it to be a fact, that our Government has been selling war supplies to France from time to time. I was disposed to think that those supplies had all been sold, though I may be in error about that; but as the War Department sold them, it is to be presumed that they had the right to determine the terms of settlement. Do they not have that power under the law?

Mr. McCUMBER. They may have that power.

Mr. POMERENE. Then, if that be so, what is to be gained by incorporating the words referred to in this proposed law?

Mr. McCUMBER. We could not take bonds; there is no question about that. The only thing on earth we could take would be cash. The whole question here is whether we should put these obligations into the form of long-time bonds or simply leave them as demand obligations.

Mr. POMERENE. Has the Senator from North Dakota the statute before him which authorized the War Department to make these sales?

Mr. McCUMBER. No; I have not that statute before me. I will ask the Senator if I may, in his time, refer to another matter which has been alluded to by the Senator from Missouri [Mr. REED]?

Mr. POMERENE. I shall be very glad to yield to the Senator from North Dakota for that purpose.

Mr. McCUMBER. In the testimony of Mr. Mellon he was asked about this Liberia matter. I quote from his testimony, as follows:

> Senator REED. How about Liberia? When did they withdraw their claim?
>
> Mr. MELLON. Liberia has not withdrawn any claim. Liberia is still requesting that advancements be made; but the Treasury does not regard the request as a binding one that the Treasury is under any obligation to comply with.

I think that clearly shows the attitude of the Treasury Department; and I think since that testimony was taken—though I am not certain as to the time—the obligation which Liberia gave for the advancement has been marked "canceled and surrendered."

Mr. SHIELDS and Mr. LENROOT addressed the Chair.

The VICE PRESIDENT. The Senator from Wisconsin, not having spoken, is recognized.

Mr. LENROOT. Mr. President, I think the situation as to Liberia ought to be clearly understood, and if I do not state it accurately I hope the chairman of the Finance Committee will correct me.

As I understand, there was a credit extended Liberia of $5,000,000. That credit was opened and was extended upon Liberia making certain arrangements with regard to the prosecution of the war. Only $26,000 of that $5,000,000 credit was ever taken by Liberia, and that is the total amount that Liberia now owes the United States. The President of the Republic of Liberia was over here last year. Liberia claims that, having fulfilled all of the conditions under which the credit was granted by the United States but not having availed herself of it at that particular time, she is still entitled to the $5,000,000 less the $26,000 which she has received. I understand the executive department admits the moral obligation and the claim of Liberia, and that the credit would be extended except for the fact that under the statutes authorizing these loans the Secretary of the Treasury has no longer any power to make any advance or loan to any nation. Therefore, while the moral obligation to Liberia still remains, there is no power existing, and can not be without further legislative authority, to carry out that moral obligation, and no money can be advanced to Liberia unless Congress by legislative action or by treaty shall authorize it. Have I stated the situation correctly?

Mr. McCUMBER. The Senator has stated the situation exactly as I understand it to exist.

Mr. REED. Mr. President——

Mr. LENROOT. I yield to the Senator from Missouri.

Mr. REED. Does the Senator from Wisconsin claim that there is any difference between the situation in which Liberia stands and the situation with reference to other countries for which the United States has established credits and who drew their money after the armistice? Does the Senator think the situation is different?

Mr. LENROOT. It is different in this respect: Under the bond acts there is no authority to advance or loan money to any nation except for one purpose—the prosecution of the war. Then, also, the authority to loan is limited to the countries who were at that time engaged in war with the enemies of the United States.

Mr. REED. That is true.

Mr. LENROOT. Now, under those acts, the authority of the President or the Secretary of the Treasury clearly has ceased so far as Liberia is concerned.

Mr. REED. Does the Senator from Wisconsin think that that is occasioned by the fact that we have actually made treaties of peace or that it is determined by the question of fact as to whether we were at war?

Mr. LENROOT. Certainly, where treaties of peace have been made, and particularly after we have entered into a treaty of peace with Germany, there clearly can be no authority to advance a single dollar.

Mr. REED. I do not think there was authority at first.

Mr. LENROOT. That may have been, but it is beyond question now.

Mr. REED. It was exercised and exercised upon the theory—I am trespassing upon the Senator's time and do not want to do so if he wishes to avail himself of the time—it was exercised upon the theory that we had made commitments during the war and that, having made the commitments, we must carry them out. Now, we did make a commitment to Liberia of some kind, and if——

Mr. LENROOT. I think I see the Senator's point, and I will say frankly that, in my view, if the last administration extended a credit or advanced money where a contract had not actually been executed between a foreign country and the United States—and Liberia never did execute her contract—from the time that the other nation had entered into a treaty of peace with Germany and no longer engaged in war with Germany the authority to extend the loan or credit ceased.

Mr. REED. If the Senator will permit me to interrupt him once more—and then I shall try to end this colloquy——

Mr. LENROOT. Mr. President, I will yield to the Senator in a moment. Whatever may have been the case before, I am sure he will not take the position that there is any authority, now that we have entered into a treaty of peace with Germany, to continue these advances.

Mr. REED. Mr. President, the situation as I understand it is this: After the armistice was signed and the war had actually ceased some two thousand million dollars were paid out of the Treasury. It was said in justification that we had obligated ourselves to pay it out, having established credits during the war to certain nations engaged in the war, and that as to other sums we were paying them out to other countries to which we might not have had actual commitments, but for expenses incurred during the war. I thought that all which was paid out after the war ceased, without further authority of Congress, was illegally paid, but the other view was taken, and it has continued apparently to be the view. One of the commitments we made was to Liberia. If we made that commitment during the war, why are we not bound by it just as we were bound in the case of other countries, because our obligation does rest upon the fact of war, but it rests upon the claim that a contract was made when the war was in existence.

Mr. LENROOT. Mr. President, I have only a minute left, and I shall have to interrupt the Senator there. As a legal proposition, I will say to the Senator that entering into an armistice does not mean the ending of a war. I believe the last administration acted wholly within their rights in continuing these advances for the duration of the armistice, but if any money was loaned out after the treaty of Versailles was entered

into the money thus advanced was wholly without authority. So far as the Liberian loan is concerned, there can be no question that whatever authority had existed has expired, and not one dollar can be advanced to Liberia now without further authorization of Congress or by treaty.

Mr. SHIELDS. Mr. President, I wish to call the attention of the Senator from Wisconsin to the facts in regard to the Liberian loan, for I do not think he has stated them with entire correctness, as I understand them, although I happened to be out of the Chamber when this discussion began.

I referred a while ago to the bill now pending before the Judiciary Committee in regard to the making of further loans after the armistice, either on commitments already made or commitments to be made. I will say that I am sure that bill was never reported because of the assurance of the then Secretary of the Treasury that no further commitments or loans would be made to foreign countries, which, because the war was over, were supposed not to be entitled to such loans under the provisions of the bill to which I have referred. The correspondence in regard to these foreign loans between the Secretary of the Treasury and other departments of the Government was also submitted to the committee, and was carefully considered, and a report of the substance of them made.

In regard to Liberia, it was said in that report:

Under the Liberty loan act, which authorizes the Secretary of the Treasury, with the approval of the President, to make loans to foreign Governments then engaged in war with enemies of the United States for the purpose of the prosecution of war, a credit of $5,000,000 was established for the Government of Liberia. This credit was established September 9, 1918. Upon this credit advances were made to the extent of $26,000, which was for the purpose of sending the Liberian delegation to the peace conference.

The VICE PRESIDENT. The Senator's time has expired.

Mr. WATSON of Georgia obtained the floor.

Mr. SHIELDS. Mr. President, I should like to ask that the balance of this statement be printed in the RECORD as part of my remarks; but I was speaking on the pending amendment.

The VICE PRESIDENT. The Senator has already spoken once on the pending amendment.

Mr. SHIELDS. I offered one amendment, and one is pending.

Mr. WATSON of Georgia. I cheerfully yield to the Senator from Tennessee. The Senator can use part of my time if he desires.

Mr. SHIELDS. In the time of the Senator from Georgia, then, I will finish reading this statement.

Mr. JONES of Washington. Mr. President, that can not be permitted A Senator can not farm out his 10 minutes, under the rule.

Mr. SHIELDS. Then in my own time, when the amendment is presented to the Senate, I shall finish reading this report and give the facts concerning it.

The VICE PRESIDENT. Without objection, the balance of the statement will be printed in the RECORD.

The matter referred to is as follows:

I have not attached the correspondence on Liberia, because the committee in the examination of Mr. Kelley went into the Liberian matter thoroughly and placed in the record the correspondence showing all of the facts.

There now remains an unexpended balance under the credit established for Liberia of $4,974,000, and a mission from Liberia arrived in this country a few weeks ago to try and obtain advances on this credit so established.

Mr. WATSON of Georiga. Mr. President, on page 426 of volume 2 of Blaine's Twenty Years of Congress, I find the following, speaking of President Grant, of course:

As soon as the President's message was read Mr. Sherman, of Ohio, asked "unanimous consent to introduce a bill repealing so much of the act of September 2, 1789, as prohibits the Secretary of the Treasury from being concerned in carrying on the business of trade or commerce and providing instead that in no case shall he act on any matter, claim, or account in which he is personally interested." Mr. Sumner objected to the introduction of the bill, suggesting that it ought to be "most profoundly considered before it is acted upon by the Senate."

In brief, President Grant withdrew the name of Mr. A. T. Stewart, the big business man of New York, because of the statute of 1789. The clause of that statute applying to this subject is as follows:

No person appointed to the office of Secretary of the Treasury, or first comptroller, or first auditor, or Treasurer, or register, shall, directly or indirectly, be concerned or interested in carrying on the business of trade or commerce, or be owner in whole or in part—

And so forth. The balance applies to other things.

Mr. President, the Senator from Missouri [Mr. REED] cited facts, apparently upon the highest authority, showing that the present Secretary of the Treasury is one of the largest business men of the world, possibly as large a business man as Rockefeller, engaged actively in 60 different corporations, as I remember the number—at any rate, a very great number of corporations—one of which is the Aluminum Trust. In reference to this very bill, where he is to become ex officio a member of this commission, I submit to Senators whether this statute is not worthy of serious consideration as to whether he is qualified to serve on this commission, or qualified to hold the office of Secretary of the Treasury.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Missouri [Mr. REED].

Mr. REED. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. COLT (when his name was called). Making the same announcement that I made before with regard to my pair, I vote "nay."

Mr. McKELLAR (when his name was called). Making the same announcement as heretofore as to my pair and its transfer, I vote "yea."

Mr. RANSDELL (when his name was called). I have a pair with the junior Senator from Delaware [Mr. DU PONT]. In his absence, I withhold my vote.

The roll call was concluded.

Mr. STERLING. Making the same announcement as on the former roll call as to my pair and its transfer, I vote "nay."

Mr. OWEN. I find that my pair, the Senator from New Jersey [Mr. EDGE], has not voted. I transfer that pair to the Senator from Utah [Mr. KING] and will vote. I vote "yea."

Mr. McCORMICK. Making the same announcement as before, I vote "nay."

Mr. McCUMBER (after having voted in the negative). My pair, the junior Senator from Utah [Mr. KING], sent me a day or two ago a note stating that if at any time he was absent from the Chamber I was at liberty to vote, and hence I will allow my vote to stand.

Mr. CURTIS. I have been requested to announce that the Senator from California [Mr. JOHNSON] is paired with the Senator from Pennsylvania [Mr. CROW], and that the Senator from Massachusetts [Mr. LODGE] is paired with the Senator from Alabama [Mr. UNDERWOOD].

The result was announced—yeas 27, nays 42, as follows:

YEAS—27.

Ashurst	Hitchcock	Owen	Simmons
Caraway	Jones, N. Mex.	Pittman	Stanley
Dial	La Follette	Pomerene	Swanson
Fletcher	McKellar	Reed	Walsh, Mass.
Harris	Myers	Robinson	Walsh, Mont.
Harrison	Norris	Sheppard	Watson, Ga.
Heflin	Overman	Shields	

NAYS—42.

Ball	Ernst	McCumber	Poindexter
Brandegee	Fernald	McKinley	Spencer
Bursum	Frelinghuysen	McLean	Sterling
Calder	Gooding	McNary	Sutherland
Cameron	Hale	Moses	Townsend
Capper	Jones, Wash.	Nelson	Warren
Colt	Kellogg	Nicholson	Watson, Ind.
Cummins	Keyes	Oddie	Williams
Curtis	Ladd	Page	Willis
Dillingham	Lenroot	Pepper	
Elkins	McCormick	Phipps	

NOT VOTING—27.

Borah	Gerry	Lodge	Smoot
Broussard	Glass	New	Stanfield
Crow	Harreld	Newberry	Trammell
Culberson	Johnson	Norbeck	Underwood
du Pont	Kendrick	Ransdell	Wadsworth
Edge	Kenyon	Shortridge	Weller
France	King	Smith	

So Mr. REED's amendment was rejected.

Mr. NORRIS. Mr. President, I offer the amendment which I send to the desk.

Mr. SHIELDS. Mr. President, I understood the Senator from Nebraska to say some time this afternoon that his amendment was to be offered last, after all other amendments had been offered.

Mr. NORRIS. Any other amendment would take precedence over mine, because it is a substitute. I assumed that all the amendments had been offered except the amendment of the Senator from North Carolina [Mr. SIMMONS], who kindly said that he would offer his afterwards. The Senator can offer an amendment now if he desires.

Mr. SHIELDS. I have an amendment which I desire to offer. I will ask the Senator to withdraw his amendment so that I may have this one passed upon.

Mr. NORRIS. Very well; I am perfectly willing to do that. I withdraw the amendment.

The PRESIDENT pro tempore. The Senator from Nebraska withdraws his amendment. The Senator from Tennessee offers an amendment which will be stated.

The READING CLERK. It is proposed to add at the proper place in the bill a new section, to read as follows:

No further moneys shall be paid under the authority of the so-called first Liberty loan act approved April 24, 1917, the so-called second Liberty loan act approved September 24, 1917, the so-called third Liberty loan act approved April 4, 1918, the so-called fourth Liberty loan act approved July 9, 1918, or the so-called Victory loan act approved March 3, 1919, unless express authority of Congress shall hereafter be granted.

Mr. SHIELDS. Mr. President, I desire to read from the report made to the Judiciary Committee upon the bill prohibiting further advances under commitments to foreign nations after the termination of the war, of which I have spoken. I will read it all in order that it may appear consecutively in the RECORD:

Under the Liberty loan act, which authorizes the Secretary of the Treasury, with the approval of the President, to make loans to foreign Governments *then engaged in war with enemies of the United States for the purpose of the prosecution of the war*, a credit of $5,000,000 was established for the Government of Liberia. This credit was established September 9, 1918. Upon this credit advances were made to the extent of $26,000, which was for the purpose of sending the Liberian delegation to the peace conference. I have not attached the correspondence on Liberia, because the committee in the examination of Mr. Kelley went into the Liberian matter thoroughly and placed in the record the correspondence showing all of the facts.

There now remains an unexpended balance under the credit established for Liberia of $4,974,000, and a mission from Liberia arrived in this country a few weeks ago to try and obtain advances on this credit so established.

Mr. President, Mr. Kelley, the gentleman referred to, had some connection with the Treasury Department. I have forgotten his position, but he was a very intelligent man, and explained it fully, and I am sorry I have not now before me his testimony, which fully sustains this report. There was a commitment, and it conclusively appears from his testimony, and all the facts warrant this report made to the committee which I have just read.

Mr. REED. Mr. Kelley was Assistant Secretary of the Treasury in charge of foreign loans.

Mr. SHIELDS. That is the position he held, as I now remember. I am glad the Senator furnished the information.

If the commitment to Liberia was binding, of course they were entitled to the money. I understood from a paper that was being read, perhaps by the Senator from Indiana, when I returned to the Chamber, that Mr. Mellon, the present Secretary of the Treasury, had said that the commitment was canceled. Was that correct?

Mr. WATSON of Indiana. That is correct.

Mr. SHIELDS. I would like to ask the Senator further, as I have not read the evidence of the Secretary before the committee, whether that was by mutual consent?

Mr. WATSON of Indiana. The Secretary of the Treasury, I will say to the Senator, in his testimony before the Finance Committee, made the statement that—

Liberia has not withdrawn any claim. Liberia is still requesting that advancements be made, but the Treasury does not regard the request as being one that the Treasury is under any obligation to comply with.

Mr. SHIELDS. In other words, the present Secretary takes the contrary view, that it was not authorized by the law, and he himself canceled it?

Mr. WATSON of Indiana. I do not think the Secretary of State has ever requested the Secretary of the Treasury to carry out this obligation, and the Secretary of the Treasury goes on in his testimony to say that unless and until the Secretary of State shall call upon him, as the Secretary of the Treasury, to fulfill that obligation it will not be fulfilled, and I understand that the Secretary of State has said that this will not be done, and in fact that it can not be done until there is legislation authorizing it.

Mr. SHIELDS. How does the Senator get that understanding of the views of the Secretary of State upon the subject?

Mr. WATSON of Indiana. I had a conversation with Secretary Hughes over the telephone about it. That was at the time Secretary Mellon appeared before the committee. I do not like to repeat the conversation offhand, word for word, but that is simply my recollection of the conversation.

Mr. SHIELDS. I simply wanted the source of the Senator's information, and to know whether there was any record made of the views of the Secretary of State.

Mr. WATSON of Indiana. So far as I know, there is no record of it; but my understanding is that because of the conditions existing at the time and the understandings that were had at the time, our State Department believes that there is a moral obligation to discharge that obligation—to pay that money, $5,000,000.

Mr. SHIELDS. That the State Department now thinks there is a moral obligation?

Mr. WATSON of Indiana. My understanding is that legislation will be asked by and by to permit the payment of that sum to Liberia.

Mr. SHIELDS. That somewhat answers the question I was about to ask, whether this discussion of the matter occurred recently?

Mr. WATSON of Indiana. No. These hearings on that question were had before the Finance Committee, I think, in July, four or five months ago.

Mr. SHIELDS. Can the Senator give some light upon the subject of the present agitation of the matter?

Mr. WATSON of Indiana. No; I can not.

Mr. SHIELDS. Was the statement in the public press a few days ago that this loan would be made, that this commitment would be carried out, correct or not?

Mr. WATSON of Indiana. My understanding is that there has been no change of view by the Secretary of the Treasury.

Mr. SHIELDS. The Senator saw in the public press that the matter was being discussed and discussed favorably for Liberia, did he not?

Mr. WATSON of Indiana. The Senator from Missouri [Mr. REED] asked this question, speaking to the Secretary of the Treasury:

But suppose the State Department came to you to-morrow and said, "We have had negotiations with Liberia. We have reached an agreement. We told Liberia that they should have this $5,000,000, and we told the Treasury so, and the Treasury put it to their credit." Now, what are you going to do with that case?

Then Assistant Secretary Wadsworth spoke up and said:

I understand, informally, that the State Department has determined not to make any such statement.

Then Secretary Mellon said:

I think that is the situation.

I can not read all of this in the Senator's time, because it would exhaust the time, but my understanding is that the Secretary of the Treasury considers that he is under no obligation whatever to carry out that commitment, and I understand the present Secretary of State has the same view, but that there is a moral obligation to do that, dependent upon the future action of Congress.

Mr. SHIELDS. The Senator did not seem to catch my inquiry. Did he not read in the public press only last week that the matter of carrying out the terms of that commitment was now being discussed, and discussed favorably in behalf of Liberia?

Mr. WATSON of Indiana. I read something of that kind in the press.

Mr. SHIELDS. Does the Senator know whether or not that is true?

Mr. WATSON of Indiana. No; I do not. I can find out in a very little while, if the Senator is anxious to know.

Mr. SHIELDS. In view of those facts, I can not think that this amendment would do any harm, and it might do much good. Certainly no more money ought to be advanced for the prosecution of the war, and I will ask for a vote on the amendment.

Mr. KELLOGG. Mr. President, so far as the amendment of the Senator from Tennessee is concerned, it seems to me it ought not to be adopted. It is not necessary. It appears, of course, that on September 19, 1918, the Government extended a credit to Liberia of $5,000,000 in the same form it had extended credits to other countries, on which $26,000 was advanced. President Wilson, in two letters, of which I can not give the dates, stated to the Secretary of the Treasury that he thought there was a moral obligation, and that that money ought to be paid to Liberia, and, so far as I know, that was his position when he went out of office.

I know of no discussion or consideration whatever by any department of the present administration looking to a fulfillment of that moral obligation without an act of Congress, and clearly it requires an act of Congress. The credit was extended to Liberia, Liberia complied with the conditions which were required of her, but before the money was finally paid to her the time elapsed, peace had been made, and there was no legislative authority to carry it out.

What is the use of enacting a piece of legislation providing that the Government shall fulfill its moral obligation when an act of Congress is going to be necessary in any event, and all the facts then ought to be laid before the Congress, and will be? I know that it is the opinion of the Secretary of State, and I believe of the Secretary of the Treasury, and I believe of the President, that if that moral obligation is to be carried out, it must be by legislation of Congress, when all the facts will be furnished, if such legislation is asked for.

As to whether it should be carried out, Congress can pass upon that at the time. There are many circumstances and conditions surrounding this loan which ought to be fully discussed, and which undoubtedly will be, if any legislation is asked; but I see no object in putting on this bill a declaration of what we will do in the future, when we have to have legislation to carry out that moral obligation if we are ever going to do it, and I do not think the amendment ought to be adopted.

Mr. LENROOT. Mr. President, I am very sure that if the distinguished Senator from Tennessee would refresh his mind as to the actual terms of the law under which these loans were authorized, and then apply the terms of the law to the facts in the case of Liberia, he would see that his amendment is wholly unnecessary, and that no loan can now be made to Liberia without further legislative authority. These loans were for the purpose of prosecuting the war, and they could be made to a country then engaged in war with enemies of the United States, and the authority was to purchase obligations of such countries upon the terms named in the law.

If I understand the facts, Liberia never offered, never gave, and the United States never received, any obligations whatever from the Liberian Republic. Certain formalities were to be complied with, which were in fact never complied with by Liberia, and so there can be no possible question that there is no authority at present with the Executive or the Treasury Department to make this loan, and it is my understanding that the credit upon the books of the Treasury Department was canceled, not because they felt there was no obligation but because there was wholly wanting any authority to make any advances to the Republic of Liberia without further legislative authority.

Mr. REED. Mr. President, we ought not to get far afield in ascertaining the facts with reference to this matter. We discuss two or three questions at the same time and assume our facts as we go along, and it leads to some confusion. Now, what are the facts?

The Liberty loan act provided that the money should be borrowed from the people of this country, and, speaking of them in the aggregate, $10,000,000,000 could be loaned to foreign countries or credits established for the benefit of foreign countries. Under that provision credits were established for nearly all of the foreign countries, and, among others, a credit was established for Liberia. When the actual war ceased there still remained some $2,000,000,000 of credits established, the money for which had not been drawn down. The Treasury Department proceeded to pay out the money upon these credits to the amount of nearly $2,000,000,000.

When the authority to so do was challenged by Senators who were sitting on the Committee of the Judiciary considering the bill which I had introduced to stop further advances, the argument was made that we had obligated ourselves to these countries during the war and hence we were obliged to carry out our obligations. Liberia was included with the other nations and treated in exactly the same manner as the other countries. There were, in addition to the commitments of which I have spoken made to countries engaged in the war, certain commitments or alleged commitments which had been made to countries after the armistice was signed.

There has been no change in that situation from the day the Secretary of the Treasury appeared before the Committee on the Judiciary, which was on February 2, 1921, and the present time, except that we have formally declared peace between this country and Germany, Austria, and Turkey. But the formal declaration of peace in no manner changes our obligation to those countries if it was an obligation. The question as to whether the obligations could be legally incurred is not here, because the Treasury has been treating all of these commitments as binding upon the United States, morally and legally. We have of course in many instances arranged that when a country's claims were satisfied or its rapacity was satisfied, no more money would be advanced, but as to Liberia there has been an insistent claim all along by Liberia that she is entitled to this $5,000,000.

Speaking roughly, Liberia's claim is bottomed upon this, that she came into the war at the request of the United States; that by coming into the war she knew she would lose and did lose a large amount of revenue, and, indeed, that she had begun to lose that revenue before she entered the war, though after the war had begun in Europe; and that therefore the United States must come in and advance her $5,000,000, this $5,000,000 being advanced for the purpose of taking up the securities or obligations of a bank which I think is called the Anglo-Liberian Bank, although I may be mistaken in the name, and which had been in some manner guaranteed by England, I think France, and some other country. In fact, Liberia was in a receivership and her revenues were impounded under this agreement to take care of the indebtedness of this bank. That is as accurate a statement as I can make after nearly a year has elapsed since I heard the testimony.

We apparently came in to take care of Liberia's obligations which she owed to English and French creditors, the United States in this instance, as in all others, proposing to be the one that would in the end pay the money.

I have here, and I must make this statement very hurriedly, the testimony of Mr. Kelley, taken before the Committee on the Judiciary. At page 21, speaking of the Liberian loan, I asked Mr. Kelley this question:

Senator REED. I notice Liberia in this table, on page 335. On February 6, 1919, it appears that you advanced $12,000 to Liberia; on September 10, 1919, $6,000; and on September 24, 1919, $8,000, making $26,000 altogether. What was that advanced to Liberia for, to help her conduct the war against Germany?

Mr. KELLEY. The credit was established for that purpose.

Senator REED. Did she draw down any other sums?

Mr. KELLEY. She drew down $26,000.

And, to abbreviate it, that was $26,000 turned over to her to pay the expenses of her delegates to attend the peace conference in Paris.

At page 22 this question was asked:

Senator REED. At that time—September 9, 1918—you had established a credit for Liberia in the handsome sum of $5,000,000. She did not draw any of it until a year after the war was over. That is right?

Mr. KELLEY. No; I will not answer a question a little like that, because I do not express any opinion upon the question of the war being over. I ought not to be asked a question like that.

Senator REED. * * * Before we leave that, the rest of the money stands to-day to the credit of Liberia, does it not—the rest of the $5,000,000?

Mr. KELLEY. Yes; the balance of that credit of $5,000,000 has not been withdrawn.

At page 25 it is recited:

Senator KING. You referred to the fact that payments were made in 1919 to Liberia of $26,000; that there was a credit established of $5,000,000; and that there were small payments in 1919. Do you know whether that was paid to Liberia or whether it was paid to Americans for goods sent which they had furnished to Liberia at a prior date?

Mr. KELLEY. No; I think all that was to cover their expenses—

That is, the delegates' expenses—

at the peace conference.

Senator REED. Did we have to pay the freight on these gentlemen to the peace conference?

Mr. KELLEY. Is that a rhetorical question, or do you wish an answer?

At page 26, Mr. Kelley said further:

I think the Treasury could have made just a plain gratuity, an unrestricted advance, to any Government to get them into the war, or to do anything that was thought at the time to be beneficial for the purposes of the war. As a matter of fact, substantially all these loans were made on terms under which it was understood that they would be expended for goods manufactured in this country. But I think that as a means for getting any Government into the war, if it had been thought advisable to just pay—lend—them $5,000,000 and let that be the last of it, we could have done it.

At page 30:

Senator REED. Was there any question of further prosecution of the war by Liberia after the 11th day of November, 1918? Did you propose to give this money to Liberia in order to prosecute the war, or did you give it to her for just what you have said, to pay the way of these gentlemen, and I suppose to pay their entertainment also in Paris? It did not cost $26,000 to transport them to Paris, did it? That went to feed them, did it not, and to house them?

Mr. KELLEY. I do not know what it was for.

On page 36 I find this:

Mr. KELLEY. As stated on page 55 of the annual report of the Secretary of the Treasury, the balances of credits established in favor of foreign Governments are as follows.

There follows the list and in the list is—

Liberia, $4,974,000. Now, subject to such corrections as I may find, I believe that those are still the balances.

Then, at page 37, Mr. Kelley stated:

Would you mind if I read something into the record in the meantime, Senator, while you are looking that up? I want to call attention of the committee to the statement at the bottom of page 54 of the Secretary's annual report as follows, the last two lines on that page:

"No further credits will be extended under existing legislation by the Secretary of the Treasury in favor of any foreign Government, and consequently no further advances will be made to Governments in favor of which there are no existing balances."

Notice the language—

No further credits will be extended.

The PRESIDENT pro tempore. The time of the Senator from Missouri has expired.

Mr. McCUMBER obtained the floor.

Mr. SHIELDS. Mr. President, I was going to ask the Senator from Missouri a question, but I will ask it of the Senator from North Dakota. Did not the present administration make further advances to foreign nations upon commitments made by the former administration?

Mr. McCUMBER. I was going to cover that, but first I wish to say a word with reference to the assumption of the Senator from Missouri that unless we now declare in a law that the Secretary of the Treasury shall make no further advances, there are liable still to be advances made. He bolsters up that argument with the statement that after the armistice we kept on making advances or making payments in the sum of over two billion dollars.

Let us look at that for a single moment. We gave credit to these foreign Governments. We did not advance them any money. We simply gave them credits and they purchased goods in the United States of American manufacturers. Of course, instead of paying the foreign Governments we paid the American manufacturer, and we could not pay the American manufacturer until he had presented his bill and that bill had been O. K'd by the foreign Government.

Inasmuch as only a part of this, or about two-thirds of the entire credits, had been absorbed by the foreign Governments prior to the armistice, of course when the bills came in we made the payments. The payments did amount to more than $2,000,000,000, but they were indebtedness incurred and they were within the credits. Certainly that would not authorize us to assume because we paid in accordance with our then obligations that we shall continue to advance money when there is no obligation.

Let us look at the report of Secretary Houston, the Secretary of the Treasury in 1920. If Senators will turn to pages 54 and 55 of the report of the Secretary of the Treasury for 1920, they will find that the Secretary states:

> From April 24, 1917 (the date of the first Liberty loan act), up to November 15, 1920, the credits established after deducting credits which had been withdrawn and the cash advances were as follows.

Then he gives a table of just what credits were given and how much had been drawn against each one of the credits and the balance that was not drawn by the country to which the credit had been given. The only ones which were left at that time which had not been settled were Czechoslovakia, her balance being $6,072,834.36; Italy, $34,921,192.73; France, $50,496,977.24; and Liberia, $4,974,000. The total amount unsettled at that time was $96,465,004.23.

Then following the table the Secretary said:

> No further credits will be extended under existing legislation by the Secretary of the Treasury in favor of any foreign Governments, and, consequently, no further advances will be made to Governments in favor of which there are no existing balances.

Following that up with the report of the Secretary of the Treasury for the fiscal year ending June 30, 1921——

Mr. REED. Will the Senator permit me to call his attention to the language he has just read, "No further advances will be made or credits be established"? I think that is substantially the language. The credits had been established. That is the very point. A credit had been established for Liberia. The statement that no further credits would be established cuts no figure, for Liberia had already established a credit. The statement that no further advances would be made except where credits had been established does not help us, for Liberia already had a credit established, and I have just read the testimony to show it.

Mr. McCUMBER. Certainly, Mr. President, and I read what the balance of the credit to Liberia was at that time. Of course, Liberia was included, and I gave the amount. The amount of the credit which Liberia had not drawn was set out in the report to be $4,974,000. What became of that? If Senators will turn to pages 37, 38, and 39 of the annual report of the Secretary of the Treasury for the fiscal year ended June 30, 1921, they will find that the Secretary gives the date at which the credit was withdrawn in each one of these cases. So there is not a single credit now in existence to any foreign country, and no further advances could be made under the law.

Not only that, Mr. President, but when the present Secretary of the Treasury was called before the Finance Committee again and again he declared that there was no authority to make any further advances; that all of the credits had been exhausted; and that all of them had been withdrawn. So there can be no possibility of any claim that we can still under the old war authority extend credits to Liberia or to any other country; that matter is closed. If we feel at any future time that we have not done entire justice to Liberia, that through some technicality she was not able to secure the amount of her credit, and that it has since been canceled and we want to loan her that money, it will have to be done either by an act of Congress or by a treaty. I do not want to appear to assume by the incorporation of any kind of a prohibitive declaration in this bill that the Secretary of the Treasury or the administration intend still to continue the war authority to extend credits and to make payments. They have no such authority, and they say they have no such authority.

The PRESIDENT pro tempore. The Senator's time has expired. The question is on the amendment proposed by the Senator from Tennessee [Mr. SHIELDS]. [Putting the question.] The "noes" seem to have it; the "noes" have it, and the amendment is rejected.

Mr. WILLIAMS. Mr. President, I desire to ask what was the decision of the Chair as to the vote on the amendment of the Senator from Tennessee [Mr. SHIELDS]?

The PRESIDENT pro tempore. The decision of the Chair was that the amendment was not agreed to.

Mr. WILLIAMS. I call for a division on the amendment.

The PRESIDENT pro tempore. The Senator from Mississippi calls for a division on the amendment.

The question being again put on a division the amendment was rejected.

The PRESIDENT pro tempore. The bill is before the Senate as in the Committee of the Whole and is still open to amendment.

Mr. NORRIS. I now offer the amendment, which I have already sent to the desk, and ask that it be read.

Mr. WALSH of Montana. Will the Senator yield to me?

Mr. NORRIS. Does the Senator desire to offer another amendment?

Mr. WALSH of Montana. I am not quite certain as yet, but I wish first to get some information from the chairman of the committee.

Mr. NORRIS. Very well, Mr. President, I yield to the Senator from Montana for that purpose.

The PRESIDENT pro tempore. Does the Senator from Nebraska withhold his amendment?

Mr. NORRIS. I withhold the amendment.

Mr. WALSH of Montana. Mr. President, I observe that no provision is made in the bill for the salaries of the members of the proposed commission. I inquire of the Senator from North Dakota if there is any general provision of law under which salaries will be paid to the members of the commission, or is it expected that they will serve gratuitously?

Mr. McCUMBER. Let me first say that if there is no amendment pending, I suppose that the question which the Senator has asked and his argument are upon the bill itself? I do not want to have the Senator's question and my answer taken out of my time, but I can say very briefly in answer to his question in his own time that there is no provision made for the payment of any salaries; that if there are any salaries or expenses to be paid it will be necessary to have an appropriation for that purpose, and that would come from the other House.

Mr. WALSH of Montana. What I want to know is whether it is contemplated that the members of the proposed commission are to serve without compensation or whether it is in contemplation of those pressing the bill that an appropriation will be made for their salaries?

Mr. McCUMBER. The present Secretary of the Treasury certainly would serve without compensation.

Mr. WALSH of Montana. Quite likely.

Mr. McCUMBER. And if another member of the Cabinet should be selected, I suppose he also would serve without compensation.

Mr. WALSH of Montana. Undoubtedly.

Mr. McCUMBER. As to who the appointees will be, as to whether they will be judges or men who are already drawing compensation in other branches of the Government, I can not say; but when that matter is settled, then Congress can determine whether or not it is proper to vote an appropriation for their salaries.

Mr. WALSH of Montana. I did not intend to press any inquiry at this time as to who the commissioners were to be. What I wish to understand is whether it is contemplated by those pressing the bill that the commissioners are to serve without compensation or whether it is contemplated that an appropriation bill will be presented later taking care of their salaries?

Mr. McCUMBER. I have given the best answer I can give. I have no contemplation about it, because I do not know who is going to be selected. When I ascertain who is going to be selected, whether officials of the Government now drawing salaries or others, I shall know whether they were to serve without further compensation; but, as I do not know what may be in the contemplation of the President in making the appointments, I can not answer the Senator's question.

Mr. WALSH of Montana. This is another question in connection with this measure which, apparently, is wrapped up

in secrecy. We do not know whether it is intended to appoint men who are now drawing salaries in some position under the Government, or whether it is intended to appoint some persons outside of the Government service who shall serve either gratuitously or depend upon some subsequent action of Congress for their salaries. If they are to serve gratuitously, I am really interested in pressing the further inquiry as to who these highly public-spirited gentlemen are who are going to serve upon this commission without compensation.

Mr. WATSON of Indiana. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Indiana?

Mr. WALSH of Montana. I yield.

Mr. WATSON of Indiana. Mr. President, I have no authority to speak for the President of the United States in this matter, but I happen to know that nobody will be appointed on the commission but members of the Cabinet and Members of Congress, and, in that event, I assume that it will not be necessary to provide additional salaries.

Mr. WALSH of Montana. But, so far as Members of Congress are concerned, my recollection is that there is a constitutional inhibition against the appointment of any Member of Congress to an office created during the term for which he was elected.

Mr. WATSON of Indiana. I do not think that that is entirely correct. Does the Senator consider an appointment on a commission an office within the meaning of the Constitution?

Mr. WALSH of Montana. The Constitution provides that no Member of Congress shall be appointed to any office of emolument or profit, as I recall.

Mr. WATSON of Indiana. The Senator from Massachusetts [Mr. LODGE] and the Senator from Alabama [Mr. UNDERWOOD] are now serving on a commission.

Mr. WALSH of Montana. They have simply been appointed by the President——

Mr. WATSON of Indiana. Certainly; and that is all the President is going to do under this bill—appoint the members of the commission.

Mr. WALSH of Montana. And the President has a perfect right to appoint them to any place he sees fit.

Mr. WATSON of Indiana. Has not the President the right to appoint Members of Congress on a commission to which no salary is attached.

Mr. WALSH of Montana. The President may have the right to appoint anybody he chooses as his representative to negotiate treaties. Such representatives are not officers of the United States at all.

Mr. WATSON of Indiana. That is quite true.

Mr. WALSH of Montana. They hold no office.

Mr. WATSON of Indiana. That is quite true, but does the Senator hold that under the terms of this bill the President can not appoint a Member of Congress to act on the proposed commission because such action on the part of the President would be violative of the principle of the Constitution which the Senator from Montana has in mind?

Mr. WALSH of Montana. I do not know what else the Constitution means when it expressly provides that no Member of Congress shall be appointed to any office, as my recollection goes, of honor, profit, or emolument.

Mr. WATSON of Indiana. I do not recall that that is the language of the Constitution.

Mr. WALSH of Montana. I think the Constitution says that no Member of Congress shall be appointed to any office created during the term of his service.

Mr. SHIELDS. Mr. President, with the permission of the Senator from Montana, I should like to make an inquiry of the Senator from Indiana, as he appears to be informed to some extent as to the personnel of the proposed commission. I should like to know whether it is to be a nonpartisan commission?

Mr. WATSON of Indiana. Oh, I suppose so, as nearly as a Republican commission could be nonpartisan. [Laughter.]

Mr. WALSH of Montana. If the Senator from Indiana will pardon me, I will call his attention to the provision of the Constitution, which is as follows:

> No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States which shall have been created, or the emoluments whereof shall have been increased during such time.

Mr. WATSON of Indiana. There is no inhibition there.

> No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States which shall have been created, or the emoluments whereof shall have been increased during such time.

Does the Senator claim that this bill in providing for a commission creates an office.

Mr. WALSH of Montana. What else is it, I will ask the Senator?

Mr. WATSON of Indiana. I do not look upon it as an office in the sense implied in the constitutional provision.

Mr. WALSH of Montana. How could it be otherwise than an office? Moreover, it is perfectly plain that it is an office because the appointments have to be confirmed by the Senate under the express provisions of the bill, which is in accordance with the provisions of the Constitution to the effect that the President "shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States."

Mr. WATSON of Indiana. Mr. President, in discussing this matter on a certain occasion the question arose as to the appointment of those who were to constitute the commission, and I know that at that time it was in the mind of the President to select either members of the Cabinet or Members of Congress or both—I should say "both" instead of "either," because under the very terms of the bill the Secretary of the Treasury shall be a member of the commission—but I must confess that it had not occurred to me at that time that there was any inhibition such as that now mentioned by the Senator from Montana, or that their selection would be obnoxious to the provision of the Constitution which has been cited. I am not now prepared to give an offhand curbstone opinion as to that question; I should have to examine it more closely.

Mr. NELSON. Mr. President, will the Senator from Montana yield to me for a moment?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Minnesota?

Mr. WALSH of Montana. I feel that the Senator from Minnesota may enlighten us on this subject, and I shall be glad to yield to him.

Mr. NELSON. Mr. President, I simply wish to say that inasmuch as those who are to be appointed members of the commission are to be confirmed by the Senate that question can be raised when the nominations are sent in. There is no occasion to raise it now. When the President sends in the names that is the time to raise the question that the Senator from Montana raises as to whether these men are competent to serve under the Constitution. It is not involved here.

Mr. WALSH of Montana. I have no doubt the men will be competent, but we are trying to find out just exactly why a provision for salaries for these men has been left out. It has always been regarded as the policy of this country, differing from that of other countries, that the public servants, particularly the Members of Congress, ought to be paid. In some other countries the members of legislative bodies are not paid, and consequently men of small means or of moderate incomes can not fill those places, and they are occupied by the gentry and those who are comparatively well-to-do.

We never have followed that policy in this country. Of course, during the war many people were invited to contribute their valuable services to the Government, and they came forward with a display of patriotism that ought to make us all proud of our citizenship as Americans; but when we are creating an office like this in time of peace I submit that we are disregarding the settled policy of our Government, founded, as I think, upon a firm basis, in not providing for the salaries of those appointed to place not holding official position.

Mr. NELSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Montana further yield to the Senator from Minnesota?

Mr. WALSH of Montana. I yield to the Senator.

Mr. NELSON. It seems to me the Senator from Montana is taking a narrow and technical view. Until we know who the appointees are going to be, we can not determine the question of salary. Besides, that is a matter that is within the purview of the House of Representatives. Under our Budget system, I take it that they must initiate appropriations of this kind. The appropriation must come from them, and they can determine whether any of these appointees are to receive salaries.

Suppose the four men are members of the Cabinet, instead of being Members of the House of Representatives or Senators. Suppose they are members of the Cabinet, like the Secretary of the Treasury. In that case no salaries will be paid—nothing more, perhaps, than their expenses—if they do anything extra; and until the question comes up as to who the members of this commission are to be, we shall not be in a position to determine the question of salary.

Mr. WALSH of Montana. I merely desire to say to the Senator that it would be very easy to provide that if persons now

drawing salaries from the Government are appointed no additional salaries shall be paid to them under this bill, but that is neither here nor there. Of course, when the appointments come here we will know about them; we will know who they are; but in the meanwhile the point I am making is that probably no man except a man of great wealth or a man who is particularly well to do can afford to give away his time, so that the nominees must be restricted to that class of people.

Mr. NORRIS. Mr. President, if there are no further amendments, I offer the substitute which I send to the desk and ask to have it read.

The PRESIDENT pro tempore. The Senator from Nebraska proposes an amendment, in the nature of a substitute, which will be stated.

The ASSISTANT SECRETARY. It is proposed to strike out all after the enacting clause, and to insert the following words:

The Secretary of the Treasury is hereby authorized and directed to refund or convert the principal and interest of any obligation of any foreign Government now owing to the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration) arising out of the World War into bonds of such foreign Government in accordance with the law providing for the loaning of money to such foreign Government in force at the time such obligation was incurred.

Mr. NORRIS. Mr. President, I hope I may have the attention of Senators while I briefly address myself to the amendment I have offered.

It will be observed that this is a substitute. It strikes out the entire bill, and inserts, as far as the loans are concerned, what is now admitted and conceded to be the existing law, with the possible exception of the deferred interest.

During the war we passed several acts authorizing the Secretary of the Treasury to loan money to other Governments that were our allies in the war, and the various acts under which those loans were authorized specifically provided what the terms should be. To sum it up in a word, they were to be on all fours the same as the obligations of our Government to our own people who bought our own bonds. In other words, foreign Governments were to be loaned money by the United States in the same way and on the same terms and under the same conditions that we borrowed money of our own people to prosecute the war. In fact, we borrowed the money of the people of the United States in order that we might loan it to England and France and the other allies to which we did loan money during the war.

Mr. President, when these Governments accepted this money it is my contention that an existing contract was acted on by both Governments, and that contract consisted of the stipulations contained in the acts of Congress authorizing the loaning of the money. Neither we nor any of the beneficiaries of these loans, these other Governments, have any right, either in law or in morals, to change that contract without the consent of the other party to the contract.

This money was loaned to the Governments. The law was not complied with; but we passed a second Liberty loan act, in which the omission of the Government authorities who had failed to comply with the law was remedied, and we recognized what had been done, so that I am not complaining of the disregard of the law itself, but the interest has not been paid. These loans have not been funded in accordance with the law and in accordance with the contract between our Government and the other Governments. I have contended all the time that no law was necessary as far as any of those loans were concerned. I do not believe now that any law is necessary, either as to the principal or as to the interest.

It was said, however, when this bill was brought in by the Senator from Indiana, representing the committee, that he agreed with me that as far as the loans themselves are concerned the Secretary has the authority now to refund them into long-time bonds. In fact, I think he not only has the authority but it has been his duty all this time to do it; but he said the Secretary of the Treasury did not think he had authority to refund the unpaid interest, so I included in this substitute a provision giving him the authority to include the interest. In answer to a question propounded by me, the Senator from Indiana said that the idea of having a bill at all was to reenact the authority, so as to back up the Secretary of the Treasury with an act; that while he had the authority, in order that there might be no possible doubt about the matter, it was desired to reenact the law giving him again the authority.

That is just what I have attempted to do in this substitute. There were some other debts, comparatively small in amount as compared with the amount of money we loaned, that were included in the bill and that it is admitted the Secretary of the Treasury had no authority to refund into long-term bonds, so I included those, and I included them in the very language of the bill. That applies to obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration. I inserted it in exactly the same way that it was included and is included in the bill which the committee have brought in; and I have simply provided that all of this indebtedness, including our loans, both principal and interest, and the obligations that I have mentioned of the Grain Corporation and so forth shall be refunded into long-time loans, according to the law that existed at the time the obligation was incurred.

Mr. President, it seems to me that Congress ought not to go any further than that. That substitute, if enacted into law, will remove all doubts as to the authority and the right and the duty of the Secretary of the Treasury. It will remove all doubts that any one or any government may have as to our willingness to comply with the contract that we made at the time the money was loaned, so that it is honorable as well as legal. It gives complete authority to carry out the law, to make good our contract. We ought not to go further. We ought to remember that we are dealing now with $11,000,000,000, in round numbers, that was contributed by the people of the United States, by American citizens, many of them sacrificing the very necessaries of life to make those contributions. It is not our money. We have authorized the loaning of this trust fund to foreign Governments on certain conditions. They have accepted the money on those conditions, and until some one complains we ought not to enact a new law which in effect gives this commission something that in my judgment is entirely unnecessary, namely, unlimited authority to extend the time of payment of principal and interest, just so they do not extend it beyond 1947. They have the authority under the committee bill to say to these foreign Governments "You can give us bonds, due in 1947, upon which no interest will mature until 1947." They can extend it; they can handle it in any way they please.

Mr. President, the other Governments have not asked it. No Government, so far as we have any knowledge—and I have tried to find out about it—has yet said they could not pay this interest. There is no doubt on earth but what during all this time Great Britain could have paid her interest; France could have paid her interest, and I think Italy could have paid hers. They have paid their interest to their bondholders, the same as we have, and the amount they would have had to pay as interest in addition had they paid interest to us would have been comparatively small.

They say some of these Governments will not be able to pay interest for two or three years, that some will not be able to pay semiannually. They did not say so when they took the money. They have not said so yet. Why not carry out the contract we have entered into with our debtors if we can, and if any one of them is unable to pay the interest, if they need more time, they will say so, and if they can give any reasonable excuse for an extension of the time, then there will be no doubt whatever about Congress readily and cheerfully granting it.

The VICE PRESIDENT. The Senator's time has expired. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Nebraska [Mr. NORRIS].

Mr. NORRIS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McCUMBER. Mr. President, I want to call attention to some of the weaknesses of the amendment which the Senator from Nebraska has just introduced and spoken upon.

One is that he includes in the agreement obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration arising out of the World War, and then he also provides that they are to be converted into bonds of such foreign Governments in accordance with the law providing for the loaning of money to such foreign Governments in force at the time such obligation is incurred.

What law was there in force at that time in relation to the interest, for instance, which was to be collected upon the United States Grain Corporation's debts, upon the advances made by the War Department, or the Navy Department, or the American Relief Administration? There is not a word about interest. Neither is there a word about the time in which it could be paid. It was really a cash proposition, but, of course, it was understood that we did not have the cash, and all there could be would be an obligation which would be settled in some way before we finally disposed of the matter.

Mr. NORRIS. Does the Senator have any doubt but that this amendment, if enacted into law, would give authority, the same as the bill does in that respect, to take long-time bonds for the various items the Senator has mentioned?

Mr. McCUMBER. No; it would not, because it says, "the law providing for the loaning of money to such foreign Govern-

ments." We loaned part of that money to those foreign Governments without any law with reference to what the interest should be. Therefore, so far as respects those particular loans, there is no law fixing the time when they were to be paid, or the interest, and you might just as well say that we were to give them 40 years as to say that we were to give them the same number of years provided in the Liberty loan acts.

Nor is that all, Mr. President. I will not have time to read all of the Liberty loan acts bearing upon this particular subject, but I call attention to some of the provisions in relation to the conversion. I will go back to the beginning:

And containing such terms and conditions as the Secretary of the Treasury may from time to time determine, or to make advances to or for the account of any such foreign Governments and to receive such obligations at par for the amount of any such advances, but the rate or rates of interest borne by any such obligations shall not be less than the highest rate borne by any bonds of the United States which, at the time of the acquisition thereof, shall have been issued under authority of said act approved April 24, 1917, or of this act, and any such obligations shall contain such provisions as the Secretary of the Treasury may from time to time determine—

And I call this especially to the attention of Senators—

for the conversion of a proportionate part of such obligations into obligations bearing a higher rate of interest if bonds of the United States issued under authority of this act shall be converted into other bonds of the United States bearing a higher rate of interest.

If we loaned $2,500,729,824.56 to Governments under the first Liberty loan act, and then, say, one-third or one-fourth of that Liberty loan issue was converted into the higher bonds, then only that proportionate part of the indebtedness would bear the interest of the higher bonds; and if three-fourths of the first Liberty loan 3½ per cent bonds were converted into 4½ per cent bonds, only three-fourths of the indebtedness owing to us, paid out of the first Liberty bonds, would be converted into the higher rates of interest.

Senators can easily see that instead of arranging to have all of these bonds bear the same rate of interest, as we propose in this bill, we would have to divide and subdivide the several loans until we could determine just what proportion, up to the present time, has been converted from the bonds issued under one act to the bonds issued under another act, and from the lower to the higher rates of interest, and then divide the obligations up accordingly in fixing the several rates of interest.

I think, in the interest of simplicity, we should not attempt that division.

Mr. HEFLIN. Mr. President, I do not know of a more simple method of procedure in this matter than to require these five commissioners to report their recommendations back to Congress. There is not a thing complicated about that. It is not hard to understand at all. Just simply say to these men, who are to be appointed by the President, that when they come to some conclusion about this thing they shall then submit their conclusion back to Congress for its approval or disapproval. That seems very simple to me.

The Senator from Nebraska [Mr. NORRIS] seeks to confine the handling of this indebtedness to the provisions of the law as they now exist. Those provisions require that these foreign countries shall pay the same rate of interest which we pay in this country; and I want to ask what would be more simple and straightforward and to the point than to say that foreign countries shall pay to us exactly the same rate of interest that we must pay here at home?

When did we get the right to be so generous with foreign countries when we are not able to be just to the people of our own country? How does it become us to undertake to say to the five commissioners, "We lodge in your hands the absolute power to do as you please with this great question," when we refuse to do justice by 500,000 ex-soldiers out of employment in the United States?

Ill does it become Senators to take such a position, when we stand here and vote to take the taxes off of the profiteers of this country, to now undertake to vote into the hands of five men absolute power in handling $11,000,000,000 and the postponing of the payment of the interest upon it for years and years to come. Senators, the Senator from Nebraska [Mr. HITCHCOCK] is right. There is going to be scandal connected with this thing. You can not get away from that. The American people are not going to submit to it; they should not submit to it. They should not permit this branch of Congress to take away from the representatives of the American people—435 in the other branch, 96 in this body—the right to say whether or not we approve the judgment of five men to be appointed by the President in handling a foreign indebtedness of $11,000,000,000.

We were told a little while ago by the Senator from Missouri [Mr. SPENCER], "Oh, they have to be confirmed by the Senate." I said then, and I repeat here, "Yes; and when I saw the Senate approve the sale of a seat in this body, when I saw it confirm the sale of a seat that had been bought upon the auction block in Michigan, there certainly will be no doubt about you getting your five commissioners confirmed." These commissioners will, I fear, be closely identified with the Wall Street interests that hold the obligations of the same foreign countries to the extent of $5,000,000,000.

Well, Mr. President, the only thing that we can do is to protest against these outrageous performances and call the attention of the people to the fact that predatory interests are rampant with power in this Republican Senate.

The VICE PRESIDENT. The question is upon agreeing to the amendment in the nature of a substitute offered by the Senator from Nebraska [Mr. NORRIS], on which the yeas and nays have been ordered. The roll will be called.

The Assistant Secretary proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement with reference to my pair as before, I withhold my vote.

Mr. COLT (when his name was called). Making the same announcement as to my pair and its transfer, I vote "nay."

Mr. MCKELLAR (when his name was called). Making the same announcement as to my pair and its transfer that I made before, I vote "yea."

Mr. RANSDELL (when his name was called). Making the same announcement as before as to the absence of my pair, I refrain from voting.

Mr. STERLING (when his name was called). Making the same announcement as on the former vote as to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. MCCORMICK. I have a standing pair with the junior Senator from Wyoming [Mr. KENDRICK], which I transfer to the junior Senator from California [Mr. SHORTRIDGE] and vote "nay."

Mr. FERNALD (after having voted in the negative). Has the Senator from New Mexico [Mr. JONES] voted?

The VICE PRESIDENT. The Senator has not voted.

Mr. FERNALD. I have a pair with that Senator, which I transfer to the senior Senator from Pennsylvania [Mr. CROW] and allow my vote to stand.

Mr. CURTIS. I wish to announce that the junior Senator from New Jersey [Mr. EDGE] is paired with the senior Senator from Oklahoma [Mr. OWEN] and that the senior Senator from Massachusetts [Mr. LODGE] is paired with the senior Senator from Alabama [Mr. UNDERWOOD].

The result was announced—yeas 27, nays 42, as follows:

YEAS—27.

Ashurst	Heflin	Norris	Simmons
Caraway	Hitchcock	Overman	Stanley
Dial	Johnson	Pittman	Swanson
Fletcher	King	Reed	Walsh, Mass.
Glass	La Follette	Robinson	Walsh, Mont.
Harris	McKellar	Sheppard	Watson, Ga.
Harrison	Myers	Shields	

NAYS—42.

Ball	Fernald	McKinley	Smoot
Bursum	Frelinghuysen	McLean	Spencer
Calder	Gooding	McNary	Sterling
Cameron	Hale	Moses	Sutherland
Capper	Harreld	Nelson	Townsend
Colt	Jones, Wash.	Oddie	Wadsworth
Cummins	Kellogg	Page	Warren
Curtis	Keyes	Pepper	Watson, Ind.
Dillingham	Lenroot	Phipps	Willis
Elkins	McCormick	Poindexter	
Ernst	McCumber	Pomerene	

NOT VOTING—27.

Borah	France	New	Smith
Brandegee	Gerry	Newberry	Stanfield
Broussard	Jones, N. Mex.	Nicholson	Trammell
Crow	Kendrick	Norbeck	Underwood
Culberson	Kenyon	Owen	Weller
du Pont	Ladd	Ransdell	Williams
Edge	Lodge	Shortridge	

So Mr. NORRIS's amendment in the nature of a substitute was rejected.

Mr. SIMMONS. Mr. President, I now offer the amendment which I send to the Secretary's desk, and I ask the Secretary to read the last section of the amendment.

The VICE PRESIDENT. The Secretary will read as requested.

The Assistant Secretary read the last section.

Mr. SIMMONS's entire amendment was, to add after section 5 of the bill:

SEC. 6—ADJUSTED COMPENSATION.

PART I.—GENERAL PROVISIONS.

DEFINITIONS.

SEC. 1500. That this act may be cited as the "World War adjusted compensation act."

SEC. 1501. That as used in this title—

The term "veteran" includes any individual a member of the military or naval forces of the United States at any time after April 5, 1917, and before November 12, 1918, but does not include (1) any indi-

vidual at any time during such period or thereafter separated from such forces under other than honorable conditions, (2) any conscientious objector who performed no military duty whatever or refused to wear the uniform, or (3) any alien at any time during such period or thereafter discharged from the military or naval forces on account of his alienage; and

The term "adjusted service pay" means the amount of the payment to which the veteran would be entitled under the provisions of Part II of this title.

OPTIONAL PLANS.

SEC. 1502. That each veteran shall have the right to avail himself of any one, but only one, of the following plans:

(1) To receive "adjusted service pay," as provided in Part II;
(2) To receive an "adjusted service certificate," as provided in Part III;
(3) To receive "vocational training aid," as provided in Part IV;
(4) To receive "farm or home aid," as provided in Part V; or
(5) To receive "land-settlement aid," as provided in Part VI.

APPLICATION BY VETERAN.

SEC. 1503. (a) That the veteran's choice among the plans enumerated in section 1502 shall be made by application filed with the Secretary of War, if he is serving in, or his last service was with, the military forces; or with the Secretary of the Navy, if he is serving in, or his last service was with, the naval forces.

(b) Such application may be made at any time after the passage and approval of this act.

(c) An application shall be made (1) personally by the veteran, or (2) in case physical or mental incapacity or absence from the continental United States prevents the making of a personal application, then by such representative of the veteran and in such manner as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe. An application made by a representative other than one required by any such regulation shall be held void.

(d) The Secretary of War and the Secretary of the Navy shall jointly make any regulations necessary to the efficient administration of the provisions of this section.

PROOF OF VETERAN'S CHOICE OF PLAN.

SEC. 1504. (a) That as soon as practicable after the receipt of a valid application the Secretary of War or the Secretary of the Navy, as the case may be, shall transmit to the Secretary of the Treasury, if the veteran has chosen an adjusted service certificate, or to the Federal Board for Vocational Education if the veteran has chosen vocational training aid, or to the Secretary of the Interior if the veteran has chosen farm or home aid, or land settlement aid, a certificate setting forth:

(1) That the applicant is a veteran;
(2) His name and address;
(3) The plan chosen; and
(4) The amount of adjusted service pay to which he would be entitled if he had chosen that plan.

(b) Upon receipt of such certificate the officer or board to which it is transmitted shall proceed to extend to the veteran the benefits conferred by the plan chosen, at the time, in the manner, and under the conditions provided for in the part of this title covering such plan.

PUBLICITY.

SEC. 1505. (a) That the Secretary of War and the Secretary of the Navy shall, as soon as practicable after the passage and approval of this act, jointly prepare and publish a pamphlet or pamphlets containing a digest and explanation of the provisions of this title, accompanied by such statements as to the comparative advantages of each of the plans enumerated in section 1502 as may be of assistance to veterans in making their choice among such plans; and shall from time to time thereafter jointly prepare and publish such additional or supplementary information as may be found necessary.

(b) The officer or board having charge of the administration of any plan or part thereof enumerated in section 1502 shall transmit to the Secretary of War and the Secretary of the Navy as soon as practicable after the passage and approval of this act full information and explanations as to the matters of which such officer or board has charge, which shall be considered by the Secretary of War and the Secretary of the Navy in preparing the publications referred to in subdivision (a).

(c) The publications provided for in subdivision (a) shall be distributed in such manner as the Secretary of War and the Secretary of the Navy may determine to be most effective to inform veterans of their rights under this title.

STATISTICS.

SEC. 1506. That immediately upon the passage of this act the Secretary of War and the Secretary of the Navy shall ascertain the individuals who are veterans as defined in section 1501, and, as to each veteran, the number of days of overseas service and of home service, as defined in section 1520, for which he is entitled to receive adjusted service pay; and their decisions shall not be subject to review by the accounting officers of the Treasury.

ADMINISTRATIVE REGULATIONS.

SEC. 1507. That any officer or board charged with the administration of any plan under this title, or of any part thereof, shall make such regulations, not inconsistent with this title, as may be necessary to the efficient administration of the matter of which such officer or board has charge.

DEDUCTION OF OVERPAYMENTS.

SEC. 1508. That after computing the amount of payment to be made to the veteran under any one of the plans enumerated in section 1502, or after using his adjusted service pay as the basis for any computation under this title, there shall be deducted from the amount thus obtained the amount of any overpayment previously made in respect to the service of the veteran in the military or naval forces.

SEC. 1509. That any officer or board charged with the administration of any plan under this title or of any part thereof, shall make a full report to Congress on the first Monday of December of each year.

SEC. 1510. That no sum payable under this title to a veteran, or to his estate, or to any beneficiary named under Part III, shall be subject to attachment, levy, or seizure under any legal or equitable process.

PART II.—ADJUSTED SERVICE PAY.

SEC. 1520. That as used in this part—

The term "overseas service" means service on shore in Europe or Asia, exclusive of China, Japan, and the Philippine Islands; and service afloat, including the period from the date of embarkation for such service to the date of disembarkation on return from such service, both dates inclusive; and

The term "home service" means all service not overseas service.

SEC. 1521. That there shall be paid to any veteran, upon application in accordance with the provisions of section 1503 and in addition to any other amounts due him in pursuance of law, the following sums for each day of active service, in excess of 60 days, in the military or naval forces of the United States after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran: $1.25 for each day of overseas service and $1 for each day of home service; but the amount payable to a veteran who performed no overseas service shall not exceed $500, and the amount payable to a veteran who performed any overseas service shall not exceed $625.

SEC. 1522. (a) That no such payment shall be made to—

(1) Any commissioned officer above the grade of captain in the Army or Marine Corps, lieutenant in the Navy, first lieutenant or first lieutenant of engineers in the Coast Guard, or passed assistant surgeon in the Public Health Service, or having the pay and allowances, if not the rank, of any officer superior in rank to any of such grades—in each case for the period of service as such;

(2) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces for the period of service under such commission or warrant after the accrual of the right to pay thereunder;

(3) Any civilian officer or employee of any branch of the military or naval forces, contract surgeon, cadet of the United States Military Academy, midshipman, cadet of the Coast Guard, member of the Reserve Officers' Training Corps, member of the Students' Army Training Corps (except an enlisted man detailed thereto), member of the United States Guards, member of a development battalion (except an officer or enlisted man detailed thereto), member of the United States Disciplinary Barrack Guard, Philippine Scouts, member of the Philippine Guard, member of the Philippine Constabulary, member of the Porto Rico Regiment of Infantry, member of the National Guard of Hawaii, member of the insular force of the Navy, member of the Samoan native guard and band of the Navy, or Indian Scout—in each case for the period of service as such;

(4) Any individual entering the military or naval forces after November 11, 1918—for any period after such entrance;

(5) Any individual originally entering the service for special or limited service only—for the period of such special or limited service not overseas service;

(6) Any individual performing home service not with troops and receiving commutation of quarters or of subsistence—for the period of such service;

(7) Any member of the Public Health Service—for any period during which he was not detailed for duty with the Army or the Navy;

(8) Any individual granted a farm or industrial furlough—for the period of such furlough;

(9) Any individual detailed for work on roads or other highway construction or repair work—for the period during which his pay was equalized to conform to the compensation paid to civilian employees in the same or like employment pursuant to the provisions of section 9 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1920, and for other purposes," approved February 28, 1919;

(10) Any individual who has been absent from duty on account of disease resulting from his own intemperate use of drugs or alcoholic liquors or from other misconduct—for the period of such absence; or

(11) Any individual who has been absent without proper authority for more than one day, or in confinement under sentence or awaiting trial and disposition of his case, if the trial resulted in conviction—for the period of such absence or confinement.

(b) The periods referred to in paragraphs (5) and (6) of subdivision (a) may be included in the case of any individual if and to the extent that the Secretary of War and the Secretary of the Navy jointly find that such service subjected such individual to exceptional hazard. A full statement of all action under this subdivision shall be included in the reports of the Secretary of War and the Secretary of the Navy required by section 1509.

(c) In computing the payments to any veteran under this part effect shall be given to all paragraphs of subdivision (a) which are applicable.

(d) If part of the service is overseas service and part is home service, the home service shall first be used in computing the 60 days' period referred to in section 1521.

(e) For the purpose of computing the 60 days' period referred to in section 1521, any period of service after April 5, 1917, and before July 1, 1919, in the military or naval forces in any capacity may be included, notwithstanding payment for such period, or a part thereof, is prohibited under the provisions of subdivision (a) of this section, except that the periods referred to in paragraphs (2), (3), and (4) of subdivision (a) shall not be included.

(f) For the purpose of section 1521, in the case of members of the National Guard or of the National Guard Reserve called into service by the proclamation of the President dated July 3, 1917, the time of service between the date of call into the service as specified in such proclamation and August 5, 1917, both dates inclusive, shall be deemed to be active service in the military or naval forces of the United States.

SEC. 1523. (a) That the payments authorized by the provisions of this title shall be made in installments, beginning on the 1st day of July or January next succeeding the fifteenth day after the date of filing the application, but not before January 1, 1923, as follows: (1) If the total amount payable is $500 or over, in 10 equal quarterly installments; and (2) if the total amount payable is less than $500, in quarterly installments of $50; except that any installment necessary to complete the payments may be less than $50.

(b) If before the completion of the installment payments the veteran is separated from the military or naval forces under other than honorable conditions, or is discharged therefrom on account of his alienage, no further installments shall be paid. Payment shall be made by the Secretary of War if the veteran is serving in, or his last service was with, the military forces; and by the Secretary of the Navy, if he is serving in, or his last service was with, the naval forces.

SEC. 1524. That if the veteran dies, after making application in accordance with the provisions of section 1503 for adjusted service pay and before receiving all the installment payments, the payments authorized by the provisions of this part shall be made to his estate.

SEC. 1525. That no right to adjusted service pay under the provisions of this part shall be assignable or serve as security for any loan. Any assignment or loan made in violation of the provisions of this section shall be held void. The Secretary of War and the Secretary of the Navy shall not pay the amount of adjusted service pay to any person other than the veteran or his estate or such representative of the veteran as the Secretary of War and the Secretary of the Navy shall jointly by regulation prescribe.

PART III.—ADJUSTED SERVICE CERTIFICATES.

SEC. 1530. That the Secretary of the Treasury, upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, is hereby directed to issue, without cost to the veteran designated therein, an adjusted service certificate (hereinafter in this part referred to as a "certificate") of a face value equal to the sum of (1) the adjusted service pay of the veteran increased by 40 per cent, plus (2) interest thereon for 20 years at the rate of 4½ per cent per annum, compounded annually (such amount being approximately equal to three and thirty-eight one-hundredths times the adjusted service pay of the veteran). The certificate and all rights conferred under the provisions of this part shall take effect as of the 1st day of July or January next succeeding the date of filing the application, but not before January 1, 1923. The veteran shall name the beneficiary of the certificate and may from time to time, with the approval of the Secretary of the Treasury, alter such beneficiary. The amount of the face value of the certificate shall be payable (1) to the veteran 20 years after it becomes effective or (2) upon the death of the veteran prior thereto to the beneficiary named; except that if such beneficiary dies before the veteran and no new beneficiary is named, or if the beneficiary in the first instance has not yet been named, the amount of the certificate shall be paid to the estate of the veteran.

SEC. 1531. That there is hereby established in the Treasury a revolving fund to be known as the "adjusted service certificate loan fund" (hereinafter in this part referred to as the "fund"). The Postmaster General is authorized to make loans out of such fund upon the certificate of any veteran. The amount of such loans to any one veteran outstanding at any one time shall not exceed—

(a) If the loan is made during the third to fifth years, inclusive, after the certificate becomes effective, 90 per cent of the sum of (1) the adjusted service pay of the veteran, plus (2) interest thereon, from the date the certificate becomes effective to the time of the making of the loan, at the rate of 4½ per cent per annum, compounded annually, or

(b) If the loan is made during the sixth to twentieth years, inclusive, after the certificate becomes effective, 80 per cent of the sum of (1) the adjusted service pay of the veteran increased by 40 per cent, plus (2) interest thereon, from the date the certificate becomes effective to the time of the making of the loan, at the rate of 4½ per cent per annum, compounded annually.

SEC. 1532. That moneys in the fund shall be available to make all loans upon certificates. The Postmaster General is hereby authorized to set aside out of the fund such reserve moneys as may be required to make such loans, and the Secretary of the Treasury is authorized to invest the remainder of the moneys in the fund in interest-bearing obligations of the United States. Such obligations may, at the discretion of the Secretary, be sold and the proceeds reinvested in other interest-bearing obligations of the United States and shall be sold and the proceeds made available for the purposes of the fund whenever the Postmaster General certifies that in his opinion further amounts are required for the purposes of the fund. Any moneys in such fund not deemed necessary by the Secretary of the Treasury for the purposes of this part shall be covered into the Treasury as miscellaneous receipts.

SEC. 1533. That no loan shall be made upon any certificate within two years after the certificate becomes effective. Application for loans may be made to any postmaster of a first, second, or third class post office. The veteran shall give a note for the repayment of the loan upon an amortization plan by means of a fixed number of annual installments sufficient to cover (1) interest on the unpaid principal at the rate of 4½ per cent per annum and (2) such amount of the principal as will extinguish the debt within an agreed period not exceeding the life of the certificate. The veteran may, however, pay any or all installments of the principal previous to their due date. The Postmaster General shall by regulation prescribe the form of application and the duration, number, and amount of installments, and such other conditions as he deems advisable, of the loan. All payments in respect to the loan shall be made through a first, second, or third class post office. Any moneys received for the repayment of the loan shall be covered into the fund. Whenever the Postmaster General finds that the borrower is in arrears for more than two years in his installments upon the note or has violated any other conditions thereof, he shall certify such fact to the Secretary of the Treasury, who shall thereupon declare the certificate of the borrower to be forfeited.

SEC. 1534. That no certificate issued or right conferred under the provisions of this part shall be negotiable or assignable or serve as security for a loan other than one made under the provisions of section 1531. Any loan made in violation of any provision of this section shall be held void. Whenever the Secretary of the Treasury finds that any such certificate or right has been negotiated or assigned, or has served as security, in violation of a provision of this section, the rights of the veteran under this part shall be forfeited.

SEC. 1535. That in the case of the death of the borrower or the forfeiture of his certificate or rights under this part, any loan made upon the certificate and the note in respect thereto shall be deemed canceled. The Secretary of the Treasury shall thereupon reimburse the Postmaster General for all unpaid installments upon any canceled loan; and in case such loan has been canceled as a result of the death of the borrower, the Secretary of the Treasury shall deduct the amount of such reimbursement from the amount of the face value of the certificate in respect to which the loan is made.

SEC. 1536. That any certificate issued under the provisions of this part shall have printed upon its face the conditions and terms upon which it is issued and to which it is subject.

SEC. 1537. That if the veteran dies, after making application in accordance with the provisions of section 1503 and before the certificate becomes effective, the amount of the adjusted service pay of the veteran shall be paid by the Secretary of the Treasury to his estate.

PART IV.—VOCATIONAL TRAINING AID.

SEC. —. That the Federal Board for Vocational Education (hereinafter in this title referred to as the "board") upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, is hereby directed to pay to the veteran designated therein (if he is not receiving the benefits of the vocational rehabilitation act, as amended) the sum of $1.75 for each day of his attendance (on or after Jan. 1, 1923), on a course of vocational training previously approved by the board as suitable for such veteran. Such payment shall be made without deduction for Sundays, holidays, or vacations not exceeding two weeks in duration, or for absence for other cause which the board deems justifiable; but the total payment shall not exceed 140 per cent of the amount of adjusted service pay which the veteran would be entitled to receive if he had chosen that plan.

Payments under this section shall be made monthly, or at more frequent intervals, as the board may determine generally or in special cases.

SEC. 1541. That the board shall establish such regulations as will insure the regular attendance of the veteran on his course of training, and no sum or sums shall be payable under this part unless the board has been furnished proof of such regular attendance. For each day of unjustifiable absence the veteran shall forfeit the sum payable for that day, and shall receive no reimbursement for it in any other form.

SEC. 1542. (a) That if the payment under section 1540 plus the amounts forfeited under section 1541 is less than 140 per cent of the adjusted service pay, either by reason of the duration of the course approved or by reason of the veteran's discontinuing, with the approval of the board, his attendance on his course of training, he shall be entitled to receive an amount equal to the difference between (1) his adjusted service pay and (2) that proportion thereof which the payments made or accrued under section 1540 plus the amounts forfeited under section 1541 bear to 140 per cent of his adjusted service pay: *Provided*, That from the amount thus computed there shall be deducted an amount equal to the sums forfeited under section 1541.

(b) Such amount shall be paid to him by the board in such installments and at such times as will place him upon the same basis as if he had originally chosen to receive adjusted service pay as provided in Part II.

SEC. 1543. That if before the completion of the payments under this part the veteran is separated from the military or naval forces under other than honorable conditions, or is discharged therefrom on account of his alienage, no further payments shall be made under this part.

SEC. 1544. (a) That if the veteran dies, after making application in accordance with the provisions of section 1503 and before any payments have been made or have accrued under this title, the amount of the adjusted service pay of the veteran shall be paid by the board to his estate.

(b) If the veteran dies, after the course of training has begun, his estate shall be paid by the board the same amount as would have been paid to the veteran under subdivision (a) of section 1542, treating for such purposes the date of his death as the date of discontinuance of attendance on his course of training.

(c) The amounts payable under this section shall be payable in the same manner as provided in subdivision (b) of section 1542.

SEC. 1545. (a) That the board is hereby authorized to cooperate with State boards for vocational education in such manner as will secure their assistance in the approval of courses of training for veterans, and other assistance in carrying out the provisions of this part.

(b) Whenever any State provides funds for assistance to veterans in attendance upon approved courses or provides for free tuition in approved educational institutions, the board is authorized and directed to cooperate with the State board for vocational education of such State in securing the maximum educational opportunities to veterans entitled to the benefits of this part.

PART V.—FARM OR HOME AID.

SEC. 1550. That the Secretary of the Interior upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, is hereby directed, on or after January 1, 1923, to pay to the veteran designated therein, in one payment or in installments, an amount equal to his adjusted service pay increased by 40 per cent.

Such payment shall be made for the purpose, and only for the purpose, of enabling the veteran to make improvements on a city or suburban home, or a farm not selected under Part VI, or to purchase or make payments on such a home or farm.

SEC. 1551. That no such payment shall be made unless and until the Secretary of the Interior has approved the purpose for which it is desired by the verteran, and has suitable assurance that the money will be expended for such purpose. The Secretary of the Interior may, at the option of the veteran, or on his own motion, make the payment directly to the vendor or other persons to whom such payment is due from the veteran.

SEC. 1552. That for the purpose of enabling him to pass upon the desirability of the investment he may make use of the services of land bank appraisers of the Federal Farm Loan Board, to be designated by such board.

SEC. 1553. (a) That if the veteran dies, after making application in accordance with the provisions of section 1503 for farm or home aid and before a contract has been entered into with the approval of the Secretary of the Interior, the amount of his adjusted service pay shall be paid by the Secretary of the Interior to the estate of the veteran in such installments and at such times as will place the beneficiaries thereof upon the same basis as the veteran would have been if he had originally chosen to receive adjusted service pay as provided in Part II, but no such payment shall be made if the veteran has been separated from the military or naval forces under other than honorable conditions or discharged therefrom on account of his alienage.

(b) If before the veteran's death a contract has been entered into with the approval of the Secretary of the Interior, and payments under this part on such contract are still due, such payments shall be made by the Secretary of the Interior to the vendor or other person to whom such payments are due from the veteran.

PART VI.—LAND SETTLEMENT.

SEC. 1560. That on the opening of public or Indian lands to entry, or the restoration to entry of public lands theretofore withdrawn from entry, such opening or restoration shall, in the order therefor, provide for a period of not less than 60 days before the general opening of such lands to disposal, in which period veterans who have chosen the benefits of this part shall have a preferred right of entry under the homestead or desert land laws, if qualified thereunder, except as against prior existing valid settlement rights and as against preference rights conferred by existing laws or equitable claims subject to allowance and confirmation.

Such preference right for such period shall also be accorded on all reclamation projects now in existence or hereafter established, whether such reclamation is made by irrigation, drainage, or other method.

Upon certification from the Secretary of War or the Secretary of the Navy, as provided in section 1504, approved by the Secretary of the Interior, there shall be paid by the Secretary of the Treasury, on or after January 1, 1923, to the veteran designated therein, in one payment or in installments, an amount equal to his adjusted service pay increased by 40 per cent. Such payment shall be made for the purpose, and only for the purpose, of enabling the veteran to make payments in connection with the lands as to which preference has been given under this section, or for the improvement of any such land, and shall be made only if the Secretary of the Interior has suitable assurance that the money will be expended for such purpose.

PART VII.—MISCELLANEOUS PROVISIONS.

SEC. 1570. That the officers and boards having charge of the administration of any of the provisions of this title are authorized to appoint such officers, employees, and agents in the District of Columbia and elsewhere, and to make such expenditures for rent, furniture, office equipment, printing, binding, telegrams, telephone, law books, books of reference, stationery, motor-propelled vehicles or trucks used for official purposes, traveling expenses and per diem in lieu of subsistence at not exceeding $4 for officers, agents, and other employees, for the purchase of reports and materials for publications, and for other contingent and miscellaneous expenses, as may be necessary efficiently to execute the purposes of this title and as may be provided for by the Congress from time to time. With the exception of such special experts as may be found necessary for the conduct of the work, all such appointments shall be made subject to the civil service laws, and preference shall, so far as practicable, be given to veterans.

SEC. 1571. That whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of Parts I, II, III, IV, V, or VI, or of any regulation made under any such part, shall, upon conviction thereof, be fined not more than $1,000 or imprisoned not more than five years, or both.

SEC. 1572. That there is hereby appropriated such amount as may be necessary to carry out the provisions of this title, to be paid out of, and to be a first charge upon, the interest received by the United States on obligations of foreign Governments. If at any time the amount of such interest is not sufficient to meet the appropriation hereby made, the Secretary of the Treasury is hereby authorized to issue certificates of indebtedness under section 5 of the second Liberty bond act, as amended, to be redeemed, so far as practicable, out of interest payments on such obligations of foreign Governments, or, with the consent and approval of the President, to sell, with or without the indorsement of the United States, such of the bonds of foreign Governments then held by the United States as he may deem necessary and apply the proceeds as far as required to the payment of such deficiency.

Mr. SIMMONS. Mr. President, I hope that the gentlemen's agreement, reached in the Republican conference among those who attended that conference, to vote against all amendments to the pending bill does not include the bonus amendment. That was not in the bill at the time, and it is a different subject. If we can have a fair expression of the Senate upon this question, unbiased by previous caucus committals, I have strong hopes that the amendment will be agreed to.

Of course, I can not under the rules detain the Senate long. I shall not undertake to discuss the merits of the bonus proposition. It has been fully discussed. So far as the country is concerned and so far as the ex-service men themselves are concerned, I think the main opposition to the measure has passed away. There has now come a crystallization of sentiment that this proposed legislation sooner or later must be adopted.

Mr. President, this question came before the Congress on the 20th day of May, 1920. It has been pending ever since. The Finance Committee, after mature deliberation, investigation, and hearings, reported the measure which I have just introduced as an amendment to the pending bill. This was done without any dissenting voice in the committee. It was before the Senate, and we were about to vote upon it. The consensus of opinion was that the vote would be overwhelmingly in favor of the measure. But the Secretary of the Treasury then issued his famous interview opposing the bonus and declaring that if it were adopted the large sum of money which would have to be paid would break the Treasury, and he at the same time insisted that the condition of the country was such that no additional taxation should be imposed upon the people.

The President came before the Senate and, while not opposing the bonus proposition, asked that it be recommitted to the committee upon the ground, as stated by the Secretary of the Treasury, that to enact it then would endanger the Treasury, and upon the further ground that the financial distress which existed among the people ought not to be increased by additional taxation even for so great a purpose.

The bill was recommitted with the assurance that there would be speedy action and some other method than that of taxation devised for the payment of the obligation. Nothing was ever done, however, in the committee.

When the revenue bill came before the Senate I offered the bonus proposition as an amendment to that bill and provided for payment out of the interest on our foreign loans, and provided that if that were not sufficient the balance should be paid by certificates of indebtedness to be redeemed by subsequent interest paid upon the obligations. That amendment was voted down, and, as I understood it at the time, voted down upon the suggestion that as that was a revenue bill, it was the desire of the majority that it should be continued a purely revenue bill, and that no extraneous matter should be attached to it. That was an excuse framed and accepted, as I understood it, by those on the other side of the Chamber as a sufficient justification for their votes in opposition to the amendment.

The bonus matter went back to sleep. Nothing further was done in the matter. Nothing further has been done about it to this good hour, and now I offer it again and offer it under different circumstances from those under which it was first offered. I offer it after a suggestion has been made by the White House, about which an authorized statement appeared in the press that a plan was seriously under consideration to pay the bonus by the sale of $4,000,000,000 of bonds that we would secure upon a settlement with Great Britain. It was made after I had assurances that this very refunding bill was being held up in the Committee on Finance, because it was seriously considering the advisability of providing both for the refunding and the bonus proposition. I had reason to believe that the former reason for recommitting and voting down the proposition had disappeared, and that in offering this amendment I was simply carrying out a thought and a purpose that existed in the mind of the President and in the mind of the committee. The committee, however, for some reason decided to postpone the matter and did not bring in a provision for the payment of the bonus out of the proceeds of the foreign debts due the United States or from any other source.

I now offer the amendment, Mr. President, and to the original proposition I propose to add that, with the approval of the President, the Secretary of the Treasury shall be authorized to sell so many of the bonds due us from foreign Governments as may be necessary to pay any deficit that may exist after the interest has been exhausted.

Mr. President, what is the situation when that amendment comes here? Immediately a caucus is called between the majority leaders of this Chamber and those of the other branch of Congress, and that caucus decides that no action shall be taken in reference to the soldiers' bonus in connection with the funding bill, but that legislation looking to the payment of a bonus must be initiated in the House of Representatives. That is the excuse to be offered at this time for voting down the amendment which I now offer; that is the excuse which has been manufactured at the meeting of the majority leaders of the two bodies for postponing for the third time the consideration of this deserved legislation in behalf of the ex-soldiers.

The VICE PRESIDENT. The time of the Senator from North Carolina has expired.

Mr. SIMMONS. May I speak upon the bill? I desire now to address myself to the bill.

Mr. McCUMBER. I raise the point of order that it has already been decided by the Chair that while an amendment is pending a Senator may not speak upon the bill.

Mr. SIMMONS. That is a very remarkable decision.

Mr. PITTMAN. Mr. President, I offer an amendment, and I ask that the Senator from North Carolina may address himself to my amendment. I will later address myself to the same amendment.

I offer an amendment to strike out Part VI of the amendment of the Senator from North Carolina, which is entitled "Land Settlement," and to substitute therefor Title VI, which is entitled "Land Settlement—National Veterans Settlement Board," as it appears in House bill 14157, Sixty-sixth Congress, third session, commencing on page 23 of that bill and ending on page 35.

Mr. McCUMBER. I do not understand that the Senator from Nevada is offering his amendment at this time?

Mr. PITTMAN. I offer the amendment as an amendment to the amendment of the Senator from North Carolina. I think it is in order to perfect his amendment before it is acted upon.

Mr. McCUMBER. Mr. President, I insist that, under the unanimous-consent agreement, the amendment offered by the Senator from North Carolina will still be the same amendment, and that no Senator's time could be extended beyond the 10 minutes to speak upon an amendment by reason of another Senator proposing a slight change here and there in a pending amendment. If that could be done, of course, it would entirely nullify the unanimous-consent agreement.

Mr. PITTMAN. Mr. President, the amendment I have offered does not make merely a slight change, nor is it a subterfuge, a conclusion which might be drawn from the intimation of the Senator from North Dakota. It is an entire new provision. It deals with land settlement on projects to be created by the Government for the exclusive benefit of soldiers, and under a board to be composed of the Secretary of the Interior and four others, three of whom shall be soldiers or ex-service men. The amendment is an entirely different provision from that which I have moved to strike out.

Mr. ROBINSON. Mr. President, plainly the pending amendment is the amendment of the Senator from Nevada [Mr. PITTMAN] to the amendment of the Senator from North Carolina [Mr. SIMMONS].

The VICE PRESIDENT. The Chair is ready to rule on the point of order which has been raised by the Senator from North Dakota. The Senator from Nevada [Mr. PITTMAN] has offered

an additional amendment, which is in the nature of an amendment to the pending amendment, and on that the Senator from North Carolina [Mr. SIMMONS] is technically entitled to speak for 10 minutes.

Mr. SIMMONS. Mr. President, as I was stating when interrupted, the agreement entered into between the majority leaders of the two bodies to the effect that the bonus legislation should originate and be initiated in the House of Representatives is the excuse which it is now proposed to offer to the country for again voting down a proposition to pay the soldiers a just and fair compensation. In the light of the facts, that is one of the most remarkable propositions ever suggested in a legislative body. Where did the bonus bill originate? I hold in my hand the bill, almost word for word, as it passed the House of Representatives by an overwhelming majority some time, I believe, during the month of May or June of last year. That bill was introduced in the House after weeks and months of hearings in the Committee on Ways and Means of that body. I have here in my hand a volume containing the hearings before the Committee on Ways and Means upon the bonus bill, which it is now said must be sent back to the House of Representatives, because that House is the proper body to originate the legislation. This volume comprises 700 pages of printed matter.

Not only that, Mr. President, but when the bonus bill came over here, the Senate Finance Committee devoted days and weeks to hearings upon it. The hearings of that committee I have here, and they comprise a volume of 140 pages. Now, it is announced in the public press that this matter must go back to the House of Representatives; that it must originate in the House; that that House must initiate the legislation, and it is further stated in the press that the other House is preparing to hold additional hearings upon the bonus bill.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. SIMMONS. I yield.

Mr. REED. I hand to the Senator from North Carolina Senate bill 506, being the adjusted compensation bonus bill which was introduced in the Senate by the Senator from North Dakota himself on April 12, 1921. It was an original bill introduced in the Senate.

Mr. SIMMONS. The original bill was introduced in the House in May, 1920, and it is now stated, by way of excuse for voting down this amendment, that that body is now to have additional hearings and is to originate legislation upon this subject.

Mr. REED. The answer to the excuse is that a similar bill was also introduced in the Senate.

Mr. SIMMONS. Yes; I will get to that. The Senator from Missouri now hands me an original bill, I understand, which was introduced in the Senate.

Mr. REED. Yes; it is a Senate bill.

Mr. SIMMONS. Yes; it is a Senate bill which was introduced in the Senate by Mr. MCCUMBER on April 12, 1921, subsequent to the time a similar bill was introduced in the House.

However, Mr. President, my point is that in the light of these facts, the excuse that the House must again take the bill up and again have hearings is a very flimsy one and is on a par with the other excuses that have been offered from time to time for not taking speedy action in behalf of this proposed legislation.

What is proposed by the House, Mr. President? Secretary Mellon said in his first statement that the people could not stand the taxes necessary to pay the bonus, while in his last statement he said that it will be absurd to apply the proceeds of the indebtedness due us from foreign Governments to the payment of it. How, then, are we to pay it, if we are not to pay it through taxes or by the sale of our foreign securities? Secretary Mellon seems to be the power that controls the Republican Party; he seems to be able to overrule the President of the United States and have his will. Why? Because Secretary Mellon, more distinctly than any other man in America to-day, represents the people who are opposed to this legislation because it would increase taxes and who are opposed to the use of the proceeds of our foreign obligations because that will take money out of the Treasury which otherwise might be used to reduce taxes.

How is it proposed to pay the bonus? What is the suggestion? Secretary Mellon now says that if it is to be paid it must be paid by taxation. What sort of taxation? Taxation in the nature of a sales tax, and I believe it has been suggested in the House that it should be by a tax of 3 cents a gallon upon gasoline. That will raise $1,500,000,000, and that is sufficient. That is Mr. FORDNEY's plan; that is doubtless the plan of the Secretary of the Treasury; but is it not evident that if we raise the money by a 3-cent tax upon each gallon of gasoline it will impose the whole burden of this bonus upon the producers and the consumers of gasoline? And yet, Mr. President, that proposition comes from a party that has been inveighing against and anathematizing the suggestion of class legislation.

Mr. President, I do not desire to prolong this discussion, but I wish to ask the representatives of the Republican Party, if they are unwilling to provide for paying the bonus by an increase of taxation, as they have said they are, and if they are unwilling to pay for it by the use of the proceeds of our foreign indebtedness—and they have said through Mr. Mellon that they are—how do they propose to pay it? Why have you waited so long? Did you not say to the soldiers of this country when you first sent the bill back to the pigeonhole of the Finance Committee that it should not sleep long, but would soon be revived? Yet if you have made any motion to revive it it was only the other day, when you were discussing the wisdom of attaching it to the funding bill. It is pertinent to the funding bill. You have said once that you would not pay it by taxation. You have said, through your President and through the sentiment that existed in the country, that you were willing to pay it in this way. If you are, why vote down this amendment?

If the amendment does not quite suit the Senator from North Dakota, if he thinks he can improve upon it—I mean that part of it with reference to raising the money—I shall be glad to accept any reasonable suggestion of amendment that he makes. If you want to extend this bounty to the soldiers, there is no reason under God's sun why we should not right now, without waiting another hour, so adjust the amendment I have offered with reference to the methods of payment as to meet the situation and the views of both sides of this Chamber and avoid the unseemly necessity of the Republican Party having again to say to the soldiers: "You must wait a while longer for your pay."

The VICE PRESIDENT. The time of the Senator from North Carolina has expired.

Mr. McCUMBER. Mr. President, I had hoped, and the hope was very close to my heart, that any bill for compensation to the American soldiers would be looked upon as an American bill and not as a partisan proposition, and I regret that any Senator upon either side of the Chamber would attempt to make it a partisan question and talk Republicanism and Democracy upon a bill of this importance.

We fought the Great War as Americans. We voted the supplies as an American Congress. Our soldiers fought as American soldiers and not as Democrats or as Republicans. It seems to me, therefore, that if there is any one thing that we ought to do it is to dispose of that question as an American proposition without attempting to make this bill a football for some partisan advantage on either side of the Chamber.

Of course the Republican Party, as we all know, is in power in both branches of Congress and in the executive department, and therefore we, of course, recognize that that party must be responsible for any legislation that goes through or for the failure of any legislation; but do we not all agree that we will put through a soldiers' compensation bill? We all understand that the House conference has submitted the matter to the Ways and Means Committee to formulate a bill, and on that committee are both Democrats and Republicans.

When that bill comes over to the Senate it will be acted upon. I am absolutely certain that a soldiers' compensation bill will pass, and pass very soon, so it is not necessary that it be attached to a bill to which it has no reference and which we all know is entirely for another and a different purpose; and as our whole expectation and our hope is to put that bill through, and put it through very soon, why attempt to take time to attach it to this bill?

I think the administration—the President, if you see fit——

Mr. SIMMONS. Mr. President——

Mr. McCUMBER. Just a moment, because I am afraid my 10 minutes will be up before I get through, and the Senator has taken 20 minutes. I think the President expects that the bill is to go through, and I think it is very proper for me to say at this time that he expects that provision will be made for its payment. He does not think it is certain that the pending bill can be gotten through and the matter settled in time so that the interest can begin to apply to this purpose, so he wants provision made that will take care by proper revenue of other necessary requirements of the bill for the first year at least, and possibly the second year.

Now, the Senator proposed to get the revenue in a certain way—that is, by applying interest if we get it, and, if we do not, by selling bonds. That is raising revenue, is it not? If we sell the bonds of a foreign country and use the funds, we are raising

the revenue in that way. I have grave doubts as to whether the provision of the Constitution to the effect that all bills for raising revenue shall originate in the House of Representatives is not violated when we raise the revenue by another system, because the law does not say "by taxation." It says, "bills for the purpose of raising revenue"; and while I would not want to speak absolutely on that question without further consideration, I desire to say that I doubt very much our constitutional right to originate the matter in the Senate.

The bill for compensation for the soldiers, however, is going through. The House committee is already considering the bill and considering the method of raising the revenue to meet it. Let us take the proper way of handling the subject, namely, through the House, bring it before the Senate, and concur in the House bill or make any amendments we see fit. We shall have time to do it; and we ought not to attempt to tie up that proposition to this bill, which is for the purpose of settling our foreign indebtedness.

I do not want to jeopardize the soldiers' compensation bill by any attempt to tie it up to another bill when I do not know whether or not that bill would receive the approval of the Executive if it were attached to it. I am certain that if we pass the bill through the Senate, as we certainly will, under the proper method of originating a bill which will raise revenue, it will receive the approval of the President, with whatever taxation we may attach to it.

Mr. WATSON of Indiana obtained the floor.

Mr. SIMMONS. Mr. President, may I ask the Senator from North Dakota a question before he takes his seat?

Mr. WATSON of Indiana. Mr. President, in view of the statement made——

Mr. SIMMONS. Mr. President, I desired to ask the Senator from North Dakota a question.

Mr. WATSON of Indiana. The Senator has taken his seat, and I have been recognized.

Mr. SIMMONS. I was appealing to the Chair before the Senator from Indiana said anything.

Mr. WATSON of Indiana. Have I not been recognized?

The VICE PRESIDENT. The Senator from Indiana has the floor.

Mr. WATSON of Indiana. Mr. President, in view of the statement that has been made by the chairman of the committee, which we all know to be true, in view of the fact that everybody understands that a bonus bill is going to be passed within the near future, and in view of the fact that this debate is therefore purely of a dilatory and desultory character, I move to lay the amendment on the table.

Mr. ASHURST. Mr. President, a point of order. The unanimous-consent agreement specifically gives every Senator 10 minutes on every amendment.

Mr. REED. Yes, sir.

Mr. WATSON of Indiana. But the unanimous-consent agreement does not prevent a motion to lay on the table.

Mr. ASHURST. Yes; but that was the very purpose of it, if the Senator will pardon me. Every Senator is guaranteed 10 minutes, or the unanimous-consent agreement could not have been obtained.

Mr. WATSON of Indiana. That is not my construction of the unanimous-consent agreement. I think we have a right to move to lay any amendment on the table and prevent any Senator from having 10 minutes on this or any other question.

Mr. HEFLIN. Mr. President, if what the Senator from Arizona says were not true any Senator could make a speech on an amendment and then some other Senator could move to lay it on the table and cut off debate.

Mr. PITTMAN. Mr. President, the unanimous-consent agreement was made for the purpose of limiting debate, and not for the purpose of preventing debate. I have offered an amendment, and I am at least entitled to 10 minutes on my amendment. If unanimous-consent agreements are to be treated in this manner, it is obvious to every Senator here that the minority in this body will never again enter into a unanimous-consent agreement. We are bound at the present time to discuss the amendment before the Senate by reason of the unanimous-consent agreement. If it were not for the unanimous-consent agreement I might discuss any subject that I saw fit for any length of time.

It seems to me entirely unethical for the Senator from Indiana to induce the minority Senators to engage in an unanimous-consent agreement that limits them to 10 minutes on an amendment and 20 minutes on the bill, and then after that violate or attempt to violate the agreement by denying them the exact amount of time that it is agreed that they shall have, and the accomplishment is exactly the same. I think the Senator should withdraw his motion.

Mr. LENROOT. Mr. President, clearly upon principle this motion is in order, and the unanimous-consent agreement certainly could not have been considered by any Senator as precluding a motion to lay upon the table. Fortunately, however, the Senate has passed upon this identical question; and if the Chair will refer to the first volume of the Precedents, upon page 549, under the heading "Not a violation of unanimous-consent agreement to lay amendments on the table," he will find the two precedents that I shall read.

In May, 1906, the bill for regulation of railroad rates being under consideration—

On motion by Mr. Tillman to lay on the table the amendment of Mr. Elkins, together with the other amendments proposed thereto,

An objection was raised to the motion being entertained as being a violation of the unanimous-consent agreement of April 30, limiting debate on amendments to 15 minutes until discussion thereon should be concluded.

The Vice President (Mr. Fairbanks) submitted the question to the Senate, Is the motion in order? Yeas 51, nays 29.

Which is exactly this case.

On May 14 of the same year, and while the same bill was under consideration, the question again came up:

On motion by Mr. Hale to lay the amendment on the table—

Mr. Bacon raised a point of order, viz, that a motion to lay an amendment on the table before the same has been discussed, or when a Senator has expressed a desire to debate it, is in violation of the unanimous-consent agreement of April 30, which declares that discussion upon amendments shall proceed under the 15-minute rule until discussion is concluded.

The Vice President (Mr. Fairbanks) stated that in the opinion of the Chair this question was settled by the Senate in its interpretation of the rule on the 8th instant, and decided that the motion to lay on the table was in order.

That, of course, is just as nearly like this question as any question could be; and, Mr. President, a unanimous-consent agreement with reference to limiting debate certainly on the merits, aside from these precedents, should not be considered or construed as setting aside a general rule of the Senate which makes a motion to lay upon the table in order.

Mr. PITTMAN. Mr. President, there is no doubt in my mind that they can take advantage of their agreement. There is hardly any unanimous-consent agreement which can not be violated. I think we might agree that a vote should be taken on or before a certain hour, and, if there were no limitation to the number of hours for debate, any Senator could take the floor and hold the floor until after the hour fixed and violate the agreement. I am not discussing the rule, I am discussing the ethics of the proposition. I ask the Senator from Indiana to withdraw his motion so that there might be an opportunity to explain an amendment which has been offered which has not been explained. I think any other course will be a violation of the ethics of this body; and I assure the Senator that if he does not withdraw the motion I shall object from now on to unanimous-consent agreements. The Senator may use his own judgment in the matter.

Mr. WATSON of Indiana. Mr. President, I want always to be good-natured and accede to requests made by my colleagues, but I do not intend to be flattered or coerced into receding from a position which I think is correct. I am absolutely satisfied as to the parliamentary situation. I believe that my motion is entirely in order, except that I want to modify it——

Mr. ROBINSON. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from Indiana is already speaking to a point of order.

Mr. ROBINSON. The Senator is debating the motion to table.

Mr. WATSON of Indiana. Not at all, because——

Mr. ROBINSON. A motion to table is not debatable, and under the rules of the Senate it must be determined without debate.

Mr. WATSON of Indiana. To that I agree; but the Senator from Nevada asked me a question, and I was simply trying to answer him.

Mr. ROBINSON. Debate is not in order.

Mr. WATSON of Indiana. I only want to modify my motion by moving to lay on the table the proposed amendment and the amendment to that amendment, and on that I insist.

The VICE PRESIDENT. The Senator from Arkansas is recognized.

Mr. ROBINSON. Mr. President, there can not be any question, in my opinion, about the right of the Senator from Indiana to make a motion to lay on the table. I made the point of order, which the Chair, in my opinion, should have sustained, that the motion to table is not debatable. The Chair having declined to pass upon the point of order when it was made, I do not think there is any debate in order at this time. I should like to speak to the merits of the amendment of the Senator from North Carolina.

The VICE PRESIDENT. The Chair will rule in accordance with the former decision of the Senate, that it is not a violation of a unanimous-consent agreement to make a motion to lay an amendment on the table. The question is on the motion to lay on the table.

Mr. NORRIS. On that motion I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. COLT (when his name was called). Making the same announcement that I made before, I vote "yea."

Mr. DIAL (when his name was called). I am paired with the senior Senator from Colorado [Mr. PHIPPS] and I withhold my vote.

Mr. FRELINGHUYSEN (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WALSH]. Being unable to obtain a transfer, I withhold my vote.

Mr. McCORMICK (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "yea."

Mr. RANSDELL (when his name was called). Under the arrangement I have with my pair, the junior Senator from Delaware [Mr. DU PONT], I have a right to vote on this question, and I vote "nay."

Mr. STERLING (when his name was called). Making the same announcement as to my pair and its transfer that I made on the former vote, I vote "yea."

The roll call was concluded.

Mr. McKELLAR. Making the same announcement I have heretofore made as to my pair and its transfer, I vote "nay."

Mr. FLETCHER. I desire to announce the necessary absence of my colleague [Mr. TRAMMELL], and to state that if he were present and not paired he would vote "nay."

Mr. BROUSSARD. Under the arrangement I have with the junior Senator from Maryland [Mr. WELLER] I have a right to vote on this question, and I vote "nay."

The result was announced—yeas 42, nays 28, as follows:

YEAS—42.

Ball	Ernst	McCumber	Smoot
Borah	Fernald	McKinley	Spencer
Bursum	Gooding	McLean	Sterling
Calder	Hale	McNary	Sutherland
Cameron	Harreld	Moses	Townsend
Capper	Jones, Wash.	Myers	Wadsworth
Colt	Kellogg	Nelson	Warren
Cummins	Keyes	Oddie	Watson, Ind.
Curtis	King	Page	Willis
Dillingham	Lenroot	Pepper	
Elkins	McCormick	Poindexter	

NAYS—28.

Ashurst	Heflin	Overman	Shields
Broussard	Hitchcock	Pittman	Simmons
Caraway	Johnson	Pomerene	Stanley
Fletcher	Jones, N. Mex.	Ransdell	Swanson
Glass	La Follette	Reed	Walsh, Mass.
Harris	McKellar	Robinson	Walsh, Mont.
Harrison	Norris	Sheppard	Watson, Ga.

NOT VOTING—26.

Brandegee	Frelinghuysen	Newberry	Stanfield
Crow	Gerry	Nicholson	Trammell
Culberson	Kendrick	Norbeck	Underwood
Dial	Kenyon	Owen	Weller
du Pont	Ladd	Phipps	Williams
Edge	Lodge	Shortridge	
France	New	Smith	

So Mr. SIMMONS's amendment, together with Mr. PITTMAN'S amendment, was laid on the table.

Mr. REED. Mr. President, having the floor, I presume I can hold it in spite of the motion to lay on the table.

I have no desire to take the 20 minutes allotted to me, but there are two or three things I want to say in regard to the amendment which has just been laid on the table. It is now something like a year and a half since we heard the statement made that our friends on the other side of the Chamber were going to put through a bonus bill "right away." All that they wanted was time to shape it up, and the cry was made then, as it was made to-day, that it was a shame to make a bonus bill a partisan measure.

Mr. President, if it is a partisan measure, or ever becomes a partisan measure, it will be because one party keeps postponing and the other keeps pushing. It will be because the great majority of the Republicans have insisted upon postponing the measure, and a great majority of the Democrats have insisted upon passing it. It will be because a Republican Secretary of the Treasury has been fighting the bill from its inception. It will be because a Republican President ordered the bill back to the committee at the request, if not the command, of his Republican Secretary of the Treasury. It will be because there were not enough Democratic votes, plus the 8 or 10 Republicans who have been voting their convictions upon this question, regardless of party action or party whip, to force the measure through.

Now we are told that the matter is again being considered in the House. We were told by the chairman of the Finance Committee, when the bill was referred back to that committee, that it would receive all proper and speedy consideration. That, if I recall correctly, was six or eight months ago. The bill has slept a long sleep. We are now told that it is never to be brought out of the committee, but that a new measure is to be introduced in the House of Representatives. The former chairman of the Finance Committee whom we all regret, has gone to the great beyond, and still the bill sleeps.

There is one other proposition to which I wish to refer. We are told that the measure must originate in the House of Representatives. We are told that by the chairman of the committee, and that there would be grave doubts about its legality if it were to be originated in this body. Yet the amendment proposed by the Senator from North Carolina to the pending bill is the bill introduced in the Senate by the Senator from North Dakota [Mr. MCCUMBER] in substantially the same language. Here is the bill introduced by the Senator from North Dakota——

Mr. McCUMBER. Mr. President, will the Senator allow me to make one suggestion, which is that I had reference entirely to the matter of the funds to meet it.

Mr. REED. Oh, yes. Senate bill 506 was introduced in the Senate April 12, 1921. Before we can scarcely stop to think it will be a year since it was introduced. It was reported out of the committee on June 20, 1921. It was brought here as a substantive measure for the relief of the soldiers. It did not expressly carry an appropriation. In that respect and in that respect only is it distinguishable from the present bill. This statement was made at that time in the committee report:

> Without attempting the allotment of any prospective receipts, but merely as a suggestion of one means of meeting the obligations of this measure, the committee beg to remind the Senate that there will undoubtedly be funded into long-time bonds the debts due this country for money advanced our associates in the World War.

And now the Senator from North Carolina attempts to adopt that exact suggestion in a bill dealing with the funding of those debts, a bill which originated in the House of Representatives, and which has to do with the collection of that interest, and consequently the distribution of the interest can be dealt with in the same measure when it comes to the Senate.

No man will be permitted to hide behind that sort of a smoke screen. The Constitution has often been used for that purpose, but it will not be successfully used at this time. The cold fact of the matter is that this is another postponement, and it is a postponement made essentially at the dictation of the Secretary of the Treasury, who has stood with his back to the wall and a knife in each hand and one in his teeth, fighting this bonus measure from the first.

I do not think it ought to be a partisan measure. I do not think the present bill ought to be a partisan measure, but when a party determines that it will have no bonus, when a party determines that it will pass the refunding bill in the terms dictated by the Secretary of the Treasury, when it determines to do that by party vote and party action, although the members of the committee of that party sitting in committee resisted the very thing they are now attempting to put through—when that sort of thing is going on, measures become partisan because party lines are drawn by those who manage and control parties.

In all that I say I of course except the gallant Senators who have voted their sentiments, one of whom has to-day been removed from our midst to the bench, I presume because his conduct was so pleasing to the President that he saw nothing in the world to do but to advance him to a high judicial position. It is a thing I am glad occurred, but sorry. I am glad for the judiciary but sorry for the Senate.

There is one other thing to which I wish to call attention: I am going back to discuss the question which would have been discussed awhile ago except for the limit on debate. I refer to the claim that there was no reason for the amendment proposing to limit the authority to pay out more money under the Liberty loan act. We were cited to the fact that in the case of Liberia the credit had been withdrawn. When was it withdrawn? It was withdrawn on November 4, 1921, about six months after the Secretary of the Treasury had appeared before the committee and his attention had been sharply challenged to this commitment; and, moreover, six months after he had failed to make a direct statement upon the matter.

But let us see as to the broader question where we are: We are told there is no necessity for placing any limitation upon the power of the Secretary of the Treasury to pay out further money or to limit his authority to juggle this indebtedness be-

tween different countries. Mr. President, the present Secretary of the Treasury has already done that thing.

As preliminary to what I was about to say, I call attention to the fact that when the bill was first presented by the Secretary of the Treasury it was so drawn that he could have accepted German bonds in lieu of Belgian bonds. He could have accepted in lieu of Italian or English indebtedness the bonds of Germany or the bonds of Czechoslovakia, or the bonds of any other of the countries with unpronounceable names. It was his purpose so to do, and he has already done it. What he would have done if we had not put some bridle upon him in this bill, God and himself only know.

I read from the report of the Secretary of the Treasury for the fiscal year ending June 30, 1921, but which was written at a much later date:

The balance of the credit of $34,921,192.73 in favor of Italy was extended for the purpose of enabling the Italian Government to make such reimbursements in dollars to the British Government as should be found due.

That is to say, Italy owes Great Britain over $34,000,000 and we extended the credits to Italy in order to enable Italy to pay Great Britain.

I continue reading:

In the purchase of certain classes of commodities in this country for war purposes, and in certain other transactions in connection with the war, the British Government acted for France and Italy, who periodically reimbursed the British Government out of the proceeds of advances from the United States Treasury. In settling these accounts, which must be extended over many months, it was found that the amount of reimbursements still to be made by the Italian Government to the British Government was $16,695,063.91, and that the French Government had overpaid the British Government in excess of this amount. On March 20, 1921, an advance of $16,695,063.91 was made to Italy for the purpose of making said reimbursement to the British Government. The indebtedness of Italy to the United States Government was increased by this amount.

In other words, we take Italy instead of Great Britain as our debtor. We swap accounts, exactly the thing that was intended to be done under this bill.

I continue reading:

In accordance with an agreement, the British Government, at the time of the advance of said sum of $16,695,063.91 to the Italian Government, simultaneously paid a like sum to the Secretary of the Treasury to be applied upon obligations of the French Government held by the United States. As a result of this application the indebtedness of France to the United States Government was reduced in a like amount, by applying $15,265,504.26 as a payment on account of the principal of the obligations of the French Government held by the United States and $1,429,559.65 as a payment of the accrued interest to the date of payment on said sum of $15,265,504.26. It will be noted that in carrying out this transaction no funds passed out of the United States Treasury, but that its effect was to adjust accounts as between the United States, the Italian, the French, and the British Governments.

But the difference to us was that instead of having France or Great Britain for our debtor, we got Italy for our debtor. That has been done since the war was long over. That is the very power the Secretary of the Treasury is asking to-day. That is exactly what he intended to do under the bill, and in so far as we have limited him we have merely balked him in his purpose.

Then states the Secretary of the Treasury:

The remaining $18,226,128.82 of the balance of credit in favor of the Italian Government, above mentioned, was withdrawn on March 30, 1921.

There is also clearly indicated here that there may be further sums demanded by Czechoslovakia.

I call attention to this statement:

The credits in favor of Greece were established pursuant to a special agreement made early in 1918, under which the United States, Great Britain, and France undertook to lend to the Greek Government for specified purposes, in equal shares in their respective currencies, up to the equivalent of 250,000,000 francs each. It is not contemplated that any advances will be made on this account by the United States.

But I understand that large advances have been made in the past, and that they were made to purchase arms for Greece, and that Italy and France refused to carry out their part of the agreement.

So when we talk about intrusting these powers to the Secretary of the Treasury, who has already proceeded in this way, who has seen fit to substitute Italy as our debtor where Great Britain was our debtor, and who has engaged in similar operations with France, when we already have that sort of thing before us, as sensible men we ought to place limitations upon the power of such a man.

Mr. President, nothing I have said will change a vote. I am well aware of that. We are all well aware of it. All we can do is to stand here and protest. I am perfectly willing, so far as I am concerned, that this thing, which is already consummate in agreement, shall be wrought out by the Republican vote.

Mr. SIMMONS. Mr. President, will the Senator permit an interruption?

Mr. REED. Certainly.

Mr. SIMMONS. Mr. President, the Senator from North Dakota [Mr. MCCUMBER] a little while ago, in giving a reason why this matter should go back to the other House and be worked over again, said there was some doubt about our right to act upon it and to appropriate the money. I find upon examination of the bill which has passed the House that it did appropriate the money and that it provided how the money should be obtained. Of course, when the House sends a bill to us with an appropriation provided, the Senate may by amendment change the method provided in the appropriating section of the bill and appropriate the money in a different way if it sees fit. There can be no question about that. So there is nothing in the excuse which has been made by the Senator from North Dakota.

Mr. PITTMAN. Mr. President, by reason of a violation of the spirit of the unanimous-consent agreement I was prevented from addressing myself to the amendment which I offered to the amendment of the Senator from North Carolina. I asked the Senator who made the motion to table—which motion cuts off debate—to withdraw it, but he would not do so. The Senator making the motion knew well what both amendments were. He did not want the amendments debated.

My amendment which was tabled just now on the motion of the Senator from Indiana [Mr. WATSON] embraced the land settlement provisions of House bill 14157, which passed the House of Representatives May 31, 1920. Now, let me see what the American Legion thinks of that amendment. I will read to the Senate a resolution which was passed by the executive committee and officers of the American Legion in convention assembled at Indianapolis on January 23, 1922. It is incorporated in a letter which is addressed to me:

MY DEAR SENATOR: The national legislative committee of the American Legion desires to call to your attention the following resolution, adopted at Indianapolis on January 20, 1922:

The resolution reads as follows:

Whereas the question of adjustment of compensation for the men and women who served the country during the late World War was carefully considered by the American Legion in convention assembled at Minneapolis in 1919, Cleveland in 1920, and Kansas City in 1921; and

Whereas it was the almost unanimously expressed sentiment of these conventions that Congress should immediately enact legislation to equalize the economic handicap suffered by service men and women upon their return to civil life, such adjustment embodying the optional features—

1. Land settlement,
2. Home aid,
3. Insurance,
4. Vocational training,
5. Cash adjustment,

all of which were incorporated in the so-called adjusted compensation bill, passed by the lower House of Congress in May, 1920; and

Whereas the press of the country has stated that the President and his Cabinet have expressed the belief that the bill should be considered and passed immediately: Therefore be it

Resolved, That the national officers and executive committeemen of the American Legion and the department commanders and adjutants in convention assembled in Indianapolis, Ind., on January 20 and 21, 1922, representing the full membership of the American Legion, do hereby commend the President and his Cabinet for the stand which they are now taking in recognizing the merits of the Legion's optional adjusted compensation bill as a constructive measure of prime importance, and now look forward with confidence to its immediate enactment into law by the present Congress.

Sincerely,

NATIONAL LEGISLATIVE COMMITTEE,
DANIEL F. STECK, *Chairman*.
JOHN THOMAS TAYLOR, *Vice Chairman*.

The optional feature referred to in the resolution as No. 1, "Land settlement," is the amendment that I offered. It is the amendment that the American Legion has fought for at all times. It is the optional feature that passed through the other House almost by a unanimous vote; it is the optional feature that was recommended by the committee of this body and reported to the Senate by the Senator from North Dakota [Mr. MCCUMBER] on February 28, 1921. The amendment offered by the Senator from North Carolina [Mr. SIMMONS] is, of course, well understood.

Mr. President, I want to read into the RECORD the unanimous-consent agreement in reference to the pending bill, because I intend to refer to it afterwards. I read from the calendar of this date as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that from and after 3 o'clock p. m. on the calendar day of Monday, January 30, 1922, no Senator shall speak more than once or longer than 20 minutes upon the bill H. R. 8762, an act to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, or more than once or longer than 10 minutes upon any amendment offered thereto; and, further, that at the conclusion of business of the Senate this day the Senate will take a recess until 11 o'clock a. m. on Monday, January 30, 1922. [Jan. 25 (calendar day, Jan. 28), 1922.]

It can not be successfully contended, it can not be honestly contended, that it was not the intention of the Senators consenting to that agreement that each Senator should have the

opportunity of making at least one speech on an amendment, and should be allowed to speak for at least 10 minutes. Do Senators suppose for one moment that it was the thought of any Member of the Senate that the numerous amendments of great importance which have been offered to this bill could be deprived of the benefit of debate? Yet under the stand taken by all of the Republican Senators, except the Senator from California [Mr. JOHNSON], the Senator from Wisconsin [Mr. LA FOLLETTE], and the Senator from Nebraska [Mr. NORRIS], in sustaining the motion to table my amendment, which motion cuts off debate, it has been held that such an agreement does not insure an opportunity to speak for 10 minutes on any amendment. By that action the Senators on the other side have adopted a procedure which means that no Senator ever again dares to give consent to such an agreement as that.

They could move to table every amendment which has been offered to this bill, and as such a motion is not debatable they could absolutely shut off debate on every amendment, as they did cut off debate on the amendment intended to aid the ex-service men and women of this country.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield; yes, sir.

Mr. LENROOT. Does the Senator think that the unanimous-consent agreement was intended by any Senator to extend any right of debate? Was it not a limitation?

Mr. PITTMAN. Undoubtedly, it was a limitation.

Mr. LENROOT. And does not the Senator know that if there had been no unanimous-consent agreement a motion to lay every amendment on the table would have been in order and would have cut off debate?

Mr. PITTMAN. Yes; undoubtedly. But does the Senator suppose for one moment that the Senator from North Carolina would have ever helped to facilitate the passage of this bill by agreeing to the request for unanimous consent if he had thought it was the intention of Senators on the other side not to permit any debate upon his amendment? Does the Senator think for one moment that the Senator from Nevada would have ever accommodated the other side by giving his consent to this agreement if he had thought for one moment that it was not the intention to allow 10 minutes' debate on every amendment? No; because if we had not entered into any agreement we could have stood here and talked for hours if we desired.

Mr. LENROOT. Mr. President, will the Senator yield further?

Mr. PITTMAN. I yield.

Mr. LENROOT. If the agreement had not been entered into at all, debate could have been cut off on the amendment of the Senator from North Carolina as well as on the amendment of the Senator from Nevada?

Mr. PITTMAN. Oh, yes; but if we had not relied upon your word, we would have debated our amendments first and then offered them subsequently and let them then be killed by a motion to table, if that was the desire of the majority. In the future that is what I intend to do; I intend not to enter into any agreement on which such a construction can be placed as has been placed upon the unanimous-consent agreement under which we are now operating. There is not a Senator here but knew, and in his heart expected, that every Senator would be allowed to speak once on an amendment and for not longer than 10 minutes, but the majority party have resorted to a technical rule to violate that agreement, and they have done so because they are afraid to discuss the soldiers' cause here; they are afraid to talk about the delays which they have caused in connection with this much-desired legislation.

I have the utmost respect for those Senators who opposed the soldiers' bonus on principle; that is their right; but I have a different sentiment toward those Senators who cringe in their seats every time the bonus bill is mentioned because they have promised the soldiers for over three years that they were going to do something for them, and because they know in their hearts that they are not doing the right thing in not taking action on the measure now, and they have not done the right thing in not acting upon it in the past.

We have heard the same old song for three and a half years coming from the other side of the Chamber, "We want to pass a bonus bill; oh, yes; we are going to do it pretty soon." Away back yonder, when the House passed the bonus bill, nearly two years ago, and it came over here, when charges of delay were made on the floor of the Senate, we heard the same old song, "Give us a little time; we are going to pass it very soon." So, along in May, when it passed the House and came over here, and Senators on this side of the Chamber urged action on it, it was kept in the committee as long as it could be kept there, and then when it came out of the committee it was referred back to the committee. Again, on the day that the Republican Senators stultified themselves, when nearly all of the Republican majority bowed to the whip of Secretary Mellon and killed the bonus bill, as an excuse they said to the soldiers of the country, "Wait just a little while; we are going to give you a good bill." They have been deceiving the soldiers every hour during which they have ever discussed this bill, and in their hearts they know it. They have been corralled and cajoled and whipped into line by the Secretary of the Treasury and the great interests of this country, which are antagonistic to paying out any money except to the barons of Wall Street, and they know it. I tell Senators on the other side of the Chamber now that they can not cut off debate. It was a foolish, cowardly thing to move to table the amendment of the Senator from North Carolina, and it has not accomplished anything, and never will accomplish anything.

Mr. HEFLIN. Mr. President——

Mr. PITTMAN. I will ask the Senator to wait a moment, please. I do not care to make a speech on this subject. There is no use in attempting to make a speech on any subject when all except three Senators on the other side will vote to close the brief 10 minutes of debate allowed under the unanimous-consent agreement on amendments which may be presented.

Cowardice is a thing that drives men to more misdeeds than all the criminal intent that is born in the lowest thug that ever skulked in the dark alleys of our great cities. When a man suffers from cowardice, when he trembles under the whip of his boss, God knows there is no opportunity to appeal to him with reason; sympathy for soldiers does not appeal to him; his mind is absolutely oblivious to the sufferings and hardships those men have undergone.

Senators on the other side now say a bill is being prepared in the House of Representatives, and they add "We are trying to find a way to supply the money." How do they propose to supply it? They talk about a sales tax, and I think they will attach a sales tax provision to the bill, because they know that this body overwhelmingly voted against the sales tax, and they will attach anything to it that they think will kill it; they will attach anything to it that they think will delay it for years and years. Oh, yes; they have been looking for something they can tie on to it that will give Senators an excuse to vote against it.

Mr. SIMMONS. Mr. President——

Mr. PITTMAN. I yield to the Senator from North Carolina.

Mr. SIMMONS. Mr. President, I desire to ask the Senator from Nevada if he can give the Senate any estimate as to how long it will take to pass the next bill that comes to the Senate from the House?

Mr. PITTMAN. If it takes as long to pass the next bill as it did to pass the other bill that came over from the House, it will not be passed until about a week before the next presidential election. It will run about that length of time.

You Republicans know the condition of your calendar. You publish it in the papers. You have not come in with your tariff bill after months and months of dodging and ducking. You are coming in with it. Your leaders know that it is going to take you two or three months to discuss the hundreds of revolutionary items that are contained in it. As a matter of fact, it will take Senators on the other side three months to learn their own bill. How on earth can you expect Senators in this body to know anything about the bill when it has taken over a year for the members of the Finance Committee to find out where they stood on it? I do not know.

You have these treaties coming in, I suppose, unless you intend to duck the issue. You can not duck all the issues. You have been ducking the tariff issue now for months, but you will have to come through. You hoped that the Senate and the House would adjourn before you had to report that bill, but you have got to act soon; and you talk now, through the press, about your treaties possibly not coming up at this session. Why not? You will have to come in with those treaties, and you will have to debate them upon the floor of the Senate. You know now that you have enough business before Congress to keep Congress busy until away along in the middle of the summer, and you know in your hearts that you have not any intention of ever taking up for consideration and action any bill that will give any benefit to the ex-service men and women of this country.

Mr. HEFLIN. Mr. President, the Senator from Nevada [Mr. PITTMAN] has ably covered the point that I had in mind, and the one I had expected to ask him about.

When this unanimous-consent request was submitted by the other side, if any Senator on the other side had risen in his place and given notice that he reserved the right to move to lay upon the table any amendment that might be offered, the unanimous-consent agreement never would have been entered into. I do not believe that there is a Senator here who thinks

it would have been. When a unanimous-consent agreement is made that debate shall be had, and that no Senator shall speak more than 10 minutes or more than 20 minutes, or whatever amount of time is allotted, it means that any Senator can have that much time if he wants it. That is what it means. If the English language means anything, the unanimous-consent agreement means that; and I submit, as does the Senator from Nevada, that it is not keeping faith with the Senate for any Senator to rise on the other side and move to cut off debate, and to take away from the Senate the proposition that is being discussed and lay it upon the table. It is not fair. It is not living up to the spirit of the unanimous-consent agreement. Not only that, Mr. President, but such a thing should never have been done on an occasion like this. When the Senator from North Carolina was seeking to provide by his amendment that the interest upon this foreign debt should be paid to the distressed ex-soldiers of the United States, the same side that voted to deny the American Congress the right to pass upon a settlement suggested by five commissioners to handle this $11,000,000,000 indebtedness stood for a proposition that put upon the table an amendment that sought to give relief and common justice to the ex-soldiers of the country.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Frelinghuysen	McLean	Sheppard
Borah	Gooding	McNary	Shields
Brandegee	Hale	Moses	Simmons
Broussard	Harreld	Nelson	Smoot
Bursum	Harris	Nicholson	Spencer
Calder	Heflin	Norris	Stanley
Cameron	Hitchcock	Oddie	Sterling
Capper	Jones, N. Mex.	Overman	Sutherland
Caraway	Jones, Wash.	Owen	Swanson
Colt	Kellogg	Page	Townsend
Curtis	Keyes	Pepper	Wadsworth
Dial	King	Pittman	Walsh, Mass.
Dillingham	La Follette	Poindexter	Walsh, Mont.
Elkins	McCormick	Pomerene	Warren
Ernst	McCumber	Ransdell	Watson, Ga.
Fernald	McKellar	Reed	Watson, Ind.
Fletcher	McKinley	Robinson	Willis

The VICE PRESIDENT. Sixty-eight Senators have answered to the roll call. There is a quorum present.

Mr. JONES of New Mexico. Mr. President, I do not intend to delay the Senate for any great length of time; but I desire to say just a word regarding the press reports pertaining to the so-called bonus bill.

We have been informed that it is the purpose of the President and the administration to pass a bonus or an adjusted compensation bill which will embody some provision for raising revenue with which to make payments under the bill. I want to announce now that in my judgment the burdens of such a bill should be treated in precisely the same way as the burdens of any other obligation of this Government, and that I do not believe that the bonus bill or the adjusted compensation bill should be used as a means for foisting upon the people of this country obnoxious taxation laws; and yet that seems to be what is proposed. They are going to use this adjusted compensation bill as a means of raising revenue in a way which it is known would not be tolerated by this country if the money were to be used for any other purpose. I want to express now the thought that if the Government owes any debt to the ex-service men it should be treated in precisely the same way as any other indebtedness of the Government, and that there should not be coupled with it obnoxious provisions for the purpose of raising revenue; and I take it that that is the excuse which is offered here now for delay in the passage of this bill.

The chairman of the Finance Committee, in making his objections to the amendment of the Senator from North Carolina, undertook to suggest that the amendment proposed by the Senator from North Carolina was a provision for raising revenue, and that it must originate in the House. I do not believe there is anything in the objection made by the Senator from North Dakota. I think the amendment proposed by the Senator from North Carolina was well within the rule and within the Constitution.

Mr. SIMMONS. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator.

Mr. SIMMONS. I want to call the attention of the Senator from New Mexico to the fact that the amendment which I have offered was the House bill as revised by the Senate committee, and the bill that has been before the Senate all the time is the House bill. That bill provides an appropriation of money and provides the way of raising the money; so there can be no contention that this legislation did not originate in the House. There can be no contention that it is not now competent for the Senate to provide for an appropriation and the method of payment, because in the bill that is before us now the House provides an appropriation and the method of payment. The Senate has the right to amend any bill that comes from the House carrying an appropriation, providing a way of raising the money, by substituting a different amount of appropriation, or a different method for raising the money.

Mr. JONES of New Mexico. Mr. President, I think the Senator from North Carolina is absolutely right in the views which he has expressed, and the objections raised to it, it seems to me, are urged for the purpose of conjuring up some excuse to prevent the passage of this legislation which has been before the Senate and which has been discussed time and again, and which we are assured will become a law at some time; but it is being held back, as I believe, for the purpose of attaching to it provisions for raising revenue which would be obnoxious, and giving it out to the country that those means for raising revenue would not have been provided except for such a laudable purpose.

I give notice now that such proceedings will not be tolerated, and will meet with the earnest protest of everybody who is honestly in favor of this adjusted compensation legislation. I do not believe you can camouflage the situation any longer, or that you can attach to it amendments which will meet with such condemnation as to defeat the entire measure.

In order that it may be distinctly understood, so far as I am concerned, that if there is an indebtedness due these men it should be paid out of the funds in the Treasury precisely as any other indebtedness is paid, I intend to propose an amendment to the bill, offering the adjusted compensation amendment precisely as it was offered by the Senator from North Carolina, except that I propose to change the last section of it so that there shall be no appropriation of the interest from the European indebtedness or no application of any specific fund whatever, but that it shall be passed as it was reported by the Senator from North Dakota from the Finance Committee and with an appropriation out of the Treasury to meet the expenses of the bill.

That is the only forward, open, and, it seems to me, frank and honest way to meet the situation. If you are not in favor of paying the ex-service men adjusted compensation, then you have a perfect right to vote against it; but I do not think you have any right to tack onto it a provision to raise money in a special way, laying a special burden upon the American people, or upon certain classes of them, for the purpose of paying it, and doing a thing which you would not suggest or propose if it were not coupled with a meritorious measure such as this.

So the amendment which I propose is the adjusted compensation bill, adding section 1572, as follows:

That there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, such amount as may be necessary to carry out the provisions of this title.

Mr. SIMMONS. Mr. President, I want to ask the Senator if he does not know in advance that a motion will be promptly made on the other side to lay his amendment on the table? Three times the Senate has been offered an opportunity to put a soldiers' compensation measure on the statute books, to grant to these men what they have been asking, and what we have all said we are ready to give. Three times that bill has been throttled; three times a direct vote upon the proposition has been prevented by a resort to questionable legislative tactics.

Why have Senators on the other side done that? Why will they treat the Senator's amendment in the same way in which they treated mine a few moments ago, and in the same way they treated my amendment when I offered it as an amendment to the revenue bill? Because they know that they dare not permit this body to vote directly upon the question of an adjusted compensation act. Those who control legislation in this Chamber know that there are not Senators enough on the other side of the Chamber who will dare cast a direct vote against the adjusted compensation bill, taking into consideration the votes on this side for it, to defeat it. They do not intend that the legislation shall be passed, and they do not intend that an opportunity shall be given to the Senate to vote upon the question, whether it is for or against the soldiers' bonus.

Mr. JONES of New Mexico. Mr. President, I was of the opinion that the dire results just predicted by the Senator from North Carolina would occur, but I felt it to be my duty to present my views to the Senate and let the Senate act upon them. Some one on the other side of the Chamber may move to table the amendment if he wants to; they may vote against it if they want to; but I want it understood what my views are regarding such legislation.

Mr. WADSWORTH. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from New York?

Mr. JONES of New Mexico. I yield.

Mr. WADSWORTH. I was interested in some of the observations of the Senator concerning the statements that are abroad to the effect that additional taxes are to be levied, and his objection, as I understand it, to the levying of any additional or special taxes. Does the Senator believe that the soldiers' bonus can be paid out of the current revenues of the Government?

Mr. JONES of New Mexico. I believe that if Congress says any payments shall be made out of the Treasury, Congress will take some means of providing the money; but what I wanted to impress was that it should not single out this indebtedness and pass special legislation to raise the revenue any more than it should pick out the indebtedness which we have authorized to be incurred for the support of the Army or the Navy or any other department of the Government. If this is a proper measure at all, it stands upon the same footing as any other indebtedness of our Government, if not on a higher plane, and I submit that no just reason can be given for singling out this indebtedness and imposing unjust, obnoxious, or class legislation for the purpose of raising money with which to meet it.

Why not provide the sales tax to pay the expenses of the Army and the Navy? Why not raise the revenue in a special way to pay the expenses of the Agricultural Department or any other department? If this is a just indebtedness, it is quite as just, and ought to be paid with as much ardor and with as much cheerfulness, as any other debt of the Government.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. SIMMONS. I want to say to the Senator that the measure which he is now discussing before the Senate providing for the soldiers' bonus is one which received practically the unanimous support of the Finance Committee, and nobody has objected to it up to this date as a proper method of providing for that bonus.

Why not permit us to-day to adopt the amendment which the Senator has offered, pass the soldiers' bonus bill now, and put it on the statute books? Congress is in session. We have just commenced the session. We expect it to run well into the summer, and we have abundant time. Can we not, before the present session of Congress adjourns, provide a method for raising the money, if it is not in the Treasury now?

Mr. WADSWORTH. Mr. President, will the Senator from New Mexico yield for a single question?

Mr. JONES of New Mexico. I yield.

Mr. WADSWORTH. Could there be any method of keeping it from the knowledge of the people that whatever additional tax we impose is imposed for the purpose of paying the bonus?

Mr. JONES of New Mexico. Mr. President, I do not believe that the people of the country should or could draw any such distinction; but the provision for raising the additional money should not be added to this bill. Revise your revenue law and raise your money in a proper way, precisely as you raise additional funds to pay any other indebtedness of the Government.

Mr. WADSWORTH. Would not every one know that it was done for the purpose of paying the bonus, and that if it were not for the bonus it would not be done?

Mr. JONES of New Mexico. Mr. President, I have no objection to that if a measure for raising additional revenue can be passed upon its own merit. I have no objection to whatever means may be adopted for the purpose of raising additional revenue. If the means adopted should be investigated and should be approved as a proper method of raising revenue generally, all well and good. The fact that the money would be ultimately applied as well to this indebtedness would make no difference. It is true the necessity for the additional revenue might be occasioned by this bill; yet it would be raised in a way which the Congress would recognize as right and proper, and would not be tacked upon a meritorious measure simply because it could not pass in any other way. I think there is a broad distinction. Let the revenue law be revised. Let the revenue be provided which is necessary to pay all the expenses of the Government which the Congress shall say by legislation should be paid. Let the adjusted compensation bill be passed. Let it become a common charge upon the Treasury, and then let the Finance Committee and the Ways and Means Committee revise the revenue law so as to raise additional revenue, the additional revenue not necessarily being for this specific purpose, but for the purpose of meeting the Budget of the Government.

Now, Mr. President, I offer this amendment and, as I said, any Senator may move to lay it on the table if he so desires, or we can take a vote upon the amendment. I ask for the yeas and nays upon it.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "yea."

Mr. COLT (when his name was called). Making the same announcement that I made before, I vote "nay."

Mr. HARRIS (when Mr. DIAL'S name was called). I desire to announce that the Senator from South Carolina [Mr. DIAL] is absent on account of illness and is paired with the senior Senator from Colorado [Mr. PHIPPS].

Mr. RANSDELL (when his name was called). I transfer my pair with the junior Senator from Delaware [Mr. DU PONT] to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

Mr. STERLING (when his name was called). Making the same announcement as on the former vote with reference to my pair and its transfer, I vote "nay."

Mr. SUTHERLAND (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON]. I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS] and vote "nay."

The roll call was concluded.

Mr. DILLINGHAM. I have a general pair with the Senator from Virginia [Mr. GLASS]. He informed me a short time ago that if present he would vote against the bonus proposition, and released me from the pair. Therefore I shall vote. I vote "nay."

Mr. McCORMICK. Making the same announcement as before as to my pair and its transfer, I vote "nay."

Mr. KING. I wish to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is paired with the senior Senator from Massachusetts [Mr. LODGE]. If the Senator from Alabama were present and permitted to vote, he would vote "nay." I am authorized to so state.

Mr. McKELLAR. Making the same announcement as heretofore made as to my pair and its transfer, I vote "yea."

Mr. CURTIS. I wish to announce that the Senator from California [Mr. JOHNSON] is paired with the Senator from Pennsylvania [Mr. CROW], and that the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 21, nays 42, as follows:

YEAS—21.

Ashurst	Heflin	Pomerene	Walsh, Mass.
Broussard	Jones, N. Mex.	Ransdell	Walsh, Mont.
Caraway	McKellar	Reed	Watson, Ga.
Fletcher	Norris	Sheppard	
Harris	Overman	Simmons	
Harrison	Pittman	Stanley	

NAYS—42.

Ball	Ernst	McCumber	Smoot
Borah	Fernald	McKinley	Spencer
Brandegee	Frelinghuysen	McLean	Sterling
Bursum	Gooding	McNary	Sutherland
Calder	Hale	Moses	Townsend
Cameron	Harreld	Myers	Wadsworth
Capper	Jones, Wash.	Nelson	Warren
Colt	Kellogg	Oddie	Watson, Ind.
Curtis	Keyes	Page	Willis
Dillingham	King	Pepper	
Elkins	McCormick	Poindexter	

NOT VOTING—33.

Crow	Hitchcock	Newberry	Stanfield
Culberson	Johnson	Nicholson	Swanson
Cummins	Kendrick	Norbeck	Trammell
Dial	Kenyon	Owen	Underwood
du Pont	Ladd	Phipps	Weller
Edge	La Follette	Robinson	Williams
France	Lenroot	Shields	
Gerry	Lodge	Shortridge	
Glass	New	Smith	

So the amendment of Mr. JONES of New Mexico was rejected.

Mr. McCUMBER. Mr. President, there are a number of merely formal amendments, just to correct the phraseology, to which I think there will be no objection.

The general term that is used in the law is "held by" and not "owing to." On page 2, line 2, I move to strike out the words "owing to" and insert "held by," so it will read, "held by the United States of America."

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). The amendment will be stated.

The ASSISTANT SECRETARY. On page 2, line 2, strike out the words "owing to" and insert the words "held by."

The amendment was agreed to.

Mr. McCUMBER. On the same page, line 11, after the word "or" and before the word "obligations" I move to insert the word "other," so that it will read, "or other obligations."

The amendment was agreed to.

Mr. McCUMBER. In line 23, before the word "obligations," I move to insert the word "other," so as to read, "any such bonds or other obligations."

The amendment was agreed to.

The PRESIDING OFFICER. If there are no further amendments as in Committee of the Whole the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. SIMMONS. On the passage of the bill I call for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I transfer my pair with the junior Senator from Maryland [Mr. WELLER] to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. COLT (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "yea."

Mr. NORRIS (when Mr. JOHNSON's name was called). The Senator from California [Mr. JOHNSON] was called from the Chamber about an hour ago. He is paired on this question with the senior Senator from Pennsylvania [Mr. CROW]. If the Senator from California were present he would vote "nay." If the Senator from Pennsylvania were present he would vote "yea."

Mr. McCORMICK (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "yea."

Mr. McKELLAR (when his name was called). Making the same announcement as heretofore as to my pair and its transfer, I vote "nay."

Mr. RANSDELL (when his name was called). I transfer my pair with the junior Senator from Delaware [Mr. DU PONT] to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. STERLING (when his name was called). Making the same announcement as on the last vote as to my pair and its transfer, I vote "yea."

Mr. SUTHERLAND (when his name was called). I transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the senior Senator from Iowa [Mr. CUMMINS] and vote "yea."

Mr. WATSON of Indiana (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. He has released me from that pair, stating that he would vote as I shall vote. I vote "yea."

The roll call was concluded.

Mr. JONES of Washington (after having voted in the affirmative). Has the Senator from Virginia [Mr. SWANSON] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. JONES of Washington. The Senator from Virginia [Mr. SWANSON] is necessarily absent, and I promised to take care of him with a pair if he had to be away. However, I understand that I can transfer that pair to the Senator from Colorado [Mr. NICHOLSON], which I do, and allow my vote to stand.

Mr. GLASS. I desire to announce the unavoidable absence of my colleague [Mr. SWANSON]. If present, my colleague would vote "nay."

Mr. KING. I wish to announce the unavoidable absence of the senior Senator from Alabama [Mr. UNDERWOOD] on account of his duties in connection with the Disarmament Conference. He is paired with the senior Senator from Massachusetts [Mr. LODGE]. If the Senator from Alabama were present he would vote "nay."

Mr. CURTIS. I wish to state that if the Senator from Massachusetts [Mr. LODGE] were present, he would vote "yea." The Senator from Massachusetts is absent on official business.

Mr. WALSH of Massachusetts. I wish to announce that the junior Senator from Rhode Island [Mr. GERRY] is absent on account of illness. If present, he would vote "nay."

I also wish to announce that the Senator from Arkansas [Mr. ROBINSON] is necessarily absent, and if present, he would vote "nay."

Mr. HALE. I transfer my pair with the Senator from Tennessee [Mr. SHIELDS] to the Senator from Wisconsin [Mr. LENROOT] and vote "yea."

Mr. CURTIS. I wish to announce that the following Senators, if present, would vote "yea" on the passage of the bill: Messrs. NEW, NICHOLSON, LENROOT, CUMMINS, NEWBERRY, SHORTRIDGE, STANFIELD, WELLER and DU PONT.

I wish to announce the following pairs:

The Senator from South Dakota [Mr. NORBECK] is paired with the Senator from Maryland [Mr. FRANCE]. If present, the Senator from South Dakota would vote "yea" and the Senator from Maryland would vote "nay."

The Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN]. If present, the Senator from New Jersey would vote "yea" and the Senator from Oklahoma would vote "nay."

The Senator from Colorado [Mr. PHIPPS] is paired with the Senator from South Carolina [Mr. DIAL]. If present, the Senator from Colorado would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 39, nays 26, as follows:

YEAS—39.

Ball	Ernst	McCumber	Smoot
Brandegee	Fernald	McKinley	Spencer
Bursum	Frelinghuysen	McLean	Sterling
Calder	Gooding	McNary	Sutherland
Cameron	Hale	Moses	Townsend
Capper	Harreld	Nelson	Wadsworth
Colt	Jones, Wash.	Oddie	Warren
Curtis	Kellogg	Page	Watson, Ind.
Dillingham	Keyes	Pepper	Willis
Elkins	McCormick	Poindexter	

NAYS—26.

Ashurst	Harrison	Norris	Simmons
Borah	Heflin	Overman	Stanley
Broussard	Jones, N. Mex.	Pittman	Walsh, Mass.
Caraway	King	Pomerene	Walsh, Mont.
Fletcher	La Follette	Ransdell	Watson, Ga.
Glass	McKellar	Reed	
Harris	Myers	Sheppard	

NOT VOTING—31.

Crow	Hitchcock	Newberry	Smith
Culberson	Johnson	Nicholson	Stanfield
Cummins	Kendrick	Norbeck	Swanson
Dial	Kenyon	Owen	Trammell
du Pont	Ladd	Phipps	Underwood
Edge	Lenroot	Robinson	Weller
France	Lodge	Shields	Williams
Gerry	New	Shortridge	

So the bill was passed.

The title was amended so as to read: "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments held by the United States of America, and for other purposes."

ASSOCIATIONS OF PRODUCERS OF AGRICULTURAL PRODUCTS.

Mr. KELLOGG. I move that the Senate proceed to the consideration of the bill (H. R. 2373) to authorize associations of producers of agricultural products.

Mr. KING. It seems to me that that motion is so important that the Senator ought to give us a day's notice before moving the consideration of the bill.

Mr. KELLOGG. I gave notice a week ago that I would call up the bill at the conclusion of the consideration of the bill which has just been passed and asked to have it made the unfinished business.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota, that the Senate proceed to the consideration of the bill named by him.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. KELLOGG. I ask that the unfinished business may be temporarily laid aside.

The PRESIDING OFFICER. Without objection, that order will be made.

MEMORIAL ADDRESS BY GUY D. GOFF.

Mr. WILLIS. I ask unanimous consent to have inserted in the RECORD a memorial address on "The Americanism of McKinley," which was recently delivered by Hon. Guy D. Goff, assistant to the Attorney General, at Niles, Ohio.

There being no objection, the address was ordered to be printed in the RECORD as follows:

MEMORIAL ADDRESS BY HON. GUY D. GOFF, ASSISTANT TO THE ATTORNEY GENERAL, ON THE AMERICANISM OF WILLIAM M'KINLEY, DELIVERED AT THE M'KINLEY BIRTHDAY EXERCISES, HELD IN NILES, OHIO, JANUARY 28, 1922.

"It is God's way. His will—not ours—be done." Thus in the noon of his manhood, resplendent in life, and reverential in death, honored of all men, William McKinley, with the hallowed accents of God on his lips, passed beyond the worship of friends and the calumny of foes. He died in the beautiful autumn, in the golden glow of his greatness, beloved by the brave, patient, nameless people—the real heroes of his State and his country. "He showed in his life how a citizen should live, and in his last hour taught us how a gentleman could die." His administration has taken its place in history, and under his magnificent initiation the United States is respected throughout the civilized world, because whether in Europe, Asia, or the islands of the sea, his policy—

President's Harding's policy—was and is that of justice and fair dealing in all international affairs.

Every epoch in history has its master mind, its man of destiny. Nature always keeps her great workmen for great crises. They have been marked by four great characteristics: Conviction, purpose, preparation, and patience. They have been men with ideas born of moral vision, men of action who dared to fight for the realization of their ideals, men who could work and wait. And so through the silent, solemn march of the centuries, fraught with conflict and with change, with strife and with peace, has come the imperishable fabric of democracy. Governments are not created, they grow out of the past. Constitutions are not struck off in a single convention; they are the slow, deliberative work of the ages. The fabric of human institutions is a texture that can be woven only in the loom of time.

Great deeds are the offsprings of great ideas. Thought is the most potent force in the world. Empires are never built until men dream them. As Carlyle said:

"Man carries under his hat a private theater wherein a greater drama is acted than is ever performed on the mimic stage, beginning and ending in eternity."

With all great men it is not so much what they intend to do but rather what the qualities of their natures impel them to do that determines their careers. The strength of this Nation depends on something greater than its Army and Navy. It rests on the sentiments and the ideals that inspire our people. This Nation to-day rests not on material achievements of men but on the homes of our country, where the privileges of citizenship are learned at the mother's knee, where love and generosity are made the maxims of youth, and where the family life is a miniature of the broader life of the world. The forces responsible for our development have been composite, the blending in one of the best in many races, and the Master Spirit that could ride the whirlwind and direct the storm has alone survived.

There have been marked differences between the sections of our country, due not only to the people who first made their homes here but largely to existing conditions. The God-fearing Puritan settled in New England that he might worship according to the dictates of his conscience. The cavalier made his home on Virginia's soil, and the blue-eyed Saxon, proud of his race and eager for liberty, marched daringly into the great Northwest, there to live and die unrestrained, save by the law of the sovereign people. The story is familiar, so familiar that it needs no repetition, that such were the men who early came to Ohio when she was but bare creation. And what rugged, splendid men they were. They were nature's kings, for the men and women of that day were possessed of a tireless energy, an undaunted spirit, a courage that achieved fine and marvelous results. They wrote their history upon the minds and breathed their power into the hearts of their fellow men. They read their Bible and prayed to their God. They lived clean, honorable, and manly lives. The children of such men inherited their father's grit and their mother's worth; the blending formed their characters and molded their lives. It instilled into them principles from which they have never wavered, by the light of which they have never feared to live. Each for himself confronted the problems of the hour, and in their solution developed the forces with which he was endowed. We can little appreciate their undertaking, and all it cost at such a time. We can follow them in fancy, look back and see them clearing the forest, building a home or a shrine where some loved one died, or hopefully moving on to where the voice of valor called. They left home and ease just as sweet as any we have or enjoy. They were made of sturdy stuff. They were great because they could serve, and their characters and habits some future historian, whether he do things with the pen or the brush, will lay as the corner stone of all that is lasting in this land of equality and equal opportunity, the home of all that is enduring of the democracy of Greece and Rome.

It has been said that Ohio has given the Nation men whose grasp on the ax handle of the pioneer was no firmer than their grasp on affairs of State. This is true, but back of it all was the heroism of the pioneer farmer, merchant, miner, and sailor struggling against unconquered nature with its setting of wild beasts and savage men. All of these obstacles they overcame. Nature was conquered with her own weapons. The wilderness gave way to the hamlet, villages sprang up everywhere. The measure of the country's growth was expansion, its limits the pioneer citizen extending the frontier. Thus upon the solid foundation of all that is durable and vital has come Ohio—the Empire State of the West. She early wrote into her creed the philosophy of liberty, equality, fraternity. There is nothing to add, nothing to retrench. They are the three steps of the supreme ladder. Liberty is right, equality is fact, fraternity is duty. All the man is there. These are and were the vital forces working beneath the surface of our American life.

But what is America? Emerson answers: "America is another word for opportunity." He also says: "It is not free institutions, it is not a Republic, it is not a democracy, that is the end—no—but only the means." This may not be a perfect Government, and simply because it can not reach a plane higher than the average plane of the people. And yet it is the best, the most equitable, and the most progressive civilization which it has ever been possible to establish.

At Cleveland, Ohio, July 4, 1894, at the dedication of the Soldiers' and Sailors' Monument, Mr. McKinley said:

"We are the freest Government on the face of the earth. Our strength rests in our patriotism. Anarchy flees before patriotism. Peace and order and security and liberty are safe so long as love of country burns in the hearts of the people. It should not be forgotten, however, that liberty does not mean lawlessness. Liberty to make our own laws does not give us license to break them. Liberty to make our own laws commands a duty to observe them ourselves and enforce obedience among all others within their jurisdiction. Liberty, my fellow citizens, is responsibility, and responsibility is duty, and that duty is to preserve the exceptional liberty we enjoy within the law and for the law and by the law."

But, after all, the important question is: What of you; what of me; what of us all? Will we measure up to the full stature of our responsibility? Can our country rely on us to do our full share of the task before us? Are we patriots to the core, or will our services be grudgingly and hesitatingly rendered? Are we truly freemen—or have we a sneaking, skulking, leaning toward the creed that despises the marriage vow, industrializes the virtue of women, and degrades the family life to the level of an African ape? Are we worthy of the land of the free, and are our homes the homes of the brave? These are the questions which everyone of us must answer.

Ohio stood for an independent statehood. She contained a people who demanded that society and justice should equalize and protect all that they had won from the wilderness. She stood for democracy militant, while she preached and practiced republicanism industrial. Such a people amid such conditions did necessarily bring forth a race strong, practical, and wedded to the gospel of labor, love, and activity. Such was Ohio January the 29th, 1843, when the gray light of a new-born day stole through the window of her soul in the birth of William McKinley. Patriotism and duty received him, courage and truth attended him. He belonged to the most crucial period of our history—the period when Abraham Lincoln wrote the New Testament of our independence in the emancipation proclamation. The securing of the Magna Charta was a great achievement, but the Magna Charta of man's freedom and equality was secured by our fathers, and while the price was high they paid it ungrudgingly, that this Union of States might become a nation and the greatest charter of human liberty be forever the heritage of the children of men.

In all American history there is no name that touches the heart like that of William McKinley. He was a rare combination of such admirable qualities, with so many claims upon our sympathies, that he stands absolutely without a parallel. He was the product of his conditions, and he typified always the aspirations of Ohio. He possessed an inborn might that elevated him to heights supreme. He ruled himself and called no man master. He was equipped with all the effective weapons of intellectual strife, and with such perfect speech that he commanded alike the applause of "applauded men" and waiting multitudes. He was a graduate of the remorseless school of experience, and he had little respect for mere formality. He thought truly upon every subject to which he turned his well-trained mind, and his eloquence has fed a Nation's hunger. He lived truly, and his life has become a noble creed. Nothing could buy the good faith that filled his heart. The granite fiber of his manhood stood in unbought majesty—true emblem of his character and his native land. He always did his best—the sublimest thing in the world—and went onward and upward without a change of purpose. Men with such qualities become the founders of government and the saviours of system and policies. Such men are leaders, not through the intrigue of craft and cunning or the power of wealth, rank, or family traditions, but from an innate and rightful sovereignty in human nature. His was a wonderful career. Wonderful because no obstacle, either defeat or apparent failure, retarded his onward and upward march. The Civil War interrupted his college course, and, though letters attracted him, he answered the call of duty, and at the age of 17 enlisted as a private in the Twenty-third Ohio Volunteers, and for 14 months, with a rifle on his shoulder, as a volunteer soldier of the Union, "not for himself but for his country," he engaged in many of the minor and major battles of the war. The war over, enriched by the lessons of experience, he returned to take his place and do his best to build up again. He possessed the tremendous forces of self-reliance, frugality, and progress. And in all he did and wherever he went he took with him all the rights of personal manhood and respect—serious, reverent respect—for the great problems of human life, because he had felt its pinch, suffered its tragedies, and lived its joys. His life at the bar was successful, and just as he was entering upon a great career in the profession he was called to the Congress of the United States. As a soldier, a lawyer, a statesman, as governor, and as President he was great in everything he did, because in every position he filled his life was full of study and thought. He was so faithful in little things that he was worthy to succeed in big things. Such unswerving loyalty was destined to play an important part in the sublimest period of his whole career.

It was my great privilege to know Mr. McKinley as an intimate family friend. He and my father were in the Union Army together, and Mrs. McKinley and my mother were schoolmates at the same seminary. I recall distinctly a day I spent with him at my father's home in Clarksburg, W. Va. We took a walk through the town and over the range of hills that surrounds the valley. He was stationed there during the war. It was an interesting ramble through the woods. He had completed his second term as governor of Ohio. He expected to be nominated for the Presidency, and of all men he had earned the right to indulge this hope. He, of all men, had been disciplined by the unpleasant and unprofitable experiences of life, and when prosperity and popularity came it was merely the tribute which a grateful people paid to him who had performed the labors and endured the fatigues of the journey. He spoke about his ambition, and the wonderful possibilities that were opening to the young men of the country, and especially to those who were moving West. I was then on my way to settle in Wisconsin. I recall further his affectionate regard for Gen. Tecumseh Sherman. He quoted him as saying that in all his experience with men he had come to the conclusion that it makes little difference where a man lives, whether in city, town, or hamlet, but it makes all the difference in the world how he lives. Then, in explanation, he shared with me some of his philosophical views. He said that the individual is always responsible for what he is and what he does; that he must have patience and do his very best wherever he may be placed; that the reason so many people fail is that they tire long before the real test comes—that they surrender to their imaginary fears. I remember this reflection: Every defeat is a victory, if you view it constructively; and that while ambition is becoming, we must never let it drive us or teach us to want what we can not have. He then impressed upon me that men make their places in life by the quality and character of the work they do; that if they show ability their enemies will harvest the crop and forgive their sins merely because they are capable of competent service. How true these reflections were and are. If a man becomes efficient, the world seeks him in response to its helplessness and its selfishness; it measures and selects him by the hard, cold standards—can he deliver the message and return with the answer?

It has been said that war had little attraction for a man like William McKinley. This is true, and yet war taught him this fact: That the men who contend on the field of battle are brave and worthy, or else they would not die for their convictions. When Mr. McKinley became President, it may be said with all candor that no President since Lincoln did so much to reunite the South into the friendly councils of the North as did he. At Atlanta, Ga., he said:

"The time has now come in the evolution of sentiment and feeling under the Providence of God when in the spirit of fraternity we should share with you in the care of the graves of the Confederate soldiers. * * *

"Reunited. One country again and one country forever! Proclaim it from the press and pulpit, teach it in the schools, write it across the skies. The world sees and feels it; it cheers every heart in North and South, and brightens the life of every American home. Let nothing ever stain it again."

At Montgomery, the first capital of the Confederacy, he said:

"The governor says he has nothing to take back. We have nothing to take back for having kept you in the Union. We are glad you did not go out—and you are glad you stayed in."

At the dedication of the great monument on Riverside Drive April 27, 1897, Mr. McKinley said:

"A great life, dedicated to the welfare of the Nation, here finds its earthly coronation. Even if this day lacked the impressiveness of ceremony and was devoid of pageantry, it would still be memorable, because it is the anniversary of the birth of the most famous and best beloved of American soldiers. * * *

"To-day his memory is held in equal esteem by those whom he led to victory, and by those who accepted his generous terms of peace. The veteran leaders of the Blue and Gray here meet not only to honor the name of Grant, but to testify to the living reality of a fraternal national spirit which has triumphed over the differences of the past and transcends the limitations of sectional lines."

In the House of Representatives on the 2d of April, 1886, he had this to say on arbitration:

"I believe, Mr. Chairman, in arbitration as in principle; I believe it should prevail in the settlement of international differences. It represents a higher civilization than the arbitrament of war. I believe it is in close accord with the best thought and sentiment of mankind; I believe it is the true way of settling differences between labor and capital: * * *."

Speaking before the Home Market Club, of Boston, on the 18th of February, 1899, on the future of the Philippines, Mr. McKinley said:

"No imperial designs lurk in the American mind. They are alien to American sentiment, thought, and purpose. Our prices, as principles, undergo no change under a tropical sun. They go with the flag. They are wrought in every one of its sacred folds and are inextinguishable in its shining stars. * * *

"I have no light or knowledge not common to my countrymen. I do not prophesy. The present is all-absorbing to me, but I can not bound my vision by the bloodstained trenches around Manila, where every red drop, whether from the veins of an American soldier or a misguided Filipino, is anguish to my heart; but by the broad range of future years, when that group of islands, under the impulse of the year just passed, shall become the gems and glories of those tropical seas; a land of plenty and of increasing possibilities; a people redeemed from savage indolence and habits, devoted to the arts of peace, in touch with the commerce and trade of all nations, enjoying the blessings of freedom, of civil and religious liberty, of education and of home, and whose children and children's children shall for ages hence bless the American Republic because it emancipated and redeemed their fatherland and set them in the pathway of the world's best civilization."

In an apostrophe to the American flag at Cleveland, July 4, 1894, he said:

"Is it any wonder that the old soldier loves the flag under whose folds he fought and for which his comrades shed so much blood? He loves it for what it is and for what it represents. It embodies the purposes and history of the Government itself. It records the achievements of its defenders upon land and sea. It heralds the heroism and sacrifices of our Revolutionary fathers who planted free government on this continent and dedicated it to liberty forever. It attests the struggles of our Army and the valor of our citizens in all the wars of the Republic. It has been sanctified by the blood of our best and our bravest. It records the achievements of Washington and the martyrdom of Lincoln. It has been bathed in the tears of a sorrowing people. It has been glorified in the hearts of a freedom-loving people, not only at home, but in every part of the world. Our flag expresses more than any other flag; it means more than any other national emblem. It expresses the will of a free people, and proclaims that they are supreme and that they acknowledge no earthly sovereign but themselves. It never was assaulted that thousands did not rise up to smite the assailant."

And on the 21st of April, 1900, at Carnegie Hall, New York City, in what is known as his missionary address, he said:

"I am glad of the opportunity to offer without stint my tribute of praise and respect to the missionary effort which has wrought such wonderful triumphs for civilizataion. * * *

"The noble, self-sacrificing, willing ministers of peace and good will should be classed with the world's heroes. Wielding the sword of the spirit, they have conquered ignorance and prejudice. They have been among the pioneers of civilization. They have illumined the darkness of idolatry and superstition with the light of intelligence and trust. They have been messengers of righteousness and love. They have braved disease and danger and death, and in their exile have suffered unspeakable hardships, but their noble spirits have never wavered."

The closing words in his last and greatest public speech, delivered in the city of Buffalo, September 5, 1901, embodied his political thought and outlined his policy:

"Let us ever remember that our interest is in accord, not conflict, and that our real eminence rests in the victories of peace, not those of war."

These words epitomize all that he lived for and tried to see adopted as the guiding principles of his country. He spoke of commerce, the Panama Canal, economics, trade wars, art, science, and philosophy. He recognized that our splendid "isolation is no longer possible or desirable"; that "the period of exclusiveness is past." He admonished that our capacity to produce had exceeded our markets, and that "only a broad and enlightened policy will keep what we have." And then, as though he was looking into the commercial present, he emphasized and stressed the self-evident fact that—

"We must encourage our merchant marine; we must have more ships. They must be under the American flag, built and manned and owned by Americans. These will not only be profitable in a commercial sense, they will be messengers of peace and amity wherever they go."

In his relations with Congress he was as sympathetic and generous as he was in his relations with his friends. He was natural and true in everything he did. In accepting the statue of Gen. Garfield, which was presented by Ohio and placed in Statuary Hall, Mr. McKinley said, January 19, 1896:

"He was brave and sagacious. He filled every part with intelligence and fidelity. Distinguished as was his military career, his most enduring fame, his highest renown, was earned in this House as a Representative of the people. Here he won his richest laurels. Here he was a leader and master, not by combination or scheming, not by chicanery or caucus, but by the force of his cultivated mind, his keen and far-seeing judgment, his unanswerable logic, his strength and power of speech, his thorough comprehension of the subject of legislation.

"In personal character he was clean and without reproach. As a citizen he loved his country and her institutions, and was proud of her progress and prosperity. As an orator he was exceptionally strong and gifted. As a soldier he stood abreast with the bravest and best of the citizen soldiery of the Republic. As a legislator his most enduring testimonial will be found in the records of Congress and the statutes of his country. As President he displayed moderation and wisdom."

How true in this description are the facts of his own life.

Mr. McKinley showed great foresight in the selection of his Cabinet. The country knows that the Cabinet constitutes the most important part of the administration. The gentlemen called upon must not only be men of high rank as statesmen, but they must be eminently fitted for the respective departments for which they are selected. It is a difficult task and one not to be envied. And yet, in the discharge of this duty he showed the same wonderful foresight that has characterized him in all of his public relations. It has been said that Mr. McKinley was a yielding man. He was deferential, but not yielding. He was deliberate and cautious, and his conclusions were meant to be judicial rather than popular. Those who knew him recognized that there was never a more fearless man than he, after he had proved in his own mind that his course was right. Let me cite the testimony of President Schurman, of Cornell University, who said:

"Strong as he was, and firm to the point of obstinacy, yet he was so deferential to the judgment of others, so willing to listen to everybody, so truly democratic in his search for truth and wisdom, that his very lack of dogmatic self-conceit and even the deliberateness of his methods were at first construed as signs of weakness, and in the early days of his presidency it was not uncommon criticism that he had no mind of his own.

"Never was there a greater mistake, as the men who came closest to him will universally testify. His Cabinet was made up of strong men, but the President dominated the Cabinet. He saw everybody, heard everybody, but followed nobody.

"Yet, somehow, he was the leader of all, and all fell into line and marched behind or beside him. He acquainted himself with all the facts of a given case, listened to all manner of advice from those who might be supposed to know all about it, even suffering fools gladly, and then reached a decision or adopted a policy of his own, which, being well considered, was sure to command general assent. It was his own views, yet it was the quintessence of the public mind. He was the greatest inductive philosopher who ever experimented with American politics, and it did not take the American people long to discover his method, or to show their appreciation of it."

In retrospect, his was a wonderful life, and he was a truly great philosopher. His belief taught him that God, in his plan of development, has appointed each man to walk forth in the world and find his alloted task, and then as a righteous warrior to meet the common enemy of the race. Frequently he saw his hopes fail, things the world holds dear fall from his grasp, yet he kept the faith and trusted self. He did not murmur nor lose confidence in man. He was patient when the world ignored him and calm and unspoiled when it brought him its praise. In the congressional campaign of 1882 he was returned to Congress by a very small majority. One of his Democratic confreres, referring to his meager majority, said:

"Your constituents do not seem to support you, Mr. McKinley."

His instant reply was worthy of the man:

"My fidelity to my constituents is not measured by the support they give me. I have convictions I would not surrender if a ten-thousand majority were entered against me."

He did his best and went onward without a change of purpose. He did not compromise with expediency, and he practiced always the principle that nothing can be politically right that is morally wrong. And so, when the hour and the man met in him, he lead the van and died as he had lived, an honored and trusting spirit, embalmed in the affections and indelibly stamped on the will of the whole American people. After he had finished what he had intended to accomplish, after he had stolen forth and done his beautiful work, he was willing to go into the shadow and great enough to seek the repose of the silence. In life William McKinley was obedient to the beckoning finger, and he struck his colors only to Eternity. How sublime the lesson, how exalted the sacrifice.

For whether on the scaffold high,
Or in the battle's van;
The fittest place where man can die
Is where he dies for man.

For what greater measure of praise can be given a man than to steal away honorably and quietly, and be remembered lovingly for what he has done? After all, he only is great who floods the world with a great affection—stirs it with a great thought, and shapes it to a great career. And how different with Napoleon on the barren shores of St. Helena. He found no satisfaction in his victories, or in his belief that the battle's glory justified the cruelty and carnage of war. He had lacked the moral strength to throw away ambition, and, too late, he learned that his creed, "Might makes right," could not bless his memory in the sight of man and God. And so he died, remembered for the evil he did—the good was interred with his bones.

It is worth a great deal in this life to catch such voices as McKinley's calling from the past and to hear the thunder of the unknown sea. His imperishable spirit and influence tell us that a nation is not worthy to be saved if in the hour of its travail it can not gather up the jewels of its manhood and go down into the conflict, however bloody and doubtful, resolved on measureless ruin or complete success. This country must harbor no pariahs. Mere profession of loyalty without acts of devoted patriotism is despicable hypocrisy. There must be no halting, no hesitating, no shrinking, no harking to a rotten public opinion. We must perform to the full measure. We must help the world back to happiness and peace, that fruitful effort and not a bolshevik blight may prevail. We can if we wish and if we will, for after all we are our father's sons, as we so gloriously proved when we were drawn into the World War. If we do not, because we wish not and will not, then let us confess our degeneracy and, like the lictors of old, clear the way, that ruin, death, rapine, and red-handed anarchy with torch and bomb may have their sway. But before we do it let us turn the martyred face of Lincoln to the wall, throw the sword of Grant into the sea, and write upon the flag that McKinley lived and died a lie. Charles Sumner said, "The true grandeur of nations is in those qualities which constitute the true greatness of the individual." William McKinley was the kind of man out of which to make a State. He was a man with a single face, a single eye, a single tongue. He could stand still and take the storm. He was afraid to kill but not to die. A man who has no patriotism can never be a good citizen. He is just so much flesh and his heart a muscle. He has no past for reverence nor future for reliance. McKinley and his generation were refined in the great crucible of war and schooled in the priceless lessons of American liberty. Not mere love of country, which is commonplace, not mere willingness to fight and die, which is sweet, but the mighty

emotion of patriotism, which is love of home and country as the place of our birth or adoption, as the land where our fathers rest, the spot where the gentle and the brave of our blood and our race sleep their last hallowed sleep, until as immortals they awaken to the glories of the life to come.

Men to-day call hard names and resort to threats. They stab in secret with tongue and pen. They are not the men to make a State, and neither are they fit to be American citizens. There is to-day too much "fireside" criticism, too much insidious anarchy. It dwells apart in the seclusion of its own self-importance and would not soil its dainty fingers by contact with public affairs. Such people through envy and discontent attack in others the possession of those qualities which they lack themselves and which they covetously crave. They exclaim that the world is to be made safe for democracy, but they purposely shut their eyes to the fact that if their preachments be practiced democracy will not be safe for the world. Mankind is justified in seeking its rights, but not in seeking them blindly. There must be no betterment of class at the expense of humanity. Such an attitude is not only antidemocratic and vulgar, but it is fatal to society, to liberty, and to civilization. It is wrong—willfully and maliciously hurtful—for if one fact stands reflected in the mirror of time, it is the sincerity of character, the nobility of purpose, and the integrity of action of those whom a former generation thought well to excoriate and abuse.

McKinley was made of the stuff that makes democracy, and was trained with the discipline that shall preserve it. There was something about him, either his splendid intellect or his indomitable will, that fascinated men and bound them to him. He possessed the magic gift of touching and leading the minds of men. He came to the rescue in a great crisis and started the impulse that made us a world power. What he did was transacted on a stage of which all the world was spectator; what he said was transmitted in echoes that will never cease. What he was has an immortality that nothing can destroy.

Courage is not synonymous with leadership, although necessary to it. Learning, eloquence, courage, talent, and genius, altogether, do not make a leader. There is a great and glorious courage found least in those admired for bravery, and McKinley had it to a superlative degree. It is the courage that dares to do right in the face of scorn, rather than violate a duty or surrender a conviction. It is the courage of the soul, which was so conspicuously emphasized in his last speech. It was great, majestic, equable, coherent, and persuasively prophetic. Why was it great? Why was it lasting? It was great because it came from a heart overflowing with eloquent truth. It was lasting because it said with power the things that touched his hearers and will always move his readers. Eloquent as it is, it did not and could not express all that he felt. The spirit that attuned his heart and annointed his tongue with the grace of speech on that occasion is ineffable. As the poet so beautifully puts it:

I wonder if ever a song was sung
But the singer's heart sang sweeter;
I wonder if ever a rhyme was rung
But the thought surpassed the meter;
I wonder if ever a sculptor wrought
Till the cold stone echoed his ardent thought,
Or if ever a painter with light and shade
The dreams of his inmost mind portrayed.

In the afternoon of September 6, 1901, William McKinley faced death with fortitude and Christian serenity. He believed that death never comes too soon—if in defense of principles and country. He had found the truth, and for him who seeks and finds and loves the truth there is neither fear nor bondage in this or any other world. The assassin struck him as he extended the hand of generous and encouraging welcome. For a moment he stood erect, his head thrown back, as if lost in thought; but the mists were gathering about him. He was thinking of the most precious experiences of his life, of his wife, of his boyhood, of his country, and then, like the soldier he was, he gave his life to his country and his soul to God.

He lived and he died an American, and always he did his best, just where and as he was. Charity was the beautiful trait of his character. It enabled him to divine the opinions, the faults and the foibles of others, and to realize that men could differ from him and be just as honest as he himself. He gave to life the best he had and the best of the ages came back to his people. He was greater than a patriot. He was a genius consecrated to a purpose, and he will live in history's iron memory by the side of the world's seers, so long as personality asserts its charm and the human soul is in sympathy with its own. His memory is secure, and a grateful posterity will always cherish his name. He deserves a monument—he does not need it. His career will always remain an enduring monument of human purpose. His name will always warm the marble with the memories and the deeds that the world can never forget. Tears and glories will bathe its granite shaft, and all the sacrifices that were demanded and all the sorrow that was felt will exempt from oblivion the great truths for which he lived and died.

His life and the glory of his death are each an inspiration. His spirit tells us: That in the quiet, unassuming American will be found the same qualities of heroism, devotion, stability, and self-control as are found in those whose careers loom large to inspire the dreams of youth, and guide the steps of resolute manhood. It tells us that we are too indifferent; that from the clutch of the self-interested leader, we have fallen into the hands of the so-called reformer, equally self-interested, who tells us that the fault is with our system of Government, and that we need a new Constitution or perhaps none at all. It reminds us that the fault is not with our Constitution, but in the indifference of the average American absorbed in his own private affairs. It admonishes us—there is need of self-criticism, lest confusion may be mistaken for accomplishment. It tells us in no uncertain terms that it is our duty to substitute for the machinations of the wily reformer, the simple fact that loyalty to State and Nation demands explicit obedience to the voice of reason and conscience, and the constant discharge of the nearest duty without regard to the remote or the immediate wishes of any man or combination of men who for mutual self-interest ignobly seek success. It warns us that the war has brought many changes, and in every phase of life we shall meet new problems, not separate and detached conditions, but aspects of fundamental changes that have brought us to where we find ourselves to-day.

May I leave with you a picture and a thought. There in the shadow of history rise Lincoln, Garfield, and McKinley, with truth as their watchword and eternal justice as their guide, facing peril and fearlessly taking their stand in the van, until their message, your message, democracy's message, "Let us have peace," becomes an everlasting psalm, a melody for those who live and feel that victory is but a power in trust. And there, incomparably splendid, with soul undaunted and eye undisturbed by doubt, amid the wreck of empires and the decay of civilizations, with the sword beaten into the red cross of mercy, and the spear a staff for the homeless and the weary, stand these United States of America, glowing like a mountain peak purpled by the rising sun, ministering to a tottering world, even as did the Prince of Peace minister to pagan sick humanity. And here with us, crowned and mitered by the hands of invisible consecration, dead at the post of duty, strong in every virtue, true to every trust, responsive to every demand, an ornament to his State, an inspiration to his Nation, stands him whom we honor to-night, the embodiment of all that is just, impartial, loving, and true in American liberty.

KNICKERBOCKER THEATER DISASTER.

Mr. CAPPER. I move that the resolution (S. Res. 229) submitted by me on yesterday and which is now on the calendar, having been reported yesterday afternoon from the Committee to Audit and Control the Contingent Expenses of the Senate, providing for an investigation of the Knickerbocker Theater disaster, be referred to the Committee on the District of Columbia. That committee, I understand, will have a meeting to-morrow and will probably desire to make some changes in the wording of the resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kansas.

Mr. CALDER. Mr. President, before action is taken upon the motion of the Senator from Kansas I desire to urge in connection with his motion that the Committee on the District of Columbia take up the question involved for consideration at an early date. I do not know whether that committee will determine to make the proposed investigation themselves, but, unless some other governmental agency in the District shall do so, I hope they will conduct a complete and thorough investigation. I think it is exceedingly important that a prompt inquiry should be made as to the cause of that terrible disaster.

I have taken the trouble to-day to make some inquiry, and I have found that the safety-load requirement for the roofs of buildings of the character of that theater is just about one-half of what it is in my own city of New York. The present building code in the District was adopted some years ago, before the era of great moving-picture theaters with a wide span between walls.

Consideration and revision of the building code ought to come within the purview of the investigation. It seems to me of great importance not only for the moment but for the future, and that we should set an example here in the District of Columbia by providing a building code which will insure, particularly in connection with the erection of buildings of public assembly, the safety of the people.

I might add in connection with this matter that I find that the man who passes upon plans for the great structures where thousands of people assemble every day is a young man—a fine young man, I may say—a recent graduate from college, whose salary is the munificent sum of $2,000 per annum. Furthermore, I find that in the District of Columbia for all of the field inspection work there are but five inspectors.

I think it is worth while for the Committee on the District of Columbia to inquire into all of these matters, with a view of placing the building code of the District of Columbia on a basis that will insure proper safeguards and protection to the lives of our people. Now that great theaters and other buildings where many people assemble are being erected, we ought to have a building code here which will insure the erection of buildings which may be used without any risk of having such a terrible accident again occur as that which shocked and horrified the city and the country at the Knickerbocker Theater on Saturday night. I have no objection to the motion of the Senator from Kansas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas that the resolution (S. 229) be referred to the Committee on the District of Columbia.

The motion was agreed to.

JUDICIAL APPOINTMENT OF SENATOR KENYON.

Mr. REED. Mr. President, this morning the President appointed one of our Members to a high judicial position—the highest in his gift, save a place upon the Supreme Court of the United States. The Senate paid to Senator KENYON the compliment of a rising unanimous vote of confirmation, without reference of the appointment to the committee which is usually charged with considering judicial appointments. Late as is the hour, I think we may pause a moment to pay our tribute to Senator KENYON.

His selection for this position under the circumstances may be taken as nothing but a recognition of his sterling integrity, his independence of character, and his devotion to public duty. He has been recognized in this body as one man who always

placed the public interest above party service. He has pursued an independent course during the 10 years he has sat in this Chamber. I believe that it will be the unanimous verdict of his colleagues that at no time in his career has he varied from the straight line of duty as he saw it. I believe it will also be the unanimous verdict that with a rare devotion to principle, and rare and almost unexampled industry, he has labored to serve the State and the people of the State. I predict for him upon the bench a long and useful career. I am sure he will bring to the duties of the high office he assumes the same probity of character, the same independence of judgment, the same sentiment of love for humanity he has so often manifested upon the floor of this body. His separation from the Senate is a distinct loss which will be felt upon both sides of the Chamber; his elevation to the bench will, in my judgment, be fully justified by the career he will follow.

Mr. President, I wanted to say this much. We grow a little casehardened here with departures through elections, resignations, and deaths, but a man of Senator KENYON'S ability and Senator KENYON'S devotion to the public service in leaving the Senate ought at least to be entitled to a few words of just commendation.

THE MUSCLE SHOALS PLANT.

Mr. MCKELLAR. I ask to have printed in the RECORD the last offer which was made and approved by Mr. Ford on the 25th day of January, 1922, relative to the purchase of the plant at Muscle Shoals.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

PROPOSAL OF HENRY FORD FOR THE COMPLETION AND LEASING OF THE DAMS AND HYDROELECTRIC POWER PLANTS AT MUSCLE SHOALS AND FOR THE PURCHASE OF NITRATE PLANT NO. 1, NITRATE PLANT NO. 2, THE WACO QUARRY, AND THE GORGAS WARRIOR RIVER STEAM PLANT, ALL IN THE STATE OF ALABAMA.

Whereas the United States, through the Chief of Engineers, United States Army, invited the undersigned to submit an offer for the power to be developed at the Muscle Shoals Wilson Dam (hereinafter referred to as Dam No. 2); and

Whereas the undersigned did, under date of July 8, 1921, submit to the Chief of Engineers an offer for the consideration of the President, the Secretary of War, and Congress, which offer proposed a lease based upon the completion of Dam No. 2, and the construction of Dam No. 3 (as designated by the U. S. Engineers in H. Doc. 1262, 64th Cong., 1st sess., and hereinafter referred to as Dam No. 3) and of their power houses, by the United States, and the payment by the undersigned of a fixed annual rental therefor, and proposed to purchase nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco quarry, near Russellville, Ala.; and the Warrior steam plant, at Gorgas, Ala., and all transmission lines connected with said plants; and

Whereas the undersigned, at the invitation of the Secretary of War, did, on January 11, 1922, submit a modification of his former proposal, based upon the construction and completion by a company to be formed by him, of all the work referred to in the offer of July 8, 1921, aforesaid, the actual cost of said work to be borne by the United States, and agreed on behalf of said company to pay 4 per cent of the total actual cost of completing said plants, structures, works, and improvements as annual rental for the lease thereof.

Now therefore, in lieu of said offer of July 8, 1921, and in accordance with said modification of January 11, 1922, the undersigned hereby submits to the Secretary of War, and through him for appropriate action by the President and Congress, the following offer, which shall become a binding agreement upon approval of same by Congress:

1. For the purpose of carrying out the terms of this agreement the undersigned will form a corporation (hereinafter referred to as the company), to be controlled by the undersigned, which company will immediately enter into and execute all necessary or appropriate instruments of contract to effectuate this agreement.

2. The company shall complete for the United States the construction work on Dam No. 2, its locks, power house, and all necessary equipment, all in accordance with the plans and specifications prepared or to be prepared or approved by the Chief of Engineers, United States Army, and progressively install the hydroelectric equipment in said power house adequate for generating approximately 600,000 horsepower, all the work aforesaid to be performed as speedily as possible at actual cost and without profit to the company, it being understood that the necessary lands and flowage rights, including lands for railway and terminal connections, have been or will be acquired by the United States.

3. The company will lease from the United States Dam No. 2, its power house, and all of its hydroelectric and operating appurtenances, except the locks, together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of the said dam for a period of 100 years from the date when structures and equipment of a capacity of 100,000 horsepower are constructed and installed and ready for service, and will pay to the United States as annual rental therefor 4 per cent of the actual cost of acquiring lands and flowage rights and of completing the locks, dams, and power-house facilities (but not including expenditures and obligations incurred prior to approval of this proposal by Congress), payable annually at the end of each lease year, except that during and for the first six years of the lease period the rentals shall be in the following amounts and payable at the following times, to wit: Two hundred thousand dollars one year from the date when 100,000 horsepower is installed and ready for service and thereafter $200,000 annually at the end of each year for five years.

4. The company will further pay to the United States during the period of the lease of Dam No. 2 $35,000 annually, in installments quarterly in advance, for repairs, maintenance, and operation of Dam No. 2, its gates and locks, it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year lease period, and the company at its own expense will make all necessary renewals and repairs incident to efficient maintenance of the power house, substructures, superstructures, machinery, and appliances appurtenant to said power house and will maintain the same in efficient operating condition.

5. At all times during the period of the lease of Dam No. 2 the company will furnish to the United States, free of charge, to be delivered at any point on the lock grounds designated by the Chief of Engineers, United States Army, electric power to an amount necessary for the operation of the locks, but not in excess of 200 horsepower.

6. As soon as the release of suitable construction equipment and labor forces at Dam No. 2 will permit, or at an earlier date if desired by the company, the company shall construct and complete for the United States Dam No. 3, its lock, power house, and all necessary equipment, all in accordance with plans and specifications prepared and to be prepared by the Chief of Engineers, United States Army, or by the company at its option, and approved by the Chief of Engineers, United States Army, and progressively install the hydroelectric equipment in said power house adequate for generating approximately 250,000 horsepower, all the work aforesaid to be performed as speedily as possible at actual cost and without profit to the company, it being understood that the necessary lands, flowage rights, and rights of way shall be acquired by the United States.

7. The company will lease from the United States Dam No. 3, its power house, and all of its hydroelectric, and operating appurtenances, except the lock, together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of the said dam, for a period of 100 years from the date when structures and equipment of a capacity of 80,000 horsepower are constructed and installed and ready for service, and will pay to the United States as annual rental therefor 4 per cent of the actual cost of constructing the lock, dam, and power house facilities, payable annually at the end of each lease year, except that during and for the first three years of the lease period the rentals shall be in the following amounts and payable at the following times, to wit: One hundred and sixty thousand dollars one year from the date when 80,000 horsepower is installed and ready for service, and thereafter $160,000 annually at the end of each year for two years.

8. The company will further pay to the United States during the period of the lease of Dam No. 3, $20,000 annually, in installments, quarterly in advance, for repairs, maintenance, and operation of Dam No. 3, its gates and locks, it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year period; and the company at its own expense will make all necessary renewals and repairs incident to the efficient maintenance of the power house, substructures, superstructures, machinery, and appliances appurtenant to said power house, and will maintain the same in efficient operating condition.

9. At all times during the period of the lease of Dam No. 3 the company will furnish to the United States free of charge, to be delivered at any point on the lock grounds designated by the Chief of Engineers, United States Army, electric power necessary for the operation of the said lock, but not in excess of 100 horsepower.

10. For the purpose of enabling the Government to create and provide a sinking fund to retire the cost of Dam No. 3 at the end of 100 years the company will at the beginning of the fourth year of the lease period and semiannually thereafter for the remaining term of the lease pay to the United States Government the sum of $3,505, and for the purpose of enabling the Government to create and provide a sinking fund to retire the cost of Dam No. 2 at the end of 100 years the company will at the beginning of the seventh year of the lease period and semiannually thereafter for the remaining term of the lease pay to the United States Government the sum of $19,868.

11. The company agrees to purchase from the United States and the United States will sell the following properties, namely:

(a) All the property constituting nitrate plant No. 2 (as officially known and designated), including lands, power plants, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, and supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs which have been acquired and may be transferred or assigned to a purchaser of nitrate plant No. 2 by the United States, together with the sulphuric acid units now in storage on the premises.

(b) All of the property constituting nitrate plant No. 1 (as officially known and designated), including lands, power plants, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, and supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs which have been acquired and may be transferred to a purchaser of nitrate plant No. 1 by the United States, but the company shall not be obligated to operate nitrate plant No. 1 as an air nitrogen fixation plant.

(c) All of the property constituting the Waco Quarry (as officially known and designated) including rights of way and buildings, material, quarry tracks, machinery, railroad tracks, appurtenances, tools, and supplies.

(d) All of the property constituting the steam-power plant, built and owned by the Government at Gorgas, Ala., on the Warrior River, including lands, rights of way, buildings, machinery, material, fixtures, apparatus, appurtenances, tools, and supplies, and the transmission line from the Gorgas steam plant to Nitrate Plant No. 2 at Muscle Shoals, and all other transmission lines belonging to the United States and connected with any of the aforesaid Government properties. The United States shall acquire all necessary easements or titles for right-of-way lands along all transmission lines, and convey same to the company, and the United States shall acquire the title to the land and site occupied by the said steam plant and by all Government buildings and other Government structures at the Gorgas plant, which will be conveyed to the company.

12. As the purchase price for the foregoing plants and properties to be conveyed to the company by the United States, the company will pay to the United States $5,000,000 in five installments, as follows: One million dollars upon the acceptance of this offer, and $1,000,000 annually thereafter until the purchase price is fully paid, with interest at the rate of 5 per cent per annum on deferred payments, with the privilege of anticipating any or all such payments, possession to be delivered upon payment of the first of said installments, and deeds of conveyance to be delivered when full payment for said property has been made.

13. This proposal contemplates and it is agreed that the purchase price for the property aforesaid shall not be diminished by reason of

depreciation due to use or wear of buildings, machinery, and equipment or to the action of the elements, nor shall any claim be made for losses in or diminution of quantity of tools and supplies due to upkeep and maintenance during the period between the date hereof and the date of delivery of possession of said property; it being further understood that no inventory of the property need be taken, but that due care will be exercised by the United States in preserving and safeguarding the aforesaid real and personal property intact until possession thereof passes to the company. If any part or parts of the aforesaid plants necessary for proper operation of same have been removed by the United States, said part or parts shall be returned when possession of said plants passes to the company. Deeds of conveyance of real property shall warrant the title to be good and unencumbered.

14. The company agrees to operate nitrate plant No. 2 at the approximate present annual capacity of its machinery and equipment in the production of nitrogen and other fertilizer compounds (said capacity being equal to approximately 110,000 tons of ammonia nitrate per annum) throughout the lease period, except as it may be prevented by strikes, accidents, fires, or other causes beyond its control; and further agrees:

(a) To determine by research whether by means of electric-furnace methods and industrial chemistry there may be produced on a commercial scale fertilizer compounds of higher grade and at lower prices than fertilizer-using farmers have in the past been able to obtain, and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the country what they have economically accomplished for other industries.

(b) To maintain nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation, in the manufacture of materials necessary in time of war for the production of explosives.

15. In order that the farmers may be supplied with fertilizers at fair prices and without excessive profits, the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products at nitrate plant No. 2 shall not exceed 8 per cent of the actual annual cost of production thereof. In order that this provision may be carried out the company agrees to the creation of a board of not more than nine voting members, chosen as follows: The three leading representative farm organizations, national in fact, namely, the American Farm Bureau Federation, the National Grange, the Farmers Educational and Cooperative Union of America, or their successors, shall each designate not more than seven candidates for said board. The president shall nominate for membership on this board not more than seven of these candidates, selected to give representation to each of the above-mentioned organizations, said nominations to be made subject to confirmation by the Senate, and there shall be two voting members of said board selected by the company. A representative of the Bureau of Markets, Department of Agriculture, or its legal successor, to be appointed by the President, shall also be a member of the board serving in an advisory capacity without the right to vote. The said board shall determine what has been the cost of manufacture and sale of fertilizer products and the price which has been charged therefor, and, if necessary for the purpose of limiting the annual profit to 8 per cent as aforesaid, shall regulate the price at which said fertilizer may be sold by the company. For these purposes said board shall have access to the books and records of the company at any reasonable time. The said board shall also determine the equitable territorial distribution of fertilizer products produced at nitrate plant No. 2. If and when said board can not agree upon its findings and determinations, then the points of disagreement shall be referred to the Federal Trade Commission or its legal successor for arbitration and settlement, and the decision of said commission in such cases shall be final and binding upon the board.

16. Whenever, in the national defense, the United States shall require all or any part of the operating facilities at nitrate plant No. 2 for the production of materials necessary in the manufacture of explosives or other war materials, then the United States shall have the immediate right, upon five days' notice to the company, to take over and operate the same, and the company will supply the United States with hydroelectric power necessary for such operations, together with the use of all patented processes which the United States may need which the company owns or has the right to use. When required for national defense any of the company's personnel and operating organization necessary for operating any part of nitrate plant No. 2 in the manufacture of materials for explosives, or other war materials, shall be at the disposal of the United States. For the facilities and services aforesaid the United States shall protect the company from losses occasioned by such use and shall return the said property in as good condition as when received and reasonably compensate the company for the use thereof. All duly authorized agents and representatives of the United States shall have free access at all reasonable times to inspect and study all of the operations, chemical processes, and methods employed by the company at nitrate plant No. 2, provided that such agents and representatives shall not use the information and the facts concerning any of the company's operations, except for the benefit and protection of the United States.

17. In order that said company may be supplied with electric power and the farmers with fertilizers after the termination of the said 100-year leases, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase and upon such terms as may then be agreed upon. If the said leases are not renewed or the property covered thereby is not sold to said company, its successors or assigns, any operation or disposal thereof shall not deprive the company, its successors or assigns, of the right to be supplied with electric power at reasonable rates and in amount equal to its needs, but not in excess of the average amount used by it annually during the previous 10 years.

18. As a method of procedure in the event of the violation of any of the terms of this proposal or any contracts made in furtherance of its terms, the company agrees that the Attorney General may upon the request of the Secretary of War institute proceedings in equity in the District Court of the United States for the Northern District of Alabama for the purpose of canceling and terminating the lease of Dam No. 2 or Dam No. 3, or both of them, because of such violation or for the purpose of remedying or correcting by injunction, mandamus, or other process, any act of commission or omission in violation of the terms of this proposal or any contract made in furtherance thereof.

19. The above proposals are submitted for acceptance as a whole and not in part. Upon acceptance, the promises, undertakings, and obligations shall be binding upon the United States, and jointly and severally upon the undersigned, his heirs, representatives, and assigns, and the company, its successors and assigns; and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effectuate the purposes of this proposal shall be duly executed and delivered by the respective parties above mentioned.

Approved and signed by me at Dearborn, Mich., this 25th day of January, 1922.

HENRY FORD.

Mr. HEFLIN. Mr. President, I ask unanimous consent to have printed in the RECORD a petition to the Congress from the Private Soldiers' and Sailors' Legion of the United States of America touching the application of Henry Ford for the Muscle Shoals Plant. I should like to have it follow the statement containing the offer of Henry Ford printed in the RECORD by the Senator from Tennessee [Mr. MCKELLAR], if I can get that permission. This is an important matter to the people of the South and West, and I am hoping that the Secretary of War will accept the Ford offer.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is, as follows:

NATIONAL HEADQUARTERS PRIVATE SOLDIERS' AND SAILORS' LEGION OF THE UNITED STATES OF AMERICA,
Washington, D. C., January 18, 1922.

PETITION BY THE PRIVATE SOLDIERS AND SAILORS LEGION TO THE UNITED STATES CONGRESS.

To the honorable the Senate and House of Representatives of the United States of America in Congress assembled:

Your petitioners, the Private Soldiers' and Sailors' Legion of the United States of America, an organization composed entirely of enlisted men who served in the military and naval forces of the United States during the World War in the years 1917 to 1919, inclusive, hereby respectfully petition the Congress of the United States for the enactment at the earliest possible date of legislation looking to the sale of the Muscle Shoals plant in Alabama to Mr. Henry Ford.

The honorable the Secretary of War, Mr. John W. Weeks, will undoubtedly present to the Congress the proposition of Mr. Henry Ford within the next few days.

We believe that this legislation will not only do a measure of justice to the unemployed ex-service soldiers, sailors, and marines of the United States, who bore the burdens, hazards, and losses of the war, but will promote in the highest degree the welfare and prosperity of the people of the United States.

The Government for the past three years, or ever since the signing of the armistice, has failed to make any use of this valuable plant, although the need so to do has been apparent.

Experience justifies the conclusion that the Government will not develop this plant for the manufacture of fertilizers to the benefit of the public service as we believe the demonstrated business ability of Mr. Henry Ford will enable him to do.

We believe that under the plan proposed by Mr. Henry Ford this project will provide productive and essential employment for thousands of ex-service men and other citizens of this country now unemployed.

We, therefore, urge prompt action by the Congress with reference to this matter.

Respectfully submitted.

PRIVATE SOLDIERS' AND SAILORS' LEGION OF THE UNITED STATES OF AMERICA.
MARVIN GATES SPERRY, *National President.*

TREASURY DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT.

Mr. WARREN. I ask that the Chair lay before the Senate the conference report on the Treasury Department appropriation bill, which was presented to the Senate on yesterday.

The PRESIDING OFFICER. The Chair lays before the Senate the conference report referred to by the Senator from Wyoming.

The Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) "making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 14, 19, 24, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 9, 10, 11, 12, 13, 15, 16, 17, 18, 22, and 23; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "$4,000,000: *Provided*, That for purpose of concentration, upon the initiation of the Commissioner of Internal Revenue and under regulations prescribed by him, distilled spirits may be removed from any internal-revenue bonded warehouse to any other such warehouse, and may be bottled in bond in any such warehouse before or after payment of the tax, and the commissioner shall prescribe the form and penal sums of bond covering distilled spirits in in-

ternal-revenue bonded warehouse, and in transit between such warehouses"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 1, 2, 3, 4, 6, 20, and 21.

F. E. WARREN,
W. L. JONES,
WM. J. HARRIS,
Managers on the part of the Senate.

MARTIN B. MADDEN,
WALTER W. MAGEE,
JOSEPH W. BYRNS,
Managers on the part of the House.

Mr. WARREN. I move the adoption of the report.

Mr. KING. May I inquire of the Senator what are the differences between the conferees representing the two Houses on this appropriation bill, if there are any?

Mr. WARREN. If the motion which I have made is carried, I shall then explain the matter to the Senator, for I then shall have another motion to make.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. WARREN. There are some matters still in disagreement between the two Houses. I therefore move that the Senate further insist on its amendments still in disagreement, request a further conference with the House on the disagreeing votes of the two Houses, and that the conferees on the part of the Senate be appointed by the Chair.

Mr. KING. Mr. President, I did not understand when I withdrew my objection that that carried with it the adoption of the conference report.

Mr. CURTIS. It is only a partial report.

Mr. WARREN. What is the wish of the Senator from Utah in reference to the matter?

Mr. KING. I inquire of the Senator from Wyoming what items have now been agreed to?

Mr. WARREN. That is what I was about to tell the Senator and that is why I wished to have the motion put before the Senate.

The conferees on the part of the Senate have receded as to five different items, while the conferees on the part of the House of Representatives have surrendered on about 25.

There are four matters still in disagreement. One of them is the item with reference to the Undersecretary of the Treasury; another is as to an employee who is an assistant to the Secretary; another is as to the erection of the archives depository; and the fourth is as to the erection of a vault in the Treasury Department.

Mr. KING. Then the amendments upon which the conferees have agreed are the less important amendments?

Mr. WARREN. Yes; I so consider them.

Mr. KING. They are not items which led to controversy when the bill was under consideration in the Senate?

Mr. WARREN. As I recall, there was no controversy in the Senate except as to the items which are still in disagreement.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to; and the Presiding Officer appointed Mr. WARREN, Mr. JONES of Washington, and Mr. HARRIS conferees on the part of the Senate.

AMENDMENT OF REVENUE ACT OF 1921.

Mr. JONES of Washington. Mr. President, sections 214 and 800 of the late revenue act extend certain benefits to the posts of the American Legion, but not to the posts of the Grand Army of the Republic, the Spanish War Veterans, and so forth. These organizations feel that they are unjustly discriminated against. I am satisfied that there was no intention to do that. I have conferred with some members of the Finance Committee, and they say that there was no intention to discriminate against these posts; and so, Mr. President, I ask permission out of order to introduce a bill covering that matter, and ask that it may be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, the bill will be received and referred to the Committee on Finance.

The bill (S. 3096) to amend certain provisions of an act entitled "An act to reduce and equalize taxation, to provide revenue, and for other purposes," approved November 23, 1921, was read twice by its title and referred to the Committee on Finance.

LETTER BY OTTO H. KAHN.

Mr. CALDER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to the secretary of the committee of American business men by Hon. Otto H. Kahn on "The farmer and the business man."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The letter is as follows:

THE FARMER AND THE BUSINESS MAN.

(By Otto H. Kahn.)

NEW YORK, *January 21, 1922.*

HON. GEORGE HENRY PAYNE,
Secretary The Committee of American Business Men,
354 Fourth Avenue, New York.

DEAR SIR: Under date of November 21, 1921, in accepting the invitation of the Committee of American Business Men to join their ranks, I wrote you a letter, in which, among other things, I said that business stood in need of a spokesman and an organizer to enable it to play its proper part in public affairs. That letter met with a considerable measure of public notice and comment, which I am far from having the immodesty to attribute to any merit of either the writer or the presentation, but in which I do discern affirmation of the fact that the subject possessed "news value," i. e., that it was timely and of interest to many people.

Strangely enough, many of the press comments, especially in western papers, were introduced by headlines, such as "Kahn attacks agricultural bloc" or "Kahn summons business to organize bloc," etc.

That is how legends come to be made. As a matter of fact, in the letter to which reference is made, I did not even mention the "agricultural bloc," and I particularly advised business not to attempt to organize a bloc, as I consider all "bloc" activities as pernicious and not compatible with our system of government.

It would be very regrettable if the impression were to take root that the Committee of American Business Men was to be organized against anything or anybody, except against misinformation, ignorance, and demagoguery, and those who serve that unlovely trinity. As far as my own attitude toward the interests and problems of the farmer are concerned, I can not indicate it better than by reference to an open letter which I wrote to Senator MEDILL MCCORMICK in October, 1920, i. e., long before the agricultural bloc had become a reality. In that letter I called attention to the fact that the farmer was discontented and under a sense of grievance with the existing order of things. I pointed to the immense social value to the State of the existence of a contented farming population, engaged as it is in a calling of vital necessity, toilsome and none too well requited at best, and involving inevitable hardships. I said that the just grievances of the farmer called for immediate, intelligent consideration and for effective redress, even though that might require the adoption of methods which were new and somewhat unpalatable to the established ways of business, and that if there was one calling which had a higher claim than another upon the helpful consideration of the State among those which made up the sum total of the Nation's activities, it was that of the farmer. "Our whole system of two-party government is on trial," I concluded. "If the Republican Party, too, fails him (the farmer) he will turn in self-protection to other and new political instrumentalities, and then the grave evil of parties or factions constituted on class lines will menace the Republic."

However, my own attitude, or a correct understanding of that attitude, is of very small importance. What is of great importance is that the attitude of business toward the farmer should be correctly taken and correctly understood.

The most essential thing for all our people to recognize is that, in the last analysis, we are all in the same boat and sink or swim together.

The most helpful thing to set prosperity going again is to carry that recognition into practice by broad-minded and well-conceived cooperation, instead of blaming our adversity on the other fellow and trying to get even with him.

There is no adequate economic reason, notwithstanding the huge waste and destruction wrought by the late war, why the world, and particularly this favored country, should not now resume the road of prosperity, but in order to do so we must take a hard pull all together, we must give full and free scope to the forces of energy and enterprise instead of cramping, shackling, and hampering them, and we must let ourselves be guided by the tested lessons of economic truths instead of giving ear to plausible fallacies or permitting ourselves to be led into precipitate actions under the influence of temporary conditions.

Every right-minded business man must be desirous to have the legitimate grievances of the farmer—and he has and long has had such—redressed and remedied. Justice demands that this should be done. The larger interests of the Nation demand it, for it is harmful and menacing to the Commonwealth that so numerous and so valuable a portion of the population should feel discontented and resentful and be without prosperity. The enlightened selfishness of business requires it, for not only does the material well-being, or the reverse, of the farmer largely react upon business, but experience has shown that when the farming industry is in the throes of depression the farmer is very apt to blame business and to hit out at business and to get himself in a frame of mind which the well-meaning, self-deceived purveyor of political and economic nostrums or the cunning demagogue are only too ready to take advantage of.

It is manifest that the representatives of farming communities and States must know better than most business men, and particularly business men of the East, what ails the farmer. These men are not only not to be criticized; on the contrary, they are to be commended for using their votes and their influence to get remedial measures enacted into law and to obtain for the farmer a square deal. To the extent that we business men are in disaccord with the agricultural leaders in and out of Congress, it is not because of their efforts to promote the welfare of the farmer, which efforts we cordially approve and indorse, but because not a few of them seem to be acting under the impression, in certain respects at least, that it is possible to aid some sections and callings of our common country by hurting others.

Granted that it be true that business in the past has not been sufficiently considerate of, and interested in, the needs of agriculture, is that any reason why agriculture should now take the same regrettable and harmful attitude toward business? While "turn about is fair play," it is by no means always the wisest and most effective play. In the present stage of this Nation's and the world's affairs, it is a kind of play which can be indulged in only to the grave detriment of all concerned.

Among the things which, as I understand it, the farmer most needs are more adequate financial facilities and broader markets. Business can and should help to attain these things for him, but the accomplishment of these objects has been rendered more difficult and uncertain by the attitude which the legislative leaders of farming constituencies in the last Congress took in respect of tax revision against the

advice of President Harding, one of the truest and wisest friends the farmer ever had, and will be further impeded and retarded if certain measures now urged upon Congress come to be enacted. I am far from questioning the ability, the worthy purpose, and well-meaning intent of those men. I do venture to question whether, in their righteous zeal to aid agriculture out of its present depression, they have given sufficient study and reflection to economic laws and economic history.

An apparent short cut is not always the surest or straightest road to the aim in view, especially in matters of legislative enactments concerning business, with their complex effects and countereffects. A monkey wrench is a useful tool, but it is proverbially apt, if wielded by insufficiently practiced hands, to be dropped into the machinery, with troublesome consequences.

If it happens that adversity befalls a great branch of our national activities or particular sections of our country, whether due to factors of an avoidable character or to an unfortunate combination of uncontrollable circumstances, the remedy is not to get even by striking angrily at other callings or other sections or to base hasty legislation on temporary conditions. The remedy is to sit down together and by calm and well-meaning comparison of views diagnose the case, determine the causation of the trouble, and act in unison in finding and applying antidotes for the present and preventive measures for the future.

Statistics over many years have demonstrated strikingly that agricultural prosperity and business prosperity, and agricultural depression and business depression, run on parallel lines and are largely interdependent.[1] Unfortunately, that truth has not been sufficiently recognized as yet by either party. On the contrary, they have usually been at loggerheads and pulling in divergent directions, when, as a matter of fact, they are natural allies and both have much to gain from sympathetic understanding and cooperation.

So far from counseling an attitude of antagonism toward the farmers and their representatives, I would advise that your committee endeavor to get into touch with the leading farm organizations and representatives of agriculture, with a view to establishing opportunities for comparisons of views, leading, it may be hoped, to an endeavor to agree upon wise and effective lines of policy and action so as to promote the essential and legitimate interests of agriculture in the only way in which they can be promoted lastingly. That way does not run along the lines of class-selfishness or of antagonizing, and doing hurt to, other interests equally essential and legitimate. The true road can only be found by following the signposts of steadfast adherence to tested principles of economic soundness and broad, enlightened consideration for the general welfare.

Very truly, yours,

OTTO H. KAHN.

[1] In a recent article, published in the New Republic, Prof. David Friday gives the following table:

[In millions of dollars.]

Year.	Value of all farm products.	Value created by manufacture.
1899	$4,717	$4,831
1904	6,122	6,293
1909	8,558	8,529
1914	9,895	9,878
1919	24,982	25,509

The professor adds: "It is hardly believable that the correspondence between these two sets of figures prepared by two different Government departments entirely independent of each other should coincide by mere accident over a period of more than two decades. * * * There seems to be much sound sense in the farmer's statement that there is an interdependence between the purchasing power of the agricultural community and the sales of the manufacturer."

The following interesting and significant set of statistics was published a few months ago by Mr. E. T. Meredith in the North American Review, comparing the value per acre of crops realized by the farmer with the number of business failures in the year after ("the effect of a good or poor year in agriculture being always reflected in business the following year"):

	Value per acre (10 crops combined).	Failures, years following crop years (number per each 1,000 in business).
		Per cent.
Best 10 years	$22.36	7.2
Second best	13.71	8.3
Third best	10.80	11.0
Fourth best	8.99	11.1

Or, taking the best five and poorest five years of each decade, we have:

	Best.		Poorest.	
	Value per acre.	Failures.	Value per acre.	Failures.
		Per cent.		*Per cent.*
1880-1890	$12.05	10.8	$9.64	11.2
1890-1900	10.40	11.4	8.64	11.5
1900-1910	14.56	7.9	11.94	7.9
1910-1920	28.62	5.7	15.98	8.9
Average	16.38	8.9	11.55	9.9

BUREAU OF AERONAUTICS.

Mr. JONES of Washington. Mr. President, I desire to give notice that when the present unfinished business is disposed of I shall ask the Senate to proceed to the consideration of Senate bill 3076, authorizing the creation of a Bureau of Aeronautics in the Department of Commerce.

ADJOURNMENT UNTIL THURSDAY.

Mr. CURTIS. I move that the Senate adjourn until Thursday next at 12 o'clock.

The motion was agreed to, and (at 7 o'clock and 30 minutes p. m.) the Senate adjourned until Thursday, February 2, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate January 31 (legislative day of January 25), 1922.

UNITED STATES CIRCUIT JUDGE.

William S. Kenyon, of Iowa, to be United States circuit judge, eighth circuit, vice Walter I. Smith, deceased.

CONFIRMATIONS.

Executive nominations confirmed by the Senate January 31, (legislative day of January 25), 1922.

William S. Kenyon to be United States circuit judge, eighth circuit.

HOUSE OF REPRESENTATIVES.

TUESDAY, *January 31, 1922.*

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord God, beneath Thy mighty hand we humble ourselves and turn imploringly to Thee. We ask for succor and help to strengthen all weary and strickened ones. While these hours are trembling with such prevailing sorrow, yet may it not oppress us. Thou art a Father to be trusted through all circumstances, through all lives, and through all deaths. With this trust and assurance, may we go about our work unafraid. Help all of us to lift unto Thee our fairest offering, which is an honest and a contrite heart. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

APPROPRIATIONS FOR THE TREASURY DEPARTMENT.

Mr. MADDEN, from the Committee on Appropriations, submitted for printing under the rule the conference report and accompanying statement on the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year 1923, and for other purposes.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10101) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes.

The SPEAKER. The gentleman from Minnesota moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10101, being the District of Columbia appropriation bill.

Mr. DAVIS of Minnesota. And pending that motion, Mr. Speaker, I would like to ascertain from the gentleman from Kentucky [Mr. JOHNSON], the ranking Democratic Member, what his ideas are on the time for general debate?

Mr. JOHNSON of Kentucky. What has the gentleman from Minnesota to suggest?

Mr. DAVIS of Minnesota. Well, I will say that I have over two hours promised now, and I think it will extend to fully two and one-half hours; that is, I do not think I can hold them down to less than two and one-half hours on my side.

Mr. JOHNSON of Kentucky. Will the gentleman consent to five hours' general debate in all, to be equally divided? That will be satisfactory to this side.

Mr. DAVIS of Minnesota. Yes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that general debate be limited to five hours, one-half to be controlled by each side. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Minnesota, that the House resolve itself into Committee of the Whole House on the state of the Union.

The motion was agreed to.

The SPEAKER. The gentleman from New York [Mr. HICKS] will please take the Chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10101, the District of Columbia appropriation bill, with Mr. HICKS in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10101, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10101) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes.

Mr. DAVIS of Minnesota. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Minnesota is recognized.

Mr. DAVIS of Minnesota. Mr. Chairman, I desire to proceed for at least 30 minutes without interruption. I may want to talk longer than that, but I desire for the first 30 minutes to proceed without interruption.

The CHAIRMAN. Does the gentleman wish the Chair to remind him of the time?

Mr. DAVIS of Minnesota. Yes; to remind me of the time.

Mr. Chairman and gentlemen of the committee, I will say, to begin on, that this appropriation bill carries the least amount of money of any bill that will be reported from the Committee on Appropriations during this session, but at the same time it contains a vastly greater number of items to be considered, and some of those items are exceedingly intricate. It will be impossible almost for any man or any committee to carry all of those hundreds—yes, thousands—of items in his head.

Again I wish to say that the subcommittee, composed of five members, have had more exhaustive hearings on this bill than has ever been known on District of Columbia affairs, and I think beyond anything that ever happened before in the Congress. The hearings consist of between 1,400 and 1,500 pages, and consumed the time of the subcommittee for several weeks, for five or six weeks, to say nothing about the time consumed in writing up the bill. Heretofore while I have been chairman of the committee and part of the time when I was on the committee we had two very valuable members, consisting of the gentleman from Michigan [Mr. CRAMTON] and the gentleman from Mississippi [Mr. SISSON]. By the new arrangement they were left off this committee. But I will say in addition to that, that the two new members who were placed thereon, namely, the gentleman from Nebraska [Mr. EVANS] and the gentleman from Kentucky [Mr. JOHNSON], have admirably succeeded in taking their places, and I wish to give them, as well as all the other members of the committee, credit for the untiring labor that they have performed in trying to perfect a bill that will be satisfactory not only to the people of the District of Columbia and to Congress, but to the people of the United States, and I congratulate the new members on their work and diligence in this connection.

I was in hopes that this bill could have been brought out several weeks ago, but owing to the exhaustive and extensive hearings that was impossible. This bill contains 100 pages, and if I had the time and the proper authority—the proper legislative authority—I believe that, with a small committee of this House, I could reduce the number of pages of this bill at least half; in other words, taking every branch of the District government, the subheads and divisions are very frequently 10 or 15 or 20 or 30, when they could easily be consolidated into 3. But that is apart from the question.

Up to two years ago the appropriations were made and the expenditures were made upon what was known as 50-50 basis, but beginning with the appropriation of 1920-21 that was changed to the so-called 60-40 basis, and I believe but very few citizens of Washington and very few Members of Congress are opposed at the present time to the 60-40 basis, because I believe it is more just and more equitable to the people than the 50-50 plan. We have carried in this bill for quite a number of years the question of taxation, real and personal, tangible and intangible personal property. The present rate of tax on real estate and tangible property is 15 mills on the dollar. That is the minimum. The maximum is 20 mills on the dollar, but I do not think that the maximum has ever been reached, and I hope it will not have to be reached on this occasion. We carry the same rate of taxation in this bill that we have carried heretofore. As the older Members know, the tax on intangible property was put on only a few years ago, and is three-tenths of 1 cent. I thought at the time it was put on that that was rather modest, and I have not since changed my mind; but this bill makes no change whatever in the intangible personal property tax, so we leave the method of taxation in the bill which is now before you the same as it was before.

I wish to speak about this fact, that we have kept within the Budget. We have kept within the Budget estimates in every item except one, and that one we have raised $700. That is for the Minimum Wage Board. There may be controversy about it hereafter. Heretofore the sum of $5,000 has been carried for the Minimum Wage Board.

The Budget cut it down to $3,300, and they gave their reasons, some of which were good; but the committee, of whom I am one of five, voted to raise that, with my approval, to $4,000. That is the only instance in which we have exceeded the Budget estimates, and that by only $700.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield for an inquiry, or does he prefer to finish his statement?

Mr. DAVIS of Minnesota. I have already made the statement to the Chairman of the Committee of the Whole House on the state of the Union that I desire to proceed without interruption for 30 minutes.

Mr. GREEN of Iowa. Then I will not interrupt the gentleman.

Mr. DAVIS of Minnesota. When we come to the 5-minute rule, no matter if it takes a week or a month, we will endeavor to answer all questions, and I think what I can not answer other Members of the committee will be able to answer; but the items are so very numerous that if we started in now on the smaller items we would never get through with the bill.

I think the first item that ought to be touched upon in this general statement is what I term the money phase of it. Your committee have had in mind all the time that we ought to economize; and while every member of your committee is greatly in favor of beautifying the Capital of the Nation, keeping it up to the peak, so to speak, yet while all the balance of the United States are having to submit to a diminishing of the funds appropriated to them, we did not think it was very unfair that even the residents of the Capital of the Nation should submit to at least some reductions in some items, and not branch out in too many new projects at this particular time. In the bills that have come before you thus far you will have noticed that the estimates have been cut down very considerably. We have cut them down somewhat in this bill, but I wish to say now that after 20 years' experience in the House, a great portion of that time having been connected with the Committee on the District of Columbia, I firmly believe that the bill which now lies before you will adequately take care of all the necessities of the District of Columbia.

You may many of you disagree on certain items, and when it comes to the five-minute rule I am going to be very liberal. I am not putting up my judgment against the judgment of others, but when Members want to change these items I want to ask them upon what they base their information, whether newspaper accounts or idle gossip of the streets or the testimony of parties who knew what they were talking about.

The last regular District act—keep in mind the word "regular"—containing the items for the year 1922, under which we are now operating, amounted to $19,414,412.99. That was the last regular bill. Under the old system, before the Budget plan came into effect, many, many thousands of dollars, running almost into the millions, were carried in other bills. The sundry civil bill, for instance, carried $1,829,000, and the legislative, executive, and judicial appropriation bill carried many thousands of dollars for the District of Columbia. The deficiency bill of last year carried $1,500,000 or more. As best we could we have tried to consolidate nearly, if not all, of those items in this bill. Including all of these other items the last bill, under which we are now operating, carried a total of $21,241,472.99. The regular bill carries virtually the same amount as the regular bill under which we are now operating, namely, $19,286,439.80. Of the other items carried in these outside bills, we have included in this present bill $1,111,340, so it makes the total of the present bill $20,397,779.80. So there is very little difference between the ultimate results of the two bills.

We had a large deficiency bill last year of $1,760,093.75 that was chiefly made up of one item for new school buildings. I am going to have something to say on the subject of new school

buildings. Of that deficiency bill the sum of $1,546,893.75 was for new school buildings.

I am in favor of ample schools, as much so as any living man. I want ample room and enough competent teachers to take care of the pupils in all ways and of all grades, from the feeble-minded up to those 80 years of age. We have some as old as 80 years of age, but I am in favor of taking care of all of them. But I want to explain a little bit what has been done for school buildings, regardless of what you see in the public prints, because there is much of it that I know is not according to the facts. Let us see what we have done.

In our act of February 22, 1921—I wish you would remember that date, for that is the current law, under which we are now operating—your committee appropriated for the construction of eight new school buildings. At that time, with the knowledge we had, we thought that was quite enough additional ones for a city of this size—eight additional new school buildings which had a capacity of 64 rooms. Now, on the subject of rooms, until within the last few years every building that was put up in this city—and there were 154 buildings of that kind, to say nothing about the 78 portable and 18 rented buildings—had a seating capacity of 48 children in each room, with 50 the limit.

But lately, within the last few years, they have cut down the seating capacity of the more recent buildings to about 43 per room. The older buildings, about 140, all have a seating capacity of 48 per room. That is what these first buildings have, and that is the standard of capacity in most cities of the United States—15 square feet to each pupil. But they have cut that down, and while they do not limit the 15 square feet, they have put less children in a room, so they figure on 42 or 43 to a room for the later buildings.

As I say, after we had appropriated in the 1921 bill $980,000 for new buildings the deficiency bill was passed in June of that year.

Mr. BRIGGS. Will the gentleman yield?

Mr. DAVIS of Minnesota. If I yield to the gentleman from Texas, which I would like to do more than any other man living except the gentleman from Iowa who asked a moment ago, there would be no limit to the number of questions asked. All these questions will be answered when we get under the five-minute rule.

Mr. SMITH of Idaho. I was wondering how we would get the information if we did not ask questions.

Mr. DAVIS of Minnesota. After I get through with this general statement I will answer any question I can. Now, in addition to the 8 buildings which we put in the 1921 bill, which is operative now, the deficiency bill in June, 1921, had 9 buildings additional with 96 new rooms. So there are 96 rooms plus 64 rooms, making 160 new rooms, all within a year, to say nothing about $150,000, which we appropriated for a new tubercular school, the location of which is not yet settled. Then, there were 17 parcels of new land for which we appropriated about $332,000, and all of which I do not think have been selected yet. So that the deficiency bill carried $1,544,000 for new buildings in June, 1921, when the February bill just previous carried $980,000. If we pass this bill between now and the 1st day of March, this will be added to what I have already told you. We have included in this bill for the completion of buildings now under construction $1,400,000. These figures are pretty large. So that in this bill we add $1,711,000 for new buildings. If this bill passes in the next 30 days, the total appropriation available for new school buildings will amount to $4,235,000 in one year. Of course, we have had to take care of the additional buildings when they came along, and before the 1st of July there will be about 108 new rooms ready. Your committee did not stop with that; they appropriated for 108 new teachers, as we are bound to provide a teacher for every room. In other words, within the last year in the two bills I have spoken of and the present bill we take care of 8,976 additional pupils, only figuring 42 to a room. When we get under the five-minute rule I will be pleased to answer questions as to whether the children of this District are amply provided with school privileges.

On the subject of salaries, this bill carries specific appropriations for salaries, exclusive of schools and the police and fire departments, totaling approximately $1,669,863. For school salaries alone this bill carries $4,198,810.

We did not raise the salaries of anybody, although about $250,000 was asked for. It was the policy of the chairman of the full committee, and I think properly so, not to raise any salaries in any of these bills at this time, because of the $240 bonus and other matters where salaries ought to be equalized. Hence we followed the same rule and let the salaries alone, except we have added 108 school-teachers and a lot of new employees, putting them on the same basis of salary as other employees of a like character. But for schools alone the salaries amount to $4,198,810. For the fire department $1,120,595.44. The salaries of the police department amount to $1,658,286.36. In all the appropriation for salaries in the District of Columbia amounts to $8,547,554.80.

I may not be a good judge, and I do not wish to say that there are more people employed in the District than should be, but if you could cut down the various subdivisions where the activity is so much subdivided that they have to have a new head, many employees making the overhead charges simply enormous, you would save much money. But I suppose the people of Washington want everybody employed that can be employed, and I do not blame them at all.

Eight million five hundred and forty-seven thousand five hundred and fifty-four dollars and eighty cents a year is a good deal for salaries in a city of this size, but it will be increased when we add the $240 bonus, which we probably will, and several other items when the reclassification bill becomes a law.

There is one item here that I must speak about. I hold here a clipping from a newspaper, and I vouch for its correctness and can prove it. Some one said that the school-teachers of the District of Columbia had received no substantial increase in salary for years. I say with the author of this newspaper clipping that that does an injustice to the Congress and to the District of Columbia. Pretty nearly four years ago I started in in an endeavor to increase the salaries of the teachers.

I wanted to begin at the kindergarten and the lower grades and put them up, and after two or three years I succeeded, and a teacher who was receiving the basic salary as a kindergarten teacher of only five or six hundred dollars at that time now receives $1,440, and other teachers have been increased in proportion. I say that the following statement is correct:

School-teachers have received an increase in salaries within three years of an average of 65 per cent, ranging from 140 per cent increase in class 1 to 26 per cent in class 5, besides the bonus of $240 a year. A teacher in class 1 who received $500 in 1918, in 1921 received $1,440; class 2, in 1918, $600; in 1921, $1,440; class 3 in 1918, $650; in 1921, $1,440; high school in 1918, $1,000; in 1921, $1,640, and so on through the various classes.

The salaries of the policemen have been raised by special legislative act, and the same is true of the firemen.

I wish I had time to go into the playground business in full, but I expect to answer many questions under the 5-minute rule in respect to that. We have 26 municipal playgrounds, 1 bathing beach, 2 swimming pools, 4 concert tennis courts, aside from 78 school playgrounds fully equipped, and we are providing for more in this bill.

The number of policemen we have left as they are, at 804. I wanted to increase the number and our subcommittee wanted to increase the number. However, we provided only for the automatic advance of 126 of them, which raises their salary considerable. The reason why we did not add to the number of policemen chiefly is that down at the White House there are 55 of the Metropolitan police on guard. We do not object to that, but I have heard it intimated from the very highest source that soldiers from Fort Myer and other places could take care of that duty and would like very much to do it, and thus relieve 55 of the municipal police who now guard the White House for active service in the District of Columbia. Your committee therefore decided to not increase the number now.

We have 449 privates in the fire department. In addition to that, however, we added one lieutenant and 12 privates and provided for the advancement of 146, and for additional pieces of motor fire-fighting equipment, including one chemical engine, costing in all $44,000.

So far as charities are concerned, invariably, where we could, we have increased the amount for the charities board. There is only one case where I think we cut it down, eight or ten thousand dollars, being for the employment of a lot of physicians who were absolutely unnecessary. They were employed at a dollar a day, and we could not find out that they ever did anything. Other than that we have increased the amount pretty generally on all subjects of charity.

I come now to the Gallinger Hospital. We have all heard of that. In this bill we have made the final appropriation for the full completion of that hospital. The bill carries an appropriation amounting to $246,410 for that purpose, and on the 1st of July next there will be 200 beds ready to receive the patients in the Gallinger Hospital, and it will thus relieve the old asylum and jail of every patient that it has—60 in number—and will take 140 from St. Elizabeths. The Gallinger Hospital will ultimately have 300 beds altogether. It is one of the most magnificent institutions, although it cost only a million and a half dollars. It will relieve the congestion of this kind of patients in many other hospitals in the city. This will enable us to dispense in a short time with this old asylum hospital, which has been a disgrace to the District for many years.

I think we have given St. Elizabeths too much. We have added $50,000 to the $800,000 for taking care of those patients, and if we had considered it a little more carefully, knowing that 160 patients were going to the Gallinger Hospital, I think that they could have gotten along with $800,000, the amount we allowed them last year. However, the amount is carried in the bill, and I shall not object to it.

I now come to the water service. We appropriated last year $866,350. This year we propose to appropriate $1,028,020, an increase of $161,000, and we have given them $153,000 for the laying or extending of water mains. Another matter I desire to spend a few minutes on. Of course we have cut the estimates, but the greatest cut in the estimates is $3,000,000 for increasing the water service by constructing new conduits in connection with the aqueduct which they think would cost $9,523,000. In connection with that I want to read from my views as stated in the report of the committee:

The estimates included a proposal to appropriate $3,000,000 for extending work on the project for an increased water supply for the District of Columbia, for which the Army appropriation act approved June 30, 1921, carried an appropriation of $200,000 "for the preparation of plans" and "the initiation of work." This bill contains no appropriation on account of that project. The committee developed the information that, in the event of any serious break in the tunnel conveying water across Rock Creek to the present and only filtration plant or between the District line and said filtration plant, the plan for this project, specifically designated in the Army appropriation act cited, and the work under which is estimated to cost $9,523,000, has not been so prepared as to afford relief to that section of the city receiving water by gravity from the reservoir adjoining the existing filtration plant, and such section consumes about 50 per cent of all the water used. In other words, the proposed project will be an auxiliary to the present system to the District line, at which point the water flowing down the proposed new conduit will be filtered and pumped to the higher levels of the northwest section of the District, and—without modification of the project and an appropriation in excess of the present estimated total cost thereof—would not be of assistance, should any serious difficulty arise between the District line and the present filtration plant, to the gravity-supplied area referred to.

They have spent $22,000 of the $200,000 referred to there. In other words, we did not think, after spending days and days upon this matter, that the plan that they had prepared would be sufficient, and in addition to what I have just read I want to emphatically say that this bill, it will be observed, makes no appropriation for providing increased water supply for the entire District. I think, and can safely say, that this committee is open-minded on this appropriation for this subject, but it did not feel at liberty to propose legislation on a plan which seems to have been adopted so as to have made it a thoroughly complete relief system in the event of any trouble with any part of the entire existing plan, and perhaps also to have authorized the acquisition of certain parcels of land which the committee was told it would be necessary to acquire to carry the project to completion in accordance with the plan referred to in the Army appropriation act. Rather than bring in an appropriation for further work on a plan which I really believe was not generally understood, as not being a complete substitute for the existing project, in case of need, I submit that the committee has been fair with the House in its course in bringing this matter to the attention of the proper legislative committee for appropriate action. Mr. EVANS and Mr. BUCHANAN, members of the subcommittee, have made very careful study of this matter. I think they will substantiate every word that I have said if this matter is brought up for discussion. These gentlemen have almost become experts on this subject. We all want plenty of water, and I will say that the hearings show in the 1,500 pages that at the present time they have the best water in the United States and the best filtration plant in the United States, and that at no time, with one or two exceptions, have they ever come up to capacity, and at no time has there ever been a break anywhere in that aqueduct or distribution plant.

Recently a notice came out in the papers that something serious had happened, the insinuation being that it was a breakdown. When we came to examine into it, the engineer reported that it was simply a little break of a shaft in one of the engine rooms. The engineer, Maj. Gordon, said there had been no break anywhere, but he said they anticipated that sometime in the future there might be. I do, too. Even without an increase, sometime in the future there will be a break, and I, for one, am willing to start with five, ten, or twelve million. I would like to secure it so as to affect the whole District instead of 40 or 50 per cent, as it is now. The estimates are cut $3,000,000 on that account alone.

Now, gentlemen, there is much more to this, but I am going to stop talking now; but when you get under the 5-minute rule you will find some member of the committee who will gladly and ably answer any questions propounded.

Mr. McSWAIN. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. McSWAIN. The gentleman referred to this engineer commissioner—is that Col. Charles Keller?

Mr. DAVIS of Minnesota. Yes.

Mr. McSWAIN. Is that the same Col. Keller who gave out an interview the other day criticizing Congress because the men came from small towns and therefore were unappreciative of the beautifying and magnifying of the metropolitan city of the Nation?

Mr. DAVIS of Minnesota. Well, I can not say whether it is true or not, but if it was Col. Keller it is no doubt the engineer commissioner. I am not going to criticize him.

Mr. McSWAIN. Does the gentleman know from what big town Col. Keller came when he was sent to the United States Military Academy and educated at public expense?

Mr. DAVIS of Minnesota. No; I do not know that. The gentleman knows there are lots of us who came from small towns——

Mr. McSWAIN. So do I, and I am proud of it.

Mr. DAVIS of Minnesota. I have sometimes thought I have lived in Washington and other places so long that possibly my mind has been a little broadened in the last few years.

Mr. Chairman, there is one item in my general statement that I overlooked, and I want to speak of it now and leave it until we come under the five-minute rule. But I wish to correct a false impression in the minds of some District residents. A few days ago one of the local papers in a general statement set forth what I construed as meaning that only $113,000 was appropriated in this new bill for streets. Of course, it may have used language that was not according to the bill, but that was the impression given, that only $113,000 was appropriated for streets. Even if the words "for paving new streets" were used that would not be sufficient for all the people, because they got the idea that all we have given is $113,000 for streets. The bill contains several items. For assessment and permit work, which is used for improving the streets, curbs, alleys, and so forth, alone, the amount is $225,000. For paving new streets, $113,600. I presume that is what led up to the impression that that is all that they would get. Streets, avenues, alleys, and repairs, $431,000. Sidewalks, curbs around public reservations, $15,000; dust prevention; cleaning, and snow removal, which is very proper at this time, $350,000. Repairs to suburban roads, $200,000; grading alleys, streets, and roads, $35,000. In other words, the total amounts to $1,369,850. I want the public to know this committee is not skimping them at all on the streets.

Mr. WALSH. How much less for new streets than was appropriated last year?

Mr. DAVIS of Minnesota. Very little, if any, for new streets. Our committee decided not to go into anything that was not in the budget.

Mr. ZIHLMAN. The improvement on the west side of Connecticut Avenue is in the budget.

Mr. DAVIS of Minnesota. I know that.

Mr. ZIHLMAN. And that leads out into Maryland?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. ZIHLMAN. And connects up with the Maryland road system?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. ZIHLMAN. Can the gentleman tell the House why that was cut out of the bill?

Mr. DAVIS of Minnesota. I have a written statement on that; and I will put it in exactly as it is, so that I will make no mistake.

The largest one of the deferred projects was for paving the west side of Connecticut Avenue from Chappell Road to Chevy Chase Circle, at a cost of $58,500. This roadway is paved at present, although it is true the surface is more or less in need of repairs; but it should be borne in mind that Chevy Chase Circle may be reached via Rock Creek Park over some very excellent roadways, and it did seem to the committee that this rather costly improvement might give way for another year to much-needed improvements in other localities.

I have looked over the same thing for eight or ten years, and it is a good road. One side of it has been repaved. This occasionally needs a little repair, but I wish we had as good a road as that in the city in which I live.

Mr. ZIHLMAN. You do not contend that people who want to go to Chevy Chase should go through Rock Creek Park?

Mr. DAVIS of Minnesota. They can go that way.

Mr. ZIHLMAN. Is it not true that the gates in the park close at 8 o'clock?

Mr. DAVIS of Minnesota. If you should take the entire membership of Congress out there and let them see it, they would say that it is the least thing that has been needed for the present, because all that it requires is a little repair.

Mr. ZIHLMAN. The appropriations were cut. The estimates of the commissioners for new streets were, in round figures, about $800,000.

Mr. DAVIS of Minnesota. I am not talking about the commissioners, but the Budget.

Mr. ZIHLMAN. The commissioners, who are the governing body of the city, stated the needed street improvements would be about $800,000. As appropriated for new improvements it is only $113,000.

Mr. DAVIS of Minnesota. But I say that the Budget cut them in half, and more, too.

Mr. ZIHLMAN. I want to ask the gentleman this: The gentleman said in his opening statement that we could secure information as to why these cuts were made by the Budget. Where can you find that?

Mr. DAVIS of Minnesota. I did not say that. I did not say that I could give you information as to why the Budget cut anything.

Mr. ZIHLMAN. How was the budget made up on this matter of street improvement?

Mr. DAVIS of Minnesota. I will have to refer you to the chairman of the general committee, the gentleman from Illinois [Mr. MADDEN]. Perhaps he knows more about it than I do. If he made the statement, it would be correct. I might be mistaken.

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. BLANTON. The gentleman stated that the tax rate on intangible property was left at the old rate of three-tenths of 1 per cent. I find there is a good deal of confusion in the minds of a number of Members as to what property is designated as "intangible property" that comes under this low tax of three-tenths of 1 per cent. Can the gentleman tell us what property is so designated?

Mr. DAVIS of Minnesota. Not having any of it myself, perhaps I would be poor authority on the subject.

Mr. BLANTON. Many of us are in the same situation. I had hoped the gentleman might tell us what the property is that is so taxed.

Mr. DAVIS of Minnesota. If the gentleman is fortunate enough to have a lock box in one of the depositories down town, and he would go in there and find $15,000,000 or $20,000,000 worth of bonds, mortgages, or things of that kind, and did not include them in his property assessment returns, I think he would be guilty of violating the three-tenths of 1 per cent regulation on that so-called intangible property.

Mr. BLANTON. Would it also include cash that is in the box?

Mr. DAVIS of Minnesota. Well, I think so.

Mr. WINGO. Mr. Chairman, I raise a point of order. I think the gentlemen from the small towns to which allusion has been made ought to be here to attend to business, and I make the point of order of no quorum.

The CHAIRMAN. The gentleman from Arkansas makes the point of order of no quorum. The Chair will count. [After counting.] Eighty-five Members are present, not a quorum, and the Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

Anderson	Dunn	Kleczka	Osborne
Ansorge	Edmonds	Knight	Overstreet
Appleby	Fairfield	Kunz	Paige
Bacharach	Favrot	Lampert	Perkins
Black	Fenn	Langley	Perlman
Bond	Fess	Lawrence	Petersen
Bowers	Fish	Lee, N. Y.	Porter
Brinson	Fitzgerald	Lehlbach	Radcliffe
Britten	Focht	Lineberger	Rainey, Ala.
Brooks, Pa.	Fordney	Luce	Reavis
Burdick	Funk	Luhring	Riddick
Burke	Gallivan	Lyon	Riordan
Campbell, Pa.	Gilbert	McKenzie	Robertson
Cantrill	Goldsborough	McLaughlin, Pa.	Rose
Chandler, N. Y.	Gould	MacGregor	Rossdale
Chandler, Okla.	Harrison	Maloney	Rucker
Chindblom	Hawes	Mansfield	Sabath
Clark, Fla.	Hawley	Mead	Sanders, N. Y.
Classon	Hays	Merritt	Shaw
Collins	Herrick	Michaelson	Siegel
Connolly, Pa.	Hickey	Montague	Smith, Mich.
Coughlin	Himes	Montoya	Smithwick
Crisp	Hudspeth	Moores, Ind.	Sproul
Crowther	James	Morin	Steagall
Cullen	Johnson, S. Dak.	Mott	Stiness
Curry	Kahn	Mudd	Strong, Pa.
Dale	Keller	Nelson, J. M.	Sullivan
Deal	Kelley, Mich.	Norton	Taylor, Ark.
Dempsey	Kennedy	O'Brien	Taylor, Colo.
Doughton	Kiess	Ogden	Taylor, N. J.
Drewry	Kindred	Oldfield	Thomas
Driver	Kitchin	Olpp	Tillman
Tilson	Voigt	White, Me.	Wood, Ind.
Tincher	Volk	Winslow	Wyant
Vare	Ward, N. Y.	Wise	

The committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of Union, reported that that committee, having had under consideration the bill H. R. 10101, finding itself without a quorum, he directed the roll to be called. Whereupon 291 Members answered to their names, a quorum, and he presented a list of absentees for entry upon the Journal.

The SPEAKER. The committee will resume its session.

Mr. JOHNSON of Kentucky. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, the CONGRESSIONAL RECORD of January 25, 1922, on page 1732, shows the following proceeding on the floor of the House during the general debate on the anti-lynching bill:

> Mr. VOLSTEAD. Mr. Chairman, I yield one minute to the gentleman from New York [Mr. ANSORGE].
>
> The CHAIRMAN. The gentleman from New York is recognized for one minute.
>
> * * * * * * *
>
> Mr. ANSORGE. Mr. Chairman, the House has already heard me for 10 minutes. I merely ask unanimous consent to revise and extend my remarks.

It is true the House had already heard the gentleman on the subject, but not on that same day. He had spoken with reference to the bill when the resolution making it in order was before the House for consideration. That was on the 19th day of last December, and his speech is in the RECORD at pages 546 to 548.

In the Appendix to the CONGRESSIONAL RECORD the extension of remarks of the gentleman from New York, January 26, 1922, appears. It is duly and properly labeled "Extension of remarks," but passing from the label to the contents we find a very unexpected and genuine surprise awaiting us. Just hear the gentleman extend:

> Mr. ANSORGE. Mr. Speaker and gentlemen, I thank the chairman of the Judiciary Committee and the House for its unanimous consent that I may have this further opportunity to speak on this important measure.

Note his expression, "To speak." And how does he speak? Listen:

> In the first place, I want to answer the question just propounded by the gentleman from Texas [Mr. SUMNERS] to the gentleman from Wyoming [Mr. MONDELL].

Observe the phraseology, "The question just propounded." As a matter of fact, the gentleman from Texas had propounded to the gentleman from Wyoming a question which had elicited considerable applause on the Democratic side of the Chamber. Note the statement of the gentleman from New York in his extension, "I want to answer the question just propounded by the gentleman from Texas [Mr. SUMNERS] to the gentleman from Wyoming [Mr. MONDELL]." The truth is that the colloquy between the gentleman from Texas and the gentleman from Wyoming had already passed into the history of the debate. A dozen or more Members of the House had spoken since that occurrence. Then the gentleman from New York arose in his place and in his one-minute grant of time said, "I merely ask unanimous consent to revise and extend my remarks." But he proceeds in this extension of remarks to deliver himself of an answer, complete and satisfactory to himself, to the argument and question of the gentleman from Texas and, mirabile dictu, he is hardly launched upon the subject when he assures his readers that the House broke into applause. [Laughter.]

This first offense in this regard is followed by four others of similar nature, making a total of five designations of applause in the gentleman's extension of remarks.

Now, what is the picture, gentlemen, that he thus seeks to present to the country in general and to his own district in particular? In the first place, he paints the chairman of the Committee on the Judiciary, having charge of the bill, and the House of Representatives, burdened with the responsibility of its consideration and realizing that a crisis in the deliberations has just been reached, as bowing meekly and deferentially and gratefully to the gentleman from New York as the one white hope in a dark cause, and as saying to him, admiringly and with unprecedented unanimity, "After you, my dear ANSORGE." [Laughter.]

Then he represents the gentleman from Wyoming as being ruthlessly pressed in a fierce and unequal combat of wits by the able gentleman from Texas [Mr. SUMNERS], and he leaves the inference that the despairing majority leader is utterly unable to reply. It is possible that in that he is correct. [Laughter.] And then he endeavors to make the country believe, and especially his particular part of it, that in accordance with a

general popular expectation, growing out of his own profound erudition and parliamentary power, he very naturally comes promptly and boldly and invincibly to the rescue of his fallen chief. [Laughter.] And he pictures the House as bursting into applause at his visionary accomplishment. [Laughter.]

I fancy he must think, gentlemen, that this erroneous impression will add cubits to his political stature in a campaign at home, where a great deal of local color will probably be incidental to the situation. [Laughter and applause.] He depicts himself as having vindicated completely the majority leader and as having routed irretrievably, horse, foot, and dragoon, my distinguished colleague from Texas in charge of the opposing forces, all to the flattering accompaniment of the thunderous applause of the House. [Laughter.]

Mr. STEVENSON. Was it confined to the Republican side?

Mr. LANHAM. Oh, no; it was general. Notwithstanding the fact that the subject was not properly a partisan one, it was approached, nevertheless, largely along partisan lines, but here we Democrats sacrifice our respect for and confidence in the man who is leading our forces and join in the applause with the Republicans. It is a colossal accomplishment. And yet the gentleman had only one minute in which to speak, one minute in which to deliver these three columns of printed matter. Is it not strange that such a wonderful achievement, which, according to his version of it, hardly has a parallel in the annals of our legislative history, was not heralded broadcast to the world by the representatives of the press who sit in the gallery above?

Now you know and I know that nothing of the kind happened on the floor of this House. The gentleman from New York did not come to the rescue of the gentleman from Wyoming [Mr. MONDELL]; the speech which he has so liberally sprinkled with applause was not delivered in this Chamber and the House did not applaud it. The fact of the matter is that his extension of remarks was prepared in his own office, without the knowledge of this House further than the leave which had been granted to extend, and it was by him liberally punctuated with applause without the consent of this House. The only applause came from the clicking of his own typewriter. [Laughter.]

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Yes.

Mr. JONES of Texas. The gentleman perhaps had his stenographer with him, and it may be the stenographer applauded when he was dictating his extension of remarks.

Mr. LANHAM. Well, it may be that under the duress of employment that possibly could have happened. [Laughter.]

The Members of this body are not deceived by this abuse of this privilege, but the people back home, untrained perhaps in parliamentary procedure, may be fooled by it, and they may actually believe the gentleman's superlative recommendation of himself, and they may think that he actually gave this manifestation of feigned forensic power and prowess and preeminence.

In my judgment, gentlemen, the practice of inserting "applause" in the extension of remarks which were never in fact delivered in the Chamber should not be permitted. [Applause.]

Mr. CARTER. It is not usually done.

Mr. LANHAM. Fortunately it rarely occurs. I recall an instance in the first session of the Sixty-second Congress. The distinguished gentleman from Illinois [Mr. MANN] then rose and asked unanimous consent that the erroneous insertions of references to applause be stricken from the RECORD. [Applause.] Objection was urged, and then a motion was made that the matter be referred to the appropriate committee, and on a yea-and-nay vote it was so referred.

It occurs to me, gentlemen, that in this present case we ought to protest against this species of involuntary servitude which makes us all slaves to the vivid imagination of the gentleman from New York and keeps us here in our seats applauding his utterances long after the House has adjourned. [Laughter.] In the light of his own delineation of his visionary triumph—as remarkable surely as any of which Don Quixote himself ever dreamed—in view of his own representations of his myth of might in defending a helpless leader even against overwhelming odds and vanquishing the foe as valiantly as ever the dashing Launcelot did in the tilts of old, in memory of the laurels of Webster and Clay and Calhoun, now threatened by this self-assertive wise man of the East, it seems the part of kindness and of caution to say to him as Bassanio once spoke to his friend Gratiano—

> Pray thee, take pains
> To allay with some cold drops of modesty
> Thy skipping spirit.

[Applause and laughter.]

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. DAVIS of Minnesota. I yield 40 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, what I have to say might well be entitled "The progress in crime, social disintegration, or degeneracy of the capital of a great nation."

The District of Columbia in 1910 had a population of 331,069 people and in 1920 a population of 437,571, an increase in the 10-year period of 32.2 per cent. It has been estimated that there has been a decrease in the population since the 1920 census of about 40,000 persons to January 1, 1922.

In the District of Columbia there are two courts where crimes are recorded. One is the police court of the District of Columbia, which has two branches, one known as the United States branch and the other as the District branch, each having concurrent jurisdiction. The other court is the Supreme Court of the District of Columbia, to which reports are made by a grand jury after indictment. This is the court where major crimes are recorded.

The official records show that in 1910 the total number of cases recorded in both branches of the police court of the District of Columbia was 22,779, and in 1920, 42,308, or an increase of 85.7 per cent, whereas in the same period the population had increased only 32.2 per cent.

The total number of cases recorded in both branches of the police court of the District of Columbia in 1921 were 47,736, an increase of 12.9 per cent over the number in 1920, the previous year, with an estimated population of 40,000 less than in the previous year, this latter number of cases being an increase of 100.9 per cent over the number of cases recorded in both branches of the police court of the District of Columbia in 1910.

As traffic cases are recorded in the District branch, some of the increase of cases in that branch may be so accounted for between the cases recorded in 1910 and 1920, but that can not account for the increase in cases between 1920 and 1921.

The total number of recorded cases in each branch of the police court of the District of Columbia has been kept and a classification of recorded cases in the United States branch from 1910 to date, but a classification of recorded cases in the District branch was not begun until December, 1920.

In 1910 there were 5,723 recorded cases in the United States branch of the police court of the District of Columbia, and in 1920, 6,949, which is an increase of 1,226 cases, or 18 per cent.

In 1910 there were 17,056 recorded cases in the District branch of the police court of the District of Columbia, and in 1920, 35,359, which is an increase of 18,303 cases, or 107 per cent.

In 1920 there were 6,949 recorded cases in the United States branch of the police court in the District of Columbia, and in 1921, 7,536 cases, which is an increase of 587 cases, or about 8½ per cent, although the population has been estimated to have been 40,000 less in 1921.

In 1920 there were 35,359 recorded cases in the District branch of the police court in the District of Columbia, and in 1921, 40,200 cases, which is an increase of 4,841 cases, or about 14 per cent, although the population has been estimated to have been 40,000 less in 1921.

An analysis of the cases in the United States branch of the police court of the District of Columbia for 1910 and for 1920 is as follows:

Crime.	1910	1920	Increase or decrease (—), 1910–1920.
			Per cent.
Simple assault	3,459	1,566	—38
Assault to kill	5	15	200
Assault with dangerous weapon	76	147	93
Simple larceny	1,659	1,110	—33
Grand larceny	104	272	161
Forgery	21	36	71
Housebreaking	111	108	— 3
Robbery	52	62	19
Receiving stolen property	4	28	600
Destroying private property	48	91	89
Permitting gaming on premises	80	266	232½
Threats	183	332	81
Assault to rape, attempted rape, and rape	14	7	—50
Adultery	43	65	51
Carnal knowledge	23	30	30
Fornication	131	445	232
Disorderly house	15	50	233

It will be seen from this analysis that although the cases of simple assault were 3,459 in 1910 and 1,566 in 1920, a decrease of 38 per cent, assault to kill increased from 5 to 15, or 200 per

cent, and assault with dangerous weapon increased from 76 to 147, or 93 per cent.

It will be seen from this analysis that although cases of simple larceny were 1,659 in 1910 and 1,110 in 1920, a decrease of 33 per cent, and the number of cases of housebreaking were 111 in 1910 and 108 in 1920, a decrease of 3 per cent, that grand larceny increased from 104 in 1910 to 272 in 1920, or 161 per cent, and forgery increased from 21 in 1910 to 36 in 1920, or 71 per cent; robbery increased from 52 in 1911 to 62 in 1920, or 19 per cent; receiving stolen goods increased from 4 in 1910 to 28 in 1920, or 600 per cent.

It also will be seen from this analysis that although the cases of assault to rape, attempted rape, and rape were 14 in 1910 and 7 in 1920, a decrease of 50 per cent, that adultery increased from 43 in 1910 to 65 in 1920, or 51 per cent; carnal knowledge increased from 23 in 1910 to 30 in 1920, or 30 per cent; fornication increased from 131 in 1910 to 435 in 1920, or 232 per cent; and disorderly houses from 15 in 1910 to 50 in 1920, or 233 per cent.

It will be seen from an analysis of the recorded cases in the United States branch of the police court of the District of Columbia for 1921 that there has been the following increase over the recorded cases in 1920:

Simple assault in 1920 was 1,566 and in 1921, 1,897, or an increase of 21 per cent; assault to kill in 1920 was 15 and in 1921, 17, or an increase of 13⅓ per cent; forgery in 1920 was 36 and in 1921, 50, or an increase of 39 per cent; housebreaking in 1920 was 108 and in 1921, 93, or an increase of 50 per cent; destroying private property in 1920 was 91 and in 1921, 106, or an increase of 16 per cent; threats in 1920 was 332 and in 1921, 455, or an increase of 37 per cent; assault to rape, attempted rape, and rape in 1920 was 7 and in 1921, 24, or an increase of 243 per cent.

Mr. BOX. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. I will, for a very simple question.

Mr. BOX. The gentleman has presented a very clear statement of a deplorable increase in crime. I want to know if he understands that to mean that the power of Congress to maintain peace and good order has not been properly exercised, and that some other power ought to discharge that duty?

Mr. TINKHAM. I will reach that point and answer the question of the honorable Representative a little later in my statement, as he will see. Adultery in 1920 was 65 and in 1921, 92, or an increase of 42 per cent; and disorderly houses in 1920 was 50 and in 1921, 74, or an increase of 48 per cent.

Yet the estimated population of the District of Columbia was 40,000 less in 1921 than in 1920.

An analysis of recorded cases in the District branch of the police court of the District of Columbia—not begun until December, 1920—for each month, under the heading intoxication and disorderly conduct, is as follows:

Month.	Intoxication.	Disorderly conduct.
1920.		
December	392	255
1921.		
January	430	241
February	399	208
March	471	272
April	545	349
May	540	416
June	449	321
July	485	452
August	506	459
September	506	479
October	598	362
November	425	203
December	501	260

The total number of recorded cases under the heading of intoxication for 1921 being 6,247, and of disorderly conduct for 1921 of 4,367.

There was an increase in December of 1921 over December of 1920 in the number of recorded cases of intoxication of 109, and in the number of recorded cases of disorderly conduct of 5.

The official records show that in 1910 the total number of cases recorded in the Supreme Court of the District of Columbia, to which reports are made by a grand jury after indictment was 548 and in 1920, 1,328, an increase of 142 per cent, whereas in the same period the population in the District of Columbia had increased only 32.2 per cent.

An analysis of the cases in the Supreme Court of the District of Columbia for 1910 and for 1920, with the exception of murder and manslaughter, is as follows:

Crime.	1910	1920	Increase or decrease (−), 1910–1920.
			Per cent.
Assaults	63	136	116
House breaking and larceny	105	129	23
Grand larceny	66	258	291
Receiving stolen property	3	23	666⅔
Robbery	38	61	61
Forgery	22	54	145
Assault to rape, assault to have carnal knowledge, attempted rape, and rape	12	7	−42
Carnal knowledge	19	27	42
Nonsupport	28	174	522

It will be seen from an analysis of the recorded cases in the Supreme Court of the District of Columbia for 1921 that there has been the following increase over the recorded cases in 1920:

Housebreaking and larceny in 1920 was 129 and in 1921 165, or an increase of 28 per cent; robbery in 1920 was 61 and in 1921 75, or an increase of 56 per cent; forgery in 1920 was 54 and in 1921 64, or an increase of 18½ per cent; and assault to rape, assault to have carnal knowledge, attempted rape, and rape in 1920 was 7 and in 1921 21, or an increase of 200 per cent.

The police department of the District of Columbia reports that in 1910 there were 7 cases of murder and 6 cases of manslaughter, making a total of 13 cases; that in 1920 there were 38 cases of murder and 23 cases of manslaughter, making a total of 61, or an increase of 443 per cent in murder and 243 per cent in manslaughter, and an increase in the total of both of 369 per cent.

The report for 1921 is 44 cases of murder, 29 cases of manslaughter, making a total of 73, or an increase in one year of 16 per cent in murder, 26 per cent in manslaughter, and an increase in the total of both of 20 per cent, with an estimated population of 40,000 less than in 1920.

These statistics furnished by the police department of the District of Columbia compared with the statistics found in "American Police Systems" by Fosdick, as well as the last returns from London, show that there is a much greater number of murders in the District of Columbia than in London; in 1920 there were 15 cases in London and 38 cases in the District of Columbia; that Scotland, with a population ten times as great as the District of Columbia, has from 100 to 300 per cent less murders; and that the District of Columbia, not excepting New York and Chicago, has the highest rate per capita of murders of any city in the world.

For this great increase in crime the police department of the District of Columbia is in no way responsible, as all its time must be taken to apprehend offenders.

Divorces are granted in the District of Columbia for adultery only. The records of the Supreme Court of the District of Columbia disclose that in 1910 181 cases were recorded and in 1920 309 cases, or an increase of 71 per cent.

The juvenile court had a total in 1910 of 2,925 cases and in 1920 a total of 4,094 cases, which is an increase of about 40 per cent.

It is said that statistics similar to those which have been given exist throughout the United States particularly in relation to larger cities. If this is true, then the American Republic is not in revolution but in dissolution; not in evolution but in devolution.

Many causes can be assigned for this amazing, startling, and portentious phenomena.

One of the causes for this phenomenon is undoubtedly the character of the legislation passed during the last eight or nine years by the Congress of the United States, the methods employed for its enactment and a consequent loss of respect by the people for these laws and for all law, and the holding of Congress in contempt rather than in esteem or reverence. If this is true, the District of Columbia being in such close association with Congress would be more acutely affected than the rest of the United States.

During these years the people have seen the Congress of the United States controlled neither by principle, courage, nor unselfish devotion to the public weal but surrendering itself and its power for the making of laws subserviently and docilely to the will of others and acting the demagogue for selfish purposes as never before.

Mr. HAMMER. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. I can not. It has seen an abject and obedient Congress pass laws of profound importance dictated to it

by liberally financed and highly organized minorities outside of Congress, sometimes for purely personal economic ends of the minorities, sometimes sumptuary laws from sectarian sources, sometimes laws dictated by "blocs" or minorities within Congress itself for purely selfish class purposes or purposes purely of reprisal.

Laws passed by such Congresses and under these conditions can not help lessening the obedience to the laws themselves which are so imposed and in turn to all laws.

The example of Congress in refusing to obey the mandatory injunction of the fourteenth amendment to the Constitution to reduce representation in proportion to disfranchisement in violation of their oaths of office, thereby making elections to the House of Representatives and to the Presidency unconstitutional and violating the first principle of the purity of the ballot, can not but have its profound effect on the authority of laws enacted by such a law-making body.

Congresses which audaciously and contumaciously refuse obedience to the fundamental law which governs them, namely the Constitution, can neither expect nor receive obedience to its laws or directions.

Another cause of penetrating effect is the lessening by law of individual freedom and individual responsibility.

But more than all these is the destruction and elimination of the American home where no longer does the child know to whom to turn for authority and direction, and from which modern industrialism has subtracted parental care, and State supervision and intrusion weakened parental obligations.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back 15 minutes.

Mr. JOHNSON of Kentucky. Mr. Chairman, as a member of the subcommittee which prepared this bill, I wish to submit a few remarks concerning it.

In most instances the members of the committee were unanimous in arriving at their findings. In a number of instances, however, it was necessary for the chairman to submit various propositions to a vote of the committee. In this case, as in all others, by no means all of the findings have been unanimous. For instance, the item concerning an additional supply of water for the District of Columbia was not taken out of the bill by a unanimous vote. Speaking only for myself, I wish to say that for some time past I have believed that an additional water supply for the District of Columbia should be looked to. The question, however, has not been fairly, frankly, and honestly put to Congress by the local press. The local press has placed the demand for an additional water supply solely and entirely upon the theory that the water system had reached its limit of supply. That is not correct. The local press claims that the limit of supply is 70,000,000 gallons a day, and that during the war the peak was virtually reached by delivering to the people of the District of Columbia that quantity of water. They have never disclosed to Congress or to the people of the District of Columbia that the actual capacity of the conduit is not 70,000,000 but 90,000,000 gallons a day. I make that statement unhesitatingly, and the engineer department of the District of Columbia is not going to dispute it, for with that department lies the knowledge. I do believe, however, notwithstanding the fact that we have never approached the maximum capacity of the conduit by 20,000,000 gallons a day, that still there ought to be an additional conduit built, so that if anything should happen to the present conduit the great army of employees who are here should not be deprived of water, that the people who are not in the Government employ should not be deprived, and that public work should not cease because of the possible breakage of the conduit.

The conduit was well built; I think about 59 years ago. From that time until now there has been no serious mishap to it, and the probabilities are that there may not be such for many years. Yet, like the calamity in the theater which has just fallen down, it is always the unexpected that happens. For that reason I advocate the building of another conduit from the Falls to the District line.

The gentleman from Nebraska [Mr. EVANS], who is on the subcommittee, is, in my judgment, one of the most valuable Members of this body. He goes to the bottom of things, and his conclusions, when reached, are most valuable, indeed. He has taken the plans submitted by the engineer department, or if not by the engineer department, then by acknowledged good engineers, and has analyzed them; and, if I am correctly informed, I believe he has all but convinced them that their plans for the water, after it has been brought to the line of the District of Columbia, are not feasible. I believe he has shown them, as he has shown me, that much of the water when brought to the District of Columbia through the present conduit, and more particularly that which may be brought through a new conduit, will, if present tentative plans are followed, be distributed largely throughout the District by power rather than by gravity, as he contends, and I believe, can be done.

Therefore I do not insist that anything more be done respecting bringing more water into the District than the building of another, parallel, conduit. By the time that is completed the plans for distributing the water throughout the District can be established on a correct and proper plan.

For a year or two now the local press, and particularly one paper, would make the people believe that they were standing on the very verge of a water famine. No such thing is threatened, and no such thing will threaten unless, as I say, it is the unexpected that happens, and against that certainly provision should be made.

Congress and the people of the District of Columbia are not treated fairly by the local press. Congress is misled and the people are led into apprehension when no cause for it really exists. Take, for instance, the old Aqueduct Bridge across the Potomac River from Georgetown to the Virginia side. For several years we heard nothing else through the local papers, especially in times of ice in the river, except that the bridge was going to fall down.

Every morning the people of the District of Columbia and Members of Congress rose expecting to see headlines in the papers that the bridge had fallen to pieces. But the bridge still stands, and when more than a million dollars had been appropriated to build a new bridge alongside the old one the clamor ceased. But what do you think! When the bridge nears completion many people and some of the newspapers are asking that the old bridge be permitted to stand for heavy traffic.

Twelve or 14 years ago there was a clamor here which misled the people and Members of Congress to believe that there was no place to keep valuable papers from theft and fire; that they were at the mercy of the innumerable thieves which the gentleman from Massachusetts [Mr. TINKHAM] has just spoken of, and at the mercy of fire. Day after day that was hammered into the heads of Members of Congress and the public at large made to believe it. Then Congress, yielding to that clamor, purchased a site for a building in which to store the papers. A piece of property on Pennsylvania Avenue, immediately across from the Treasury Department, was bought for that purpose. As soon as the property was purchased upon which to erect the building the newspapers ceased their clamor and demand for a safe place for the valuable papers of our Nation. The sale of the land was the first thing in their mind, and the safety of the papers was only secondary, if at all.

Mr. MADDEN. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Gladly.

Mr. MADDEN. I notice a similar clamor now for the purchase of another site for an archives building, and it is only three or four weeks ago that the United States gave the site on the Mall at Pennsylvania Avenue and Sixth Street, which would have been a beautiful site and situation for an archives building. What do we find now. We find that they do not want to use the land there, but want to buy more property behind the Navy Department for a new site for an archives building, and we will have that before us in a day or two for consideration.

Mr. JOHNSON of Kentucky. There is always a demand in the District of Columbia being made on Congress to purchase property, but never on Congress to use property that already belongs to the Government. Only a few years ago the local press clamored and demanded that the property on Pennsylvania Avenue, on the south side of the street, just this side of Fifteenth Street, should be purchased for a public building. The clamor continued until the property was bought. Instantly after the property was bought and the money was paid the clamor ended. There stands the property now where the Poli Theater is and there is no more demand except as the gentleman from Illinois has suggested that they can sell more land.

The other day we heard discussed, particularly by the gentleman from Indiana [Mr. WOOD], the activities of Mr. Moore, a member of the Fine Arts Commission. Comparatively a few years ago this gentleman was the secretary of a Senator. Then he conceived the creation of parks; and, consequently, the purchase of land. His ideas have broadened and broadened, until now the Botanic Garden must be abandoned and put beyond the reach of those for whom it was established; and another piece of property must be bought for the Botanic Garden. The property to be bought is on the Eastern Branch of the Potomac River and is beyond the reach of those for whom the Botanic Garden was intended. We have the principal man in the Fine Arts Commission practically abandoning the real work for which he was selected, that of passing on statues, that we may have no ugly things of that kind in the streets or parks of the Dis-

trict of Columbia, and becoming more interested in making sales of additional land for Federal and District purposes, when God knows they already have an abundance of unused land.

But there is another secret about the thing, and that is, by act of Congress passed in 1883, I believe, the United States Government makes the District of Columbia a present of all the rents derived from Federal-owned reservations in the District of Columbia. That rent is given to the District of Columbia as a present; and throughout all these long years the Government of the United States has been compelled to put up dollar for dollar against that generous gift in order to comply with the terms of the half-and-half principle.

The next item in the report which I wish to discuss is "Sinking fund and interest."

The act of June 11, 1874, provides, with reference to that item, as follows:

SEC. 12. The sinking-fund commissioners of said District are hereby continued; and it shall be the duty of said sinking-fund commissioners to cause bonds of the District of Columbia to be prepared, in sums of $50 and $500, bearing date August 1, 1874, payable 50 years after date, bearing interest at the rate of 3.65 per cent per annum, payable semi-annually, to be signed by the secretary and the treasurer of said sinking-fund commissioners and countersigned by the comptroller of said District, and sealed as the board may direct, which bonds shall be exempt from taxation by Federal, State, or municipal authority, engraved and printed at the expense of the District of Columbia, and in form not inconsistent herewith. And the faith of the United States is hereby pledged that the United States will, by proper proportional appropriations as contemplated in this act, and by causing to be levied upon the property within said District such taxes as will provide the revenues necessary to pay the interest on said bonds as the same may become due and payable, and create a sinking fund for the payment of the principal thereof at maturity. Said bonds shall be numbered consecutively, and registered in the office of the comptroller of said District, and shall also be registered in the office of the Register of the Treasury of the United States, for which last-named registration the Secretary of the Treasury shall make such provision as may be necessary. And said commissioners shall use all necessary means for the prevention of any unauthorized or fraudulent issue of any of such bonds. And the said sinking-fund commissioners are hereby authorized to exchange said bonds at par for like sums of any class of indebtedness in the preceding section of this act named, including sewer taxes or assessments paid, evidence by certificates of the auditing board provided for in this act.

Only a few days ago we saw nearly a column of editorial opinion in the local press to the effect that Congress was breaking faith with the holders of the 3.65 bonds by not continuing to pay them on the basis of 50–50, but instead proposes to pay them on the basis of 60–40. Nearly a column of editorial matter was devoted to that subject, and the contention was made that it was not just. What does that act say? Does the act which authorized these bonds say that they shall be paid on the basis of 50–50 or 60–40? No. Instead it says that they shall be paid—

by proper proportional appropriation.

So that if Congress considers the proper proportion to be 60–40, then the law which authorized those bonds has been complied with and no one can be hurt. If the bondholder gets his money dollar for dollar with accrued interest, what right has he to complain? Absolutely none. Yet here comes the local press of the District of Columbia admitting that notwithstanding the fact that other items could be legitimately paid on the basis of 60–40, yet this item must be paid by the proportion of 50–50 to be in accordance with the law, when, as I have just read from the act, no certain proportion was then established.

The 50–50 basis about which you have heard so much has never been sacred. No proportion has ever been established by Congress that Congress, in its wisdom, might not change. When the 50–50 plan of 1878 was before this body for adoption, this House did not at first pass it at 50–50. As a matter of fact, it came very nearly passing it at 75 per cent to be paid by the District of Columbia and 25 per cent to be paid by the National Government. Finally it was passed on exactly the basis now obtaining, 60–40. When the matter went to the Senate, that body changed it to 50–50, and the conferees arrived at a settlement of the matter by establishing the proportion at 50–50.

Recurring again to the bonds: During the Shepherd régime, which ended in 1874, the District of Columbia, in its then three existing subdivisions, the city of Washington, the city of Georgetown, and the remainder of the county, were indebted to the amount of about $22,000,000. The whole administration for the then three and one-half years preceding had been so corrupt that Congress took the administration out of their hands and adopted the present form of government. There was no way to pay the debts that the District of Columbia or the three municipalities then owed. Congress came to the rescue, furnished a greater portion of the money actually paid, and authorized the District of Columbia to issue $15,000,000 worth of bonds, now known as the 3.65 bonds. Those bonds were hawked about the District of Columbia and about neighboring cities for 50 cents on the dollar. Speculators bought them. Then, when they had bought them, they got them included in the act of 1878, and put them on the 50–50 basis. Then they were certain to get their money, and immediately the bonds went to par. That is not half the story, however. Whoever heard of a municipality redeeming its bonds at above par?

What man to-day who owes a note in bank is expected to pay more than the principal and interest when he goes to pay his note? Yet we have here in this city of crime, just described by the gentleman from Massachusetts [Mr. TINKHAM], the condition that these bonds have been retired at a premium, and approximately three-quarters of a million dollars have been paid as premium to the local financial institutions that obtained them at less than 60 cents on the dollar. Subsequent to the issue of those bonds a statute was passed which provided that they should not be taken in at exceeding par. That has been ignored. The acknowledged principle throughout the financial world that payment of debts and accrued interest discharges the debts has been ignored, and to this good hour, in defiance of the obligation to pay principal and interest only and in defiance of the congressional direction that these bonds should not be retired at above par, they are being taken in and retired at a premium. As I just said, approximately three-quarters of a million dollars have been paid in excess of the face value and accrued interest on these bonds. Provision is made in this bill appropriating $400,000 for "interest and sinking fund" for the purpose of retiring more of these 3.65 bonds. They will be due in 1924. The committee has seen fit to follow the plan that relates to the proportion as between the National Government and the District of Columbia and has placed the retirement of these bonds on the 60–40 basis, like the other appropriations are made, and have undertaken to stop the retirement of them at 50–50. Why in the name of common sense, why in the name of common justice, should the United States Government be compelled to take the people's money and retire bonds at a premium when the law upon the question says that they shall not be retired at a premium?

The United States is only guarantor of the bonds.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. GARRETT of Tennessee. I do not quite understand just how they have been retired at a premium. Perhaps my dullness is to blame for that, but I have not understood it yet.

Mr. JOHNSON of Kentucky. Every year Congress appropriates a sum of money with which to retire the 3.65 bonds.

Mr. DAVIS of Minnesota. Heretofore the appropriation in this bill has been $975,000 per annum. This is the first time it ever dropped to $400,000.

Mr. JOHNSON of Kentucky. That is because the bonds mature in 1924, and now nearly all of them have been retired through this sinking fund plan.

Mr. DAVIS. Did the gentleman make it plain that we have included a limitation whereby we preclude a further retirement of the bonds above par?

Mr. JOHNSON of Kentucky. I am getting to that. Further answering the gentleman from Tennessee: When the holder of any of these bonds wants money or an unlawful profit, he goes to the Treasurer of the United States, and under a precedent wrongfully and illegally established years ago by his predecessors, this man is paid 105 or 106 or 107 for every dollar's worth of these bonds, together with accrued interest. As has just been suggested by the gentleman from Minnesota, there is a limitation in the bill repeating the law that none of the $400,000 shall be used to retire any of these bonds at above par and accrued interest.

Mr. ZIHLMAN. Had the bonds matured that have been retired?

Mr. JOHNSON of Kentucky. They have not. The bonds mature, as I just said, in 1924.

Mr. GARRETT of Tennessee. Did the Treasurer redeem at the price on the open market?

Mr. JOHNSON of Kentucky. There was but one market for them, and that was made by the Treasurer's willingness to buy them at a premium.

Mr. GARRETT of Tennessee. I was just going to lead up to that—to ask if the fact that it was known that the Treasurer would be willing to pay a certain price, notwithstanding the law that confined him to par, fixed the market price for the bonds.

Mr. JOHNSON of Kentucky. I think that is inevitable; I think that fixed the market price. It is contended that in 1888, I believe, the Treasurer was authorized to buy these bonds for the sinking fund. There is no question as to this authority to buy them for retirement, but there still stares him in the

face, whenever he makes a purchase, the law that he must buy them at not exceeding par.

If this Congress did its full duty it would compel the Attorney General of the United States to sue every Treasurer on his bond who has abused this law.

The next item that I find in the report, concerning which I wish to make some comment, is under the title of "Streets." If I am correctly advised, the engineer officer having charge of the construction and repair of streets asked the Budget for $2,000,000. If I am still correctly advised we can not ascertain whether or not that is true, for the reason—and I qualify it again by saying if I am correctly advised—the various departments have been forbidden by the Budget to disclose what the various departments asked for. Therefore you can take that statement only for what it is worth without verification; but it comes to me in such a way that I believe that the Engineer Commissioner of the District of Columbia asked for $2,000,000 with which to build and repair streets. The Commissioners of the District of Columbia, again if I am correctly informed, in their recommendations to the Budget asked for $800,000 for street purposes. In so far as the committee has been able to ascertain, without rhyme or reason, the Budget cut the sum down to about $200,,000, and this committee has kept itself within the amount provided by the Budget.

If that recommendation upon the part of the Budget was adhered to strictly, and Congress adheres to the same proposition, then Congress is bound and gagged by the Budget Commission, and can not give another farthing to build or repair streets no matter how badly they are needed. I speak only for myself in saying that I through the hearings and still am willing that Congress may exercise its good judgment, and not be bound by the Budget recommendations, and give to the District of Columbia the streets that it ought to have. The committee went about the city for the purpose of viewing the streets, and they viewed those recommended by the Budget and they also viewed many of those which had been recommended by the commissioners and some in addition which have been recommended by the engineer department to the commissioners. I for one was not blind to the fact that when we came to a street solidly built up on both sides, and that the automobiles in which we rode had to straddle ruts and gulleys in order to keep the axles of the automobiles from dragging the ground, believe that those streets ought to be repaired, notwithstanding that the Government has placed itself in the unfortunate and unjustifiable position of undertaking to pay half, or nearly half, the expenses of the District of Columbia. Since that unwise thing has been done to-day, it can not be avoided, and we ought to comply with the practice that a former Congress has recognized, that if certain streets, where houses are built up solidly on both sides, are impassable in wintertime that they ought to be paved, and if there is no other way to repair them except on the 60–40 basis they ought to be repaired. For instance, let us take Connecticut Avenue. That is a highway and thoroughfare from the Nation's Capital into the adjoining State of Maryland.

That is the one thoroughfare, which above others, leads to the magnificent system of highways which they have in Maryland, and which lead to the great national highway halfway across the continent, which was established through the efforts of Henry Clay nearly 100 years ago, and which to-day is one of the great thoroughfares of our Nation. A short while ago Congress made an appropriation to repair the east side of Connecticut Avenue. Mind you now, the east side of Connecticut Avenue can be used for vehicles going only in one direction, and that is out toward Maryland. The other side, the western side of Connecticut Avenue, is in a very bad condition. I asked myself, and I am unable to give an answer to my own question: Why persons going toward Maryland can have a good road over which to travel while those who come from Maryland into the District have a very bad road over which to travel? For myself, I was willing in committee, and am willing now, to improve that side of Connecticut Avenue. There are other smaller streets which are in a deplorable condition; but the Budget, as it relates to the District of Columbia, comes down to one single individual; one man who by his ipse dixit has said that this street, or the other street, shall be repaired, and that another shall not be repaired or built. I know not upon what meat he has fed that enables him to determine with such accuracy as to bind Congress that a street, although it be impassable, should not be repaired.

The Eastern High School——

Mr. GARRETT of Tennessee. Before the gentleman leaves "Streets," will he yield?

Mr. JOHNSON of Kentucky. I do.

Mr. GARRETT of Tennessee. Did I understand the gentleman to say that by order of the Budget the various departments of the Government were prevented from disclosing the estimates which have been submitted to the Budget?

Mr. JOHNSON of Kentucky. I make that statement without having available any member of the various departments to whom those instructions have been given to prove the statement.

Mr. GARRETT of Tennessee. The gentleman knows as to the District budget. May I ask the gentleman if it is a fact that the subcommittee on the District of Columbia appropriation bill were unable to ascertain what estimates have been made by the commissioners and forwarded to the Director of the Budget?

Mr. JOHNSON of Kentucky. No; that is not quite correct. In a way every member of the District subcommittee which made up this bill ascertained what those estimates were; but, further answering the gentleman's question, my information is that the various departments have been forbidden to disclose what recommendations were made to the Budget. One from a department will tell you that, but tell you so in confidence.

Mr. MOORE of Virginia. May I make a remark to the gentleman apropos of what he is saying now?

I read the hearings that were had before the subcommittee and noted the fact that the chairman of the subcommittee was very disinclined to go into the action of the Bureau of the Budget in respect to any item, and after the bill was presented here that we are now considering, I inquired of the Commissioners of the District as to what their estimates were which they submitted to the Bureau of the Budget and as to the faith of those estimates, and I have a memorandum here in my hand, quite a voluminous one, which shows what the estimates were that were presented to the bureau by the commissioners, and showing the eliminations and reductions that were made by the bureau. Why those reductions and eliminations were made I do not know. No one seems to know. There is not any explanation. They were made by Gen. Dawes and former Senator Sherman, in so far as we can ascertain from the hearings. They may have been made arbitrarily; they may have been made reasonably; but a little later I expect to put in the RECORD this statement, which I think will prove of very great interest to the Members. It bears as largely upon the matter of the repair of the streets as upon any other subject to which the distinguished gentleman from Kentucky has been alluding.

Mr. JOHNSON of Kentucky. I will say to the gentleman from Virginia that I got hold of the same paper that he has. The Commissioners of the District of Columbia were disposed to give to the committee all the information they had. I do not believe they withheld anything that they could give to the committee, and, in a way, they gave to the committee the paper the gentleman just spoke of. It was beyond my purpose to speak of the other departments of the Government until asked by the gentleman from Tennessee [Mr. GARRETT] concerning them, but I can say to him, but only with the qualification that I can not establish what I say, although it comes to me in such a way that I firmly believe it, that the other departments were instructed to withhold their estimates made to the Budget.

The gentleman from Virginia [Mr. MOORE] just a moment ago spoke of the estimates for street work as having been made by Gen. Dawes and ex-Senator Sherman, of Illinois. If I correctly understood Gen. Dawes he had nothing whatever to do with the making of any estimate for the District of Columbia other than to approve a paper which was made out and handed to him by ex-Senator Sherman, of Illinois.

I was about to speak of another street——

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I will.

Mr. GARRETT of Tennessee. Did ex-Senator Sherman have any official connection with the Budget or any other department of the Government at the time of handing in the paper to which the gentleman has referred?

Mr. JOHNSON of Kentucky. Mr. Sherman then was and now is an ex-Member of the United States Senate from the State of Illinois, continuing, for how long I have no information, his residence here. While here he was called in by Gen. Dawes, of the Budget, and asked to make up the estimates for the District of Columbia. I have no information upon the subject, but I am of the opinion that he served without compensation, and, consequently, that he held no official position with the Government.

Again, I wish to say, I was about to speak of another street, and as a prelude to that it is necessary to mention the Eastern High School. The Eastern High School is being erected, not in the midst of a community from which school children may come, but it is being erected at a jumping-off place into the Eastern Branch of the Potomac River. That school may be able to get

children from one direction, but by the river it is denied from getting children from the other direction. If I were willing to take the time and had verified the information upon the subject which has been given to me, I might account for the reason of its location, but not having those reasons verified I shall not discuss them.

But, reverting to streets, there are streets that lead to this school. A mistake has been made in building the Eastern High School upon its present site. It is now too late to go behind that mistake. Those who live on this side of the schoolhouse and who can get to it must have streets. Those streets are not provided for in this bill. The question now arises, Shall Congress build those streets, or shall it remain bound and gagged and not given liberty to speak, not given liberty to spend the money which the people of the United States have put into their hands for these very purposes?

The next item in the report to which I wish to address myself is the police department.

Mr. ZIHLMAN. Will the gentleman yield briefly?

Mr. JOHNSON of Kentucky. I will.

Mr. ZIHLMAN. Did the Director of the Budget submit to the Appropriations Committee estimates on items for the improvement of streets leading to the Eastern High School?

Mr. JOHNSON of Kentucky. My memory does not serve me sufficiently well to state with accuracy. Therefore I will defer an answer until I have looked at the estimates, unless the chairman of the committee can advise me.

Mr. ZIHLMAN. The gentleman is in favor of building streets to this school?

Mr. JOHNSON of Kentucky. I can see no use of building the schoolhouse if means of getting to the school are denied.

The next item to which I wish to address myself is the police department. The commissioners are asking for more policemen. This bill does not provide for more; and, in my judgment, it very wisely declines to provide for more. When the war was on and the White House of necessity should be guarded, and well guarded, 55 policemen were put to guarding the White House. Everything is now serenely peaceful. The President is not menaced from any quarter that we are advised of or that we can see, and yet that number of policemen remains at the White House. I do not wish to be questioned about it, for good reasons, and perhaps for obvious reasons. But the committee favors guards be placed around the White House who come directly under the control of the President. Indirectly the President may be able to say what guards shall be there, and who shall not be there. But under the present arrangement the authorities of the Metropolitan police force assign as many there as they may see fit to assign, and they assign whom they see fit. I am sufficiently well advised to be able to state that it is a far better and more acceptable plan that these policemen over whom the President has no direct control be taken away and that either guards under the supervision and control of the President's aid be placed there or that soldiers from Fort Myer be brought in, in relays, to guard the White House. For that reason, and for the additional reason that the President's aid says that 20 men are ample to protect the White House, this committee has not authorized any more policemen.

I come next to the title of "Charities and corrections." There are more abuses indulged in at the expense of the taxpayers under that title than under any other within this bill. Let us take, for instance, the Columbia Hospital. The Columbia Hospital is a lying-in institution. It is built upon Government land and it was built with public money. Then a private corporation steps in and takes charge of the institution and operates it. It is not economically operated. It has nearly as many paid officials as it has patients. Because this private corporation has the operation of the institution without any limit being placed on the overhead charges by Congress, extravagance is indulged in to a woeful extent. Notwithstanding that, the place is patronized by approaching mothers so extensively that it has accumulated some money. With a surplus of nearly $40,000 piled up in their coffers, money which they say does not belong to them, money which they admit should go into the Treasury of the United States, is held by them and is invested in securities. Holding this sum of nearly $40,000 in cash and in securities, they come to Congress and ask for an appropriation of $20,000 for an addition to the building. Not only do they want an addition to the building but they want what they call a linen chute built into the institution; that is, a chute through which to drop soiled linen from one floor to another down to the laundry. The Architect of the Capitol, Mr. Elliott Woods, has charge of the property, and he has not been made acquainted with the plans and specifications by which this chute is to be built. They want to build it out of this surplus fund at a cost of approximately $5,000, and they want to use it without authority of law.

Now, the committee is advised that Mr. Woods is uncertain as to whether their plan for building the chute will injure the building or not, but he is certain that it can be built for 25 or 30 per cent less than they propose to pay for it out of money in their hands belonging to the Treasury of the United States.

This bill contains an appropriation for the $20,000 to make the addition to the building, but with a limit placed upon it that the money shall not be paid out of the Treasury of the United States, but out of the surplus fund which this private corporation holds and yet admits is the property of the United States.

In some of the homes for the children, for some unfortunate children, they build them upon what they call the cottage plan. Every time they need a new building or more room for an increased number of children or occupants, whether they be old or young, they build another house. When they build it they build a reception room downstairs in each one of these cottages, and they build a kitchen and a dining room, and perhaps a room for the matron; and then above they build, not a dormitory for the accommodation of a number, but they build them so as to give each and every occupant a separate room. The unfortunate girls, wayward girls, who have been picked up and taken out to one of those institutions, are each given a separate room instead of placing them all in a dormitory. By having separate rooms for them the number of matrons can be increased, and the number of employees can be increased, and by adopting that particular plan they have a kitchen in every one of these institutions; they also have a separate dining room in every one of them, and they have everything separate, just as if they were different private residences, instead of supplying the food for everybody from one kitchen, and instead of having a dormitory for the entire number of girls or boys who are there.

It is bad management, but this committee can not correct it. All that it can do is to do the best it can toward making provision for the maintenance of those institutions. Under the 5-minute rule I contemplate saying more on this subject

The CHAIRMAN (Mr. CRAGO). The time of the gentleman from Kentucky has expired.

Mr. JOHNSON of Kentucky. How much time have I consumed?

The CHAIRMAN. One hour.

Mr. JOHNSON of Kentucky. I shall give myself five minutes longer.

Another limitation to which I wish to invite attention hurriedly is this:

Provided, That no charge for copying, or for filing, indexing, and recording, greater than fixed by law, shall be made.

That applies to the office of the recorder of deeds. Under the law for this and several preceding fiscal years the recorder of deeds is authorized to pay to those who do the recording 40 per cent of all the money he collects. Mind you, 40 per cent of all the money he collects; but he collects nearly twice as much from everybody who has business in his office as the permanent law authorizes him to collect. So this limitation is provided to prevent the public having wills and deeds and mortgages to record from paying an illegal fee.

Congress should not continue in the open field of appropriating illegal fees collected by this office.

Mr. WINGO. Mr. Chairman, will the gentleman yield there?

Mr. JOHNSON of Kentucky. Yes.

Mr. WINGO. I have heard of some complaint about its being four or possibly five months before a deed or other instrument filed in the recorder's office is recorded and returned to the person who filed it, and I understand their contention is that Congress will not furnish them with new machines or give them sufficient clerical force, and so forth. What does the gentleman know about that?

Mr. JOHNSON of Kentucky. During the hearings it was disclosed that the committee was perfectly willing to give all the modern appliances necessary to facilitate the activities of that office, but the recorder of deeds stated that he was forbidden by law to put in modern copying machines, and also that he was forbidden by law to depart from the present antiquated system of running the office. The committee has not been able to find any such law; but in order not to delay the bringing in of this bill they have passed that part of it over until another time, with the hope, however, that this limitation will be adopted, thus relieving the public of paying unlawful fees. If there is great delay in getting deeds recorded, not probably, perhaps, but at least possibly, that delay is being used to collect illegal fees for hasty recording.

Mr. WINGO. Will the gentleman yield further there?

Mr. JOHNSON of Kentucky. Yes.

Mr. WINGO. My recollection of the statement which I heard made at a public meeting which I happened to attend some weeks ago is that during the war, if my recollection is correct, the number of instruments filed for record ran up to about 55,000 a year, and that it has dropped down now to about forty thousand and odd a year. Can the gentleman tell me how many employees they have engaged in that work down there, so we can form some idea as to how many each employee records?

Mr. JOHNSON of Kentucky. I do not remember. I think something like 75. I will ask the chairman of the committee if he remembers.

Mr. DAVIS of Minnesota. I do not remember the exact number.

Mr. EVANS. Will the gentleman yield for a question?

Mr. JOHNSON of Kentucky. Yes.

Mr. EVANS. Is it not a fact that the gentleman himself requested a legal opinion on the question to which his attention has just been directed; that is, the right of a person to use better methods in the conduct of that office, and that that opinion was promised but has not yet arrived?

Mr. JOHNSON of Kentucky. That is quite true.

Another limitation that the committee has placed in the bill is this:

Provided, That none of the money appropriated by this act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which shall not have been awarded in one or a single contract to the lowest bidder complying with all the legal requirements as to a deposit of money or the execution of a bond, or both, for the faithful performance of the contract: *Provided further*, That this limitation shall in no wise apply to contracts already awarded; nor shall it be construed to impair the legal rights or status of any unsuccessful bidder on a contract already awarded: *Provided further*, That no architect's fee shall be paid or obligated for plans, specifications, or any professional services whatever, unless they are such as will enable the Commissioners of the District of Columbia, or those letting a contract, to secure a legal bid within the amount authorized by Congress for the building or other project: *Provided further*, That nothing herein shall be construed as repealing existing law giving the commissioners the right to reject all bids.

Let us take, for instance, the Eastern High School, to exemplify the necessity for this limitation. The Commissioners of the District of Columbia did not advertise for bids for the construction of the Eastern High School as a whole. They did, however, ask for bids for constructing the first two floors of it. That contract was awarded to the lowest bidder, who erected those two stories in full compliance with the plans and specifications and to the satisfaction of those who awarded the contract. When those two stories were built bids were asked by the Commissioners for the superstructure. The man who built the first two stories was the lowest bidder for the superstructure. His bid was rejected and the contract was given to another bidder who was higher, the amount of difference being approximately between $20,000 and $30,000. The law which requires the Commissioners of the District of Columbia to award contracts has been most flagrantly ignored and violated.

Now, let us look at this Eastern High School proposition. One contract was made for the completion of the first two floors. Another contract was given for the building of the superstructure, with the heating apparatus, the lighting apparatus, and many other things left out of that contract. Now, when they let these contracts by piecemeal, with a year, perhaps, intervening between the first and the last, how are they to know what a building is going to cost? It is not unreasonable to entertain the suspicion that it is purposely done; that in the beginning the architect draws plans and specifications for a building that can not be completed within the money; and next that the Commissioners of the District of Columbia shut their eyes to that; and, for the purpose of getting more money than Congress is willing to give them, let these contracts by piecemeal.

This proviso also requires that no architect shall be paid any fee for his professional services in preparing plans and specifications unless he prepare such as provide for a house that can be built within the amount of money appropriated by Congress for that purpose. In addition to that, the limitation requires that the contract must be let as a whole and at one time. Then they can know for certain that the building can be erected within the appropriation. In addition to that this proviso requires that the lowest bidder be given the contract, if he complies with such cash deposit and the execution of such bond for the faithful performance of the contract as the law may require. The man who built the first two floors of the Eastern High School and who was the lowest bidder on the superstructure was denied the contract for that. Yet since then he has been given another contract by these same commissioners who refused to give him the contract for that superstructure of the Eastern High School. If this proviso is adopted—and the Lord knows it should be in order to stop these abuses—then untold thousands of dollars will be saved to the taxpayers of the District of Columbia and the United States, and the government of the District of Columbia will be saved from further scandal.

Mr. MANN. Will the gentleman yield for a question?

Mr. JOHNSON of Kentucky. I will.

Mr. MANN. If the law shall be that contracts shall be let as a whole and must be let within the limit of cost, what is the necessity of the provision in reference to the architect?

Mr. JOHNSON of Kentucky. The necessity arises out of what I understand to be the practice, that when the architect prepares his plans and specifications and the District Commissioners accept them, then partial payments are advanced to him, and, as the work progresses, he receives more and more of his commission, until when the work is completed the money is gone and his plans and specifications have not been in accordance with the requirements made by Congress.

Mr. MANN. The work will not progress unless the contract is let.

Mr. JOHNSON of Kentucky. Certainly not, but they have been making these contracts by piecemeal on plans and specifications which provided for more houses than could be built with the authorized money.

Mr. MANN. But if that provision goes in, what is the necessity of the provision in reference to the architect? Of course, the architect can not tell exactly what a building is going to cost.

Mr. JOHNSON of Kentucky. I must say to the gentleman that the architect can tell.

Mr. MANN. Oh, well, no architect can tell——

Mr. JOHNSON of Kentucky. I beg the gentleman's pardon, and I will cite an instance. I, myself, wanted to build a house. I had just $40,000 and no more to put into it. I went to one of the best architects in the city of Louisville, and he drew me plans and specifications. I said to him, "Can this house be built for $40,000?" He said, "Yes; I think it can." I said, "You say you think it can. Can it be done? Let us advertise for bidders and see if it can be done." We did so, and the lowest bid we got was $60,000. I said to him, "Tear up your plans and specifications. I do not want them." Then he remodeled his plans, and we had the house built for $42,000.

Mr. MANN. True; and even then it cost more; but I say the architect can not tell exactly what a building that he plans is going to cost. Will not the result be that you will have to get a cheap architect?

Mr. JOHNSON of Kentucky. No; this plan will compel the getting of the best architects, those who are competent to make plans and specifications that will come within the limit authorized.

Mr. MANN. Of course they always try to come pretty near the limit. I am afraid that the result will be bad, and I do not see the necessity of it if you require them to make one contract and that within the limit of cost.

Mr. JOHNSON of Kentucky. Yes; but Congress does not deal with the architect; it deals with those who let the contract, and those who let the contract continue to ignore the expressed will of Congress.

Mr. WINGO. If they violate one law, what assurance have you that they will obey the new one?

Mr. JOHNSON of Kentucky. They are violating nearly every one on the statute books.

Mr. WINGO. How are you going to stop it, by piling up laws?

Mr. JOHNSON of Kentucky. There are several ways that it can be stopped. The President of the United States can appoint commissioners who will comply with the law, and if those appointed do not comply with the law this body can impeach them, and I for one have expressed my willingness with others who will join to prefer charges against the next man who willfully and flagrantly violates the plain provisions of the law. Further, under this limitation no money can be paid by the auditor in violation of its terms.

Mr. KINCHELOE. Will the gentleman yield before he leaves this question of schools?

Mr. JOHNSON of Kentucky. I will.

Mr. KINCHELOE. I am asking for information on a matter that I have thought about ever since I have been in Congress. I do not understand about it, and as the gentleman has had long years of experience I would like his idea about it. Congress formerly appropriated on the 50–50 plan, but this is on the 60–40. The total amount authorized in your bill for schools is $6,857,260, and I presume 40 per cent of that is paid out of the Treasury of the United States.

Mr. JOHNSON of Kentucky. Yes.

Mr. KINCHELOE. I can see where 40 per cent out of the Treasury of the United States can be paid for paving, water, parks, beautifying the Capital, and all that, but I want the gentleman's idea as to the justice of why we should pay 40 cents toward the education of those people who are fortunate enought to live in Washington?

Mr. JOHNSON of Kentucky. In my hurry on account of limited time, that is too broad a field for me to go into just now. If the gentleman will read some of the many speeches I have made on the floor of this House during the last 15 years against that very principle, he will have all of my argument against the justice of it.

Here is another limitation we have incorporated in the bill:

Provided, That none of the money appropriated in this act shall be available for the payment of jurors' fees unless the actual cost of the trial jury be taxed as part of the costs, and judgment rendered therefor, to be paid by the unsuccessful litigant: *Provided further*, That no person in default of payment thereof shall be imprisoned on that account.

We have a law in the District of Columbia relative to criminal cases, which says that the court may assess jury fees as part of the costs. Those of whom I have inquired tell me that seldom, if ever, is it done. If the owner of a Pierce-Arrow automobile, living in a $500,000 house with several hundred thousand dollars of furnishings, drives down the street and violates a traffic law, comes into the court and asks to be tried by a jury, which jury costs $50, and he is fined $5, he walks out scot free from the payment of the costs. Since the courts have not exercised the right to tax jurors' fees as costs, this proviso has been put in the bill to compel it.

One of the local papers the other day said that this limitation was unconstitutional. I do not know what constitutional lawyer wrote the article on the subject, but we all know that under the Constitution a man is entitled to a trial by jury in certain instances. The courts are clogged because of jury trials, for which unsuccessful litigants do not pay, although they may be abundantly able to do so. Congress is asked to establish more courts largely because people who are perfectly able to pay are not compelled to pay jurors' fees. The establishment of some new courts can be avoided if you enact this proviso into law. How is it unconstitutional? A prisoner goes into court and is entitled to a trial by jury and demands a jury. If the court can not give him a jury, then he is not tried; but if the court does give him a jury, he must pay the costs if he be found guilty. He may not be compelled to pay the costs unless he is able to pay or unless the United States marshal can levy on property sufficient to pay the costs of the trial. So much for that.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. GARRETT of Tennessee. Would that proviso apply except in civil cases?

Mr. JOHNSON of Kentucky. I am not certainly advised as to the law about taxing costs in civil cases beyond an expression of an opinion of some of the District officials who were in the committee room at the time this matter was up. They said that in all civil proceedings jury costs were taxed, but that in the criminal courts it was discretionary with the courts to tax jurors' fees, and that it was an unusual case when they were taxed at all.

Mr. MANN. Is there no provision in the District about allowing a poor person to litigate without costs?

Mr. JOHNSON of Kentucky. I am not advised as to that; but this limitation provides that nobody shall be imprisoned for the nonpayment of this particular part of the costs. The law as to the other class of cases would remain unchanged. However, if a poor person can not litigate without the payment of costs—I mean one unable to pay—he should be permitted to do so; but this committee has no jurisdiction of that subject.

Mr. MANN. This would cover that case.

Mr. JOHNSON of Kentucky. We hoped it might.

Mr. MANN. It would cover the case, if the law does now. In most States there is permission granted for a poor person to litigate by order of the court without cost.

Mr. GARRETT of Tennessee. I understand the gentleman from Kentucky to say that this proviso does not apply to civil cases at all.

Mr. MANN. Oh, no; it applies to all cases.

Mr. JOHNSON of Kentucky. This certainly refers to jurors' fees in criminal cases and, perhaps, in civil cases.

Mr. MANN. But what the gentleman said was that it was customary to tax the costs in civil cases, and that this would not change that.

Mr. JOHNSON of Kentucky. We were not certain as to that, not having the exact facts of the matter before us, the committee deemed it best to use the language we did use in the limitation.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. WINGO. But the gentleman's limitation provides that in criminal cases a man can not be imprisoned for failure to pay these costs, if he pays the fine. In some States they commit a man to jail, both in the police court and in the district courts. Is not that part of the judgment—that they be committed to jail in default of the payment of the fine and the costs, and do not some States by statute fix the amount that shall be credited per day for each day spent in jail?

Mr. JOHNSON of Kentucky. The gentleman is correct, if I fully understand him. In the State of Kentucky the law is that a man can not be imprisoned for debt of any kind beyond 10 days. At the expiration of the 10 days he can take what we call the "insolvent debtor's oath" and be freed, but this proviso does better than that and provides that a man shall not be imprisoned at all for failure to pay costs.

Mr. WINGO. I think the gentleman will find in one State a statute that covers a proposition where a man is fined in police court who elects not to pay the fine. He is committed and the commitment goes to the jailer and the jailer credits him with so much for each day of confinement, and the fine and the costs are included.

Mr. JOHNSON of Kentucky. Under this limitation judgment would be rendered for the costs, and then the next step would be to place the execution in the hands of the United States marshal, and he would either levy upon property or make return nulla bona.

Mr. EVANS of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. EVANS of Nebraska. I call attention of members of the committee to page 63 of the bill. This provision is under the heading of the police court. Therefore, as I understand, its jurisdiction would only apply to those who were before the police court charged with an offense, and would not apply to civil cases.

Referring now to the Code of Laws of the District of Columbia, March 4, 1911, edition, I find the following provision, section 176, page 57:

Poor suitors: Suits may be prosecuted by poor persons, in the discretion and upon the order of the court or of one of the justices, passed upon satisfactory evidence of inability to make such a deposit, without making the deposit prescribed by the preceding section.

That refers to the costs. I think that answers the gentleman's question.

Mr. TINKHAM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks recently made in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. HICKS].

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentleman needs it, I yield the gentleman from New York 15 minutes additional.

Mr. HICKS. Mr. Chairman, I want to thank the gentleman from Minnesota and the gentleman from Kentucky for the time allotted me. Before proceeding to discuss the subject, I am going to ask the permission of the House to revise and extend my remarks, and I want to include therein certain articles, tabulations, and figures I have prepared upon the subject of aviation and the regulation and control thereof.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. HICKS. Mr. Speaker and gentlemen, I am going to use the time allotted to me to speak on the subject of the national regulation of aviation.

One of the important problems pressing for Congressional solution and demanding early consideration relates to the encouragement, regulation, and supervision by the Federal Government of civilian aviation.

On April 12, last, President Harding, with a clear vision of national needs, said in his address to Congress:

"The encouragement of the civil development of aeronautics is especially desirable as relieving the Government largely of the expense of development and of maintenance of an industry now almost entirely borne by the Government through appropriations for the military, naval, and postal air services. The

Air Mail Service is an important initial step in the direction of commercial aviation.

"It has become a pressing duty of the Federal Government to provide for the regulation of air navigation, otherwise independent and conflicting legislation will be enacted by the various States which will hamper the development of aviation. The National Advisory Committee for Aeronautics in a special report on this subject has recommended the establishment of a bureau of aeronautics in the Department of Commerce for the Federal regulation of air navigation, which recommendation ought to have legislative approval."

Civilian aviation was one of the first matters considered by the new administration, and within a month of his inauguration President Harding requested the National Advisory Committee for Aeronautics to "take up vigorously and fully the question of Federal regulation of air navigation, air routes, and cooperation among the various departments of the Government concerned with aviation" and report thereon.

The committee on submitting its report to the Executive summarized its recommendations as follows:

"The most urgent need for the successful development of aviation at the present time, either for military or civil purposes, is the enactment of legislation providing for the Federal regulation of air navigation, and the establishment of airways and airdromes under Federal regulation. The Federal regulation should include the licensing of aviators, aircraft, and airdromes; the airways should consist of chains of landing fields providing supply and repair facilities and including the necessary meteorological stations, observations, and reports."

In transmitting the report to Congress on December 7 the President again referred to the necessity of Federal legislation on the subject by declaring in his letter of submittal:

To the Congress of the United States:

I think there can be no doubt that the development of aviation will become of great importance for the purposes of commerce as well as for national defense. While the material progress in aircraft has been remarkable, the use has not as yet been extensively developed in America. This has been due, in the main, to lack of wise and necessary legislation. Aviation is destined to make great strides, and I believe that America, its birthplace, can and should be foremost in its development.

I therefore urge upon the Congress the advisability of giving heed to the recommendations of the committee, the first and most important of which is that a bureau be established in the Department of Commerce for the regulation and development of air navigation.

WARREN G. HARDING.

THE WHITE HOUSE, *December 7, 1921.*

Thus we have before us the advice of the President pointing to the necessity of congressional action and suggesting a plan by which that necessity can be translated into legislative enactment. A number of bills have been introduced providing for Federal control and regulation of air navigation, but none have been placed upon the calendar, and it is for the purpose of calling the attention of Congress to the need for such legislation that prompts me to address you to-day. Aviation while new is yet so firmly established that its continuance is beyond conjecture; and while still an infant when measured by the possibilities of the future, its record of achievement in peace and war attests the giant. The advance of science, the enlargement of knowledge, the adaptation of new ideas to the comfort, the pleasure, and the profit of men characterize the times in which we live. The prophecies of yesterday become the realities of to-morrow; doubts are transmuted into certainties, dreams come true; and under the driving force of concentrated intellects and marshaled energies, the secrets of nature are revealed, the elements are enslaved for the benefit of humanity and the word impossible becomes an obsolete phrase of our language.

We are advancing in a new and boundless era. America, famed for genius, gifted for organization, noted for efficiency, must go forward determined to keep abreast of the progress made by others in the development of aeronautics. We gave to the world its first airplane and then, as if satisfied with that signal achievement, rested on our laurels and permitted others to advance the science of the air. Under the impetus of war we returned to the task only to find ourselves outstripped in the race. With the stimulus derived from the necessity of the hour, when every energy was bent to the winning of the war, we have recovered much of our lost ground, but America is not yet in the front ranks of aircraft development.

The aircraft industry, abruptly divorced from military activity, struggled to establish itself in commerce. Flying utilized in warfare, when the national need overrides all else, is one thing; the art applied to peace, when profit and loss and public safety govern, is quite another. Modern business development depends largely upon credit and confidence, while permanent success in the operation of any transportation enterprise can be assured only if the public is protected against injury or property damage that may be caused by the use of unfit equipment or unskilled crews, or both.

Whatever may have been the faults or the shortcomings of the aircraft industry during or since the war, the fact remains that there must be an aircraft industry and that it should be kept in such a condition as to be able to expand promptly and properly to meet increased demand in case of emergency. The Government, as the principal consumer, is directly concerned in the matter and should formulate a policy which would be effective to sustain and stabilize the aeronautical industry and encourage the development of new and improved types of aircraft.

Aviation is indispensable to the Army and to the Navy in warfare, and its relative importance will continue to increase. Other branches of the military service are comparatively well advanced, whereas aviation is still in the early stages of its development. Therefore the problem of developing extensive commercial use for aircraft and thereby obtaining a reserve body of personnel, flying equipment, and aircraft production resources available for use by the country in time of emergency is worthy of a great deal of earnest study and serious thought, for it is imperative as a policy of national defense that the Nation have a strong, well-developed, and well-organized commercial air service to fortify and supplement the military services.

America can not hope to build up a great aerial reserve for purposes of national protection until proper legislation assures capital that it is entering a business project instead of a romantic adventure, and conditions are likely to remain unsatisfactory so long as no competent Federal agency exists to determine the airworthiness of craft or the competency of pilots.

The real difficulties in the way of the more complete utilization of aeronautics in commerce are not the lack of technical knowledge by which craft can be built or the ability to fly them, but, rather, the lack of proper conditions under which to operate such craft. These difficulties may be summarized:

First. The absence of Federal supervision and regulation. Under this head, which is the crux of the situation, are included the lack of airways throughout the country properly equipped with landing fields, signaling systems, and regular meteorological service; the lack of a body of law to govern and control for purposes of public safety the methods of operation, the issuance of licenses to pilots, and the inspection of planes.

Second. The aloofness of capital from investments in this field of enterprise.

Third. The lack of education on the part of the public to the advantages of air transportation, coupled with fear of bodily injury.

Of the first, the remedy lies with Congress, but as I desire to speak more fully under this heading, I will first refer briefly to the other two, but their solution depends upon the success of the Federal regulation of aircraft.

Owing to the fact that before the war we had no commercial aircraft of any moment, there was naturally no opportunity offered to the public for investment in this field. During the war all our capital properly was utilized in the procurement of military supplies, and since the armistice money stringency has prevented expansion. With financial relief and a proper setting forth of the advantages of air transportation under Government supervision it should be possible to interest capital in well-organized companies. But without Federal regulation it is not reasonable to expect capital to be interested.

Education of the public to the advantages of air transport is probably one of the most important factors in the program. Speed of transit of persons of goods is the commanding argument in favor of aviation, and to an American this saving of time should appeal with peculiar force. Conservatism undoubtedly causes hesitation on the part of individuals to trust their lives to this new mode of travel. They have been accustomed to travel on the surface and look askance at any innovation. Over and over again one hears these expressions, "Keeping on the ground has been good enough for me, and I don't think I will change now," or "I promised my wife I would not go up." To overcome this conservatism, or prejudice, or fear, is not an easy task; but it must be remembered that when railroads were introduced this same prejudice operated against them. The public press, magazines, and chambers of commerce can do yeoman service in educating the American public to the use of aircraft,

as these mediums have done abroad. Newspapers with a desire to be sensational are prone to headline every accident traceable to aeronautics. These mishaps are featured and naturally instill in the public mind mistrust of aircraft. Of course, air navigation has its dangers, and so has every other activity of life, but the number of fatal accidents in proportion to the number carried by aircraft is relatively small, and I understand that Lloyd's rate for accident insurance crossing the channel from London to Paris by airplane is less than by surface means. Automobile accidents are so common as to be hardly noted, while the occasional accident on a railroad does not get beyond local mention. To use a very colloquial expression, in the interest of aeronautical development, newspapers should "soft pedal" accidents of this kind.

Chambers of commerce can do much in eliciting capital for air transportation companies, securing municipal landing fields, establishing facilities for aeronautical use, and pushing an educational program, setting forth the saving of time to business men by the use of aircraft. To-day one can travel over practically all of Europe by aircraft operating on regular schedules and at costs that make them serious competitors of the railroads. It is possible to travel from London or Paris or Berlin or Brussels to every large city on the Continent, and several routes have already been established to Egypt, northern Africa, and Asia Minor. So popular has this method of travel become that accommodations must be secured far in advance. The fundamental reason for the rapid and extensive development of these foreign routes lies in the fact that many of the nations heavily subsidize their aviation companies, either by direct payment of a per passenger bonus or by maintaining at Government expense hangars and flying fields.

Mr. SNYDER. Mr. Chairman, it seems to me this matter is one of such importance that we ought to have a quorum present, and I make the point of order that there is no quorum present.

Mr. HICKS. While I appreciate the kind words of my colleague, I hope he will not do that.

Mr. SNYDER. I think it ought to be done.

Mr. HICKS. I hope the gentleman from New York will not bother gentlemen to run in to listen to me, for I would feel guilty of asking for an audience. I appreciate his courtesy, however——

Mr. SNYDER. Mr. Chairman, I make the point of order that there is no quorum present. Mr. Chairman, I withdraw the point under extreme pressure.

Mr. HICKS. I thank my colleague.

Mr. STEVENSON. Will the gentleman yield?

Mr. HICKS. I will, gladly.

Mr. STEVENSON. I want to know if the bill of which the gentleman speaks makes any start toward determining who shall control the rights of way in the air where it crosses over different people's land?

Mr. HICKS. If the gentleman will kindly wait until I proceed a little further I shall take that subject up and speak of it fully. In passing, however, I will say that the Wadsworth-Hicks bill only controls aircraft engaged in interstate and foreign commerce.

Mr. STEVENSON. I wanted to know whether the gentleman was going to do that, and I shall wait.

Mr. HICKS. Thank you. Let me take up the matter of Federal regulation and supervision.

At the outset let me hope that no one nourishes the idea that it is proposed to embark the Government in the field of commercial flying. The bill which Senator WADSWORTH has introduced in the Senate and which, with slight modifications, I am sponsor for in the House, in its main features proposes by the creation of a bureau in the Department of Commerce the encouragement of civilian aviation by the laying out of air routes, the formation and enforcement of rules for air navigation, the issuance of licenses to pilots after rigid examinations, and the thorough inspection of fields and machines, all of which safeguard those utilizing the air and protect the public on the ground. Surely it can not be considered unreasonable for Congress to take cognizance of the public safety, nor can it be considered premature for us to enact legislation in view of the prominence of aviation at the present moment.

The bill has the approval of organizations throughout the United States representing the operating, engineering, and constructing elements in aviation. It has the support of the aviation bureaus of the Army and the Navy, the Post Office Department, the National Advisory Committee for Aeronautics, and of the commercial interests who are operating aircraft for profit, all of whom feel the urgent need of legislation of this kind.

The following letter from Secretary Hoover is of interest:

DEPARTMENT OF COMMERCE,
OFFICE OF THE SECRETARY,
Washington, December 30, 1921.

The Hon. FREDERICK C. HICKS,
House of Representatives.

MY DEAR CONGRESSMAN HICKS: I have your letter of December 27. I am, of course, strongly in favor of aero regulation as vital to the development of the industry. It is interesting to note that this is the only industry that favors having itself regulated by the Government.

Yours, faithfully, HERBERT HOOVER.

When one realizes that there is no supervision over this hazardous method of travel, that anyone can engage in the business and solicit for profit public patronage without having had the proficiency of their pilots passed upon or the fitness of their machines attested by competent examiners, it is small wonder that the public are skeptical about employing this means of transit.

It is essential, therefore, that the Federal Government take the initiative in the whole matter of the jurisprudence of the air before State governments develop short-sighted and repressive policies and enact laws which they are very much inclined to do through ignorance and irritation at the uncontrolled abuses that are all too prevalent at the present time.

Most nations, realizing the need of Federal supervision, have in operation a very rigid system of examinations, and this is as it should be, in order that the public may feel assured that in its use of aircraft every precaution has been taken to ascertain defects in the machines or lack of ability of the operators. By thorough examinations, imperfections in planes or incompetency of would-be pilots are discovered in time to prevent disaster. This feature of the suggested legislation is very similar to the rules and regulations laid down by the Bureau of Steamboat Inspection, which provide for inspection of hulls and machinery and the examination of pilots and engineers.

In this connection a very interesting question naturally arises as to the power of Congress to legislate for the navigation of the air over private property. In passing it may be interesting to note that many States of Europe claim and exercise, as I understand it, complete sovereignty in the air over their countries. With them it seems a generally recognized principle that ownership of the land does not convey any exclusive right to the free and unrestricted use of the air space above property. Abroad, easements of flight seem to be a recognized principle of jurisprudence. Many of the bills previously introduced provide for the Federal control of air navigation, presumably on the theory that in the absence of any definite law on the subject the situation warrants the surrender of private or State rights in space to national jurisdiction. While such supervision is highly desirable and should be eventually acquired, yet owing to the constitutional questions involved the defeat of all legislation might result if these measures were brought forward at the present time, for it may be contended that a landowner has exclusive control of the space above his land which is not subject to either State or national supervision, and that an aviator flying through it at any height becomes a trespasser.

If it is accepted that such exclusive private ownership of space exists, even though the landowner has not reduced and can not reduce all of it to possession, or if it is conceded, as many contend, that the States possess jurisdiction, then it would seem that legislation for the Federal control of this space should be predicated upon a constitutional amendment by which this space was surrendered to the authority of the National Government. Assuming, for the sake of argument, that either one of these views are correct and that legislation proposing the Federal regulation of all air navigation would be unconstitutional, as violative of the rights of private property or as an encroachment upon the rights of the States, then legislation would have to be postponed until an amendment could be proposed and ratified. This would retard greatly the development of commercial aviation, with no assurance that sufficient popular interest would ever be aroused to pass such an amendment.

There are undoubtedly many who feel that the most effective course to be followed for the development of aviation would be to first enact the legislation deemed necessary for the Federal regulation of air navigation and the encouragement of the development of civil aviation and let the question of the constitutionality of such legislation be tested in due course. In the meantime there would be development in civil and commercial aviation, and if eventually the legislation which made possible such development should be definitely determined to be unconstitutional there would then in all probability be sufficient

public interest in the subject and popular demand to adopt an amendment to the Constitution.

It is conceded that both Coke and Blackstone in broad and general terms enunciate the doctrine that the owner of the soil owns up to the heavens and that the word land includes not only the surface of the earth but everything under it and over it. This doctrine has undoubtedly found expression in the opinions of many English judges and the writings of British jurists, and yet as early as 1845 in an English case Maude, J., stated that "The maxim is not a presumption of law applicable in all cases and under all circumstances."

In the light of the development of aircraft and its necessary use of air space, a use far removed from its employment by the surface owner as originally recognized, many challenge the view that the mere ownership of land carries with it unlimited control of the air above it. By many who take this more liberal position it is contended that the assumption that land ownership carries with it the space ownership of the air not immediately adjacent to the soil is founded upon a theory handed down from medieval times and is based on a strict interpretation of a maxim of common law, but is not law.

The argument is advanced that "The right of society to use the gift of God is greater than the right of individual owners of the land to interfere therewith, especially when based on a maxim that was never intended to give him such a right and which was formulated at a time when no property rights were of much importance except property in land. Even though it may have been applicable to the entire air column at the time, it would not follow that it is applicable to-day. While the subject presents a descent from the realms of dreamland to the domain of vested rights, even vested rights are subject to the change which inheres in all nature. Such a change has taken place by the invention of flying. It would certainly be regrettable if the progress of such an invention should be impeded by the existence of a musty law maxim originated when a person who would have dreamed of flying would have been prosecuted as a lunatic."

It may be asserted that it is the invasion of man's rights of ownership in the earth which the law protects, and that the maxim therefore is one for the better enjoyment of the land and refers to the air space only so far as it is appurtenant to the land. The owner is assumed to have control over the surface of his property, including that part of the air in which men move about daily and into which buildings, trees, and plants project. No one in those days could go higher and the question of authority over the upper strata of air, if raised, would have been considered as purposeless casuistry. The most that can be conceded is that the maxim intends to state that within lines extended through all points of the soil ownership to the sky is a space of preferential use to the owner of the soil which is interfered with only when the enjoyment of the soil is diminished. By viewing the landowner's right in the air space merely as appurtenant to the soil to be accorded only when essential to its enjoyment, his interest will be made compatible with the progress of the new invention which should be encouraged, though not overfavored, at the expense of the landowners.

It has been suggested that, although, according to the maxim, the landowner does own the air space up to the heavens, there is also a right of public passage, as long as the enjoyment of the landowner is not interrupted; a situation similar to the right of passage over navigable rivers privately owned. The similarity, however, is slightly incomplete, for on rivers it is the navigator who is not to be interfered with by the bed owner; here the owner is to be left undisturbed.

Another theory construes Coke's maxim as securing to the landowner only a right of user and maintains that the aviator is within the circle of law-abiding citizens until he causes actual damage. This doctrine, however, imposes absolute liability for any interference with the landowner's use.

A third doctrine asserts that "the scope of possible trespass is limited by that of effective possessions," just as possession is at the basis of proprietary rights in land, so is it the basis of any proprietary rights in the air space. The passage at a high altitude is, then, not a trespass. But there is liability for all interferences with the air effectively possessed.

If an owner's right to make substantial and feasible improvements on his own land can be restricted by law in the interest of all without compensation, his mere theoretical claim to the air space over his land far beyond his reach should not be allowed to interrupt the progress of the world. This is so particularly as applied to our time when the various Governments tend to push the public good further and further into what was formerly thought to be the inviolable domain of private right. Says Holmes, J.: "All rights tend to declare themselves absolute to their logical extreme. Yet all, in fact, are limited by the neighborhood of principles of policy which are other than those on which the particular right is founded, and which become strong enough to hold their own when a certain point is reached."

That the public have certain rights in space over private property when their exercise does not interfere with the surface owner would seem to be sustained not only by logic and reason but by practical analogy. It is lawful to own, train, and operate for profit, carrier pigeons, and these useful messengers wing their way over private property. If they are trespassers, no case, so far as I know, has ever been brought to the courts to test the subject. Another parallel is the use of the wireless, a lawful occupation both in maintenance and operation, and yet these Herzian waves carry items of news and dispatches of commerce through the space over private property. Here, again, I know of no injunction or suit to prohibit the operation of these great plants because of the violations of private rights in space. These cases may differ in degree, but not in kind to the use, far remote from the surface of the earth, of the air column above privately owned land.

In connection with this subject it is interesting to refer to the report of the special committee on the law of aviation of the American Bar Association, submitted at the annual meeting of that body in Cincinnati last September, which states:

"We feel that this committee can do no more beneficial service to the public and the common interests of all of our people than to challenge the proposition that it is an invasion of the rights of private ownership of property to utilize air for purposes of flight."

I fully realize that I am treading upon highly controversial grounds, and without further allusion to these technical questions I will endeavor to discuss the merits of the proposed legislation. To those who desire to pursue further the legal phases of the subject, I refer them to an article on "Aviation law," by Prof. Bogart, which I will include as part of my remarks. I also refer them to two articles on the "Use of the air," by Zollman, pages 711 and 897, of the Fifty-third American Law Review; "Trespass by airplane," page 569, of the Thirty-second Harvard Law Review; and The Law of the Air, a book written by H. D. Hazeltine.

To avoid any controversy that might arise in regard to the invasion of private or State rights above privately owned land the Wadsworth-Hicks bill was drafted, limiting Federal control in the air through existing constitutional authority, confining it to aircraft engaged in interstate and foreign flight.

Should the theory of private ownership of space be sustained by the courts, the bill, in anticipation of this possibility, in order to further extend Federal regulation makes it unlawful to fly any aircraft in violation of the rules promulgated in conformity with its provisions over navy yards, Army posts, reservations, national parks, or any property over which the United States has jurisdiction. By setting up these barriers to the unrestricted use of the air it is felt that all pilots from self-interest will take out licenses and comply with the regulations, for otherwise with so many areas of the atmosphere under Federal control, they would be either hampered in their movements to avoid these areas or would be subject to punishment if they passed through them.

Now, we in our bill do not propose to regulate the use outside of aircraft engaged in interstate and foreign commerce. We feel that aircraft which knows no distance, where time is eliminated, must, in order to be successful, perforce engage in interstate commerce, and that this will force all aviation to come within the purview of Federal jurisdiction.

Mr. McSWAIN. I assume that my friend understands that even railroads engaged in interstate commerce must acquire title upon which to place their tracks from the landowner, and that may be acquired by charters that, at the discretion of the sovereign, confer the qualified use of the right of eminent domain. I ask my friend if he has considered that question?

Mr. HICKS. In this way. Aviation concerns will buy a park, without any question of eminent domain, the same way as you buy a farm, set up their hangar, and advertise for carrying passengers from one place to another.

Mr. McSWAIN. Suppose a railroad has a terminal in New York and one in Pennsylvania, it must have a connecting line and that must rest on somebody's soil. Now, this flier must pass over somebody's land. If the maxim of the common law be the law, which one of the owners would have the right to restrain the trespass? If it is not the law, it would be pertinent for my friend to give us what is the law and the authority.

Mr. HICKS. I regret that time is limited, but if the gentleman will take the trouble to read my speech to-morrow he will find, I think, that I have covered that matter fairly fully. I

have given citations to which he can refer, but I admit the question is an open one and deserves serious thought. If he will take the trouble to investigate, I will appreciate it, for I know he is interested. There are several analogies, two of which I have given, but which I will repeat. It is a lawful act for me to raise carrier pigeons and own them, train them, and hire them out for the purpose of carrying messages. Now, those carrier pigeons in order to operate must naturally fly in space over private property. I do not believe my friend has ever heard of a case where those pigeons have been considered trespassers on private property. An airplane is nothing but a carrier pigeon magnified. It differs only in degree, but not in kind.

It is an honorable and lawful profession or calling to own great wireless plants and operate them for profit. The waves that carry those messages go over private property. Does my friend know of a single case where a property owner has sued a wireless company for the trespass of air waves above his land?

Mr. McSWAIN. If my friend will yield for me to answer that question, I will say that I have not heard of any such case, but the burden would be on him to show that such a case had arisen, and that the demurrer of the company sued had been sustained on the theory of his law. He assumes the burden of proof. I will say to my friend it is not a question of first impression, but it has occurred to me there is an analogy a little nearer the ground, a little more materialistic, a little more workable, perhaps, than the one my friend has suggested, in reference to carrier pigeons and the wireless. It is this: The Federal Government has jurisdiction over navigable streams that, at the time of the adoption of the Constitution, were practically nonnavigable by sailing boats, but now by steam, and the extension of the doctrine of navigability into the air, as though the streams had inundated the land, would furnish a more plausible theory, I believe, than wireless.

Mr. HICKS. I thank my friend for speaking of it, and he will find it covered in one of the citations I have referred to.

Mr. SNYDER. Will the gentleman yield?

Mr. HICKS. I yield gladly to my colleague.

Mr. SNYDER. The thought comes to me on this proposition that this question of the control of the air will have to have some peculiar regulation, because one man might occupy the land and may put up a building on it 400 feet high. We are building structures to-day a thousand feet high. In the mining industry or in the oil industry a man owns the soil and all that is under it down as far as he desires to go. We are now going down four or five thousand feet for oil. How can the gentleman say that in a few years we are not going to go two or three thousand feet in the air?

Mr. HICKS. Two or three thousand feet of private ownership for a building would be quite a jump for a building, even in Little Falls. But concede that we do go up with our buildings, then we will make airplanes go that much higher and they will not interfere with the land owners' possession of the soil.

Mr. SNYDER. Suppose we take the gentleman's proposition and build an aerodrome and some one proceeds to build buildings on the land three or four hundred feet high. That would bring the whole scheme into difficulty.

Mr. MOORE of Virginia. Will the gentleman yield again?

Mr. HICKS. Yes, with pleasure.

Mr. MOORE of Virginia. As you have alluded to me, I may say that my examination of recent works on the subject have led me to the belief that the principle mentioned, which was announced in old days and which has so often been reiterated, never received the support of authoritative judicial examination or decision. It was a textbook statement. The more recent writers seem to deny the validity of the principle in any unqualified sense. One of them says that there is no right of property in the air existing in the landowner, unless the landowner can show that he is making or reasonably expects to make such use of the air as would create a right of property that would practically be invaded by some other use of the air.

It seems to me that as a sort of test we might inquire what would happen in the event a landowner asserted a claim for damages because of airplanes being operated over his land. Would it not be necessary for him to show the value of his alleged property right, and would he be able to show any value? He could not by any possibility show that any right of value to him was being impaired by an airplane sailing 1,500 or 2,000 feet above his land.

Mr. HICKS. I thank my eminent friend for his valuable contribution.

Mr. SNYDER. Would not that depend on how low his flying machine wanted to fly, and how high the property owner wanted to build his building?

Mr. MOORE of Virginia. If the property owner could show that the flier was interfering with some use that he wanted to make of his property, you could find some text writer or authority who would say that the right of the property owner was being interfered with.

Mr. SNYDER. What called me to my feet in the first instance was this thought, that if Congress should give the right to fly airplanes throughout the United States and the distance below which they might not fly was not made sufficiently high, they could restrain a man who wanted to build a building as high as he might desire to build it.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. HICKS. Certainly.

Mr. STEVENSON. I would like to suggest to the gentleman from New York that I have considered this subject somewhat myself, and it seems to me a solution of it would be just along the line on which we have solved the ownership of the ocean. Every nation is supposed to own that part of the ocean in front of it, but by international law it has been settled that it owns only three miles from shore, and that beyond that the ocean is free to the navigation of all nations. So it must be determined how far up the person who owns the land owns the air.

Mr. HICKS. My friend will find that topic discussed in the citations I will give.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HICKS. Mr. Chairman, may I have 10 minutes more?

Mr. DAVIS of Minnesota. I yield to the gentleman 10 minutes more.

The CHAIRMAN. The gentleman is recognized for 10 minutes more.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. HICKS. Yes.

Mr. LITTLE. Mr. Chairman, this is all very interesting, but let us get down to something practical. The gentleman has given some considerable attention to this subject. From the practical standpoint, has the gentleman ever considered how an investment could be entered upon and made a success if he would establish a line of carrier pigeons to New York, for instance, to carry parcels and packages?

Mr. HICKS. It might be possible, but it never occurred to me, and I am afraid we could not develop this service except for special dispatches.

Mr. LITTLE. I wish the gentleman would figure that out.

Mr. STEPHENS. Mr. Chairman, will the gentleman yield?

Mr. HICKS. Yes.

Mr. STEPHENS. What effect on the air will these nitrate plants have that are taking the nitrates out of the air? Have we any property right in that air?

Mr. HICKS. I will have to refer that to somebody who knows about nitrates.

Mr. FIELDS. I will say to the gentleman that the engineers who testified before the Committee on Military Affairs have stated that it does not affect the air.

Mr. HICKS. In drafting the Wadsworth-Hicks bill the advice, caution, and suggestions of the special committee on the law of aviation of the American Bar Association were followed. There are many competent lawyers who believe that additional authority may be secured through the general welfare, tax-levying, treaty-making, national-defense, and post-office clauses of the Constitution. This much seems certain, that a bill controlling aircraft in interstate flight will bring practically all aircraft in the country under its jurisdiction, for, with distances so easily overcome, a wider field than that allowed by intrastate flight would be essential to the successful operation of aircraft.

If future study by constitutional lawyers demonstrates the necessity for more complete control than can now be secured, the Secretary of Commerce, as provided for under the Wadsworth-Hicks bill, will be able to direct and advise the passage of additional or supplemental legislation.

I realize fully the hesitancy with which Congress considers the creation of new bureaus, and if it could be avoided I would not advocate it, but I believe a bureau in the Department of Commerce offers the best, if not the only, solution. You will recall that last spring Congress established a Bureau of Aeronautics in the Navy Department over the protests of many Members of Congress, who contended that it would lead to extravagance and an increased overhead. I am happy to say that under the vigorous administration of Admiral Moffatt and his assistants this bureau will show both a decrease in expenditures and an increase in the efficiency of the service.

While the establishment of such a bureau will call for an appropriation, it need not be a large one, and it must be borne in mind that there will be no inconsiderable revenue derived from fees for lincenses and inspections.

Let us not forget that this bureau is to be established not for some experiment or some transitory proposition but to carry forward a great American discovery, whose value has been demonstrated both in peace and in war, and to safeguard the public in its use. Whether we approve or not, the airplane is here; it is certain its usefulness will be augmented, and it is for us to provide for its proper control. Without Federal regulation an increasing number of accidents are sure to take place, which means loss of life and the retardation of aeronautical development.

As we are dealing now with civilian aviation, I will not allude to the airplane as a weapon of war, except to state that no one who witnessed the bombing tests last summer, when the ex-German ships were sunk, can reasonably doubt their efficiency from the military standpoint, both for attack and for the defense of our coasts. In this connection permit me to quote the opinions of several authorities:

Admiral Sims: "It may be stated as a general proposition that control of the air over any given area involves control of any forces on the surface below that area, whether they be fleets on the sea or armies, fortifications, or cities on the land."

Hon. A. J. Balfour: "The time is here when command of the sea will be of no value without corresponding command of the air."

Admiral Peary: "Great and important as is a sufficient Navy for our safety, I speak advisedly when I say that our Air Service of the near future will be more vital to our safety than our Navy and Army combined."

What a wonderful prophecy was uttered by Lord Tennyson when, in 1842 in Locksley Hall in penning these lines, he forecast events which are on the verge of realization:

Men my brothers, men the workers, ever reaping something new,
That which they have done but earnest of the things that they shall do,
For I dipt into the future, far as human eye could see,
Saw the vision of the world and all the wonder that would be,
Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight dropping down with costly bales,
Heard the heavens fill with shouting and there rain'd a gastly dew
From the nations' airy navies grappling in the central blue.

Mr. Speaker, I have laid the case of aviation before you as I see it in the hope that action may follow. We are dealing with a problem of to-day, a problem that calls for immediate solution. What the future of aviation will be no man can predict. Its possibilities seem as boundless as the medium through which it operates. It is the field where genius and daring, business and adventure, are linked together. Aviators are the knights of the clouds, the chivalry of the air, competing in the heavens, with the endurance of the eagle and the agility of the gull, where every flight is a romance, every record an epic. As America gave the world its first airplane, so America should possess the most efficient, the best organized, and the fullest developed Air Service in all the world. The Federal regulation of air navigation is the corner stone upon which such an achievement will rest.

SOME COMMERCIAL USES FOR AIRCRAFT.

In the final analysis all aeronautical activity is encompassed in aerial transportation, for aircraft to be useful in commerce must be able to transport not only passengers and material but be able to perform all the peace-time activities to which aircraft may be put.

As no registration of aircraft is required, any statement involving the actual number of planes in commercial use is problematical, but it is estimated that there are approximately 1,000 civilian planes in use and that in the year 1920 these planes carried 225,000 passengers and flew 6,000,000 miles. Including the Federal services it is estimated that within the United States and its insular possessions 15,250,000 miles were flown during 1920, divided as follows:

Army Air Service	6,250,000
Navy Air Service	1,500,000
Postal Air Service	1,500,000
Civilian	6,000,000

How can airplanes be utilized for business purposes?

For passenger and package carrying in sparsely settled regions where rail or boat transportation is inadequate.

For rapid transportation to distant points and for commuting in congested centers.

For sight-seeing excursionists and tourists. Typical instances in this field are the successes of the Aeromarine Sightseeing Co., the Aeromarine-West Indies Airways, the American Trans-Oceanic Co., the Aero (Ltd.), and the Mercury Aviation Co.

For the conveyance of mail and high-class freight where speed is a controlling element. The value of this means in transporting mail has been demonstrated abroad and has been successfully carried out in the United States, especially for long trips.

For fire patrol of forests, which service is already credited with saving a large amount of standing timber. A notable example of this activity, apart from the work done on national forest reservations and national parks, can be cited with reference to the Laurentide Lumber Co., of Quebec, which operates two flying boats equipped with camp outfits. These boats are used for fire patrol, for surveying logging operations, and for transportation of officials and crews from camp to camp.

For newspaper delivery. A sensational demonstration of the utility of aircraft in this work was given at Chicago at the time of the Republican national convention, when the New York Times delivered on the day of issue several hundred copies of its first edition.

For photographic work. Aerial photography has been one of the richest contributors to the development of useful activities of aircraft, and so successful have been the experiments conducted by the United States Coast and Geodetic Survey that it is planned to revise by means of aerial photography the coastal charts of the entire American shore line.

For exploration in broken country and in frigid zones. Already considerable progress has been made in aerial exploration in the far north. Aerial photography and quick transportation are the chief contributions.

For advertising and publicity. Aircraft were quickly adopted by the motion-picture industry as an adjunct in manufacture and transportation of the films. Advertising firms and individuals have successfully employed this medium for publicity work

For spotting fish. New uses for aircraft over the water, in addition to the transport of goods and passengers, were revealed during the war when it was discovered that aircraft could discern objects beneath as well as on the surface of the sea, and that from their altitude and the speed of movement vast areas of the ocean were quickly brought under observation.

The most evident opportunity for the practical use of aircraft in the commercial fisheries at the present time lies in their employment as scouts for the purse-seine fishermen, in the pursuit of such species as menhaden, mackerel, bluefish, kyacks, and other schooling fish. In the case of the spring mackerel fishery it is believed that the use of aircraft would save much time in locating the fish upon their first appearance and in enabling the fishermen to keep in touch with the fish as they appeared farther north. The chief service rendered would be notification of the fishermen of the general vicinity of the schools, and it would require actual trial and practice to determine how much could be done in directing fishing vessels to particular schools by means of radiotelephone or other methods of signaling. It would appear that the menhaden fishery offers the most promising field for experiment in this direction.

In a great many cases vessels have been directed to bodies of fish which were within several miles of them and of which they had apparently no knowledge. In many instances the entire fishing fleet were found heading directly away from the fish and would undoubtedly have lost the entire day if it had not been for the assistance rendered by the plane.

For Coast Guard work. In the saving of life at sea by aircraft the Coast Guard reports actual rescues of persons in the water.

Instances have arisen when boats have foundered within sight of the guard, but distance precluded rescue by surface boat. Then it was that the seaplane, at home equally on the water as in the air, flew swiftly with succor.

It is fully expected that seaplanes will on the first opportunity be the means of saving life by contributing to the location of vessels in distress—first, by scouting; second, by radio or direct report; and third, by carrying means of relief. "In some cases," the Coast Guard report, "should it prove impracticable to get a line to a vessel by means of the beach gun, aircraft properly equipped might effect the purpose desired. To this end a design of gear has been developed, and the tests to prove its practicability or to develop it further will be undertaken shortly."

The Coast Guard is particularly impressed with the assistance aircraft provide in searching for derelicts when the object of the search is within a reasonable distance of the coast.

OUTLINES OF PRINCIPAL PROBLEMS IN AVIATION LAW.

[By George G. Bogert, professor of law in Cornell University and member of committee on aviation of the American Bar Association.]

(A) SOVEREIGNTY OVER AIR SPACE.

In determining the form which laws regulating aerial navigation should take several fundamental problems must be solved. The first of these is, what is the relation of the States and of the Nation to the space above the United States and its territorial waters. Is such space a detached, uncontrolled realm, comparable to the ice wastes around the North Pole, outside

the sovereignty of either States or Nation? Or is this space as much a part of the physical territory of each State and of the Nation as the soil and waters therein? Obviously, unless the air space above us is subject to our sovereignty, legislation regarding flying within it is as far beyond the powers of our State or Federal Legislatures as would be the total prohibition of fishing in the middle of the Atlantic Ocean.

There can, however, be no effective argument against State sovereignty over the space above the land within its borders. Such space is under modern conditions actually within the control of the subjacent State by police aircraft and by guns. And acts within such space, of course, vitally affect the subjacent State with respect to the safety of its inhabitants and their property. Writers on international law now agree that sovereignty over air space exists. All the treaties, conventions, and municipal laws hereinbefore referred to are founded on the principle of the sovereignty of each State over the air space above its land. There can be no doubt, therefore, that either the States or the Nation, or both together, have the jurisdiction to make laws concerning flight in such space. A clause embodying the idea contained in the following preamble to the British air navigation act of 1920 might well be made the initial paragraph of our air act:

"Whereas the full and absolute sovereignty and rightful jurisdiction of His Majesty extends, and has always extended, over the air superincumbent on all parts of His Majesty's dominions and the territorial waters adjacent thereto."

The question of jurisdiction over torts and crimes committed in the air and contracts made therein may be raised here. The tendency of continental jurists has been to apply the doctrine of extraterritorialty and provide that legal relations between persons in aircraft are to be governed by the laws of the State to which the aircraft is attached by registration and not by the laws of the State flown over. According to this view, an assault committed by an Ohian upon a New Yorker while both were flying over Connecticut in a Massachusetts plane would be controlled by the law of Massachusetts. But the principal of extraterritoriality is, of course, contrary to the fundamental conception of English and American jurists. With us the natural rule is to apply the law of the subjacent State to legal relations arising between aeronauts or between an aeronaut and a landsman. Thus, a contract made between passengers flying over Illinois would be treated as made in Illinois, and the intentional dropping of ballast on a citizen of Maryland by a Virginia aviator, flying in a Virginia registered machine over Maryland, would give rise to a prosecution or action in the courts of Maryland. None of the proposed Federal laws seem to cover this question. It would appear to be a matter to be disposed of by a uniform State aviation law through the insertion of a section making legal relations arising in the air over a given State, and legal relations arising between an aviator flying over such State and a groundsman in such State, subject to the laws of that particular State.

(B) PRIVATE PROPERTY IN AIR SPACE.

The sovereignty of the State and the property of the individual are distinct concepts, although each is exclusive and alienable. Does a landowner own the space above his land in the same sense that he owns the soil?

Is he entitled to exclusive possession of such space? Assuming that he does not reduce all of it to possession, as, of course, he will not, is he entitled to exclude others from entering such space, even though he suffers no actual damage? Is an aviator, flying at any height, a trespasser as to the subjacent owner? In order to establish airways must aerial transport companies purchase or condemn rights of way? Can the State or the Nation authorize flight over private lands without providing for compensation to the subjacent owners if the due process clauses of the constitutions are to be respected?

These questions go to the essence of aviation law. If the space is owned absolutely by the surface owner and all flight is a trespass, there can be no development of aerial transportation without a constitutional amendment by which the people of the States give up their property rights in space to some extent and allow an easement of passage. Otherwise the expense of acquiring rights of way and defending trespass and injunction suits would bankrupt all aerial transportation companies. That such exclusive private ownership of space exists and that a Federal constitutional amendment surrendering authority over this space to the National Government is therefore imperative before a single step can be taken toward legislation is the view recently expressed by Maj. Johnson, legal adviser to the Director of the Federal Air Service. This writer says:

"It is therefore a safe conclusion that technically, under the present grants and prohibitions of the Constitution and the common-law rule of ownership of space above property, neither the United States Government or the States have any jurisdiction over the air."

This view of space ownership springs from a rigid and literal interpretation of the common-law maxim, "Cujus est solum ejus est usque ad coelum." This maxim was taken from the Roman law, and is found in the modern civil-law codes, but a qualification of it has been accepted, as is shown by the following section from the German Civil Code:

"The right of the owner of a piece of land extends to the space above the surface and to the earth under the surface. However, the owner can not prohibit interferences which take place at such height or depth that he has no interest in their exclusion."

This ancient maxim finds a limited survival in some American State codes, as, for example, that of California, which provides that "The owner of land in fee has the right to the surface and to everything permanent situated beneath or above it."

But, notwithstanding the persistence of this rule, its application to the space not immediately adjacent to the soil and the structures on the soil is wanting. All the decisions are regarding intrusions into the space very near the surface, where the actual use of the soil by the surface occupant was disturbed. It is believed that an examination of the cases will show that "cujus est solum" is not law but is merely a nice theory easily passed down from medieval days because there has not been until recently any occasion to apply it to its full extent.

It has been held to be a trespass to thrust one's arm into the space over a neighbor's land or to shoot over another's land, and for one's horse to kick into such space. Overhanging branches constitute a legal wrong, either a trespass or a nuisance. A board attached to defendant's building and overhanging plaintiff's land constitutes a trespass. In Pickering against Rudd, Lord Ellenborough said: "Nay, if this board overhanging the plaintiff's garden be a trespass, it would follow that an aeronaut is liable to an action of trespass 'quare clausum fregit' at the suit of the occupier of every field over which his balloon passes in the course of his voyage." This result Lord Ellenborough did not approve; but Blackburn, J., in Kenyon against Hart, remarked: "I understand the good sense of that doubt, though not the legal reason of it."

So also projecting eaves, cornices, roofs, and walls have been held to be wrongful and to give rise to an action of some sort. In Butler against Frontier Telephone Co. it was held that ejectment would lie for the space occupied by a telephone wire strung across plaintiff's land at a height varying from 20 to 30 feet. Vann, J., expressed himself as follows:

"The surface of the ground is a guide, but not the full measure, for within reasonable limitations land includes not only the surface but also the space above and the part beneath. * * * 'Usque ad coelum' is the proper boundary, and while this may not be taken too literally there is no limitation within the bounds of any structure yet erected by man. So far as the case before us is concerned, the plaintiff as the owner of the soil owned upward to an indefinite extent. * * * According to fundamental principles and within the limitation mentioned space above land is real estate the same as the land itself. * * * Unless the principle of usque ad coelum is abandoned, any physical, exclusive, and permanent occupation of space above land is an occupation of the land itself and a disseisin of the owner to that extent."

The English cases show that the stringing of a wire across land at low heights (30 to 34 feet) is regarded as a trespass. Leading text writers agree in substance that, in the words of Pollock, "the scope of possible trespasses is limited by that of possible effective possession."

The operation of subways and tunnel streets as far below the surface as 150 feet has been regarded as wrongful as against the surface owner in the absence of purchase or condemnation of the right.

It thus appears that the only rights in space which have actually been protected by the courts have been rights in space immediately adjacent to and connected with the surface. There are no decisions to the effect that it is a wrong against a landowner to interfere with the space over his land at such a height that the use of the surface is not affected in the slightest degree.

All the codes now in existence and all proposed codes so far as known to the writer treat the landowner's property in the space above his land as subject to a right of passage by aircraft. None of these codes require condemnation of an aerial right of way and none provide that the mere flight through the space above shall constitute a trespass. The report of the British aerial transport committee in 1918, made the basis

of the British aerial navigation act of 1920, expresses a fair and sensible attitude on the question of space ownership in the following sentences:

"To retain this doctrine [usque ad coelum] in its entirety would be fatal to civil aeronautics. On the other hand, to allow unrestricted flying over private property at all altitudes would interfere with the reasonable rights of landowners. The interference would take the form either of trespass or of nuisance. The committee thinks that the following recommendations would, on the one hand, give reasonable protection or compensation to landowners and, on the other, interpose on aviators no obligation which could not be covered by insurance at reasonable rates, and so avoid hampering the development of civil aeronautics. The committee therefore recommend that the bill should provide as follows: (a) No action for trespass should lie except for material damage to person or property, whether caused by flight, ascent, or landing, or the fall of objects from aircraft. (b) That this right of action for trespass should include one for injury caused by the assembly of persons on the landing or ascent of aircraft elsewhere than at authorized aerodromes or landing places. (c) That the obligation on the aviator in an action for trespass should be absolute, negligence not being a necessary element in his liability and 'unavoidable accident' no defense. (d) That an action for nuisance should lie for damages only, and then only if breach of flying regulations is proved as well as actual nuisance."

Learned writers on the subject of the law of aviation have agreed that a natural easement or right of passage should be granted to aircraft and that flight over land at such a height as not to interfere with the use to which the land is actually put should not of itself constitute a trespass. In a French case decided in 1912 aviators were held liable for flying at low heights over land, whereby animals and workmen were frightened. This was an interference with the use of the surface, although there was no contact.

In declaring a right of passage in the air legislatures would be following the analogy of the right of navigation in waters flowing over private lands. The ownership of the bed of a navigable stream by a private person does not make navigation on the surface of the stream a trespass. Ownership of the stream bed is subject to an easement of navigation in favor of the public. It will be far less burdensome to the owner of the surface to declare an easement of public navigation in the air at such a height as does not interfere with the use to which the landowner actually puts his ground, whether that be agriculture or the support of a skyscraper. It would seem reasonable also to give the aviator an easement of landing in case of absolute necessity, on condition that he respond for actual damage done. This would prevent forced landings from being classed as trespasses, but would compensate the groundsman for actual loss. The aviator's easement should be one of passage only and not one to hover or anchor over the land. The right of passage over a highway has been held not to give a right to loiter in the road to watch the training of horses in an adjoining field, and so it should be unlawful to float in the air over land for the sole purpose of observing operations on the surface.

(C) BASIS OF THE AVIATOR'S LIABILITY FOR DAMAGE.

A third problem, the answer to which should be incorporated into any complete air code, is, when shall the aviator or his employer be held liable for damage caused by his aircraft or by objects falling from it? Such damage may occur (1) to persons or property on the surface; (2) to persons or property in the air.

Is the aviator to be likened to the operator of an automobile and proof of actual negligence, that is, the want of ordinary care, to be required for recovery? May the aviator engaged in carrying passengers or freight be subjected to the severe rule sometimes applied to common carriers on land and be held to a high degree of care? Or may it be said that injuries caused by aircraft are so generally caused by some form of negligence, and proof of actual negligence is so difficult due to the usual destruction of the machine and the witnesses, that the maxim res ipsa loquitur should be applied and a presumption of negligence aid the plantiff? Or should the law be so severe toward the aerial navigator as to say that Rylands against Fletcher shall apply to him, that he is like one who cages a wild beast on his premises—liable for any damages occurring to anyone from this dangerous instrument which he has caused to come into the community? Is one sending an airoplane into the air bound to realize that he is creating a seriously dangerous condition, for the results of which he is absolutely liable? And, lastly, should the common law, with its rule of contributory negligence, be applied to aviators, or are they to be regarded as navigators within the admiralty law?

The Connecticut statute makes the aviator absolutely liable for damage to person or property, whether caused by his negligence or due to unavoidable accident or vis major. The Massachusetts act of 1913 created a presumption of liability from the mere fact of injury, but this provision was omitted from the existing statute adopted in 1919. The very recent British act of 1920 places a burden of absolute liability on the aeronaut, unless the groundsman was guilty of contributory negligence. The International Air Navigation Convention does not attempt to decide the question.

The British aerial transport committee in their report in 1918, on which the present British act is based, gave the following reasons for the fixing of absolute liability:

"Admittedly persons on land are practically powerless to insure their own safety by precautionary measures against damage caused by the fall of aircraft or of objects carried therein. It is a matter of some doubt whether under existing principles of law persons suffering such damage would be called on to prove an affirmative case of negligence or intentional trespass. It is possible that the courts might hold aircraft to be within the class of those things which the owner keeps or uses at his peril. We think it preferable that the principles applicable should be defined by legislation rather than that they should be left for solution by a series of judicial decisions; we think, too, that as far as damage done by aircraft is concerned the deprivation of the landowner of what is almost certainly an existing right of property should be compensated by what will be in effect an insurance of himself and his property against such damage. Nor do we think that in practice the expense of insuring himself against third-party risks will prove very burdensome to the owner of aircraft."

If it be said that liability without fault is inequitable, it may be replied that the principle is one frequently applied in our law, where the public protection requires it. Thus, the owner of a deer who frees the animal in a public park is liable, without proof of negligence, to a visitor in the park who is injured by the animal.

A balloonist has been held liable, though no negligence in the operation of the balloon was shown, (a) for the damage caused by the fall of the balloon and operator on the plaintiff's land, and (b) for the damage caused by a crowd attracted to the plaintiff's land by the defendant's fall. One blasting on his land, without negligence and for a lawful purpose, has been held absolutely liable for the death of a traveler on an adjacent highway, who was killed by a piece of wood thrown by the blast, the court saying that "the safety of property generally is superior in right to a particular use of a single piece of property by its owner." A statute making the owner of a motor vehicle liable for injury caused by the negligent operation of the machine by a member of the owner's immediate family has been sustained. The employer of a balloonist has been held liable for injury to a traveler on a highway, where such injury was caused by the descent of the balloon, the theory of the court being that the fall of the balloon on the highway was reasonably to be anticipated.

The doctrine of absolute liability on the part of the aviator has been favored by numerous writers. It appears that there have been French and Belgian cases making the aerial navigator an insurer of the safety of persons and property below, so far as his own acts are concerned. These decisions are somewhat surprising, in view of the provisions in continental codes that there shall be no liability without fault.

The helplessness of the landsman and the difficulty of proof surely make inadequate and unfair a rule holding the aviator for ordinary negligence only. Suppose that A's aircraft falls on B's land and kills B. The representatives of B will ordinarily find the aviator dead also and the machine a mass of wreckage. To prove what caused the fall will be impossible in most cases. To hold the aviator to the common carrier's high degree of care would be no more helpful to the landsman than to adopt the standard of ordinary care. The occupant of the surface can not in 99 cases out of 100 prove the want of any care, nor can he prove anything about the cause of the descent of the airplane.

Although some writers have tried to assimilate the navigation of the air to navigation of the water and have sought to apply the rules of admiralty to both, such a course does not seem logical. Navigation in the air is intimately connected with the land and resembles railway transportation, instead of ocean-going or other water traffic. There appears to be no reason for applying the peculiar admiralty rules regarding negligence to aerial travel. It is reported that a German case regarding responsibility where two aircraft collided has applied the doctrine of contributory negligence.

It would seem that, if a recent English case is to be followed, the operator of a machine who suffered a collision in the air

without negligence on his own part would not be liable for damages to persons or property caused by the fall of his machine to the land below. In the case referred to the defendant's automobile collided with the car of A, and the defendant's car was thrown on the plaintiff's realty. The plaintiff was not allowed to recover damages, since the defendant's car had come upon the plaintiff's premises wholly without fault or design on the part of the defendant.

Some writers have gone so far as to urge that the aviator should be required to give a bond or take out insurance to protect the public, as a condition to the obtaining of a license.

(D) REGULATIONS TO PROTECT THE PUBLIC.

There is unanimity that a very important part of any code regulating aerial navigation should be concerned with protecting the occupants of the surface. Statutes very generally provide for registration and marking of aircraft to secure identification and proof of ownership; inspection of machines and certificates of airworthiness as prerequisites to the right to the use of such machines in flight; compulsory examination and licensing of pilots; and the restriction or prohibition of trick flying, low navigation, and flight over densely populated areas, exhibitions, games, and zones set apart for reasons of national defense.

It would undoubtedly be wise to follow the example of other countries in granting to State and Federal officers authority to promulgate these rules, rather than to attempt to set the regulations out at length in statutes. Administrative regulations have the flexibility needed in the government of a rapidly developing industry like aviation. Code rules are set and difficult to modify in the light of experience. State and Federal statutes should cover the protection of the public by a single section, granting to chosen agencies power to promulgate regulations to accomplish named objects. The prohibition of the hunting of game from aircraft might well be included. The International Air Navigation Convention and the British regulations will furnish excellent suggestions for administrative rules to be issued by our State and national agencies.

(E) REGULATIONS TO PROTECT AVIATORS AND FOSTER AVIATION.

Projected laws and statutes already in force are likewise in accord in the establishment of certain rules which are chiefly for the protection and aid of aviators, although they incidentally make life on the surface safer also. Such regulations are those laying down "rules of the air," corresponding to the "rules of the road" for automobiles; fixing standard methods of landing and departure; mapping out airways so as to promote safety in flight and to avoid congestion of aerial traffic over thickly settled districts; and regulating landing fields and aerodromes. Some authorities would require the landsman to mark high buildings and wires with lights and other signals to protect the aviator.

As in the case of rules to protect the public, the details of these regulations might well be left to an agency of the State or Nation, rather than fixed in the law itself. The statute might well confine itself to a designation of the subjects to be regulated and the objects to be sought by such regulation.

(F) SHALL AVIATION LEGISLATION BE STATE OR FEDERAL OR BOTH?

All are anxious for uniformity of legislation on the law of aviation. All wish to avoid conflicting local codes. For these reasons many writers have advocated exclusive national legislation. This would undoubtedly be desirable, if it were constitutionally sound. But the desirability of uniformity does not confer on the National Government power to legislate. If it did, we might have a Federal divorce statute.

At least four clauses of the Federal Constitution have been assigned as authority for exclusive Federal legislation on the law of the air. These are (1) the admiralty clause; (2) the war clause; (3) the treaty-making clause; and (4) the interstate commerce clause. Space will permit of the suggestion of only a few of the arguments possible under each heading, and those in merest outline.

Admiralty jurisdiction as a basis for Federal legislation: The Federal Constitution provides that the jurisdiction of the United States courts shall extend "to all cases of admiralty and maritime jurisdiction." This clause has been construed to give the Federal Government power to enact laws on the subjects of admiralty and maritime jurisdiction. A number of able writers have contended that this grant of power is sufficiently broad to authorize Congress to assume jurisdiction over aviation, the conference of State and local bar associations has so resolved, and bills now before Congress proceed on that theory. In a recent case in a Federal district court this thesis was advanced and an attempt made to libel an airplane for repairs. The court held that airplanes were not subjects of admiralty jurisdiction, for "they are neither of the land nor sea, and, not being of the sea or restricted in their activities to navigable waters, they are not maritime."

Admiralty jurisdiction is essentially connected with the sea and navigable waters and with navigable things floating thereon. "The character of craft included in the admiralty jurisdiction is any movable floating structure capable of navigation and designed for navigation." It does not include all water navigation, for craft operating on inland waters which have no navigable outlet and so are useful only in intrastate traffic are not subject to courts of admiralty. Nor does admiralty have control of everything floating on the sea or other navigable water, for a fixed floating dock has been held to be beyond the reach of the Federal courts under the admiralty head.

Only by maintaining that admiralty jurisdiction includes all transportation can it be rationally argued that it covers aerial navigation. This hypothesis is obviously too broad, for it would place railroads and other land carriers under admiralty. Aerial navigation is more akin to transportation on the earth's surface than it is to sea travel, for aerial navigation, in the case of landings, ascents, and accidental descents, intimately affects the inhabitants of the surface while the events of water navigation ordinarily have no effect on any persons except sailors and passengers.

It is true that admiralty jurisdiction is, in a certain sense, broader now than when the Constitution was adopted. It covers steamboats and all the other water craft invented since that time, but its development has been purely in the field of transportation on the water and never has it gone into transportation in another element.

Congress can not confer on agencies of the Federal Government powers not granted to such agencies by the Federal Constitution. This has been clear since Marbury against Madison, when Congress sought to give the Supreme Court authority to issue writs of mandamus to public officers. Nor can Congress by calling aviation law "admiralty" make it so. If the Federal Legislature could, by torturing the words of the Federal Constitution into wholly unnatural meanings, fix the bounds of Federal control, there would be no limit to the powers of our National Government. "No State law can enlarge it [admiralty jurisdiction], nor can an act of Congress or rule of court make it broader than the judicial power may determine to be its true limits."

The war power as conferring on the Federal Government exclusive authority over civil aviation.—It is the theory of some Members of Congress that the power of that body to raise and regulate an Army and a Navy, conferred by the Constitution, gives the Federal Legislature the right to assume exclusive control over civil aviation, intrastate and interstate. The argument no doubt is that in time of war a large number of machines and operators must be immediately available, that civilian airplanes and operators can quickly be turned to military and naval uses, and that, therefore, the stimulation and control of commercial aviation is necessary to preparation for war.

Undoubtedly Congress has power to create a united Federal air service and to merge the present military, naval, and Post Office air departments under one head. But it may be doubted whether Congress can lawfully subject the manufacture of aircraft and all flying, whether over several States or wholly within a single State, to Federal control for the purpose of providing an ample supply of pilots and aircraft in time of war. The Federal Government can provide those pilots and aircraft without taking over civilian aviation. Motor transport on land is equally essential to a successful Army, and yet it will hardly be contended that the Federal Government in time of peace could justify regulation and control of the automobile industry on the ground that such control was necessary to the production of a sufficient quantity of trucks and automobiles and a sufficient number of drivers in time of war. The same argument would apply equally well to other industries necessary to the support of an Army, as, for example, the business of manufacturing and growing food. There would be no limit to the war power if it were construed to have this effect. If a supply of pilots and aircraft for war purposes could not be obtained except through civilian aviation, and if civilian aviation would not flourish except under exclusive Federal regulation, the proponents of Federal regulation under the war power would have a stronger position, but neither of these suppositions seems correct. There appears to be no decision of a Federal court sustaining the assertion by Congress in time of peace of such broad powers under the war clause.

Power to make treaties as granting exclusive authority to the Federal Government to control aviation.—It is well known that the Federal Government has exclusive power to make treaties with foreign Governments, and it has been recently decided that where the execution of such a treaty requires Federal legisla-

tion such legislation will be upheld, even though it interferes with the internal affairs of a State not otherwise subject to national control. Thus, all that the Federal Government need do in order to acquire jurisdiction of a subject is to enter into a treaty with a foreign power regarding that subject.

Some advocates of exclusive Federal control of all aviation have urged that if the international air navigation convention were ratified by the United States the Federal Legislature would then be under a duty to enact laws to insure the carrying out of that convention and could on that ground assume control of all aviation in the United States. Some of the proposed Federal aviation laws purport to be introduced "to render effective the provisions of any treaty or convention relating to air navigation that may hereafter be entered into by the United States." It has been suggested that the London Radio-Telegraph Convention of 1912 and the act of Congress passed to give effect to that convention furnish an analogy. This act controlled all radio-telegraph stations, in order to give force to the convention.

One objection to this theory is that the international air navigation convention has not been ratified by the United States, and judging by the attitude of the Senate toward the League of Nations and the treaty of Versailles all pacts made at Paris in 1919 are to be treated with suspicion and disfavor. Until the convention is ratified, all Federal legislation will have to wait if it is to depend solely upon a treaty for its support. It will require an existing treaty to give validity to legislation, not merely a prospective convention.

Secondly, a query may be raised whether the provisions of the international air navigation convention, which concern international aviation only, necessarily require any Federal legislation on the subject of intrastate aerial navigation. Congress probably could comply with the convention if it enacted laws insuring foreign aviators entering the United States the rights and privileges guaranteed to them by that convention. But the conditions upon which interstate and intrastate flight are to be allowed may well be entirely different from those governing international aviation, so long as certain discriminations against foreign aviators are avoided.

The interstate commerce clause as authority for Federal control.—There can be little doubt that the commerce clause of the Constitution would be held to cover interstate flight, as it has been construed to apply to interstate telegraphy and telephony. Hence a Federal act regulating international and interstate aviation only would undoubtedly be constitutional. At least one bill introduced into Congress had been drawn upon this principle.

The objection that aviation would be handicapped by conflicting State and national rules, if Federal legislation were confined to international and interstate aerial navigation, can be met by the adoption of a uniform State aviation law. This State act could obviate the expense and trouble of double licensing and examination of pilots and double certification of the airworthiness of the craft by doing away with the necessity of a State license, examination, and certificate, if the aviator and machine possessed a Federal license and certificate. Under such a uniform State statute all pilots and machines would make use of the Federal licensing, certification, and registration plan, and thus be qualified for intrastate or interstate flight. The States would not give up their rights to amend the State laws and require State licenses and certificates if the Federal regulations proved at any time unsatisfactory in their requirements or their administration.

It is believed that the regulation of interstate and international aviation by the Federal Government and the control of intrastate aerial navigation by the States (preferably through a uniform act) are the only constitutional methods of action at present. The Federal law should cover licensing of interstate and international pilots, registration, and certification of aircraft to be used in international and interstate flight, and regulations for the safety of the public and the aviators where interstate or international traffic is involved. The uniform State bill might well include a declaration of State sovereignty over the air space; a statement of the landowner's property in the space above his land, subject to an easement of passage; a provision against liability by the aviator except in case of contact or actual interference with the use of the surface, and then an absolute liability, not dependent on negligence; requirements for the licensing of pilots engaged solely in intrastate flight (unless a Federal license had already been obtained) and for the inspection and certification of aircraft engaged solely in intrastate flight (in the absence of a Federal certificate already issued); provisions for the registration of intrastate aircraft; and a grant of power to a State agency to promulgate regulations for the protection of the public and the aviators as nearly like the Federal and international rules as local conditions would permit.

It may be argued that the power to control interstate commerce includes as an incident the power to govern intrastate commerce, when necessary for the complete and satisfactory exercise of the former power. This principle undoubtedly has been recognized by the Supreme Court, but it is one which should be sparingly applied. Liberally construed, such a doctrine means the destruction of all State rights. Hardly a Federal power but what could be somewhat more conveniently exercised if some portion of the State's sovereignty were added to it. This rule for the extension of the power of the Federal Government should require a strict necessity for its application. If mere convenience is to be a sufficient cause, then assuredly the reservation to the States of the control of intrastate commerce is meaningless and futile. Only in so far as aviators flying within a State adopt methods which endanger or handicap interstate or international traffic, should the Federal Government interfere with them. If intrastate operators are flying under reasonable local regulations and without conflict with interstate or international aerial navigators, they should be left unrestricted by the National Government.

Perhaps an all-powerful national air board and an all-inclusive national air code would be the desideratum if we were starting de novo, but under our peculiar dual form of government, with a National Government of delegated powers, it is difficult to see how such results can be accomplished without ignoring the Federal Constitution.

[From the Commerce Monthly of the National Bank of Commerce, New York.]

COMMERCIAL AVIATION.

Aviation as a factor of increased importance in commercial transportation is one of the fortunate legacies of the Great War. When hostilities between the European powers began in August, 1914, aviation was still in the experimental stage. Although successful flights had been steadily increasing in frequency and length, the results obtained were noteworthy chiefly as marking advances in the science of flying and had little or no immediate business value. The commercial possibilities of aviation seemed so remote that they were given little attention. In the seven years since that time, however, development has been so rapid that commercial air transportation is to-day a matter of general interest and substantial importance.

The military value of aircraft had, of course, been recognized prior to the war. It became increasingly apparent as the conflict continued. The pressure of military necessity became a powerful driving force in aerial progress. By the close of the war the importance of aircraft was such that a large proportion of the effort of each of the belligerents was expended in their construction and operation. The resulting development of aviation would probably not have been equaled in many decades of peace. Flying on the large scale of 1917 and 1918 was a conclusive demonstration of the potential value of aircraft as a means of transportation.

The armistice halted abruptly the feverish aerial activity. Each of the belligerents was left with enormous stocks of material, a large and highly trained personnel both for flight and ground service, and a huge industrial organization engaged in the manufacture of aircraft and their numerous parts and accessories. * * *

The huge stocks of surplus material and the absence of new orders were disastrous to the manufacturers, who saw no prospect of being able to compete with war material at disposal prices. Their position was unlike that of other industries where surpluses existed in that there was no regular established outlet for their products. To create a market for airplanes in the absence of military demand aerial transportation had first to be established. In the meantime the deflation of the aircraft industry in each country has been so complete that barely a nucleus remains of the enormous wartime organizations, and this subsists for the most part on small experimental government orders. In consequence technical progress along strictly commercial lines has been disappointingly slow since the armistice and converted war material is still widely used.

Military and commercial aviation are closely related and will continue to be as long as military establishments exist. The relationship may be compared in kind to that of the Navy and the mercantile marine. In degree it is much closer. In case of war the expansion of the air service must necessarily be much faster and greater than naval expansion. By so much more must the air force be dependent upon commercial aviation than the Navy upon the mercantile marine, as a source of material and personnel. The prohibitive cost of maintaining anything more than a nucleus for the enormous organization of a

wartime air service explains the necessity, already recognized and expressed in England, France, and the United States, of entrusting the burden of maintenance in the future to commercial aviation. The report of the American Aviation Commission, presented to Congress in 1919, emphasizes this in a summary of what the commission considers unescapable conclusions, among which are the following:

"That any future war will inevitably open with great aerial activity in advance of combat either upon land or sea, and that victory can not but incline to that belligerent able first to achieve and later to maintain its supremacy in the air.

"That no sudden creation of aerial equipment to meet a national emergency already at hand is possible. It has been proved within the experience of every nation engaged in the war that two years or more of high-pressure effort has been needed to achieve the quantity production of aircraft, aircraft engines, and accessory equipment. The training of personnel, including engineering, production, inspection, maintenance, and operating forces—covering some 50 distinct trades and some 75 industries—has proved itself a stupendous task when undertaken upon the basis of war emergency alone."

DEPENDENCE UPON SUBSIDY.

At the present time, however, commercial aviation, far from having reached a stage of development in which it would serve as a support to a military air force, is still in a position of almost absolute dependence upon Government aid, extended to a considerable extent with a military purpose in view. The only incentive to commercial development of any kind is the prospect of profits and aviation has not yet reached a stage where this prospect is a powerful stimulant. Traffic is light and costs are still very high, and if the incidental but essential charges of providing landing fields, meteorological service, etc., were included most commercial companies could not now attempt to operate. Moreover, the very nature of air transport, its interstate and international aspect, necessitates a breadth of influence in its controlling power which, at the present time, no commercial company enjoys. So it is that in all countries commercial aviation has shown activity in almost direct proportion to the governmental assistance and encouragement it has received. * * *

In France the policy of direct assistance has been liberally maintained. Under the direction of an undersecretariate for aviation subsidies are paid to air transport companies based on the type of material employed, its adaptability to military use and the nature, length, and regularity of services operated. Subsidies amounting to one-half the purchase price are also granted on the purchase of aircraft constructed after July 1, 1920. The appropriation for these subsidies was increased from 9,500,000 francs in 1919 to 23,000,000 in 1920 and 32,000,000 in 1921. In 1920 subsidies formed 75 per cent of the earnings of air transportation companies.

British criticism of this system takes the view that such liberality maintains machines of any type without sufficient regard to their utility and efficiency and to the value of the work accomplished and even encourages purely military types. Very close supervision is maintained by the Government over all aerial activities, and subsidies are granted subject to comprehensive restrictions regarding operating details, including passenger and freight rates, which have been very much reduced. Insurance is made compulsory and tends toward State control.

In several other continental countries direct as well as indirect governmental assistance is extended. The Governments of Belgium, Germany, Holland, and Rumania grant subsidies of various types to private companies. In other countries, notably Italy, Government assistance is strongly advocated but has not yet been obtained, with the result that most commercial ventures have failed to materialize.

The present state of commercial aviation abroad is portrayed by the map of western Europe. On this map the heavy lines indicate air routes, either mail, freight, or passenger, which are traveled regularly according to schedule by the aircraft of a commercial company. The broken lines indicate routes which are now operated only occasionally or which are under serious consideration and likely to be inaugurated in the near future. Needless to state, there are scores of other routes, not indicated here, which have been and are the subject of much prophecy and promise but of which as yet there has been little progress toward actual operation.

The development of commercial aviation in the United States has been along lines different from that in Europe, due partly to the fact that the public has not been familiarized with flying as were the populations of the belligerent European countries and partly to the absence of a definite governmental policy. Commercial transportation companies have received neither assistance nor encouragement and in consequence private enterprises of this nature have accomplished very little. On the other hand the Government, in the Army, Navy, and Post Office Departments, has been active in experiments of great value to commercial aviation, so that in the United States the one distinctive example of successful aerial transportation on a large scale is not strictly commercial but is merely civil, as distinct from military aviation.

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At the present time the air mail, including its contract lines, is the only manifestation of commercial activity in the air on any considerable scale in this country. It is estimated that there are about 100 air transportation companies in the United States, but regular operation of substantial commercial importance has scarcely begun. Passenger transportation has made a beginning, principally on the Atlantic and Pacific coasts, but most of this is pleasure travel. In the United States there has been no resort to aerial travel as a purely practical means of saving time which can be compared to the London-Paris traffic, for example.

With a few relatively unimportant exceptions the routes enumerated comprise the total tangible results of nearly three years of commercial development in this country and abroad. The present discussion has applied exclusively to heavier-than-air machines. In a forecast of the future of commercial aviation or in a study of its possibilities the lighter-than-air craft would have a very important part, but in a résumé of its achievements there is little to be said at this time. Remarkable demonstrations have been made by dirigibles, in particular the return trip of the *R-34* across the Atlantic, and progress in the art of handling these huge craft has been encouraging. However, with the exception of the German dirigible *Bodensee*, which is said to have carried a large number of paying passengers with entire success, there has been no example of lighter-than-air commercial operation.

The condition of many of the existing commercial companies is precarious, and very few are able to operate with a substantial profit. As regards the European companies at least, withdrawal of Government support, direct or indirect, would involve the failure of practically all of them. Nevertheless the fact that they do now operate scheduled routes with a high degree of regularity and safety under meteorological conditions, which, particularly on cross-channel lines, are as unfavorable as any in the Temperate Zone, is distinctly encouraging.

HANDICAPS TO COMMERCIAL DEVELOPMENT.

Commercial aviation is laboring under many difficulties, some of which have already been indicated. By far the greater part of the material in use is converted war material, built for extraordinary performance rather than economy. This material must in some way be worked off the market before new and better models can profitably be built. Traffic is light and variable and the uncertainty of its future volume and nature is a severe handicap. There are in addition many technical details, both in regard to material and organization, that appear to be of a minor character but frequently turn out to be important to economical operation. Passport and customs regulations are still a restraint to international services. The fact that night flying is not yet commercially possible handicaps air transportation in competition with other means of communication.

Airplane costs are still felt to be too high. Of course, speed must be and will be paid for. The cost per airplane-mile of operation between London and Paris is estimated by British authorities at from 38d. to 40d., and the cost of transporting goods by airplane at from 36d. to 44d. per ton-mile in contrast to a maximum figure of 2½d per ton-mile by rail, in England, and a very much smaller figure by water. Speed is evidently the only basis on which airplanes can compete with existing means of transportation. A comparison of rates between London and Paris is enlightening. Air transportation on this route costs twice as much for passengers and three to ten times as much for freight as the older and slower methods, to say nothing of higher insurance rates. It is clear that, particularly with regard to freight, the amount of traffic which can afford to pay the present premium for speed is strictly limited. Mail, the highest paying class of freight, appears to offer the most favorable opportunities.

Under these many unfavorable conditions absence of profits should not be taken as evidence that commercial aviation can not be made profitable in the near future. In particular, mail traffic alone offers to European companies distinctly better possibilities than have yet been realized. As long as it is left to the initiative of the sender of a letter to specify that it shall go by airplane and to pay an extra charge for the time saved comparatively few letters will be sent by air. When, however, the regularity and efficiency of air dispatch are recognized to

such an extent that all first-class mail on certain routes is sent by air, as it is in the United States, extra postage will not be needed, and the position of the transport companies will be very much improved.

The greatest handicap by far to further development of commercial aviation lies much deeper than present financial prospects of the industry. It is the continued lack of public confidence in the safety and reliability of air transportation. The fact that voyages may be prevented, even infrequently, by weather conditions makes the business man loath to depend upon air service. More serious still, as long as the personal risk looms large in the public mind, be it real or imaginary, the number of people who will travel by air will be strictly limited. And the element of danger is still prominent in aviation. Though a certain mental inertia, a natural conservatism, may have some effect, by far the greatest cause of the lack of public confidence is the continued prevalence of accidents and fatalities. The fact that all modes of transportation were accompanied by many casualties in their early stages of development does not detract from the extremely harmful effects which flying accidents now have upon air transportation. Flying has been handicapped from the beginning by having assumed the aspect of a dangerous sport in the public mind and the widespread publicity which accompanies every accident tends to deepen this unfortunate impression.

Since the armistice accidents have been increasing in number in some countries at a higher rate than the increase in flying. The most carefully compiled figures, those for British commercial aviation, show the death rate of passengers to have increased from 0.10 per thousand passengers carried in the six months ending March 31, 1920, to 0.22 in the six months ending September 30, 1920, and to 0.30 in the six months ending March 31, 1921. In the 23 months from May, 1919, to March, 1921, inclusive, 20 persons were killed and 21 injured in a total of 48 accidents, or 1 accident for every 33,200 miles flown. In the United States the number of casualties, both in military and civil flying, has been alarming, although it is not possible to determine the accident rate, as no official reports are required either of flights or accidents.

Progress toward increased safety in flying has not been so great as that in developing speed, capacity, and cruising radius. Motors are more powerful and to a considerable extent more reliable than before the war, but they are still subject to sudden failure, due usually to weakness of important accessories rather than that of the engine itself. Forced landings are frequent, and as yet no proper provision has been made in most countries for emergency landing fields on established air routes. Speed is the outstanding feature of the airplane, and speed has been particularly emphasized in military design. But safety is the first consideration in time of peace, and speed must be sacrificed in the first years of the industry in so far as safety makes it necessary. The operation of air routes with greater regularity than at present and, above all, with as near absolute safety as possible over a long period of time, is the only way to establish public confidence in air transportation.

At the present time it is undoubtedly true that a considerable proportion of accidents is due to the large surplus of military planes still in use which are too old for flight or which have not been given the proper care. The situation in the United States in this regard is very much worse than in most other countries, where Government supervision of civilian flying is practiced. *The lack of official regulation of aviation in some form is the greatest detriment to increased safety in flying in this country.* The present situation in the United States is one of total absence of regulation, with the exception of a very few State laws and municipal ordinances. In most parts of the country there is nothing to prevent any pilot from operating any machine, without regard to his competency or its condition. It may well happen, and often does happen, that an irresponsible pilot will fly a machine unfit for use, with imminent danger to the life of himself, his passengers, and the safety of the community. In case of accident the entire aircraft industry suffers through the injury to its most vital asset, its reputation with the public.

The operation of airplanes for other than transportation purposes would, if properly regulated and supervised, perform a valuable service to commercial aviation by familiarizing large numbers of people with the advantages of aerial transportation. A system of licensing by which the safety of such flying could be improved can not be established, however, without the enactment of an air law. That an air law must be at least national in scope is evident from the very nature of aviation, and considering the distances already covered by commercial air routes the advantage of a law which is internationally uniform is apparent.

The aeronautical commission of the peace conference drafted a convention for the regulation of air navigation which was signed, with some few reservations, by the representatives of all the Allied and Associated Powers, the United States included. It is generally believed that this convention would be an excellent foundation for an air law for the United States, but as the signatures of the American representatives have not been ratified the United States is deprived of the benefits of this code which the other nations enjoy. Efforts to establish an American air law have encountered a fierce conflict in regard to the form of the supervising organization and as yet have been without tangible results. It is gradually being realized by all those concerned with the future of American commercial aviation that the need for an air law is so pressing that its method of administration is a secondary consideration. When this attitude becomes general substantial progress may be expected.

Besides being the first step in the reduction of fatalities, the enactment of an air law will accomplish other valuable results. Wise regulation may be expected to give a certain stability to the air transportation industry essential to any industry which must appeal for credit and for investment capital. Until this is attained air transportation can not be said to be on a business basis. Insurance, for example, which is essential to commercial aircraft operation, is in this country in a state of confusion, whereas in England it has had a regular and orderly development. So vital a point as the limit of liability of an owner of aircraft is still in considerable doubt in this country. A sound insurance business can be built only upon adequate data covering registration and inspection, such as Government regulation will supply, and upon laws which clearly establish the legal status of aircraft. From whatever point of view the subject is approached the conclusion is unescapable that the enactment of an air law is the first essential step toward the development of commercial aviation in the United States.

K. S. G.

Status of aviation law, United States of America.

STATE LEGISLATION.

It may be stated that few States rigidly enforce their aviation laws:

CALIFORNIA.

1919: Chapter 300. Prohibits the use of airplanes in hunting.

1921: Chapter 783. An act concerning the registration, numbering, and use of aircraft, and the licensing of operators thereof. In effect August 2, 1921.

CONNECTICUT.

1918: Chapter 176. Provides for the registration and regulation of aircraft. In effect June 8, 1921.

1921: Chapter 207. An act concerning aircraft (to register and issue licenses to operate). Approved May 20, 1921.

INDIANA.

1921: Chapter 189. Provides penalty for the unlawful taking of airships. In force May 31, 1921.

1920: Chapter 48. Aviation fields. Provides for acquisition, equipment, management, operation of.

KANSAS.

1921: Chapter 264. An act creating a State aircraft board, regulating the navigation of the air by aircraft; authorizing cities to provide municipal aviation fields. Approved March 1, 1921.

1921: Chapter 196. Prohibits the use of airplanes in hunting.

MAINE.

1921: Chapter 161. An act to regulate the use of aircraft.

MASSACHUSETTS.

1919: Chapter 306. An act to regulate the use of aircraft. In effect 1913.

MICHIGAN.

1919: Chapter 82. An act to prohibit the molesting of game and insectivorous birds by operation of aircraft. April 19, 1919.

MINNESOTA.

1921: Chapter 433. An act to regulate the traffic of aircraft over cities of the first class and prescribing penalties for the violation thereof. Approved April 23, 1921.

MONTANA.

1921: Chapter 238. Prohibits use of airplanes in hunting.

NEBRASKA.

1921: Chapter 165. An act to authorize cities of the metropolitan class, cities of first class, or cities of second class to acquire lands for the purpose of establishing an aviation field and to improve the same and to provide the funds therefor by the sale of bonds of such city. Approved March 15, 1921.

NEW JERSEY.

1921. Chapter 124. An act regulating the operation of motor-driven aerial machines. Approved March 31, 1921.

NEW YORK.

1919: Chap. 391-93. Insurance law now permits casualty, marine, and fire insurance on "airplanes, seaplanes, dirigibles, or other aircraft."

1920: Chap. 715. An act to amend the Greater New York charter relative to ceding, granting, and conveying to the United States lands and lands under water, acquired by or owned by the city of New York, necessary for the establishment of air stations in connection with or defense of New York Harbor and the Atlantic coast. May 11, 1920.

NORTH CAROLINA.

1919: Chap. 38. Hunting wild fowls with airplanes unlawful.

OREGON.

1921: Chap. 113. An act to provide for appropriation of property for air field in cities and towns. February 19, 1921.

1921: Chap. 45. An act to provide for the organization of an Oregon State Board of Aeronautics, regulating flying and registering aviators. Approved February 12, 1921.

1921: Chap. 49. Act to require registration of aircraft.

TEXAS.

1919: Chap. 9. Authorizing private corporations for the purpose of construction, manufacture, etc., of airplanes. Approved February 17, 1919.

UTAH.

1921: Chap. 35. An act to authorize boards of county commissioners to lay out, erect, maintain, and manage landing fields and hangars for use of airplanes or other vehicles for aerial travel.

WASHINGTON.

1919: Chap. 48. An act relating to facilities for aerial transportation, authorizing cities and counties to acquire, maintain, and operate lands and property therefor, and declaring the same to be county and city purpose and public use. Approved February 28, 1919.

WISCONSIN.

1919: Chap. 613. Provide for county landing fields.

HAWAIIAN ISLANDS.

1917: Chap. 107. An act prohibiting the operations of airplanes, ballons, and other aircraft in the Territory of Hawaii with certain restrictions. Approved April 19, 1917.

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MUNICIPAL LEGISLATION.

ATLANTIC CITY, N. J.

1919. An ordinance to regulate aviation and the use of airplanes, flying machines, balloons, and all other machines used for the purpose of navigating the air in and over those portions of the city of Atlantic City herein designated as District No. 1.

CHICAGO, ILL.

1921. An ordinance (providing) rules and regulations governing the operation of aircraft in Chicago.

DAVENPORT, IOWA.

1921. An ordinance regulating the operation of aircraft in and above the city of Davenport and providing penalties for violation.

KISSIMMEE, FLA.

1908. An ordinance regulating the status and employment of airships within the town of Kissimmee City.

HOUSTON, TEX.

1921. An ordinance regulating the flying of airplanes in or over the city of Houston, providing a penalty, and declaring an emergency.

LOS ANGELES, CALIF.

1920. An ordinance regulating the operation of aircraft in the city of Los Angeles.

MUSKOGEE, OKLA.

1921. An ordinance regulating aircraft making flights over and above the territory in the limits of the city of Muskogee, Okla., prescribing a penalty for violation thereof, and declaring an emergency.

NEW YORK, N. Y.

1921. An ordinance relating to the operation of aircraft over the city of New York.

NEWARK, N. J.

1920. An ordinance to regulate aviation and the use of airplanes, flying machines, balloons, and all other apparatus used for the purpose of navigating the air in and over the city of Newark.

NUTLEY, N. J.

1916. An ordinance to prevent persons from alighting or dropping from aircraft into the streets, trees, and parks of the town of Nutley.

VENICE, CALIF.

1919. An ordinance regulating air traffic and travel over Venice.

SANTA ANA, CALIF.

1921. An ordinance of the city of Santa Ana, Calif., regulating aircraft over the city of Santa Ana, Calif., and fixing a penalty for a violation of the same.

MONMOUTH, ILL.

1921. An ordinance to regulate flying until the Congress of the United States or the Legislature of the State of Illinois passes legislation to control and direct the operation of aircraft, at which time this ordinance shall automatically cease and become void.

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COUNTY LEGISLATION.

LOS ANGELES, CALIF.

An ordinance to regulate the use of aircraft in the county of Los Angeles: To provide for the registration and the identification of aircraft, to provide for the licensing of persons operating aircraft, to create an aircraft department of Los Angeles County, and to provide for the organization and conduct thereof, and to provide penalties for violations of provisions of this act.

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STATUS OF AVIATION ABROAD.

[Compiled from information submitted by attachés of foreign embassies and obtained by the Aircraft Manufacturers' Association.]

France, Great Britain, Germany, Holland, Rumania, and Belgium are granting subsidies to commercial aviation companies. In other countries, notably Italy, Government subsidies are strongly advocated but have not yet been obtained, with the result that most commercial enterprises have failed to materialize.

Through the courtesy of European air attachés and diplomatic representatives in Washington, and through the cooperation of the Air Service and the Bureau of Foreign and Domestic Commerce, as well as by direct investigation abroad, the Manufacturers' Aircraft Association is able to present the following review of aeronautical activity, nation by nation, throughout the world.

AUSTRALIA.

Australia is organizing an air force which, with civilian aviation activities, will be under the control of a board including in its personnel representatives of the army, navy, and commercial interests. The Government hopes to map all possible air routes, make appropriations to encourage civil aviation, and provide in this a civilian reserve and assure an operating aircraft industry able to supply planes and motors in case of war. For this the budget appropriates £500,000 (about $2,500,000 at normal exchange) for military and £100,000 for civilian aviation in 1921.

BELGIUM.

Belgian aeronautical activity is under the jurisdiction of the premier group of the minister of national defense, who has under his supervision a department headed by a director of aeronautics. The development of civil aviation is under this director. Commercial, passenger, freight, and mail lines are being operated between Brussels and Paris and Brussels and London. Belgium has assigned air attachés to all important capitals of the world. Their duties are to aeronautics what those of the military and naval attachés are to the military and naval branches of the Government.

BRAZIL.

Brazil is developing an air force, and has formulated certain rules and regulations concerning civilian flying. Representatives of the Curtiss Corporation, continually flying over Rio de Janeiro and other cities, created much enthusiasm in aeronautics. Practically the only restriction on flying to date has been the rule that a pilot must have a Government permit.

CANADA.

Canada has an air board, which supervises all federal and civilian aeronautics. It was established by an act of Parliament, June 6, 1919. A chairman and advisory officers were appointed immediately. They in turn divided the work of the air board into three branches, each under a superintendent: Flying operations, certificate branch, and a secretariat. The superintendent of flying operations controls all Government flying. The certificate branch conducts that part of the administration relating to the public, such as licensing of pilots and personnel,

inspection of aircraft and air harbors. The secretary has charge of the office organization.

The Canadian air board at once issued orders against dangerous flying and then set to work on regulations. The rules were established by 1920. They conform to the air board act and the international aerial convention.

Preliminary surveys have formed the basis for a network of aerial routes and landing fields designed to facilitate the development of commercial aviation in time of peace and the transportation of aerial troops, supplies, and munitions from one end of the Dominion to the other in time of war.

The board is also gathering meteorogolical data, and during the 11 months in 1920 the air board reported the following: Private air pilot's certificates, 60 applied for and 51 issued; commercial air pilot's certificates, 118 applied for and 59 issued; certificates of aircraft registration, 137 applied for and 96 issued; air harbor certificates, 47 applied for and 6 permanent and 28 temporary issued pending per-improvement of facilities.

All civilian and commercial flying organizations are required to make monthly reports detailing the number of machines in operation, number of flying hours, accidents, and so forth.

DENMARK.

The navy and army departments have respective jurisdiction over aviation in Denmark. Regular air service carrying mail and passengers has been established between the three Scandinavian countries. These countries, with Copenhagen as a center, are in direct regular air-service communication with west and south Europe by the following routes: Copenhagen to Warnemunde, Berlin, and Copenhagen; Hamburg–Amsterdam–London. This air service is conducted by private Danish firms, but the Government assists in every way possible.

FRANCE.

French aviation is divided into three branches—military, naval, and civilian, the last under the undersecretary of state for aeronautics. It is a branch of the ministry of public works. The common point between these three branches of French aviation lies in the technical section of aeronautics. During 1920 it was found that a great deal of money was saved by having in the same organization all the aeronautical engineers of the army and navy. This was based on the experience that any improvement in the mechanical branch of the art necessarily must be of benefit to all aviation activities.

The undersecretary of state for aeronautics is M. Flandin. Late in 1920 Gen. Dumesnil was chief of military aeronautics and Capt. Valdenaire chief of naval aviation. M. Fortante was chief of the technical section, involving the other three branches. Aerial attachés have been appointed to the important countries of the world. The French aerial attaché in Washington is Capt. de Lavergne. France has sent temporary or permanent aviation missions to other countries, including those in South America and Asia, for the purposes of supporting French manufacturers, surveying markets, establishing air transportation under the respective Governments, and in some cases acting as temporary military missions, instructing foreign Governments in organizing their aviation departments.

Late in 1920 there was a project to establish an aerial arm of national defense, which was to be brought before the Chamber of Deputies for ratification. This aerial arm would be similar in operation to infantry, artillery, and cavalry. It would double the flying pay, promotions would be more rapid, and retirement after 20 years of service, with the same pay as in the others after 30 years. A special school of aeronautics was to have been organized at Fontainebleau. A scientific school for aeronautical engineering has already been created at Versailles.

Approximately 40,000 letters a month have been carried by the French lines operating between Paris and London. The air mail postage in Europe is slightly in excess of ordinary postage. All landing fields are in charge of the office of aerial navigation. These fields are bought, established, and equipped at the expense of the Government. The civil plane finds there a shelter as well as gasoline, oil, repair facilities, and mechanics, all for a small fee. All communications, wireless stations, meteorological posts are installed by the Government office of communications.

For each trip undertaken by a company recognized by the Government certain bonuses are given. The sum of various bonuses covers, for instance, for the trip from Paris to London a total of almost 700 francs, or $140. During the next 10 years the Government will continue to award these bonuses in order to support civilian aeronautics and to help develop it. In return for this Government assistance private companies are required to accept the control and supervision of the Government according to the rules and regulations laid down. The planes must be kept in perfect condition, and the Government may have a plane condemned and discarded.

French aerial activity centers at Paris, which is a terminal for three routes operated daily—to London, Brussels, and Amsterdam, and also for a service to Strassburg, Prague, and Warsaw, for which departures are made three times a week. The latter is interesting as a part of an ambitious plan eventually to extend an air line to Vienna, Budapest, Belgrade, Bucharest, and Constantinople. From Toulouse airplanes leave four times a week for Barcelona, Alicante, Malaga, Rabat, and Casablanca, carrying mail, passengers, and freight. A stop is made for lunch at Barcelona, and at Alicante for the night. This was the first commercial route established in France and has been eminently successful, aided, of course, by subsidy.

There are in addition a number of short aerial routes in operation in France, as indicated on the map. Most of these are scheduled for three and four times a week. There were in all, at the end of last year, some 15 French companies engaged in aerial transportation on regular routes, with a total equipment of about 450 machines.

FRENCH COMMERCIAL AVIATION.

France has gone ahead of England in the promotion of its commercial aviation, as illustrated, for instance, by the statement in the Journal des Debats, of September 2, 1921, that during June last French air companies carried 1,553 passengers while British companies carried only 400. The considerable increase in traffic in 1920, as compared with 1919, is shown in the following table:

French commercial aviation traffic 1919 and 1920.

Traffic.	1919	1920
Paying passengers.....number..	729	5,864
Goods.....pounds..	31,041	267,186
Mails.....do....	1,027	13,155
Completed journeys.....number..	1,173	4,052
Distance traversed.....miles..	219,905	933,407

The longest traffic route at present is that from Toulouse to Casablanca, Morocco, which takes about a day and a half with a stop overnight. Other foreign services are: Paris to London, four times daily, 2½ hours; Paris–Brussels, 2 hours; Paris–Amsterdam, 4¾ hours; Paris–Strasburg–Prague, 7 hours; Paris–Warsaw, daily, except Sunday, 12¼ hours; Bayonne–Bilbao–Santander, daily, 2½ hours. Services within France include: Bordeaux–Toulouse–Montpellier, 3½ hours; Montpellier–Nimes–Avignon–Nice, twice weekly, 2¾ hours.

French commercial aviation activities in 1920, international only.

Lines.	Number of trips.	Miles flown.	Passengers.		Freight (lbs.).	Mail (lbs.).
			Paying.	Non-paying.		
Paris-London	614	153,606	470	231	78,303	763
Paris-Brussels	190	35,012	175	160	1,532	205
Paris-Cabourg (1) (resort)	63	7,387	41	3	1,945	.....
Paris-Strasburg-Prague (2)	119	35,316	18	32	1,252	154
Paris-Geneva	12	3,521	6	.....	88	.....
Toulouse-Casablanca (Morocco)	897	228,304	128	96	22,266	7,408
Bayonne-Bilbao (Spain)	139	13,858	36	97	.....	.....
Bordeaux-Toulouse-Montpellier	274	40,129	60	96	2,935	.....
Nimes-Nice	62	12,063	7	13	474	.....
Total	2,370	529,196	941	740	108,795	8,530

In France, Government assistance has indeed been very considerable, which can be readily appreciated from the following:

AMOUNT OF SUBSIDY.

The sum of 33,215,000 francs has been voted for civil aviation subsidies during the financial year 1921–22.

The subsidies to be granted are of two kinds:

(a) A subsidy for purchase, and

(b) A subsidy for public transport.

In all cases the subsidies will only be granted, subject to the approval of the undersecretary of state for air, to French subjects and companies employing French material, French pilots and personnel.

METHOD OF ALLOCATION OF SUBSIDIES.

(a) Subsidy for purchase.

This subsidy consists of a grant by the State of half the value of machines employed for training and transport by air and will not be given to any business connected directly or indirectly with the sale of aeronautical material.

The types of machines to be subsidized and the value thereof will be fixed by the undersecretary of state for air.

The purchaser receiving a subsidy must undertake:

(1) That he will keep the machine in good condition and report to the undersecretary of state when it is unserviceable.

(2) That the machine does not leave French territory without consent of the undersecretary of state.

(3) That he will not sell the machine without the consent of the undersecretary of state.

(b) Subsidies for transport.

The subsidies for transport are granted only to legally constituted French companies, carrying out regular air service of recognized utility.

The value of the subsidy varies according to the nature of the enterprise, the type of material employed, the regularity of the service, and the commercial turnover.

Special conditions governing the grant of subsidies:

(1) The company must possess a minimum number of machines equal to twice the quotient attained by dividing by 200, in the case of land machines, and 150, in the case of seaplanes, the number of flying hours. Represented by the total annual distance flown by the company machines at a speed of 130 kilometers per hour.

(2) The company must employ to a minimum the following personnel:

(a) One pilot for every three machines.

(b) One mechanic for every 300 horsepower utilized.

(3) The rates and fares which may be charged by companies are fixed according to the following tariff laid down by the undersecretary of state for air. Passengers, 0.80 franc per passenger-kilometer; goods, 0.015 franc per kilogram-kilometer.

GERMANY.

Germany has a ministry of air and transport. Immediately after its creation early in 1920 several new transport and aerial manufacturing companies were formed. Liberal subsidies have been granted to manufacturing and passenger-carrying companies.

Although the development of commercial aviation in Germany, particularly in regard to international operations, has been severely handicapped by the terms of the peace treaty, there has been remarkable progress in establishing air routes within the country. As indicated on the map, the principal cities are interconnected by a network of air lines, most of which are operated regularly. Schedules are so arranged that the interior services connect advantageously with the international routes at Hamburg, Bremen, and Berlin. In 21 months of operation the principal commercial company is reported to have carried more than a million pounds of freight, which includes 72,500 pounds of mail and 5,545 passengers. The German industry has been relieved of a large surplus of military material by the destruction of most of it under the terms of the treaty. In technical skill the German designers hold a high place, and some of the most noteworthy technical advances since the war have originated in that country.

German commercial aviation, January to October, 1920.

Month.	Number of flights.	Kilometers flown.	Passengers carried.	Mail carried.	Total load carried.
				Kilograms.	*Kilograms.*
January	46	7,070	17	167	1,442
February	103	7,660	86	.....	6,450
March	220	27,855	414	.....	31,050
April	60	6,565	51	.....	3,825
May	[1]	[1]	[1]	[1]	[1]
June	374	45,612	437	.....	32,862
July	398	38,906	341	901	26,476
August	677	67,473	684	2,549	53,939
September	450	66,532	353	1,232	27,844
October	380	67,581	232	1,008	19,085

[1] Flight prohibited by allies.

August-October, 1920, as compared to August-October, 1919.

Year.	Number of flights.	Kilometers flown.	Passengers carried.	Mail carried.	Total load carried.
				Kilograms.	*Kilograms.*
1919	715	70,074	1,304	21	97,821
1920	1,507	201,586	1,233	5,107	.....

Feb. 5, 1919, to Oct. 31, 1920.

Number of flights	6,208
Kilometers flown	986,925
Passengers carried	5,536
Mail carried (kilograms)	32,402
Total load carried (kilograms)	515,800

GREAT BRITAIN.

All aviation in the United Kingdom of Great Britain and Ireland is under the air ministry. Military and naval aviation is included in the Royal Air Force operating under the air ministry. The ministry also has jurisdiction over civilian aviation, control of fields, inspection and licensing of machines and pilots. Many air lines operate daily between Great Britain and the Continent. While the Royal Air Force is the dominating scheme of the government organization, the air council of the ministry includes Winston Spencer Churchill, secretary of state for air; the Marquis of Londonderry, undersecretary of state for air; Air Marshal Sir Hugh M. Trenchard, chief of the air staff; Maj. Gen. Sir Frederick H. Sykes, controller general of civil aviation; Air Vice-Marshal Sir E. L. Ellington, director general of supply and research; W. F. Nicholson, secretary of the air ministry.

The ministry is divided into departments, the department of the secretary including the air historical branch, a directorate of contracts, a finance department, and a directorate of lands. The department of the chief of the air staff handles all operations and intelligence, training and organization, personnel, equipment, medical services, works and buildings. The department of the controller general of civil aviation has charge of all commercial aerial navigation and enforcement of aerial laws, information, communications, licensing of airdromes and pilots, and meteorological data, all cooperating with officials assigned from the Royal Air Force. The department of the director general of supply and research has charge of all research, designs, armament, instruments, aircraft supplies, and aeronautical inspection. Late in 1920 Great Britain had air attachés in all important capitals. Air Commodore L. E. O. Charlton is air attaché at Washington.

Great Britain recently out of a direct appropriation of £1,000,000 for civil aviation has allocated the sum of £60,000 for the purpose of granting subsidies to civilian companies, and certain companies now have these subsidies under consideration. There seems to be appreciable understanding in the press, notably the London Times, of the necessity to subsidize commercial enterprises in order to allow them to successfully compete with France, and the tenor of information points toward increasing and expanding these grants.

It will be noted that in England there has been no internal development. Due to the short distances to be covered and the excellence of existing means of communication, England in itself is not a favorable field. The important routes are across the Channel, from London to Paris, to Brussels, and to Amsterdam.

The London-Paris route, the most active of any in the world, was served in the fall of 1920 by four British and three French companies, all of which gave daily service with at least one departure from each terminal. At present there are two British and two French companies active. The passenger fare of £6 6s. includes transportation by automobile to and from the center of each city to its landing field. With this included, the time for the trip averages about four hours, a saving of six hours over the boat and train route at slightly less than twice the cost. The 223-mile flight takes from two to two and a half hours. Passengers are allowed 30 pounds of baggage without charge. Mail is carried for additional postage of 2d. per ounce; and freight charges, on a sliding scale, amount to 9s. per pound on parcels up to 10 pounds in weight.

On the London-Brussels route but one Belgian company now operates, the British company having abandoned the field. The scheduled time for the trip of 210 miles is two and one-half hours. This service advances all British mail passing through Brussels for interior points by a full day.

The longest of the three routes from London is that to Amsterdam, a trip of 258 miles. Daily departures in both directions were formerly made by two British companies, with Rotterdam an intermediate stop on the homeward trip. A single Dutch company now gives daily service. The scheduled time is two and one-half hours. The mail charge is 4½d. per ounce and a single fare £8 8s. This route connects with several continental routes whose terminals are at Amsterdam, and in consequence the Danish and German mails arriving in Amsterdam are sent direct to London by air.

Three commercial air routes are operating between England and the Continent: London to Paris, 223 miles; London to Brussels, 210 miles; London to Amsterdam, 258 miles. The Government grants a bonus equal to about 25 per cent of the operating receipts of companies engaged in commercial flying.

Strict rules are enforced regarding importations into the United Kingdom. Imports worth £512,722 were flown into the United Kingdom in 12 months. Exports for the year aggregated

£235,045 in value. Aircraft departing for the Continent in 12 months totaled 1,455, and 1,325 arrived in England; 51,535 letters left the United Kingdom for Paris, Brussels, and Amsterdam and 45,077 letters from those cities between November, 1919, and October, 1920.

CIVIL AVIATION IN ENGLAND.

The following is a summary of British civil aviation, including continental services from London to Paris, to Brussels, and to Amsterdam, during the years 1919 and 1920:

Traffic.	May 1, 1919, to Mar. 31, 1920.	Apr. 1, 1920, to Mar. 31, 1921.
Number of machine flights	37,821	26,154
Approximate machine mileage	691,900	901,800
Number of passengers carried	67,940	42,448
Weight of goods carried (tons)	46	124½

It will be seen from the above table that there was a decided decrease in the number of passengers carried and number of machine flights made from April 1, 1920, to March 31, 1921, as compared to the previous year. This is due to the fact that the Aircraft Transport & Travel Co. discontinued its cross-channel services December 17, 1920, and owing to the heavy French subsidies and the consequent reduction of fares Messrs. Handley-Page found themselves no longer in a position to compete with the French air transport companies and ceased operations.

In consequence of the suspension of the British continental services, a small committee was appointed in February by the secretary of state for air to examine the whole question of financial assistance for British firms operating on the cross-channel routes, with the result that temporary arrangements were made with Messrs. Handley-Page and the Instone Air Line for the revival of a daily service between London and Paris, each firm being guaranteed a profit of 10 per cent of its receipts from the carriage of passengers, goods, and mail, with a maximum liability to the Government in each case of £25,000.

ITALY.

Since July 1, 1920, commercial aviation in Italy has been under the jurisdiction of the permanent board of aeronautics, which, broadly speaking, controls the development of both military and naval aviation. Army air service operations are controlled by the inspector of army aeronautics, and naval aerial operations by an inspector of naval aeronautics. These are Gen. Moris and Admiral Orsini, respectively, while Profs. Volterra and Panetti comprise the other members of the board.

All military and naval aircraft are developed and produced by the army air service, assisted by technical officers from naval aviation when the planes are to be used by the latter branch. Operations are conducted separately by both land and sea aerial forces, while the aviators are trained in separately conducted schools.

The army air service, beginning January 1, 1921, will include four divisions, that dealing with commercial aeronautics, the operating division, the technical and administrative divisions. Technical sections under the jurisdiction of the war department include experimental branches for both heavier and lighter than air craft, all in the technical division; also an ordnance bureau, radio office, aerological, and photographic services. * * * Italy has assigned aerial attachés to France, England, the United States, and Sweden. Lieut. Col. A. Guidoni is attaché at Washington.

The commercial aeronautics branch of the army air service is continuing the work of preparing aerial routes and establishing landing fields throughout the Kingdom.

Several commercial companies are endeavoring to maintain regular services. They are assisted by the Government, which maintains the landing fields and defrays the expenses incident to charting air routes. The Government also nourishes the industry by buying all its machines from manufacturers, with two results: Machines and equipment can be secured more economically from private factories operating on a competitive basis than if built in Government-owned and operated factories; also, the maintenance of a civilian industry provides the country with a nucleus for quantity production in case of war.

Aerial laws have been made in accordance with the International Aerial Convention and local regulations are based on those provisions.

JAPAN.

Aviation in Japan is under the supervision of the Government, military and naval aviation being part of the army and navy establishments, and the air mail service now being organized under the supervision of the department of communications—all, however, cooperating in conferences for the development of machines, routes, and the training of pilots.

Japan is encouraging aviation through federal assistance, although this is mostly in the form of honors, awards, and instructions to individuals. No commercial enterprise has as yet been subsidized by the Government, but indications are that airplane construction companies will soon be so subsidized. Japanese progress and activity in aviation is backward and appears largely confined to that which is directly under Government control.

[NOTE.—For aviation status of other countries see the Aircraft Year Book for 1921, p. 158.]

AVIATION ABROAD.

AMBASSADE DE FRANCE AUX ETATS-UNIS,
L'attaché Aeronautique.

DEAR MR. HICKS: Referring to our recent conversation on aeronautics, I take pleasure in supplying you with the following information.

Believe me, very respectfully, yours,

CAPITAINE DE LAVERGNE,
Attaché.

It seems interesting to me to give you some figures which give a right idea of the progress made in Europe in the matter of commercial aviation.

You will find below the records of the trips completed on our several routes and on those of England and Germany, as well as the number of passengers carried and the weight of the freight and mail.

France—Month of September, 1921.

	Trips completed.	Passengers.	Freight (kilograms).	Mail.
Paris-London:				
Compagnie des Grands Express Aériens, 3 Rue d'Anjou, Paris	50	253	3.547	24
Compagnie des Messageries Aériennes, 2 Rue Galilée, Paris	114	187	5.072	101
Paris-Brussels-Amsterdam: Compagnie des Messageries Aériennes	30	101	1.279	49
Paris-Amsterdam: Société Général des Transports Aériens, 167, Rue de Silly, Billancourt (Vente de billets: 25 Rue Royale, Paris)	25	72	1.038	2
Paris-Strasburg, Pragen-Warsaw: Compagnie France-Roumaine, 22 Rue des Pyramides, Paris	188	229	6.237	322
Paris-Barcelona-Malaga-Casablanca: Compagnie Générale d'Entreprises Aéronautiques, 182, Boulevard Haussmann, Paris et 1, Route de Revel, Toulouse	165	59	1.336	679
Bayonne-Bilbao-Santander: Compagnie Franco-Bilbaine, 3 Rue Jacques-Laffite, Bayonne	56	87	.....	.....
Bordeaux-Toulouse-Montpellier: Aèro Transports Ernoul, 20 bis, Rue Sainte-Hillaire, Toulouse	104	116	.....	.....
Nimes-Nice: Compagnie Aérienne Française, 10 Avenue Maréchal-Joffre, Nice et 39, Rue Cambon, Paris	.....	.....	.....	.....
Total	712	1,104	18.509	1.177
FOREIGN.				
Germany-Belgium:				
Brussels-London (Société Nationale pour l'Etude des Transports Aériens	55	71	.....	.....
Brussels-Rotterdam-Amsterdam	.....	.....	.....	.....
Great Britain:				
Paris-London (Instone Air Line	50	273	.....	.....
Paris-London (Handley-Page	48	309	.....	.....
Netherlands:				
Amsterdam-London (Koninglijke Luchtvaart Maatschappij)	46	55	.....	.....
Rotterdam-Amsterdam-Hambourg (from Aug. 28 to Sept. 24)	45	33	.....	.....
Sweden, Stockholm-Reval (Svenska Luftrafikaktiebolaget): Porjus-Suorva (in August)	32	34	1.159	.....

Mr. FIELDS. Mr. Chairman, by direction of my colleague [Mr. JOHNSON of Kentucky], I yield 10 minutes to the gentleman from Louisiana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman and gentlemen of the committee, the other day when the bill making appropriations for independent offices was under consideration, I did not have the opportunity, either under general debate or under the five-minute rule, to make a few observations which I deem to be of some importance to the people in New Orleans, which I have the honor in part to represent, myself and my splendid friend and colleague, GARLAND DUPRÉ, representing the entire city

and some few adjoining parishes that correspond to your counties.

I have no fault to find with the administration of the Shipping Board or the Emergency Fleet Corporation. I am not a critic by nature. I do not think the Almighty ever intended that I should play any spectacular or stellar engagement in that direction. I view with sympathy and I propose to support all of the efforts made by the officers and members of the Shipping Board and the Emergency Fleet Corporation to accomplish the great purpose which the American people are looking to them to accomplish. I do not believe in finding fault with what is considered the extravagant performances of the war period. I do not know that it would do any good. I believe it is Dryden who says:

> Not Heaven itself upon the past has power;
> But what has been, has been.

After we had declared that there was a state of war in existence between this country and Germany a tremendous wave of emotionalism stirred our people; the war spirit spread over the land; that emotionalism and that war spirit swept people off their feet; men in high position responded to the tremendous cry that had gone up from ocean to ocean to hurry on and beat Germany. It was that martial enthusiasm and exalted patriotism, that desire to deliver a knock-out blow early and end the war, which was responsible for a great many of the extravagances of the war. What else could anyone expect? When in all history was war economical? War and economy are an absurd contradiction. As has been said time and again on this floor, in the press, and from the pulpit, war in itself is the most reckless extravagance, and every incident that pertains to it is necessarily extravagant. It is not difficult to recall the thrill of those never-to-be-forgotten days when the soul of America was soaring to Olympian heights. I recall them vividly, for from New Orleans as a viewpoint I could sense the atmosphere of the Nation and particularly of the cities. Our tense interest was the interest of every village, hamlet, and city in America, for as the late Robert Ingersoll once said, all cities in their mass attitudes emotionally, anyhow, are alike; they have their streets and their alleys, their great outstanding buildings, and their men, women, and children; and the conditions that spring from the facts of their existence produce about the same results. So, too, does the country boy of Louisiana and Maine, Mississippi and Oregon respond, react to the same influences, and how nobly they did respond to the call of their country! When shall their glory fade? Those days shall never fade from our memories, and the heroism of the brave youth of this land should never fade from the minds of men and women who love their native land because it is their own and scorn to give aught other reason why. You remember when the cry, "Food will win the war" and "War stamps will win the war" and "Ships and more ships" rang through the land like a bugle blast. Where, then, was the man rash or bold enough to believe from a common-sense standpoint he ought to protest against that emotionalism and the riotous extravagance which accompanied it and which evidenced that America was moved and thrilled to the depths of her soul? No one would have been permitted to protest against any expenditure, however great. Summary punishment would have been meted out to him whose folly would suggest economy in a time when every other idea should have been drowned in the thought, Win the war. During the debate upon the antilynching bill a few days ago these thoughts came back to me, and I concluded that potentially, much as we might deplore it, all Americans are capable of becoming lynchers.

If a man stood out against the best interests of his country during that period when we were all thrilled with patriotism "from head to toenails," when our brave boys were crossing the ocean, when we were looking at them leaving schoolhouses and the various other meeting places where they assembled in order to take the train and reach the Atlantic seaboard, if during that time a man had said anything to arouse the faintest suspicion that he was not all American and was not fully in accord with the mothers and fathers of those who were going out to die for us, he would have been summarily dealt with and lynched judicially or extrajudicially, either within or without the forms of law. I make this observation, as I said before, in connection with the bill which I did not have the opportunity to discuss. But my course in these remarks is somewhat like that of Joseph Conrad in Lord Jim, said to be one of the greatest novels ever written. I am "somewhat vacillating," moving forward in pursuit of one train of thought and then moving backward to pick up another. I have not prepared, in the usual meaning of the word, this address. So let me swing backwards.

When the independent offices appropriation bill was under consideration the Dallinger amendment was under discussion to a large extent during two or three days. The purpose of that amendment, which I supported and which was adopted, is to give the navy yards an opportunity to estimate on the repair work of the Shipping Board and Emergency Fleet Corporation, and, though not so expressed, to estimate for the reconditioning of the *Leviathan*. The debate showed that the people of Boston are extremely anxious, as a result of widespread unemployment, to secure this work. I understood from some newspaper comments that I read that New York was also eagerly looking for this work. That, gentlemen, is a result of unemployment and the anxieties and miseries which flow from this curse that has recurrently afflicted humanity through all the centuries that have rolled their way into eternity since this globe first began to revolve on its axis, and which has apparently become accentuated as a result of a social order in which we prosper in the face of scarcity and starve in sight of plenty. I would imagine that it is difficult for one of us who knows where he is going to sleep, and who knows that he can sit down and have something to eat—I dare say it is difficult for one of us to realize the agonizing torture that must at times threaten to dethrone a man's reason when he is out of employment and when he has a family dependent upon him for support. To the hopeless and saddened eyes of a man who has a wife and little boys and girls to protect and rear unemployment makes for the darkest chapter in his existence. During my day I have seen men in that terrible condition. I had hoped and prayed to God that I would never see that condition again. But man's hopes and prayers and tears do not prevent soul-trying calamities. God moves in mysterious ways His wonders to perform. We are face to face with poverty and misery in this country to-day. I can therefore view with all my heart's sympathy the attempt on the part of the people of Boston to secure the work which they think will alleviate the suffering or probably prevent the starvation that confronts a great many of their men who are willing to work but are idle to-day.

I can thoroughly understand the intention on the part of the mayor of Boston and the Representatives in Congress of that great metropolis and its environs in attempting to secure work of this or any other description in order to tide over many an unfortunate man who is walking the streets and looking into the future with misty eyes and troubled hearts. God pity the man who has four or five children and a wife and has not the money to pay the rent and has not the money to go to the grocery store and get the ordinary necessities of life. Yes; and the Nation should not only pity him but succor and make employment, for we are our brother's keeper, and no greater maxim could a country have than the misfortune of one is the concern of all.

The people believe that they have a right to look to Government—National, State, county, and city—to protect the welfare of the country by alleviating the sufferings which flow from unemployment and poverty as far as the means and ability of Government will permit. People all over the civilized world expect it, and I think the President is in accord with the idea, because he is urging the Cabinet officers to hurry up what work they have to do and do it now. And he is appealing to every agency of Government, State and National, as well as to business interests, to make work for the poor and needy. Of course, my friends, I may say it is an indictment of the social order and civilization under which we are living that all this distress is on account of Europe's inability to buy our goods. Millions are starving on the other side because there is nothing with which to purchase the necessities of life, and we are confronted with starvation in the face of the fact that our granaries are bursting with the foodstuffs stored therein. While there is enough in sight to feed and clothe the world and make all mankind content and happy, we are confronted with gaunt want as a result of not having an international fiscal system that would make for an exchange of products and for that employment and industry prayed for by millions on both sides of the world. Yes; I am perhaps pursuing a vacillating course, but I hope to reach the point I have in mind.

While we were discussing the hopes of Boston in the way of reconditioning this monster of the deep, the *Leviathan*, in order to keep at work those who are presently in that yard, and who are apprehensive they might soon be on the street, and to provide for some of the great number who are to-day tramping about that city looking for bread, I could not help but contemplate what a slight change in our so-called world economic order can change prosperity into a cataclysm. Not long ago all our people appeared to be happy and content. They were

so busy that no thought was given to Government work. To-day, as a result of widespread depression, poverty, want, and misery, Boston, New York, and Newport News are struggling to recondition the *Leviathan*, and all navy yard employees are clamoring for work. Nor could I help but think of the number of navy yards we have running from Charleston up to the far north—I believe Portsmouth is the one that lies farthest north. Nor could I avoid reflecting on the fact that one might take a ship and drift down the Atlantic coast and around Florida and go along the Gulf coast until the Rio Grande is reached and not strike another navy yard, for the only navy yard that was down there was at New Orleans, on the banks of the Mississippi, in the district that I have the honor to represent, and that has been practically closed. Why I do not know. I do not profess to be an expert on naval affairs, but everyone conversant with our geographical situation realizes that if some tremendous conflict on sea should take place between us and some foe across the Atlantic, it will necessarily be at some place between the Bermudas and the Bahama Islands. As a lover of peace, as one who hopes for English-speaking solidarity, as one who prays that another war may never come, may I ask as an American why does Great Britain hold on to the Bermudas and the Bahamas? These islands mark the only place in which a naval engagement might be fought, and not on the North Atlantic coast. And yet, in the face of this patent and obvious fact, it is proposed to close up the New Orleans Navy Yard.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. FIELDS. Mr. Chairman, I yield to the gentleman five minutes more.

Mr. O'CONNOR. We are told by those who profess to know that for strategic purposes the New Orleans Navy Yard can be no longer considered because the Straits of Florida, 90 miles across, might be mined, and the straits between Yucatan and Cuba might be mined, and in addition to that the mouth of the Mississippi River might be mined. Gentlemen, that is true. These tremendous tasks might be accomplished; but there is no navy yard in the United States of America to which that statement does not apply with a great deal more force than it does to the New Orleans Navy Yard, because all navy yards are located in harbors or on the banks of a bay, and all of these harbors and bays could be more easily mined than the Straits of Florida or the Straits of Yucatan or the mouth of the Mississippi River.

Gentlemen, may I suggest, in view of the sympathetic attitude of the President of the United States toward the unemployed in requesting the Cabinet officers and the heads of departments to give work as rapidly as possible where it is intended to do any work, in order to relieve the sufferings of the people of the country, that it would be not only a gracious but a highly patriotic act—an act of great wisdom—to keep open the New Orleans Navy Yard, a yard that is dear to the Mississippi Valley, but particularly to the old city near the Gulf of Mexico, where there is unemployment also, for we are all suffering from the terrible visitation from which no city can escape. I respectfully suggest this course not only from the sentimental standpoint but from the broad and high ground of patriotism, for I repeat we need it, and will need it, if fate ever demands we meet on the sea any power from over the Atlantic. Keep in mind, Members of Congress and Secretary of the Navy, that our Naval Establishment should not have an eye single to one or two sections of our country, but should always be mindful of the needs, the requirements, the hopes of all the country. Like all or most of my countrymen, I hope for peace on earth and good will to all men, if that be the phraseology of that optimistic hope; but I can never forget and hope—pray that my country will never forget—that eternal vigilance is the price of liberty and of safety.

With all of the respect that a Member of Congress should have for the Secretary of the Navy, I urge him, on behalf of the people of New Orleans, to keep in operation the only yard we have after you leave Charleston, either in the South Atlantic or Gulf coasts. I believe, my friends, that it is absolutely lacking in wisdom to close the New Orleans yard, and that the old tradition and the old viewpoint ought to be adhered to—an ounce of prevention is better than a pound of cure. The Mississippi River and old New Orleans played a tremendous part in the struggle that ended at Appomattox. When Butler and Farragut took New Orleans the great Civil War practically came to an end. The North through that victory took control of the Mississippi and cut the Confederacy in twain. Do not, Mr. Secretary, add to the possibility, remote as it may be, of an alien from across the sea ever cutting any part of our country in twain by securing control of the mouth of the Mississippi. Do not close the New Orleans yard. It is the only one from Charleston to the Rio Grande——

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FIELDS. Mr. Chairman, I yield five minutes to the gentleman from Virginia [Mr. MOORE].

Mr. MOORE of Virginia. Mr. Chairman, my only purpose now is to get into the RECORD certain data that may be needed by some of the gentlemen who propose to discuss to-morrow the District appropriation bill now under consideration. During the address of the gentleman from Kentucky [Mr. JOHNSON] he made some reference to the evolution of the bill. The bill seems to have been evolved in this way: The authorities of the District of Columbia, the commissioners, presented their estimates last fall to the Budget Bureau. The Budget Bureau at the beginning of this session of Congress, having dealt with those estimates, submitted their own estimates to Congress, and the estimates of the Budget Bureau—not the estimates of the commissioners—were taken by the Committee on Appropriations as the basis of that committee's work.

Mr. EVANS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. EVANS. I scarcely would want to agree with the gentleman's statement. The estimates coming from the Budget governed the committee only in this, and I think all members will agree with me, that we did not go above, but we investigated independently each and every item of the bill.

Mr. MOORE of Virginia. I think my friend will remember that at the hearings the chairman of the subcommittee insisted that the committee had no right to exceed the Budget estimates. But whether that is correct or not——

Mr. DAVIS of Minnesota. I did not wish to be understood in that way. I said we limited our investigations to what was done in the Budget.

Mr. MOORE of Virginia. The gentleman at the hearings assumed, as I understand, that there was some legal reason which should prevent the consideration of estimates in excess of the Budget estimates.

Mr. DAVIS of Minnesota. I really think the gentleman is mistaken.

Mr. MOORE of Virginia. I do not intend to do either of my friends any injustice, but to-morrow if I get the opportunity I shall quote from the hearings to show exactly what was their position. Inasmuch as we are not on that as a vital issue now, I shall use the two or three minutes I have remaining to offer the data which I wish to present.

Mr. DAVIS of Minnesota. Oh, the gentleman will excuse me. I thought he was referring to my remarks this morning.

Mr. MOORE of Virginia. No; I am referring to the hearings.

Mr. DAVIS of Minnesota. I remember saying during the hearings that we must confine ourselves to the Budget.

Mr. MOORE of Virginia. I quote now from the report of the gentleman, chairman of the subcommittee, filed for the Committee on Appropriations:

> With but a single exception have the committee recommended an appropriation in excess of the estimates.

That exception, as the report proceeded to state, involves an item of only $700. Then the report further says:

> In no other instance have they exceeded the Budget totals. On the contrary, there are but few instances where the appropriation proposed is not well below the Budget's proposal.

The point I wish to make is that the commissioners' estimates were reduced very drastically by the Budget Bureau. Why they were thus reduced we in the House do not know. Why they were reduced the Committee on Appropriations does not know to this good hour. The extent to which they were reduced is shown in the statement that I have here in my hand, which I ask permission to have incorporated in my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. Mr. Chairman, this statement shows the eliminations and reductions by the Budget Bureau totaled $2,625,337 before the Budget made up its estimates which it sent to Congress. The Committee on Appropriations took those estimates, reduced by the bureau in that manner, and proceeded to cut them severely. The bureau's estimates were $26,888,000 plus, and we have here a bill from the committee carrying only $20,397,000 plus.

The statement I have referred to is as follows:

Statement showing estimates of appropriations submitted by the Commissioners of the District of Columbia for the fiscal year ending June 30, 1923, which were eliminated from the budjet by the Bureau of the Budget, or reduced by the bureau.

	Commissioners' estimates.	Budget estimates.
Site and addition to Municipal Building	$70,000	Out.
Combination building for police and fire departments and morgue, Fourteenth and N Streets SW	90,000	Out.
Reconstructing wharf property, Water Street between Fourteenth and N Streets SW	100,000	Out.
Street improvements; repaving Fourteenth Street west, C Street north to B Street south	30,000	Out.
Paving Georgia Avenue, Military Road to Piney Branch Road	49,000	Out.
Paving Nichols Avenue, south entrance asylum to Portland Street	54,000	Out.
Repaving Eleventh Street, Potomac Avenue to Anacostia Bridge	33,500	Out.
Paving Twentieth Street, NW., Virginia Avenue to E Street	11,200	Out.
Paving Allen Place, west of Twentieth Street	5,600	Out.
Paving D Street NW., Sixth Street to Seventh Street	11,200	Out.
Paving Arkansas Avenue NW., between Emerson and Farragut Street	7,500	Out.
Paving Sheperd Street NW., west of Fourteenth. Street	4,700	Out.
Repaving Georgia Avenue, between Florida Avenue and Barry Place	33,500	Out.
Paving Twenty-eighth Street south of Cathedral Avenue	16,800	Out.
Paving G Street SE., Fourteenth to Eleventh Streets	9,300	Out.
Repaving Wisconsin Avenue between M and Grace Streets	11,200	Out.
Repaving Seventh Street west Pennsylvania Avenue to B Street south	33,500	Out.
Paving west side of Wisconsin Avenue, Massachusetts Avenue to Newark Street	35,400	Out.
Grading Belmont Road NW., Massachusetts Avenue to Connecticut Avenue	13,400	Out.
Grading Eckington Terrace NE., Prospect to T Streets	6,800	Out.
Grading and improving Fifth Street SE., Savannah to Trenton Streets	837	Out.
Paving Eighth Street NW., New Hampshire Avenue to Shepherd Street	7,900	Out.
Paving Randolph Street NW., Fifth Street to Rock Creek Church Road	9,900	Out.
Paving Park Road NW., Fourteenth Street west to alley	2,600	Out.
Paving Georgia Avenue, Columbia Road north to asphalt street	13,000	Out.
Paving Allison Street, Illinois Avenue to Seventh Street NW	4,300	Out.
Paving Seventeenth Street NW., Irving Street to Kenyon Street	4,300	Out.
Grading Albemarle Street NW., Murdock Mill Road to Wisconsin Avenue	10,000	Out.
Paving Newton Street NW., Georgia Avenue to New Hampshire Avenue	8,900	Out.
Paving Otis Street NW., Georgia Avenue to New Hampshire Avenue	6,500	Out.
Grading Forty-seventh Place NW., New Cut Road to Conduit Road	3,400	Out.
Paving V Street NE., North Capitol Street to Lincoln Road	10,500	Out.
Paving Twelfth Street, Otis Street to Michigan Avenue	16,000	Out.
Paving Todd Place, Lincoln Road to First Street	3,200	Out.
Grading Potomac Avenue NW., McComb Street to Manning Place	2,600	Out.
Paving Fourth Street NW., Taylor Street to Upshur Street	5,600	Out.
Paving Channing Street NE., North Capitol Street eastward	3,300	Out.
Paving Varnum Street NW., Seventh Street to Grant Circle	6,100	Out.
Paving Jefferson Street NW., 200 feet east of Fourteenth Street	3,600	Out.
Paving Kenyon Street NW., Mount Pleasant Street to Eighteenth Street	11,500	Out.
Repaving Nineteenth Street NW., Pennsylvania Avenue to K Street	17,000	Out.
Grading Twenty-eighth Street SE., R to W Streets	13,500	Out.
Paving Twelfth Street NE., Michigan Avenue to Upshur Street	17,200	Out.
Repairs to streets, etc	600,000	575,000
Sidewalks and curbs around public reservations, etc	25,000	20,000
Repairs to suburban roads	300,000	250,000
Plans for bridge to replace Chain Bridge	6,000	Out.
Masonry bridge across Rock Creek on line of Calvert Street	180,000	Out.
Sewers: Cleaning and repairing	100,000	80,000
Sewage pumping service, maintenance	100,000	80,000
Main and pipe sewers	144,000	125,000
Acquisition of square 2910: Site for, and construction of, stable for city refuse division	60,000	Out.
Municipal stables, storehouse, and asphalt plant	400,000	Out.
Miscellaneous refuse, salvage disposal plant, and stables	155,000	Out.
Central stable adjoining refuse disposal plant	100,000	Out.
Disposal of city refuse	900,000	800,000
Trees and parking	70,000	50,000
Maintenance of playgrounds	50,000	35,000
Construction of 2 swimming pools for playgrounds	25,000	Out.
Site for playground, vicinity Wilson School, Seventeenth Street and Kalorama Road	17,000	Out.
Klingle Road Valley, Piney Branch and Patterson tract for parks	600,000	Out.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. I ask the gentleman to yield me one minute more.

Mr. FIELDS. I yield the gentleman one minute more.

Mr. DAVIS of Minnesota. Three milllion dollars of the decrease was on account of the water proposition.

Mr. MOORE of Virginia. I quite understand that.

It is one of the most extraordinary showings that we have had in Congress since I have been here. As the gentleman from Minnesota [Mr. DAVIS] stated this morning this bill carries a smaller amount than any appropriation put through or likely to be put through——

Mr. DAVIS of Minnesota. Not a District bill.

Mr. MOORE of Virginia. A District bill.

Mr. DAVIS of Minnesota. No; I said I expressly excepted the District bill. I said it was the smallest amount of any bill coming before us from the other subcommittees.

Mr. MOORE of Virginia. That is exactly what I am saying.

Mr. DAVIS of Minnesota. I thought the gentleman referred to any other District of Columbia bill.

Mr. MOORE of Virginia. No; I am talking about the District bill as compared with the other bills. It is the smallest in amount, and represents the most drastic reductions by the Budget Bureau and by the Committee on Appropriations that we have thus far encountered or are likely to encounter.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HICKS. Mr. Chairman, I got permission very kindly to put some remarks in the RECORD. Now, there are some extracts contained in those remarks that I am afraid unless I get permission to put them in full-face type in the RECORD they will be put in small type which nobody will read, and I think people will be interested to see what they are, and I ask permission to have those extracts printed in full-face type in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none.

Mr. FOCHT. I offer to amend the motion that they be put in 8-point type.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. BRENNAN].

Mr. BRENNAN. Mr. Chairman and gentlemen of the Committee, every Member of this House in common with every man and woman in the country was shocked and appalled at the disaster at the Knickerbocker Theater last Saturday evening, and while we recognize that nothing we can say, nothing we can do, can assuage the grief of the stricken families, still it is only natural and proper that we should seek some solution, some remedy to prevent such occurrences in the future. There is another condition that we who have been in the city of Washington during the past week are cognizant of which perhaps is not so well known throughout the balance of the country, and yet which we know was a great contributing factor in the loss of life and the extent of the injuries of the victims. I have learned, and no doubt you gentlemen have heard, that because of the fact that the streets of this city were clogged with snow the apparatus of the fire department and of the police department and the ambulances were unable to reach the scene of the disaster as soon as they would have if the streets had been clean. Some of this apparatus was tied up for hours and never reached the scene of the accident. And following that condition we witnessed the business of the city of Washington practically at a standstill for 48 hours. Members of this body who lived a distance from the Capitol were obliged to walk. I happen to live about 5 miles from the Capitol. There was no street-car service to my section of the city. It was almost impossible to operate a motor vehicle upon most of the city's streets. It was impossible to obtain deliveries of food and other necessities. Thousands of hours of time were wasted by the business people of the city and by Government employees; accidents without number occurred in the city's streets; and this in the Capital of the United States, a city of half a million people, whose laws are made directly by the Congress of the United States, whose administration is by commissioners under direct appointment of the President; this condition which we would not believe could exist in the darkest part of soviet Russia, this condition of a city of a half million standing still for three or four days with sidewalks and streets clogged with ice and snow, a menace to the life and limb of every man, woman, and child who used them.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. BRENNAN. I will yield.

Mr. GARRETT of Tennessee. Where does the gentleman place the blame?

Mr. BRENNAN. I am coming to that. We have heard in the last few days that there will be many investigations of the Knickerbocker catastrophe. I believe that there are now proposed or under way four separate investigations, and I wonder whether that condition could exist in any other city in the country—an investigation by the coroner, another one by the United States district attorney, another one by the District

Commissioners themselves, and a fourth one possibly by the Congress of the United States. My thought, Mr. Chairman, as to what the solution of these problems is, is that there should be some substantial change in the system of government under which the District of Columbia is administered. I can not entirely agree with certain of the District officials who blame Congress, who say that Congress has not given them sufficient money for the needs of the District, any more than I can agree entirely with the violent criticism of the District officials themselves. We appreciate that these men are perhaps as patriotic, as enthusiastic, as forward-looking as any of the municipal officials in our own cities at home, but the trouble is not with the District Committee of Congress, not with the subcommittee of the Appropriations Committee having to do with these expenditures, not with the District officials, but the trouble is, Mr. Chairman, with the hybrid system by which there is a divided responsibility between the Congress, on the one hand, and the municipal government, upon the other. And when, after a disaster of this kind, it is possible for the District officials, on the one hand, to accuse Congress, and for a Senator of the United States, on the other, to say that the District officials are lax in the performance of their duties, I say it is high time to give to the people of the city of Washington authority to govern their own affairs, to elect officers of their own choosing, subject to their recall, and to have something to say regarding the adequacy of local appropriations.

The system which is now in effect, and which we have been discussing in connection with this bill, should be so modified as to give the people of the District of Columbia such a degree of self-government as to make their officials responsible to them. And when they find that the streets of Washington are so filled with snow and ice as to be a menace to life, health, and property there will be a commissioner of public works, or some corresponding official, who can be called in to explain, some man who is directly responsible to the very people who are obliged to suffer because of his derelictions. God forbid that there should ever occur again another human sacrifice such as this theater horror, but if another serious accident occurs let there be some responsible official or department to be held accountable and let us not witness again this lamentable division of authority and this prospect of four separate, duplicating, and overlapping investigations.

Mr. McSWAIN. Not being familiar with streets of cities farther north than Washington, I wish to ask if in the cities that have been incorporated by State governments—such as Philadelphia and Chicago and others—whether or not they clean the snow off promptly after a storm?

Mr. BRENNAN. I can not speak as accurately for the cities mentioned as I can for the city of Detroit, the fourth largest city in the country, which I have the honor to represent in part. The city of Detroit would clean that snow off its streets in less than 24 hours. There would be no cessation of street car service, little or no difficulty in getting to and from work. Why? Because we have in the city of Detroit a mayor, with a common council of nine men—responsible to the people, making the laws, letting the contracts, and doing the business for a city of a million people, and when the appropriations for the city of Detroit are presented for consideration there are present, usually, 100 per cent of that common council, and not 10 or 15 per cent of the legislative body as, unhappily, is sometimes the case here.

Members of Congress not on the District Committee can not be censured for not always being present on the floor when a District bill is being considered. They feel that their primary obligation is owed to the people of their respective districts. If the Member of Congress from the average busy district worked 24 hours a day he could not hope to consider fully all legislative matters and to attend, as completely as he would like to, to the needs of the disabled service men, the unemployed, the pensioners, and the other people in his district. Is it any wonder, then, that District of Columbia day in Congress is hailed by many of us as a day in which to catch up with our mail and to visit the departments in the interests of individual constituents? But what of the people of Washington who have no representative? Why should Congress not be willing to relieve itself of the burden of legislating upon these matters of liberal concern? The time of Congress is sorely needed for the business of the Nation. The people of the District are entitled, as American citizens, to have their needs looked after by officials of their own choosing who have the time to devote to their problems and who are inspired by a genuine interest in seeking a solution of those problems.

Mr. McSWAIN. Along the same line my friend noticed the figures that were published some time ago by Congressman FITZGERALD, to the effect that crime in Washington per capita is greater than in any other city in the United States, and I wish to ask my friend if in the face of these facts he voted for the antilynching law, to deprive different States of the right to administer the law of the country?

Mr. BRENNAN. I did. I yielded, thinking the gentleman was going to make some suggestion regarding the matter at hand.

There are a number of plans before the Congress. I believe bills have been introduced to make the Commissioners of the District elective, to make them responsive to the people, and to insure some degree of home rule.

Mr. SMITH of Michigan. Is it not true that in Detroit and other large cities of the North each person whose residence fronts upon a sidewalk is under the law obliged to clean snow off his sidewalk, and is it not also true that as a usual thing the walks and the streets of the city of Detroit and the other northern cities are all passable and free from snow when it gets through snowing?

Mr. BRENNAN. Absolutely.

Mr. SMITH of Michigan. And this storm would be considered a very ordinary storm in Detroit and in the other cities of Michigan?

Mr. BRENNAN. Unquestionably.

Mr. SMITH of Michigan. And it would hardly put anybody to any inconvenience?

Mr. BRENNAN. No.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BRENNAN. Yes.

Mr. GARRETT of Tennessee. Is not the answer as regards Washington that this was a very extraordinary storm in Washington, although it would be an ordinary storm in Detroit?

Mr. FOCHT. If the gentlemen will pardon me, I may say that there are a few more streets in Washington than there are in the average city.

Mr. BRENNAN. The city of Washington is less than one-half the population of the city of Detroit.

Mr. FOCHT. How about the street area?

Mr. BRENNAN. The area of the city of Detroit is more than one-seventh larger than the area of the District of Columbia. Its street area is more than twice as large. But to answer the suggestion of the gentleman from Tennessee [Mr. GARRETT], this is not the only snowstorm of the winter in Washington. We have had other snows, not as heavy as this, but I understand that there is no law on the statute books which requires one to remove the snow from his sidewalk in the District of Columbia. A man can break a leg by slipping and falling on a half inch of snow as readily as by slipping on 2 feet of snow.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield to the gentleman three minutes more.

The CHAIRMAN. The gentleman from Michigan is recognized for three more minutes.

Mr. BRENNAN. I understand that one of the commissioners says he has no authority to regulate traffic so as to rope off a portion of the street to permit coasting by schoolboys. In the northwestern section of Washington there have been a number of serious accidents. The school children use their sleds to coast down the hills. In all the large cities of the country there is some provision for such things without being obliged to come to Congress and interrupt the consideration of a $10,000,000,000 foreign loan bill to ask for the enactment of a law to permit school children to run their sleds in safety. I understand one child was injured so badly here that his leg had to be amputated. Coasting, of course, will continue so long as the natural attraction of the snow-covered hills exists. But the District officials can not legally protect the children without the enactment of an act of Congress. Surely somewhere in local officials should be imposed an authority to regulate so essentially local a matter without the necessity of the cumbersome appeal to the Congress of the United States.

For the past 20 years home rule for cities has been one of the dominating political issues in every State in the country. Splendid advance has been made to guarantee self-autonomy to municipal communities. But to-day there does not exist in the splendid Capital of the United States even a degree of the right of self-government which is enjoyed by the humblest villages and hamlets of the country. We can never erect to the many heroes who died in the Knickerbocker disaster a physical memorial worthy of the supreme sacrifice which many of them made; but it does lie within our power to erect for them a more suitable monument by way of establishing in the city where they perished a form of government more intelligently calculated to prevent a repetition of the catastrophe of which they were the helpless victims. [Applause.]

Mr. DAVIS of Minnesota. Mr. Chairman, I yield five minutes to the gentleman from Colorado [Mr. VAILE].

The CHAIRMAN. The gentleman from Colorado is recognized for five minutes.

Mr. VAILE. Mr. Chairman, I do not know that the complaint that I have to make is capable of solution in the way suggested by the gentleman from Michigan [Mr. BRENNAN] or not. Perhaps so. I am going to submit the case and rely on the judgment of the committee as to the manner in which it is to be solved. But it has impressed me for the last three years and more that the police force of the city of Washington is not as efficient and capable, for some reason or other, as it ought to be and as is the police force of some of our large cities. In the last Congress we remember the race riots that occurred here, in which a great many people were slain—right here in the Capital city of the United States and almost within a stone's throw of this building—and some brave policemen were killed in the performance of their duties. There was none of us at that time who did not believe that had not some of the officers turned their backs on incipient violence the whole trouble would have been nipped in the bud. Recently I have read in the newspapers that a man was virtually clubbed to death by officers who were merely trying to arrest him for a disturbance. The gentleman from Massachusetts [Mr. TINKHAM] to-day presented an array of statistics showing that an appalling list of crimes had been committed in this city. Major crimes, murders, burglaries, rapes, and other felonies seem to be more numerous here per thousand of population than in any other civilized city in the world.

A few evenings ago I was talking with a lady who had just returned from England, and she commented favorably upon the politeness of the London police, and she spoke of herself and her companion having improvised a lot of questions which they propounded to the police officers chiefly for the purpose of enjoying the Bobbies' ever-patient courtesy and accuracy in answering them.

So now I am going to speak of a complaint that relates not only to general inefficiency but also to a lack of courtesy on the part of the police. Last evening I and a member of my family took a Mount Pleasant car and intended to transfer at Eighteenth and Columbia Road. That is where the terrible tragedy occurred Saturday night. The place is now roped off.

The cars going out in a northwesterly direction usually stop in the 1800 block on Columbia road, and passengers transfer usually on Eighteenth Street on the lower side of Columbia Road, the side toward town. Last night the car did not stop at the usual place. On account of the theater area being roped off it stopped in the 1700 block on Columbia Road. There were a great many policemen standing around there keeping people out of the roped area. I asked one of the policemen where we should take the car. He said, "It is down there," pointing down Eighteenth Street. We went down Eighteenth Street, stumbling along over the ice, to the place where the car to which we desired to transfer usually stops. There we found the space roped off, and I asked the policeman where we took the car. He said, "It must be some place up the street." We went up the street toward the place where we had been originally, and at the corner encountered a third encyclopedia of useful knowledge, a police officer, and asked him where to take the car. He said, "It must be up the street somewhere." Well, I ventured the observation, which was perhaps a little testy, "I think you officers on duty here ought to be advised so that you can inform passengers where to take the car." He said—and this is his answer verbatim—"That is for you to find out." Gentlemen of the committee, I do not believe it could happen in any other city in the United States that three officers on a street corner roped off by order of the police could not tell a passenger where to take the street car. I do not believe it could happen in any other city in the United States that one of those three officers—the first two were courteous enough, though professing complete ignorance of the subject—that any one of those officers would be so impudent as to answer a question which perhaps was a little vexatious to him, but which was a most natural question, by saying, "That is for you to find out." Let me add that two boy scouts on duty there did know exactly where to take the car and how far the car was running.

We have, therefore, in the city of Washington a situation where policemen who are assigned to duty on a street corner do not know as much as two volunteer boy scouts.

Mr. FIELDS. Did the gentleman take the number of the policeman who was discourteous to him?

Mr. VAILE. I did not. I purposely refrained from doing that. I did not want to get the poor fellow "fired" from his job, and he was not informed by his superior. He probably has a wife and children who are dependent upon him for bread and who get also some courtesy from him. But that is the situation, and that is what happened at 20 minutes after 8 last night.

Mr. FIELDS. The next time the gentleman had better take the policeman's number.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FIELDS. I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, the very interesting discussion which was had a while ago by the gentleman from New York [Mr. HICKS] on the question of aviation, and especially with reference to the control of the right of navigation of the air, is one which is coming to be—and soon will be—a very live question. I take it, however, that the maxim of the common law, that a man who owns the land owns ad caelum et ad infernum, still prevails, notwithstanding the intervention of the art of flying. I do not see exactly how that could destroy the right of ownership. Of course, there can be no question that this right is subordinate to the public use. The right to navigate the air over a man's land certainly will have to be acquired, recognizing the fact that the man who owns that land owns the right to the air, certainly, at least, to a finite distance up. If it is not so, then all the theory of the common law as to the ownership of real estate is destroyed if you say, "Well, it is too far up to know how far he does own," which is the same thing as too far down. I do not care how far down you go, if you find coal or if you find oil or gas, the man who owns the top is going to own that which is down there. The gentleman said that was merely a maxim, and that it was not the law. I understand the use of the word in the dictionary, and I went and looked to satisfy myself, and found what I had supposed, that a maxim is "a principle accepted as true and acted on as a rule or guide."

Mr. VAILE. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. VAILE. Is the gentleman familiar with the doctrine of extralateral rights in mining countries?

Mr. STEVENSON. No, sir; I have not been familiar with extralateral rights, but I have had some litigation about the matter of heavenly rights, and I find that the doctrine is recognized that a man owns as far up as he wants to go, and he can sell a section of it above the ground or he can sell all the way up if he wants to.

Mr. VAILE. I might suggest to the gentleman that, owing to the nature of the case, in mining countries we have long established an exception to the doctrine of owning down to the center of the earth.

Mr. STEVENSON. Oh, well, you have an exception where a man finds a vein on one piece of land and it runs under another, that he can follow that vein.

Mr. VAILE. Certainly.

Mr. STEVENSON. The man who owns the surface of the land where that vein starts owns as far as the vein goes; thus it recognizes the right for him to follow his property down as far as he can identify it. Therefore, the same right will apply going up. I want to repudiate the idea that a maxim of the law is not the law but is merely a maxim. It is a principle of law that is so thoroughly settled that nobody ever questions it. I remember when I was quite a young lawyer a question arose as to the construction of a will filed in the county adjacent to me. Two or three young lawyers—and one of them is now on the bench—were very much exercised over the question, because, they said, it was a peculiar question and they could not find any decision upon it. They finally went to old Judge Hudson, one of the great lawyers of the State, then on the bench, and asked him if he knew of any decision on the matter, and he said that there was no decision on the question. They were very curious to know why there was not. The judge told them that it was so plain that nobody had ever been fool enough to raise the question. A maxim is one of those statements that is so clear and so accepted that nobody ever raises the question, and, therefore, there could be no decision upon it.

Down in my State there was an old Scotchman and a jeweler who made a trade, in which the Scotchman sold the jeweler the land and the space to about 12 feet above the top of the soil and reserved the balance above that on which to construct a hotel, with a provision that if the hotel should burn down he would have the right to rebuild it.

The hotel burned down, very naturally. Something got the matter with the finances or went wrong in some way. The whole business was burned down. The jeweler built his house up until it got about as high as he could go, and the Scotchman undertook to place the hotel on top of that. The jeweler brought suit and made the allegation that it was all bosh, that a man could not sell the air in that way, and it was not the law; that a man could not sell his land in segments, but that if he sold it he sold whatever there was above it. We litigated the question. I looked up the decisions all over the world, and it was finally settled in our State that a man did have the right

to leave a Scotchman with something between him and heaven, and the courts sustained the theory that a man owned all of the air as far as there was air, and that he could sell a certain space and stop there, and that if he could find anything there to put his building on in the reserved air, he could put it there and keep it there.

My own judgment about the matter is that we are going to have legislation which will limit the distance to which a landowner owns the ocean of air, just as international law limits the distance to which the United States, for instance, owns the Atlantic and Pacific Oceans that border upon it. In other words, each nation owns the ocean in front of it, but who shall say where they shall stop? International law says 3 miles from the shore, and you are going to have to legislate and provide for a certain distance in the air, and if your right of way comes within that distance, then you have to exercise the right of eminent domain to condemn the right of way to go over another man's land. It may not cost much, but it will be worth something.

That brings us to the gentleman's bill. He says that they have undertaken to provide how they can get the right of way. I do not understand that Congress could step in and provide for the exercise of eminent domain over the property of people in the different States. The right to exercise eminent domain is acquired from the State, and the State may charter corporations and give them the power to exercise that right so as to condemn these great airplane rights of way. I do not think Congress has the right or the power to do that, and you will have very serious trouble whenever you begin it. However, it is a live question, and I am very glad that the gentleman has brought it up. It is one of the questions that has to be settled within the next few years, and the common law, I think, you will find will point the way, because it has been decided that under it you can go down 40 feet underground and sell a man a section of your land that is 40 feet deep, and it will run from 40 feet to 80 feet, and you can sell him the right to go in there, and he can go in there; and, as I say, the case in South Carolina decided that you can sell him the air up to a certain place and stop, or you can begin at a certain place above the ground and sell him above that and stop. You can cut your real estate horizontally as well as perpendicularly. The common law has always been equal to any emergency of that kind which arises, but the right to condemn the right of way, in my judgment, is going to be contested very bitterly when you undertake to allocate it to Congress instead of to the States.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. All time has expired and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That 40 per cent of the following sums, respectively, is appropriated out of any money in the Treasury not otherwise appropriated, and 60 per cent out of the revenues of the District of Columbia, for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, only, namely:

Mr. GARRETT of Tennessee. Mr. Chairman——

Mr. DAVIS of Minnesota. I thought we would read the first section.

Mr. WALSH. That is 40 pages.

Mr. GARRETT of Tennessee. This is an appropriation bill and it is read by paragraphs. I make the point of order there is no quorum present.

Mr. DAVIS of Minnesota. Will the gentleman just withdraw that? I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 10101, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent leave of absence was granted to—

Mr. KELLER (on request of Mr. CLAGUE), on account of sickness.

Mr. FUNK, for to-day and to-morrow, on account of illness.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, we all have notice of the fact that to-morrow the plenary session of the Limitation of Armament Conference is to be held. I have not had an opportunity to talk with the gentleman from Wyoming [Mr. MONDELL], but I am quite sure that many Members will be desirous of attending that conference to-morrow. I wonder if there is any gentleman on the majority side who would be willing to ask that when the House adjourns to-day it adjourn to meet at, say, 1 o'clock. The meeting is at 11.

Mr. WALSH. Mr. Speaker, I am willing to take the responsibility of asking unanimous consent to that effect.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that when we adjourn to-day we adjourn to meet at 1 o'clock to-morrow.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I think the conference will be rather lengthy, and if we are going to break the ordinary rule of convening it should be a later hour, and I should say 2 o'clock. I remember prior conferences where Members missed roll calls and did not return until rather late in the afternoon.

Mr. HICKS. Reserving the right to object, I believe the gentleman from Wisconsin is right. If we are going to adjourn, we should make it at least 2 o'clock.

Mr. DAVIS of Minnesota. I have been informed by the floor leader that he is going on to-morrow with Calendar Wednesday and was not going to set it aside, and I do not see any reason——

Mr. GARRETT of Tennessee. That involves exactly the same thing.

Mr. DAVIS of Minnesota. I am not objecting to making it 2 o'clock.

Mr. WALSH. I am willing to ask that when the House adjourn it adjourn to meet at 1 o'clock to-morrow.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that when the House adjourns to-day it adjourn to meet at 1 o'clock to-morrow. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 1, 1922, at 1 o'clock p. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

493. A letter from the president of the East Washington Heights Traction Railroad Co. transmitting report of the company for the year ending December 31, 1921; to the Committee on the District of Columbia.

494. A letter from the president of the Capital Traction Co., transmitting report of the company for the year ending December 31, 1921; to the Committee on the District of Columbia.

495. A letter from the president of the Georgetown Gas Light Co., transmitting a report of the company, together with a list of stockholders, for the year ended December 31, 1921; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SNYDER: Committee on Indian Affairs. H. R. 10193. A bill extending time for allotments on the Crow Reservation; protecting certain members of the Five Civilized Tribes; payment for tuition of Indian children in Montana; relief of Indians occupying certain lands in Arizona, New Mexico, and California; issuing patents in fee in certain cases; establishing a revolving fund on the Rosebud Reservation; leasing for mining purposes certain lands on the Fort Peck (Mont.) Reservation; memorial to Indians of the Rosebud Reservation killed in the World War; additional water rights on the Crow Reservation; conferring authority on the Secretary of the Interior as to alienation in certain Indian allotments, and for other purposes; without amendment (Rept. No. 637). Referred to the committee of the Whole House on the state of the Union.

Mr. CHANDLER of New York: Committee on the Judiciary. S. 745. An act to amend section 24 and section 256 of the Judicial Code; without amendment (Rept. No. 639). Referred to the House Calendar.

Mr. GOODYKOONTZ: Committee on the Judiciary. S. 2810. An act to amend and reenact section 113 of chapter 5 of the Judicial Code of the United States, as amended and reenacted by an act approved the 22d day of August, 1914; with an amendment (Rept. No. 640). Referred to the House Calendar.

Mr. KAHN: Committee on Military Affairs. S. J. Res. 125. A joint resolution to continue the military status of persons deserting the military or naval service during the World War, and the amenability to trial of those persons who failed to comply with the terms of section 5 of the selective service law; without amendment (Rept. No. 641). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ROSE: Committee on Claims. H. R. 9866. A bill authorizing the Pan American Petroleum & Transport Co. to sue the United States to recover damages resulting from collision; without amendment (Rept. No. 638). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. OSBORNE: A bill (H. R. 10208) to continue in force the laws of the United States regulating immigration and provide safeguards as to those who may later be admitted; to the Committee on Immigration and Naturalization.

By Mr. KING: A bill (H. R. 10209) for the erection of a public building at Rushville, Ill., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

By Mr. EVANS: A bill (H. R. 10210) for the purchase of a site and the erection of a public building at Wayne, Nebr.; to the Committee on Public Buildings and Grounds.

By Mr. ARENTZ: A bill (H. R. 10211) authorizing an appropriation to meet proportionate expenses of providing a drainage system for the Piute Indian lands in the State of Nevada within the Newlands reclamation project of the Reclamation Service; to the Committee on Indian Affairs.

By Mr. BACHARACH: A bill (H. R. 10212) to supplement and amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary" (act of Mar. 3, 1911, chap. 231), and known as the Judicial Code, and to limit the jurisdiction of the district and circuit courts in certain cases; to the Committee on the Judiciary.

By Mr. ROGERS: A bill (H. R. 10213) relative to the foreign intercourse of the United States; to the Committee on Foreign Affairs.

By Mr. HUDSPETH: A bill (H. R. 10214) for the purchase of land adjoining Fort Bliss, Tex.; to the Committee on Appropriations.

By Mr. DAVIS of Tennessee: A bill (H. R. 10215) to provide a course of instruction for certain individuals at the United States Military Academy; to the Committee on Military Affairs.

By Mr. HADLEY: A bill (H. R. 10216) to amend certain provisions of an act entitled "An act to reduce and equalize taxation, to provide revenue, and for other purposes," approved November 23, 1921; to the Committee on Ways and Means.

By Mr. WURZBACH: A bill (H. R. 10217) to provide for a site and public building at Kenedy, Tex.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS of Pennsylvania: A bill (H. R. 10218) granting an increase of pension to James Wise; to the Committee on Pensions.

By Mr. DICKINSON: A bill (H. R. 10219) granting a pension to Lettie W. Smith; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 10220) granting a pension to Catharine Kelley; to the Committee on Invalid Pensions.

By Mr. GOULD: A bill (H. R. 10221) granting an increase of pension to Emma D. Veeder; to the Committee on Invalid Pensions.

By Mr. MICHENER: A bill (H. R. 10222) granting a pension to Katherine M. Wing; to the Committee on Invalid Pensions.

By Mr. OSBORNE: A bill (H. R. 10223) to reimburse the members of Company B, California Engineers, in the aggregate amount personally expended by them for United States Army equipment; to the Committee on Claims.

By Mr. SANDERS of Indiana: A bill (H. R. 10224) granting a pension to Anna Cahill; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 10225) for the relief of Samuel Charles Hampton; to the Committee on Naval Affairs.

By Mr. GREENE of Massachusetts: Resolution (H. Res. 276) for the relief of Florence M. Laflin; to the Committee on Accounts.

By Mr. IRELAND: Resolution (H. Res. 277) for the relief of Jennie Sproul; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3755. By Mr. BURTNESS: Petition of Trades and Labor Assembly, of Fargo, N. Dak., against legislation establishing industrial courts, which would interfere with the rights of citizens to cease work, etc.; to the Committee on the Judiciary.

3756. By Mr. CRAGO: Petition of Lieutenant James H. Hoskinson Camp, No. 31, Department of Pennsylvania, United Spanish War Veterans, relative to order issued by First Assistant Postmaster General; to the Committee on the Post Office and Post Roads.

3757. Also, petition of Captain Charles V. Gridley Garrison, No. 4, Army and Navy Union, against nullification of order giving preference to soldiers also sailors in civil-service appointments; to the Committee on the Post Office and Post Roads.

3758. By Mr. FULLER: Petition of the St. Louis Cash Register Co. (Inc.) and the American Cash Register Co. for a tariff on cash registers; to the Committee on Ways and Means.

3759. Also, petition of the International Association of Garment Manufacturers, favoring assessing duties on imports on American valuation; also favoring the McFadden bill (H. R. 8404); also opposing high tariff duties on imports from Cuba; to the Committee on Ways and Means.

3760. Also, petition of O. N. Swangren and 68 other citizens of Rockford, Ill, asking for speedy passage of the Fordney protective tariff bill; to the Committee on Ways and Means.

3761. By Mr. GALLIVAN: Petition of the Walworth Manufacturing Co., of Boston, urging adoption of amendment to the transportation act of 1920 (S. 621) extending time for filing suit against the United States Railroad Administration; to the Committee on Interstate and Foreign Commerce.

3762. By Mr. KELLY of Pennsylvania: Petition of the Pennsylvania League of Women Voters, in favor of restricting immigration; to the Committee on Immigration and Naturalization.

3763. By Mr. KIESS: Petition of Charles A. Kiehl, of Williamsport, Pa., relative to House bill 7456; to the Committee on Ways and Means.

3764. By Mr. KISSEL: Petition of the Pacific Northwest Farm Trio, Spokane, Wash, relative to the agriculture conference, etc.; to the Committee on Agriculture.

3765. Also, petition of George Borgfeldt & Co., of New York, N. Y., urging passage of McNary-Smith bill; to the Committee on Agriculture.

3766. By Mr. MAGEE: Resolution adopted by the Fourth Presbyterian Church of Syracuse, N. Y., and petitions of citizens of Syracuse, protesting against tax on beer and light wines for the purpose of raising money for a soldier bonus; to the Committee on Ways and Means.

3767. By Mr. SMITH of Idaho: Resolutions adopted by the Nampa Club of International Rotary; the Outlook Club of Weiser; Seventh Annual Convention of the Idaho State Federation of Labor; Chamber of Commerce of Buhl; Rotary Club of Rupert, and the Empire Grange, No. 112, Minidoka County, all in the State of Idaho, urging the enactment of legislation providing for a more rapid development of the waste lands; to the Committee on Irrigation of Arid Lands.

3768. Also, petition of the American Legion, Department of Idaho, favoring adjusted compensation for the returned soldiers; to the Committee on Ways and Means.

3769. By Mr. SWING: Petition of citizens and educators of Palo Alto, Calif., urging passage of Sterling-Towner bill; to the Committee on Education.

3770. By Mr. TEMPLE: Testimony in support of House bill 5410, granting a pension to Lina A. Breckenridge, helpless and dependent child of Robert S. Breckenridge, late of Company D, One hundred and thirty-fourth Regiment Pennsylvania Volunteer Infantry; to the Committee on Invalid Pensions.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *February 1, 1922.*

The House met at 1 o'clock p. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our heavenly Father, we would close the door and rest in the quietness of the inner chamber for a moment. Here through quiet communion and silent effort we would repeat our vows and relinquish our faults that good deeds and wholesome living may be the issues of our lives. O, weapon our minds with great thoughts, our tongues with wise speech, and our hearts with rich sentiment. As we are intrusted with great responsibility, O help us to discharge it with a fine conscience, with high principle, and in every way make right use of our vocation. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the roll of committees.

SPANISH WAR PENSIONS.

Mr. ROBSION (when the Committee on Pensions was called). Mr. Speaker, by direction of the Committee on Pensions I call up the bill H. R. 4.

The SPEAKER. The gentleman, from the Committee on Pensions, calls up a bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 4) granting relief to soldiers and sailors of the War with Spain, Philippine insurrection, and Chinese Boxer rebellion campaign; to widows, former widows, and dependent parents of such soldiers and sailors; and to certain Army nurses.

The SPEAKER. This bill is on the Union Calendar, and under the rule the House will resolve itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4, with Mr. HUSTED in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 4) granting relief to soldiers and sailors of the War with Spain, Philippine insurrection, and Chinese Boxer rebellion campaign; to widows, former widows, and dependent parents of such soldiers and sailors; and to certain Army nurses.

The CHAIRMAN. The Clerk will read the bill.

The Clerk proceeded with the reading of the bill.

Mr. ROBSION. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. WALSH. Mr. Chairman, reserving the right to object, there are not many Members here, but perhaps there will be more by the time the amendment stage is reached. I think the bill ought to be read.

The Clerk read the bill, as follows:

A bill (H. R. 4) granting relief to soldiers and sailors of the War with Spain, Philippine insurrection, and Chinese Boxer rebellion campaign; to widows, former widows, and dependent parents of such soldiers and sailors; and to certain Army nurses.

Be it enacted, etc., That the widow of any officer or enlisted man who served 90 days or more in the Army, Navy, or Marine Corps of the United States during the War with Spain, the Chinese Boxer rebellion, or the Philippine insurrection between April 21, 1898, and July 4, 1902, inclusive, service to be computed from date of enlistment to date of discharge, and was honorably discharged from such service, or, regardless of the length of service, was discharged for a disability incurred in the service and line of duty, such widow having married such soldier, sailor, or marine prior to the passage of this act, shall, upon due proof of her husband's death, without proving his death to be the result of his Army or Navy service, be placed upon the pension roll from the date of the filing of her application therefor under this act at the rate of $20 per month during her widowhood. And this section shall apply to a former widow of any officer or enlisted man who rendered service as hereinbefore described, and who was honorably discharged, such widow having remarried either once or more than once after the death of the soldier, sailor, or marine, if it be shown that such subsequent or successive marriage has or have been dissolved, either by the death of the husband or husbands, or by divorce without fault on the part of the wife; and any such former widow shall be entitled to and be paid a pension at the rate of $20 per month; and any widow or former widow as mentioned in this section shall also be paid $4 per month for each child of such officer or enlisted man under the age of 16 years, and in case of the death or remarriage of the widow leaving a child or children of such officer or enlisted man under the age of 16 years, such pension shall be paid such child or children until the age of 16 years: *Provided*, That in case a minor child is insane, idiotic, or otherwise mentally or physically helpless, the pension shall continue during the life of such child, or during the period of such disability; and this proviso shall apply to all pensions heretofore granted or hereafter to be granted under this or any former statute: *Provided further*, That in case of any widow whose name has been dropped from the pension roll because of her remarriage, if the pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, she shall not be entitled to renewal of pension under this act until the pension to such child or children terminates, unless such child or children be a member or members of her family and cared for by her, and upon renewal of pension to such widow, payment of pension to such child or children shall cease.

SEC. 2. That all women employed by the Surgeon General of the Army as nurses, under contract or otherwise, during the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion, or who were employed as nurses during such period by authority which is recognized by the War Department, and who rendered actual service as nurses in attendance upon the sick or wounded in any regimental, post, camp, or general hospital of the armies of the United States for a period of 90 days or more, and who were honorably relieved from such service, and who are now or who may hereafter be unable to earn a support, shall, upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of pensioners of the United States and be entitled to receive a pension of $20 per month, and such pension shall commence from the date of filing of the application in the Pension Office after the passage of this act: *Provided*, That no person shall receive more than one pension for the same period: *Provided further*, That all dependent parents of any officer or enlisted man who served in the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion, whose names are now on the pension roll, or who are now entitled to pension under any existing law, shall be entitled to and shall be paid a pension at the rate of $20 per month.

SEC. 3. That from and after the approval of this act, all persons whose names are on the pension roll and all persons hereafter granted a pension, who while in the military or naval service of the United States and in line of duty shall have lost both hands or both feet or been totally disabled therein, or who while in such service and in like manner sustained injuries that proved the direct cause of the subsequent total disability of both hands or both feet, shall receive a pension at the rate of $100 per month.

SEC. 4. That the pension or increase of pension herein provided for, as to all persons whose names are now on the pension roll, or who are now in receipt of a pension under existing law, shall commence at the rates herein provided from the date of the approval of this act; and as to persons whose names are not now on the pension roll, or who are not now in receipt of pension under existing law, but who may be entitled to pension under the provisions of this act, such pensions shall commence from the date of filing application therefor in the Bureau of Pensions in such form as may be prescribed by the Secretary of the Interior.

SEC. 5. That in the adjudication of claims arising under section 1 of this act, and claims arising under the provisions of the act entitled "An act to pension soldiers and sailors of the War with Spain, the Philippine insurrection, and the China relief expedition," approved June 5, 1920, all leaves of absence and furloughs under General Orders, No. 130, August 29, 1898, War Department, shall be included in determining the period of pensionable service: *Provided*, That as to any claimant who filed an application for pension under the act of July 16, 1918, or the act of June 5, 1920, and whose application is still pending in the Bureau of Pensions or has been rejected on the ground that 90 days' service was not shown exclusive of the leave of absence or furlough under the order herein referred to, the pension shall commence from the date when the original application was filed in the Bureau of Pensions, and as to claims under the act of July 16, 1918, the pension shall be at the rate provided in that act, with increase at the rate provided herein from the date of the approval of this act: *Provided further*, That persons who are now receiving pensions under existing laws, or whose claims are pending in the Bureau of Pensions, may, by application to the Commissioner of Pensions, in such form as he may prescribe, showing themselves entitled thereto, receive the benefits of this act; and nothing herein shall be so construed as to prevent any pensioner thereunder from prosecuting his claim under any other general or special act: *And provided further*, That this act shall not be so construed as to reduce any pension under any act, public or private: *Provided, however*, That no person shall receive more than one pension for the same period.

SEC. 6. That no claim agent or attorney or other person shall be recognized in the adjustment of claims under this act except in claims for original pension, and in such cases no more than the sum of $10 shall be allowed for services in preparing, presenting, or prosecuting any such claim, which sum shall be payable only on the order of the Commissioner of Pensions; and any person who shall violate any of the provisions of this section, or shall wrongfully withhold from the pensioner or claimant the whole or any part of a pension allowed or due to such pensioner or claimant under this act, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every such offense, be fined not exceeding $500 or be imprisoned not exceeding one year, or both, in the discretion of the court.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROBSION] is recognized for one hour.

Mr. ROBSION. Mr. Chairman, I want to inquire if we may not agree on the division and control of the time?

Mr. WALSH. The rule provides for an hour for and an hour against the bill.

Mr. RANKIN. As the gentleman from Massachusetts says, we have an hour on a side.

Mr. ROBSION. I ask unanimous consent that one hour be controlled by the gentleman from Mississippi and one hour by myself.

Mr. BLANTON. Mr. Chairman, I make the point of order that that can not be done in the committee.

The CHAIRMAN. The division of time is fixed by the rule. The gentleman from Kentucky [Mr. ROBSION] is recognized for one hour.

Mr. ROBSION. Mr. Chairman, the uppermost thought in every veteran's mind is that his widow, dependent children, and dependent parents may not want for the necessaries of life when he can no longer provide for them, and therefore the primary purpose of this bill is to give some relief to the widows, minor children, and dependent parents of the soldiers and sailors of the Spanish-American and Philippine War and Chinese Boxer Rebellion. The act of October 6, 1917, gives to the widows of those veterans whose death was due to the service $25 per month. This bill does not repeal that provision.

INCREASE FROM $12 TO $20 AND FROM $2 TO $4.

Under the act of July 16, 1918, the widows of all volunteer soldiers in the service who served 90 days or more between April 21, 1898, and July 4, 1902, and received an honorable discharge may be allowed $12 per month, with $2 per month for each child under 16 years of age and the dependent parents may receive $12 per month, but this pension is not allowed to widows and children if she has an income of more than $250 per annum.

Mr. DYER. Will the gentleman yield?

Mr. ROBSION. I would rather make my statement first.

This bill increases the widow and dependent parent's pension from $12 to $20 per month and minor children from $2 to $4 per month and removes the $250 income provision.

GIVES PENSIONABLE STATUS TO WIDOWS, CHILDREN, AND DEPENDENTS OF SOLDIERS IN REGULAR ESTABLISHMENT.

About the time the Spanish-American War was declared the Regular Army numbered less than 25,000 men. War was imminent and several hundred thousand men volunteered for service, but only about 250,000 were accepted. About 140,000 of these were put in what was known as the Regular Establishment and were called regulars. The others were known as volunteers. While practically every man in the Army was a volunteer, yet strange to say the act of July 16, 1918, cuts out all of the widows, minor children, and dependent parents of the so-called regulars, unless it can be shown the soldier served at least 90 days outside of the United States, between April 21, 1898, and July 4, 1902. This bill removes that restriction and places the widows, minor children, and dependent parents of the so-called regulars on the same footing as the widows, minor children, and dependent parents of the volunteer soldiers and sailors and under this bill the widows, minor children, and dependent parents of the so-called regulars whose claims have been filed and rejected because of the 90-day actual service clause outside of the United States, may have their claims reconsidered, and if otherwise entitled to a pension may receive a pension at the rates provided in the act of July 16, 1918, from the date of the filing of the claim, and of course will receive the increase provided by this bill, from the date of its approval.

RESTRICTION AS TO FURLOUGH REMOVED.

In order to save expense and for the convenience of the Government, War Department General Order No. 130 furloughed many of the soldiers of these wars. These furloughs ranged from one to two months. The soldiers and sailors during the period of their furloughs were subject at any moment to be called back to their post. The Pension Department has ruled and this ruling has been affirmed by the Department of the Interior that the time of this enforced furlough can not be considered in the 90 days' service required under the act of June 5, 1920.

This bill removes that restriction and permits the time and furlough to be counted as part of the actual service of the soldier or sailor.

This ruling of the Pension Department affects regiments and parts of regiments as follows:

First Connecticut Infantry.
Louisiana Artillery, Batteries A, B, and C.
New York Artillery, Fourth and Fifth Batteries.
Pennsylvania Infantry, Third, Fourth, Fifth, and Ninth Regiments.
Rhode Island Artillery, Batteries A and B.
Washington Independent Battalion of Infantry.
Wisconsin Artillery.
Iowa Artillery, Batteries 5 and 6.
First Maine Infantry.
About 200 men of Roosevelt's Rough Riders and perhaps parts of some other organizations.

This bill gives a pensionable status to nurses who served in the hospitals and in the camps under the direction of the War and Navy Departments 90 days or more and who may now be or who may hereafter become unable to earn a support and served the said 90 days or more between April 21, 1898, and February 2, 1901, and such nurses who were not included in the reorganization of February 2, 1901. The act of June 5, 1920, takes care of the nurses of said wars except those mentioned in this bill. I can not give the exact number, but there are not many of these. They nursed the soldiers in the camps of the United States and in the Philippines. Many of them contracted typhoid and yellow fever. Those who remained in the service or entered the service on or after February 2, 1901, are included in the act of June 5, 1920.

Mr. LAYTON. Will the gentleman yield for a question?

Mr. ROBSION. I hope the gentleman will wait until I complete my statement.

Mr. LAYTON. All right; if the gentleman wishes to continue, I will ask it later.

Mr. ROBSION. I will say to the members of the committee that after I conclude my statement I shall be glad to yield to the gentleman to answer any question on any matter in connection with this bill.

This measure also grants a pension of $100 per month for the soldiers or sailors who lost both arms or both legs or became blind in the service or because of total disability to legs or arms contracted in the service.

Up to December 31, 1921, 13,297 applications of widows had been filed under the act of July 16, 1918. Of these claims 5,827 have been allowed, 2,753 have been rejected, 668 have been abandoned, and 4,049 are still pending. It is estimated that not more than 2,000 more will make application within the first year after the approval of this act. Secretary Fall, of the Interior Department, estimates that in carrying out all of the provisions of this bill the increased cost for the first year would not exceed $2,500,000. We are inclined to think the increase would not be as great for any other year as the first year.

I wish to take this opportunity to thank Messrs. Smith and Mattocks for their helpful assistance in bringing reliable information to the committee and House, and to thank the United Spanish War Veterans' officers and organization and men for their kindly, gentlemanly attitude toward the committee and the Congress. Their request is modest and fair. No bluff or threats were employed. Their conduct in connection with this bill has created a splendid impression on the Members of the House.

At this point I wish to read a letter from the chairman of the legislative committee of the United Spanish War Veterans, as follows:

JANUARY 23, 1922.

Hon. JOHN M. ROBSION,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: As you are in charge of H. R. 4, I wish to say to you at the meeting of the national committee on legislation, held on January 22, 1922, at which the commander in chief and adjutant general of the organization were present, the following resolution was unanimously adopted:

"Whereas H. R. 4 has been reported favorably by the Committee on Pensions of the House of Representatives and is now on the calendar;

"Whereas many Members of Congress have expressed their intention of voting for it: Therefore be it

"*Resolved*, That it is the sense of this committee that the said bill be passed in its present form and that no substantial amendment to same be made by the House of Representatives."

The commander in chief and the members of the committee feel that you and the members of the Committee on Pensions of the House have reported favorably a bill in the interest of the widows and children of the veterans, which is the best that can be passed at this session, and we are therefore heartily in favor of the early passage of said bill, without amendment.

Thanking you and the other members of the committee for your assistance in this matter, I am,

Respectfully, yours,

JNO. LEWIS SMITH, *Chairman.*

I might say that that is not intended to convey the idea that the House shall not consider amendments, but it is to express the wish of the Spanish-American War officers that it is not their desire that the friends of the bill assume to amend the bill upward to increase or enlarge its provisions. The United Spanish War Veterans in convention at Minneapolis, Minn., unanimously indorsed this bill.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. ROBSION. I will when I complete my statement. I want at this time to make some remarks as to the character of the men who participated in this war.

GREAT COURAGE AND SPLENDID ACHIEVEMENTS.

Some thoughtless persons have been inclined to belittle the character of the men engaged in these wars and their services to our country and the world. Some would tell us that this Army was made up of some young, reckless men, who entered this service without purpose, thoughtlessly and merely looking for adventure. Nothing is further from the truth. No braver or more loyal or patriotic men fought in any army in any war of this country, and in making this statement we take nothing from the glory of the American soldiers and sailors who fought in other wars. The Spanish-American and Philippine War soldiers were simply high-class Americans. Look at the long list of distinguished men who served with distinction in those wars—the incomparable Teddy Roosevelt, the dashing Joe Wheeler, the gallant Black Jack Pershing, Dewey, Sampson, 7 of the present Members of the United States Senate, 22 Members of the House of Representatives, Secretary of War Weeks, Secretary of the Interior Fall, Secretary of the Navy Denby, governors, and thousands of others who have distinguished themselves in public and private life. About 50,000 of the veterans of the Spanish-American War, although beyond the draft age, volunteered their services and served their country in the World War. Every man who was in the Spanish-American War, Philippine war, and Boxer rebellion was a volunteer. Thousands of others volunteered for those wars, but were unable to enter the service, because their country could not use them.

Among those Spanish-American War veterans who volunteered and served in the World War includes Capt. Oscar L. Carlston, the present commander in chief of the United Spanish-American War Veterans. He is a big, fine American; big mentally and physically. He was in command of an artillery company in France. Col. John J. Garrity, the present adjutant of the Spanish-American War Veterans, was likewise a colonel

of a regiment during the World War. Capt. John Lewis Smith, the chairman of the legislative committee of the Spanish-American War Veterans, and the man who has done so much to promote legislation for the veterans of these wars and their dependents, was a captain in the World War. If time would permit we could name hosts of others.

GREAT PERSONAL COURAGE SHOWN.

We find our soldiers at Manila Bay, Santiago Bay, El Caney, San Juan Hill, and Las Guasimas, and on other battle fields and naval engagements, showing the same intrepid courage that our ancestors displayed at Bunker Hill, Kings Mountain, Fort Moultrie, Lake Erie, Mobile Bay, Gettysburg, and our boys showed on the fields of France. They located the enemy, sought him out, destroyed him, and brought quick and certain victory to the American arms. The individual heroic acts of Hobson, Bagby, Lawton, and others stand out in equally bold relief with the achievements of our soldiers on land and sea in other wars. The Spaniards had nearly 200,000 well-trained soldiers in Cuba. We sent less than 19,000 men. In a few days our soldiers had destroyed Spanish rule in the island, destroyed the fleets of the enemy, and captured many more prisoners than there were American soldiers. This is the more remarkable because our country had been at peace for 35 years and we had given little thought to the art of war in our pursuit of building up our country along lines of peace. The achievements of our soldiers and sailors during these wars prove that the American soldier and sailor may be relied upon always to do his full duty at any time, any place, or under any circumstances, and the boys of 1898, like the boys of 1776, 1861, and 1918, went forth and brought the American flag back in honor and in victory. A grateful Nation should not permit the widows, children, or dependent parents of these brave men to suffer the pangs of hunger or feel the pinch of poverty. This bill is designed as a recognition in a small way of the services they rendered to their country and to mankind.

SONS OF NORTH AND SOUTH UNITED.

The war of 1898 hastened the day for a complete reconciliation between the North and South. It not only healed whatever wounds remained from the terrible struggle of 1861–1865 but it removed the scars. We found the sons and grandsons of the Blue and the Gray and many of the Blue and the Gray themselves fighting side by side at San Juan Hill and other battles in Cuba and the Philippine Islands. Gen. Miles, who was a colonel in the War between the States, was the commander in chief. Gen. Joe Wheeler, the gallant ex-Confederate, inspired the boys both North and South in the struggle of 1898, and Gen. Clem, the drummer boy of Chickamauga, stands out as one of the participants of the Spanish-American War. Dewey, Sampson, and others wrote again their names high upon the scroll of fame and won the plaudits of a grateful Nation.

THE ROUGH RIDERS.

The Rough Riders need not fear unfavorable comparison with the record of any soldiers anywhere. They had for a leader a man but a few men in the world have equaled and none have surpassed. It was made up of virile Americans from every Territory and State in the Union, from every walk of life, each with a spirit that knew no conqueror. They, too, won undying fame at Las Guasimas and San Juan Hill and brought additional luster and glory to the Stars and Stripes. In this regiment, consisting of about 500 men, we find four sergeants—Tim Philpot, of my own district, whose ancestors fought in all of the wars of this country, who were among sharpshooters of Jackson's army at New Orleans; Sergt. W. L. Mattocks, associate editor of the National Tribune, who has worked in season and out for the benefit of his comrades and their dependents; his father was a veteran of the Civil War; Sergt. John McIlhenny, whose father lost his life fighting for the Confederacy; Sergt. T. D. Fennessy, an adopted son, whose father was a colonel of the Royal English Engineers—the sons of the North and the South, the adopted sons of our country, and the sons of slaves all fighting for our common country and for the relief of mankind.

LOSS HEAVY.

The casualties were very great during this war. Although the campaign in Cuba was a short one, 23 officers and 237 enlisted men were killed; 99 officers and 1,332 enlisted men wounded.

In 1898 the total number of deaths per 1,000 among the Volunteers was 28.18 and among the Regulars was 27.55. Twenty-five out of every 1,000 died of disease while in the camps of the United States, while during the World War for the same period of time there were only 8 deaths per 1,000 in the camps. About 10 men out of every 100 in Cuba in 1898 in the engagements there were either killed or wounded; 86 out of every 1,000 Volunteers and 98 of each 1,000 of Regulars were killed or died of disease. This is rather a large casualty as compared with other campaigns in other wars.

THE SONS AND GRANDSONS OF FREED SLAVES.

Not only the sons and grandsons of those who wore the blue and the gray but the sons and grandsons of those who were the objects of the struggle from 1861 to 1865 were found at the front in 1898. It was a colored regiment that marched in front up San Juan Hill on July 1, 2, and 3, 1898, the thirty-fifth anniversary of the memorable Battle of Gettysburg, the great turning point of the Civil War. They, too, fought shoulder to shoulder with their white comrades in helping to free the oppressed people of Cuba. I have talked with many of the members of the Rough Rider Troop and they all agree the colored boys on this occasion displayed the same courage and devotion to the flag as their white comrades. They had a part in that splendid achievement. Some of them gave their lives for their country and their flag. "Greater love hath no man shown for his country than this, he gave his own life for it."

RESULTS OF THE WAR.

We have noticed the character of men engaged in the war and their achievements on land and sea. It is the first time in the history of our country that our soldiers fought on foreign soil for the freedom of another people, a war of humanity. In this war we not only became united ourselves as we had not been for 35 years, we freed the people of Cuba and the Philippine Islands, established law and order and a new and brighter era for those people. We increased our faith in ourselves. It gave us the first real glimpse of the great man power and resources of this country. We became a world power overnight. The nations of the world for the first time recognized the United States as a great world power, so that looking at this war from every angle we can take pride both in our soldiers and sailors, in their achievements on land and sea and the results of their heroic sacrifices, both at home and abroad. They were worthy sons of worthy sires.

I would like to yield now to some of the gentlemen.

Mr. LAYTON. Mr. Chairman, I notice that on page 3, section 2, that deals with women nurses, the basis for a pension is placed on different grounds from that of the soldier who served; that is, if I am reading the language and understand it properly:

And who are now or may hereafter be unable to earn a support.

Now, is that not a different basis from the pensions which are accorded generally in any war?

Mr. ROBSION. I think not. It really is based upon the question of physical disability.

Mr. LAYTON. Why not have used the same language as used in other laws?

Mr. ROBSION. It is practically the same language.

Mr. KNUTSON. May I interrupt the gentleman? The language in this bill is identical with the provision of the law pertaining to nurses of the Civil War.

Mr. RANKIN. But they place this on a different basis, their allowance on a different basis, from what they do the widow. The nurse must prove her disability while the widow may come in, regardless of her wealth and physical condition, without making any proof.

Mr. ROBSION. Well, the widow draws the pension because she is the widow of the one who served, as the nurse served, and whenever the soldier himself makes a claim for pension he is held to the same rule as that to which you hold the nurse.

Mr. RANKIN. But the gentleman will not contend that the widow under this bill has to prove that financial or physical disability, while the nurse does. That is the discrimination.

Mr. ROBSION. The reason for that is this——

Mr. LAYTON. Mr. Chairman, if the gentleman will permit, I think this is correct: The widow who receives the pension must prove the disability of her dead husband.

Mr. RANKIN. She must just prove that he is dead.

Mr. LAYTON. I mean his honorable discharge from the service, and that is all.

Mr. ROBSION. He must have had 90 days' service, as the nurse must have had, and he must be dead before the widow or children get it. If he is alive, he must prove his disability, as the nurse must prove her disability.

Mr. LAYTON. What I am trying to get at is, in this bill, as the language appears to me, it seems there is no condition as to the service or disability. It does not say so. It simply says that if for any reason under the sun occurring during the service or after her service the nurse gets into such a condition that she can not earn her own support, she is entitled to a pension.

Mr. ROBSION. That refers, of course, to the physical condition. That is the language used in other acts.

Mr. BANKHEAD. Mr. Chairman, so much confusion prevails in the Hall that I could not understand the gentleman's explanation of the changes this bill makes from existing law. Will the gentleman kindly, in a few words, explain the difference between the proposed law and that which now exists?

Mr. ROBSION. It increases the dependent parent's and widow's pension from $12 to $20, and that of minor children from $2 to $4.

Mr. BANKHEAD. Does it make any change in the right of the widow to draw a pension?

Mr. ROBSION. The present law provides that if the widow gets $250 income she can not be allowed a pension. But the department has found that it costs more to administer the law with that provision in it than it would cost to pay the pension without that being considered, and that is stricken from the law, and this has caused no end of delay in adjusting the claims of thousands of poor widows and children.

Mr. BANKHEAD. In other words, this makes it a straight so-called service pension?

Mr. ROBSION. No; no more than it was, but it cuts out the $250 income provision.

Mr. BANKHEAD. Would any widow of a Spanish-American War soldier be able to draw a pension without reference to the question of whether or not she is in bad physical condition or needs it?

Mr. ROBSION. If she shows that her husband served 90 days or more and received an honorable discharge and is dead, she could. I was going to explain that this act of 1918 only permitted widows of volunteer soldiers to get this pension if she could show that the soldier served more than 90 days beyond seas in Cuba or in the Philippine Islands or China. It made a distinction between the so-called volunteer and the regular. Yet the truth is that we had only 24,000 men, or a little over, when the Spanish-American War came on. We increased the Regular Establishment out of volunteers to the number of about 165,000, and there were something like 110,000 who were not put into the regular organization but were called volunteers. This bill puts the children and widows and dependent parents of the so-called regular on the same footing with the widows, children, and parents of the volunteer soldiers.

Mr. LAZARO. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Yes.

Mr. LAZARO. Why the 90-day limit? Why should a man be required to serve 90 days in order to come within the provisions of this bill?

Mr. ROBSION. You have to have some time fixed, and the pension laws affecting the Civil War fixed 90 days, and I think practically every law fixes 90 days' service.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Yes.

Mr. WILLIAMSON. I would like to call the attention of the gentleman to section 6 in the bill, in which certain provisions are made in regard to attorney's fees. Some years ago it was called to my attention that some pension certificates were paid directly to the attorneys representing the pensioners, and in many cases they kept the entire amount. I was wondering whether or not section 6 would make it impossible for a pension certificate to be cashed by an attorney representing a pension claimant.

Mr. ROBSION. You mean the attorney indorsed the certificate and received money on it?

Mr. WILLIAMSON. Yes.

Mr. ROBSION. He could not under this bill.

Mr. WILLIAMSON. Otherwise I would like to suggest an amendment to the effect that all vouchers shall be made payable only to the pensioner, and that same shall not be honored unless they are indorsed by him personally.

Mr. ROBSION. Nobody except a committee of an incompetent pensioner can indorse the pensioner's check now. No attorney can do that now, and if he should attempt to do it he would violate the law, which provides a heavier penalty than those provided in this bill.

Mr. WILLIAMSON. In case a pensioner has an attorney in fact, could it be done?

Mr. ROBSION. Not in any case.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Yes.

Mr. HUDSPETH. Is the gentleman familiar with the present law in regard to pensions to those who fought on the frontier up to 1876? The gentleman will remember that many fought after that time who were just as much entitled to pension as those who fought prior to that time. Would the gentleman object to an amendment extending the time to 1880?

Mr. ROBSION. I would not object to that if it would not endanger the passage of this bill.

Mr. HUDSPETH. I do not want to prejudice the gentleman's bill.

Mr. ROBSION. I am very much in sympathy with the gentleman's idea of taking care of the soldiers of whom he speaks. I am sure sufficient time will be allowed in the detailed consideration of the bill under the 5-minute debate to consider that question.

Mr. Chairman, I want to reserve the remainder of my time.

The CHAIRMAN. The gentleman from Kentucky reserves the remainder of his time.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield to me before he takes his seat?

Mr. ROBSION. I yield to the gentleman from Ohio.

Mr. LONGWORTH. As I understand, the gentleman says that in the opinion of the committee the progressive cost under this bill would be less after the second year than in the first year?

Mr. ROBSION. Yes.

Mr. LONGWORTH. That is not in line with the statement of the Secretary of the Interior. I call the gentleman's attention to the figures given on page 3 of the report, where the Secretary says that in the years following the passage of the act of 1890 in regard to the Civil War the rate was enormously increased.

Mr. ROBSION. The gentleman will understand that under the provisions of the act of July 16, 1918, quite a number of widows and dependent parents and children have been rejected. This bill permits a reconsideration of those claims. The act of 1918 made a distinction that should not have been made, and it was not expected that it would be made, but when the Pension Department came to pass upon the question they excluded folks who we thought were included; and when you take into consideration those four or five or six thousand widows and dependent parents who will now come in, I think the increase for the first year, perhaps, will be as great or greater than in some subsequent years.

Mr. LONGWORTH. Then, why does the Secretary of the Interior use the figures of the progressive increase in the Civil War pensions as a basis for the probable increase under this bill?

Mr. KNUTSON. He does not do that, does he?

Mr. LONGWORTH. Yes.

Mr. ROBSION. The facts, conditions, and circumstances are entirely different here to what they were there.

Mr. LONGWORTH. The gentleman, then, makes a substantial distinction between this bill and the act of 1890?

Mr. ROBSION. I do. But the Secretary of the Interior, Mr. Fall, further says that he really does not undertake to forecast it, but he merely gives those figures and lets you draw your own conclusion.

I reserve the remainder of my time.

The CHAIRMAN. The gentleman from Kentucky reserves the remainder of his time. The gentleman from Mississippi [Mr. RANKIN] is recognized for one hour. [Applause.]

Mr. RANKIN. Mr. Chairman, I can not support this bill in its present form, for reasons that I shall attempt to point out as I go along.

There is no man on the floor of this House or elsewhere who has more sympathy or a higher regard for the soldiers of the Spanish-American War than I have. That was possibly the most just war that America has fought since the days of the Revolution. It was fought strictly and purely for the benefit of humanity.

In the first place, this bill has one feature in it that I consider dangerous. If it is passed in its present form it will commit us to the policy that a pension is a matter of right. I do not subscribe to that doctrine. I do not believe that every man who ever wore the uniform, I do not believe that every woman who ever married a man who had worn the uniform, is entitled to a pension regardless of his or her physical or financial condition.

It may be that climatic and geographical conditions have something to do with my views on that subject, owing to the fact that I come from a State where men do not draw their pensions from the Federal Government. I come from a section where men must not only prove their inability to earn a livelihood, or were required to do so until recently, but even now they must prove that they are not financially able to comfortably take care of themselves. Not only that, but there is in this bill the most flagrant discrimination that I have ever read when it comes to the distinction made between the widow of a Spanish-American War soldier and the nurse who served in that war. The real difference between this bill and the law as it now stands, and the real bone of contention, is the policy to which this bill proposes to commit you. Do not be misled. Do not be deceived.

Under the law as it now stands if the widow of a Spanish-American War veteran is without means of support she is entitled to draw a pension. We have petitions before the Committee on Pensions, one of which I can recall to-day, that of a woman who admits that she is worth $72,000. If this bill passes every widow of a Spanish-American War veteran, regardless of what she is worth and regardless of her physical or financial ability, will be placed upon the pension roll.

Mr. ROBSION. Will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. ROBSION. The gentleman is emphasizing the proposition of the $250 income. The gentleman realizes that that is one of the very small features of the bill, does he not?

Mr. RANKIN. The gentleman did not even mention the $250 income. He mentioned this fundamental principle underlying this bill, that it commits this Congress to the proposition that a pension is a matter of right. This is a bill for the rich widows, if you really want to know what is behind this bill. This ought really to be denominated the rich widows' bill. That is what it means. As I said, we have one woman applicant who admits in her application that she is worth $72,000. If this bill becomes a law, of course she will be placed on the pension roll. And she will not be by herself. You men who have served on this committee know that there are a great number of them who will make this application. You will place them on the pension roll and pay them money that they do not need, while to-day there are thousands of Spanish-American War veterans who are walking the streets of various cities, out of work, and they are not granted a pension at all.

Mr. HERRICK. Will the gentleman yield for a question?

Mr. RANKIN. Yes; I will yield for a question.

Mr. HERRICK. The gentleman speaks of one rich widow worth $72,000. I would like to ask the gentleman how he is going to get around that without rendering the bill unconstitutional? If you put in a proviso cutting out widows worth $72,000, you make it class legislation. [Applause and laughter.]

Mr. RANKIN. We "done abolished the Constitution" last week when we passed the antilynching bill. Another thing this bill does is to raise the amount from $12 to $20. I do not know that I have any serious objection to that. Frankly, I was not in favor of any change at all in the law, but a mere change from $12 to $20 would not be a change in the policy of this Government. It would not commit us to the policy that pensions are a matter of right. Suppose you place every widow on the pension roll regardless of what she is worth; what are you going to do about the soldier? Are you going to discriminate against the man who did the fighting and in favor of the rich widow who does not need this money? Are you going to try to stand up under a proposition like that? Most assuredly not. Then, if you carry it to its logical conclusion you will say that if a pension is a matter of right for a widow it is a matter of right for a soldier. The next thing, you will be committed to the policy that a pension is a matter of right regardless of financial or physical disability; and when you do that it will be only a very short time until there will be more than 5,000,000 names on the pension rolls of the United States.

Now, there are some people back at home who want to know where the money is coming from. They want to know who is going to pay the bills. I am not willing as a member of the committee to subscribe to this bill; I do not want Congress to adopt that policy without a protest.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. RANKIN. I will yield to the gentleman.

Mr. WILLIAMSON. I was under the impression that the law applicable to the World War veterans does not contemplate a pension in the future, but that that has been taken care of by insurance.

Mr. RANKIN. That is the intention of the law, but as time goes on we do not know what changes will be made in the law of the land. I happen to be one of the beneficiaries under one of these policies, as I served a short time in the Army. I realize that every man who keeps up his policy will be fairly well taken care of; but what are you going to do with the fellows who drop their policies? In 10 or 15 years from now you will have Congress filled up with a new set of men, and if these men come and demand a pension and say that they were not able to keep up their insurance, what will Congress do? Why, it will fall for it just as you are going to fall for this bill.

Mr. ROBSION. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. ROBSION. Then the gentleman would object to the present law which grants a pension to the Civil War widow even more than this without any property or income——

Mr. RANKIN. The gentleman is too well acquainted with me, he and I having been on the committee for some time——

Mr. ROBSION. It is the same thing in principle.

Mr. RANKIN. Oh, no; he knows that the Civil War widows are not young and active. He knows that he never heard me before that committee object to pensioning people in any war who were more than 70 years old, widows of soldiers who have reached the age of 70 years or more.

Mr. ROBSION. The gentleman will admit that a Civil War widow under 70, but can you pass any pension law that does not have exceptions to it that perhaps none of us would want to agree to?

Mr. RANKIN. I think that question answers itself. Now, Mr. Chairman, I want to go one step further and show you the main discrimination in this bill. I do not care how much virtue the bill carries, I never could vote for it with this provision in it, and unless it is removed I do not see how any man can justify himself in supporting it.

Page 3, section 2, of the bill provides as follows:

SEC. 2. That all women employed by the Surgeon General of the Army as nurses, under contract or otherwise, during the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion, or who were employed as nurses during such period by authority which is recognized by the War Department, and who rendered actual service as nurses in attendance upon the sick or wounded in any regimental, post, camp, or general hospital of the armies of the United States for a period of 90 days or more, and who were honorably relieved from such service, and who are now or who may hereafter be unable to earn a support, shall, upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of pensioners, etc.

Here is what you do, and it is the most flagrant discrimination against nurses in the Army that I have ever read. You say to the widow of a Spanish War veteran, "We know you did not suffer the deprivation; you were possibly born after the Spanish War closed; you admit by your statement here that you are worth $75,000 or $100,000, but we do not care anything about that; we will place your name on the pension roll and you will be granted a pension." Then you say to the nurse who went to the war at a time when the strongest quailed before the dangers that lurk in the tropical zone, and this Red Cross nurse, or a nurse of any kind, left her home and braved all the dangers of war, went into the camps where there was typhoid fever, yellow fever, and various other diseases which wiped people off the face of the earth by the thousands, who went there for 90 days or more, and yet you make her prove that she is not able to take care of herself before you grant the same pension that you grant to a widow who has $100,000. How are you going to explain that when you get back home. Men wrote this bill, but I tell you the women are going to read it, and I don't blame them. [Applause.]

Mr. HUDDLESTON. Will the gentleman yield?

Mr. RANKIN. I will yield to the gentleman.

Mr. HUDDLESTON. I want to call the gentleman's attention to the fact that this is the first time in the history of this country when persons having a civilian status, such as the contract nurses during the Spanish War, are held to be entitled to receive a pension as much as though they had a military status. It is a departure from our precedents and from our traditions under which it has been held that a military status is essential to entitle the person to a pension. It is a proposal to grant a gratuity which any other civilian employee of the Government would be as much entitled to as a nurse.

Mr. GRAHAM of Illinois. Was there ever a war in which this country engaged when we had any nurses that had a military status until the present war?

Mr. HUDDLESTON. Never before the World War. Let me say to the gentleman from Illinois [Mr. GRAHAM] that this bill opens wide the door to pensioning any nurse that may have served in any private or public hospital in which soldiers of the Spanish War may have been treated.

Mr. KNUTSON. Oh, no; that is not correct, if the gentleman will permit. If the gentleman will read on page 3, line 14, he will find that the language is—

That all women employed by the Surgeon General of the Army as nurses.

It does not speak of private hospitals, but of nurses who were employed by the Surgeon General of the Army.

Mr. HUDDLESTON. The bill provides—line 17, page 3—

Or who were employed as nurses during such period by authority which is recognized by the War Department.

Mr. KNUTSON. Yes.

Mr. HUDDLESTON. Employed "by authority which is recognized by the War Department," to wit, by a contractor conducting a private hospital; to wit, by anyone who undertook to take care of a soldier—not merely the Surgeon General, as the gentleman from Minnesota [Mr. KNUTSON] would have us believe.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield further.

Mr. RANKIN. Yes.

Mr. GRAHAM of Illinois. Are the Civil War nurses pensioned by any act of Congress?

Mr. RANKIN. I am not advised on that question. I will be frank with the gentleman and say that I do not think that the practice of women going into soldiers' camps began until after the Civil War, though I may be mistaken about that.

Mr. GRAHAM of Illinois. Does the author of the bill know whether Civil War nurses were ever pensioned by any act of Congress?

Mr. KNUTSON. I would refer that question to the chairman of the Committee on Pensions, the gentleman from Illinois [Mr. FULLER].

Mr. FULLER. Civil War nurses who were regularly employed in the service are pensioned.

Mr. GRAHAM of Illinois. They were civilian nurses under contract, were they not?

Mr. FULLER. I do not think so.

Mr. GRAHAM of Illinois. They did not have a military status?

Mr. FULLER. Oh, no. Yes; they must have been under contract.

Mr. GRAHAM of Illinois. That is what I am trying to get at. Always heretofore, including the Civil War, nurses who have been pensioned have been civilian nurses up to this time.

Mr. KNUTSON. They were civilian nurses until the reorganization of the Army under the act of February 2, 1901.

Mr. RANKIN. I will say in reply to all of this that I do not care whether they were civilian nurses or not. I do not think any soldier cares when he gets sick or is shot down whether the woman who comes to wait upon him wears a uniform or not, and so far as I am individually concerned I do not care what their status might have been. I am in favor of treating these nurses at least as well as we do the widows of Spanish-American War veterans.

Mr. GRAHAM of Illinois. I agree with the gentleman.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. HUDDLESTON. May I call the attention of the gentleman to the fact that there is a question of principle involved in this, as to whether we are going to pension civilian employees of the Government or other civilian persons who may incidentally render some service in connection with the armed forces of the country. In principle the pensioning of these nurses will authorize the pensioning of every sutler ever employed by the Government to follow the track of the Army.

Mr. RANKIN. I think not. I think the way this bill is worded that that proposition is fairly well guarded against. I think if this bill passes it will mean those nurses who rendered these services, one might say at the request of the Government, and they have what you might call a quasi-military status and will be taken care of, at least to some extent.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield to me?

Mr. RANKIN. Yes.

Mr. GREENE of Vermont. My recollection of 1898 does not seem to bring to mind any considerable body of nurses who were with the Army. I remember very distinctly that we were so short in hospital preparation and Medical Corps organization that every captain made a detail of men from his own company to do the nursing in the division hospital. If there were other nurses, there were few of them, and they did not show up in the field. They may have been around some concentration camp, but they did not partake of the character of the service of soldiers in the field at any time in any experience that I had with them.

Mr. RANKIN. If they did not, they are not included in this bill.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. ROBSION. Perhaps this point should not be overlooked, that most of these women who served were nurses who continued in the service after February 2, 1901, and then they were taken into the Regular Establishment. The act of June 5, 1920, provides a pension for them. These are the nurses who did not finally go into the Regular Army under the act of February 2, 1901. There is a small number of them.

Mr. GREENE of Vermont. Does the gentleman mean to say that the nurses contemplated in the provision of this bill are identical in person with the nurses who subsequently became members of the Regular Army?

Mr. ROBSION. Part of them; most of them.

Mr. GREENE of Vermont. What status did they have before? They were hired only incidentally. There was no continuing, permanent bureau or organization or corps of nurses.

Mr. ROBSION. They were recognized by the War Department and the Navy Department.

Mr. RANKIN. Mr. Chairman, I can not yield any further. Under the present law, if a man is disabled because of his own vicious habits, he can not draw a pension, but as soon as he dies his widow can, if this bill becomes a law.

Mr. KNUTSON. I am sure my colleague does not wish to take the position before the House that he is in favor of penalizing the widow for the indiscretions of her husband.

Mr. RANKIN. I do not think he deserves any pay, either for himself or for his family, where his disabilities are the result of his own vicious habits.

If this bill passes and is logically followed up, it is only a matter of time until we will have 5,000,000 people on the pension roll of the United States Government. It is already getting top-heavy. I am opposed to it because I do not think people are entitled to a pension as a matter of right. If a man is disabled, if he dies and his widow is not able to take care of herself, if she is without means, without ability to earn a livelihood and take care of her children, then I am as much in favor of pensioning her as any man on the floor of the House, but I am not in favor of starting out on a policy of granting pensions as a matter of right, regardless of the applicant's financial condition, and committing the United States to that policy.

Mr. LAYTON. Will the gentleman yield?

Mr. RANKIN. I will.

Mr. LAYTON. Do I understand that the law now is that a soldier of the Spanish-American War does not have to prove disability incurred while in the service?

Mr. RANKIN. Here is the law.

That all persons who served 90 days or more in the military or naval service of the United States during the War with Spain, the Philippine insurrection, and the China relief expedition, and who have been honorably discharged therefrom, and who are now or who may hereafter be suffering from any mental or physical disability or disabilities of a permanent character, not the result of their own vicious habits, which so incapacitates them from the performance of manual labor as to render them unable to earn a support, shall, upon making due proof of the facts, according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of invalid pensioners of the United States, and be entitled to receive a pension not exceeding $30 per month, and not less than $12 per month.

And so forth. Those are men who are pensioned.

Mr. LAYTON. No valid objection could lie to the last part of section 2, as far as Army nurses are concerned, in my judgment, because that is what I was assuming, that the disability had to be proved in the case of a soldier, and it was remitted in the case of a nurse, and that exception shows that in section 2——

Mr. RANKIN. No; that is the old law, but here is the discrimination in this bill: These widows do not have to prove financial or physical disability in order to draw their pension, and these nurses do.

Mr. LAYTON. And the rich nurse does not have to do so?

Mr. RANKIN. She would not get a pension, she is excepted.

Mr. WALSH. Assuming a nurse drawing a pension dies, leaving a husband. Is he entitled to come in and receive a pension?

Mr. RANKIN. I think not.

Mr. WALSH. Well, that is too bad. All the rest seem to do so.

Mr. CLOUSE. Will the gentleman yield for a brief question?

Mr. RANKIN. I will.

Mr. CLOUSE. Will the gentleman give some idea of just what is contemplated under section 3 of the bill in reference to a man who has lost two hands or two feet? What is the practice——

Mr. RANKIN. I do not know the practice, but if the gentleman will read the present law he will find that it makes a very small change. I think men covered by that provision now draw $90 a month.

Mr. CLOUSE. Where a man has lost one hand and one eye. Can the gentleman distinguish between the man who lost one hand and one foot and a man who lost both feet? Why discriminate in favor of one more than the other?

Mr. RANKIN. It does not discriminate.

Mr. CLOUSE. I just wanted to know the purpose and object of this section.

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. BLAND of Indiana. In looking over the bill I notice that a widow is not required to prove physical disability. In

the general law the soldier is required to prove disability. Will the gentleman explain why he is more liberal to the widow than the soldier?

Mr. RANKIN. I am not more liberal to the widow than to the soldier, nor am I more liberal to the widow than to the nurse. The gentleman can propound that question to the gentleman from Kentucky who is in charge of and in favor of this bill.

Mr. HAMMER. I will say for the information of the gentleman from Tennessee there are 16 on the pension roll.

Mr. RANKIN. I can not support this bill. I think there are two fundamental propositions underlying this bill that we can not afford to indorse. One is that the widow is entitled to a pension as a matter of right. That was the argument that was made before the committee by the men who were supporting this bill before the committee, not by members of the committee, but by some one representing some soldiers' organizations; that they were entitled to it, not because of their physical or financial incapacity, but entitled to it as a matter of right. If the widow is entitled to it as a matter of right, why not the soldier? And if the soldier is entitled to it as a matter of right you place all the soldiers in the United States who served 90 days on the pension list. I am opposed to it, because it most flagrantly discriminates against those nurses who actually saw service and in favor of the rich widows who are able to take care of themselves. [Applause.] I reserve the remainder of my time.

Mr. ROBSION. Mr. Chairman, I yield five minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I have no pride of authorship in this measure. It was prepared by the late Wayne W. Cordell, former examiner for the Pension Committee of the House, and Mr. Fleming, the present examiner of the committee. As you gentlemen know, Mr. Cordell passed away in December.

I am as satisfied that his death was due to overwork as I can be of anything. He literally gave his life in the service of this House, and I am glad to testify at this time to his industry and integrity. It is the first opportunity I have had to do so.

I can not subscribe to the position taken by the gentleman from Mississippi [Mr. RANKIN], who is a member of this committee. It would be inconceivable that such a great and glorious country as this should compel anyone seeking a pension to claim poverty before they can be placed upon the pension rolls, and yet that is what the proposition advanced by the gentleman from Mississippi amounts to in a nutshell. I believe if a person has rendered service to that flag, whose broad stripes have been baptized in the best blood of American manhood, it should not be necessary for him to plead poverty before being placed upon the pension rolls of this country, and it should not be necessary for his widow to do so.

Mr. WYANT. Will the gentleman yield?

Mr. KNUTSON. I will.

Mr. WYANT. Do you think the taxpayers of this country would be in favor of paying the widow of a soldier worth $75,000 a pension of $20 a month when we have thousands of people who are walking the streets with nothing to do?

Mr. KNUTSON. We have heard much of pension applicants who have property valued at thousands of dollars. I have been a member of the Pension Committee almost five years, and I know of only one instance of that character.

Mr. WYANT. Does the gentleman believe in pensioning a widow worth $72,000?

Mr. KNUTSON. I do not believe in drawing any distinction. I will tell the gentleman why. When you do, it will be necessary for those who want to get on the rolls to plead poverty and go before the country and say they have nothing, and I am opposed to that. I want to say to the gentlemen of the House that this bill has the approval of the Spanish War Veterans and Pension Bureau. It is based upon the experience of long years, and it has the unqualified indorsement of every member of the committee save the gentleman from Mississippi [Mr. RANKIN]. The gentleman from Mississippi did not advance in the committee the reasons that he has advanced on the floor this afternoon.

Mr. NORTON. Is it not a fact that those who deserve it most would be ashamed to ask for it if it was not given at all?

Mr. KNUTSON. Absolutely. I know of nothing that has greater pride than poverty. It is something that we try to hide, because it is a reflection on our success in life.

Mr. LONDON. Will the gentleman tell me what change the proposed bill makes in the present law?

Mr. KNUTSON. I will say to the gentleman that this is altogether a new law that affects Spanish War widows.

Mr. LONDON. In what other respect is the law proposed to be changed by this bill?

Mr. KNUTSON. Remove property restrictions for one thing. I would say to the House that I believe that the widow who does not need it or who has a large income will not ask for it, and I do not believe more than 1 per cent of that class will ask for a pension.

I will answer one question raised by asking another. Do you men believe a widow should be compelled to go before the Pension Bureau and plead poverty in order to be placed on the pension roll?

Now she must go before the Pension Bureau and confess her inability to support herself. If that is not a confession of poverty, I do not know the meaning of the word. I for one do not want to place the brand of failure on anyone who served this country or on their dependents. [Applause.]

Mr. ROBSION. Mr. Chairman, I yield three minutes to the gentleman from Delaware [Mr. LAYTON].

Mr. LAYTON. Mr. Chairman, I have only asked for these three minutes in order to get into the RECORD some statements of fact which the proponents of this bill all seem desirous I have placed therein. It is as follows:

WHY ARMY NURSES OF THE SPANISH WAR SHOULD BE PENSIONED.

Army nurses of the Civil War were long ago granted pensions.

Army nurses of the recent war have the same rights and benefits as have the soldiers of that war—war risk, etc.

Army nurses who served in the latter part of the China campaign or of the Philippine insurrection have the same pensions as soldiers under the act of June 5, 1920, which granted disability pensions to veterans of the Spanish War period.

But Army nurses who served in the War with Spain and up to February 2, 1901, have as yet no pensionable status except by special act. The Knutson bill, H. R. 4, proposes to remedy this injustice.

The Nurse Corps of the Army is one continuous body from its origin in 1898 to the present time. No women nurses had served in the Army between the Civil and Spanish Wars, so those appointed by the Surgeon General when the Spanish War began were under contracts, which admitted of promptness and flexibility in appointment and discharge.

So eminently useful and valuable was the work of these nurses, who numbered in all nearly 1,700, and so well was the organization of the Nurse Corps working, that it was specifically described as a permanent part of the Medical Department of the Army in the reorganization act approved February 2, 1901. It is because this act gave to the nurses a definite military status that they now have pensions for service after that date, but not before it.

Yet the work and position of the nurses was not one iota more military after that act than it was before. Nor did it make any change in their duties or responsibilities. Practically what it did was to give them appointment and discharge papers instead of contracts, and only that. The contract nurses took oath of allegiance, were under military discipline, wore uniforms with the emblem of the Medical Department, received the same rations and quarters as the enlisted men, and otherwise worked under the same conditions as enlisted Hospital Corps men or the Army surgeons who were their coworkers in saving lives.

These women worked not only in general and post hospitals but also in camps and in the field, on hospital ships and transports. They were sent to all the regions where soldiers were, from Cuba and Porto Rico to China and many parts of the Philippines. They used their strength and skill to the limit, and they made many sacrifices. They left homes and good incomes as trained nurses to receive the Army pay of $30 a month, and when they contracted typhoid—as did probably 150 of them—they usually had to be sent away from the camps in order to be cared for at some home hospital, and that at their own expense. Death claimed them just as it did the soldiers. Twelve nurses died of typhoid, one died of yellow fever in Cuba, and one died of blood poisoning contracted in Cuba.

The real enemy in the Spanish War proved to be disease, and in fighting this enemy the nurses were in the front ranks. Their work saved many lives, worth many times more than they will ever receive from the Government. It is also doubtless true that they actually saved the country more expense for veteran and widow pensions alone than the pensions asked for them will ever cost.

(Mrs.) ANITA NEWCOMB MCGEE, M. D.,
Grace Dodge Hotel.

APPENDIX.

Number of nurses serving during above period, nearly	1,700
Number of nurses serving under 90 days, estimated at	500
	1,200

LESS.

Those who continued in Army after reorganization act the survivors of whom are already pensionable	200
Those who have died or will die before needing pensions or for various reasons never will make claim	500
	700
Possible claimants under the pending bill	500

Of these 500 possible claimants 26 are now known to me to be disabled and in need.

Mr. RANKIN. Mr. Chairman, I yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I will vote to strike out section 2 of this bill if anyone will make a motion to do so. With the exception of section 2, I think it is a good bill and that we ought to adopt it.

As I understand section 1, which is the principal section of the bill, it has no other purpose than, first, to increase from $12 to $20 the monthly pension of a widow and, second, relieve her of the necessity of showing that her total annual income is less than $250.

Now, let me make this general observation for the consideration of those who have served in various wars. It is a strange situation where those who served in the Spanish War are receiving at the hands of Congress less in the way of consideration and of benefits than those who served in the Civil War or those who served in the World War. That strange situation can be attributed only to a single fact, and that is that we who served in the Spanish-American War are fewer in numbers and of smaller political influence than those who served in other wars.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. RANKIN. Does not the gentleman think that is the reason why the nurses are faring so badly in this bill, that there are only a very few of them, and, consequently, they amount to very little politically?

Mr. HUDDLESTON. No. They seem to be faring pretty well, inasmuch as a radical departure from all our past policy is proposed for their benefit. But whether they be few or numerous I do not think we ought to ravish any of our traditional principles in passing a bill for their benefit.

Now, if there is anything that ought to be really hated by fair-minded men it is discrimination. We find this discrimination prevailing among the widows of the men who served their country in these three different wars.

The widow of the soldier of the Civil War does not have to plead poverty in order to get a pension and the widow of the World War does not have to do so. We call the pension that is given to the World War widow "compensation." "By any other name it would smell as sweet." In fact, it is a pension or gratuity, and I do not care what you call it. No widow of the World War has to plead poverty in order to get the $25 per month to which she is entitled. Why, I ask, in the name of common sense should the widow of the man who went to fight in the Spanish War be required to stand on a lower level than the widows of other wars?

Mr. RANKIN. The gentleman says he is opposed to this because it is a dangerous departure from our traditional policy.

Mr. HUDDLESTON. That is section 2.

Mr. RANKIN. Yes, I understand; but if it is a dangerous departure from previous policy it is a dangerous departure, no matter what section it is. When you abandon the beaten path in relation to rich widows you are violating precedents.

Mr. HUDDLESTON. No; there is no change of policy. We are granting pensions to Civil War widows and to World War widows without requiring a plea of poverty. We are following that policy now, and why should there be discrimination against these Spanish War widows? The distinction between this bill and the existing law is that we increase the pension of Spanish-American widows to $20, yet we pay to the widow of a World War soldier $25 and to the widow of a Civil War soldier $30. How can we look the Spanish War veterans in the face and explain why the widows of soldiers of that war are entitled to a smaller pension than the widows of other wars? There can be only one answer why we are about to do this, and that is the answer that I gave at the beginning, that there are more of the other widows, their friends are more numerous, and they are able to write more letters to Congressmen. It is not because they are more worthy that they are able to get more money. But it is a hateful species of discrimination and violative of all justice and good faith. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. ROBSION. Mr. Chairman, in order that the gentleman from Alabama [Mr. HUDDLESTON] may realize that there is not such discrimination as he thinks, I want to say that by the act of June 27, 1890, Civil War widows were allowed $8 per month and $2 for minor children, and they had to show that they had no income except that derived from their daily labor. Under the act of May 9, 1900, the same rates were allowed, but the widow was allowed an income of $200 in addition to her earnings. In the act of April 19, 1908, the pension was raised to $12 for widows, and property limitations were removed. By the act of September 8, 1916, the rate was raised to $20 per month, provided the widow was the wife of the soldier during the time of his service or had reached the age of 70 years and had been married to the soldier prior to June 27, 1905. Under the act of October 6, 1917, known as the war risk insurance act, the rates were raised to $25 for all widows then on the rolls, and under the act of May 1, 1920, the rate was raised to $30, with the same limitations. There is no discrimination made against the Spanish-American War widows.

Mr. HUDDLESTON. Then why does not the gentleman's committee propose to raise these Spanish-American War widows to an equality?

Mr. ROBSION. It was thought that in the course of time they will be given the $30.

Mr. HUDDLESTON. Yes; but the $30 is needed now to provide food and shelter, because the cost of living is high, and the prevailing prices are just as applicable to Spanish-American War widows as to any other widows.

Mr. ROBSION. I sympathize with the gentleman's thought, but there are two parties who must be taken into consideration in all this legislation: First, the people who are the beneficiaries of the legislation; and, second, the people who pay the bill. Those are the two considerations, and this is the bill that is indorsed by their comrades and the husbands and brothers themselves who served in the Spanish-American War. They ask us to pass this bill.

Mr. HUDDLESTON. Does the gentleman think there is a Spanish-American War widow in this country who would refuse the larger pension if the committee were generous enough to grant it? This is the discrimination which the gentleman's committee has given them.

Mr. ROBSION. The committee and Spanish War organization feel that they can get this bill through, and that if you tried the higher rate we might not get it through.

Mr. HUDDLESTON. Yes; you have given them half a loaf.

Mr. RANKIN. Mr. Chairman, how much more time has the gentleman from Kentucky?

Mr. ROBSION. How much more time has the gentleman from Mississippi?

The CHAIRMAN. Twenty-one minutes remaining.

Mr. RANKIN. I yield five minutes to the gentleman from California [Mr. RAKER].

The CHAIRMAN. The gentleman from California is recognized for five minutes.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I shall support this bill and am in favor of the proposed legislation. I believe there ought to be an amendment made to it. Those who have served between April 21, 1898, and July 4, 1902, as nurses are not young women at the present time. On page 3, lines 23 and 24, the following words should be stricken out, "and who are now or who may hereafter be unable to earn a support."

There can be no possible reason why you should allow a pension to the widow of a soldier who married after the war, and particularly before the passage of this act, and provide that a nurse who was in the service and who actually served and received an honorable separation from the service should not be given the same pension now as the widow, irrespective of her financial condition. I trust the committee having charge of the bill will offer the amendment to place all of these nurses on the same footing. According to the report, there are but 18 nurses now on the roll, but there may be and undoubtedly are a number of others who might find it quite hard to furnish the proof of disability required by this bill. They ought not to be required to prove it any more than the widow is required to prove it. During the late World War the service of the nurses was demonstrated to be as valuable and as necessary as that of the soldiers. In that war we not only recognized them, but we now give them rank so that they would have an official status. (See act of June 4, 1920, sec. 10.) This bill clearly recognizes the principle that they were a part of the Army, recognizes that they were legally in the service and participating with the Army during all its operations; yet when you offer them a pension you now require that they shall file an affidavit and that the evidence must be produced that they are practically paupers before you give them the recognition that you give to the others under the bill.

Mr. ROBSION. Will the gentleman yield?

Mr. RAKER. I yield to the gentleman for a question.

Mr. ROBSION. The idea intended to be expressed by the bill is that it is physical disability?

Mr. RAKER. That is not what this says—

and who are now or may hereafter be unable to earn a support.

Mr. ROBSION. Unable to earn a support?

Mr. RAKER. Surely.

Mr. ROBSION. That must be because of physical inability.

Mr. RAKER. Therefore if they are able to earn a support, if they have a little meager home or a little amount to keep them alive and do not have to go on the charity of their friends, they will not get a pension. They must make an affidavit that they are in this deplorable condition before they can get a pension. After we have recognized the principle first that they are a part of the Army, that they are absolutely necessary, I do not think we should subject them to this condition. During the last war as well as during the Civil War and the Spanish-American War these noble women were always at the front, and then again in the hospitals resuscitating these

men so that they might again serve and add that much to the Army. I trust the gentleman from Kentucky [Mr. ROBSION] will offer an amendment to strike these words out of the bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBSION. I yield to the gentleman another minute in order that I may ask him a question.

The CHAIRMAN. The gentleman from California is recognized for one more minute.

Mr. ROBSION. Would the gentleman make it more easy for a nurse who was in the camp to secure a pension than for the man who went to the front? Under your law and under the other provisions of the bill the soldier must show his physical disability before he can draw a pension.

Mr. RAKER. The widows provided for in this bill are not required to show poverty before they can obtain this pension. Is not that true?

Mr. ROBSION. We are talking about the soldier.

Mr. RAKER. Is not that true of the widow?

Mr. ROBSION. The gentleman is putting it on the status of the soldier.

Mr. RAKER. I know, but here is a widow who has married this soldier since the war.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ROBSION. I yield five minutes to the gentleman from Illinois [Mr. GRAHAM].

Mr. GRAHAM of Illinois. Mr. Chairman, this bill, in my judgment, is a tardy partial recognition of a debt that we have owed for a good while. Whatever others may think about it, I think that from an American standpoint the Spanish-American War was, since the Civil War, the greatest struggle in which this country had been engaged, because it offered an opportunity for men who were descendants of the men who wore the gray and those who were the descendants of the men who wore the blue to unite in a common bond of blood brotherhood and to obliterate some of the scars that were left from the Civil War. It did us more good as a nation, I believe, than any struggle in which we had engaged since those days; and although it was a small war in the number of deaths and in the scope of its operations, it was great in its effect upon the American people, and it made it possible in these later days for us to breed a kind of young men who went out and made the best Army and the best soldiers in the history of the world. I have thought for some time that what is done in this bill ought to have been done sooner, and I think that the Spanish-American War veterans are to be commended for the reasonableness and modesty of their request. The gentleman from Alabama [Mr. HUDDLESTON] has spoken here with all his usual vigor and has made the claim that we are not doing enough; that we are discriminating against the widows of the Spanish War veterans. He must bear in mind that the request for this legislation comes in large part from the Spanish War Veterans' Association, and if in their request upon Congress they have been moderate in their demands, it is something for which they ought to be commended; they should have the thanks of the American people for their patriotism and the reasonableness of their requests. It so happens that the national commander of the Spanish War Veterans lives in the same little town in which I live out in Illinois. During last week he was down here, and I talked with him a great deal and went with him to some of his gatherings. I know what he thinks about this. I know what the executive committee of the association think about it. They do not expect the Congress to give their widows the same pensions that the Civil War widows get. They are not asking for that. He has said to me, and I think those veterans of the Spanish War who are here will agree with him, that the time may come when they may need the same pensions as are now given to the Civil War widows, but at the present time they ask of the Congress only what they have asked in this bill. It is all they want. It is not, perhaps, all that any individual might need, but it is all that the Spanish War veterans in their wisdom think ought to be allowed at this time. What shall be done in the future will be a matter for the discretion of Congress in years to come, when these women have grown older with the weight of passing years.

Mr. REED of West Virginia. On that point may I ask the gentleman a question?

Mr. GRAHAM of Illinois. Certainly.

Mr. REED of West Virginia. Is it not true that some of the widows of Civil War veterans are younger than some of the Spanish-American War widows?

Mr. GRAHAM of Illinois. That may be true in some cases. Incidentally, I take the view that those who have in later years married veterans of the Civil War and are taking care of them in their declining years ought to have the bar removed which prohibits them from getting pensions, because I believe they are performing the same patriotic service that those women did who in earlier life were sharing the burdens of these same Civil War veterans. But that is beside the question. Now, as regards this nurse provision, this section of the act, if you will look at the existing statute, is in exactly the identical words of the statute formerly passed, which includes the Civil War veterans, except 90 days' service is substituted for six months' service. I hold in my hand the act of August 5, 1892. It reads:

That all women employed by the Surgeon General of the Army as nurses, under contract or otherwise, during the late War of the Rebellion, or who were employed as nurses during such period by authority which is recognized by the War Department, and who rendered actual service as nurses in attendance upon the sick or wounded in any regimental, post, camp, or general hospital of the armies of the United States for a period of six months or more, and who were honorably relieved from such service, and who are now or may hereafter be unable to earn a support, shall, upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of pensioners of the United States and be entitled to receive a pension of $12 per month, and such pension shall commence from the date of filing of the application in the Pension Office after the passage of this act: *Provided*, That no person shall receive more than one pension for the same period.

That corresponds with the bill before us. I think, and I have suggested to the author of the bill, that there should be inserted in the second section the words "on account of physical disability," which will make it beyond question that we mean inability to earn a livelihood on account of physical disability. I think it is the idea of the committee to insert those words, and, although they are not in the existing law, I think it would be better to incorporate them in this. [Applause.]

Mr. RANKIN. Mr. Chairman, I yield to the gentleman from South Carolina [Mr. MCSWAIN].

Mr. MCSWAIN. Mr. Chairman, I desire to emphasize the thought that I indorse this bill because it has the indorsement and approval of the organization of the survivors of the Spanish-American War. Not being a veteran of that war, I assume that they who officially are speaking for such veterans and have canvassed the situation know what they can reasonably expect and what they are entitled to, morally. I can say that we found their requests reasonable, and I believe that every request and suggestion made finds expression in this bill. For that reason I approve the bill because it is reasonable in its provisions and because it meets the suggestions of those who are direct beneficiaries of it. Mr. Chairman, I yield back the balance of my time.

Mr. RANKIN. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. HAMMER].

Mr. HAMMER. Mr. Chairman, the Pension Committee after careful consideration extending over a period of several weeks, and after hearings, came to the conclusion that this was the best bill that could be reported out under the circumstances considering the financial condition of the Treasury. The only objection urged against the bill that I have heard was the fact that it is a service pension bill. The southern soldiers went home from Appomattox, cleared the fields, went to work and restored prosperity in the South, and that without any pensions of the State or the Federal Government. But to the glory of our civilization in the South we have cared for those soldiers in later years. Practically every State has given a million dollars or more to those old soldiers as service pensions. The State in which I live is giving each year more than a million dollars to the widows and soldiers of the Confederacy. I favor this bill, and I could not afford to do otherwise. To discriminate against that class of soldiers, the only soldiers who, in any of our wars in which the Army was composed entirely of volunteers, I think would be a fatal mistake. [Applause.] Mr. Chairman, I yield back the balance of my time.

Mr. ROBSION. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. OSBORNE].

Mr. OSBORNE. Mr. Chairman, this bill appears to me to be a remarkably well prepared pension bill and a just one. In our history we have after all of our wars granted pensions. We did so after the Revolutionary War, we did so after the Mexican War, we did so after the Civil War, and all our wars. We have pensioned our soldiers and the widows as well. It has been the practice of our country from the beginning, based upon wise considerations.

When war comes our country is asking for soldiers, and the young man who thinks of going into the field takes into account what is going to happen in the future. If he be a man of family he thinks of what may happen. Relying upon the unbroken precedents and principles which have governed our legislation in the past, he thinks that if he goes and does not come back that his wife and his children are going to receive the sympathetic care of his country.

I was very much struck by the remarks of the gentleman who preceded me about the peculiar situation in regard to the soldiers of the South after the Civil War, and I am glad to know that the Southern States have pensioned those old veterans of the Confederacy. [Applause.]

Mr. TILLMAN. Will the gentleman yield?

Mr. OSBORNE. I will be glad to.

Mr. TILLMAN. The gentleman from California is the only surviving Union soldier of the Civil War in the House. On this side the only surviving soldier of the South is Maj. STEDMAN—two as fine spirits as God ever gave the country or the world. [Applause.] I beg to say in this connection that there has been pending in this House for some time a bill, of which I am the author, to turn over the cotton tax, amounting to $68,000,000, illegally collected from southern cotton growers during and following the War between the States. Now, does not the gentleman think that this amount should be given over to the old Confederate soldiers, God bless them? [Applause.]

Mr. OSBORNE. I think nothing can be too good for the old Confederate soldiers. [Applause.]

Mr. RANKIN. Will the gentleman yield?

Mr. OSBORNE. Certainly.

Mr. RANKIN. I want to correct one error of the gentleman from Arkansas [Mr. TILLMAN], and that is I think he overlooks one other soldier of the Civil War on that side of the House, Mr. FULLER, of Illinois. He was a Union soldier, was he not?

SEVERAL MEMBERS. No.

Mr. McSWAIN. Will the gentleman yield?

Mr. OSBORNE. I will.

Mr. McSWAIN. Mr. Chairman, I think there ought to be a slight addition to the statement of the gentleman from Arkansas to the effect that this proposition which is now pending in the form of a resolution that has been offered by the gentleman from Tennessee [Mr. SCOTT], proposes to refund to all taxpayers who paid that unconstitutional tax irrespective of where they are located. I understand there was $40,000,000 collected in New York and $30,000,000 collected in Pennsylvania. It was an unconstitutional tax, and so held to be later by the Supreme Court, because it was a direct tax on the commodities like cotton, and the proposition is to refund that tax to those who can show that they were directly interested in it.

Mr. OSBORNE. Of course, there are matters of consistency in legislation which would and always have stood in the way of any more direct recognition of Confederate soldiers. But for that consistency in national legislation, so far as I am personally concerned, I would be glad to see things very different from what they have been.

In respect to this particular bill, referring to the woman who has $72,000 and to her receiving a pension, of course, there are very few in those happy circumstances. In fact, most of the widows of soldiers are poor. As shown by the gentleman from Kentucky [Mr. ROBSION], the widows' pensions were controlled until the last few years by the fact whether they had an income of $250 a year. That stood in the way. Any woman who had an income of $250 a year was not able to get a pension until quite recent years. In my own experience I have had cases rejected on that account.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ROBSION. Mr. Chairman, I yield two minutes more to the gentleman.

Mr. OSBORNE. Anyone knows that $250 a year is a very small amount for a widow to get along with, and realizing that fact Congress finally took off that restriction. That restriction is not employed in this bill as to widows. The language in section 2, which has been objected to—

and who are now or may hereafter be unable to earn a support—

is in the present law with regard to Army nurses of the Civil War. It is a qualification. They have to have some sort of disability, and, as I understand it, that is the language to cover that disability. I think more direct language would be better, but that is the language of the present law.

I am extremely glad this measure of justice is about to be passed. Our comrades of the Spanish War did not have the glory that went to the veterans of some other wars, but they deserve just the same consideration from their country that they would have received if they had been called into more severe service than they were. As it was, it was distressing enough. This recognition of the widows of the Spanish War is well deserved, and I am glad to feel sure that shortly it is going to receive the approval of this House. [Applause.]

Mr. RANKIN. Mr. Chairman, I yield five minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Chairman, it occurs to me that the House of Representatives is not any too soon in the consideration of this measure. The Spanish-American War veterans have never clamored as an organization for pensions, and the pension for the disabled ones is limited to the sum of $12 a month. Congress passed a bill in 1920 increasing that to $25 a month. This measure gives to the widow of the Spanish-American War veteran $20 per month in lieu of the $12 which she now receives. Considering what Congress has done for veterans of other wars, this is little enough. I know a poor woman whose husband volunteered in that war who to-day is penniless, in feeble condition, with one little child. She is drawing $12 per month for herself and $4 a month for the child. Under this bill she will get $20 and the child $4 a month. Her mind is gone. We have passed through this House a special bill increasing that pension to the maximum of $20 a month and it is hung up in the Senate now. I know of a man, and a strong man he was, who was in that war and who to-day has lost his health and is now unable to make a living. I have been for months trying to get his pension increased from $12 to $20, but up to this good hour the Pension Department after many examinations has failed to do anything for that veteran of the Spanish-American War. Is it right for the American Congress not to consider the soldier who volunteered when war was declared between this country and Spain? We all remember the cry that went up from one end of the land to the other—"Remember the *Maine*"—when our battleship was sunk in Cuban waters and all of the sailors on her sent to the bottom. These men who went out at that time to answer the country's call are entitled to the same consideration as those who fought on the Union side in the war of 1861–1865, and the same consideration as our brave men are who fought in this great World War against the enemies across the seas. Yet this bill is restricted to the sum of $20 for a poor, penniless woman and $4 for the child.

Surely no man on this floor can oppose a measure of this kind. If the Government had not handed out all of these pensions from year to year that it has and if the Government were not handing out, as it ought to, compensation to all those who are helpless and disabled because of the last war, this might not come to us under such trying circumstances, but while we are extending a lavish hand to the veterans of the Civil War and the veterans of the World War, it occurs to me that we should pass this measure and get the Senate to pass it. If the disabled soldier could come with a germane amendment in this bill, I would offer it, instead of having to go through all of the process of getting the Pension Department to raise the amount and finding after many months' trial that it can not be done, as happened in the case which I have just related.

It is my judgment that the soldiers of the Spanish-American War are entitled to all of the rights and benefits that this Government is giving the veterans of other wars, and that the widows of those veterans are entitled to the same rights as those of any other war. I am in favor of this measure and I hope that it will pass. [Applause.]

Mr. ROBSION. Mr. Chairman, there is just one thought that I want to give to the House. No Member of the House wants to grant a pension to a woman who is worth $70,000, but there are two good reasons why a property restriction or an income restriction should not be incorporated in the bill. One is that it costs the Government more to administer the law because of that restriction than it would take to pay the pensions involved. But here is the greater problem: The cause of delays in granting pensions is because of this income restriction. It takes months and months to investigate each individual case to see whether a certain income is being passed. Instead of its being some advantage to some rich person, the law, as a matter of fact, bears heavily upon thousands of poor widows and children. We did not include that provision because we favored pensioning some rich person, but we did it in order to save the Government money and to not work any hardship upon those who actually need attention.

A further thought is this: This bill is not only indorsed by the legislative committee of the United Spanish-American War Veterans, but at their recent convention in Indianapolis, when they had their representatives there from all parts of the Union, they indorsed the bill unanimously, and while it has some features that some of us might want to change, yet it is the bill that the United Spanish-American War Veterans have asked us to pass and with which they feel they can be satisfied.

I want to join with the gentleman from Illinois [Mr. GRAHAM] in complimenting the Spanish-American War veterans for the smallness of their request and for the manner in which they approach the Congress, not demanding but setting forth their request in a proper manner and in a proper way.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. ROBSION. I will.

Mr. SMITH of Michigan. Is not another reason why the property qualification should be dispensed with the fact that a pension is a roll of honor and should not take into consideration the question of a person's financial standing? If the husband was a soldier and wore the uniform of his country, she ought to receive the benefit of the pension.

Mr. ROBSION. Another good reason. Mr. Chairman, we are ready to have the bill read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the widow of any officer or enlisted man who served 90 days or more in the Army, Navy, or Marine Corps of the United States during the War with Spain, the Chinese Boxer rebellion, or the Philippine insurrection, between April 21, 1898, and July 4, 1902, inclusive, service to be computed from date of enlistment to date of discharge, and was honorably discharged from such service, or, regardless of the length of service, was discharged for a disability incurred in the service and line of duty, such widow having married such soldier, sailor, or marine prior to the passage of this act, shall, upon due proof of her husband's death, without proving his death to be the result of his Army or Navy service, be placed upon the pension roll from the date of the filing of her application therefor under this act, at the rate of $20 per month during her widowhood. And this section shall apply to a former widow of any officer or enlisted man who rendered service as hereinbefore described, and who was honorably discharged, such widow having remarried either once or more than once after the death of the soldier, sailor, or marine, if it be shown that such subsequent or successive marriage has or have been dissolved, either by the death of the husband or husbands, or by divorce without fault on the part of the wife; and any such former widow shall be entitled to and be paid a pension at the rate of $20 per month; and any widow or former widow as mentioned in this section shall also be paid $4 per month for each child of such officer or enlisted man under the age of 16 years, and in case of the death or remarriage of the widow leaving a child or children of such officer or enlisted man under the age of 16 years, such pension shall be paid such child or children until the age of 16 years: *Provided,* That in case a minor child is insane, idiotic, or otherwise mentally or physically helpless, the pension shall continue during the life of such child, or during the period of such disability; and this proviso shall apply to all pensions heretofore granted or hereafter to be granted under this or any former statute: *Provided further,* That in case of any widow whose name has been dropped from the pension roll because of her remarriage, if the pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, she shall not be entitled to renewal of pension under this act until the pension to such child or children terminates, unless such child or children be a member or members of her family and cared for by her, and upon renewal of pension to such widow, payment of pension to such child or children shall cease.

Mr. HUDSPETH. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Amend the bill, page 1, line 7, after the word "inclusive," in said line, insert the following: Or who fought to protect the frontiers of this country against Indians up to and including the year 1880, not otherwise provided for under existing law, and who were mustered into said service under sanction of State authority.

Mr. KNUTSON. Mr. Chairman, I raise the point of order against the amendment as not being germane.

The CHAIRMAN. The gentleman from Minnesota makes the point of order that the amendment is not germane.

Mr. HUDSPETH. I call the attention of the chairman to the fact that it provides for the pensioning of those who enlisted in certain wars, and this is simply including one other.

Mr. KNUTSON. This is a bill granting relief to the soldiers and sailors of the War with Spain, Philippine insurrection, and the Chinese Boxer rebellion, and has nothing whatever to do with Indian outbreaks in the earlier days.

Mr. HUDSPETH. I call attention to the fact that these men were fighting for this Government, and to-day there is a law permitting them to have a pension; that is, those who fought up until 1876. This is only extending the time four more years. Why should they not be given a pension if the others are paid a pension who fought up to 1876?

Mr. GREENE of Vermont. Were they in the service of the United States and regularly commissioned troops at the time of the activities for which they are now to be pensioned?

Mr. HUDSPETH. They were commissioned under State authority, and they were fighting for this Government, and they are recognized——

Mr. GREENE of Vermont. I am not talking about the moral aspect, but of the legal one. Were they in the United States service?

Mr. HUDSPETH. I do not think so.

Mr. GREENE of Vermont. This bill relates to pensioning people who were in the United States service.

Mr. HUDSPETH. This is a class of men, I will state, who are drawing pensions from the United States Government——

Mr. GREENE of Vermont. But you can not extend this bill to muster somebody else into the United States service who was not.

Mr. GARNER. Mr. Chairman, while these men were in the service of the State of Texas, Congress has recognized their service by reimbursing the State of Texas for the money they were out for their service, thereby recognizing the legality of their service to the country. Let me say to the gentleman that the department has passed on that, and they are now on the pension list extending to a certain time, and now my colleague only proposes to extend that to others who rendered similar service and who were not on the pension roll.

Mr. HUDSPETH. We have nurses in this bill, granting them a pension, who were not in the Federal service regularly enlisted. And while I am in favor of granting these splendid women a pension, still I want these old pioneer Indian fighters recognized and granted a pension who fought to protect their country up to 1880. I do not feel that a nurse should have to almost swear that she is a pauper either before she is given a pension. I mean nurses who helped to minister to our soldiers during this war or any other war for this country.

Mr. GREENE of Vermont. There is only one class of these people, and the gentleman is attempting to extend the scope of the bill by mustering in some new men into the service who were not originally mustered into the service of the United States.

Mr. HUDSPETH. They are men of the same class.

Mr. JOHNSON of Kentucky. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. JOHNSON of Kentucky. Mr. Chairman, I invite the Chair's attention to the language at the end of line 3, on page 3, which reads, "Hereafter to be granted under this or any former statute." Therefore this bill does not relate alone to those mentioned in the title, but also to others; and if this act relates to others mentioned in "any former statute," then the amendment is certainly germane.

Mr. GREENE of Vermont. I submit the reference to a former statute is a former statute bearing upon exactly the same class of people covered by this act.

The CHAIRMAN. The Chair is ready to rule. This bill provides for pensions for persons who served in certain definite wars of the United States—the War with Spain, the Philippine insurrection, and the Chinese Boxer rebellion—and does not refer to indefinite periods of fighting to defend the country, but provides for a certain class of people participating in certain definite wars carried on by this Government. The amendment offered by the gentleman from Texas simply provides for the pensioning of anybody who at any time may have fought for his country to protect the frontier against Indian attacks. In the opinion of the Chair the amendment offered by the gentleman from Texas is not germane to this bill, and the Chair sustains the point of order.

Mr. CLOUSE. Mr. Chairman, I move to strike out, in line 4, page 1, the first word "ninety" and substitute the word "sixty."

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CLOUSE: Page 1, line 4, strike out the word "ninety" and insert in lieu thereof the word "sixty."

Mr. CLOUSE. Mr. Chairman and gentlemen of the committee, I want ultimately to reach the merits of the proposed amendment. Having observed that this is a very rapidly moving machine, I wanted to call your attention, first, to the provisions of section 3, because when we reach them we will be through with it before we have time to think about it. Section 3 provides:

That from and after the approval of this act all persons whose names are on the pension roll and all persons hereafter granted a pension, who, while in the military and naval service of the United States and in line of duty shall have lost both hands or both feet or been totally disabled therein, or who while in such service and in like manner sustained injuries that proved the direct cause of the subsequent total disability of both hands or feet, shall receive a pension at the rate of $100 per month.

Now, I want to know, gentlemen, what good sense there is in discriminating between that man who happened to lose both feet or both hands who had 90 days' service and one with the same disability who served 60 days? The reason I offer the amendment to strike out the word "ninety" and substitute the word "sixty" is this: Charles R. Etheridge volunteered his services in the Spanish-American War. He comes from my home town and from the same district that Alvin C. Yorke came from, and from the same district that furnished the first American blood in the World War. He volunteered his services, and immediately upon being inducted into the service he was stricken ill with that high fever that was prevalent in Cuba. He was discharged on the sixty-second day of his service. He

is totally disabled. He has his hands, he has his feet, but he has lost something far more precious—he has lost his health—and under this bill you deny him any compensation at all. Why, I ask, is he not entitled to it? Only a few days ago I had this matter up with the Secretary of the Interior, and I was advised that there was no law on the statute books that entitled Charles Etheridge to any pension because he had not served 90 days.

Mr. NEWTON of Minnesota. My understanding of the law is that the 90-day limitation applies not to men who were disabled in the service. That limitation applies only to men whose disability comes in afterlife. If he was wounded in the service and disabled, he could qualify under the existing pension law.

Mr. CLOUSE. I am telling you what I am confronted with in the Department of the Interior.

Mr. ROBSION. Does not the Pension Department hold that your man has not proved that he was disabled entirely?

Mr. CLOUSE. They reject him simply because he had not served the 90 days provided by the act of June 1, 1920.

Mr. ROBSION. If he served 90 days and is entitled to a pension, he would get it anyway. They reject his claim because he did not incur the disability in the service.

Mr. CLOUSE. But the gentleman overlooks this fact: They have held he is not entitled to it because of the limitation of 90 days. I can conceive of many cases of a similar character. This is not the only one. There are hundreds of cases of men who were inducted into the service during the Spanish-American War where their patriotism was as high as that of any man who went through and was declared discharged at the cessation of hostilities. He was broken in health, and I say that he deserves a fair consideration.

Mr. NOLAN. Does not the gentleman know that this amendment, if adopted, will not help that particular case?

Mr. KNUTSON. I want to say for the information of the committee, that if the gentleman to whom the proceeding refers was discharged for disability incurred in the line of duty, he will have no difficulty in being placed upon the pension roll, or such cases as the gentleman refers to can come before Congress and secure relief. There is no need at all for the amendment offered by the gentleman from Tennessee. If we make it 60 days, why not 30 days? If 30 days, why not 15 days?

Mr. GREENE of Vermont. The gentleman has doubtless observed that the amendment proposed by the gentleman from Tennessee does not relate to what he refers to at all. That relates only to widows.

Mr. KNUTSON. Yes; that is true, and the amendment is not really in order.

Mr. ROBSION. Mr. Chairman, I rise in opposition to the amendment. This 60-day proposition has come up, and I want to say to the gentleman from Tennessee that his man would not be excluded by the general law if he could show his disability was incurred in the service. And the reason they demand the 90 days is because he is now disabled, and under the act of June 5, 1920, he would be entitled to a pension without showing his disability was incurred in the service. This question came before our committee as to whether we would make it 90 days or 60 days, and the committee considered it carefully. We had before our committee officers and representatives of the United Spanish-American War Veterans, and they thought it wise to ask Congress to fix the time at 90 days and not 60 days.

Mr. NOLAN. Has it not been the customary practice for soldiers to take their cases up with the Pension Bureau, and after they have exhausted all their resources there to have special bills introduced for their relief? And can not a special bill be introduced for the relief of this gentleman just as well as anybody else? This committee is continually reporting out omnibus pension bills to take just such action.

Mr. CLOUSE. Yes. I hope they will take that course.

Mr. ROBSION. Those are the facts.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr ROBSION. Yes.

Mr. JOHNSON of Kentucky. I want to ask my colleague from Kentucky if provision is made in this bill for the pension of a widow of a soldier who had gone through the first 90 days of the war in which he was engaged?

Mr. ROBSION. Yes. The act of March 3, 1917, provides a pension of $25 to such widows.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee.

The question was taken, and the amendment was rejected.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Minnesota moves to strike out the last word.

Mr. NEWTON of Minnesota. Mr. Chairman, I do so for the purpose of asking a question of my colleague from Minnesota [Mr. KNUTSON], chairman of the committee. Under existing pension law it is my understanding that if a widow has an income equaling $250 per year she is not entitled to a pension, and that if she has an income of $250 or more per year and has several minor children, under existing law the sum of so much per child can not be credited to her, either. In other words, if there is an income of $250, neither she nor her children are pensionable. If I understand this legislation correctly, it remedies that, so that, regardless of income, both the widow and children would be pensioned?

Mr. KNUTSON. The gentleman is correct.

Mr. NEWTON of Minnesota. I think it is a very worthy piece of legislation.

Mr. CHALMERS. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Ohio rises in opposition to the pro forma amendment and is recognized for five minutes.

Mr. CHALMERS. I simply want to say, Mr. Chairman, that I want to congratulate the veterans of the Spanish-American War on their modesty in recommending the passage of this bill. I would like at this time to offer an amendment to strike out the figures "$20," in lines 6 and 16, on page 2, and substitute the figures "$25"; and in line 18 to amend by striking out the figure "$4" and substitute the figure "$5." That is the natural human reaction in the consideration of a proposition of this kind. But as the committee and the chairman of the committee warn us and request that the friends of this bill should not revise it upward, or amend it upward, I refrain from offering an amendment.

And in closing I again want to say that as a Member of the House I want to congratulate the proponents of this bill on the modesty of their requests.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 4, after the word "service," insert "who is without means of support other than her daily labor and an actual net income not exceeding $250 per year," and also in line 15, on page 2, after the word "widow."

Mr. RANKIN. Mr. Chairman, this amendment makes this bill conform to the law as it now stands with reference to the property qualification. The law, as it now reads, provides that the widow of any soldier who has died or who shall hereafter die, being without means of support other than her daily labor and an actual net income not exceeding $250 a year, shall be granted a pension in the sum of $12 a month.

By adopting this amendment, the only change that would be made in the law would be to raise these pensions from $12 to $20 a month for the widow and from $2 to $4 a month for the children, but you would be acting with more consistency, it seems to me at least, by requiring a property qualification, and in that way eliminate the inconsistency of pensioning people who admit that they are worth from $50,000 to $75,000.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The question was taken; and the amendment was rejected.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Kentucky moves to strike out the last two words.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make that motion for the purpose of inquiring of the author of the bill if the word "minor," at the beginning of line 24, page 2, has been advisedly put in. The language is—

Provided, That in case a minor child is insane, idiotic, or otherwise mentally or physically helpless, the pension shall continue during the life of such child, or during the period of such disability.

Now under the language that I have just read and under the following language, unless a child is found to be insane or an idiot, or otherwise mentally or physically helpless while a minor, it can not receive any of the benefits of this bill.

Mr. ROBSION. Yes; it can, provided the mother marries again.

Mr. JOHNSON of Kentucky. No; if the mother marries again and one of her children by the former soldier is in a lunatic asylum, then that lunatic in the asylum would get $4 a month but the mother could not get anything.

Mr. ROBSION. No. In lines 18, 19, 20, and 21 you will find that it does provide that other children may receive a pension, but this minor insane child comes under a different provision.

Mr. JOHNSON of Kentucky. Would it not be better if the word "minor" were out?

Mr. ROBSION. No.

Mr. KING. Why not?

Mr. JOHNSON of Kentucky. Reading further, the bill provides:

Provided further, That in case of any widow whose name has been dropped from the pension roll because of her remarriage, if the pension has been granted to an insane, idiotic, or otherwise helpless child, or to a child or children under the age of 16 years, she shall not be entitled to renewal of pension under this act until the pension to such child or children terminates, unless such child or children be a member or members of her family and cared for by her, and upon renewal of pension to such widow, payment of pension to such child or children shall cease.

But if an insane child is violent and vicious and has been committed to an asylum, then the mother can never have the parental charge of it. The child in the asylum would get the $4 a month, but the mother who again is a widow can get no pension at all.

Mr. ROBSION. The child might get the full pension, the full $20 a month.

Mr. JOHNSON of Kentucky. Then you leave the mother unprovided for. Under the laws of your State and mine the pension which was given to the child would go to the payment of its maintenance in the lunatic asylum.

Mr. ROBSION. The purpose of the pension is to take care of the child, and if the mother does not take care of the child, but another does it for her, why should she still receive the pension?

Mr. JOHNSON of Kentucky. But if the widow of one of these soldiers has a lunatic child more than 21 years of age in an asylum, and has other infant children by the soldier, then she can get no pension at all, while the child in the lunatic asylum does get a pension of $4 a month.

Mr. ROBSION. That is not the construction to be placed on this.

Mr. FIELDS. This provides that the Federal Treasury shall assume an obligation that is incumbent upon the State, to take care of the insane child.

Mr. JOHNSON of Kentucky. I believe that the word "minor" ought to be stricken out, because the interests of the widow have been too severely curtailed by the language on page 3.

Mr. ROBSION. The word "minor" is carried in all pension bills of a similar character.

Mr. JOHNSON of Kentucky. That is no justification of it if in reality it works a hardship in this or any other instance.

Mr. ROBSION. But the practical working out of a law of that sort is not what the gentleman has construed it to be.

Mr. JOHNSON of Kentucky. But here it says in plain language—

That in case a "minor child is insane, idiotic, or otherwise mentally or physically helpless, the pension shall continue during the life of such child, or during the period of such disability."

That minor child may draw the pension of $4 a month throughout life or during the continuance of the physical or mental disability; but unless it be provided before the child reaches the age of 21 years it can not be done at all.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Kentucky. I submit the question to the authors of the bill for their consideration.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 2. That all women employed by the Surgeon General of the Army as nurses, under contract or otherwise, during the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion, or who were employed as nurses during such period by authority which is recognized by the War Department, and who rendered actual service as nurses in attendance upon the sick or wounded in any regimental, post, camp, or general hospital of the armies of the United States for a period of 90 days or more, and who were honorably relieved from such service, and who are now or who may hereafter be unable to earn a support, shall, upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of pensioners of the United States and be entitled to receive a pension of $20 per month, and such pension shall commence from the date of filing of the application in the Pension Office after the passage of this act: *Provided*, That no person shall receive more than one pension for the same period: *Provided further*, That all dependent parents of any officer or enlisted man who served in the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion, whose names are now on the pension roll, or who are now entitled to pension under any existing law, shall be entitled to and shall be paid a pension at the rate of $20 per month.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word. I make the motion in this instance, as I did a moment ago, for the purpose of securing information. At line 24, page 3, I find this language relative to nurses:

And who are now or who may hereafter be unable to earn a support, shall, upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the list of pensioners of the United States and be entitled to receive a pension of $20 per month.

The gentleman from Minnesota [Mr. KNUTSON] a few moments ago waxed quite warm in protesting against an amendment which would make it unnecessary that the widow should be required to assert or declare her poverty before receiving a pension. I would be glad to be advised by the gentleman why he discriminates against the nurses by requiring them to make this alleged humiliating statement that I just quoted from the bill.

Mr. KNUTSON. Mr. Chairman, there is no discrimination whatever.

Mr. JOHNSON of Kentucky. Continuing, Mr. Chairman, I regret that the gentleman from Minnesota [Mr. KNUTSON], who is chairman of this committee, and who supposedly is the author of this bill, can see no discrimination between relieving the widow of pleading poverty or lack of ability to earn a support, and requiring that statement to be made, proven, and established on the part of the nurse.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 3, line 23, after the word "service," strike out to and including the word "support" in line 24.

Mr. RANKIN. Mr. Chairman, I offer this amendment in order to put these nurses on the same footing as the widows. I submit that it is a violent and flagrant discrimination against those nurses who went into the camps and the hospitals and served 90 days——

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. In just a moment. I say it is a flagrant discrimination against them to make them plead poverty and at the same time say to the widow, "We do not care how much money you are worth or how able you are to take care of yourself, you are automatically placed on the pension roll." That is what this bill does.

Mr. KNUTSON. Does not the gentleman think an important amendment such as he has offered should be considered by the Committee on Pensions rather than to take snap judgment on the floor?

Mr. RANKIN. No; not if it is as difficult to convince all the members of the committee of this discrimination as it is to convince the chairman [Mr. KNUTSON] in this instance.

Mr. RAKER. Mr. Chairman, I move to strike out the last two words. I want to call to the committee's attention and read that part of the report from the Secretary of the Interior to the committee, found on page 2 of the report, which relates to what has been said about nurses, namely:

Section 2 proposes pension of $20 per month to women unable to earn a support who were employed as Army nurses and who rendered 90 days' or more of actual service in that capacity during the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion; and a like rate to the dependent parents, now pensioned or entitled to pensions, of officers and enlisted men who served in any one of said conflicts.

I do not believe anyone who knows the facts can say that the nurses of the Civil War or the Spanish-American War or those in the World War did not render this service at the front and where it was dangerous many times and that they were subjected to all the dangers of disease and otherwise. Now, you require them, because the older law relating to those in the Civil War provides for it—forgetting that the world is moving and that this Congress has recognized by an act and placed on the statute books a law making the nurses officers of the Regular Army, and therefore in subsequent legislation when the House has an opportunity to correct the wrongs that have been done in the past will do so. I hope the gentleman from Minnesota, the chairman of the committee, and his able assistant, the gentleman from Kentucky, because the amendment was not offered in committee, will not refuse to accept it but will vote for it, so that these nurses, not only in this war but those of the World War, may be placed on the same footing. The amendment should be adopted, and the bill then pass as amended.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CRAGO. Mr. Chairman, I did not intend to say anything on this bill, because I thought it was so fair in all its provisions that very little explanation was needed.

I am going to take a few minutes to explain what I consider the salient features. One applies to a Pennsylvania regiment, where the men were mustered into the service a little later

than some other regiments and the men were returned home from camp in the South because the Government was not in shape to care for them down there, under a furlough, and were furloughed before they had 90 days' actual service in the field. They were under military discipline all that time; they were not mustered out until after the 90 days, but had not seen 90 days' active service before the furlough was granted.

Mr. McSWAIN. Will the gentleman yield?

Mr. CRAGO. Yes.

Mr. McSWAIN. There is a provision in this bill taking care of that.

Mr. CRAGO. Yes; I was coming to that; and that is one of the salient features of the bill, as it will give these men and their widows a pensionable status. The bill also very properly increases the widow's pension from $12 to $20, and children from $2 to $4, and relieves the restriction as to $250 income per year.

Now, we come to the nurses. I will confess that at first I was not enthusiastic about that provision of the bill, but I think the gentleman from California with even his well-known desire to at all times extol the great influence and abilities of the ladies on every occasion, and who by his and other propaganda forced upon the Army the absurd idea of giving rank to the nurses, will not want to do more for the nurses than he would do for the real doughboy, the man who served two years in the jungles of the Philippines. Under the amendment offered, the soldier finds himself discriminated against in favor of the nurse who served 90 days in this country. In other words, the nurse's pension is based on something else than the widow's. It is based on service as the soldier's pension is, and the soldier could not get his pension unless he shows a degree of disability or inability to earn a support. These women may be worth $100,000 and get a pension under this provision. The nurse has her profession, and by that profession she can earn a support until she becomes of such an age that she can not practice it. When she comes to that age, it is proposed under the bill to take care of her as is the widow of the dependent soldier. I am not averse to paying the nurses something when they come to that age. Because when I was in the Army there were a few of them. I can remember, not distinctly, because my mind was very hazy, but I can remember a female nurse in the haze when I was taken to the hospital with a temperature of 104, and remained in that condition for more than a week, and during that time this figure was always about caring for me. That was about my only experience with that branch of the service. But I am willing that these women should be cared for by the Government when they are not by their profession able to take care of themselves. I do not know the name of this nurse, or whether she is living or not, but if she is living, I hope she may receive the benefit of this bill. It is not a discrimination, because they are placed upon a different status than the widow. The widow is pensioned because she is a widow of a man who wore the uniform and served his country in time of war, and took that time out of the days of his earning power to provide for his family. The nurse's pension is based on service just as the pension of the soldier is based on service. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The question was taken, and the amendment was rejected.

Mr. GRAHAM of Illinois. Mr. Chairman, I move to strike out the last word. When I was on the floor a moment ago I alluded to the fact that, in my judgment, an amendment might be of some benefit in this section 2. The language in lines 23, 24, and 25, on page 3, alluding to nurses, contains the following:

And who are now or who may hereafter be unable to earn a support.

It occurs to me that that is pretty broad language. A pension is to be paid to anyone who is unable to earn a support. There is no reason given for it. It need not be on physical disability. It may be that they can not get a job. If a person is a nurse and is unable to earn a support, she is entitled to a pension under this bill. I suggested to the gentleman from Minnesota [Mr. KNUTSON] and the gentleman from Kentucky [Mr. ROBSION] that perhaps it would be advisable to insert, after the word "hereafter," the words "on account of physical disability." I am told by those gentlemen that they do not think the amendment is necessary. I am content to let it go, if they think it is not, if they believe the language is sufficient to guard against any such danger in this respect. They say that the words—

upon making due proof of the fact according to such rules and regulations as the Secretary of the Interior may prescribe—

amply guard against what I had in mind. They claim that the Secretary can provide it must be based on physical disability, and inasmuch as the existing law has the same language, I presume there are many rulings to that effect and that the line of decisions on this subject is well laid down.

I make this explanation in view of the statement I made a while ago and in explanation of the fact that I do not now offer the amendment that I suggested.

The CHAIRMAN. The Clerk will read.

Mr. LAYTON. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman is recognized.

Mr. LAYTON. Mr. Chairman, I only do this for the purpose of calling the attention of the gentleman from Alabama [Mr. HUDDLESTON] to what I think is an answer to his objection in reference to this matter. No woman, as I understand the language of section 2, can participate in the benefits of this proposed legislation unless she has been distinctly employed by the Surgeon General of the Army or employed by such authority which is recognized by the War Department. In other words she would have to prove——

Mr. HUDDLESTON. May I ask this question?

Mr. LAYTON. Just wait a minute. I would like to yield to the gentleman, but I believe I will not do so just now.

Mr. HUDDLESTON. Very good.

Mr. LAYTON. Now, as a matter of fact I will ask the gentleman to consider whether or not that is not true, that no nurse can participate in any benefit under this law as proposed unless she can show a distinct employment by contract through the Surgeon General of the United States or some authority recognized by the War Department.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. LAYTON. I will.

Mr. HUDDLESTON. Does not that apply to the proprietor of a private hospital who had a contract with the Government to treat certain soldiers and had in his employment certain women who were his nurses to treat his patients?

Mr. LAYTON. During this last war, the most gigantic that fell upon this country, we were not prepared with nurses regularly enlisted. We were not prepared for hardly anything under God's heaven, and therefore we took the splendid hospital service of the United States and put in there the good women who were supposed to be at all fitted for good nurses, and if there is any soldier boy on earth in France or the United States who did not recognize the angelic service of the women nurses, why he is insensible.

Mr. HUDDLESTON. Will the gentleman answer my question as to whether that will not admit those persons?

The CHAIRMAN. The time of the gentleman has expired, and the Clerk will read.

Mr. HUDDLESTON. There was a motion to strike out that section which I think we should not ignore, although I think nobody favors it. I made the motion and I did not withdraw it.

The CHAIRMAN. The Chair understood it was a pro forma amendment?

Mr. HUDDLESTON. No.

The CHAIRMAN. The Chair will put the vote.

The question was taken, and the motion was rejected.

The Clerk read as follows:

SEC. 3. That from and after the approval of this act all persons whose names are on the pension roll and all persons hereafter granted a pension who while in the military or naval service of the United States and in line of duty shall have lost both hands or both feet or been totally disabled therein, or who while in such service and in like manner sustained injuries that proved the direct cause of the subsequent total disability of both hands or both feet, shall receive a pension at the rate of $100 per month.

Mr. WALSH. I reserve a point of order upon the section.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. I would like to ask what jurisdiction the committee has to report legislation pertaining to pensions for Civil War veterans?

Mr. ROBSION. The committee claims no authority to report such legislation.

Mr. WALSH. Why have they done so then?

Mr. ROBSION. That section was prepared by the experts of the Pension Department and is intended to include and does include only the soldiers of these wars.

Mr. WALSH. That is the way the experts may read it, but the language says:

That from and after the approval of this act all persons whose names are on the pension roll and all persons hereafter granted a pension who while in the military or naval service of the United States—

It does not say under the provisions of this act, and it does not say the military or naval service during the Spanish-American War or the Philippine insurrection or the Chinese Boxer rebellion, and would include and apply to those upon the pension roll and the legislation——

Mr. ROBSION. The committee is willing to accept an amendment limiting it to these wars.

Mr. KNUTSON. The bill is limited.

Mr. WALSH. No; the bill is not limited. The title is no part of the bill. The language is broader than the jurisdiction of the committee and I think the intention of the committee.

Mr. ROBSION. If the gentleman will permit, after the words "United States," in line 17, these words, perhaps, should be inserted, "under the provisions of this act."

Mr. WALSH. I do not think that would be sufficiently comprehensive, for soldiers who are granted Spanish War pensions are not included in this act.

The CHAIRMAN. Does the gentleman from Massachusetts make the point of order?

Mr. WALSH. I am reserving it for the purpose of seeing if the chairman of the committee feels that that language can be cured by a proper amendment.

Mr. McKENZIE. I desire to ask the gentleman from Massachusetts whether he knows or not the law in regard to the payment of pensions of soldiers who served in the Civil War suffering from the same disabilities described in this act. Do they receive $100 a month?

Mr. CRAGO. They do, and it simply puts this bill on a parity with the other wars.

Mr. GREENE of Vermont. If the Chair will permit, the amendment proposed would not apply in this instance, because the paragraph does not relate to the bill that fixes the basis of the pensions for disabled Spanish War veterans?

Mr. LONGWORTH. Will the gentleman yield?

Mr. CRAGO. It is all right. There is no point of order against it.

Mr. WALSH. There is a point of order against it.

Mr. MANN. What is the point of order?

The CHAIRMAN. The point of order is as to section 3——

Mr. ROBSION. Mr. Chairman, I ask unanimous consent to withdraw that amendment and offer this amendment in lieu of it:

After the word "States," in line 17, insert "under the provisions of this act and all other acts relating to pensions for soldiers of the Spanish-American War, Philippine war, and the Boxer rebellion."

Mr. LONGWORTH. Will the gentleman yield for just a moment?

Mr. ROBSION. I will.

Mr. LONGWORTH. Can he not accomplish his purpose with putting those words after the word "pension" in line 16?

Mr. WALSH. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The gentleman from Massachusetts withdraws his reservation of the point of order; and the gentleman from Kentucky [Mr. ROBSION] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROBSION: Page 4, line 17, after the word "States," insert "under the provisions of this act and all other acts relating to pensions of soldiers of the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Kentucky.

The question was taken, and the amendment was agreed to.

Mr. CLOUSE. Mr. Chairman, I move to strike out, in line 21 of section 3, the words "of both hands or both feet."

The CHAIRMAN. The gentleman from Tennessee [Mr. CLOUSE] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CLOUSE: Page 4, line 21, after the word "disability," strike out the words "of both hands or both feet."

Mr. CLOUSE. Mr. Chairman and gentlemen of the committee, I said a few moments ago in the course of my remarks that the Pension Office in the city of Washington had declined to grant a pension to a Spanish-American War veteran whose discharge showed that he had a disability and was discharged on that account, having served for a period of time less than 90 days. And I repeat the claim was rejected. I have in my hand a copy of a letter from the Commissioner of Pensions, in which he says:

You are advised that this claim under the act of June 5, 1920, filed October 4, 1921, is rejected on the ground that claimant rendered less than 90 days' service during the War with Spain, the Philippine insurrection, and China Relief Expedition, in the Twelfth Company United States Volunteer Signal Corps, the only service alleged, as shown by reports from the records of the War Department, claimant having enlisted June 27, 1898, and been discharged on account of disability September 6, 1898.

I do not know what the law means. I know what the Bureau of Pensions says it means, because I have their letter here, over the signature of the commissioner, and he denies that this man has a pensionable status under your act.

Mr. ROBSION. Will the gentleman yield?

Mr. CLOUSE. I have not the time to yield.

I want to call your attention to this fact: I want to ask you again, why do you discriminate between a man who has lost two hands or two feet during the Spanish-American War and a man that has lost his health and everything that it means to him? I do not object to paying this man that suffered the loss of two hands or two feet $100, but I do say that we ought to be fair and square with this man that lost his health and give him the same compensation that we give a man that lost his hands or feet.

Mr. ROBSION. Will the gentleman yield?

Mr. CLOUSE. I have not the time.

I am told there are only 16 of these unfortunate men. Some member of the committee told me that; I do not now recall who it was. I do not know where they live, but I am speaking for the mass of Spanish-American War soldiers, it matters not where they live. I say let us be fair, let us be just, and let us be generous with these heroes of that great war. With the language stricken out, it will give to the man who lost his health in that war the same status as the man who lost his hands or his feet. In what better condition is the man who is deprived of his health than the man who lost his hands or his feet? I am going to vote for this bill, because I think it is high time that we were recognizing the deeds of valor of these heroes, but we ought to vote this amendment and make it apply to every man who is totally disabled. I see no sense in limiting it to 16 individuals, as it is claimed, who were so unfortunate as to lose their two hands or their two feet.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Tennessee [Mr. CLOUSE].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. CLOUSE. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 15, noes 59.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. GARRETT of Tennessee. Mr. Chairman, the section is passed, but I want to ask the gentleman from Kentucky [Mr. ROBSION] a question about section 5. Beginning in line 7, page 6, it says:

And nothing herein shall be so construed as to prevent any pensioner thereunder from prosecuting his claim under any other general or special act.

What does "or special act" mean there?

Mr. ROBSION. That would mean this: That if any pensioner was turned down under this act, we could introduce a special bill and it would be considered by the Pension Committee of the House.

Mr. GARRETT of Tennessee. Why the necessity of putting that in the law?

Mr. ROBSION. I doubt if that is necessary. I do not think it is; neither do I think the language necessary that his claim may be considered under any general law. I think he has both of those rights anyway.

Mr. GARRETT of Tennessee. This would seem to be providing that nothing in this act shall prevent a man from having a special act introduced in his behalf. It seems to be wholly unnecessary.

Mr. ROBSION. We may have had this thought: A great many men have filed their claims under the general law. They have been pending a good many years. I think it is intended to take care of that sort of situation.

Mr. GARRETT of Tennessee. That is all right; the special act. I understand a special act is where I introduce a bill to increase the pension of an individual.

Mr. ROBSION. I think the thought was that some men have already introduced special bills. If they want to pursue that course, it is up to them to do it. It gives them the right.

Mr. CHINDBLOM. I would like to ask the gentleman from Kentucky whether the meaning of those lines 7, 8, 9, and a part of 10, reading as just suggested by the gentleman from Tennessee—

And nothing herein shall be so construed as to prevent any pensioner thereunder from prosecuting his claim under any other general or special act—

Means that nothing in this bill which we are now considering shall prevent anyone from prosecuting a claim under any general or special act?

Mr. ROBSION. Yes.

Mr. CHINDBLOM. What I mean is should not the word "thereunder" be changed to "hereunder"?

Mr. ROBSION. "No prosecution of claims thereunder"; that is, under the general law or under special acts; not "here-

under." They do not have to come hereunder. They can continue thereunder.

Mr. CHINDBLOM. You say, "Nothing herein shall be so construed."

Mr. ROBSION. Nothing in this act shall prevent a man from prosecuting a claim under the law or under a special act.

Mr. GARRETT of Tennessee. Mr. Chairman, it seems to me that those words "or special acts" are a reflection on our own intelligence.

Mr. FIELDS. It possibly might apply to a man who served in the Civil War and in the Spanish-American War. Giving him the right to prosecute under this act might deter him from receiving a pension under Civil War acts. There are a few cases of that kind.

Mr. ROBSION. It is intended not to compel a man to quit a proceeding under the old law to get under this law.

Mr. FIELDS. To drop a proceeding under the old law and apply under this act. There are a few cases of that kind. I have one constituent, as I remember, who served in both wars.

Mr. ROBSION. Mr. Chairman, I move that the committee do now rise and report the bill with the amendment to the House, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The CHAIRMAN. The gentleman from Kentucky moves that the committee do now rise and report the bill with the amendment to the House, with the recommendation that the amendment be agreed to and that the bill as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 4) granting relief to soldiers and sailors of the War with Spain, Philippine insurrection, and Chinese Boxer rebellion campaign; to widows, former widows, and dependent parents of such soldiers and sailors, and to certain Army nurses, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

Mr. ROBSION. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The SPEAKER. The gentleman from Kentucky moves the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. ROBSION, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. ROBSION. Mr. Speaker, I ask unanimous consent that each Member of the House may have five legislative days in which to extend remarks on the bill.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that each Member of the House have five legislative days in which to extend remarks on this bill. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, Mr. Speaker——

Mr. WALSH. I object to any general leave.

The SPEAKER. Objection is heard.

Mr. ROBSION. Mr. Speaker, I ask unanimous consent that those who have spoken on the bill be given the right to revise and extend their remarks.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that those who have spoken on the bill be given the right to revise and extend their remarks. Is there objection?

There was no objection.

Mr. COLE of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on this bill.

The SPEAKER. The gentleman from Ohio asks unanimous consent to revise and extend his remarks in the RECORD on this bill. Is there objection?

There was no objection.

Mr. VAILE. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Colorado makes the same request. Is there objection?

There was no objection.

Mr. SCOTT of Tennessee. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. FIELDS. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GREENE of Massachusetts. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Has the Committee on Pensions any further business?

Mr. ROBSION. No.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point of order that there is no quorum present.

Mr. GARRETT of Tennessee. Mr. Speaker, I will withhold that for a moment.

APPLICATION OF RECLAMATION LAW TO IRRIGATION DISTRICTS.

Mr. KINKAID. Mr. Speaker, I ask unanimous consent that the bill (H. R. 4382) to provide for the application of the reclamation law to irrigation districts, heretofore referred by the House, be rereferred back to the Committee on Irrigation of Arid Lands.

The SPEAKER. The gentleman from Nebraska asks unanimous consent that the bill H. R. 4382 be rereferred to the Committee on Irrigation of Arid Lands.

Mr. WALSH. Reserving the right to object, Mr. Speaker, I would like to ask what bill it is and what is it about and in what committee it has been heretofore?

Mr. KINKAID. It is a bill to provide for the application of the reclamation law to irrigation districts.

Mr. WALSH. In what committee was it before?

Mr. KINKAID. In this committee. It is desired to correct a clerical error.

The SPEAKER. Is there objection?

There was no objection.

CALL OF COMMITTEES.

The SPEAKER. The Clerk will call the roll of committees.

The Clerk proceeded to call the roll of committees.

Mr. EDMONDS (when the Committee on Claims was called). Mr. Speaker, I would like to call up the bill H. R. 7912.

The SPEAKER. The gentleman from Pennsylvania, from the Committee on Claims, calls up the bill H. R. 7912.

NO QUORUM—CALL OF THE HOUSE.

Mr. WALSH. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. It is apparent that there is no quorum present.

Mr. MANN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The Chair regrets that he has just stated that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House. The question is on agreeing to that motion.

The question was taken, and the Speaker announced that the "noes" appeared to have it.

Mr. MONDELL. A division, Mr. Speaker.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 68, noes 11.

So the motion was agreed to.

The SPEAKER. A call of the House is ordered. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Almon	Codd	Fordney	Kearns
Andrew, Mass.	Coughlin	Frear	Keller
Ansorge	Crisp	Garrett, Tex.	Kelley, Mich.
Appleby	Crowther	Gernerd	Kelly, Pa.
Arentz	Cullen	Gilbert	Kennedy
Barkley	Dale	Goldsborough	Kindred
Black	Deal	Gould	Kitchin
Bond	Dempsey	Graham, Pa.	Knight
Brinson	Drewry	Harrison	Kraus
Britten	Driver	Hawes	Kunz
Browne, Wis.	Dunn	Hersey	Langley
Burke	Echols	Hill	Lawrence
Byrns, Tenn.	Evans	Hooker	Lehlbach
Cantrill	Fairchild	Hukriede	Lineberger
Clark, Fla.	Fairfield	Jacoway	Luhring
Clarke, N. Y.	Faust	Johnson, Wash.	Lyon
Classon	Fish	Kahn	McCormick

McFadden	Padgett	Siegel	Thompson
McKenzie	Park, Ga.	Slemp	Tilson
McLaughlin, Pa.	Parrish	Smithwick	Tincher
MacGregor	Patterson, N. J.	Snyder	Vare
Mansfield	Perlman	Speaks	Voigt
Mead	Petersen	Sproul	Volk
Merritt	Porter	Steagall	Ward, N. Y.
Michaelson	Rainey, Ala.	Stedman	White, Me.
Mills	Reavis	Steenerson	Winslow
Montague	Reed, N. Y.	Stevenson	Wise
Montoya	Riddick	Stiness	Wood, Ind.
Moore, Va.	Rose	Strong, Pa.	Woods, Va.
Morgan	Rosenbloom	Sullivan	Wright
Morin	Rossdale	Taylor, Ark.	Yates
Mott	Sabath	Taylor, Colo.	Zihlman
Mudd	Sanders, Ind.	Taylor, N. J.	
Newton, Mo.	Sanders, N. Y.	Ten Eyck	
Ogden	Shaw	Thomas	

The SPEAKER. On this call 293 Members have answered to their names. A quorum is present.

Mr. EDMONDS. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. EDMONDS. Mr. Speaker, I call up H. R. 7912, to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding $1,000 in any one case.

The SPEAKER. The gentleman from Pennsylvania calls up a bill, which the Clerk will report.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar, and the House automatically resolves itself into the Committee of the Whole House on the state of the Union for its consideration. The gentleman from Illinois [Mr. GRAHAM] will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7912, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7912, which the Clerk will report.

The bill was read, as follows:

A bill (H. R. 7912) to provide a method for the settlement of claims arising against the Government of the United States in sums not exceeding $1,000 in any one case.

Be it enacted, etc., That when used in this act the terms "department and establishment" and "department or establishment" mean any executive department, independent commission, board, bureau, office, agency, or other establishment of the Government, including the municipal government of the District of Columbia.

SEC. 2. That authority is hereby conferred upon the head of each department and establishment acting on behalf of the Government of the United States to consider, ascertain, adjust, and determine any claim accruing after the passage of this act on account of damages to and loss of privately owned property where the amount of the claim does not exceed $1,000, and for which damage or loss the Government may be found to have been responsible. Such amount as may be found to be due to any claimant shall be reported to Congress as a legal claim for payment out of appropriations that may be made by Congress therefor, together with a brief statement of the character of each claim, the amount claimed, and the amount allowed.

SEC. 3. That acceptance by any claimant of the amount determined under the provisions of this act shall be deemed to be in full settlement of such claim against the Government of the United States.

SEC. 4. That any and all acts in conflict with the provisions of this act are hereby repealed.

Mr. GARRETT of Tennessee. Mr. Chairman, I raise the question of consideration of this bill.

Mr. WALSH. Mr. Chairman, I make the point of order that this is Calendar Wednesday and that the House is now in Committee of the Whole House on the state of the Union. The question of consideration should have been raised before we went into Committee of the Whole.

Mr. GARRETT of Tennessee. The gentleman is right. I forgot for the moment that this is Calendar Wednesday. I withdraw the motion.

Mr. EDMONDS. Mr. Chairman and gentlemen, during the 10 years that I have been a Member of the Committee on Claims it has always been a subject of controversy upon the floor of the House as to the method to be pursued in paying claims. It was claimed that certain parties, either through favoritism or because of knowing members of the committee, were able to get bills passed through the House, and that a great many other parties who were damaged just as much by the actions of the Government were not able to obtain redress.

The last time the House had claims before it quite a number of Members raised this question, and it has been raised from time to time, as I said before, during the whole 10 years that I have been a member of the committee.

Membership on the Committee on Claims is not a very pleasant job. Most Members think their claims ought to get prompt attention. We have before the committee a large number of small claims. The committee has always felt that those claims could be adjusted and paid by the departments just as well, and in a great many cases with the saving of a great deal of money to the Government, by general legislation. The House has recognized that in a number of cases by placing on appropriation bills provision for some method for the paying of certain kinds of claims. We took up this matter with each department. We found that the War Department had two distinct methods of settling claims, provided for by legislation on appropriation bills. One was for the payment of aircraft damage cases up to $250. The other one was for the payment of damages arising out of the training and operations of the Army up to $500.

During 1919, $30,000 was appropriated to cover these claims. During 1920–21, $40,000 was appropriated, and in the last Army bill we appropriated $100,000 for this purpose. So you see these claims are settled, and certain persons whose damages are no worse than those claimed in a great many of the cases that are brought before the House are paid by the War Department. The Treasury Department has five cases of damages——

Mr. SNELL. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. SNELL. Do I understand that the War Department has the right to settle any kind of a claim up to a certain amount?

Mr. EDMONDS. No; only a certain kind of claims.

Mr. SNELL. What kind of claims are they?

Mr. EDMONDS. Damages by aircraft up to $250; training practice and operation of the Army up to $500.

Mr. SNELL. And those are the only two classes of cases?

Mr. EDMONDS. Yes. The Treasury Department has five cases which amount to $1,685 arising out of the operation of Coast Guard vessels. The Commerce Department has the right to settle claims up to $500 for collision occasioned by lighthouse boats. The Coast Survey Service can also settle damages arising out of the operation of their boats up to $500. There is no arrangement for the Bureaus of Fisheries, Navigation, of Standards, or of the Census to settle claims.

The Interior Department has no way of settling any claims that arise out of the operation of their department, although they made an estimate for it under contingent expenses, but action was not taken by Congress. The Post Office Department can settle claims up to $500, and we appropriated $30,000 for that purpose. There is no appropriation for the Labor Department.

In the Navy Department they have authority to settle claims up to $500 where the damage or loss is occasioned in the naval service or the Marine Corps, where the men are found to be responsible. This provision is continued in the current appropriation bill.

The Agricultural Department has authority to reimburse for horses and vehicles and other equipment lost, damaged, or destroyed while being used to fight fire on the western reserves. In order to get reimbursed for this the vehicle has to be hired by the department.

The committee thought it would be a very easy matter, and a proper matter, to pass a general bill covering these claims up to a certain amount of money. Some members wanted to raise it to $5,000. We compromised on $1,000. We thought that was a fair sum, and most of the department chiefs who were before us thought so also.

I want to say a little about the work of the committee. We have 1,000 claim bills before the committee up to date. We have 32 Senate bills before the committee. That makes 1,032. We reported 80 House bills out of the committee and 12 Senate bills. Forty House bills have passed the House and 5 Senate bills. Two hundred and ninety-five of the House bills are for amounts less than $500. Two hundred and forty of them are in amounts between $500 and $1,000. Eighty-seven bills before the committee are for the reimbursement of money or property lost by fire or theft. Eight bills are for the reimbursement for expenses incurred in line of duty. Seven bills are for reimbursement for embezzlement of employees. Fifty-one bills are for damages arising out of collisions on water. Twenty-two bills are for reimbursement for money erroneously collected by the Government. Thirteen bills are for amounts due under various forms of agreement. One hundred and seven bills are for money used or for labor or materials furnished, increased costs, difference in pay, overtime, such as were occasioned during the war. Eighty bills are for injuries or death caused by the operation of Government automobiles. Five bills are for injuries or death caused by airplanes. Twenty-eight bills are for damages caused to private property by automobiles. Four bills are for damages caused to private property by airplanes. Thirty-five bills are for damages to private property caused by various means excepting automobiles and airplanes, and 37

bills in cases of death caused by all means except by automobiles and airplanes.

Of course it is no easy matter for the committee to study carefully bills that involve larger amounts. Every once in a while we will pass a bill here for less than $100, and it would be cheaper to have the Government settle the bill at $100 because of the expense incurred in connection with the time of the House and the printing of the different documents that come along with the bills. We take up far more time than $100 would settle. We have passed bills as low as $5 and $6, and it seems to me foolish for the House to continue in a slipshod business method when we can by some general act take care of the smaller of these claims.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. EDMONDS. Certainly.

Mr. WALSH. The Navy Department has authority at the present time to settle claims up to $500, but the comptroller has ruled, I notice from the report, that this does not give authority for the settlement of claims for which civilian employees in the department are responsible. Does the gentleman think that the language of the bill is sufficiently broad to overcome the objections raised by the comptroller and permit the Navy Department to settle claims arising out of the acts of civilian employees up to $1,000?

Mr. EDMONDS. Oh, I think so.

Mr. WALSH. I can not agree with the gentleman. The language carried in the Navy appropriation act is very broad. It is to the effect that the Secretary of the Navy is authorized to consider, ascertain, adjust, determine, and pay the amounts due in all cases for damages to or loss of privately owned property occurring subsequently to April 6, 1917, where the amount does not exceed $500. That is very broad language, and yet the comptroller said that that would not comprehend the civilian employees of the Navy Department. There is nothing in this bill which would tend to include them under the comptroller's decision.

Mr. EDMONDS. The intention of the committee was that these provisions in the appropriation bills would be eliminated in the future, and this bill would cover the settlement of all claims under $1,000 by the departments themselves. If the language does not cover that, I would be glad to have the gentleman amend it to cover it.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count.

Mr. GARRETT of Tennessee (interrupting the count). Mr. Chairman, I withhold the point for a moment.

Mr. WALSH. Mr. Chairman, I was about to ask a question when the point of no quorum interposed. Does the gentleman believe that the language—

and for which damage or loss the Government may be found to have been responsible—

is sufficiently comprehensive to overcome the objection of the comptroller?

Mr. EDMONDS. I think the language is sufficiently broad to cover that.

Mr. WALSH. Of course it is a matter of opinion.

Mr. EDMONDS. Certainly. Mr. Chairman, I now yield to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman, if there is any doubt as to the meaning, I think the insertion of the following language in line 4 might meet the objection of the gentleman—

was due to negligence of any officer or employee of the Government acting in the line of duty.

Mr. WALSH. That was what I had in mind.

Mr. UNDERHILL. I would be glad to offer that a little later as an amendment.

Mr. Chairman, I dislike very much, indeed, to keep Members of the House here at this late hour.

The CHAIRMAN. How much time does the gentleman from Pennsylvania yield the gentleman from Massachusetts?

Mr. EDMONDS. Fifteen minutes.

Mr. UNDERHILL. I trust I shall not take half of that time, but there is not a Member of the House who has served more than one term but has been bothered by some of these claims from his constituents. They have had to go before the Committee on Claims and have not secured action, due to the fact that it is a physical impossibility for 15 members of the Committee on Claims to take care of the many, many thousand bills presented to it each and every year. Those of you who come in personally to see members of the committee and ask that some claim of your constituents may be taken up at once usually are granted the courtesy by members of the committee, but there are many, many claims of small amounts referred to the committee, where some poor individual has lost his means of livelihood by means of negligence of some Government employee, and they pass through the committee, are acted favorably upon, they go through this House favorably, they go over to the Senate, and are lost over there, or the reverse may happen when they go to the Senate and come to the House and are lost here. Now, the general procedure of the committee is to first refer claims to the departments for an investigation and report, and in each and every instance, so far as I have known, we have taken the report of the department for our guidance and have adjudicated the claims upon the recommendation of the department. Now, that being the procedure, it does not seem necessary that the committee should sit days and days on these small matters, and that the House should sit other days and days hearing discussion of them. They should be treated generally on a basis of equality and justice. Furthermore——

Mr. BLANTON. Will the gentleman yield for a question?

Mr. UNDERHILL. I can not; I have only 15 minutes.

Mr. BLANTON. Well, Mr. Chairman, I think we need a quorum, and I make the point that there is no quorum present.

Mr. UNDERHILL. That is the general attitude of the gentleman from Texas, and I thank him for it, after all I have done for him.

Mr. BLANTON. The gentleman has not done anything——

The CHAIRMAN. The Chair will count.

Mr. EDMONDS. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 7912, had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, had asked a further conference with the House on Senate amendments Nos. 1, 2, 3, 4, 6, 20, and 21, and had appointed Mr. WARREN, Mr. JONES of Washington, and Mr. HARRIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes, in which the concurrence of the House of Representatives was requested.

LEAVE OF ABSENCE.

By unanimous consent, Mr. PARRISH was granted leave of absence, until further notice, on account of important business.

ADJOURNMENT.

Mr. EDMONDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until to-morrow, Thursday, February 2, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

496. A letter from the Postmaster General, transmitting list of useless papers and documents which are not needed in the transaction of public business and which should be disposed of; to the Committee on Disposition of Useless Executive Papers.

497. A letter from the Secretary of the Navy, transmitting a tentative draft of a bill to equalize the pay of aviation officers of the Navy and Marine Corps with that of officers of the Army; to the Committee on Naval Affairs.

498. A communication from the President of the United States, transmitting a communication from the Acting Secretary of Commerce, submitting an estimate of appropriation in the sum of $736.25, required for the payment of claims for damages by lighthouse vessels, which have been considered and adjusted by the Commissioner of Lighthouses (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

499. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the Department of Commerce, for the fiscal year ending June 30, 1923, amounting to $333,829.50 (H. Doc. No. 163); to the Committee on Appropriations and ordered to be printed.

500. A communication from the President of the United States, transmitting supplemental estimate of appropriations for the Department of the Interior, National Park Service, for the fiscal year ending June 30, 1923, amounting to $96,084.30, for the sanitation in three national parks (H. Doc. No. 164); to the Committee on Appropriations and ordered to be printed.

501. A letter from the president of the City & Suburban Railway of Washington, transmitting report of the company for the year ended December 31, 1921; to the Committee on the District of Columbia.

502. A letter from the president of the Georgetown & Tennallytown Railway Co., transmitting report of the company for the year ended December 31, 1921; to the Committee on the District of Columbia.

503. A letter from the president of the Washington Interurban Railroad Co., transmitting report of the company for the year ended December 31, 1921; to the Committee on the District of Columbia.

504. A letter from the president of the Potomac Electric Power Co., transmitting report of the company for the year ended December 31, 1921; to the Committee on the District of Columbia.

505. A letter from the president of the Washington Railway & Electric Co., transmitting report of the company for the year ended December 31, 1921; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ZIHLMAN: Committee on the District of Columbia. H. R. 7850. A bill to equalize pensions of retired policemen and firemen of the District of Columbia, and for other purposes; without amendment (Rept. No. 642). Referred to the Committee of the Whole House on the state of the Union.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. S. 621. An act to amend subdivision (c) of section 206 of the transportation act, 1920; with an amendment (Rept. No. 643). Referred to the Committee of the Whole House on the state of the Union.

Mr. STOLL: Committee on Military Affairs. H. R. 9717. A bill to amend an act, Public, No. 219, approved July 1, 1902, authorizing the Secretary of War to furnish discharge certificates; with an amendment (Rept. No. 644). Referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MAPES: A bill (H. R. 10226) to provide for a deep waterway for ocean-going vessels from the Great Lakes to the Atlantic Ocean by way of the St. Lawrence River and the Welland Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. RYAN: A bill (H. R. 10227) in relation to crippled veterans; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 10228) granting an increase of pension to Daniel L. B. Downey; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 10229) granting a pension to Nellie J. Stanton; to the Committee on Invalid Pensions.

By Mr. GARRETT of Texas: A bill (H. R. 10230) for an examination and survey of Goose Creek and Cedar Bayou in Texas; to the Committee on Rivers and Harbors.

By Mr. JAMES: A bill (H. R. 10231) granting a pension to Peter Rule; to the Committee on Pensions.

By Mr. MOORE of Illinois: A bill (H. R. 10232) granting an increase of pension to Frank G. Himes; to the Committee on Pensions.

By Mr. J. M. NELSON: A bill (H. R. 10233) granting a pension to Mary M. Lewis; to the Committee on Invalid Pensions.

By Mr. SCHALL: A bill (H. R. 10234) for the relief of Edward A. Purdy; to the Committee on Claims.

By Mr. SINNOTT: A bill (H. R. 10235) granting an increase of pension to Anna Miller; to the Committee on Pensions.

By Mr. STINESS: A bill (H. R. 10236) granting a pension to Joshua H. Thomas; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 10237) for the relief of Alfred J. Charest; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3771. By Mr. ANSORGE: Petition of the National Security League (Inc.), of New York City, requesting that the United States Army shall not be reduced below 150,000 men; to the Committee on Military Affairs.

3772. Also, petition of the Chamber of Commerce of the State of New York, opposing recognition of present Russian Government; to the Committee on Foreign Affairs.

3773. Also, petition of the Navy Yard Retirement Association of the New York Navy Yard, setting forth reasons why the amendment should be passed to the present retirement act; to the Committee on Reform in the Civil Service.

3774. By Mr. FENN: Petition of Emil L. C. Hohenthal, of South Manchester, Conn., for the relief of Austria; to the Committee on Foreign Affairs.

3775. By Mr. FULLER: Petition of 1,425 citizens of Rockford, Ill., urging the immediate passage of the Fordney tariff bill, based on American valuation, and with adequate protective duties; to the Committee on Ways and Means.

3776. By Mr. JAMES: Petition of the Chamber of Commerce of Hancock, Mich., relative to proposed improvement of the St. Lawrence River, etc.; to the Committee on Interstate and Foreign Commerce.

3777. By Mr. KAHN: Petition of the Foreign Trade Club of San Francisco, opposed to the adoption of the American valuation plan; to the Committee on Ways and Means.

3778. By Mr. KING: Petition of Clark Mills Carr Camp, United Spanish War Veterans, of Galesburg, Ill., urging the passage of House bill 4 and giving reasons therefor; to the Committee on Pensions.

3779. By Mr. KISSEL: Petition of the Staten Island Chamber of Commerce, of Staten Island, N. Y., opposed to proposed legislation in favor of St. Lawrence Ship Canal, etc.; to the Committee on Interstate and Foreign Commerce.

3780. Also, petition of Dr. Eugene H. Porter, of the department of farms and markets, Albany, N. Y., urging passage of House bill 8086; to the Committee on Agriculture.

3781. By Mr. LINTHICUM: Petition of George E. Lockard, of 1211 Madison Avenue, Baltimore, Md., favoring increase of annuity of retired civil service employees; also petition of Vernon J. Blondell, of Baltimore, Md., urging favorable action on veterans' adjusted compensation bill; also petition of Baugh & Sons, of Baltimore, Md., opposing soldiers' bonus bill; to the Committee on Ways and Means.

3782. Also, petition of J. E. Rittenhouse, commander of the department of Maryland, United Spanish War Veterans, of Baltimore, Md., favoring House bill 4 in the interests of Spanish-American War veterans; to the Committee on Pensions.

3783. Also, petition of the Baltimore Drug Exchange Bureau, of Baltimore, Md., favoring passage of Senate bill 848; also petition of the Merchants and Manufacturers' Association, of Baltimore, Md., favoring Senate bill 621; to the Committee on Interstate and Foreign Commerce.

3784. By Mr. RAKER: Petition of the California Metal Trades Association, of San Francisco, Calif., protesting against bill leasing New Orleans dry dock to private parties; to the Committee on Naval Affairs.

3785. Also, petition of the National Reform Association, national legislative headquarters, Washington, D. C., urging support of the Senate amendment to House bill 9724 relative to the concentration of distilled spirits; to the Committee on the Judiciary.

3786. Also, petition of the California State Federation of Labor of San Francisco, Calif., urging early consideration and passage of Senate bill 745, the accident compensation bill for longshoremen; to the Committee on the Judiciary.

3787. Also, petition of D. B. Mackie, State insectary, Sacramento, Calif., and the Standard Felt Co., of West Alhambra, Calif., indorsing and urging support of the Patent Office relief bill (H. R. 7077); to the Committee on Patents.

3788. Also, petition of the United Spanish War Veterans of California, Los Angeles, Calif., urging support of House bill 4; to the Committee on Pensions.

3789. By Mr. SINCLAIR: Nineteen petitions by citizens of Tagus, Aurelia, Donnybrook, Wheelock, Fredonia, Epping, Carpio, Colgan, Overly, White Earth, Tuttle, Ross, Kulm, Upham, Crosby, Garrison, Ludden, Oakes, Coal Harbor, and other places in North Dakota, urging the revival of the United States Grain Corporation and legislation for the stabilization of prices of farm products; to the Committee on Agriculture.

3790. Also, petition of farmers of Lindahl Township and the Lindahl Local, Williams County, N. Dak., urging the passage

of legislation for the establishment of a minimum price of $2 per bushel for wheat; to the Committee on Agriculture.

3791. By Mr. YOUNG: Petition of Ben Vik and 23 others, of Wellsburg, N. Dak., asking for the revival of the United States Grain Corporation and for a guaranteed price on wheat; to the Committee on Agriculture.

3792. Also, petition of E. O. Kjos and 103 others, of Kulm, N. Dak., asking for the revival of the United States Grain Corporation and for a guaranteed price on wheat; to the Committee on Agriculture.

3793. Also, petition of State Senator W. J. Church and 122 other citizens of North Dakota, urging passage of House bill 7735; to the Committee on Agriculture.

SENATE.

THURSDAY, *February 2, 1922.*

The chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, our appeal this morning is for a stricken city, full of mourning and desolation. We ask Thy great comfort in the midst of the sorrow that oppresses the Capital. May Thy mercy be manifested, may grace sufficient be given in the stricken homes and where there are distressed circumstances. Manifest Thine own healing hand in the hospital wards and in the homes of sickness. Remember the family of him who was noted in the councils of our country and who mourn today. Minister to each one of them.

Teach us always, Father, that our lives are in Thy hands and help us so to dispose of them that agreeable to Thy holy will we shall ever recognize our dependence upon Thee and may our willingness be manifest to do Thy good pleasure. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday, January 25, 1922, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

READING OF WASHINGTON'S FAREWELL ADDRESS.

The VICE PRESIDENT. The Chair designates the Senator from the State of Washington [Mr. POINDEXTER] to read Washington's Farewell Address on February 22 next, which is to be read pursuant to an order of the Senate of January 24, 1901.

REINTERMENT OF SOLDIER DEAD.

The VICE PRESIDENT laid before the Senate a communication from the Quartermaster General of the Army, transmitting lists of American soldier dead returned from overseas to be reinterred in the Arlington National Cemetery, Thursday, February 2, 1922, at 2.30 p. m., which, with the accompanying lists, was ordered to lie on the table for inspection by Senators.

REPORT OF WASHINGTON GAS LIGHT CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Washington Gas Light Co., transmitting, pursuant to law, a detailed statement of the business of that company for the year ended December 31, 1921, which was referred to the Committee on the District of Columbia.

REPORT OF GEORGETOWN GAS LIGHT CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Georgetown Gas Light Co., transmitting, pursuant to law, a detailed statement of business of that company for the year ended December 31, 1921, which was referred to the Committee on the District of Columbia.

REPORTS OF AFFILIATED STREET RAILWAY AND OTHER COMPANIES.

The VICE PRESIDENT laid before the Senate communications from the president of the Washington Railway & Electric Co., the Potomac Electric Power Co., the Georgetown & Tenleytown Railway Co., the City & Suburban Railway of Washington, and the Washington Interurban Railroad Co., transmitting, pursuant to law, reports of said companies for the year ended December 31, 1921, which were referred to the Committee on the District of Columbia.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a resolution adopted by the Narcotic Control Association of California, favoring the enactment of legislation making more stringent regulation by the Federal Government of manufacturers of narcotics, which was referred to the Committee on the Judiciary.

Mr. HALE. I present copies of a petition from citizens of the State of Maine and other States, favoring world peace and international agreement for the immediate and permanent abandonment of all further armament and munitions construction. I ask that one of the copies be printed in the RECORD and that they all be referred to the Committee on Foreign Relations.

There being no objection, a copy of the petition was ordered to be printed in the RECORD and all the copies were referred to the Committee on Foreign Relations, as follows:

THE INTERNATIONAL LONGFELLOW SOCIETY,
LONGFELLOW BIRTHPLACE,
Portland, Me., November 11, 1921.

To the Disarmament Conference, Washington, D. C.:

In the name of our God, who commanded thou shalt not kill; in the name of our Saviour, who said thou shalt love thy neighbor as thyself; in the name of humanity and our civilization, the very existence of which is imperiled by the merciless hydra-headed monster of militarism, the International Longfellow Society, numbering more than 100,000 members, in the light of the record of centuries showing the horrible futility and atrocious crime of war, urges as the first essential of world peace an international agreement for the immediate and permanent abandonment of all further armament and munitions construction, to the end that a saner use may be made of human life than its willful destruction or the wicked waste of its energies in the creation of implements of death and desolation. Then may be realized—

PEACE ON EARTH, GOOD WILL TO MEN.

Peace! and no longer from its brazen portals
The blast of war's great organ shakes the skies!
But beautiful as songs of the immortals,
The holy melodies of love arise.

—Longfellow.

Respectfully submitted for—
THE INTERNATIONAL LONGFELLOW SOCIETY,
By ARTHUR C. JACKSON, *President.*

The Woman's Literary Club, of Bar Harbor, Me., Florence A. Springer, secretary.

The Current Events Club, of Hallowell, Me., Adelle Gilpatrick, acting president.

The West Street Social Eight Club, of Columbia, Conn., Mrs. J. A. Isham, president.

The Cornelia Circle, of Rockville, Conn., Adelaide E. Sperry, president.

The Art and Literature Club, of Auburn, Me., Beatrice M. Dingley, president; Carrie L. Strauss, secretary.

The Federated Woman's Club, of Middlebury, Vt., Jessie B. Robinson, secretary.

The Webhannet Club, of Kennebunk, Me., Mrs. Lida F. Hawks, president.

The Houlton Woman's Club, Mrs. Fred E. Hall, president.

Mr. and Mrs. Percival B. Ralfe, 98 State Street, Portland, Me.

Miss E. A. Faroe, secretary, the Browning Reading Club, of Norway, Me.

The Monday Club, of Boothbay Harbor, Me., Alice Mary Hodgdon, secretary pro tempore.

The Women's Educational and Industrial Union, of Saco, Me.

Netta A. J. Cotton, of Pittsfield, N. H.

The East Hendrick Study Club, of East Hendrick, Vt., Kate M. Smith, president.

The Hilltop Home Club, of South Coventry, Conn., Mrs. W. L. Rose, secretary.

Ogunquit Woman's Club, of Ogunquit, Me.

The Pittsfield Tuesday Club, of Pittsfield, Me., Mary W. Spear, secretary.

The Woman's Literary Club, of White River Junction, Vt., Sadie E. Sawyer, secretary.

Irving Club, of Irvington, N. J., Mrs. George H. Schumacher.

Wells River Study Club, of Wells River, Vt.

Twentieth Century Club, of Hugo, Okla., Mrs. X. R. Campbell, president.

Corinna Literary Club, of Corinna, Me., Anne S. Redman, president.

The Fortnightly Club, of Madison, Conn., Ellen M. Dowd, president, and Laura N. Holbrook, secretary.

The Kalmia Club, of Lambertville, N. J., B. M. Diets, president.

The Mount Carmel Book Club, of Mount Carmel, Conn., Helen L. Lathrop, secretary.

The Hampton Monday Club, Margaret S. Noyes, president, and Sarah B. Tobey, secretary.

The Students Club, of Danbury, Conn., Mrs. M. E. Mabie, president.

The Milford Woman's Club, of Milford, N. H., Addie B. Fitch, corresponding secretary.

The Woman's Club, of Richford, Vt., Mrs. Henry A. Poffer, president; Jennie T. Comings, secretary.

The Social Service Club, of Jericho Center, Vt.

The Thread and Needle Club, of Ludlow, Vt., Mrs. Grace P. Gleason, secretary.

The Woman's Club, of Berlin, N. H.

West Lebanon Fortnightly Club, of West Lebanon, N. H., Mrs. Edith Kimball, president, and Mrs. Susie Keach, secretary.

The Vega Club, of Lebanon, N. H., E. H. Hayes, corresponding secretary.

Katahdin Club, of Island Falls, Me., Clara Osgood Hopkins, secretary.

The Woman's Club, of Newton Upper Falls, Mass., Bertha Browning Cobb, president.

The Quabbin Club, of Enfield, Mass., Mary E. Hewitt, president.

The M. P. M. Club, of Brewer, Me., Flora M. Croxford, president.

The Woman's Club, of Pigeon Cove, Mass., Caroline W. Babson, president.

Jynko Club, of Providence, R. I., Mrs. William S. Lundy, president.

The Woman's Fortnightly Club, of Hanover, N. H., Mrs. Helen C. Murray, president.

The Athena Club, of Dover, Me., Mrs. Julia Brown, president.

The Savoir Faire Club, of Portland, Me., Mrs. James H. Hall, president, and Mrs. S. D. Bartlett, secretary.

Lithgow Club, of Winslow, Me.

Mr. KENDRICK presented a resolution adopted by the Glenrock (Wyo.) Community Club, favoring the construction of the Great Lakes-St. Lawrence ship canal, which was referred to the Committee on Commerce.

He also presented resolutions adopted by the South Fork Stockmen's Association, of Ishawooa; the Upper Green River Cattle and Horse Growers' Association, of Cora; the Sheridan Rotary Club, of Sheridan; the Douglas Stock Association, comprising the permittees of the Douglas, Holmes, and Lake Owen Grazing Units within the Medicine Bow National Forest, of Buckeye; and the Laramie Rotary Club, of Laramie; all in the State of Wyoming, protesting against the enactment of legislation transferring the Forest Service from the Department of Agriculture to the Interior Department, which were referred to the Committee on Agriculture and Forestry.

Mr. LADD. I present resolutions passed by the Tri-State Grain and Stock Growers' Convention at Fargo, N. Dak., favoring the enactment of necessary legislation for the benefit of agriculture, and ask that they be printed in the RECORD and referred to the appropriate committee.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Resolutions passed by Twenty-third Annual Grain Growers' Convention.

FARGO, N. DAK., *January 20, 1922.*

Whereas the cost of everything to the farmer continues far above his ability to pay; and

Whereas the present crisis of readjustment deserves special or unusual action; and

Whereas we are all agreed that as a matter of permanent national economy agriculture must be put on a permanent profitable basis; we therefore advise that over any series of years farmers must obtain for their product a price which will at least cover actual cash expended, including taxes, hired labor, etc., and also must include a fair interest rate on the investment in farm and equipment and payment for labor of the farm operator and his family. This does not mean that the prices shall be high enough to protect the most incompetent farmers on the poorest farm land during the poorest year or excess wages and salaries to bring about such a system of profitable agriculture. We deem it necessary in the case of farmers producing cereals to work for the development of cooperative marketing of such cereals through control by ownership or lease of sufficient local or terminal warehouses so that producers may in a large measure regulate in an orderly way the surplus and at the same time prevent shortages of glutted markets and great fluctuation.

We urge that in order to make the above effective it seems necessary to work for the improvement of the national financial and credit situation so as to finance this cooperative marketing plan.

Mindful that in order to carry out such a program laws now providing for control of the abuses of grain exchanges should be effectively carried out; and mindful that finances are absolutely necessary for such a program, and recognizing that the War Finance Corporation has been a source of credit for the conduct of such a program we therefore urge for a continuance of the War Finance Corporation or some other such similar plan for the advancement of credit to such agricultural cooperative proceedures.

Whereas large quantities of red clover and alfalfa seeds are annually imported into the United States; and

Whereas such imported seeds have been proven by careful and extensive tests to be decidedly inferior to American grown seed, both in hardiness and purity; and

Whereas we believe that the increasing number of failures to secure successful stands of clover and alfalfa are due in a large measure to the sowing of such imported seed either straight or mixed with domestic seed; and

Whereas it is possible to so extend the areas in the United States now producing clover and alfalfa seed that this country will produce ample supplies; and

Whereas such extension of producing areas would quickly follow if producers were protected against the competition of cheap, imported seed: Be it

Resolved by the members of the Tri-State Grain Growers' Association in annual convention assembled at Fargo, That we favor the enactment of a tariff on red clover and alfalfa seed, as well as on all grains imported into the United States.

We indorse the agricultural bloc.

We urge the enactment of necessary legislation whereby the projected deep waterway may eventually become a reality.

We request Secretary of Agriculture Wallace to so amend Federal grades on potatoes so as to eliminate from No. 1 grade all reference to growth cracks.

Whereas new problems and conditions require new solutions; and

Whereas existing institutions or machines constructed for one purpose are not necessarily useful for other purposes; and

Whereas with these two points in mind we recognize four specific financial needs of agriculture:

1. Long-time credit—10 to 50 years—for the purpose of buying farms, because free land is gone.

2. Shorter term credit—1 to 10 years—to finance equipping of farms, constructing buildings, etc.

3. Short-time credit—up to one year—to finance producing of crop and stock.

4. Short-time credit for financing marketing.

We note that present institutions only partly fulfill our needs. Present financial institutions are chiefly for other purposes and call for different kinds of collateral and shorter periods of time.

We therefore call for Federal and State legislation to extend the present system of farm loan banks to make permanent the principles of the War Finance Corporation and to provide the other types of credit referred to above.

Resolved, That Congress of the United States guarantee to the farmers of the United States $2 per bushel for all wheat actually raised and consumed in the United States; and that all surplus wheat may be sold to other countries upon the world's market, and that all imported wheat shall not receive the guaranteed price.

Mr. WARREN presented resolutions adopted by the Western Association of State Game Commissioners, at Salt Lake City, Utah, January 17, 1922, protesting against the enactment of Senate bill 1452, the so-called Federal public shooting ground and game refuge act, and favoring the making of an appropriation for the purpose of enforcing the migratory bird treaty act, and the establishment of public shooting grounds and game refuges under the direction of the biological survey, which were ordered to lie on the table.

Mr. WILLIS presented a resolution adopted by J. S. McCready Post, No. 456, Grand Army of the Republic, of Cadiz, Ohio, favoring early action by Congress on general pension legislation for the benefit of Civil War veterans, which was referred to the Committee on Pensions.

Mr. NELSON presented resolutions adopted by the State Agricultural Society, at Hamline, and the Yellow Medicine County Farm Bureau Association, both in the State of Minnesota, favoring the construction of the Great Lakes-St. Lawrence ship canal, which were referred to the Committee on Commerce.

Mr. CAPPER presented a resolution adopted by Antietam Post, No. 64, Grand Army of the Republic, of Parsons, Kans., favoring the enactment of the so-called Morgan bill, providing for increased pensions for veterans of the Civil War and their widows, which was referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Wamego, Kans., praying for the enactment of legislation providing for the continuance of village mail delivery, which was referred to the Committee on Post Offices and Post Roads.

Mr. McLEAN presented petitions of the Moore Insurance Agency (Inc.), Catt & Co., Apothecaries Hall Co., Frary's Music Store, Union Pin Co., W. L. Gilbert Clock Co., Franklin Moore Co., McPherson Bros., the Gilbert School, International Bank, the City Pharmacy, Atlantic & Pacific Tea Co., Universal Bearing Bronze Co., American Knife Co., B. J. Harrison Co., Winchester Dental Floss Co., Benjamin Richards & Co., Radoechio Bros., King & Gray, Hurlbut National Bank, Winsted Savings Bank, Barrenther Bros., Winsted Manufacturing Co., the Merwin & Brown Co., the Art Store, Bauman's Drug Store, Hennequin Bros., E. W. Jones & Co., White Kitchen Restaurant; employees of Winsted Hosiery Co., Empire Knife Co., the Fitzgerald Manufacturing Co., Tiffany & Pickett Co., the Strong Manufacturing Co., New England Pin Co., New England Knitting Manufacturing Co., Winsted Hardware Co., and Carter & Hakes Co., and sundry citizens, all of Winsted, Conn., praying for inclusion of the American valuation plan in the pending tariff bill, so as to better meet foreign competition and maintain an American standard of living, which were referred to the Committee on Finance.

He also presented resolutions adopted by employees of Frank Parizek, of West Willington, and employees of B. Schwanda & Sons, of Staffordville, both in the State of Connecticut, favoring inclusion in the pending tariff bill of an adequate specific duty on importations of pearl buttons, compounded with an adequate ad valorem duty on a sufficient basis of valuation, which were referred to the Committee on Finance.

He also presented resolutions adopted by members of the staffs and faculties of the School of Medicine, the Sheffield Scientific School, and the departments of philosophy, psy-

chology, education, and religion, all of the Yale University, of New Haven, Conn., protesting against the enactment of legislation imposing a duty on reference and textbooks as contained in the pending tariff bill, which were referred to the Committee on Finance.

He also presented the petition of William North Rice, of Middletown, Conn., praying for postponement of the payment of Austria's debt for 20 years, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES.

Mr. BURSUM, from the Committee on Pensions, to which was referred the bill (H. R. 5597) granting an increase of pension to N. May Jernegan, reported it without amendment and submitted a report (No. 462) thereon.

He also, from the same committee, to which was referred the bill (H. R. 2158) to provide for the monthly payment of pensions, reported the same with an amendment and submitted a report (No. 463) thereon.

Mr. KING. I should like to inquire of the Senator from New Mexico when the bills were ordered reported?

Mr. BURSUM. They were ordered reported this morning.

Mr. KING. Was there a quorum present in the committee to report them?

Mr. BURSUM. There was.

Mr. KING. I was told there were only two members present.

Mr. BURSUM. The Senator from Utah was notified of the meeting of the committee.

Mr. KING. Yes; but I had another committee meeting to attend.

Mr. BURSUM. On Tuesday the Senator was also notified——

Mr. KING. I am asking if there was a quorum present?

Mr. BURSUM. Yes; there was a quorum present by proxy. It was agreed by a majority of the committee that the bills should be reported.

Mr. HARRELD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 156) for the relief of the heirs of Julio Carrazco, deceased (Rept. No. 464); and

A bill (S. 462) for the relief of Max B. Baldenburg (Rept. No. 465).

He also, from the same committee, to which was referred the bill (S. 2017) for the relief of John H. Gattis, reported it with amendments and submitted a report (No. 466) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1059) for the relief of J. B. Waterman (Rept. No. 467); and

A bill (S. 2024) for the relief of Blanche Winters (Rept. No. 468).

Mr. BROUSSARD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 403) for the relief of Louise Saint Gez, executrix of Auguste Ferré, deceased, surviving partner of Lapene & Ferré (Rept. No. 469); and

A bill (S. 404) for the relief of the legal representatives of the estate of Alphonse Desmare, deceased, and others (Rept. No. 470).

Mr. BROUSSARD, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

A bill (S. 1502) for the relief of Thomas E. Owen (Rept. No. 471); and

A bill (S. 1670) for the relief of Buffkin & Girvin (Rept. No. 472).

Mr. BROUSSARD (for Mr. TRAMMELL), from the Committee on Claims, to which was referred the bill (S. 2665) for the relief of Hattie Tolbert, reported it without amendment and submitted a report (No. 473) thereon.

He also (for Mr. TRAMMELL), from the same committee, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

A bill (S. 643) for the relief of Jessie M. White (Rept. No. 474);

A bill (S. 1352) for the relief of Benjamin F. Spates (Rept. No. 475);

A bill (S. 1405) for the relief of William Collie Nabors (Rept. No. 476);

A bill (S. 2664) for the relief of Jesse Goodin (Rept. No. 477); and

A bill (S. 2666) for the relief of Ed Thomas and Pauline Thomas (Rept. No. 478).

REMOVAL OF SNOW AND ICE.

Mr. BALL. From the Committee on the District of Columbia I report back favorably with amendment the bill (S. 3086) providing for the removal of snow and ice from the paved sidewalks of the District of Columbia, and I submit a report (No. 461) thereon. I ask for the immediate consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendments were in section 1, page 1, line 8, before the word "hours," to strike out "four" and insert "eight"; in section 2, page 2, line 2, before the word "hours," to strike out "four" and insert "eight"; on page 2, line 18, before the word "hours," to strike out "four" and insert "eight"; in section 3, page 3, line 4, before the word "hours," to strike out "four" and insert "eight"; page 3, line 18, before the word "hours," to strike out "four" and insert "eight"; in section 4, page 4, line 8, before the word "hours," to strike out "four" and insert "eight"; and in section 6, page 5, line 11, to strike out the words "$3 penalty" and insert in lieu thereof "a penalty not to exceed $25," so as to make the bill read:

Be it enacted, etc., That it shall be the duty of every person, partnership, corporation, joint-stock company, or syndicate in charge or control of any building or lot of land within the fire limits of the District of Columbia, fronting or abutting on a paved sidewalk, whether as owner, tenant, occupant, lessee, or otherwise, within the first eight hours of daylight after the ceasing to fall of any snow or sleet, to remove and clear away, or cause to be removed and cleared away, such snow or sleet from so much of said sidewalk as is in front of or abuts on said building or lot of land.

SEC. 2. That it shall be the duty of the Commissioners of the District of Columbia, within the first eight hours of daylight after the ceasing to fall of any snow or sleet, or after the accumulation of ice on the paved sidewalks within the fire limits of the District of Columbia, in front of or adjacent to all public buildings, public squares, reservations, and open spaces in the said District owned or held by lease by said District, to cause such snow, sleet, and ice to be removed; and also to cause the same to be removed from all crosswalks of improved streets and places of intersection of alleys with paved sidewalks, and also from all paved sidewalks or crosswalks used as public thoroughfares through all public squares, reservations, or open spaces within the fire limits of said District owned or held by lease by the District of Columbia; but in the event of inability to remove such accumulation of snow, sleet, and ice without injury to the sidewalk, by reason of the hardening thereof, it shall be their duty, within the first eight hours of daylight after the hardening thereof, to make reasonably safe for travel, or cause to be made reasonably safe for travel, by the sprinkling of sand or ashes thereon, such paved sikewalks, crosswalks, and places of intersection of alleys with paved sidewalks, and shall, as soon thereafter as the weather shall permit, thoroughly clean, or cause to be thoroughly cleaned, said sidewalks, crosswalks, and places of intersection of alleys with paved sidewalks.

SEC. 3. That it shall be the duty of the Chief Engineer of the United States Army, within the first eight hours of daylight after the ceasing to fall of any snow or sleet, or after the accumulation of ice upon the paved sidewalks within the fire limits of the District of Columbia, to remove or cause to be removed from such sidewalks as are in front of or adjacent to all buildings owned or leased by the United States, and from all paved sidewalks or crosswalks used as public thoroughfares in front of, around, or through all public squares, reservations, or open spaces within the fire limits of the District of Columbia, owned or leased by the United States, such snow, sleet, and ice; but in the event of inability to remove such accumulation of snow, sleet, and ice, by reason of the hardening thereof, without injury to the sidewalk, it shall be his duty, within the first eight hours of daylight after the hardening of such snow, sleet, and ice, to make reasonably safe for travel, or cause to be made reasonably safe for travel, by the sprinkling of sand or ashes thereon, such paved sidewalks and crosswalks, and shall, as soon thereafter as the weather shall permit, thoroughly clean said sidewalks and crosswalks.

SEC. 4. In case the snow, sleet, and ice can not be removed from so much of the paved sidewalks within the fire limits of the District of Columbia as front upon or abut such buildings or lots of land as are not owned or held by lease by the District of Columbia or the United States without injury to said sidewalks, because of the hardening thereof, the person, partnership, corporation, joint-stock company, or syndicate in charge or control of such buildings or lots of land, whether as owner, tenant, occupant, lessee, or otherwise, shall, within the first eight hours of daylight after the same has formed, make reasonably safe for travel, or cause to be made reasonably safe for travel, by the sprinkling of sand or ashes thereon, said sidewalks, and shall, as soon thereafter as the weather shall permit, thoroughly clean said sidewalks.

SEC. 5. That in the event of the failure of any person, partnership, corporation, joint-stock company, or syndicate to remove or cause to be removed such snow or ice from the said sidewalks, or to make the same reasonably safe for travel, or cause the same to be made reasonably safe for travel, as hereinbefore provided, it shall be the duty of the Commissioners of the District of Columbia, as soon as practicable after the expiration of the time herein provided for the removal thereof, or for the making of the said sidewalks reasonably safe for travel, to cause the snow and ice in front of such building or lot of land to be removed or to cause the same to be made reasonably safe, as hereinbefore directed to be done by such person, partnership, corporation, joint-stock company, or syndicate in charge or control of such building or lot of land, and the amount of the expense of such removal or such work of making the said sidewalks reasonably safe for travel, shall in each instance be ascertained and certified by the said commissioners to the corporation counsel of the District of Columbia.

SEC. 6. That the corporation counsel is hereby directed and authorized to sue for and recover from such person, partnership, corporation, joint-stock company, or syndicate the amount of such expense in the name of the District of Columbia, together with a penalty not exceeding $25 for each offense, with costs, and when so recovered the amount shall be deposited to the credit of the District of Columbia.

SEC. 7. That in order to enable the said commissioners and the Chief of Engineers of the United States Army to comply with their duties under this act and to carry it into effect there is hereby appropriated the sum of $10,000, one-half out of the general revenue fund of the District of Columbia and the other one-half out of any moneys in the Treasury not otherwise appropriated.

The amendments were agreed to.

The bill was reported to the Senate, and the amendments were concurred in.

The bill was ordered to be engrossd for a third reading and was read the third time.

Mr. JONES of Washington. Mr. President, I intended to offer an amendment to the bill making at least any judgment that might be rendered a lien on the property, but I did not wish to do anything to delay the passage of the bill this morning. I think that is a matter which can well be considered by the House committee.

I think it would have been well for us to provide that the cost of removing the snow and ice in front of property, when not done by the owner, should be made a lien upon the property, enforceable as tax liens are enforced. At any rate, any judgment that is rendered in the suit authorized by the bill to collect the amount that the Government had to expend for the removal of snow and ice should be made a lien on the property. I hope the House committee will consider that suggestion when they are considering the measure.

The VICE PRESIDENT. The question is on the passage of the bill.

The bill was passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LENROOT:

A bill (S. 3097) providing for the recognition by Congress of the valuable service rendered by the adjutants general of the several States during the World War; to the Committee on Military Affairs.

By Mr. BALL:

A bill (S. 3098) authorizing the extension of the park system in the District of Columbia; to the Committee on the District of Columbia.

By Mr. HARRELD:

A bill (S. 3099) to validate certain deeds executed by members of the Five Civilized Tribes, and for other purposes; to the Committee on the Judiciary.

By Mr. CURTIS:

A bill (S. 3100) making the "Montgomery" type the national standard for dials for watches, clocks, and for other purposes; to the Committee on Patents.

A bill (S. 3101) for the relief of John L. Hays; to the Committee on Claims.

By Mr. POINDEXTER:

A bill (S. 3102) granting a pension to Titus Z. Andrews; to the Committee on Pensions.

By Mr. JONES of New Mexico:

A bill (S. 3103) to amend section 2294, United States Revised Statutes, relating to homesteads; to the Committee on Public Lands and Surveys.

By Mr. SHEPPARD:

A bill (S. 3104) for an examination and survey of Goose Creek and Cedar Bayou in Texas; to the Committee on Commerce.

By Mr. SIMMONS:

A bill (S. 3105) granting a pension to Charles A. Stockard; to the Committee on Pensions.

AMENDMENT OF RIVER AND HARBOR BILL.

Mr. FLETCHER submitted amendments intended to be proposed by him to the bill (S. 3017) authorizing appropriations for the prosecution and maintenance of public works on canals, rivers, and harbors, and for other purposes, which were referred to the Committee on Commerce, and ordered to be printed, as follows:

On page 2, after line 18, insert the following:

Caloosahatchee River, Fla., in accordance with report submitted in House Document No. 137, Sixty-third Congress, first session, $25,000.

Kissimmee River, Fla., in accordance with report submitted in House Document No. 137, Sixty-third Congress, first session, $47,000.

Oklawaha River, Fla., in accordance with report submitted in House Document No. 514, Sixty-third Congress, second session, $733,000.

Anclote River, Fla., in accordance with report submitted in House Document No. 18, Sixty-third Congress, first session, $22,000.

PROHIBITION IN ICELAND.

Mr. JONES of Washington. I submit a resolution which I ask may be read and referred to the Committee on Foreign Relations:

The resolution (S. Res. 230) was read, as follows:

Whereas it is reliably reported that the Government of Spain has threatened the Government and people of Iceland with the prohibition of valuable trade opportunities of economic necessity to the Icelandic people unless the Government of Iceland will repeal or modify its laws prohibiting the manufacture, sale, importation, etc., of alcoholic liquors to such an extent as will provide for the introduction of large quantities of Spanish wines into Iceland; and

Whereas such laws were enacted in Iceland only after long-continued discussion of the traffic in intoxicating liquors and its results upon the health, morals, and economic condition of the Icelandic people; and

Whereas the universal testimony from Government and local police officials, educators, the clergy, business men, and the people of the island of practically every class is to the effect that these laws have resulted in a great diminution of drinking and drunkenness and a large increase in the general prosperity and happiness of the people; and

Whereas these laws are not discriminatory in their character, but are prohibitive alike of domestic as well as foreign liquors, and were enacted solely out of regard for the moral, physical, and financial well-being of the Icelandic people and as a purely domestic matter; and

Whereas other nations, like France, are reported to be threatening like action toward other smaller nations, situated similarly to Iceland, Norway furnishing a present instance, and where the same course of discussion and progress of the prohibition movement has been followed as in Iceland, resulting in a nation-wide vote of 489,987 to 394,773 in favor of prohibition in 1919; and

Whereas such pressure by stronger powers upon weaker ones is in disregard of the inherent rights of all nations to adopt such laws and regulations nondiscriminatory as to their own citizens and those of other countries as each may decide are best adapted to preserve the health, insure the economic progress, increase the comfort and happiness of its own people, and maintain its standards of morals, and is contrary to the spirit of present-day conceptions of international relations among the nations of the world, and especially contrary to the principles of self-determination; and

Whereas prohibition has been established as a permanent domestic policy of the United States by the adoption of a constitutional amendment: Now, therefore, be it

Resolved, That the Senate of the United States has heard with profound regret and great concern of such threatened pressure upon smaller nations to change their internal policies, and express the sincere hope that to promote international comity and good will among the nations and in recognition of the right of small nations to self-determination such pressure may not be resorted to against weaker countries, and all such efforts to force the liquor traffic upon peoples like those of Norway, Finland, and Iceland and the opium traffic upon China may be abandoned by Christian and civilized powers, and that if such a policy is adhered to the United States should consider what proper means may be used to vindicate its domestic policy and secure the recognition of those principles of self-determination and the rights of small nations that should be fully recognized by all Christian and civilized peoples.

Mr. KING. Mr. President, the resolution just read, I am sure, will attract considerable attention. May I say to my friend from Washington that I suggest at the same time that the appropriate committees of the Senate and the House of Representatives consider the attitude of the United States in establishing embargoes, American valuations, and prohibitory tariffs, so that we are oppressing small nations and cutting off their trade with us, interfering with their prosperity and with their development, and the reactions, of course, are unfavorable to the United States.

Mr. JONES of Washington. But we are not doing that for the purpose of compelling them to adopt some domestic policy such as is disclosed by this resolution. That is what this resolution is aimed at; it is aimed at the policy of one trying to force upon a small country a domestic policy which that country does not desire to have.

Mr. KING. I am expressing no opinion as to the effect and the consequences of the admirably phrased resolution introduced by my friend. I merely challenge attention to the fact that the United States is pursuing a policy which imposes hardships and difficulties upon smaller nations and really compels them to pursue a different economic and industrial policy from that which they have pursued in the past, to their disadvantage as well as ultimately to the disadvantage of the United States.

The VICE PRESIDENT. The resolution will be referred to the Committee on Foreign Relations.

ST. LAWRENCE RIVER DEVELOPMENT—POWER FOR EAST AND TRANSPORTATION FOR MIDDLE WEST.

Mr. McKINLEY. I ask unanimous consent to proceed for 20 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. McKINLEY. Mr. President, for more than a generation the Middle West has made repeated efforts to gain a nearer way to the sea. "It is the age-long desire of landlocked people."

As long ago as 1895 Thomas H. Canfield, a Vermont Yankee, builder of western railroads in the seventies, described the need of cheaper transportation routes from the Mississippi Valley to the seaboard as an emergency:

What can be done for the producers of the West to enable them to take their products to the eastern market in the quickest time and, what is much more important, at the lowest rate to enable them to compete with the rest of the world.

Suggesting the possibility of enlarging the Erie Canal or of developing the Oswego-Hudson route as a ship channel, he continued:

> And if these two active cities [Buffalo and Oswego] can not meet the case and it becomes necessary to fall back upon that ever-flowing canal which the Creator has given us, the St. Lawrence River, to the ocean by way of Montreal or by a short cut to Lake Champlain and the ocean at New York, they will not complain as long as their business is attended to. But take which route you may, it must be evident to everyone that a canal having at least 26 feet on the miter sill will sooner or later have to solve the problem.

That was in 1895.

The outcome of the International Waterways Convention, at which Canfield was speaking, was the report of the Deep Waterways Commission of 1897, which found that a shipway was possible by either of the routes he named, by enlargement of the Erie Canal, by the Oswego-Hudson route, or by following the course of the St. Lawrence.

Upon the recommendation of that commission, the Deep Waterways Board was created, which spent $500,000 upon elaborate surveys and reported in 1900, according to its instructions, confirming the findings of the first commission that either of these routes was feasible, but dismissing the Erie route as uneconomical; showing that the St. Lawrence route was easily practicable for a shipway down to Montreal, but finding difficulty in the development of the course to Lake Champlain and from Champlain to the Hudson—it was instructed to proceed to an Atlantic terminus in the United States—and recommending preferentially the Oswego-Hudson route along much the same lines as those now occupied by the New York State Barge Canal, though they noted that there would be great difficulty in maintaining a supply of water for the summit level. That was in 1900. The State of New York, the Erie Canal having become obsolete, as a result of its independent investigation determined upon the present barge canal, which was opened to traffic in 1918 and is just now entering upon a period of usefulness larger, it is hoped, than that of the Erie Canal which it supersedes, and less, it is evident, than that of a way for ships from the Great Lakes to the sea.

Meantime the Canadian Government had developed a system of St. Lawrence canals having 14-foot depths. The project depth of the New York Barge Canal when completed is 12 feet. Finding the St. Lawrence system with 14-foot depths and narrow locks obsolete almost before it was completed, the Canadian Government just before the war began an extension of the Great Lakes channels by the construction of the New Welland Canal from Lake Erie to Lake Ontario, having channels 25 feet deep, permanent construction giving 30-foot depths, and ample length and breadth in the locks to accommodate ocean-going vessels.

During all this time the Middle West never relinquished its efforts to establish direct communication with markets across the sea. In 1900 Charles Counselman & Co. put on the Lakes a small fleet stanch enough for ocean service and of dimensions that could pass the present Canadian canals. The limitations were too severe and the venture was not a success. A few years later a number of Norwegian boats came up the Lakes to fetch and carry cargoes from the interior. Their experience was not encouraging. At another time vesselmen in Cleveland put out boats designed to ply between the Lakes and the lower St. Lawrence. Their usefulness was found to be severely limited. When the war came these vessels, having gained no profits for their owners, were sold to France. The commerce of the St. Lawrence canals for the last 20 years has consisted largely of coal and of grain transferred at Port Colborne from the Great Lakes carriers to the smaller vessels that can accommodate themselves to 14-foot channels.

During all this time also an outlet was sought through the Mississippi River and the Gulf ports, for the Middle West was still pursuing its desire for a nearer road to the sea, for a water road to the ocean which, to repeat, "is the age-long desire of landlocked people." Progress has been made in that development. The promise of successful commerce on the Mississippi is brighter now than it has been for a generation; but not all the inland territory can be served by this means and not all the need of the territory which the Mississippi will serve can be met in this way. The demand for the sea outlet is to-day more urgent than ever.

For 15 years the growing inadequacy of railway transportation for moving the products of a continent has been apparent. The breakdown of the machinery of transportation in 1920, following the strain of the war period, was not a new phenomenon but an accentuation of a situation that had existed for years during every season of heavy crop movement. The necessary increase in railroad rates still further emphasized the need of the deep interior. In order to establish rates which would enable the railroads to live it was necessary to adopt schedules which would not permit the traffic to move. The country had come to an impossible situation in the problem of transportation upon which depend the industrial life and the productive power of the Nation. It is a situation that can be cured only by reshaping the national transportation structure so that from every producing section by a relatively short-rail haul the Nation's products may be carried to the universal water base.

The western roads can not earn a living when their earnings depend largely upon the shrunken proportion of a through rate across the continent; still less can they finance the extension of their facilities which is necessary for the further development of the territory they serve. Eastern roads are in a predicament which, if possible, is even more serious. They must greatly extend their terminal facilities if they are to care for the western traffic superposed upon that which originates on their lines. To earn the carrying charges on those very costly improvements they must include in their allowances some contribution from the traffic delivered to them from western roads. But that through traffic can not stand an increase of assessment nor can the western roads concede to their eastern connections a larger proportion of present rates. It is an impossible situation. No other country in the world in order to reach an outlet to the sea has tried to haul the production of a continent across the greater breadth of the continent, and such attempt in America is henceforth impossible. What has been for a generation the instinctive desire of the West to find a nearer road to the sea and to the markets of the world is now an economic necessity for the Nation.

The first question everyone asks himself is whether the New York Barge Canal, when its service is fully developed, will not fill this need. It is a question that is very quickly answered. The capacity of the barge canal as estimated by its friends is 10,000,000 tons a year in each direction. The movement from the Middle West to the seaboard is above 200,000,000 tons in what may now be considered a normal movement. In the further development of western resources production can and should be doubled. The movement to the seaboard can and should largely increase. The barge canal at its utmost capacity can not in any large way meet this situation. Still less does it promise any considerable reduction in rates, while it does not even promise the elimination of terminal costs involved in a transfer upon coastwise movement and a double transfer upon export tonnage.

The second proposal which occurs to everyone is that if a ship channel must be availed of why not enlarge the New York Barge Canal. That is also quickly answered. A ship canal from Lake Erie to the Hudson was long ago dismissed from further consideration. A ship canal from Oswego to the Hudson has been considered and reported on repeatedly and every report for the last 20 years has been adverse. The latest report is found in Document No. 890, House of Representatives, Sixty-sixth Congress, third session. In that report it is shown by the United States Engineers, approved by the Board of Engineers, and confirmed by the Chief of Engineers that the construction of a ship canal from Oswego to the Hudson would be far more costly than the improvement of the St. Lawrence route. And that is obviously true even to a layman, since the canal mileage to be constructed is so much greater than in the St. Lawrence, where natural channels suffice for almost the entire distance. The engineers report that the supply of water at the summit level presents a difficulty which is formidable if not insurmountable. And every objection that may be urged against ship movement through a canal, such as the loss of time in locks, the hazards of lockage to a ship's skin, and the retardation of confined channels, applies with greater force to this project than to the St. Lawrence, simply because the canal mileage is longer and the locks are more numerous. As for the notion that a ship canal could be made by an enlargement of the barge canal, that is directly contradicted by the engineers. Gen. Beach notes that the construction of the barge canal over this route now makes such a project more difficult of execution. The barge canal, the report (H. Doc. No. 890) says, has cost a very large sum, and "this would be practically all lost if a ship channel were constructed along the same route." Upon every consideration we are compelled to conclude that the enlargement or rebuilding of the New York Barge Canal to furnish a ship channel is not practicable, and in this conclusion we are confirmed by all the authorities of the State of New York.

From the report of the deep waterways board in 1900 down to the official report of the engineers for the Governments of the United States and Canada in 1921 all engineering opinion agrees that the St. Lawrence route is the natural out-

let, forms the line of least resistance, that the improvement is feasible, and that it can be accomplished at moderate cost.

The official report upon which the recommendations of the International Joint Commission are based was prepared by Col. W. P. Wooten, United States Engineer Corps, for the United States, and Mr. W. A. Bowden, chief engineer of the division of railways and canals, for Canada, under instruction from their Governments to prepare and submit with reference to the St. Lawrence River "plans and estimates for the further improvement to make the same navigable for deep-draft vessels of either the lake or ocean-going type, and to obtain the greatest beneficial use of the waters."

The report filed in July, 1921, is the unanimous recommendation of these engineers. It has had the scrutiny of engineering bodies and of engineers approaching the St. Lawrence problem from other points of view. No criticism directed against the plan finds any fault in it. Other engineers having other purposes would prefer modifications, but they do not point out any fault in the plans. No engineer has discovered any flaw in the calculations. The estimates of quantity have not been called in question at any point. The engineers were proceeding upon certain knowledge of the conditions with which they dealt. The estimates of cost have not been called in question as to their sufficiency. They are liberal estimates. Where $12 a yard was adopted by the engineers as the unit price for concrete, contracts have since been let for concrete work on the new Welland, under similar conditions, at $9.50 a yard. After scrutiny for months, and after a public hearing before the International Joint Commission at which other plans were advocated, the plans of the official engineers were found to be wholly free from error. No other plan has been brought forward that is recognizable as an improvement upon them. The accompanying estimates have not been attacked, either as to quantity or as to unit prices.

The general plan is indicated by natural conditions. The St. Lawrence River flows from Lake Ontario a thousand miles to the Atlantic, but of this distance less than 350 miles is river. The Gulf of St. Lawrence extends as an open sea nearly to Quebec. Of the remaining distance, the river is improved for deep-sea navigation as far as Montreal, leaving 183 miles between Lake Ontario and Montreal as the subject of this project.

Nature has further indicated the plan of improvement by the character of the river bed and the stream. Because the Great Lakes constitute a series of enormous reservoirs, the flow of the river is strikingly uniform, with a seasonal variation of but 25 per cent above and 25 per cent below the mean, compared with a ratio of 30 to 1 between the spring flow and the late summer volume of the Mississippi at Keokuk. The bed of the St. Lawrence is a series of gorges. The river flows through sunken valleys. Except at terraces where there are cataracts or rapids, the river is rather a series of ponds, with depths varying from 40 feet to 40 fathoms.

Between Lake Ontario and Montreal there are three natural divisions. The first division is approximately 113 miles from Lake Ontario to the international boundary, including the level reaches of the river and the Galop and Long Sault Rapids. In the second division is Lake St. Francis, 32 miles long, and the rapids at its foot. The third division is Lake St. Louis, 16 miles long, and Lachine Rapids, immediately above Montreal.

In the first or international section there is a fall of approximately 92 feet, between Lake St. Francis and Lake St. Louis approximately 82 feet, and between Lake St. Louis and Montreal approximately 46 feet. In the first or international section of the river the engineers proposed to make the improvement by two dams, the first located in a very favorable position at Ogden Island, and the second at Long Sault Rapids, with the incidental power development at Barnhart Island. The Ogden Island Dam will be employed to control the level of Lake Ontario, and, by regulating its outflow, to regulate also the level in the pool immediately below it which will extend to the Long Sault Dam. Each dam will form a pool deep enough and wide enough to give free vessel navigation without any restriction whatever. To afford passage through the Ogden Island Dam there would be one lock. To by-pass the dam and power house of the Long Sault there would be two locks and some 8 miles of canal. Vessels will be hindered in this 113-mile section of the river only by the retardation of three lockages and 8 miles of canal.

Lake St. Francis affords open navigation. For the passage to Lake St. Louis a canal is recommended south of the main river 15 miles long, with two lift locks. The north side of the river may offer a better location, but the necessity of keeping the present canal in service until the new improvements are ready is a governing condition.

The location on the south side of the river, however, is very satisfactory; and this section of canal will not be unduly expensive and will be easily navigable. Land damages will be relatively light. If it is decided to develop the available power in this section of the river at once, this plan would be modified only by reducing the length of canal about one-half. There would still be two lift locks and one guard lock, which would normally stand open.

Lake St. Louis is an open pool in which there will have to be some channels dredged through shoals. From Lake St. Louis to Montreal a canal must be built parallel to the present Lachine Canal, covering a distance of 10 miles, with two lift locks and the usual guard lock.

In the international section of the river the head of water created by the dam will develop 1,464,000 horsepower. The plans are so drawn that the crest of the dam may be raised later, giving a substantial increase in the power development. The engineers recommend that this power be developed by the installation of 59 hydroelectric units of an aggregate capacity of 1,940,000 horsepower. The estimate of 1,464,000 horsepower is the minimum net continuous energy that can be generated, transformed, and put on the switchboard. The engineers were directed to consider the various schemes for improving the river. They found no workable plan for developing navigation in this section of the river in any better or more economical way than by this lock-and-dam method, so that this enormous power development can be made literally as an incident to the improvement of the river for navigation.

In the second division the potential power development offers a minimum net of 1,560,000 horsepower. In the last section there is a potential power of about 1,000,000 horsepower. The estimates made by the official engineers are that this work can be carried out from Lake Ontario to Montreal with minimum channel depths of 25 feet, with 30-foot depths in all permanent construction, and with ample width of artificial channels, for $252,728,200, including installation of turbines and apparatus for delivery of electric power at the switchboard for distribution.

Whenever it is desirable to establish channels with minimum depths of 30 feet, the necessary deepening of channels can be accomplished for $17,986,180.

By these improvements there will be between Lake Ontario and the ocean 33 miles of canal and 7 locks. In the 182 miles to Montreal, 149 miles will be open and practically unrestricted navigation. In the 33 miles of canal, vessels which normally make 10 miles an hour in open water, which is about the speed of the most economical freight carriers, would be restricted to about 5 miles an hour. The retardation of the canal passage would amount to between five and six hours. The delay for lockage will be perhaps three hours more. Experience at Panama and at the Soo Canal shows that one-half hour per lock is ample allowance. The total retardation in the passage of the St. Lawrence River between Lake Ontario and the ocean, due to restricted and confined channels, would therefore amount to no more than, say, nine hours.

Between Lake Ontario and the upper Lakes is the new Welland, which Canada is now building. It is 24½ miles long and will have seven locks. The time of passage of the new Welland, including lockages, is estimated at eight hours—a retardation of five and one-half hours as compared with the same distance in open water—so that between the upper Lakes and the ocean, 2,000 miles of lake and river and gulf, a 10-knot ship would be held back by locks and canals not more than 15 hours.

This engineering report is as a whole and in detail one of the most important and adequate engineering presentations ever made. It deals with a stupendous problem, great in its scope, but in its essential details relatively simple, in the sense that engineering practice with reference to handling such details is well established and no untried methods are proposed or suggested. The greatness of the scheme as a whole lies in its importance to the entire Middle West, embracing as it does more than a third of the area, population, and wealth of our country, all of which will be benefited tremendously by improved and cheapened transportation, and to the northeastern portion of our country, embracing practically all of New York State and New England, which will reap the benefits of ample and cheap hydroelectric power. Indeed, it can confidently be said that the whole country will be greatly benefited because of the added prosperity that will come so directly to these two great and important regions.

The economic benefit of this improvement to the undeveloped West is beyond all calculation. We know that the improvements at the Soo have paid for themselves five times over in a season in the actual freight saving. We can not attempt to calculate what the saving by the proposed St. Lawrence River

improvement will be, nor to make any reckoning of the values that will be created and which will be made possible by the improvement.

As a single criterion the average grain production in the area influenced by this lake route is 3,664,000,000 bushels annually. The saving in freight upon the export grain will be, by any reckoning, approximately 10 cents a bushel. The price of the crop is fixed by the price of the surplus. If only half this saving were to attach to the producer, whose price is always the price at market less cost of transportation, the position of American farmers would be improved in the case of grain alone by not less than $180,000,000 a year. To steel production and all fabricated products there are similar gains apparent.

There is more involved than the saving in freight rates. New opportunities will be opened by the new line of communication. It will afford to the manufacturers of the Middle West a road to markets which are now closed to them; it will form an avenue by which they may draw raw materials from all parts of the world which are now inaccessible to them. The benefits can be indicated, but they are beyond reckoning.

The power development is capable of reduction to more precise terms. The potential energy of the St. Lawrence River, to be developed as soon as the market is ready to absorb it, will be 4,100,000 horsepower. This may be translated into an annual output of 26,000,000,000 kilowatt hours at the bus bar, and more than 24,000,000,000 kilowatt hours after transmission to the point of application. This is equal to the energy which can be produced from 24,000,000 tons of coal burned in the most modern steam plant, or 36,000,000 tons burned under the boilers of an average mill. It represents the continuous effort in mining, in transportation, and in handling of over 100,000 human beings.

This figure can be better comprehended when it is compared with the present production of less than 6,000,000,000 kilowatt hours as the total of all the utilities of New England and New York, a total of about one-quarter of the possible output of the St. Lawrence. The superpower survey has pointed out that the requirements of the zone from Washington to Boston will in 1930 only slightly exceed the potential energy of the St. Lawrence. Mr. H. I. Harriman, of Boston, has made a calculation upon the assumption that 25 per cent of the power in the St. Lawrence would be available for sale in New England, which lies wholly within the radius of electric transmission. He finds that there are 1,500 miles of railroad on which electrification would be economical, and that on these 1,500 miles the coal consumption is 4,000,000 tons, or 80 per cent of all railroad coal consumption in New England. Substituting for coal electric energy, which he assumes could be purchased for 1 cent per kilowatt hour, the annual saving would be between $15,000,000 and $20,000,000, which would in a very few years cover the cost of electrification and which would be equivalent to at least 2½ per cent on the bonds, the preferred stock, and the common stock of all the New England roads.

He reckons that the railroads of New England could consume 1,300,000,000 kilowatt hours, the public utilities 2,000,000,000 kilowatt hours, the industries 1,700,000,000 kilowatt hours as at present constituted, and if one-fourth the power of the St. Lawrence were available for New England there would be still a surplus of 1,000,000,000 kilowatt hours for future growth. Similar calculations would, of course, apply in the State of New York; and in the St. Lawrence Valley, hitherto singularly isolated from the tides of material development which have swept past it, there will be created, when this improvement is made, a hive of industry.

The saving by substituting electric energy for coal can be computed with a fair degree of accuracy. The benefit to the railroads of New England, though less definite, is unmistakable. By lightening the load of nonpaying company coal, by equalizing the demand for terminal service, and distributing more equably the peak load, it will greatly simplify their problem. But all such considerations sink into insignificance compared with the larger fact that when the Great Lakes are thus joined to the sea there will be made possible upon an entirely new scale the development of that great rich country stretching from the Allegheny Mountains to the Rockies. New access will be given to the markets of the world from the deep interior, and a new means of communication will be established between both coasts and the great central plain.

RIVER AND HARBOR APPROPRIATIONS.

Mr. JONES of Washington. Mr. President, I desire to make a brief statement with reference to a matter in which many Senators will be interested.

The bill (S. 3017) authorizing appropriations for the prosecution and maintenance of public works on canals, rivers, and harbors, and for other purposes, is a legislative bill, with reference to river and harbor matters. It does not make any appropriations. It simply makes provision that the Committee on Appropriations may make appropriations for projects which are approved and adopted in this bill. It is framed upon the theory now being followed in the other branch of the Congress, wherein the Rivers and Harbors Committee, as heretofore constituted, and within the jurisdiction heretofore held, has been making appropriations for projects; on the theory now that the appropriations will be made by the Committee on Appropriations, which will have authority to make appropriations only for projects which have been approved by law—in other words, to make appropriations authorized by law, the Committee on Commerce decided to hold hearings on Senate bill 3017. As I said, this bill does not appropriate any money; it does not deal with projects which have heretofore been approved or adopted, and will not deal with them. It does propose to adopt certain new projects.

Senators will probably be interested in projects which they think ought to have consideration, which may not be mentioned in this bill. The committee will start hearings on the bill some time next week, probably Thursday, and I would suggest to Senators who may have projects which they think ought to be adopted, or which are deserving of adoption, that they prepare amendments covering them, offer them in the Senate, and have them referred to the Committee on Commerce, so that when we have the engineers before us they can be asked about those projects, and we may get all the information that may be available with reference to them.

Mr. KING. Is it the purpose of the committee, so far as the Senator can speak for the committee, to inaugurate new projects before projects which are now in process of construction are completed?

Mr. JONES of Washington. If the committee decides to report a bill, it will insert a provision in the bill covering some new projects. We are satisfied there are some projects which have never been adopted which are more urgent, really, from a commercial standpoint, than some of those which were adopted many years ago. I think the purpose of the bill will be very clear to the Senator from a reading of it. We propose to adopt new projects, assuming, of course, that a satisfactory showing is made to the committee of the necessity and the urgency of those projects. We also propose the abandonment of quite a large number of projects which have heretofore been adopted.

Mr. KING. I think that very wise, if the Senator will pardon me; but may I inquire of the Senator whether the committee has considered the feasibility and the desirability of inaugurating a different system, namely, having a board created, of a scientific and technical character, to determine what projects should be constructed and then make their recommendations accordingly, and Congress be relieved of the necessity of making anything except a superficial investigation and have the duty only of making appropriations?

Mr. JONES of Washington. The committee will be delighted to consider a suggestion of that kind, and it was really to bring out proposals which Senators might desire to have the committee consider that I am making this suggestion. The committee have not considered the sections of this bill particularly, and they have not given consideration to that proposal, but I would be glad, as chairman of the committee, to have the Senator frame an amendment to the bill embodying the idea he has in mind, and I assure him that it will have careful consideration, because the committee are desirous of getting river and harbor legislation upon a just basis and upon a basis which will commend itself to the people of the country.

Mr. KING. The Senator may recall that upon two occasions heretofore, the first time I think four years ago, I introduced a bill to place our river and harbor development upon an entirely different plane. I introduced a bill providing for the creation of a commission, to be named by the President, by and with the advice and consent of the Senate, consisting of technical men, engineers, men of high character, who would make a comprehensive investigation throughout the United States and determine which projects they thought were meritorious. That would prevent the logrolling and the unseemly scramble and waste of appropriations which heretofore have characterized the handling of these matters. We have spent over a billion dollars on rivers and harbors, and we have wasted more than five hundred million.

Mr. JONES of Washington. The committee are trying to get rid of the system the Senator condemns, and during the last few years we have taken some important steps in getting rid of some of the policies which were pursued heretofore, which resulted in the conditions the Senator describes. I hope the Senator will

prepare an amendment embodying the idea he has in mind and have it referred to the Committee on Commerce.

I merely rose to call to the attention of Senators that the committee propose to start hearings some time next week, and I wanted to give Senators an opportunity to offer any suggestions which they think the committee ought to consider. That is all I desire to say.

Mr. HARRISON. Mr. President, may I ask the Senator if this bill has yet passed the House?

Mr. JONES of Washington. No; it has not.

Mr. HARRISON. I would like to have one matter cleared up in my own mind, because I am vitally interested in some projects which have suffered for a long time, which I was in hopes we would take care of this year, as well as other projects throughout the country.

Mr. JONES of Washington. Our committee is proceeding on the theory that, by reason of the situation in the House, the House Committee on Rivers and Harbors, we assume, will not itself make appropriations for projects. In other words, the only jurisdiction it will have will be to recommend proposed legislation, and then the Committee on Appropriations will make appropriations to carry out that legislation. We think we have equal legislative authority with the House committee, and therefore we do not need to wait for their bill to come over from the House, as we have done heretofore. We have always waited heretofore because the bills carried appropriations, but they will not carry appropriations this year, we assume, so that it is within the legislative power of the Senate and our committee to act without waiting on the House. We have decided that we ought to have legislation with reference to these matters, and we are proposing to act. The bill to which I call attention is merely a suggestive bill, prepared by myself and referred to the committee as a basis for hearings.

Mr. HARRISON. The bill which the Senator has introduced, and which, of course, will be the basis for the committee's work, is based upon recommendations of the War Department?

Mr. JONES of Washington. I will say to the Senator that it is based on a letter from the War Department under date of May 5, 1921, in answer to a letter from me as chairman of the committee making inquiry with reference to various projects. The letter has a great deal of valuable information in it.

Mr. HARRISON. Is it a public document?

Mr. JONES of Washington. It is not a public document, but the Senator can get a copy of it in the Commerce Committee room. It is a committee print.

Mr. HARRISON. If it is not too long, I was going to suggest that it might be well to have it printed in the RECORD.

Mr. JONES of Washington. It is rather long, it covers eighty-odd pages.

Mr. HARRISON. May I ask what was the estimate of the War Department for river and harbor work during the coming year?

Mr. JONES of Washington. I do not know what the War Department estimated, but it came down in the Budget. My recollection is that it was twenty-seven million and odd.

Mr. HARRISON. Was that for maintenance and improvement?

Mr. JONES of Washington. Maintenance, improvement, and so on, and it is for projects already adopted.

Mr. HARRISON. It does not carry any new projects?

Mr. JONES of Washington. No; it does not.

Mr. HARRISON. Did the Bureau of the Budget cut the estimate of the War Department?

Mr. JONES of Washington. That I am not prepared to say. I think they did, very materially. As a matter of fact, I understand that the Bureau of the Budget at first decided to send to Congress an estimate of about $15,000,000, but upon an additional showing made they raised it to about $27,000,000. I think that is much below the Army engineers' estimate upon all the projects.

Mr. HARRISON. The amount the Senator's bill carries is $17,000,000?

Mr. JONES of Washington. I do not want the Senator to misunderstand the bill. It merely authorizes every year hereafter an appropriation of not to exceed $17,000,000 for maintenance. In other words, the Appropriations Committee can appropriate whatever amount it deems necessary within that limit. An amendment within that limit would not be out of order on an appropriation bill and could not be excluded on a point of order. This bill is simply an authorization.

Of course, the sum of $17,000,000 is merely tentative. In this letter of the engineers they estimated for the first year or two $12,000,000, and they thought $10,000,000 annually after that would accomplish the purpose, but in subsequent conferences with Gen. Taylor he came to the conclusion that we ought to have at least $17,000,000 to start with. So that amount was put in here as the basis of the investigation the committee will make. We may decide on a less amount and we may decide on more.

Mr. HARRISON. I notice that some projects are not named in the bill. If they are on continuing contracts they would not be designated, I take it.

Mr. JONES of Washington. The bill as we have it here does not deal with any project that has heretofore been adopted by Congress. Those do not need any dealing with; so far as they have been adopted, they are in order for consideration by the Committee on Appropriations.

Mr. HARRISON. If the Committee on Appropriations appropriates a lump sum it will be up to the War Department to make the allotment to the various projects?

Mr. JONES of Washington. I suppose if Congress appropriated a lump sum we would probably leave it to the War Department to make allotments; but that is a question, of course, which will have to be determined.

Mr. HARRISON. The Senator thinks if we pass a bill such as this the Appropriations Committee would follow the instructions carried in the legislation?

Mr. JONES of Washington. The Appropriations Committee could not go beyond this legislation. Of course, Congress can do it, but any Member on the floor of the Senate could make a point of order against any item that was contrary to existing law.

Mr. HARRISON. The thing I am worried about, and I think the Senator agrees with me, is that for the last few years we have not provided a sufficient amount of money to care for these projects. I know the people have suffered in certain sections with which I am familiar and in other sections of which I have heard. I am not worried so much that the committee will appropriate too much, but I fear that they will not appropriate a sufficient sum.

Mr. JONES of Washington. We are proceeding on the theory now that we will not make a direct appropriation in the river and harbor bill, so we will have to work out the amount on an appropriation bill within the limits of the existing law. The bill is framed along the line the Senator has in mind. We have not had a river and harbor bill for seven or eight years and we have had no new projects adopted in that time, but there are some projects that are more pressing than projects we have already adopted in the interest of commerce, and so we are starting out on the theory that we ought to act on some of those projects and get them in a shape where appropriations can be made for them.

Mr. HARRISON. May I ask the Senator one further question? The Committee on Rules, of which the senior Senator from Kansas [Mr. CURTIS] is chairman, has under consideration a rule which was proposed by the Senator from Wyoming [Mr. WARREN] to confer jurisdiction upon the Committee on Appropriations to make all the appropriations, and so forth. If the Rules Committee should adopt some other procedure—for instance, instead of a committee being appointed to which these bills shall be referred as they come over from the House, providing that they shall go to the Committee on Commerce so that appropriations might be made directly by the Committee on Commerce—that committee would follow the old rule of making appropriations there and not send them to the Committee on Appropriations.

Mr. JONES of Washington. Yes; if they provide that method.

Mr. FLETCHER. Mr. President, under that system I call the attention of the Senator from Mississippi to this situation: In the first place, the Bureau of the Budget will act. The Bureau of the Budget will report, "We are going to allow $20,000,000 this year for rivers and harbors." When that Budget report comes in then the other body will act. The Rivers and Harbors Committee of the House not having anything to do with it, only the Committee on Appropriations can act, because the Rivers and Harbors Committee has no power to make an appropriation. No committee except the Committee on Appropriations can appropriate the money. The Committee on Appropriations will meet and say, "We will just appropriate a lump sum, the amount recommended by the Bureau of the Budget, $20,000,000 for rivers and harbors."

The bill will come over here. When it comes here it may be included in a general bill that covers appropriations for the Army, appropriations for the Navy, appropriations for the payment of salaries, and all that sort of thing. We can not very well split up the bill. We have to refer that general bill to a general committee and it naturally would go to the Committee on Appropriations. So the Commerce Committee no longer has anything to do with appropriations for rivers and harbors under that beautiful system.

The Appropriations Committee here will meet and consider what amount of money they will appropriate to take care of the rivers and harbors of the country. They may amend the House bill and specify a different project, and may possibly appropriate for specific projects instead of a lump-sum appropriation, but they will be limited to the $20,000,000 recommended by the Bureau of the Budget. So it will be seen that the Bureau of the Budget has the power to direct Congress, to restrict and restrain Congress in the matter of making appropriations to take care of these public improvements. We can not go beyond the amount recommended by the Budget. When the Committee on Appropriations takes up the item of rivers and harbors they will consider within this limit of $20,000,000 recommended by the Budget Bureau certain items. They can not go beyond that, and they may parcel it out as they see fit to different projects throughout the country, but they are all limited to that Budget amount of $20,000,000. If that system works out, I think we are going to be very much embarrassed by that sort of a situation in handling these public questions.

Mr. POMERENE. Mr. President, as I read the bill hastily, because it was not called to my attention until just a moment ago, I assume that the reason for the authorization of an appropriation not to exceed $17,000,000 annually is that we have already lost confidence in the Bureau of the Budget and fear that it may not do the right thing.

Mr. JONES of Washington. I did not clearly hear the Senator's statement.

Mr. POMERENE. I merely made the statement that it seems to me as if the first section of the bill was inspired by the thought that we have already lost confidence in the wisdom of the Budget law or the policy or attitude of the Director of the Budget.

Mr. JONES of Washington. No; the Senator is entirely mistaken in that. I understand the Director of the Budget can make only appropriations as authorized by law. He may not recommend all that is authorized by law, but he can not submit estimates to us for projects that we have never adopted. So he can not submit estimates for the maintenance of projects except as Congress authorizes them. Heretofore the amount for maintenance of river and harbor work has always been itemized, so much authorized for this project and so much authorized for that; five thousand dollars for this item, two thousand dollars for that, fifteen hundred dollars for another, and a thousand dollars for another. The Director of the Budget could not estimate any more than those amounts. We thought it more advisable to make a lump sum for maintenance rather than to specify the projects in that way; and that is the policy which, of course, will be up for consideration when the bill comes before the Senate.

The thought suggested by the Senator never occurred to me, I will say to him.

Mr. POMERENE. Assuming that $17,000,000 is the right sum, it seems to me that we ought to go further and assume that the Director of the Budget is going to do the right thing and authorize him accordingly. If not, why should we try to tie his hands by such a proposition?

Mr. JONES of Washington. We are not trying to tie his hands. We are trying to provide what we think is proper for the maintenance of projects without leaving it to the Director of the Budget to make estimates that the law does not authorize.

Mr. POMERENE. Why, then, can we not leave the situation exactly as it is at the present time and have the report of the Director of the Budget? Then, under the terms of the law, we can either accept what he says or we can do something else if we have the necessary votes. It looks to me very much as if the real reason for the proposed legislation is that we are just a little fearful that the Director of the Budget is not going to do for rivers and harbors what we want to have done.

Mr. JONES of Washington. I wish to assure the Senator that that never entered the mind of the Senator introducing the bill. It never occurred to me until the Senator suggested it just now.

Mr. POMERENE. The Senator does not need to speak to me about his good faith. There is no one for whose honor and integrity I have a higher regard than I have for that of the Senator from Washington.

Mr. JONES of Washington. I thank the Senator, but I thought the Senator was suggesting that I had some ill-conceived motive.

Mr. POMERENE. Oh, no. If the Senator drew that conclusion from what I said, I desire to disabuse his mind. I would not make a statement of that kind. The thought that I wished to leave was that this was susceptible of that construction and that that construction could be placed upon the bill. I would not question the motives of the Senator from Washington.

Mr. JONES of Washington. If there is any way that we can make the bill perfectly clear so as to avoid anything of that kind, we will do it, because it was not intended to do anything of that kind.

MESCALERO INDIANS, NEW MEXICO.

Mr. CURTIS. Mr. President, I am called out of the Senate for a few moments, but before I leave I wish to ask unanimous consent for the immediate consideration of the bill (S. 2022) promoting civilization and self-support among the Indians of the Mescalero Reservation in New Mexico. The Senator from New Mexico [Mr. JONES] will probably know about it. It is asked for by the department and by the Bureau of Indian Affairs.

The VICE PRESIDENT. The bill will be read for the information of the Senate.

The Assistant Secretary read the bill, as follows:

Be it enacted, etc., That there is hereby appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $250,000 for the purpose of promoting civilization and self-support among the Indians of the Mescalero Reservation, in New Mexico, to be expended or distributed in the discretion of the Secretary of the Interior, under such regulations as he may prescribe; to remain available until used, and to be reimbursed to the United States from the sale of timber on said reservation.

Mr. CURTIS. The Senator from Utah [Mr. KING] has asked me to make a short statement of the bill. These Indians have property to the value of about $5,000,000. The timber thereon is worth about $4,000,000. Under existing law they may sell the matured, down, and dead timber. The administration has made a contract and has sold $450,000 worth of the timber, to be distributed each year until 1931, I think, running along for some 8 or 10 years. The department wants to advance the $250,000 appropriated by the bill so that they may buy sheep for these Indians. They are sheep-raising Indians, but have no sheep at this time. This plan has been tried on other reservations and it has proven very successful. As the Indians have this amount of timber already sold and the money coming in, the department feels that the Government would be justified in advancing the money and being reimbursed.

I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ATROCITIES IN ASIA MINOR.

Mr. KING. Mr. President, as I understand, morning business has not yet been concluded. Under the head of resolutions I desire to submit a resolution (S. Res. 231) and ask its reference to the Committee on Foreign Relations. I will read the resolution. It is as follows:

Resolved, That it is the sense of the Senate of the United States that the Government of the United States should, if it enters the proposed international conference at Genoa, request that the agenda for such conference shall include the subject of the political and economic conditions in the Near East and the discussion of measures to secure to racial and religious minorities in Asia Minor the rights and guaranties awarded them by the treaty of Sevres.

Mr. President, every few days we obtain information, which is authentic, from our own representatives in and about Constantinople and from those who are engaged in the Red Cross work, of atrocities committed by the Kemalists. Senators will recall that the nationalist movement, so called, has taken possession of Asia Minor, that Kemal Pasha has organized an army, and that he has back of him perhaps 6,000,000 or 7,000,000 Turks. They have butchered over 300,000 of the Pontian Greeks and other Greeks in Asia Minor within the past five years; they have murdered thousands within the past three months; they have almost exterminated the Armenians, driving the remnants that have not been massacred into bolshevik Russia or down into Cilicia, near the Mediterranean Sea.

I read a report the other day from representatives at Smyrna to the effect that when the French troops were withdrawn from Asia Minor undoubtedly the remnants of the Armenians in the vicinity of Cilicia, perhaps numbering from 50,000 to 100,000, would be butchered.

We sit idly by in the United States, and other Christian nations of Europe do the same, paying no attention whatever to these atrocities. The treaty of Sevres required the protection of racial and religious minorities, including Greeks, Armenians, and Nestorians, and of other races who were within the boundaries of the Turkish Empire. Notwithstanding the treaty of Sevres called for this protection, it has not been accorded; and I regret to see that France has entered into an agreement, which is known as the Angora pact, with Kemal Pasha, which is viola-

tive of the terms of the treaty of Sevres, and thus leaves the Christian peoples of Asia Minor to the further depredations and the exterminating orders of the Kemal Pasha government.

In this morning's newspaper I find that in one little town in the northern part of Pontus 300 Greeks were a day or two ago taken out and massacred; a few days ago I saw where 4,000 had been massacred; and another report received less than a month ago stated they had driven out from a large number of towns some 6,000 or 7,000 into the hinterland back of the southern boundary of the Black Sea, where they were decimated by the wild bands of Kurds. More than 1,000,000 Pontian Greeks have been driven from their homes or have been massacred in the past five or six years. At one time there were scores of splendid cities, towns, and villages in Pontus; to-day most of them are in ruins, and their people have been driven from their homes or have been murdered.

In the resolution which I have submitted I have asked that, if we participate in the Genoa conference, we shall insist that a part of the discussion shall be devoted to a consideration of the Sevres treaty. I regret, Mr. President, that the American people and that the American Government have not been aroused to these terrible atrocities. We ought to lift up our voices through the churches, through our civic organizations, and through our political organizations in protest against this wicked, brutal, exterminating policy of Turkey. I think the President of the United States should call the attention of the European nations who signed the Sevres treaty to the obligations which they assumed; and in a resolution which I offered on December 22 last I asked that the Senate express itself in the following manner:

Resolved, That the Senate of the United States expresses abhorrence and condemnation of the brutal and ruthless persecution of the Greeks of Pontus by the Government of Kemal Pasha and by Ottoman Turks in Anatolia, and deplores the failure of the European powers to take effective measures to restore and maintain order in Anatolia in conformity to the treaty of Sevres, and to exercise the authority reserved by said powers in that behalf; and the Senate respectfully requests that the President of the United States bring the atrocities in Pontus to the attention of the European powers and the Council of the League of Nation, to the end that adequate and expeditious measures be taken, in accordance with said treaty, to arrest the persecution and extermination of the inhabitants of Pontus who are of the Greek race and religion, and generally to enforce and vindicate the rights accorded racial and religious minorities in Anatolia by the said treaty.

Mr. President, it seems to me that the Senate of the United States should adopt that resolution, and that, pursuant to that resolution, or upon his own motion, the President of the United States, in a friendly manner, should call the attention of the European powers, particularly Great Britain, France, and Italy, who are represented in the Washington conference, whose delegates are meeting with delegates from this country, to the fact that the United States would look with satisfaction upon the enforcement of the treaty of Sevres and upon the course of Great Britain, France, and Italy if they should stretch forth their hands, as they should do under the Sevres treaty, and prevent the ultimate destruction of the remnants of the Pontian Greeks and Armenians, who are now within the confines of Anatolia.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The resolution will be referred to the Committee on Foreign Relations.

THE AGRICULTURAL BLOC.

Mr. HARRIS. Mr. President, there have been some criticisms of the "agricultural bloc" on the part of certain eastern Senators. I ask unanimous consent to have printed in the RECORD a statement from the Dairy Farmer, a magazine published in that section, and also a statement from the Rural New Yorker, as expressive of the views of the farmers in reference to the activities of the so-called "agricultural bloc."

The PRESIDING OFFICER. Without objection, the statements will be printed in the RECORD.

The matter referred to is as follows:

It is regrettable that any combination is necessary for the purpose of securing justice for so large a percentage of our people as is represented by the farming population, but when a situation exists, as has been the case for a great many years now, even a necessary evil like the bloc system seems commendable. There has always been more or less class legislation and sectional legislation at Washington, and the rule has been that such legislation has not been for the direct benefit of the farmer. The farmers' bloc can not be done away with now without calling direct attention to this fact, and it will be necessary for the Republican Party to make haste slowly and cautiously in getting rid of any system that promises as much justice and service to agriculture as the farmers' bloc does. (The Dairy Farmer, Jan. 15.)

Whatever else you may say, it seems clear that this "agricultural bloc" has learned how to get results. * * * There would have been no progressive farm legislation in this Congress but for this new feature in political life. There is a great outcry from the party managers and politicians, yet for years they have been using their secret power to secure special privilege. At least the open methods of the "bloc" are far superior to the old wire-pulling ways. Aside from any advantage to agriculture, this "bloc" is working out two most desirable things. It is drawing things out into the open, where we can see what is done, and it is breaking up the old sectional hostility between the North and the South. It is the most hopeful plan for bringing the North and the South together that we have ever started in this country. (Rural New Yorker, Jan. 28.)

AGRICULTURAL ASSOCIATIONS.

Mr. KELLOGG. I ask the Chair to lay before the Senate the unfinished business, House bill 2373, and that it be proceeded with.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 2373) to authorize association of producers of agricultural products, which had been reported from the Committee on the Judiciary with an amendment.

Mr. HALE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Borah	Glass	McCormick	Ransdell
Brandegee	Gooding	McCumber	Sheppard
Broussard	Hale	McKinley	Smoot
Bursum	Harreld	McLean	Spencer
Calder	Harris	McNary	Sterling
Capper	Harrison	Nelson	Sutherland
Caraway	Heflin	Nicholson	Townsend
Culberson	Hitchcock	Norris	Wadsworth
Cummins	Johnson	Oddie	Walsh, Mass.
Curtis	Jones, Wash.	Overman	Walsh, Mont.
Dial	Kellogg	Page	Warren
Dillingham	Kendrick	Pepper	Watson, Ga.
Ernst	King	Phipps	Watson, Ind.
Fletcher	Ladd	Pittman	Williams
France	La Follette	Poindexter	Willis
Frelinghuysen	Lenroot	Pomerene	

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH] is detained on business connected with the Senate.

Mr. FLETCHER. I wish to announce that my colleague [Mr. TRAMMELL] is necessarily absent. I ask that this announcement may stand for the day.

Mr. TOWNSEND. I desire to announce that the junior Senator from Michigan [Mr. NEWBERRY] is unavoidably detained from the Senate on account of serious illness in his family.

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. A quorum is present.

Mr. KELLOGG. Mr. President, one of the greatest movements of modern times for the relief of the agricultural population of this country, and I might say of other countries, is the formation of cooperative marketing associations. In this country it has passed the experimental stage. There are thousands of cooperative associations now operating successfully in this country. On account of the individualistic nature of the farmer's occupation, and the inability to consolidate into great aggregations of capital, the farmer finds himself at a disadvantage, and also, I believe, the consuming public. There is not any doubt whatever that the difference between what the farmer receives for his products and what the consuming public pays is unreasonably great in the case of many if not all of the products grown and marketed to-day, and I believe that one of the means for the alleviation of this condition is marketing associations among the farmers themselves. They have, I think, already had considerable experience, and I believe will develop the ability to handle their own products properly and place them in the markets of the country and the markets of the world.

Mr. President, I do not wish to decry the Sherman Antitrust Act. It came into being as a protest against the great aggregations of capital that were oppressing the country, oppressing their competitors, and unreasonably monopolizing certain avenues of trade and commerce; but the Sherman Act was not intended to prevent and has not prevented reasonable consolidations and combinations of capital and individual energy. The tendency, I am aware, is to force to the highest degree competition. I believe in competition. I believe that healthful competition is the basis of trade; it is the incentive to commerce; but excessive, unreasonable competition does not benefit trade. As time has passed it has become necessary for the States and the Congress to adopt modifications in some degree of the antitrust act to permit reasonable aggregations of capital and reasonable cooperation among producers, manufacturers, and traders; and we have, as I shall show, adopted several measures looking toward that end. I believe that one of the most important measures now before the Congress and the country is the one to encourage and reasonably to protect cooperative marketing associations.

Nearly two years ago, in response to a strong public sentiment, the House passed a cooperative marketing bill. The Sen-

ate amended the bill. It was sent to conference, and after a long conference between the two Houses the conferees disagreed. At the next session of Congress the House passed the bill now before the Senate. It came to the Senate, and in July, 1921, the Senate committee reported a substitute for this bill. I desire that the House bill in its main features be adopted, and my argument to-day will be directed to an explanation of that bill and the reasons why I think it should be adopted. I believe that it fully protects the public against unreasonable restraint and monopoly.

The bill to which I refer is Order of Business 246, H. R. 2373, entitled "An act to authorize association of producers of agricultural products." I shall ask the Senate to adopt the measure as passed by the House, with one amendment, which I understand will be offered by the junior Senator from Kansas [Mr. CAPPER], and to disagree to the Senate substitute on pages 4 and 5 of the bill.

Let me explain what the House bill accomplishes.

The House bill provides that persons engaged in the production of agricultural products may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of persons so engaged, and that they may have common selling agencies, provided that such associations are operated for the mutual benefit of the members thereof as such producers and conform to one or both of the following requirements: First, that no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein, or, second, that the association does not pay dividends on stock or membership capital in excess of 8 per cent per annum. Certainly these provisions are very restrictive, and the earnings allowed to such cooperative associations are very moderate as compared with the earnings of many commercial and industrial corporations.

Now, I come to the features for the protection of the public in the event that any restraint of trade or monopoly unduly enhances prices, for, after all, the principal object of the Sherman Act is to prevent great organizations of capital and business from getting control of the business of the country and enhancing prices to the damage of the public.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. KELLOGG. I yield to the Senator.

Mr. KING. Before the Senator leaves the subject that he was just discussing, I should like to inquire of him how the value of the capital stock of those who belong to the association is to be determined. Are the farms or the orchards or the sources and instrumentalities of production to be taken into account as the basis of the capital stock of each of the stockholders?

Mr. KELLOGG. Not at all. The farmers do not consolidate their farms or their properties under this bill. The 8 per cent is on the capital of the cooperative association, whatever that may be. In most instances it is very small. It has nothing whatever to do with the property of the farmer. It simply refers to the selling agency.

Mr. KING. That is what I understood; and I wanted to use that question as a premise for this: Then it is clear that the profits to be derived by the organization are not so much the object of consideration but the profits will flow to the farmers because of the enhanced prices of the products of which they dispose.

Mr. KELLOGG. The main object of the cooperative association is to get reasonable prices for the farmer, principally through lessening the cost of marketing and selling his products and cutting down the difference between what the farmer receives and what the public finally pays. That is the main object.

Mr. FLETCHER. Mr. President, let me ask the Senator if it is not true that under paragraph 1, which appears on page 2, the true basis of cooperation is not protected and guarded, in that no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein? That is the true cooperative principle, and prevents large capital from controlling the organization.

Mr. KELLOGG. That is the very object of it. It is to make it really a cooperative association. Incorporation is used because of its convenience, instead of having a mere loose, general association unincorporated.

Now, I wish to come to those provisions of the bill which are intended to, and which I think do, adequately protect the purchasing public. The bill provides:

That if the Secretary of Agriculture shall have reason to believe that any such association monopolizes or restrains trade to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, he shall serve upon such association a complaint stating his charge in that respect, to which complaint shall be attached, or contained therein a notice of hearing, specifying a day—

And so forth.

The bill then provides that the evidence taken before him shall be reduced to writing, and if the Secretary shall be of the opinion "that such association monopolizes or restrains trade to such an extent that the price of any agricultural product is unduly enhanced thereby, he shall issue and cause to be served upon the association an order reciting the facts found by him, directing such association to cease and desist therefrom." That is, to cease and desist from the undue restraint of trade and the monopoly or any acts which go to enhance the price or to cause the restraint of trade.

Should the association neglect for 30 days to obey the order the Secretary of Agriculture is authorized to bring a suit in the United States court, and the United States court has complete jurisdiction "to enter a decree affirming, modifying, or setting aside" the order and enforcing the same, and in order to make sure that the court will have complete jurisdiction, the Senator from Kansas [Mr. CAPPER] has offered an amendment which provides, "or enter such other decree as the court may deem equitable." Therefore, if the Secretary of Agriculture finds any restraint of trade or monopoly and undue enhancing of prices, it is made his duty to have a prompt investigation, the testimony taken by him to be certified to the court in order to expedite the proceeding, and the court is then given complete jurisdiction to do justice in the premises as much as could be done to-day under the Sherman Antitrust Act.

The first question which has arisen is why the Secretary of Agriculture should be named as the officer to find whether the association has unduly enhanced prices. I know of no officer more competent to deal with that question than the Secretary of Agriculture. He has in his department a Bureau of Markets. He keeps track of the cost of production, the cost of selling, and what the public is paying. He has the statistics and he, through his Bureau of Markets, can determine better than any other agency of the Government whether such a cooperative marketing association is really being operated in restraint of trade as a monopoly and is unduly enhancing prices.

The Attorney General has the duty placed upon him to take charge of the suit in the court and to prosecute it, but the Attorney General has not the machinery to study these cooperative associations, to find out the cost of production, the cost of selling, the reasonable prices to the consumers, and various other elements which it is easy for the Secretary of Agriculture to find out.

It may be said, therefore, that before such associations can be prosecuted under the Sherman Act for any restraint of trade or monopoly, whether it is a mere technical monoply or not, the Secretary of Agriculture must investigate and make a finding that the cooperative association is in restraint of trade or is a monopoly and is unduly enhancing prices.

This provides a reasonable protection to the public. The farmers, unlike the great aggregations of capital, can not keep in their employ highly paid lawyers. The officers of these cooperative associations with whom I am personally acquainted are farmers. They are men of experience in their business. They are operating some of these associations with a great deal of ability. But they are unable to keep highly paid counsel to advise them of every step they take, like the great aggregations of capital in other lines of business. They are less experienced in the commercial business of the world than these men who have control of these other aggregations of capital.

Mr. KING. It is intended, then, as I understand the Senator, to make all such organizations absolutely immune from criminal prosecution.

Mr. KELLOGG. They are immune from criminal prosecution, and I think they ought to be. I have never known much to be accomplished by criminal prosecution under the Sherman Act; if anything, very little.

Mr. KING. It denies the right of the Attorney General to initiate proceedings, even though he should believe from uncontrovertible evidence that a monopoly stupendous in character and oppressive in results exists by reason of combinations of the character contemplated.

Mr. KELLOGG. The Senator understands from the statement I made that the Attorney General can prosecute suits instituted by the Secretary of Agriculture. I wish the Senator would let me go on with my remarks, and when I am through I will be very glad to answer any questions.

One provision of the Senate substitute is as follows:

That the association shall not deal in products of nonmembers to an amount greater in value than such as are handled by it for members.

Personally I do not think there is any particular objection to that provision.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Montana?

Mr. KELLOGG. I yield.

Mr. WALSH of Montana. In view of the statement of the Senator that nothing has been accomplished by criminal prosecutions under the Sherman Act, I merely desire to say that there have recently been some convictions under that act in the State of New York, and a sentence, which was a very modest one, was rendered ineffective by a speedy pardon, the Senator will remember.

Mr. KELLOGG. I did not say nothing had been accomplished; I said very little had been accomplished. I so qualified my remark.

Mr. President, one of the objections to the Sherman law as applied to these cooperative associations is that any district attorney can go into court and get them indicted, and get them indicted upon a state of facts many times which I defy any lawyer to prove constitutes a monopoly. I spent some years in enforcing the Sherman Antitrust Act, and in some cases, after three or four years of litigation, the Supreme Court, by a divided court, held them illegal, and in other cases, by a divided court, held them legal, and the farmer is unable to tell, until he reaches the end of an expensive litigation, whether he is breaking the law or not. In the case of these cooperative associations I think I can demonstrate that there ought to be some supervisory authority perfectly capable of determining whether they are organized and acting for illegal ends or whether they are for the benefit of the country.

I have not the time to go into details, but many of these associations have been prosecuted over the country in cases where I believe there was no foundation for their prosecution, and it is deterring to-day the organization and the effectiveness of many of these perfectly legitimate cooperative associations.

There are many features of the Senate substitute which I think are objectionable, but one of the most objectionable is where it provides that—

Nothing herein contained shall be deemed to authorize the creation of or attempt to create a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, on account of unfair methods of competition in commerce.

The Senate substitute proposes, therefore, that if there is an attempt to monopolize, or a technical monopoly, whether it has been of benefit to the public or not, if it is a mere technical monopoly, or an attempt to create a monopoly, the association is subject to all the pains and penalties and prosecutions provided for in the Sherman Antitrust Act.

If I had the time I could state a great many cases as to which I would defy the Senator from Montana to pick out five lawyers who would all agree whether they were monopolies or not. In a business carried on by thousands of farmers, with small holdings, with small production, such a condition as that is not conducive to reasonable cooperation in their selling agencies.

Suppose all the farmers of one State, which is very unlikely, should have one agency for the sale of their stock. Would it be a monopoly? Would it be an attempt to create a monopoly which would be void under the Sherman Act, or would the fact that stock may be shipped in from other States render it innocuous and not a monopoly? No one can tell, and perhaps it would end in long litigation, going to the Supreme Court of the United States. The object of the Sherman Act is to protect the public and not to harass business and prevent reasonable cooperation.

This bill does not stand out as an exception, exempting the farmers. Congress and the States have passed many laws changing the Sherman Antitrust Act in some regards.

In 1914 Congress passed an act, approved October 15, 1914, exempting labor, agricultural, and horticultural associations instituted for the purpose of mutual help, from the provisions of the Sherman Antitrust Act. The section reads as follows:

That the labor of a human being is not a commodity or article of commerce. Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations, instituted for the purpose of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof; nor shall such organizations or the members thereof be held or construed to be illegal combinations or conspiracies in restraint of trade under the antitrust laws.

Now, there was a reason for that. I do not know whether that law went too far or not.

So far as the agricultural cooperative associations are concerned, they are limited to voluntary associations without capital stock. It has been found that it is much more convenient to have a nominal capital representing the membership of the farmers in the association. The bill provides that each owner of capital stock shall have but one vote, and that they can not pay over 8 per cent upon the capital.

I am quite aware there has been much criticism of the act in relation to labor unions. I believe that individuals ought to be allowed to cooperate and organize unions. The individual laborer is placed very much in the same disadvantageous position that the farmer is. Of course, if it goes to the extent of a monopoly or undue restraint of trade which is oppressive to the public, either the labor union or the farmers' organization or any other organization ought to be stopped by the legal authorities of the Government.

The only objection to the law as it now stands is, first, as I said, the cooperative association can not have capital stock; second, it must not be operated for profit. Of course, any association or selling agency is operated not necessarily for profit on the stock, which is not large, but for the benefit and ultimate profit of the producer, and, I might add, results in the ultimate profit and benefit to the consumer, so that it is questionable whether that law goes far enough. In fact, it does not. The testimony shows that in many cases such associations have been prosecuted, I do not know whether effectively or not, but it certainly has been harassing to the farmers who undertook to organize reasonable cooperative associations.

In relation to the other proposition, we have passed other laws in degree changing and modifying the Sherman antitrust law, notably the Webb-Pomerene Act, which exempted organizations or corporations and common selling agencies in foreign commerce from the terms of the Sherman law. Why did we do that? We found that the individual manufacturer and merchant was not in a position to place his products in foreign markets without cooperation with other producers and other manufacturers, and that by reason of the very large number of small manufacturers and merchants as well as large manufacturers and merchants the cost of individual action in placing products in foreign markets in competition with other countries of the world was practically prohibitive, so that in the interest of the trade and commerce of this country it was proper to allow them to combine into selling agencies.

Now, the farmer is in very much the same position. He is a small holder of land. His means and his opportunities are not sufficient to allow him to take any steps whatever in placing his products with the ultimate consumer or, usually, with the middleman. He is dependent upon buyers in the various local communities, the wholesaler or retailer, the organization existing everywhere, for the marketing of all his products. He is much in the position of the merchant and manufacturer who wishes to go into foreign countries to compete with the manufacturers and merchants of other countries in the sale of their products.

Mr. President, this principle has been so general and the demand for it is so widespread that it became an issue in the last campaign with both the Republican and Democratic Parties.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. KELLOGG. Certainly.

Mr. CUMMINS. I simply wish to suggest to the Senator from Minnesota that we have been constantly amending the antitrust law, and one of the conspicuous instances in which we amended it was in the transportation act of 1920, when we exempted the railroad companies of the country from some of the most stringent features of the antitrust law.

Mr. KELLOGG. I thank the Senator for reminding me of that. That is true. We found, as I believe had become the settled conviction of the people of the country, that unrestricted competition by hundreds and hundreds of railroads was expensive and was not conducive to the public interest, so we authorized the Interstate Commerce Commission and gave that commission plenary power to permit the consolidation of railroads into systems, whether the railroads were parallel and competing or not.

I wish to preserve the principles of the Sherman Act against the oppressive power of wealth and great aggregations of capital or any other organization which may oppress the people. Time has taught us that there may be a competition so destructive of individual enterprise and opportunity and effectiveness as that reasonable coordination and cooperation is necessary,

Because the Sherman Act was passed a great many years ago and has done much good is no reason why, as conditions change and we progress in commerce and production, it should not be changed in some respect.

This question became so generally discussed, so widely considered, that it became an issue in both political parties. In the last Republican convention the platform declared for—

> The right to form cooperative associations for marketing their products and for protecting against discrimination—

Referring to the farmers. The Democratic platform also provided:

> We favor such legislation as will confirm to the primary producers of the Nation the right of selective bargaining and the right of cooperative handling and marketing of the products of the workshop and the farm and such legislation as will facilitate the exportation of our farm products.

Not only that, Mr. President, but the President of the United States in his message to Congress delivered on the 6th day of December, 1921, said, and I wish to read this, as it is a very clear declaration of what the President considered a fulfillment of the obligations of the Republican Party under its platform:

> It is rather shocking to be told, and to have the statement strongly supported, that 9,000,000 bales of cotton, raised on American plantations in a given year, will actually be worth more to the producers than 13,000,000 bales would have been. Equally shocking is the statement that 700,000,000 bushels of wheat, raised by American farmers, would bring them more money than a billion bushels. Yet these are not exaggerated statements. In a world where there are tens of millions who need food and clothing which they can not get, such a condition is sure to indict the social system which makes it possible.
>
> In the main the remedy lies in distribution and marketing. Every proper encouragement should be given to the cooperative marketing programs. These have proven very helpful to the cooperating communities in Europe. In Russia the cooperative community has become the recognized bulwark of law and order and saved individualism from engulfment in social paralysis. Ultimately they will be accredited with the salvation of the Russian State.
>
> There is the appeal for this experiment. Why not try it? No one challenges the right of the farmer to a larger share of the consumer's pay for his product; no one disputes that we can not live without the farmer. He is justified in rebelling against the transportation cost. Given a fair return for his labor, he will have less occasion to appeal for financial aid; and given assurance that his labors shall not be in vain, we reassure all the people of a production sufficient to meet our national requirement and guard against disaster.
>
> The base of the pyramid of civilization which rests upon the soil is shrinking through the drift of population from farm to city. For a generation we have been expressing more or less concern about this tendency. Economists have warned and statesmen have deplored. We thought for a time that modern conveniences and the more intimate contact would halt the movement, but it has gone steadily on. Perhaps only grim necessity will correct it, but we ought to find a less drastic remedy.

Mr. President, how long will 30 or 35 per cent of the population of this country feed the teeming millions of the cities? Only when their labors are reasonably remunerated, only when production upon the farm is possible, only when they are independent, and when they have a hope of bettering themselves. In my opinion, the greatest problem confronting the statesmen of the country is the tendency to drift to the cities, the decline of agriculture, the increase of landlordism and tenancy.

I also wish to call to the attention of the Senate a remarkable speech made by the President at the opening of the farmers' conference, for it is a better argument than I could make. The President said:

> A great manufacturing industry can consolidate under the ownership of a single corporation with a multitude of stockholders a great number of originally separate establishments, and thus effect economies and concentrations and acquire for itself a power in the markets where it must buy and in the markets where it must sell such as have not been made available to agriculture. The farmer is the most individualistic and independent citizen among us. He comes nearest to being self-sufficient, but precisely because of this he has not claimed for himself the right to employ those means of cooperation, coordination, and consolidation which serve so usefully in other industries.
>
> A score or more of manufacturers consolidate their interests under a corporate organization and attain a great increase of their power in the markets, whether they are buying or selling. The farmer, from the very mode of his life, has been estopped from these effective combinations. Therefore, because he buys and sells as an individual, it is his fate to buy in the dearest and to sell in the cheapest market.

Mr. President, of course, the farmer can not consolidate his land into great holdings or into corporate ownership, and he should not do so. The hope of this Nation, the hope of any nation, the hope of the independence and the prosperity of our people, our very civilization, depends upon the individual ownership and proprietorship of the soil. Destroy that and you destroy the strength of the Nation. What enabled France to go through a war unequaled in its intensity and its horror and its expense? It was because her civilization was founded upon individual ownership and occupation of the soil. The roots of her civilization for centuries have reached down into the soil—the bedrock of permanency and the bedrock of prosperity. The great aggregations of capital in this country undoubtedly are necessary in modern economic life, but the farmer can not create such great aggregations of capital. The law should encourage him in his ownership, in the occupation of his farm, and in the cultivation of his own land, and should encourage him in the one way which it can do—in obtaining better marketing facilities for the products which he raises. I wish to quote one further paragraph from the President's speech:

> Take cooperative marketing. American farmers are asking for, and it should be possible to afford them, ample provision of law under which they may carry on in cooperative fashion those business operations which lend themselves to that method, and which, thus handled, would bring advantage to both the farmer and his consuming public. In countries where these facilities and opportunities have been afforded such cooperative organizations have been carried to the highest usefulness and are recognized as aiding both farmer and consumer. They make the farmer's selling price higher and the consumer's buying price lower.

Mr. President, I believe there are a greater number of cooperative associations in my State than in any other State in the Union, and that the percentage of farm products placed in the markets by the farmers by that method is greater. About a year ago, in the campaign of 1920, a public issue was raised in Minnesota between cooperation and State ownership. An organization known as the Non-Partisan League declared for Government ownership of railroads, public utilities of all kinds, elevators, mills, selling agencies, banks, and many other institutions. The opposite party, the Republican Party, declared against State socialism and in favor of cooperation. No greater issue was ever raised in any State, and it was fought out on the basis of cooperation of the farmers on the one hand and State ownership on the other. Cooperation was indorsed by the voters.

Mr. President, I shall deplore the day when we forsake individual enterprise and energy which must produce and do great things in the world, and resort to State ownership, which paralyzes energy, destroys enterprise, and is expensive to the people and ruinous to progress.

Mr. President, I shall not take the time of the Senate to discuss the conditions of agriculture throughout the United States and the necessity for some improvement looking toward their prosperity. Everyone knows those conditions. Why do they exist? Of course, I realize that the great World War raised the prices of farm products, raised the prices of merchandise, raised the prices of labor; that the enormous demand brought these prices away up above anything we had ever seen; but when the end of the war came and readjustment commenced it is admitted by everyone that farm products decreased in price more rapidly and to a greater extent than did any other products.

The Government experts have taken 250 products entering into general commerce and compared the present prices of these products with prewar prices, and it has been found that farm products are far below the average, that the purchasing power of a bushel of wheat or of live stock has been reduced far below the average of the things the farmer has to buy.

The farmer produced his crops of 1919 and of 1920 at high cost, and, in 1920 especially, he sold them at bottom prices. The condition is well known to everybody. Of course, I realize that Congress can not legislate prosperity and that much of the readjustment must come through the natural result of economic forces; but there are some things that we have done and some things that we can do in order to help the farmers of the country.

We can aid in improving his market conditions; we can aid in securing for him more stable and cheaper credits; and I am heartily in favor of doing both. I do not say those are the only things we can do, but they are two outstanding, prominent things that Congress can and should accomplish.

Everyone knows that the difference between the price the farmer receives for his products and the price the consumer pays is, in the case of many articles, exorbitant and unreasonable, and the improvement of market conditions and procuring for the farmer better credits will in the end aid him, with the natural readjustment of economic forces, again to place himself upon a prosperous and firm basis.

I can not go into details, but there are many articles where the price the farmer receives is inordinately low as compared with the price the consumer pays. Take, for instance, the item of milk, which occupied considerable attention at the hands of the subcommittee examining this bill. Ninety thousand farmers tributary to New York received in the month of June, 1921, an average of 4.6 cents a quart for milk, while the city consumer paid 14 cents a quart.

Mr. President, I will not stop to read it to the Senate, but I ask unanimous consent to have incorporated in the RECORD at the end of my remarks a list of some of the principal cooperative associations in my State and what they have accomplished.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KELLOGG. Mr. President, in 1920, for instance, 642 cooperative creameries in Minnesota manufactured 91,716,231 pounds of butter, which sold for $52,278,251. The creameries have been organized into cooperative associations for some time; they were about the first branch of the agricultural industry in my State to organize, and they have been less affected by the tremendous decrease in the price of farm products than any other branch of the farming industry, and, though the price of butter was high during the war and after the war, the price to the consumer was lower compared with the price the farmer received than in the case of any other product of which I am aware.

Last summer the live-stock raisers in Minnesota started to organize a live-stock selling agency. We have in Minnesota but one large stockyard. We have in the State several smaller stockyards and packing houses, but the large stockyards and packing houses are situated at South St. Paul. My recollection is that from $80,000,000 to $100,000,000 of live stock is annually marketed there. The ordinary charge of the commission man to the farmer for selling a carload of stock in South St. Paul, with the services attending the sale, was $25 a car. The cooperative association placed all of its products in the South St. Paul market at an average cost of $8.07 a car. That association, of course, does not comprise all the farmers of the State, although it comprises a good many farmers, for I think they handle about 25 or 30 per cent of the stock at the South St. Paul Stockyards. That saving alone justifies their incorporation. But suppose all the farmers of the State joined this cooperative association, I ask Senators would it be legal or would it be a technical monopoly or an attempt to monopolize? Is it not perfectly easy for the Secretary of Agriculture, with his Bureau of Markets, to determine, in the light of the cost of production and in the light of market prices at other stockyards, whether or not their cooperative selling association has unduly enhanced prices?

Take many of the products of the farm, such as potatoes. We raise enormous quantities of potatoes in Minnesota, and formerly when the digging time came before the frost they were dumped on the railroad stations, with inadequate provisions for warehousing and marketing, and the price went down so low that the farmers did not get the cost of production from their sales.

Much has been said about the fruit growers' associations. I can remember, and I think the Senator from California [Mr. JOHNSON] will bear me out, when the fruit growers of California were practically bankrupt. The farmers were not getting the cost of their production. They have organized various fruit growers' associations. They have built their own sorting warehouses. They box and ship their own fruit. They have their own selling agencies. To be sure, the product is retailed through the stores and the machinery which now exists, but the fruit is scientifically handled. It is shipped daily to the markets which will take care of it and sell it in a reasonable way; and I venture to say that not only have those associations brought prosperity to the fruit growers but they have brought cheaper fruit to the people, regularly furnished them throughout the year, than would otherwise have been the case.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Iowa?

Mr. KELLOGG. I yield to the Senator.

Mr. CUMMINS. The suggestion made a moment ago by the Senator from Minnesota prompts me to ask him this question, which has perplexed me somewhat.

The first two lines of the bill, together with the first word of the third line, read as follows:

> That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers—

May act together, and so forth. Are the words "as farmers, planters, ranchmen, dairymen, nut or fruit growers" used to exclude all others who may be engaged in the production of agricultural products, or are those words merely descriptive of the general subject?

Mr. KELLOGG. I think they are descriptive of the general subject. I think "farmers" would have covered them all.

Mr. CUMMINS. I think the Senator does not exactly catch my point. Take the flouring mills of Minneapolis: They are engaged, in a broad sense, in the production of an agricultural product. The packers are engaged, in a broad sense, in the production of an agricultural product. The Senator does not intend by this bill to confer upon them the privileges which the bill grants, I assume?

Mr. KELLOGG. Certainly not; and I do not think a proper construction of the bill grants them any such privileges. The bill covers farmers, people who produce farm products of all kinds, and out of precaution the descriptive words were added.

Mr. TOWNSEND. They must be persons who produce these things.

Mr. KELLOGG. Yes; that has always been the understanding.

Mr. CUMMINS. I knew that was the understanding, but I think it is susceptible of doubt as to whether those words are used in the way of exclusion or whether they are used simply as describing—"such as," and so on.

Mr. TOWNSEND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Michigan?

Mr. KELLOGG. I yield.

Mr. TOWNSEND. The only thing that occurred to me was whether there was any product not specified there which would be considered as an agricultural product without having the advantage of this law.

Mr. CUMMINS. I am not suggesting that there ought to be, but I am suggesting that without those words there is no doubt that a producer of meats would be a producer of an agricultural product, or a producer of flour would be a producer of an agricultural product; and I take it that the words "as farmers, planters, ranchmen, dairymen, nut or fruit growers" are intended to exclude all other producers of agricultural products.

Mr. KELLOGG. I think, if the Senator will permit me, that flour-mill owners and packers are manufacturers. They are not farmers or producers of the products. They are manufacturers of the products.

Mr. RANSDELL. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Louisiana?

Mr. KELLOGG. I yield.

Mr. RANSDELL. Do I understand the term "farmers" to include gardeners and truck growers?

Mr. KELLOGG. Oh, undoubtedly.

Mr. RANSDELL. I supposed that was what was intended, but I wanted to be clear on the point.

Mr. KELLOGG. In fact, I might say that the cooperative association is most helpful and its widest field of operation is in those products which are not sold upon exchanges, and do not have a standard market from day to day, like potatoes and butter and poultry and eggs and many other things, although some of them are sold on exchanges. The fact is that during last year you would pay more for a mutton chop in a New York hotel than a sheep would bring in Colorado, and I guess you do now. The fact is that the price the farmer gets for many of these products is so small compared with what the consumer pays as to be shocking; and the farmers will not raise these products unless the production can be reasonably prosperous.

As I said before, take the fruit crop, the apple crop, the potato crop. It must be harvested at a certain time. It must be stored in warehouses, put in barrels or boxes, and shipped to the great cities where the consuming public reside. You can not dump all the production on the country at once and have the farmer receive a good price. Intelligence must be used in the marketing practices. The product must be shipped at times so that the public will receive it and consume it. How many times have you seen, in days past, the apple crop in New England rotting on the ground, and apples at a high price in the city of New York?

This requires study, experience, and cooperation among the farmers. I do not say that the farmers are going to set up all their local stores and sell at retail everything. They will use, as they have in the great California fruit growers' associations, the marketing facilities already established; but they have their agents who understand the market, know where to ship, when to ship, and what kind of fruit to ship, and they guarantee quality and quantity; and to-day the buyer who buys a box of oranges or a barrel of potatoes knows what he is going to get.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. KELLOGG. I do.

Mr. HITCHCOCK. Will the Senator explain the meaning of the language on page 4, lines 14 and 15:

> Of the persons so engaged and in processing or preparing such products for so marketing the same.

Mr. KELLOGG. That is in the Senate amendment.

Mr. HITCHCOCK. The same language is in the House bill, on line 6 of page 1.

Mr. KELLOGG. The language is:

Persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of persons so engaged.

The object of that, of course, was to confine these privileges to the cooperative associations of farmers who not only produce but prepare their production, like oranges, for the market. The Senate committee suggested an amendment to read:

That the association shall not deal in products of nonmembers to an amount greater in value than such as are handled for it by members.

That is in the Senate substitute.

Mr. HITCHCOCK. For instance, would "processing" include shelling corn?

Mr. KELLOGG. Undoubtedly, if the farmers' cooperative association did it.

Mr. HITCHCOCK. Would it include grinding the corn into corn meal?

Mr. KELLOGG. I am not sure about that. I should think it would.

Mr. HITCHCOCK. Then would it include grinding wheat into flour?

Mr. KELLOGG. It would not include the manufacture. It includes the processing by the farmers' own association of the product which the farmer himself produces.

Mr. HITCHCOCK. The Senator says it would include the shelling of corn and that it would include the grinding of corn into meal. Would it include the grinding of wheat into flour?

Mr. KELLOGG. I am not sure about that. That might depend upon how it was done. Certainly it would not include the ordinary miller who manufactures flour. If the Senator will let me proceed I shall finish in a moment.

As I said before, it is not claimed, I believe, by anyone opposing this bill that it is possible for the farmers in this country to monopolize farm products generally. In fact, the subcommittee of the Judiciary Committee of the Senate, which reported the substitute for the House bill, said:

Inasmuch as it is utterly impossible to establish a monopoly of any of the ordinary farm products—cereals, cotton, live stock, etc.—an inhibition of monopoly must be unobjectionable to the producers of such.

I agree that it is not possible for the farmers producing the great staple cereals, live stock, cotton, and ordinary farm products to monopolize them so as unduly to raise the prices, but it is rather difficult to convince some district attorneys that there is not a technical monopoly. For instance, why is it that these principal products of the farm can not be monopolized? Take wheat raised upon the western farms. The surplus goes first to feed the people in all of the great cities of the East and West, and then to Europe or Asia. The fact that freight rates are so made as to enable the farmers of the West to compete with the farmers of the East and the South renders a monopoly practically impossible. Again, a difference in time of harvesting, a difference in climatic conditions, the necessity for the farmer to realize promptly upon his crops to pay his help and his farm expenses, makes it exceedingly improbable that he can get into a single organization in the country and hold all his crops for higher prices and force the public to pay them.

It is claimed, however, that there are some products of local production and sale which might be monopolized, and the monopoly become of great danger to the public. For instance, fluid milk, I believe, can only be shipped economically four or five hundred miles. It is claimed that raisins, which I understand are raised principally in two or three counties in California, can be monopolized by the selling associations of farmers in the counties where the fruit is produced. But, Mr. President, because there are a few products of which the committee feel there is danger of monopolization, they propose to hold the sword and the threat of the Sherman Act over all the farming activities of the country, and subject them to unreasonable prosecution and harassments in order to protect the public in a few articles. This bill furnishes ample protection against undue exactions in those articles which it is claimed may be monopolized.

The farmers are not demanding the right to monopolize all the products of the country. They are not demanding excessive prices, and are not getting them. Mr. President, provided there is reasonable competition in the country between them, we permit aggregations of capital equaling 50 per cent of the production of certain articles. They have undoubtedly cheapened the production to some extent, and they are permitted under the law. Why not let the farmers cooperate to a reasonable extent in the marketing and in the sale of their products? Congress is not giving up all its power. Does anyone believe that if the Secretary of Agriculture and the courts would finally hold that under this law all the farmers could monopolize the crops of this country to the detriment of the public the Congress would stand it? Does anybody believe that the Secretary of Agrieulture and the courts together are going to permit any abuse of this power?

Mr. POMERENE. May I ask the Senator a question?

Mr. KELLOGG. I yield.

Mr. POMERENE. I ask for information; I am not expressing any opinion of my own now. Both the bill as it passed the House and the proposed substitute provide that there may be corporations with or without capital stock. Then each of these bills provides that the associations shall not pay dividends on stock or membership capital, except at 8 per cent per annum.

Of course, I understand, if there is a capital stock, what 8 per cent on that capital stock is; but what is 8 per cent per annum on membership?

Mr. KELLOGG. I will explain that to the Senator. In some of these organizations the stock is called membership stock. For instance, in the Cattle Raisers' Selling Association in Minnesota the stock is called membership stock. It is $3.50 a share, and each farmer must have one share; and in many of these organizations the stock is called membership stock. It is simply intended to give them a vote and membership in the corporation under the laws of the State.

Mr. POMERENE. Then do I understand that in the case of membership stock, where a share is only $3.50, the only return to the farmer would be 8 per cent on that membership, 8 per cent on $3.50?

Mr. KELLOGG. No; that is not the only return he has, because he has the profit naturally incident to better market conditions, the higher prices he gets, and saving expense in marketing, which is the greatest item, of course. That is the main one. I assume that that clause was put in there so that these associations could not become merely corporations to handle farmers' products and not really cooperative asssociations. That was the object of the limitation.

Mr. POMERENE. Let us assume, for the sake of the argument, that there are a hundred members in the corporation, that the membership fee is $3.50, and that the net profits of the corporation for a year are $100,000. How are those profits divided up?

Mr. KELLOGG. Mr. President, the object of these selling associations is to handle their products at as nearly cost as possible, so far as the handling is concerned. I cited in illustration of that the cooperative marketing associations for live stock. Their capital, I believe, is only six or seven thousand dollars—though I have not the figures before me—and instead of paying $25 a car to the selling associations for handling their live stock they reduced the cost of selling their live stock to $8.07 per car.

Some of the voluntary associations have what is called patronage refund. If they make a greater profit in the rates they fix for handling the products, it is refunded to them as a part of the purchase price of their products on the farm.

Mr. POMERENE. I am trying to understand this bill, if I can. I am in entire sympathy with the proposition that there ought to be a cheapening of the processes of marketing; I have not any doubt about that at all. But with all due respect, I insist that my question has not been answered. If this corporation had $100,000 profit, and there were 100 members, and the membership fee were $3.50, and there were a limitation of 8 per cent on membership, I do not know what the result would be. I do not understand that expression, "membership stock." It is a novel one to me, I repeat, and I would like to know how these profits are to be distributed, if they are to be distributed.

Mr. KELLOGG. They can not be distributed except through dividends or through a practice of paying for the products and refunding any surplus left after the cost of selling as a part of the payment of the purchase price.

Mr. President, I have already taken too much time, and I wish to close my remarks. I do not for a moment advocate any measure which will monopolize or cause the monopolization of one of the great industries of the country. I do not believe this will. I believe the public is amply protected, and I believe that the cost of marketing must be reduced if the farmers are to be prosperous.

It is true that all our industries are going through a period of depression, and there are losses in many, many lines of business; but, Mr. President, lying at the very foundation of all prosperity is the great farming public in this country. Show me any nation where agriculture is declining and I will show you a decadent nation. Show me a nation where the basic industry is agriculture, with individual ownership and with the

independence and enterprise which go with such proprietorship, and I will show you a progressive nation. All our industries are founded upon agriculture, and all prosperity is dependent upon it.

As the President said, give them an opportunity to cooperate. Why not do it now?

Mr. DIAL. Mr. President, I would like to ask the Senator from Minnesota a question.

Mr. KELLOGG. I will be glad to answer it if I can.

Mr. DIAL. I am heartily in sympathy with the object of the bill, and I was going to ask the Senator whether or not in his opinion he thought an amendment should be added along this line, that the President of the United States, when requested by the Secretary of Agriculture or the Secretary of Commerce, should be authorized to suspend future trading in agricultural products, when, in his opinion, they were selling, say, at less than 20 per cent of the cost of production. We realize that agriculture in my part of the country suffers greatly on account of dealing in futures on the exchanges. I am not so positive that such an amendment would reach the trouble, but I rather believe that authority should be lodged somewhere to prevent speculation in futures in regard to agricultural products under certain conditions.

Mr. KELLOGG. I do not think such an amendment would be wise. In the first place, Congress has just passed a bill for the regulation of the exchanges, under which great powers have been given to the Secretary of Agriculture, and I would deem it unwise to adopt such an amendment to this bill. The enactment of laws arbitrarily fixing standards of prices is, in my judgment, very unwise. No law fixing prices ever was or ever will be successful unless behind the law is a Government ready to purchase all the products at the fixed price. I hope the Senator will not offer such an amendment.

APPENDIX.

Farmers in Minnesota are endeavoring to solve their marketing problems through cooperation, and have succeeded to the extent that they have established thousands of local associations and are now engaged in organizing and operating central or State associations. Notable among these associations are the Minnesota Potato Growers' Exchange, Central Cooperative Commission Association, Minnesota Cooperative Creameries Association, Minnesota Cheese Producers' Association, and several other organizations of similar character embracing the membership of a large number of local associations. Cooperative marketing associations in Minnesota have increased remarkably during the past decade. The volume of farm commodities marketed through such associations has assumed very large proportions, as evidenced by the following facts and figures:

In 1920, 642 cooperative creameries in Minnesota manufactured 91,716,231 pounds of butter, which sold for $52,278,251. Of the 830 creameries in the State 77.3 per cent are cooperative. In the same period 69 cooperative cheese factories, representing 79 per cent of all the cheese factories in the State, manufactured cheese, which sold for approximately $1,565,441. In addition to these products cooperative creameries manufactured and sold large quantities of ice cream and other dairy products. The Twin City Milk Producers' Association, comprised of about 3,500 dairymen within a radius of 40 miles of St. Paul and Minneapolis, sold through their own sales agency during 1920 milk and cream to the value of $3,410,943.

During the year ending October 1, 1921, 430 farmers' elevators marketed 47,427,551 bushels of grain and corn. When it is stated that this immense quantity of grain represents the sales of approximately 78,530 farms, the importance of cooperative marketing in Minnesota as related to the interests of the individual producer can be easily understood.

The Minnesota Potato Exchange, a cooperative sales agency comprised of 96 local potato growers' associations, in the few months of its first fiscal year ending June 30, 1921, marketed about 2,700 cars of potatoes and disbursed to its member companies over $2,500,000. Forty similar associations not connected with the exchange operated at the same time, and it is reported that 22.6 per cent of the 1920 crop of 28,025,000 bushels of potatoes were marketed through cooperative associations.

In 1919, 654 cooperative live-stock shipping associations in this State marketed stock valued at approximately $83,000,000. The Central Cooperative Commission Association, of South St. Paul, on November 1, 1921, had a membership representing 267 local shipping associations, the business of which from August 8, 1921, to November 1, 1921, aggregated 2,243 cars, representing a sales value of $2,498,908.

During 1920, 75 per cent of all the wool produced in Minnesota was marketed through pools established by local associations in each county of the State.

In 1919, 161 township mutual fire insurance companies had 195,887 policies in force, covering risks which amounted to $556,800,980. Losses paid during that year amounted to $856,993.50.

There are 1,739 farmers' rural telephone companies in Minnesota and a large number of associations engaged in general store business, lumber yards, and various other enterprises.

The dominating position of Minnesota with respect to the cooperative marketing of farm commodities among all the States of this country is the more clearly indicated as the agricultural records for the year 1921 are announced. The scope of this movement in Minnesota is broader and its acceleration greater than elsewhere. Certain statistics and other items of information relative to the above statements are herewith submitted to indicate this relationship.

Federal reports, made available November 7, 1921, convey the information that during 1919 43.9 per cent of the farms of Minnesota marketed their products through farmers' cooperative organizations. To indicate clearly a significance of this statement, it is necessary to announce what other States have accomplished along similar lines. South Dakota ranks next to Minnesota with 27.1 per cent of her farms so marketing their products. Nebraska comes third with 26.2 per cent; Wisconsin next with 22.6 per cent; North Dakota, 22.4 per cent; California, 21.9 per cent; Michigan, 21.4 per cent; Iowa, 20.3 per cent; New York, 12.2 per cent; and Illinois, 10.5 per cent. All other States drop below 10 per cent, some being as low as less than 1 per cent so marketed. The average of all the States is 7.9 per cent. The west north central group of States has an average of 22, while the east north central group averages 13.3 per cent, and the Pacific States 15 per cent. The New England group averages 2.6 per cent, and the remaining groups rank low.

MICHIGAN SENATORIAL ELECTION.

Mr. SPENCER. Mr. President, on January 27, while the refunding bill, H. R. 8762, was before the Senate, my esteemed colleague, the senior Senator from Missouri [Mr. REED], took occasion to make certain observations concerning the action of the Senate in declaring that Henry Ford had not been elected a Member of this body and that TRUMAN H. NEWBERRY had been elected a Member of this body and was entitled to his seat, and at the same time expressing the condemnation and disapproval of the Senate of the expenditure of as much as $195,000 in any primary election.

With the language which my distinguished colleague was pleased to use, I have at this time no desire to deal. Villification is not evidence, and vituperation can not be substituted for facts in the Senate of the United States. I can not, however, refrain from calling to the attention of the Senate some of the glaring misstatement of facts which occurred whenever my distinguished colleague left for the moment the realm of vituperative fancy and deigned to give a passing reference to the evidence.

In the first place, there was no caucus, at least on the Republican side of the Chamber, ever held in connection with the Newberry case or any phase of it, and this the Senator, with his great intelligence, either must have known or could have ascertained by mere inquiry.

The action of the Senate was, at least so far as the Republicans were concerned, entirely uninfluenced by any party caucus or conference. What may have been true upon the Democratic side, I do not know. The fact is that not a single Democratic Senator voted to seat Senator NEWBERRY.

My colleague expressly stated that the Senate had voted that—

> the acts done by Newberry were of a kind "calculated to endanger the Republic," and then voted to ratify his acts and to seat him in the United States Senate.

The Senate voted no such declaration, but voted precisely the opposite. If the senior Senator from Missouri had been in attendance during the debate or even on the day the vote was taken he might not have made the statement which I have quoted.

There can be no quibbling of words about the action of the Senate that will deceive any intelligent American.

No substitution or rearrangement of phrases can accomplish anything but temporary misinformation.

No smoke cloud of venomous vilification can obscure the clear outstanding facts which bring their own conviction when once an impartial mind or heart will give to them consideration.

The Senate declared to the country—

1. That Henry Ford, who sought, with the aid of the then President of the United States, to run in Michigan as a Democrat on the Democratic ticket at the primary, and at the same time and in the same election to run as a Republican on the Republican ticket, was not elected by the people of Michigan as United States Senator, though Mr. Ford vehemently contested that he was so elected and again and again charged that the ballots were miscounted and that voters were intimidated and bribed and that the result of any recount or examination would prove his right to the seat in the Senate.

Every one of these charges were not only absolutely unproven but were entirely dropped, even by the counsel for the contestant, Mr. Ford, himself, so that one fact that remains absolutely beyond contradiction is that Henry Ford was not elected the Senator from the State of Michigan in the November election of 1918.

2. The Senate declared to the country in effect that when the people of Michigan came to the general election in November, 1918, to determine whom they desired as their representative in the Senate of the United States they approached the decision of that question with a full knowledge of everything that had happened in the primary election in which Henry Ford had been nominated on the Democratic ticket and TRUMAN H. NEWBERRY on the Republican ticket. The people of Michigan had before them all the evidence that $195,000 had been spent in the Newberry primary campaign. This fact was public property. It was published everywhere. It was the main campaign charge which the Democratic Party made in the general election, and the people of Michigan had it told to them over and over again in every conceivable form, and yet with full knowledge of all the facts, so far as Michigan is concerned, the people indicated by substantial majority that NEWBERRY was their choice and not Ford. They realized—

a. That NEWBERRY was a loyal American, serving in the Navy of his country; that he had three stars on his family service flag, and they compared this record with the record of Henry Ford.

b. They knew NEWBERRY was absent from the State of Michigan during the entire campaign, and that all the money spent in connection with his primary campaign was spent entirely by his friends and without his knowledge in their determination to escape the menace of a Ford election and was not the money directly or indirectly of TRUMAN H. NEWBERRY. The Attorney General of the United States, when asked directly before that august tribunal as to whether the money which had been spent in the campaign was the money of NEWBERRY or not, was honest and frank enough to at once reply that it was the money which the friends of NEWBERRY had contributed and was not in any sense the funds of Mr. NEWBERRY himself. The people of Michigan knew the facts were precisely as indicated on the floor of the Senate in the address which was delivered by Senator NEWBERRY himself, in which he said:

> The amount expended was large, more than ought to be necessary to expend in any ordinary campaign. But this was not an ordinary campaign.
>
> I shall not dwell upon the reason which the committee thought imperatively demanded a campaign of newspaper publicity involving this expenditure of money. I can only say that I regret exceedingly the fact that so large an amount of money was necessarily expended. I can further say that in the acquisition of that money, in the use of that money, I had nothing whatever to do. I knew nothing whatever about it—not even the amount of it.
>
> As God is my witness, I am not to this day and hour conscious of having done in connection with either the primary campaign or the general election of 1918, in the State of Michigan, a single act that was or is in any way unlawful, dishonorable, or corrupt, and this I say to the Senate of the United States, without reservation or qualification.
>
> Upon these facts, as I then believed them to be, and as I now believe them to be, I shall abide the result with a clear conscience.

The people of Michigan knew the truth about the danger of Henry Ford and the desirability of TRUMAN H. NEWBERRY, and that it could not have been known to the 3,668,000 people in Michigan without the widest publicity, and they knew as every other sensible man knew that such publicity required an expenditure of money, and that for this publicity the friends of NEWBERRY had to pay and did pay.

They knew that Ford was getting five times as much publicity as NEWBERRY was getting and without cost to Ford, because of his industrial connections which gave him an inside hold on publicity; they knew that the great cost of the Newberry primary campaign was for publicity and was commendable, and they knew what the Senate of the United States now knows, that there was no corruption or bribery in the expenditure of a single dollar in the campaign.

Theodore Roosevelt, with all the facts of the Michigan primary election before him, wrote on October 22, 1918, a fair statement of the way multitudes of people in Michigan felt.

> Michigan is facing the test, clear cut and without a shadow of a chance for misunderstanding, between patriotism and Americanism on one side, and on the other pacificism and that foolish sham cosmopolitanism, which thinks it clever to deride the American flag and to proclaim that it would as soon be a Hindu or Chinaman as an American.
>
> If there should be at any time in the future a Hindu Senate, and it should choose in a spirit of cosmopolitanism to admit outsiders, there is no reason why Mr. Ford should not aspire to membership therein; but he would be signally out of place in the American Senate so long as that body is dominated by men who zealously believe in the American ideal and faithfully endeavor to serve the American people.

The Senate of the United States sustained the election of TRUMAN H. NEWBERRY, the man whom Michigan had selected.

The Senate believed, as the people of Michigan believed, that Senator NEWBERRY had no part whatever in the acquisition of the money that was used in his primary campaign, or in the use that was made of it. They understood perfectly that it was the result of the efforts of friends in their exceeding anxiety to escape what they believed was the menace of the possibility of the election of Henry Ford to the United States Senate and that the need of publicity in Michigan was so great, the occasion was so unusual, that practically any sum of money honestly spent for publicity in order to inform the people of Michigan as to the true situation was entirely commendable.

The Senate came to the following conclusions:

That there was no doubt whatever about the election of Senator NEWBERRY.

That there was no doubt whatever about the wishes and intention of the people of Michigan.

That there was no connection between Senator NEWBERRY himself and the primary fund, which was used in connection with his nomination, and that therefore he was entitled to the seat for which he had been elected.

The Senate of the United States felt precisely as the majority committee indicated in their report and precisely as Senator NEWBERRY himself, in clear and striking language announced upon the floor of the Senate, as he had previously done on many occasions, and that was to deplore and condemn the use of large amounts of money in a primary election.

The use of large sums of money in primary elections is, as a matter of principle, dangerous to the Republic. There are occasions when the need of money for legitimate purposes is greater in some States than in others, and in some elections than in others, but as a principle the use of very large sums of money in a primary election or in the general election is to be condemned and deplored. No one is foolish enough to overlook the difficulty of laying down any hard and fast rule. It is obviously ridiculous to say, for example, that a man of great wealth, a candidate for office, may purchase the leading newspapers of his State and own them as an investment in his own name or be so related to them as a great industrial advertiser, and thus secure all the personal publicity which he desires without any criticism, because such advertisement is ostensibly free, while his opponent in the election is required to pay for whatever advertisements appear in his behalf, and thus paying for such advertisement is compelled to expend a sum of money larger than ought to be spent in a primary election. There is a rule of reason in connection with campaign expenditures which can not be overlooked. The great controlling fact is that money must not be spent dishonestly or for bribery or for corruption, and there is not a single word of evidence to indicate that there was any bribery or corruption or dishonest expenditure of money in either the primary or general election of Senator NEWBERRY.

To have unseated Senator NEWBERRY would have been a brutal act of injustice so revolting as to shock the conscience even to contemplate it.

I am persuaded that there are few, if any, Senators in this body on either side of the Chamber who do not know in their hearts that Senator NEWBERRY is a Christian gentleman, a man of the highest patriotism and character, and that he told the truth in every word he spoke before this body. I can not believe that even my colleague really thinks of Senator NEWBERRY in the language he used:

> This is a dog with the rabies. Every time he sinks his fangs into the flesh they carry with them deadly disease. Therefore we will turn the dog loose on the community.
>
> This is a deadly leprosy that introduced into the body politic will destroy the virtue of the Nation. Therefore we will introduce it in the Senate.
>
> This office was sold for money. Therefore he who bought it shall be confirmed in his title.
>
> The thing is crimson in its crime and reeking rotten in all its parts. Therefore its originator and beneficiary shall be seated in the Senate Chamber to vote on bills concerning the welfare of the States.

Such language, when read in the cool light of reason, carries with it its own refutation. However vicious or extensive may be a propaganda to destroy the character of an honest man,

right and justice sooner or later in this Republic will prevail. They prevailed with the people of Michigan when with the full knowledge of all the facts they triumphantly vindicated Senator NEWBERRY at the election. They prevailed in the courts of the land when the Supreme Court of the United States announced opinions, different as to their reasons, but unanimous as to their result, to the effect that the trial which convicted Senator NEWBERRY in Michigan was unwarranted in law, and that his conviction was not only based upon an unconstitutional law, but that even in the interpretation of that law by the trial judge justice had been so outraged that the verdict could not be allowed to stand.

They prevailed in the Senate of the United States when after a full investigation and protracted debate the Senate in no uncertain language declared not alone that Senator NEWBERRY had been elected by the people of Michigan to represent that State in this body, but that he was himself entitled to retain his seat, and no amount of unfounded generalities, of unsupported charges, or of bitter vindictive language can ever change this trinity of complete vindication which has been given to Senator NEWBERRY by the people of his State, by the courts of the land, and by the Senate of the United States.

Mr. REED. Mr. President, this is a very interesting apology and post-mortem examination. I want to give it a few moments' attention. As was suggested by the Senator a moment ago, it seems like a motion for a rehearing filed in a bad case by an attorney who is ashamed of his part in the transaction.

I do not intend to review the evidence in the Newberry case, because I have a written confession signed and sealed by the majority party, and conspicuous among the names of those appearing as signers to the document is the distinguished name of my eminent colleague from Missouri [Mr. SPENCER]. I say it is signed. Technically that is not correct. It was a resolution solemnly introduced in the Senate, spread upon the records, advocated by the junior Senator from Missouri, and voted for by a majority of the Senate. I do not intend to go outside of that resolution for my facts, and I do not intend that those who adopted it shall escape its consequences.

A man can not stand at the bar and plead guilty and not guilty in the same breath; he can not condemn an act as an act of infamy and wrong and then justify it. In such an attempt he stands before the public condemned by his own act.

What is the resolution that was adopted after the protracted debate and the long investigation? It reads:

Resolved, (1) That the contest of Henry Ford against Truman H. Newberry be, and it is hereby, dismissed.

(2) That Truman H. Newberry is hereby declared to be a duly elected Senator from the State of Michigan for the term of six years commencing on the 4th day of March, 1919, and is entitled to hold his seat in the Senate of the United States.

(3) That whether the amount expended in this primary was $195,000, as was fully reported or openly acknowledged, or whether there were some few thousand dollars in excess, the amount expended was in either case too large, much larger than ought to have been expended.

The expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, being contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free government, such excessive expenditures are hereby severely condemned and disapproved.

Any man who can vote for that declaration and in the same breath seek to justify the beneficiary of the act thus condemned is possessed of an amount of "nerve" that would do credit to a first-class orthodox devil.

What is the answer? The answer is that Michigan ratified and confirmed the crime. Michigan ratified it; but those who seated NEWBERRY condemned it. They could not plead the ratification as a justification and in the same breath condemn the act as utterly defenseless.

If this act—and I employ the language of the resolution—was "contrary to sound public policy," if it was "harmful to the honor and dignity of the Senate," if it was "dangerous to the perpetuity of free government," then no ratification could justify it. If all the politicians on earth were to ratify it, they could not purge it of its crime or wash it of its stain. The Senator has voted that it was an act "contrary to sound public policy, harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of a free government." Then he has the cool effrontery to stand on the floor of this Chamber and say that the ratification by the people of Michigan is a justification for that which he has himself condemned in as strong language as can be penned.

How did the people of Michigan ratify it? My understanding is that Mr. NEWBERRY squeezed through by about 4,000 plurality and that the other men running on the ticket with him came through with something like 150,000 plurality. That is not a ratification; it is a condemnation. When 146,000 men will repudiate the nominee of their party in a hot political campaign it is a condemnation in itself. If there had been a unanimous vote in Michigan, then either Michigan was right, and its unanimous vote proved it was right, and NEWBERRY'S election was purged of all offense, or else the vote amounted to nothing. But if one takes the view that Michigan was right, and that its vote purged NEWBERRY and cleansed his election, then this resolution as adopted was an act of infamy, for it specifically condemns that which the Senator says has been through the fires of purification.

Again, the Senator tells us that NEWBERRY was absent and did not know what was being done.

A man can not be absent in the sense that he escapes criticism or responsibility when he employs agents who are present and accepts in toto the benefit of their acts. A man can not arrange for a campaign committee to manage his campaign, finance the campaign from the coffers of members of his own family, turn loose a thousand agents and agencies in his State to work in his interest, accept the fruits of their work, and then deny his responsibility. There was only one course open for Mr. NEWBERRY. If this money was wrongfully expended, as says the resolution; if it was contrary to the dignity of the Senate, as says the resolution; if it was dangerous to the perpetuity of free government, as says the resolution, there was only one course open for Mr. NEWBERRY if he did not know of the conduct of those who managed his campaign, and that was to say: "This election was harmful to the dignity of the Senate, it was dangerous to the perpetuity of free government, and therefore I will not accept the result. I will repudiate the acts of those who expended this money, and when I repudiate their acts in expending the money I will repudiate the benefit of those acts."

He did not choose that course, however. A man might just as well say that he is the receiver of stolen goods; that he did not know they were stolen, but that, although they were stolen, he will keep them, and hope to stand acquit before the bar of American conscience, as for NEWBERRY to receive this election which your own resolution condemns, keep his office, and at the same time seek to escape the responsibility of the acts of the men who put him in office.

The Senator from Missouri [Mr. SPENCER] states—and I quote his language—

To have unseated NEWBERRY would have been a brutal act, which would shock the conscience.

To have unseated a man whose election was accomplished by means which the Senator declares were "harmful to the honor and dignity of the Senate, and dangerous to the perpetuity of free government," would be a brutal act! What is this office in the Senate? It is not the property of the man who happens to be elected. He does not own this office. He is a mere agent, selected by the people of a State; and if in the selection there be fraud or corrupt practices or acts which shock the conscience then he has no title to his office. Fraud voids everything, and crime destroys every title. If, therefore, this election was tainted, as the resolution declares it to be tainted, how can any man say that it is a brutal act to undo that wrong, to deny that wrong fruition, to deny that fraud a consummation, by a ratification in this body?

Again, the Senator says that this election was held according to "the American ideal"!

Is it the American ideal that elections shall be held in which—I quote from the resolution—the amount expended is too large, "much larger than ought to have been expended"?

Is it the American ideal that the expenditure of such excessive sums in behalf of a candidate, either with or without his knowledge and consent, is sound public policy? The resolution recites that it is contrary to sound public policy.

Is it the American ideal that we shall have elections harmful to "the honor and dignity of the Senate, and dangerous to the perpetuity of free government"? Is that the American ideal? If that is the Senator's conception of the American ideal, then I should like to have him tell me what sort of an ideal exists in the brain and heart of Satan himself.

If you had said of the arch fiend that his ideal was and is that elections should be held in such manner as to be "dangerous to the perpetuity of free government," I could understand how that sort of an ideal might be ascribed to the devil himself. But I can not understand how any man could so defame the name of America, and could so abuse the word "ideal," as to say that this election, thus condemned in the language of the resolution, is in accordance with the "American ideal."

I have thought that the American ideal was pure; that no matter how, in practical life, we might err or step aside, the great ideal of our Nation was a thing as resplendent as the sun, as pure as the unspotted snow, as clean as the soul of a babe; that it aspired to great and noble things; that it desired to perpetuate and keep forever sweet the fountains of our public

life; that it involved even the element of sacrifice for others; that the American ideal pointed always with the finger of an angel to higher planes, to nobler aspirations, to greater achievements. But we are told now by the Senator from Missouri that the American ideal is corrupt and rotten elections; that elections which are so corrupt and rotten that they are a menace to the State and to the perpetuity of free government are "the American ideal."

Let the Senator picture his own ideal. I prefer another. My opinion is that this is the Senator's ideal—an ideal born of a partisanship that justifies everything if it only will bring votes to a party. Oh, yes; I am justified in saying that. He says that "the rule of reason" must apply; that Ford had money, Ford advertised in newspapers, and hence, applying the rule of reason to the case in hand, it was entirely right and justifiable to expend this money. Let us see where that will land us.

This, first, was not a question of seating Mr. Ford if Mr. NEWBERRY was unseated. The plea, therefore, is bad, for it is unfounded in fact. The resolution offered from this side of the Chamber declared that Henry Ford had not been elected. If there was anything in the statement made by the Senator as to Ford's money or his influence it would avail him nothing. Nobody here proposed to seat Henry Ford, for the very good reason that he did not have a plurality of votes. But, second, as I understand the Senator's language, "the rule of reason" is that while the expenditure of money is bad, while corruption is an evil thing, the rule of reason will permit it to be employed if it is done in behalf of a Republican candidate.

The Senator said there was reason for this great expenditure, that they had to beat Henry Ford, and because they had to beat Henry Ford, therefore, applying "the rule of reason"—and now I quote the Senator's language—"the expenditure of practically any sum of money was commendable." That is to say, the Senator does not like Henry Ford, he does not approve of Henry Ford, and when he does not approve of a man, then "the expenditure of practically any sum of money whatsoever is commendable"—quoting his language.

Then why did you not say so in your resolution? If the expenditure of practically any sum of money was commendable, why in the name of common sense did you not say so in your resolution instead of saying that "whether the amount expended in the primary was $195,000 or more, the amount expended was in either case much larger than ought to have been expended"?

The Senator tells us that the expenditure of almost any sum would have been justifiable, and then tells us in his resolution as adopted that the expenditure of $195,000 was "harmful to the honor and dignity of the Senate and dangerous to the perpetuity of free government."

Can absurdity go further than that? Can the lack of logic be better proven than by the mere contrast of these two statements?

Again, we are told that Mr. NEWBERRY is a "Christian gentleman." Mr. President, I do not know anything about the religion of Mr. NEWBERRY. But when I find those who make great professions of Christianity saying upon the floor of the Senate that the expenditure of almost any sum of money would have been justifiable; when I find that only a day or two ago they voted that the expenditure of $195,000 was an offense to the Senate and was dangerous to the Republic, I wonder how many times gentlemen of that kind will have to ask forgiveness for abusing the words "Christian gentleman."

I think, if I know anything about the tenets of the Christian religion, it commands men to be honest; it commands men to be just.

It is written, "Thou shalt not steal," and every line of it, from the Ten Commandments and the Divine Sermon on the Mount down to the last word of the Revelation, commands that all men, at all times, and in all places, shall observe the rules or rectitude and honor, and that they shall not be guilty of conduct that is "dangerous to the perpetuity of free government."

Which one of the Ten Commandments recites, "Thou shalt do acts contrary to the perpetuity of free government"? What one of the Apostles has ever declared that a man, in seeking public office, should do acts calculated to destroy the fabric of the greatest Government ever erected by the hands of man, under the providence and guidance of God? What part of the shorter catechism recites that a man may get office by means destructive to the State? Who has written this infamous thing into the creed of Christianity, before the Senator from Missouri introduced it a few moments ago?

But the Senator says the court decisions, the vote of the people of Michigan, and the vote of the Senate, constitute a trinity of vindication. That is the first time the name of the Holy Trinity was every employed for such a purpose. Let us examine this trinity a moment. A learned trial judge and a jury of 12 men brought in a verdict of guilty. A supreme court did not say the acts of the defendants were justifiable; it did not say that NEWBERRY and his cohorts were good and pure men. The Supreme Court of the United States did say that Congress, under the Constitution, did not possess the authority to limit the expenses in a primary election. Through that crack in the fence these gentlemen all escaped. But there was written by no jurist, there was declared by no jury, "These men go forth with our commendation."

The third act in this trinity of vindication to which the Senator refers was the vote in this body, when every Democratic Senator voted against Mr. NEWBERRY and condemned his acts, and when nine Republican Senators voted likewise. The rest of them, with the exception of my distinguished and eloquent colleague from the State of Missouri, as they voted held their noses. Some of them were only induced to vote because they were permitted to put in a resolution condemning the election and its practices, although they took the fruits of the criminal conduct of which Mr. NEWBERRY was the immediate beneficiary.

Mr. President, I am obliged to leave the Chamber, because I have arranged to leave the city, and must go in a few moments, so I shall not have the benefit of hearing the replies, if replies are made, to what I have said. But it is just as well that they shall be preserved in the archives, and when I get back we can try the Newberry case all over, if my friends wish it.

I thank the Senate.

AGRICULTURAL ASSOCIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2373) to authorize associations of producers of agricultural products.

Mr. CAPPER. Mr. President, I listened with very great interest this afternoon to the able and exhaustive discussion of the cooperative marketing bill by the junior Senator from Minnesota [Mr. KELLOGG]. No one in this body or out of it, I think, has shown as great an interest in the cooperative movement and in the legislation which is being sought, no one is better informed on the cooperative idea, and no one better prepared to discuss it in all its phases, and especially to discuss the legal questions involved, than the junior Senator from Minnesota.

The Senator from Minnesota quoted the public utterances of President Harding in support of the cooperative legislation. I am very glad to say that the friends of cooperation everywhere recognize and appreciate the great help the President has been to the cooperative movement. I want particularly to call attention to the resolution which was adopted at the agricultural conference in this city last week; and let me say that I believe that it was the most representative agricultural meeting which has ever been held in Washington. The resolution on this subject adopted by that conference reads as follows:

Resolution on cooperative marketing passed by agricultural conference.

We further urge that Congress promptly enact affirmative legislation which will permit farmers to act together in associations, corporate or otherwise, with or without capital stock, for purposes connected with the production, processing, preparing for market, handling and marketing in interstate commerce such products of persons so engaged with specific statements of their rights, powers, remedies, and limitations; and which will permit such associations to have marketing agencies in common and to make such contracts and agreements as are necessary to effect such purposes.

Any and all doubts as to the legal rights of farmers to market their products through cooperative associations of their own formation and under their own control should be swept away by clear-cut national legislation.

The Senate of the United States is hereby requested and urged to pass the Capper-Volstead cooperative marketing bill in substantially the same text as it passed the House of Representatives.

Mr. President, the cooperative marketing bill as it was offered in both the Senate and House seeks simply to make definite the law relating to cooperative associations of farmers and to establish a basis on which these organizations may be legally formed. Its purpose is to give to the farmer the same right to bargain collectively that is already enjoyed by corporations. The bill is designed to make affirmative and unquestioned the right which already is generally admitted, but which, in view of the Sherman law, is subject to nullifying interpretation by those whose interests are not identical with those of the farmer, and who for one reason or another may be in a position to obtain an interpretation advantageous to themselves and embarrassing or detrimental to the members of cooperative organizations.

The original bill—

(a) Authorizes and validates cooperative associations of producers regardless of technical form, limited only by certain test requirements as to cooperative character.

(b) Permits them to develop their activities to a natural extent, which involves a tendency toward great commodity organizations.

(c) Safeguards the public against any possible abuse by such cooperative marketing associations by appeal to and action by the Department of Agriculture.

The amendment offered by Senator WALSH of Montana for the Judiciary Committee strikes out practically all of the original bill and substitutes therefor a declaration with no regulatory features, but with direct prohibition of monopolies and direct privilege of handling the products of outsiders and direct inclusion of the terms of the Federal Trade Commission act.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Kansas yield to the Senator from Montana?

Mr. CAPPER. I yield.

Mr. WALSH of Montana. I rise to correct the statement the Senator just made. Evidently his statement is an inadvertence. The amendment does not strike out substantially the whole bill as passed by the House. It leaves intact section 1, authorizing the organization of these cooperative marketing associations under exactly the terms and conditions described in the bill as passed by the House. It simply strikes out section 2, which gave to the Secretary of Agriculture the power to exercise some supervisory control over these organizations with the additional provisions to which the Senator has adverted.

Mr. CAPPER. I shall discuss that phase of it a little later.

Mr. WALSH of Montana. I merely desired to correct the statement made by the Senator to the effect that the bill as reported by the committee strikes out the text of the House bill and substitutes something else. The substance of the House bill authorizing the cooperative marketing association is left intact.

Mr. CAPPER. Mr. President, I hope the substitute offered by the Committee on the Judiciary will not be agreed to. Whatever differences of opinion there may be as to the merits of the proposed legislation Congress should not say to the farmers, as it does in section 1, "You may combine to market your products," and then by proviso say, "You must not combine," which would be the effect of the amendment offered by the Senator from Montana.

It is evident, Mr. President, that this proviso nullifies the act, as no association can efficiently operate that does not control and handle a substantial part of a given commodity in the locality where it operates. Middlemen allege that farmers in selling their products individually are competitors with each other, and that by combining into associations to market collectively such competition is eliminated and the farmers thereby undertake to form a monopoly. Though it is conceded that the inevitable effect of cooperative marketing is to lessen competition between farmers, it nevertheless remains that farmers must market collectively or, in the most correct sense, they can not market at all, but must usually turn over their products to a noncompetitive buyer who operates the only elevator or milk station accessible to the farmers in that locality.

Middlemen who buy farm products act collectively as stockholders in corporations owning the business and through their representatives buy of farmers, and if farmers must continue to sell individually to these large aggregations of men who control the avenues and agencies through and by which farm products reach the consuming market, then farmers must for all time remain at the mercy of the buyers. In so doing they are not in the most accurate sense marketing their products at all, but are forced by conditions to turn over such marketing to powerful associations of middlemen.

With the legal status of their organizations clearly defined, Mr. President, farmers can do something to cut down the spread between the prices they now receive and those paid by consumers. Even though the farmers should keep all of this saving it will stimulate production, thus insuring more adequate supply of necessities. The consumer is not interested so much as to who shall distribute farm products—that is, whether it is the farmers themselves or middlemen—as they are in the prices they must pay.

The bill as it passed the House, and which I hope will have the approval of the Senate, gives to consumers a protection which they do not now have as against middlemen, in that if such farmers' marketing associations unduly enhance prices a complete and adequate remedy is provided in section 2. If such associations unduly enhance prices, the Secretary of Agriculture may order them to cease and desist from monopolizing and restraining trade and commerce. This provision of section 2 is taken from the Federal Trade Commission act, and the Secretary of Agriculture can, as the Federal Trade Commission has repeatedly done, issue orders to cease and desist from specific acts. But if the bill is enacted into law in the form reported by the committee it will be a trap for the farmers and in no sense a measure of relief.

Mr. POMERENE. Mr. President, may I ask the Senator a question?

Mr. CAPPER. I yield to the Senator from Ohio.

Mr. POMERENE. I ask it for information. The bill as it passed the House provides for the incorporation of associations either with or without stock. The Senator is now speaking of profits. The last paragraph of section 1 reads:

> That the association does not pay dividends on stock or membership capital in excess of 8 per cent per annum.

Of course, I understand that there is capital stock, and I understand what 8 per cent dividend on the capital stock is; but what is an 8 per cent dividend on membership capital? What does that mean?

Mr. CAPPER. On the stock held by the members.

Mr. POMERENE. But if there is no stock; if there is simply a membership in the corporation?

Mr. CAPPER. Each stockholder owns one share of stock.

Mr. POMERENE. What is that share worth?

Mr. CAPPER. It might be worth $100, or it might be worth less.

Mr. POMERENE. How is that determined? Take the case to which the Senator from Minnesota [Mr. KELLOGG] referred. He said that memberships were sold in some of these cooperative associations at $3.50 a share. In a case of that kind am I to understand the only dividend to which the member would be entitled would be on the monetary value of that share, namely, $3.50? It seems to me that part of the bill is confusion worse confounded. I do not understand it at all. It may be because I am dull of comprehension, but I am eager for information on the subject.

Mr. CAPPER. Did the Senator from Ohio hear the discussion of that question by the Senator from Minnesota? I think the Senator from Minnesota covered it very fully and covered it better than I could.

Mr. POMERENE. If the Senator from Kansas understands the explanation of the Senator from Minnesota, I wish he would explain it to me, because I do not understand it.

Mr. CAPPER. I can not put it any clearer than did the Senator from Minnesota. To me now it is entirely clear.

Mr. President, the farm organizations of the country, without exception, believe that the amendment proposed by the Senator from Montana would not only prevent the development of farmers' cooperative marketing associations along commodity lines, but it would actually cause the destruction of certain great cooperations which have saved their respective industries from destruction.

I have a letter from Aaron Sapiro, one of the ablest authorities in the United States on cooperative marketing, and legal counsel of more than 50 cooperative associations, including growers of wheat, corn, cotton, rice, wool, fruit, and potatoes, in which he says:

> The Walsh amendment to the Capper-Volstead bill will not give to the growers of the United States any important single thing which they do not have now in their rights, and will do definite harm to cooperation. It will make it impossible for the growers of the country to achieve the development they must have, the development promised to them by both political parties and public utterances of the President of the United States. The Walsh amendment would be a dangerous step backward and the farmers' organizations would rather see no legislation at all than such an act.

The Capper-Volstead bill, so called, was designed simply to give to the growers or the farmers the same opportunity for successful organization and distribution of their products that the great corporations of America have enjoyed for many years. More and more it has become evident that the growers must have an opportunity to merchandise their products in an orderly way, instead of being compelled to dump them on a glutted market at prices below cost of production.

Mr. President, every statesman looks forward to a condition as ideal when the whole country will be dotted with small farms, each operated by its owner. Every statesman deplores the spread of tenantry and insists that best citizenship can be developed only upon the individual system of farm production. Because of this peculiar characteristic of agriculture, the growers have never been able to adopt a corporate form of organization; they have, therefore, gradually fitted into the cooperative form of organization, which maintains individuality of production but enables them to unite for marketing purposes.

Marketing is always a group problem. No man can intelligently distribute his product without knowing what the markets will absorb; the amount of that particular commodity grown in this and other countries; competition of other commodities of

similar use or character; conditions of transportation; possibilities of storage and credits.

Individual growers can not begin to handle marketing problems on an intelligent basis, because these problems are essentially group problems. The individual farmer has no more chance of selling his production fairly and intelligently over a longer period of time than has the individual shoemaker in a great shoe factory of selling his particular share of manufactured product distinct and separate from the whole of the products of his fellow workmen. Therefore the cooperative marketing associations have developed along commodity lines and tend to dominate their respective lines of industries.

The producer of food under the present system is compelled to see his products go on the market subject to the whims of speculators and gamblers. He knows from long experience that to function the speculator buys as low as he can force prices down, buys to the extent of his resources or the resources banks will lend him, and exerts a powerful control over the food supply of the Nation between the time it leaves the hands of the producer until it reaches the consumer, at greatly inflated prices, utterly unjustified by the actual cost of their physical distribution.

From the other side, the consumer sees the farmer receiving low prices for his products—corn, pork, cattle, wheat, potatoes, and cotton—and he turns to the sources from which he obtains these products. But he never buys them on the basis of what the farmer receives. In between, in addition to the reasonable compensation he is willing that the man who actually handles the products should receive, there is a wide margin representing the rake-off of the speculative middlemen.

Mr. President, this annual tribute, gouged from the pockets of citizens already struggling with the problems of living and squeezed from commodities necessary to their existence, is a national outrage—an evil that demands correction and that must be corrected.

It has been in foodstuffs and the raw material of which apparel is made, products coming from the farm, that the speculator has reveled, buying low, selling as high as the market could be forced by manipulation, collecting his tribute from both the farmer and the consumer. The result has been and is that the producer is being forced to sell his products for less than the cost of producing them, and the consumer is compelled to pay for these same products an excessive price, dictated solely by the greed of speculative parasites.

At present there is no recourse. The farmer is in a large measure helpless. He knows that as an individual he is handicapped, and, due to the ambiguity of Federal laws, he fears he will lay himself open to persecution by interests opposing him if he seeks to act collectively through cooperative organizations. While it seems evident that Congress intends that the farmer shall not be prosecuted for acting collectively in the marketing of his product, yet the Federal law is such that these prosecutions may be threatened or actually brought against him. The farmer does not relish the possibility of being prosecuted for an alleged violation of law, even though he feels fairly certain that he would not be convicted.

Mr. President, the farmers do not ask any privilege or special favor. They simply request an opportunity to adopt the system of group marketing which the law has made inevitable with ordinary industries for many decades.

Some economists have maintained that this might permit a possibility of abuse and create a monopoly. But a farmers' monopoly is impossible. If the cooperative marketing association makes its price too high, the result is inevitable self-destruction by overproduction in the following years. No other industry except agriculture has this automatic safeguard. With corporation activities the group producers, such as the United States Steel Corporation, can reduce the quantity of steel rails it will produce at any given time or completely close down its mills and reduce the supply. Therefore the possibilities of abuse by monopoly and by monopoly prices exist with ordinary industries but are safeguarded automatically in agricultural organizations. Nevertheless the Capper-Volstead Act as it passed the House contains specific provisions permitting the Secretary of Agriculture to discipline any cooperative marketing asssociation which might set unduly high prices on its product. If it does not desist, then under the provisions of this law the courts can bring it to time promptly or put it out of business.

Mr. President, I believe the public wants the grower to have an opportunity to make a fair return on his investment and labor and to maintain a decent standard of living. The public surely wants to stop the constantly increasing movement from the farm to the city. The public surely wants the food supply of this country made certain and permanent. At the same time the public wants to be certain that if it permits the growers to form these great cooperative marketing associations to bring them increased returns and give them an opportunity for profit, this power will not be used against the interest of the public as consumers.

I say this fear is completely satisfied by the provision in the proposed act which permits a review of the prices to be fixed by cooperative marketing associations. The representatives of the farmers have accepted this provision, although it is the one case on record where any American industry, not a public utility, has deliberately consented to have a public official state when the price of its products is too high, and to discipline it for exercise of its price-fixing power. The bill as it passed the House will absolutely satisfy the desires of the farmer in cooperative marketing and will at the same time safeguard the consuming public from the danger which some economists fear.

Mr. President, cooperative marketing by farmers is not theory. It has proved successful despite handicaps wherever it has been attempted. The various citrus fruit growers' associations in California have been a boon to the producers. They have eliminated, to a large extent, the speculator, but they have not injured the legitimate middlemen who perform a necessary service in the process of distribution, and no one wants to eliminate him or deprive him of a fair profit. They have brought greater returns to the producer, while the consumer has not been asked to pay more.

There is a nation-wide demand for greater efficiency all along the line. Cooperation will apply that efficiency to the marketing of farm produce because it will prevent loss to the average farmer through more equitable marketing. It will cut costs of production and risk and reduce the spread between the consumer and the producer. Thus it will give farm products to the consumer cheaper and at the same time yield larger returns to the man who produces by eliminating much of the excessive cost of distribution under the present system in which speculation plays so dominant a part. Furthermore, participation by farmers in the marketing of farm products through cooperative associations, giving them the right to bargain collectively with buyers, will result in stabilizing the market, preventing waste, and, as I have said, bring about more efficient distribution.

Mr. President, for years evidence has been piling up to convince us that we have the most expensive marketing system in the world, also the most inefficient, if we except China. The need of practical legislation to correct this evil, and more particularly the clear legal establishment of the farmer's right to market his products cooperatively, grows daily more imperative and urgent. To-day there is no legislation the enactment of which would accomplish greater good for this Nation.

We can never again become a truly contented, normal, and prosperous people except through bettering the condition of American agriculture. The situation to-day is critical. It is dangerous. American agriculture has never reached so low an ebb as it has to-day.

In an organized world of business and industry we must put our $80,000,000,000 farming industry on an equal footing and a permanent basis or be prepared to see it die through economic inanition and suffer more and more disastrously from evil times when we should be enjoying good times. The more promptly we do this the sooner we shall again enjoy the prosperity which should be ours.

Agriculture is this Nation's life preserver, its "meal ticket." Agriculture is, and always has been, the basic industry of every nation and every civilization. Only through its oppression or neglect have nations become decadent, then moribund. If there is anything more important to national welfare and progress than getting enough for a people to eat, I do not know what it is.

As have all Old World civilizations before us, we now have reached the economic stage of our development where there must be a readjustment in our laws and our economic system. American farmers must be able to market their products at an assured fair profit to them or must abandon what has now become an otherwise too hazardous industry.

It is equally true that manufactured goods must be more nearly on a parity with farm products, or that farm products must be more nearly on an equality with manufactured goods. There can be no question that a cooperative marketing system will aid in bringing this about painlessly and beneficially.

While the present situation of the farmer is more acute than normal, the evil economic conditions from which he suffers have long been present and been accumulating. Farm history for the last 15 to 20 years is strewn with the financial wreckage of our cattlemen. Some of the shrewdest and smartest men in the live-stock industry have failed. On top of this the last three years have been so steadily disastrous that the country is being drained of its live stock.

No kind of price juggling can ever restore to this country a healthy trade balance and bring to general business a solid and wholesome prosperity. We have got to go back to bedrock to obtain a genuine equality of values. We shall have to build from the farm up a marketing system which will guarantee as well as give the producer his due in an otherwise logically organized world of business and industry, and also give the consumer his money's worth. The one vital industry on which the Nation's welfare and prosperity depend must have its chance to live and prosper if the rest of us expect to.

Mr. President, a farmer who borrows money on mortgage for five years now knows he has signed an obligation he can not meet at maturity if conditions continue as they are. As a consequence he overcrops his farm, does without needed improvements, overworks, and skimps his family in order to make as good a showing as possible in the hope that he will be able to renew his loans. He never has sufficient working capital but must apply every available dollar on his loan and depend upon the local banker to finance his every need. Every such farmer is this year at the mercy of his banker.

The tenant farmer, who has now become our typical American agriculturist, raises his crop under mortgage or lien and in a normal year makes just about enough to pay his debts and meet his living expenses and start on the next year's crop. This year he has gone deeply into debt, finds his credit gone, and is lucky if he can pick up anything to do that will bring in wages. In 1910, 37 per cent of the farms of the United States were worked by tenants. From 1890 to 1910 farm mortgages increased 27 per cent. The census of 1910 showed a marked decrease in country population and in country wealth as compared with the cities, the last census a still greater one.

With the exception of potatoes and poultry which have just about held their own, the volume of food products had declined regularly for several decades.

Mr. President, startling facts are disclosed by the new census figures. The drift from the farm to the city is everywhere evident. In Illinois every county except five shows a decrease in rural population, and the cities show an increase. This is typical of the Nation.

Less than half the population of the United States now lives on the farm. Ten years ago less than 46 per cent live in the cities. Forty years ago more than 70 per cent of the people were farmers.

It is difficult to see how the cost of living is going to come down and stay down with producers leaving the farm and joining the ranks of the consumers. Our farms are being depopulated because a farmer no longer knows, after weathering all other vicissitudes of his hazardous calling, whether he can count on getting back the actual value he has put into his products.

It is true that one man with a tractor can do more work than one with several horses used to do, but things have a way of gaining momentum down hill. If farming can not be made a less hazardous and a more certainly profitable business, before long it may easily cease to be the great industry our needs demand.

Yet yearly, Mr. President, we go on increasing the number of toll takers between the producer and the consumer, to the misfortune of both. These toll takers prosper and multiply on the products of the farmer's toil and the exorbitant prices charged the consumer, while stockmen and farmers go broke or are forced to abandon these pursuits.

A farmer sells a bushel of wheat and is paid for a peck; the consumer buys a peck and pays for a bushel.

Merchandise, according to one definition, has not been produced until it is in the hands of a satisfied consumer. This applies to agriculture with even more force. It implies a direct and economical marketing system such as can only be had through cooperative organization.

Our market system every year offers the strange spectacle of thousands of bushels of potatoes rotting on our farms while our importations of potatoes from abroad increase, and this is by no means the only striking indictment that can be brought against it.

As a means of reducing the string of toll-taking middlemen between producer and consumer, Herbert Hoover, engineer and great administrator, recently recommended to the House Agricultural Committee a national marketing board of experts, under the Department of Agriculture, to improve marketing conditions. "Such a board," said Mr. Hoover, "could give great assistance to the development of cooperative marketing and other improvements in our marketing processes."

Mr. Hoover would not only make a cooperative marketing system possible, he would even have this Government give such a system great assistance after it had been developed.

In addition to supporting a great host and variety of profit takers, American agriculture has become the football of the market manipulator and the market gambler, the legitimate good thing of the organized buyer and the organized seller, until at last it is breaking under the strain.

I sincerely believe, Mr. President, that we shall never again enjoy true prosperity in the United States until one of two things shall happen: Either manufactured goods must be more nearly and permanently on a parity with farm products, so far as the farmer is concerned, or farm products must be more nearly on a parity with manufactured goods.

The best way, the only feasible way, to bring this parity about, it seems to me, is to increase the producer's profit by shortening the road to market. The way to accomplish this is through cooperative marketing, which eliminates the unessential and speculative middleman, and which gives the producer and the consumer their due. A bushel of wheat, a bale of cotton, or a pound of pork or beef must in future buy more goods for the farmer or farmers will continue to desert the farms in search of something that will.

When the farm boys who came back from the war took up other kinds of work, as a large per cent of them did, that indicated there was something radically wrong with the farm industry and that that wrong was no new thing. When we make farming pay a fair return for the hard work and brains invested, there will be plenty of farmers to farm. We can help to make farming pay a fair return; we can help to stabilize it as a paying industry; we can put it on a parity with organized business by making it legally possible for American farmers to do business as cooperative units. Europe has done this for generations, and would have starved if it had not. With Europe it was a case of self-preservation, as it is now becoming the case with us.

Eventually the consumer pays for every short-sighted agricultural policy we adopt, as well as for every farsighted agricultural policy we fail to adopt, and all this reacts on general business and national welfare.

It should be the chief concern therefore of the American people, as the surest guaranty of an enduring national life, to make farming as reliably profitable as any other occupation requiring the same amount of capital, hard work, and ability. It is now further from fulfilling that condition than any other American institution.

During the investigation of the high cost of living by the Senate District Committee some time ago it was found that a bushel of potatoes for which a farmer in Michigan received $1 was sold for $4 to $6 in Washington. We traced that bushel's many sales. The farmer sold it to the village dealer; that dealer sold the potatoes to the agent of the Detroit buyer; the Detroit buyer sold them to a commission agent from Washington; the Washington wholesaler sold them to the retail dealer, and each of these men took a commission or profit. Cooperative marketing would probably eliminate at least four of these profit takers to the mutual benefit of producer and consumer.

The public is not getting the benefit of the sacrifices made by the producers. It is also evident that freight rates are relatively too high when the railroads get more for hauling many farm products than the producers are paid for them.

When a farmer sells a bushel of wheat there is a sales tax of 5 per cent, an elevator charge of 10 cents, another charge of 10 cents by the terminal elevator, then a broker or two and the miller and the jobber must add their toll to that bushel, and at last the retailer, after a high freight rate has been added. By the time the farmer buys it back in the form of flour he pays about $2.50 a bushel for it.

I have yet to hear, Mr. President, of any farmer at the present time, however hard hit, who would not be willing to take the slump in farm prices and sell at a loss if he could buy at the same ratio. In that case he would relatively be no worse off than anyone else, instead of being as he now is by far the greatest sufferer. He could then maintain himself at least. But he is suffering from a marketing system 50 years behind the times, the only difference being that he is suffering from it a little more at the present time than usual, because we are in the throes of a readjustment. It is not that his products are not marketed, but that he has nothing to do with the marketing process. This is in the hands of others, of far too many others. He parts with his products long before the consumer sees them or needs them. A host of toll and profit takers meanwhile busy themselves with these products, transfering them from hand to hand and absorbing as much profit as they with their skill at that sort of thing are able to extract from the marketing business.

If the farmers' cooperative associations performed this service, there would be only one or two groups of profit takers where we now have five or six. Not only would this bring us to the solution of our marketing problem but automatically and naturally it would give us the sound and much-desired system of farm finance which national welfare has come to recognize as an imperative necessity for the farm industry. We could provide him the necessary credit to handle his annual turnover.

City people complain bitterly that the burden of prices is too heavy, even in years of ample supply. We all know of the wide disparity existing between the farm price of products and the price the consumer pays; it is seldom less than 100 per cent, and in many cases within recent years as high as 600 per cent in the case of cotton. It is quite apparent that a cooperative marketing system by simply reducing the cost of distribution can make possible a safely profitable return to the producer with lower costs to the consumer. A saving of 10 per cent in the food supply of a city like New York would mean a saving of $150,000,000 a year to the consumer; and a saving of 20 per cent to the cities is probably within the possibilities. I believe cooperative marketing would save the people of America billions of dollars a year in middlemen's profits.

As a result of intelligent cooperative marketing the 11,000 members of a California citrus fruit-growing organization distribute $75,000,000 worth of their products annually to jobbers at a cost of less than 1½ per cent. It costs the individual grower from 7 to 10 per cent to do the same thing. Here is a saving of from 5½ to 8½ per cent, due to cooperation in the handling of one of the most expensive crops put on the market.

There are already hundreds of small farm cooperative enterprises in every strongly agricultural State. They only need to be linked up to a cooperative marketing system to become a great blessing to the American people and to American agriculture.

For many years cotton growers have complained that their crops have never brought them a profit. Meanwhile the middlemen, the speculators, and the spinners have more than prospered.

To partly explain why the cotton raisers can not make a living it is only necessary to say that cotton probably passes through more hands and has more profit toll taking than any other crop produced in America. Under our present marketing system a bale of cotton passes through an average of nine hands from the time it leaves the farmer until it arrives at the mill.

To continue to grow the crop and do more than barely exist, Oklahoma cotton growers are looking forward to cooperative associations as the only practical relief. Such associations would be able to hire expert "classers," who would see that the growers were paid according to the actual grade of cotton they produced, and experienced salesmen would market the product direct to large buyers or mills, overleaping the heads of numerous small middlemen.

Mr. President, all over this country a great cooperative movement is taking form and will not be denied. Our American farmers are beginning to see that their very existence depends on pushing cooperative organizations. They are going to organize whether our laws expressly say they may or not, because it has become compulsory. Without the protection of the proposed law now before us, legalizing cooperative marketing and cooperative buying of certain commodities, their cooperative activities are likely to take on many forms and ramifications, resulting possibly in some radical and disastrous experiments, bad for the producer and also for the consumer and the country.

This has now become the most vital economic step in support of our rapidly declining agricultural industry and in behalf of the general welfare. All history emphasizes the fact that the downfall of every bygone civilization and nation was preceded by the breakdown of its agriculture. Cooperative marketing is a necessary step at this time in the evolution of a permanent and prosperous system of American agriculture. Instead of hampering and placing obstacles in the way of this natural development, we should do our utmost to aid it and help it along. The bill I am advocatitng is a forward step in the right direction at the right time and is based on the world's ripest experience. There is no cure-all for all the farmer's economic ills. But the definite legalization of cooperative activity in marketing, together with lower transportation charges and more adequate credit accommodations, will go a long way toward enabling the farmer to correct the evil from which he is suffering. Given an opportunity he will do it. He should be given the chance.

A cooperative marketing system is bound to come, Mr. President, for it means the country's salvation. It means a newer and stronger national stability, resting on a genuine and general prosperity such as we have never before enjoyed and in which all who labor will more fairly and equitably participate than ever before. By all means let us give this movement a helping hand.

ARTICLE BY S. H. COWAN.

Mr. SHEPPARD. I ask leave to have inserted in the RECORD an article on the railroad question by Hon. S. H. Cowan, of Fort Worth, Tex., which appeared in the Fort Worth Record of Sunday, January 8, 1922.

The VICE PRESIDENT. Without objection, it will be so ordered.

The matter referred to is as follows:

RAILROAD PROBLEM IS SERIOUS, SAYS COWAN—ROADS CLAIM THEY CAN NOT SURVIVE; THIS PROBLEM MUST BE SOLVED, IS BELIEF.

(By S. H. Cowan.)

The average 3 and 4 year old Texas steer from Kansas pastures and from pastures of the Northwest sold at the markets last fall on the basis of 1,100 pounds, $65. I assume that to have been an average price for 10 years previous to the war and the total fare for three movements from the time the yearlings left the breeding ground until they reached the market to have been $12. The aggregate transportation cost was 18½ per cent on the final sale value. The increase during the war amounted to 70 per cent, raising the amount per head to $20.40 aggregate, or 31½ per cent of the sale value. This attaches between the calf and the steer and is vital to Texas. The equivalent applies on feed stuff, grain, and practically all supplies. This dilemma faces the country, namely, the business can not survive on these charges. The railroads claim they can not survive without them. The problem must be solved.

SO IT HAPPENS.

So it happens: Everyone is asking, addressing the open air with not a chord of response, what is to become of the railroads? Everyone knows we must have them, they must live, and to live and to thrive they must be well managed. In ignorance of the facts as to whether the roads are economically and efficiently operated with only real expense items essential to that sort of operation charged in the cost of operation, the uninformed man withholds an answer of his own question. The peak of high rates that freezes up by prohibiting or limiting the flow of business, destroying or curtailing reasonable profits and future prospects, have brought an enormous reduction of tonnage and produced the necessity for people to do without, and to haul their own traffic in enormous quantities as to which there are no statistics. The same has provided the jitney and the autobus. Once learning how to do it that way, costs of that method will be reduced by experience and economics and the business extended as good roads are extended. Continued reduction of railroad business is sure to follow unless they give the incentive to ship by returning to prewar rates and give good service to stimulate it and meet the competition; that is, revive business by making it desirable and possible for people to carry it on at some profit.

Any other policy tolls the death knell of private ownership of railroads without a subsidy to keep them alive till sustenance from increased traffic shall bring the cow back to her milk upon which the railroads must feed or perish. This is no idle dream; it is a stern fact. Rates must be restored so they are commensurate with the value of the commodity at the market, or there can be no prosperity. Let men think about this situation for themselves, and not rely on some apologist whose knowledge is a void, but who is listened to merely because he has a position with a railroad or expects to have to parrot propaganda with little thought above a whisper, with ignorance for an audience. There is no use to ride to destruction the boat labeled "It will right itself." To-day we have the merchant marine, costing over a billion dollars; the Nation can't operate it because the cost is too high compared to other nations. The press says the President wants it subsidized so it can live and get to doing business as cheap as other vessels. The propagandist says sell it and then subsidize it. If so, we must guarantee rates that the country must have to prosper. It should carry our products from port to port in this country and by competition cheapen rail transportation, and would do it but for our inability to employ labor and pay their wages on the 8-hour limit, so our ships rot.

SAY SUBSIDIZE SHIPS.

So they say subsidize our ships and meet competition on the seas till we get business enough to stand alone. We have the rail example before us, where the guarantee of 6 per cent as a rate-making rule is ruining business. Our ships must have a subsidy from the Government or stop; our railroads by the decision of the commission in Ex parte 74, under section 15a, providing that it must adjust rates to earn a certain percentage in the aggregate on an aggregate value figure for rate making twice too high, take their subsidy from the pockets of the people who can not shift the burden. The producer whose traffic moves by rail pays the subsidy under this iniquitous law and that has destroyed prosperity by imposing a burden that agriculture can not stand—that must grow worse and worse under that method, because it is destroying by the high rates railroad traffic, and, although cost of operation may be reduced, the volume of business must be restored or the roads can not thrive. If the railroads must have a subsidy don't destroy the business of the country with the burden, but let it be the Nation's business to provide it, only on consideration, however, that every road be required to strip down to the fighting trim so the country can see what support the railroads are each entitled to that they cannot provide for themselves. All industry is doing that of necessity. Only stern necessity will do that in case of the railroads. If every law fixing rates and commission were abolished the railroads can not earn 5½ per cent in the aggregate on the inflated value used by the commission. I say that the means of finding out the real facts as to economy and efficiency of operation has not been provided or has not been used to furnish the knowledge. Their own reports comprise the information and we are in no position to gainsay their figures. If the section 15a were repealed, then the commission would be left free to make reasonable rates from the best information that it can get; not by a percentage method to produce net aggregate revenue, but at an amount of charges that will let people live and thrive, so that the railroads may live, and thus build up the fallen structure. To-day a valuation around $60,000 per mile in the western half of the United States is taken for the rate-making purposes of the interestate commission; it exceeds the par value of all the bonds, stock, and trust

equipment obligations by over a hundred million dollars, yet with rates on paper and what they charge 70 per cent above prewar rates, they are not making as an aggregate 2½ per cent net on that fanciful value. They and their financial operators and their associates, newspaper periodicals, and writers having access to the press, the great combinations of capital and property in most important lines insist on retaining this iniquitous law, under which this value has been declared, and with the 5½ per cent in the aggregate basis of rates. That all property has declined in value no one doubts. Railroads are not sold like land or cattle or grain. Their values are evidenced by the issued capitalization and debt obligations that are bought and sold. What they sell for is the only evidence of sale value. To-day the aggregate of such issues for the western half of the United States are probably not on the average selling for over 40 per cent of the par value except in a few cases, like the Union Pacific, for example, peculiar unto itself.

Yet the law that Congress passed on turning the roads back told the commission to divide the country into groups and find the aggregate value of property devoted to transportation in each group and to so adjust rates as to produce an aggregate net operating income equal to 5½ per cent in such value, to which the commission might add one-half per cent for betterments, which it did, making 6 per cent. On that basis these exorbitant rates were promulgated and the State required to advance the State rates the same percentage by the Interstate Commerce Commission directing the railroads to do it and the Federal courts enjoining the State from interfering. Unless the commission changes that value how can it reduce the net revenue by reducing rates? If in the aggregate the roads are entitled to 6 per cent on that value, can the commission deny them that right? That was the very ground on which the States were denied the right to fix lower rates. It is the ground on which Henry Ford was not permitted to reduce coal rates. To reduce on one road forces it on competitive roads, which under this new scheme reduces revenue.

The rates are admittedly too high. The railroads have decided they must be reduced. That is to say they are about to experiment with voluntary reductions for six months of 10 per cent on farm products. But this will not be sufficient to effect the object of increasing traffic to make up for the reduction, considering that the total advance of 25 per cent during the war and 35 per cent on the high rates added by Ex parte 74. Had prices the farmer gets remained up, he could have paid the rates, but the dilemma came about that his prices went below prewar levels, retail prices remained up, so that there was no increased consumption and the cost of living and rents in cities presents a wall against reducing wages.

MUST HAVE RAILROADS.

The Nation, all its industries, must have the railroads, and to have them they must be self-supporting in the end, but during the process of getting back to a live and let live basis it is plain that after the railroads shall have reduced their operations to the maximum of efficiency and economy, if they still can not live on rates that permit basic industries to thrive, there is every reason for the Nation to provide by loan, to be repaid after restoration on an amortization plan, enough to make it possible to conduct transportation for rates that will let the country survive. The foolish policy to take it out of the producer's pocket and bankrupt him must of necessity end. Undoubtedly in the long run railroad labor must see to it that no more is possible to continuously collect and keep the roads going than the business of the country can stand. What they are demanding in the way of reduced expenditures has great merit, but as labor is 55 to 60 per cent of the operating cost, they must likewise reckon with that and adjust their wages accordingly.

The same principle that calls for ship subsidy will to greater or less degree apply to the railroads, for the traffic must move. Everyone familiar with public sentiment senses the unpopularity of either the subsidizing of ships or national support of the railroads. But the time must come when somebody has to tell the truth about the situation and the people have to face it as affecting every business interest of the country. It is the paramount subject of legislative consideration today. If we export we must get our products to the ports, and from there to the ultimate destination at the cost that will permit exportation. The export of domestic merchandise for the 10 months ending October 31, 1921, was $3,898,308,000, whereas for 1920 it was $6,831,201,000; for 1916 it was $4,443,240,000. The excess of exports for the 10 months of 1921 over imports was $1,842,545,000, whereas for 1916 it was $2,433,407,000. That our home consumption at the great centers of population is to be affected by the cost of transportation goes without saying. That the return to prosperity of the live-stock and agricultural interests of the country must depend upon production at a profit is manifest.

NEW METHOD NEEDED.

Considering, therefore, all these things the point to the whole matter is that transportation cost can not be restored and the transportation companies survive without a comprehensive and well-planned method of some character that will lift the burden off of the shoulders of the individual producer. That requires a repeal of section 15a of the transportation act, which imposes that burden. Following that the rates must be reduced to be commensurate with the value of the commodities produced or production must stop.

To accomplish these things is a national problem which must be faced whether we want to face it or not. For the three years next previous to the war on the rates then prevailing the railroads had the average highest net operating revenues than in any period in their history upon the rates then in existence. The repeal of the new scheme of making rates so that the former method may be restored is essential in order that things may be brought back to their former relationship. Whatever of Government aid may be needed to accomplish that is at least worthy of serious consideration. What form it may take will depend on Congress. If we escape it in some form, that plan has not been devised.

MICHIGAN SENATORIAL ELECTION.

Mr. WILLIS. Mr. President, I rose a few moments ago simultaneously with the Senator from Kansas [Mr. CAPPER], but the Chair very properly happened to recognize that Senator first. The Senator from Kansas has discussed a measure which I favor, and the passage of which I do not desire to delay. I did think to address myself very briefly to some of the remarks and unfounded charges that have been made by Senators on the other side of the aisle. Many of those Senators are not now in the Chamber, and I therefore feel disinclined to discuss that subject at this time, particularly since I am advised by the senior Senator from Kansas [Mr. CURTIS] that he is very desirous of having an executive session of the Senate to attend to some important executive business; but perhaps at a more convenient season I shall have opportunity to express my views.

For one, the humblest Member on this side of the aisle, I simply want now to say to Senators that I am perfectly willing to concede honest differences of opinion about this case that has been discussed, and in the discussion of which arguments have gone through a pretty wide range. I am perfectly willing to concede that a man may have a view different from my own and still be honorable; but for one I resent the foundationless charges that are made here from time to time, in language absolutely unfair and intemperate, that anyone who happens to disagree with certain self-appointed censors of the morals of the Senate is moved by dishonorable motives. I have as high a sense of honor as Senators who have a different view upon the question. But I shall not delay the executive session which is desired, and I therefore yield to the Senator from Kansas.

KNICKERBOCKER THEATER DISASTER.

Mr. CURTIS obtained the floor.

Mr. HARRIS. Mr. President, will the Senator from Kansas yield to me for just a moment?

Mr. CURTIS. I yield if the matter which the Senator has in mind will not take any time, as an executive session is desired.

Mr. HARRIS. I send to the desk a resolution, which I ask to have read, and I ask unanimous consent for its immediate consideration.

The resolution (S. Res. 232) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That mindful of the inadequacy of words to express the degree of its sorrow and regret for the appalling loss of life and the terrible injuries caused by the collapse of the Knickerbocker Theater on January 28, 1922, the Senate of the United States hereby extends its most sincere and heartfelt sympathy to the injured and to the relatives and friends of the deceased victims of that catastrophe.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Friday, February 3, 1922, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate February 2, 1922.

NAVAL OFFICER OF CUSTOMS.

Stephen S. Jewett, of Laconia, N. H., to be naval officer of customs in customs collection district No. 4, with headquarters at Boston, Mass., to fill an existing vacancy.

COLLECTOR OF INTERNAL REVENUE.

Rex B. Goodcell, of San Bernardino,, Calif., to be collector of internal revenue for the sixth district of California, in place of John P. Carter, resigned.

UNITED STATES ATTORNEY.

William J. Donovan, of New York, to be United States attorney, western district of New York, vice Stephen T. Lockwood, resigned.

RECORDER OF DEEDS FOR THE DISTRICT OF COLUMBIA.

Arthur G. Froe, of Welch, W. Va., to be recorder of deeds for the District of Columbia, vice John F. Costello.

PROMOTION IN THE REGULAR ARMY.

To be first lieutenant with rank from November 1, 1921.

Second Lieut. Nemesio Catalan, Philippine Scouts.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY.

ORDNANCE DEPARTMENT.

Capt. David Cleveland Kelly, Coast Artillery Corps, with rank from July 1, 1920.

First Lieut. Waldemar Sven Broberg, Coast Artillery Corps, with rank from October 28, 1919.

FIELD ARTILLERY.

Capt. Francis Beatty Longley, Air Service, with rank from July 1, 1920.

First Lieut. Mitchell Franklin Orr, Quartermaster Corps, with rank from July 1, 1920.

AIR SERVICE.

Capt. Wolcott Paige Hayes, Cavalry, with rank from July 1, 1920.

Capt. Arthur Bee McDaniel, Infantry, with rank from July 1, 1920.

Capt. Thomas Henry Shea, jr., Infantry, with rank from July 1, 1920.

POSTMASTERS.

CALIFORNIA.

William H. Nicholson to be postmaster at Ben Lomond, Calif. Office became presidential January 1, 1921.

Mary T. Monsport to be postmaster at Capitola, Calif. Office became presidential July 1, 1920.

Jessie Hossack to be postmaster at Merced Falls, Calif. Office became presidential July 1, 1921.

Theodore H. Zimmerman to be postmaster at Fillmore, Calif., in place of P. P. Roche, resigned.

Patrick P. O'Brien to be postmaster at Los Angeles, Calif., in place of Harrington Brown, removed.

Clarissa P. Mosher to be postmaster at Inglewood, Calif., in place of S. J. Hindman, resigned.

Arthur M. Becker to be postmaster at Visalia, Calif., in place of R. J. Bagby. Incumbent's commission expired July 21, 1921.

CONNECTICUT.

William H. S. McEwen to be postmaster at Glenbrook, Conn., in place of J. F. Sullivan. Office became third class October 1, 1920.

IDAHO.

Norman O'Donell to be postmaster at Elk River, Idaho, in place of Marie Leeper. Incumbent's commission expired March 16, 1921.

ILLINOIS.

Ira I. Kennedy to be postmaster at Pana, Ill., in place of W. B. Jordan. Incumbent's commission expired January 15, 1921.

INDIANA.

Charles S. Dudley to be postmaster at Lewisville, Ind., in place of H. E. Crawford. Office became third class October 1, 1920.

IOWA.

Ralph A. Dunkle to be postmaster at Gilman, Iowa, in place of J. S. Darrah, resigned.

Ida G. Schloeman to be postmaster at Norway, Iowa, in place of Clara Behle, resigned.

KANSAS.

Howard B. Demuth to be postmaster at Ellsworth, Kans., in place of F. S. Foster. Incumbent's commission expired July 23, 1921.

MAINE.

Charles F. Huff to be postmaster at Orrs Island, Me. Office became presidential January 1, 1921.

MARYLAND.

Lorenzo D. Thrasher to be postmaster at Deer Park, Md. Office became presidential January 1, 1921.

Bertha E. Huplet to be postmaster at Germantown, Md. Office became presidential October 1, 1921.

MASSACHUSETTS.

Arthur R. Merritt to be postmaster at Egypt, Mass. Office became presidential October 1, 1920.

Emma E. Murphy to be postmaster at Minot, Mass. Office became presidential January 1, 1921.

Edmund F. Peck to be postmaster at West Wareham, Mass. Office became presidential April 1, 1921.

MICHIGAN.

Clarence O. Hetchler to be postmaster at Flint, Mich., in place of F. D. Baker. Incumbent's commission expired January 24, 1922.

MINNESOTA.

James N. Kain to be postmaster at Round Lake, Minn. Office became presidential January 1, 1921.

NEBRASKA.

Isaac A. Reneau to be postmaster at Broken Bow, Nebr., in place of C. D. Wilson. Incumbent's commission expired June 27, 1920.

Frank N. Thomson to be postmaster at Winnebago, Nebr., in place of M. M. Fitzgerald, resigned.

NEVADA.

Carl J. Barnes to be postmaster at McGill, Nev., in place of J. E. Burnett, resigned.

NEW YORK.

Winfield McIntyre to be postmaster at Woodbourne, N. Y., in place of Delbert Merritt. Office became third class July 1, 1920.

Frank Yaple to be postmaster at Loch Sheldrake, N. Y., in place of G. H. LeRoy. Office became third class January 1, 1921.

Ella Babcock to be postmaster at Lake Huntington, N. Y., in place of F. N. Hendrix. Office became third class July 1, 1920.

Charles W. Bell to be postmaster at Glen Head, N. Y. Office became presidential April 1, 1921.

John B. Houghton to be postmaster at Indian Lake, N. Y. Office became presidential January 1, 1920.

Frank Wright to be postmaster at Salem, N. Y., in place of Dennis Quinn. Incumbent's commission expired January 6, 1920.

William B. Voorhees to be postmaster at Roscoe, N. Y., in place of W. H. Harding. Incumbent's commission expired July 21, 1921.

August Abt to be postmaster at Woodridge, N. Y., in place of M. J. O'Neill. Incumbent's commission expired July 21, 1921.

NORTH DAKOTA.

Frederick D. Cannon to be postmaster at McHenry, N. Dak. Office became presidential October 1, 1920.

Marvin Broton to be postmaster at Petersburg, N. Dak., in place of K. A. Minkle. Office became third class January 1, 1921.

Alf J. Dunnum to be postmaster at Kensal, N. Dak., in place of J. A. Schieb. Incumbent's commission expired December 20, 1920.

Bessie G. George to be postmaster at Van Hook, N. Dak., in place of B. G. George. Incumbent's commission expired December 20, 1920.

OHIO.

William L. Douglass to be postmaster at Fairfield, Ohio. Office became presidential April 1, 1921.

Robert D. Weedy to be postmaster at Shawnee, Ohio, in place of B. G. Trew. Incumbent's commission expired January 31, 1922.

OKLAHOMA.

George N. Davina to be postmaster at Colony, Okla., in place of G. B. McQuaid. Office became third class January 1, 1921.

Eugene J. Blossom to be postmaster at Atoka, Okla., in place of J. W. Phillips, resigned.

Walker D. Guthrie to be postmaster at Granite, Okla., in place of K. C. Cox. Incumbent's commission expired July 23, 1921.

Walter S. Florence to be postmaster at Madill, Okla., in place of David Russell. Incumbent's commission expired March 16, 1921.

PENNSYLVANIA.

Mary F. Carey to be postmaster at Mahanoy Plane, Pa. Office became presidential October 1, 1921.

Jerome G. Shelley to be postmaster at Richfield, Pa. Office became presidential July 1, 1921.

Hettie C. Taylor to be postmaster at Westtown, Pa. Office became presidential April 1, 1921.

SOUTH CAROLINA.

Herbert O. Jones to be postmaster at Salley, S. C. Office became presidential April 1, 1921.

Clyde H. Culbreth to be postmaster at Landrum, S. C., in place of R. G. Durham, resigned.

SOUTH DAKOTA.

Harley H. Cable to be postmaster at Hudson, S. Dak., in place of O. M. Iverson. Incumbent's commission expired July 23, 1921.

Sidney N. Dorwin to be postmaster at Midland, S. Dak., in place of J. D. Snow. Incumbent's commission expired January 15, 1921.

TENNESSEE.

Delma H. Brock to be postmaster at Leoma, Tenn., in place of J. P. Conway. Office became third class January 1, 1921.

John E. Bettis to be postmaster at Dandridge, Tenn., in place of A. S. Nichols. Incumbent's commission expired August 1, 1921.

William D. Howsen to be postmaster at Clarksville, Tenn., in place of P. L. Larned, resigned.

TEXAS.

William R. Williams to be postmaster at Montague, Tex. Office became presidential October 1, 1919.

Duma McDonald to be postmaster at Santo, Tex. Office became presidential July 1, 1920.

Claude P. Ellis to be postmaster at Spearman, Tex. Office became presidential January 1, 1921.

Joe C. Hailey to be postmaster at Hughes Springs, Tex., in place of W. D. Daniel. Incumbent's commission expired July 21, 1921.

James F. Adams to be postmaster at Stamford, Tex., in place of E. G. Keese, resigned.

VERMONT.

Albert E. Currier to be postmaster at Danville, Vt., in place of C. S. Dole. Incumbent's commission expired January 13, 1921.

WASHINGTON.

John Maloney to be postmaster at Skykomish, Wash. Office became presidential October 1, 1921.

Thomas Harries to be postmaster at Renton, Wash., in place of J. R. Storey. Incumbent's commission expired December 20, 1920.

David M. Donnelly to be postmaster at Sedro Woolley, Wash., in place of G. B. Ragsdale. Incumbent's commission expired January 5, 1920.

WEST VIRGINIA.

Joe Bell to be postmaster at Boomer, W. Va. Office became presidential July 1, 1920.

Frank O. Trump to be postmaster at Kearneysville, W. Va. Office became presidential April 1, 1921.

Andrew B. Canterbury to be postmaster at Pax, W. Va. Office became presidential July 1, 1921.

Melvin O. Whiteman to be postmaster at Wallace, W. Va., in place of K. G. Davis, resigned.

Newt J. Neadle to be postmaster at Williamson, W. Va., in place of W. N. Cole, resigned.

WISCONSIN.

Mamie Bader to be postmaster at Kennan, Wis. Office became presidential April 1, 1921.

Monroe V. Frazier to be postmaster at Readstown, Wis. Office became presidential April 1, 1921.

Lester B. West to be postmaster at Barron, Wis., in place of A. J. Osborne. Incumbent's commission expired January 28, 1920.

Frank E. Munroe to be postmaster at Ladysmith, Wis., in place of W. S. Manning, resigned.

Verner A. Nelson to be postmaster at Ogema, Wis., in place of F. W. Mitchell. Incumbent's commission expired March 16, 1921.

Ole S. Torgeson to be postmaster at Stoughton, Wis., in place of E. A. Drotning, resigned.

Charles J. Anderson to be postmaster at Clayton, Wis., in place of C. J. Anderson. Incumbent's commission expired March 16, 1921.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 2, 1922.

UNITED STATES DISTRICT JUDGE.

Andrew Miller to be United States district judge, district of North Dakota.

UNITED STATES ATTORNEY.

Charles B. Kennamer to be United States attorney, northern district of Alabama.

UNITED STATES MARSHAL.

John H. Cook to be United States marshal, northern district of Mississippi.

SURVEYOR OF CUSTOMS.

Edward E. Philbrook to be surveyor of customs district No. 1, Portland, Me.

REGISTER OF THE LAND OFFICE.

Robert M. Goshorn to be register of land office, Kalispell, Mont.

RECEIVER OF PUBLIC MONEYS.

Charles R. Smith to be receiver of public moneys, Durango, Colo.

POSTMASTERS.

ALABAMA.

George H. Reilly, Muscle Shoals.

ARIZONA.

James L. T. Watters, Duncan.
Lola Moreno, Ray.

CALIFORNIA.

Nellie K. Cushing, Martinez.
Eugene C. Graham, Moorpark.
Jesse C. Duffield, Willits.

MISSOURI.

John Rohrer, Bourbon.
Luther P. Dove, Cabool.
Edward C. DeField, East Prairie.
Jackson C. Short, Galena.
Robert R. White, Greenville.
Lawrence R. Quick, Hallsville.
Joel W. Sever, Hurdland.
Hazel L. Post, Irondale.
Joseph M. Cash, Kennett.
Frank L. Neitzert, Knobnoster.
Herman E. Christrup, Laddonia.
James A. Pidcock, Lockwood.
David L. Blanchfield, Martinsburg.
Edward Becker, Morrisville.
Henry W. Werges, New Haven.
Paul P. Groh, Peculiar.
William F. Norris, Perry.
Grace E. Kirkbride, Ravenwood.
John H. Fisher, Sullivan.
Lee M. Robbins, Unionville.
William P. Murphy, Wheatland.
Ben J. Drymon, Willow Springs.

NEW YORK.

Richard Bullwinkle, Central Valley.
John T. Rodger, Hammond.

OHIO.

French Crow, Marion.
Earl Augustine, Montpelier.
Allison E. Augenstein, Napoleon.

OKLAHOMA.

John Wilson, Keystone.
Martin Baswell, Poteau.

OREGON.

William G. Smith, Mill City.
Reber G. Allen, Silverton.

PENNSYLVANIA.

John L. Chapman, Blue Ridge Summit.
Frederick W. McClure, Downingtown.
Samuel B. Sheller, Duncannon.
Rufus H. Ingraham, Genessee.
William K. Speer, Harrisville.
Alfred L. Evans, Kane.
Frank E. Tiffany, Kingsley.
William G. Biddison, Malvern.
Charles W. Steese, Mifflinburg.
Wilberforce Schweyer, Mifflintown.
William L. Swarm, Millheim.
Benjamin L. Ross, Monongahela.
James R. Davis, McAllsterville.
Frederick W. Kiefhaber, McVeytown.
H. O. Marquis, Nemacolin.
George E. Kemp, Philadelphia.
Harry H. Carey, Plymouth.
Albert E. Franklin, Sutersville.
Dayton W. Mills, Ulster.
Julia C. Gleason, Villanova.
Max A. Crain, Winburne.

SOUTH DAKOTA.

Clarence J. Curtin, Emery.
Lyman J. Bates, Lake Preston.

WYOMING.

Ivor Christensen, Hanna.
Henry H. Francis, Jackson.
Lillian S. Pascoe, Sunrise.
Charles M. Hett, Thermopolis.

HOUSE OF REPRESENTATIVES.

THURSDAY, *February 2, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, how much we need Thy presence, the gift of Thy grace, and the blessing of Thy wisdom. Teach us how to live by blessing the truth to us. O, be gracious and impart this mercy to every Member of this Chamber. Thou hast given us a life of the highest in all the earth, and, oh, inspire our zeal to approach it. May our lives speak well in wise precept and by exalted example. In all our obligations to our God and to our country may we eagerly seek the best and the wisest and in all things never break faith with ourselves. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

QUESTION OF PRIVILEGE.

Mr. COCKRAN. Mr. Speaker, I rise to a question of privilege. I call attention of the House to the proposal now pending to fix control or affect the extent of the armed forces on land and sea to be maintained by the United States through the operation of a treaty. I do not want the question to be considered as raised in hostility to the purposes of that treaty. Regardless of what may be thought of its objects, I challenge the power to effect them by this method.

Mr. DAVIS of Minnesota. Will the gentleman yield?

Mr. COCKRAN. Certainly. I wish to make this suggestion: Although I submit this resolution now, I think it would be well to take plenty of time to consider it. Its purpose is simply to raise the question whether the Congress must be consulted upon the momentous question of the size of the Army and Navy to be maintained by the United States. I would like unanimous consent to submit that question now, Mr. Speaker, and I think it would be wise to refer it to some committee with the understanding that it will be reported for consideration on some future day.

I understand the gentleman from Minnesota wants me to give way for a moment.

The SPEAKER. The Chair does not see where the gentleman has presented any question of privilege. The gentleman has a right to introduce his resolution through the basket.

Mr. COCKRAN. I am calling attention of the House to the fact that there is now pending a proposal made by officers of the Government to determine the size of our Military Establishment by treaty with other Governments, and I am raising the question that there is no power to do that by treaty, and that the privileges of this House, as a part of Congress, are invaded by the attempt to accomplish something without its concurrence, which concurrence is required by the Constitution of the United States. That surely presents a question of the highest privilege.

The SPEAKER. The Clerk will read the resolution.

The Clerk read as follows:

Be it resolved, etc., That the size and nature of the Military Establishment to be maintained by the United States is a matter to be decided exclusively by the Congress, and any attempt to affect or control the extent of our armed forces on land and sea by treaty between this Government and the Government of any foreign power or powers is an invasion and breach of the privileges of this House as a branch of said Congress.

The SPEAKER. It does not seem to the Chair, at first blush, that anyone can present an abstract question as to the right of the House and claim that it should be immediately considered. If so, the Members of the House could constantly be presenting resolutions which stated the rights of the House, and they could thereby interrupt the business of the House.

Mr. COCKRAN. Mr. Speaker, such resolutions have been repeatedly introduced here.

The SPEAKER. The Chair will be glad to be referred to some precedent.

Mr. COCKRAN. I have not got them here at this moment. I will be very glad if the Chair would withhold——

The SPEAKER. The Chair would be glad if the gentleman would withhold the resolution.

Mr. COCKRAN. For the present.

Mr. MANN. Mr. Speaker, I reserve a point of order upon it.

Mr. MONDELL. I understand it is only presented for action by unanimous consent at a later period.

The SPEAKER. The gentleman says that he withholds the demand for the present.

Mr. MONDELL. It is a question of privilege to be decided by the Chair.

TREASURY DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT.

Mr. MADDEN. Mr. Speaker, I call up the conference report on the bill H. R. 9724.

The SPEAKER. The gentleman from Illinois calls up a conference report, which the Clerk will report by title.

The Clerk read as follows:

Conference report on the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 14, 19, 24, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 9, 10, 11, 12, 13, 15, 16, 17, 18, 22, and 23, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "$4,000,000: *Provided*, That for purpose of concentration, upon the initiation of the Commissioner of Internal Revenue and under regulations prescribed by him, distilled spirits may be removed from any internal-revenue bonded warehouse to any other such warehouse, and may be bottled in bond in any such warehouse before or after payment of the tax, and the commissioner shall prescribe the form and penal sums of bond covering distilled spirits in internal-revenue bonded warehouses, and in transit between such warehouses"; and the Senate agree to the same.

The committee of conference have not agreed upon amendments numbered 1, 2, 3, 4, 6, 20, and 21.

MARTIN B. MADDEN,
WALTER W. MAGEE,
JOSEPH W. BYRNS,
Managers on the part of the House.

F. E. WARREN,
W. L. JONES,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On No. 5, relating to the customs service: Appropriates $50,000 for compensation in lieu of moieties, as proposed by the Senate, instead of $10,000, as proposed by the House.

On Nos. 7, 8, and 9, relating to the Internal Revenue Service: Appropriates $4,000,000 for salaries and expenses of collectors of internal revenue, etc., as proposed by the Senate, instead of $4,288,000, as proposed by the House; permits the concentration of distilled spirits in internal revenue bonded warehouses and the bottling in bond of any spirits moved incident to such concentration, and provides that the Commissioner of Internal Revenue shall prescribe the form and penal sums of bond covering distilled spirits in internal revenue bonded warehouses and in transit between such warehouses.

On Nos. 10 and 11, relating to the Internal Revenue Service: Strikes out the limitation proposed by the House on the amount of the appropriation for refunding taxes illegally collected that may be used for the payment of claims accruing prior to July 1, 1920.

On No. 12, relating to the Public Health Service: Provides specifically for the medical inspection of aliens, as proposed by the Senate.

On No. 13, relating to the Deadwood, S. Dak., assay office: Appropriates $1,000 for wages of workmen and other employees, as proposed by the Senate.

On No. 14, relating to the Helena, Mont., assay office: Appropriates $900 for wages of workmen and other employees, as proposed by the House, instead of $2,000, as proposed by the Senate.

On Nos. 15, 16, 17, 18, and 19, relating to public buildings, construction and rent: Appropriates $73,000 on account of immigrant station at Boston, Mass., as proposed by the Senate; appropriates $2,000 for constructing penthouse on bridge at the New York barge office, as proposed by the Senate; appropriates $50,000 for shelter over driveway at the New York City post office, as proposed by the Senate; appropriates and makes available a total of $55,000 for improvements at the Richmond, Va., post office, courthouse, and customhouse, as proposed by the Senate; and strikes out the appropriation of $20,000, proposed by the Senate, for repairing or renewing the roof of the Auditors Building in the District of Columbia.

On Nos. 22 and 23, relating to quarantine stations: Appropriates $11,000 for repairs to wharf at quarantine station, Columbia River (Astoria), Oreg., as proposed by the Senate; and appropriates $26,000 on account of the Port Townsend, Wash., quarantine station, as proposed by the Senate, instead of $25,000, as proposed by the House.

On Nos. 24 and 25, relating to general expenses in connection with public buildings: Imposes a limitation of $125,000 on expenditures for compensation of technical employees in the Office of the Supervising Architect, as proposed by the House, instead of $142,500, as proposed by the Senate.

The committee of conference have not agreed upon the following amendments of the Senate:

On Nos. 1, 2, 3, and 4, relating to the position of Undersecretary of the Treasury.

On No. 6, waiving existing law which would preclude the appointment of retired Army and Navy officers receiving retired pay amounting to or exceeding $2,500 per annum to the positions of director and assistant director of the Bureau of the Budget.

On No. 20, relating to the appropriation of $500,000 for site and technical services on account of a national archives building.

On No. 21, relating to the appropriation of $1,000,000 for a building in the north court of the Treasury Building.

MARTIN B. MADDEN,
WALTER W. MAGEE,
JOSEPH W. BYRNS,
Managers on the part of the House.

Mr. MADDEN. Mr. Speaker, the bill as passed by the House——

Mr. GREEN of Iowa. Mr. Speaker, I want to make a point of order against amendment No. 7.

The SPEAKER. The gentleman will probably prefer to have it considered when it is reached. The gentleman will be recognized for it when we come to it. The gentleman from Illinois [Mr. MADDEN] is recognized.

Mr. MADDEN. Mr. Speaker, I wish to submit the following statement:

Bill as passed by the House carried	$118,806,073.81
Bill as passed by the Senate carried	120,277,173.81
A net increase of	1,471,100.00

The Senate added 25 amendments to the bill, 16 of which affected the appropriations.

Fifteen of the amendments added to the bill	$1,759,100.00
One amendment reduces the bill by	288,000.00
A net increase as above of	1,471,100.00

The Senate receded on 5 amendments.

The House receded on 12 amendments, 8 affecting appropriations.

The House receded with an amendment on 1 amendment.

The conference committee have not agreed on 7 amendments, 4 of which affect the appropriations.

The 5 Senate recessions take off of the Senate increase $38,600.

Eight of the House recessions add to the bill as passed by the House $218,000.

The amendment agreed to with an amendment effects a reduction in the bill as passed by the House of $288,000.

Of the 7 amendments which have not been agreed to, 4 of them involve additional appropriations to the extent of $1,502,500.

So as it stands now the bill carries—

As passed by the House	$118,806,073.81
Less amendment agreed to with an amendment	288,000.00
	118,518,073.81
Plus amendments on which House recedes	218,000.00
	118,736,073.81

A net decrease over bill as passed by House of $70,000.

In connection with the question on which the gentleman from Iowa [Mr. GREEN] reserved a point of order, I wish to say that the conferees believed that they had the right under the rules of the House, under the Holman rule particularly, to agree to the amendment submitted by the Senate as a limitation. In the first place, the amount of the appropriation as passed by the House was $4,288,000. In presenting the amendment the Senate reduced the amount of the House appropriation from $4,288,000 to $4,000,000, and then provided the limitation as indicated.

I do not believe the agreement entered into by the House conferees is subject to a point of order, because we have the right to do that same thing in the House. Having the right to do it in the House under the House rules, they would have the same right to do in conference what they have the right to do in the House itself. Then, following that, the adoption of this amendment not only saves $288,000 in this bill but it provides within the year, after concentration has been effected, for a further saving of about $700,000.

There are now 900 and more gaugers and watchmen employed by the Government in the various distilleries and other bonded warehouses of the country, and when concentration takes place this number can be reduced to 100, thus enabling the Government to dismiss from its service 800 people whose services are no longer to be needed. There are many other good reasons why this amendment agreed to by the conferees should be adopted. But aside from the financial reasons, we believe that we have complied literally with the rules of the House, and I hope the gentleman from Iowa will not insist upon the point of order which he has reserved.

Mr. Speaker, I yield to the gentleman from Iowa such time as he desires.

The SPEAKER. The Chair understands that the gentleman from Iowa raised a point of order.

Mr. MADDEN. Yes; but he reserved it.

Mr. GREEN of Iowa. I reserved a point of order, and I wish to speak on it just a moment.

The SPEAKER. The Chair understands that if the point of order were sustained it would invalidate the report, and therefore the Chair would prefer to hear the gentleman from Iowa before the report is submitted to a vote.

Mr. GREEN of Iowa. Mr. Speaker, while, to my mind, the point of order should be clearly sustained if made, for various reasons, particularly because this matter sought to be introduced is legislation upon an appropriation bill——

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman tell us what the point of order is?

Mr. GREEN of Iowa. The point of order that I reserved was that the matter is legislation on an appropriation bill.

Mr. GARRETT of Tennessee. What part of it?

Mr. GREEN of Iowa. Amendment No. 7. But, Mr. Speaker, after reflection I have concluded to withdraw the point of order.

The SPEAKER. The gentleman from Iowa withdraws the point of order.

Mr. GREEN of Iowa. But I would like, if the gentleman will permit, to explain my reasons for so doing.

Mr. MADDEN. Mr. Speaker, I yield to the gentleman five minutes.

Mr. LAZARO. Before the gentleman yields, will he answer a question?

Mr. MADDEN. Yes; if I can.

Mr. LAZARO. What was done with the Senate amendment providing for the archives building?

Mr. MADDEN. We have it here and will reach it for consideration shortly.

Mr. LAZARO. How much was that—$500,000?

Mr. MADDEN. The item was for the purchase of a lot, not the construction of a building.

Mr. LAZARO. But with the idea of finally constructing a building?

Mr. MADDEN. Yes. That will be taken up for consideration.

The SPEAKER. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Speaker, ordinarily I should feel that I should have to insist upon the point of order. But a

very peculiar situation has arisen here. Notwithstanding the fact that the Committee on Ways and Means has reported out a bill carrying, among other things, this provision, somewhat extended, I realize perfectly well that that bill has quite a long road to travel before it can get through the body that sits at the other end of the Capitol. This is a very important matter. Far be it from me, Mr. Speaker, to say anything that should be considered a reflection on the Senate. I have never violated the rules of the House that prohibit criticism in that respect, but on the contrary, with a great deal of effort, I have always restrained my feelings on the subject.

Mr. Speaker, life is short and time is fleeting. Some time ago, when some gentlemen insinuated that certain proceedings might be slower than the Senate, I was quite ready to rise in defense of anybody against whom such a charge should be made. I feel at this time that if the bill that was reported by the Committee on Ways and Means should pass this House, as I have doubt it would if it were submitted, and go on over to the Senate, some time in the dim distant æons—if that is the proper term—of the future it might become a law, but the hope is somewhat faint, and I am not at all certain about it.

This is a very important provision, as the gentleman from Illinois [Mr. MADDEN] has quite correctly said, that has been inserted in this bill in the interest of economy. It is highly important that the concentration should be effected, although I have some doubts that the provision contained in the bill will accomplish all that is desired. But the provision that has been inserted is one as to which a very unusual thing has happened, a phenomenon where we see both those who are for and those who are against the prohibition amendment uniting upon it. The vast majority of those who are interested in the distilled spirits which are now stored in Government warehouses are very much in favor of this provision and also those who are interested in the enforcement of the prohibitory law, because they believe it will be of assistance in the enforcement of that law. The parties on the other side are in favor of it because it will greatly reduce expenses, and a large number of persons who are holders of warehouse receipts, which are liens upon this liquor, see their securities slipping away in the exorbitant charges which are now being maintained.

For these reasons, Mr. Speaker, I withdraw the point of order.

The SPEAKER. The point of order is withdrawn.

Mr. MADDEN. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The gentleman from Illinois moves the adoption of the conference report. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the first amendment disagreed to.

The Clerk read as follows:

Amendment No. 1, page 2 of the bill: On line 2, after the figures "$12,000," insert: "Undersecretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall receive compensation at the rate of $7,500 per annum and shall perform such duties in the office of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed or such absence or sickness shall cease, $7,500."

Mr. MADDEN. Mr. Speaker, a year ago the office of Undersecretary of the Treasury was created in an appropriation bill, to carry the salary of $10,000.

Mr. GARRETT of Tennessee. Mr. Speaker, this proposition as I understand it marks a departure from the practice. I think the Members should be here to discuss it. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Tennessee makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. MADDEN. I move a call of the House.

The SPEAKER. The gentleman from Illinois moves a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Ansorge	Drane	Gould	Kitchin
Appleby	Drewry	Harrison	Knight
Atkeson	Driver	Hays	Kreider
Benham	Echols	Himes	Kunz
Britten	Fish	Hooker	Langley
Burke	Fitzgerald	Johnson, S. Dak.	Lawrence
Cantrill	Focht	Kearns	Lehlbach
Chandler, Okla.	Frear	Keller	Lineberger
Clark, Fla.	French	Kelley, Mich.	McFadden
Classon	Gernerd	Kendall	MacGregor
Crago	Gilbert	Kennedy	Mansfield
Crisp	Goldsborough	Ketcham	Mead
Curry	Goodykoontz	Kindred	Michaelson
Morin	Riddick	Sproul	Voigt
Mudd	Riordan	Steagall	Volk
Nelson, J. M.	Rose	Stiness	Volstead
Ogden	Rossdale	Strong, Pa.	Ward, N. Y.
Olpp	Ryan	Sullivan	Weaver
Overstreet	Sabath	Tague	White, Me.
Parrish	Sanders, Ind.	Taylor, Ark.	Wilson
Perlman	Sanders, N. Y.	Taylor, Colo.	Wise
Petersen	Shaw	Taylor, N. J.	Wood, Ind.
Rainey, Ala.	Siegel	Tilson	
Reavis	Smith, Idaho	Tincher	
Reed, N. Y.	Smithwick	Vare	

The SPEAKER. On this call 333 Members have answered to their names. A quorum is present.

Mr. MADDEN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. MADDEN. Mr. Speaker, I move to recede and concur in Senate amendment No. 1.

The SPEAKER. The gentleman from Illinois moves to recede and concur in Senate amendment No. 1.

Mr. MADDEN. Mr. Speaker, I wish to say in this connection that this amendment of the Senate provides for the appointment of an Undersecretary of the Treasury at $7,500 a year. A year ago the House in an appropriation bill provided for an Undersecretary of the Treasury at $10,000 a year. When this bill was reported the Committee on Appropriations reported a continuation of the position at the salary provided in the appropriation act of last year. The Senate reduced the amount to be paid from $10,000 to $7,500 a year, and in the next amendment, No. 2, they struck out the appropriation for an assistant to the Secretary at $5,000 a year. So if this amendment should be concurred in it would provide for what the Secretary of the Treasury himself thinks is a very essential arm of the work in which he is engaged, and it will cost only $2,500 a year more than the expense would be if this item should be stricken out, because if the appropriation for the Undersecretary of the Treasury is stricken out it will be necessary to restore the assistant to the Secretary at $5,000, which, by the adoption of this amendment, will be eliminated.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. SNELL. As I understand the assistant to the Secretary is an office created by law.

Mr. MADDEN. It was created in 1918, during the war.

Mr. SNELL. I mean the one that was stricken out.

Mr. MADDEN. The office of assistant to the Secretary was created in an appropriation bill during the war, in 1918, to meet the war needs.

Mr. SNELL. The gentleman refers to amendment No. 2, assistant to the Secretary, $5,000?

Mr. MADDEN. Yes.

Mr. SNELL. That was not a statutory office?

Mr. MADDEN. No.

Mr. SNELL. Neither one of them was a statutory office?

Mr. MADDEN. No; but we must have one of these positions, and the Secretary of the Treasury is very anxious to continue the Undersecretary because he is able to do a great many things as Undersecretary that he would not be able to do as assistant to the Secretary. He relieves the Secretary of many burdens of which he ought to be relieved.

Mr. BYRNS of Tennessee. Mr. Speaker——

The SPEAKER pro tempore (Mr. WALSH). Does the gentleman from Illinois yield?

Mr. MADDEN. Yes; I yield to him five minutes.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. BYRNS] is recognized for five minutes.

Mr. BYRNS of Tennessee. Mr. Speaker, I wish to make a statement concerning the pending amendment. As the gentleman from Illinois stated, the deficiency bill which passed the House last May carried a provision for an Undersecretary of the Treasury at $10,000 a year.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. ANDREWS of Nebraska. Did the provision for the Undersecretary result in the displacement of one Assistant Secretary?

Mr. BYRNS of Tennessee. It did not do so at that time, but it will under this amendment.

Mr. ANDREWS of Nebraska. On the 1st of July last one Assistant Secretary at $5,000 was dropped and an Undersecretary appointed at $10,000.

Mr. BYRNS of Tennessee. I did not so understand, but I may be mistaken as to that. I opposed the provision last May for an Undersecretary at $10,000 a year. I opposed it on the floor of the House for two reasons. In the first place, those of

us who opposed the amendment felt that it was not necessary to create an office of Undersecretary in the Department of the Treasury at a high salary. It is true that at that time and for a year or two there had been an Undersecretary of State, but, as we all know, there are different circumstances surrounding the duties of the State Department, having to confer with foreign officials and foreign Governments, and a majority of Congress felt that for that reason it was proper to provide for the position of Undersecretary of State. I felt then and I feel now that it was entirely unnecessary to provide for officials who should be called undersecretaries. If the Assistant Secretary was not getting sufficient salary the salary could have been increased. I felt then and I feel now that we will eventually have undersecretaries in all the departments of the Government. We created one in the State Department and now we have one in the Treasury Department. I take it that in a year or two other Cabinet members will come to Congress and say that they must have an Undersecretary in their respective departments.

This office was created with a salary of $10,000 and the present occupant is drawing that sum. The Senate put an amendment on this bill which, in effect, reduces his salary and provides for an Undersecretary at $7,500. At the same time, the Senate adopted an amendment which, if concurred in by the House, will do away with the assistant to the Secretary, who receives $5,000 a year, which means in effect that the salary roll of the Treasury Department by this amendment will be increased $2,500 during the fiscal year of 1923. I am looking forward with some interest, if this amendment is adopted, to see whether or not in the next appropriation bill this assistant to the Secretary at $5,000 will be restored.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. ANDREWS of Nebraska. The idea of an Undersecretary seems to be based on the principle that the Undersecretary will be recognized as the representative, particularly, of the head of the department, and that in that particular he will be expected to be specially qualified for a larger range of service.

Mr. BYRNS of Tennessee. I can not understand why the Treasury Department—and I am not minimizing its important duties—needs an Undersecretary. I can not understand why the First Assistant Secretary can not represent the Secretary as efficiently as an Undersecretary.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. MADDEN. I yield to the gentleman two minutes more.

Mr. BYRNS of Tennessee. When the Secretary of the Treasury appeared before the committee last May in advocacy of this position, it was stated then to the committee that the position was desired because it was his intention to select some man from the outside of great financial repute, some man who would be entitled to a salary greater than $10,000, a man who had such repute and such financial standing that he would hesitate to offer him a salary of less than $10,000. But what was the result? As soon as the office was created we find that the First Assistant Secretary, who was drawing $5,000, was immediately promoted and is now Undersecretary at $10,000 a year. That gentleman had served as First Assistant under the previous administration for a few months and had accepted the same position under the present administration just two or three months before, and so far as I know would have been willing to continue his services at $5,000 a year.

Mr. SNELL. So the effect is that they are really increasing the salary of this man $2,500?

Mr. BYRNS of Tennessee. That is what this will do, although he is now drawing $10,000, as I have explained.

Mr. SNELL. It takes a $5,000 man who is willing to work in that position and gives him $7,500?

Mr. BYRNS of Tennessee. Yes.

Mr. CONNALLY of Texas. Will the gentleman from Illinois yield for a question?

Mr. MADDEN. Yes.

Mr. CONNALLY of Texas. I would like to ask the gentleman if it is not a fact that there is no statutory position for Undersecretary?

Mr. MADDEN. There is not.

Mr. CONNALLY of Texas. The effect of this amendment will be to change the law and give an additional $2,500.

Mr. GARRETT of Tennessee. The effect of the amendment is to make permanent law.

Mr. MADDEN. No; it is not intended for that; it does not read that way. This is only for one year.

Mr. CONNALLY of Texas. However that may be, the effect will be to establish the office of Undersecretary and abolish this office of Assistant Secretary.

Mr. MADDEN. Assistant to the Secretary.

Mr. CONNALLY of Texas. And this is a custom that was inherited from the State Department when it appointed an Undersecretary of State in order to be like Great Britain and France?

Mr. MADDEN. In the first place the abolishment of the Assistant to the Secretary was suggested because we believed only one of these places was necessary.

Mr. CONNALLY of Texas. I understand the reason, of course, but it does change existing law.

Mr. MADDEN. It does.

Mr. GARRETT of Tennessee. It makes it permanent law.

Mr. MADDEN. Does the gentleman believe this becomes permanent law?

Mr. GARRETT of Tennessee. Yes; I think it will be so construed.

Mr. CONNALLY of Texas. And if it be permanent law, the gentleman from Illinois does not approve of changing existing law in appropriation bills as a general proposition, I am sure.

Mr. MADDEN. Mr. Speaker, I ask for a vote.

The SPEAKER. The question is on the motion of the gentleman from Illinois to recede and concur in Senate amendment No. 1.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 63, noes 59.

Mr. GARRETT of Tennessee. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 183, nays 125, answered "present" 1, not voting 121, as follows:

YEAS—183.

Ackerman	Dempsey	Kiess	Purnell
Andrew, Mass.	Denison	King	Radcliffe
Andrews, Nebr.	Dowell	Kirkpatrick	Ransley
Arentz	Dunbar	Lampert	Reber
Atkeson	Dunn	Kleczka	Reece
Bacharach	Dyer	Kline, N. Y.	Reed, W. Va.
Barbour	Edmonds	Kline, Pa.	Rhodes
Beck	Evans	Knutson	Ricketts
Begg	Fairchild	Larson, Minn.	Roach
Bird	Fairfield	Lea, Calif.	Robertson
Bixler	Faust	Leatherwood	Robsion
Blakeney	Fenn	Lee, N. Y.	Rodenberg
Bond	Fish	London	Rogers
Brennan	Fordney	Longworth	Rosenbloom
Brooks, Ill.	Foster	Luce	Schall
Brooks, Pa.	Frear	Luhring	Scott, Mich.
Brown, Tenn.	Freeman	McArthur	Scott, Tenn.
Browne, Wis.	French	McKenzie	Shelton
Burdick	Fuller	McLaughlin, Pa.	Sinnott
Burroughs	Funk	McPherson	Slemp
Burtness	Gahn	Madden	Smith, Idaho
Burton	Gensman	Magee	Smith, Mich.
Cable	Glynn	Maloney	Speaks
Campbell, Kans.	Goodykoontz	Mann	Stafford
Campbell, Pa.	Graham, Ill.	Michener	Steenerson
Cannon	Green, Iowa	Miller	Stephens
Chandler, Okla.	Greene, Mass.	Mills	Sweet
Chindblom	Greene, Vt.	Millspaugh	Swing
Christopherson	Griest	Mondell	Taylor, Tenn.
Clarke, N. Y.	Hadley	Montoya	Temple
Codd	Hardy, Colo.	Moore, Ill.	Timberlake
Cole, Iowa	Hawley	Moore, Ohio	Tinkham
Cole, Ohio	Hersey	Moores, Ind.	Towner
Colton	Hickey	Morgan	Vaile
Connell	Hicks	Mott	Vestal
Connolly, Pa.	Hoch	Murphy	Volstead
Cooper, Ohio	Hogan	Nelson, A. P.	Walters
Cooper, Wis.	Hukriede	Newton, Minn.	Ward, N. Y.
Copley	Hutchinson	Nolan	Wason
Coughlin	Ireland	Norton	Watson
Crowther	James	Osborne	Webster
Curry	Jefferis, Nebr.	Paige	White, Kans.
Dale	Johnson, Wash.	Parker, N. J.	Winslow
Dallinger	Jones, Pa.	Patterson, Mo.	Woodyard
Darrow	Kelley, Mich.	Patterson, N. J.	Young
Davis, Minn.	Kelly, Pa.	Porter	

NAYS—125.

Almon	Clague	Haugen	McSwain
Aswell	Clouse	Hooker	Mapes
Bankhead	Cockran	Huddleston	Martin
Barkley	Collier	Hudspeth	Montague
Beedy	Collins	Jeffers, Ala.	Moore, Va.
Bell	Connally, Tex.	Johnson, Ky.	O'Brien
Benham	Davis, Tenn.	Johnson, Miss.	O'Connor
Black	Deal	Jones, Tex.	Oldfield
Bland, Va.	Dominick	Kincheloe	Oliver
Blanton	Doughton	Kissel	Overstreet
Boies	Elliott	Kopp	Padgett
Bowers	Ellis	Kraus	Park, Ga.
Bowling	Favrot	Lanham	Parker, N. Y.
Box	Fields	Larsen, Ga.	Parks, Ark.
Brand	Fisher	Layton	Perkins
Briggs	Frothingham	Lazaro	Pou
Brinson	Fulmer	Lee, Ga.	Pringey
Buchanan	Gallivan	Little	Quin
Bulwinkle	Garner	Logan	Rainey, Ill.
Byrnes, S. C.	Garrett, Tenn.	Lowrey	Raker
Byrns, Tenn.	Garrett, Tex.	Lyon	Ramseyer
Cantrill	Griffin	McClintic	Rankin
Carew	Hammer	McCormick	Rouse
Chalmers	Hardy, Tex.	McDuffie	Rucker

Sanders, Tex.	Stoll	Tyson	Wilson
Sandlin	Strong, Kans.	Upshaw	Wingo
Sears	Summers, Wash.	Vinson	Wood, Ind.
Sisson	Sumners, Tex.	Walsh	Woods, Va.
Snell	Ten Eyck	Ward, N. C.	Wright
Snyder	Thompson	Weaver	
Stedman	Tillman	Wheeler	
Stevenson	Treadway	Williamson	

ANSWERED "PRESENT"—1.

Herrick

NOT VOTING—121.

Anderson	Graham, Pa.	McFadden	Siegel
Ansorge	Harrison	McLaughlin, Mich.	Sinclair
Anthony	Hawes	McLaughlin, Nebr.	Smithwick
Appleby	Hayden	MacGregor	Sproul
Bland, Ind.	Hays	Mansfield	Steagall
Britten	Hill	Mead	Stiness
Burke	Himes	Merritt	Strong, Pa.
Butler	Houghton	Michaelson	Sullivan
Carter	Hull	Morin	Swank
Chandler, N. Y.	Humphreys	Mudd	Tague
Clark, Fla.	Husted	Nelson, J. M.	Taylor, Ark.
Classon	Jacoway	Newton, Mo.	Taylor, Colo.
Crago	Johnson, S. Dak.	Ogden	Taylor, N. J.
Cramton	Kahn	Olpp	Thomas
Crisp	Kearns	Parrish	Tilson
Cullen	Keller	Perlman	Tincher
Dickinson	Kendall	Petersen	Underhill
Drane	Kennedy	Rainey, Ala.	Vare
Drewry	Ketcham	Rayburn	Voigt
Driver	Kindred	Reavis	Volk
Dupré	Kinkaid	Reed, N. Y.	White, Me.
Echols	Kitchin	Riddick	Williams
Fess	Knight	Riordan	Wise
Fitzgerald	Kreider	Rose	Woodruff
Focht	Kunz	Rossdale	Wurzbach
Free	Langley	Ryan	Wyant
Gernerd	Lankford	Sabath	Yates
Gilbert	Lawrence	Sanders, Ind.	Zihlman
Goldsborough	Lehlbach	Sanders, N. Y.	
Gorman	Lineberger	Shaw	
Gould	Linthicum	Shreve	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. LINEBERGER with Mr. KITCHIN.

Mr. TILSON with Mr. DUPRÉ.

Mr. MUDD with Mr. WISE.

Mr. KELLER with Mr. SULLIVAN.

Mr. BUTLER with Mr. HARRISON.

Mr. REED of New York with Mr. JACOWAY.

Mr. FESS with Mr. PARRISH.

Mr. NEWTON of Missouri with Mr. SMITHWICK.

Mr. TAYLOR of New Jersey with Mr. DREWRY.

Mr. OGDEN with Mr. CRISP.

Mr. GRAHAM of Pennsylvania with Mr. SWANK.

Mr. OLPP with Mr. TAYLOR of Arkansas.

Mr. WILLIAMS with Mr. HAYDEN.

Mr. BURKE with Mr. KINDRED.

Mr. KNIGHT with Mr. MEAD.

Mr. SHREVE with Mr. RIORDAN.

Mr. VARE with Mr. CARTER.

Mr. WYANT with Mr. THOMAS.

Mr. ROSSDALE with Mr. HAWES.

Mr. MORIN with Mr. LANGFORD.

Mr. GORMAN with Mr. RAYBURN.

Mr. FREE with Mr. CULLEN.

Mr. JOHNSON of South Dakota with Mr. GOLDSBOROUGH.

Mr. LEHLBACH with Mr. KUNZ.

Mr. KAHN with Mr. GILBERT.

Mr. LAWRENCE with Mr. LINTHICUM.

Mr. BLAND of Indiana with Mr. DRANE.

Mr. KENNEDY with Mr. TAGUE.

Mr. STRONG of Pennsylvania with Mr. DRIVER.

Mr. ANTHONY with Mr. HUMPHREYS.

Mr. HILL with Mr. MANSFIELD.

Mr. HIMES with Mr. STEAGALL.

Mr. MCLAUGHLIN of Michigan with Mr. TAYLOR of Colorado.

Mr. MICHAELSON with Mr. RAINEY of Alabama.

Mr. PERLMAN with Mr. SABATH.

Mr. ZIHLMAN. Mr. Speaker, may I be recorded?

The SPEAKER pro tempore (Mr. WALSH). Was the gentleman in the Hall and listening when his name was called?

Mr. ZIHLMAN. No.

The SPEAKER pro tempore. The gentleman does not qualify.

The result was announced as above recorded.

Mr. MADDEN. Mr. Speaker, I move to recede and concur in Senate amendment No. 2.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 12, after the figures "$7,500," strike out "Assistant to the Secretary, $5,000."

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 3: Page 2, line 21, after the word "all," strike out "$70,760" and insert "$73,260."

Mr. MADDEN. Mr. Speaker, I move to recede and concur in the Senate amendment. It just changes the total.

The question was taken, and the amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 3, line 4, after the word "Secretary," insert the word "Under-secretary."

Mr. MADDEN. Mr. Speaker, I move to recede and concur.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

(6): *Provided*, That section 2 of the act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes, approved July 31, 1894, shall not be construed as having application to retired officers of the Army, Navy, Marine Corps, or Coast Guard who may be appointed to the offices created by section 207 of the Budget and accounting act, 1921, approved June 10, 1921, within the meaning of precluding payment to such officers of the difference in pay prescribed for such offices and their retired pay.

Mr. MADDEN. Mr. Speaker, I move to recede and concur.

Mr. HUDDLESTON. Will the gentleman yield me five minutes?

Mr. MADDEN. I desire to explain this first.

Mr. Speaker, section 207 of the Budget act, approved June 10, 1921, provides in part as follows:

There is hereby created in the Treasury Department a bureau to be known as the Bureau of the Budget. There shall be in the bureau a director and an assistant director, who shall be appointed by the President and receive salaries of $10,000 and $7,500 a year, respectively * * *.

Section 2 of the act of July 31, 1894 (28 Stat., 205), provides:

No person who holds an office the salary or annual compensation attached to which amounts to the sum of $2,500 shall be appointed to or hold any other office to which compensation is attached unless specially heretofore or hereafter authorized thereto by law, but this shall not apply to retired officers of the Army or Navy whenever they may be elected to public office or whenever the President shall appoint them to office by and with the advice and consent of the Senate.

The Director of the Bureau of the Budget, appointed by the President, is not required to be confirmed by the Senate, and I understand it is the purpose of the President to appoint Gen. Lord, beginning about the 1st of July, to the position of Director of the Bureau of the Budget. Gen. Lord, as all Members of the House know, is the financial officer of the War Department. He has made a reputation for knowledge and experience of which those who have come in contact with him are proud. To accept the office of the Director of the Bureau of the Budget he will be required to resign from the Army, and thereby he would lose his right to retired pay. If the amendment proposed by the Senate should be adopted the President would be authorized to appoint him to this place, and his compensation would be the difference between what his retired pay amounts to and the $10,000 which is provided as compensation for the office. I do not believe that otherwise Gen. Lord would care to resign from the Army and thereby lose the opportunity of later coming under the provisions of the act which gives him the right to retired pay. If he accepted the place without this provision now under consideration, he would be required to resign, and he would resign to accept a place which might be permanent or might be temporary, as to which no one knows.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. GARRETT of Tennessee. I think, of course, no one who has come in contact with Gen. Lord fails to appreciate his efficiency, his splendid patriotism, and his great ability, but may I ask the gentleman if he thinks it wise that a retired Army officer should maintain his standing as an Army officer and at the same time render civil service?

Mr. MADDEN. Well, of course, many people have some doubt about the propriety of that. For myself I have always felt that Gen. Lord had such complete knowledge of the Government service that he would be a valuable acquisition to the position which the President has indicated he wishes to appoint him.

Mr. GARRETT of Tennessee. The difficulty about it is that by reason of our recognition of the very great ability of Gen. Lord we are liable to fall into a bad precedent.

Mr. MADDEN. I am submitting the case to the House. Does the gentleman wish some time?

Mr. GARRETT of Tennessee. There is no use in arguing about the ability and efficiency of Gen. Lord. Every one who has come in contact with him knows that; but the question is a precedent is being formed here which I think is dangerous.

Several Members rose.

Mr. MADDEN. I understand it is not exactly a precedent. I will yield to gentlemen in just a minute.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. McKENZIE. I desire to ask the chairman of the committee if it is not a fact that in taking this action the House will not be establishing a precedent; that under the law an officer in the Army may be retired with the consent of the President after having 30 years of service; and that when Gen. Wood, a short time ago, was appointed governor of the Philippine Islands, if you will remember, the question was raised, and it was the desire of the administration to appoint him governor of the Philippine Islands while he was on the active list? That was met with very stubborn opposition in the Committee on Military Affairs of the House of Representatives, myself among others feeling that we should be establishing a dangerous precedent to put men into civil positions while retaining their status as active officers in the Army. Consequently, Gen. Wood retired from the Army and accepted the position of governor of the Philippine Islands as a retired Army officer.

Mr. HUDDLESTON. I would like to know whether Gen. Wood retired, or did he resign?

Mr. McKENZIE. He retired. He had had over 30 years of service.

Mr. HUDDLESTON. The gentleman said "resigned." So he is now a retired Army officer holding that position?

Mr. McKENZIE. He is, after having had over 30 years of service.

Mr. HUDDLESTON. Is not that in violation of the statute that is proposed to be affected by this legislation?

Mr. McKENZIE. Unless confirmed by the Senate——

Mr. MADDEN. Unless confirmed by the Senate he is entitled to do that. It is a case where the Senate is not required to confirm.

Mr. HUDDLESTON. He is eligible to appointment in an office where the confirmation is not required by the Senate?

Mr. MADDEN. Where the confirmation is required by the Senate, but, having resigned, he is not eligible.

Mr. BYRNES of South Carolina. If this legislation is not defeated, can the gentleman from Illinois [Mr. MADDEN] tell us whether it is the intention of Gen. Dawes to resign?

Mr. MADDEN. I think he would resign.

Mr. CHALMERS. I would like to ask the gentleman if he thinks it wise to make permanent laws so as to take care of an individual case?

Mr. MADDEN. There is a provision of law in connection with all cases concerning Army and Navy officers whose confirmation is required by the Senate, and this is only extending the existing law to cases where the confirmation is not necessary.

Mr. ANDREWS of Nebraska. Is Gen. Lord a West Point graduate?

Mr. MADDEN. I think not.

Mr. ANDREWS of Nebraska. My understanding is that Gen. Lord was appointed by the War Department on the staff of the Army because of his qualifications in connection with the disbursement of the revenues of the Government, and that he is not a graduate of West Point. The Army recognized his ability; the Army took him because of that fact—as a business manager, so to speak. He occupies in that particular quite a different relationship to this whole proposition from what a regular man from West Point or a retired Army officer would have. Now, permit me to say that I have had occasion to review many accounts of revenues and disbursements of the Government, and I have failed to find in the range of my acquaintance a man who is so thoroughly equipped in the matter of the accounting of the revenues and disbursements of the Government as Gen. Lord, and I understand that is the qualification that caused him to be selected.

Mr. BLANTON. The gentleman is not only providing that Gen. Lord may accept this position but he is passing a general statute that any employee of this Government whose salary does exceed $2,500 may do so.

Mr. MADDEN. This only applies to Army and Navy officers.

Mr. BLANTON. Any Army or Navy officer whose salary is more than $2,500 a year may hold a dual position?

Mr. MADDEN. No; only one. He would have the pay of an officer in the Army after he got the appointment.

Mr. BLANTON. Of the 17 officers we have provided for by law, there are a good many whose salaries are over $2,500, and any one of them could hold an appointive position under the President.

Mr. MADDEN. Not under this law.

Mr. BLANTON. Anyone whose salary is over $2,500.

Mr. MADDEN. Not anyone except Army and Navy officers.

Mr. GARRETT of Tennessee. Mr. Speaker, Gen. Lord was made clerk of the Committee on Ways and Means when Mr. Dingley, of Maine, was chairman of that committee. He probably had more to do with the drawing of the Dingley bill, the most successful protective tariff bill ever drawn, than any other person, except Mr. Dingley himself. His knowledge is great. There is no quarrel about that. But there is involved in this amendment a proposition which it seems to me might lead to great trouble in the future.

Mr. MADDEN. It does not extend beyond two officers connected with the Bureau of the Budget, the director and the assistant director.

Mr. MANN. Will the gentleman from Tennessee yield for a question?

Mr. GARRETT of Tennessee. With the permission of the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. I yield.

Mr. MANN. Does not my friend from Tennessee believe, and do not other Members of the House believe, that to the Bureau of the Budget, in a way an experimental proposition, we ought to give the opportunity to appoint the best man in America that the President can find?

Mr. GARRETT of Tennessee. Yes; I agree with that. But if the gentleman will pardon me, I do not see why even the best man in America should draw a salary as a retired Army officer at the same time.

Mr. MANN. Well, here is Gen. Lord, who goes on the retired list. I do not know what his salary would be on that list. If you want to draft him into the position of Director of the Budget, is it fair to ask him to give up his retirement pay for the balance of his life in order to be Director of the Budget for no one knows how long, when the Government financially is the gainer by having him draw only $10,000 for both being Director of the Budget and including his retired pay? If he does not do that, then we will have to pay him his retired pay and pay the Director of the Budget $10,000 besides, and may not get as efficient a man. If we can save money and increase efficiency, is it not a wise thing to do?

Mr. GARRETT of Tennessee. I doubt it—not because of Gen. Lord, let me say, however.

Mr. MANN. Oh, the gentleman from Tennessee and I believe the same way about making exceptions to general rules. We do not believe in it. But once in a while it is essential to make an exception to any rule. Is it not the wise thing to make an exception here when we gain in efficiency and economy both?

Mr. SNELL. Mr. Speaker, will the gentleman tell us what his salary will be as a retired general of the Army?

Mr. MADDEN. My recollection is that the retired pay of a brigadier general would be $4,500; three-fourths of his present base pay, which is $6,000.

Mr. SNELL. Then there would be an actual saving of $5,500?

Mr. MADDEN. No; $4,500, because he would get $5,500 out of this $10,000.

Mr. SNELL. And you would get the most efficient man?

Mr. MADDEN. Yes.

Mr. McKENZIE. Mr. Speaker, will the gentleman allow me to make a short statement?

Mr. MADDEN. Yes.

Mr. McKENZIE. I fear that probably I made a statement which may have misled some Members when I said that Gen. Lord had had 30 years' service. He has not had 30 years' service, but he is eligible to retirement under that provision of law which provides that the President may retire an officer at the age of 62, and Gen. Lord will have reached the age of 62 and will be eligible for retirement under that provision of law, instead of after 30 years' service.

Mr. MADDEN. Mr. Speaker, I yield to the gentleman from Alabama [Mr. HUDDLESTON] five minutes.

The SPEAKER pro tempore. The gentleman from Alabama is recognized for five minutes.

Mr. HUDDLESTON. Mr. Speaker, it is not my purpose to discuss the qualifications of Gen. Lord, except to say, with all respect to the gentlemen who have advanced the idea, that it is utter nonsense to say that Gen. Lord is the only man in America who is qualified for the position of Commissioner of the Budget, or, indeed, that he has any qualifications which separate him from perhaps a thousand other good Americans.

If Gen. Lord has preeminent qualifications for this position, let me say that in my judgment he is the only man who has had his training in the Regular Army who has acquired such superior business qualifications by reason of it.

Mr. ANDREWS of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. HUDDLESTON. I will ask the gentleman to excuse me for a moment.

Gen. Lord has had 20 years' service in the Regular Army, and has been separated that long from general business transactions. If I were making the appointment I would not select a man who had been that length of time away from dealing with general business affairs and mixed up with a system of reckless expenditure of the public funds, and extravagance and waste, such as has gone on in the Army during the last few years. [Applause.]

But as I said, I do not desire to discuss Gen. Lord's qualifications. I am willing, for the sake of the argument, to concede that he has preeminent qualifications. I would like to suggest, however, in my modest way that we have other men in the country, Gen. Lord's inferiors though they be, who can do this work, so that his appointment as commissioner is not essential to the safety of the Republic.

That we are establishing a precedent in this measure is obvious to those who have heard the colloquy in which the gentleman from Illinois [Mr. McKENZIE] took part. If the appointment of this officer were required to be confirmed by the Senate, a retired Army officer would be eligible under the law. But since such is not the case, a retired Army officer is not eligible. No law has ever been passed which made such officers eligible. So that we are now establishing this practice for the first time in our history.

There is a reason why retired officers should not be appointed except upon the advice and consent of the Senate, because that enables a body which directly represents the people to keep its hands on such appointments and prevent abuses. For myself, I want to say that I will never vote to make any retired Army officer eligible for any civil office whatsoever. [Applause.] I regard it as essentially bad policy.

From the very beginnings of our Government the danger that the military might control civil affairs has been considered; it has been feared. The best brains of the Republic and its highest patriotism have opposed such a possibility from the very beginning. You will establish this precedent here because you say he is a man of high qualifications. Gen. Wood has high qualifications for the position of Secretary of War. Other officers of the Army have high qualifications for that position. Many officers of the Navy have high qualifications to act as Secretary of the Navy. You may be called upon to waive your scruples and make void our traditions by making eligible for Secretary of War or Secretary of the Navy some high officer of the Army or of the Navy. That prospect is what you are driving for, gentlemen, and that is what I am opposing. I think we, the Representatives of the great civilian body of the people of this country, ought to stand like iron against the militarization of our Government. As militarism enters the Government of a republic, democracy departs—to the extent that a republic is militarized it is undemocratized. As a consistent antimilitarist, I feel it my duty to express my unshakable conviction that the course proposed is dangerous to the welfare of our country. [Applause.]

Mr. MADDEN. Mr. Speaker, I yield three minutes to the gentleman from Tennessee [Mr. BYRNS].

The SPEAKER pro tempore. The gentleman from Tennessee is recognized for three minutes.

Mr. BYRNS of Tennessee. Mr. Speaker, I favor the pending amendment, and I hope it will be adopted. Everyone who knows Gen. Lord and is familiar with his services with the Government recognizes his patriotism, his ability, and his integrity. As has been stated by the gentleman from Illinois [Mr. MADDEN], he has served as financial officer in the War Department for a number of years. He effected great economies there and has rendered highly efficient and splendid service, as every one who is familiar with his record knows.

The gentleman from Illinois has stated that it is the purpose of the President, if permitted to do so, to appoint Gen. Lord to succeed Gen. Dawes as Director of the Budget. For my part, I want to say unhesitatingly that I do not believe that the President could possibly make a better selection for the head of the Budget as its director.

Gentlemen have referred to the fact that in passing the amendment we are establishing a bad precedent. There might be some force and logic in that sort of argument if this were a general exception; but this exception applies alone to the office of the Director of the Budget. As we all know, it was the intent and purpose of the Budget law to give to the President of the United States the right to select as the Director of the Budget his own personal and trusted adviser to assist him with reference to the estimates to be submitted to Congress. If the President believes that Gen. Lord is the very best man that he can select as Director of the Budget to succeed Gen. Dawes, then by all means I am in favor of giving him the opportunity to appoint Gen. Lord to that position, and I wish to repeat that I do not believe he could make a better selection.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes; I yield to my colleague.

Mr. GARRETT of Tennessee. We agree upon that; but does the gentleman think it wise that Gen. Lord should remain as an officer of the Army, drawing pay as an officer of the Army, and at the same time drawing pay as Director of the Budget in civilian life?

Mr. BYRNS of Tennessee. Oh, this provision is to permit the appointment of Gen. Lord after his retirement.

Mr. GARRETT of Tennessee. On retired pay?

Mr. BYRNS of Tennessee. On retired pay; and as has been explained——

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. I should like two minutes more.

Mr. MADDEN. I yield to the gentleman from Tennessee two minutes more.

Mr. BYRNS of Tennessee. As has been explained, Gen. Lord will not draw two salaries. He will only draw the difference between his retired pay and the salary of the Director of the Budget. Therefore by adopting this amendment we are actually effecting an economy during his term of office of something like $5,500 per annum. Gentlemen, I hope this amendment will be adopted.

Mr. UPSHAW. Will the gentleman yield?

Mr. BYRNS of Tennessee. If I have the time.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has again expired.

Mr. MADDEN. I yield three minutes to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Speaker, I agree in the main with everything that the gentleman from Alabama [Mr. HUDDLESTON] has said in reference to the appointment of Army officers to civil positions. But as has already been developed in this debate, Gen. Lord served this Government in a civil position quite as long as he has served in the Army. He came here as the clerk to one of the great committees. The late Mr. Dingley brought him here. He is a man of education, of refinement, and above all things he is one of the few men that you find left who believe fully and firmly in the right of Congress to determine the policies of the Army and Navy and to control appropriations, and I believe that Gen. Lord is as patriotic and sincere as any man in this House and that he is as much opposed to the domination of the civil government by the Military Establishment as any man in Congress. I have known him for a number of years, but I was not drawn closely to him until during the late war, when Gen. Lord was appointed to perform an enormous task. That was to prevent duplications in appropriations, to keep the accounts of the vast expenditures straight, and he did a magnificent service. I had the opportunity then during that war to find out the value of Gen. Lord's services. No mistake will be made in giving this important place to Gen. Lord. Then, as has been suggested by my friend and colleague from Tennessee [Mr. BYRNS], we shall be actually saving something over $5,500 a year by the adoption of this amendment, because his retired pay will be about $5,500 and this provision only pays the difference.

Mr. UPSHAW. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Georgia.

Mr. UPSHAW. Does not the gentleman think it would be very unfortunate for the Government to be deprived of the services of men of conspicuous ability who are needed in civilian leadership?

Mr. SISSON. I do not know that I agree with my friend that that sort of a man ought to have this place simply because he is a military man. On the contrary, I agree with the gentleman from Alabama [Mr. HUDDLESTON]; but knowing Gen. Lord as I do, I do not believe he is any more tainted with militarism than is my friend from Georgia [Mr. UPSHAW] or than the gentleman from Alabama [Mr. HUDDLESTON]. In fact, Gen. Lord has had no connection with the Army except in a financial department of the War Department.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. SISSON. I will.

Mr. ANDREWS of Nebraska. Was not Gen. Lord taken into the Army because of his recognized business ability instead of because of any military qualifications that he had?

Mr. SISSON. I am sure that that was the reason, because he does possess most peculiar business ability, and I do not know of a man who is his equal in working out for Congress and for the various committees of Congress these details of appropriations; nor do I know a man who would give more absolute and unqualified fairness to the consideration of any question which might be submitted to him.

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. MADDEN. I yield to the gentleman from Kentucky [Mr. FIELDS] three minutes.

Mr. FIELDS. Mr. Speaker, the gentleman from Mississippi [Mr. SISSON] has just stated about what I had in mind. I therefore have but little to say upon this subject, except that I am for this amendment and shall vote for it.

The gentleman from Alabama [Mr. HUDDLESTON] stated that Gen. Lord received his training in the Army. Gen. Lord received his training before he entered the Army. In fact it was that training and his efficiency in his work that contributed largely to his appointment into the Army from civil life in 1901. So he has spent more years serving the Government, or more of his life outside of the Army than he has spent in the Army; and if there is one man in all the commissioned personnel of the Army of the United States who stands out above all the rest as not having become militarized because of his service in the Military Establishment, it is Gen. Lord. He is a most efficient man.

In fact, as has been said, he is one of the most efficient men I have ever met—in the Army or out of it. Now, he will be upon the pay roll of the Government whether appointed to this position or not. He is in the vigor of life. His usefulness remains; and why should not the Government have the benefit of his distinguished and valuable services? I would not establish the precedent of appointing to a civil position a man who is in the active military service; but when an officer retires from the Army his connection with the Army ceases, except that he receives his retired pay. And in view of the fact that this man has served the Government possibly more years in a civilian capacity than in a military capacity, and in view of the further fact that all who know him know that his service in the Army has not wedded him to the idea of militarism but has better fitted him, possibly—by giving him a view of both sides of the proposition—for the responsibility awaiting him if appointed to this high office, I feel that provision should be made for his appointment.

The SPEAKER pro tempore. The time of the gentleman has expired.

The question is on the motion that the House recede and concur in Senate amendment No. 6.

The question being taken, on a division (demanded by Mr. CHALMERS), there were—ayes 70, noes 19.

Mr. CHALMERS. Mr. Speaker, I object to the vote because there is no quorum present.

The SPEAKER pro tempore. The gentleman from Ohio makes the point that no quorum is present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees. All those in favor of the motion to recede and concur in the Senate amendment will answer yea and those opposed will answer nay, and the Clerk will call the roll.

The question was taken; and there were—yeas 234, nays 74, answered "present" 2, not voting 120, as follows:

YEAS—234.

Ackerman	Burton	Cramton	Fisher
Andrew, Mass.	Butler	Crowther	Focht
Andrews, Nebr.	Byrnes, S. C.	Curry	Foster
Arentz	Byrns, Tenn.	Dallinger	Free
Atkeson	Cable	Darrow	Freeman
Bacharach	Campbell, Kans.	Davis, Minn.	French
Barbour	Campbell, Pa.	Davis, Tenn.	Frothingham
Barkley	Cannon	Denison	Fuller
Beedy	Carter	Dickinson	Funk
Begg	Chindblom	Doughton	Gahn
Bell	Christopherson	Dowell	Gallivan
Bird	Clague	Dunbar	Glynn
Bixler	Clarke, N. Y.	Dunn	Goodykoontz
Black	Codd	Dupré	Gorman
Blakeney	Cole, Iowa	Dyer	Graham, Ill.
Bland, Ind.	Cole, Ohio	Echols	Graham, Pa.
Bowers	Collier	Edmonds	Greene, Mass.
Brennan	Colton	Elliott	Greene, Vt.
Briggs	Connally, Tex.	Ellis	Griest
Brooks, Ill.	Connell	Fairchild	Hadley
Brown, Tenn.	Connolly, Pa.	Fairfield	Hardy, Colo.
Browne, Wis.	Cooper, Ohio	Faust	Hardy, Tex.
Burdick	Cooper, Wis.	Fenn	Haugen
Burroughs	Copley	Fess	Hawes
Burtness	Coughlin	Fields	Hawley
Hayden	Lee, N. Y.	Overstreet	Smith, Mich.
Herrick	Little	Padgett	Snell
Hersey	Luce	Paige	Speaks
Hickey	Luhring	Parker, N. J.	Stafford
Hicks	Lyon	Parker, N. Y.	Steenerson
Himes	McArthur	Patterson, Mo.	Stephens
Hoch	McCormick	Patterson, N. J.	Strong, Kans.
Hogan	McLaughlin, Mich.	Perkins	Summers, Wash.
Hudspeth	McLaughlin, Pa.	Porter	Sweet
Hukriede	McPherson	Pringey	Swing
Hull	Madden	Rainey, Ill.	Taylor, Tenn.
Hutchinson	Magee	Raker	Temple
Ireland	Maloney	Ramseyer	Thompson
Jacoway	Mann	Ransley	Tinkham
Jefferis, Nebr.	Mapes	Reber	Towner
Johnson, S. Dak.	Martin	Reece	Treadway
Johnson, Wash.	Michener	Reed, W. Va.	Underhill
Jones, Pa.	Miller	Rhodes	Upshaw
Kelly, Pa.	Mills	Ricketts	Vaile
Kiess	Millspaugh	Riddick	Vestal
King	Mondell	Roach	Volstead
Kinkaid	Montoya	Robsion	Walsh
Kirkpatrick	Moore, Ill.	Rodenberg	Walters
Kissel	Moore, Ohio	Rogers	Wason
Kline, N. Y.	Moores, Ind.	Scott, Mich.	Webster
Kline, Pa.	Morgan	Scott, Tenn.	Wheeler
Knutson	Mott	Sears	Williamson
Kopp	Murphy	Shelton	Wood, Ind.
Lankford	Nelson, A. P.	Shreve	Woodruff
Larson, Minn.	Nelson, J. M.	Sinclair	Wright
Lazaro	Nolan	Sinnott	Wurzbach
Lea, Calif.	Norton	Sisson	Zihlman
Leatherwood	O'Connor	Slemp	
Lee, Ga.	Osborne	Smith, Idaho	

NAYS—74.

Almon	Dominick	Lowrey	Sandlin
Aswell	Favrot	McClintic	Schall
Bankhead	Fulmer	McDuffie	Stedman
Beck	Garrett, Tenn.	McSwain	Stevenson
Bland, Va.	Garrett, Tex.	Montague	Stoll
Blanton	Gensman	Moore, Va.	Sumners, Tex.
Bond	Hammer	O'Brien	Swank
Bowling	Huddleston	Oliver	Ten Eyck
Box	Humphreys	Park, Ga.	Thomas
Brand	Jeffers, Ala.	Pou	Tyson
Brinson	Johnson, Ky.	Quin	Vinson
Buchanan	Johnson, Miss.	Radcliffe	Ward, N. C.
Bulwinkle	Jones, Tex.	Rankin	Weaver
Cantrill	Kincheloe	Rayburn	Wilson
Carew	Lanham	Riordan	Wingo
Chalmers	Larsen, Ga.	Rosenbloom	Woods, Va.
Clouse	Layton	Rouse	Woodyard
Collins	Logan	Rucker	
Deal	London	Sanders, Tex.	

ANSWERED "PRESENT"—2.

Cockran	Langley

NOT VOTING—120.

Anderson	Gould	McFadden	Shaw
Ansorge	Green, Iowa	McKenzie	Siegel
Anthony	Griffin	McLaughlin, Nebr.	Smithwick
Appleby	Harrison	MacGregor	Snyder
Benham	Hays	Mansfield	Sproul
Boies	Hill	Mead	Steagall
Britten	Hooker	Merritt	Stiness
Brooks, Pa.	Houghton	Michaelson	Strong, Pa.
Burke	Husted	Morin	Sullivan
Chandler, N. Y.	James	Mudd	Tague
Chandler, Okla.	Kahn	Newton, Minn.	Taylor, Ark.
Clark, Fla.	Kearns	Newton, Mo.	Taylor, Colo.
Classon	Keller	Ogden	Taylor, N. J.
Crago	Kelley, Mich.	Oldfield	Tillman
Crisp	Kendall	Olpp	Tilson
Cullen	Kennedy	Parks, Ark.	Timberlake
Dale	Ketcham	Parrish	Tincher
Dempsey	Kindred	Perlman	Vare
Drane	Kitchin	Petersen	Voigt
Drewry	Kleczka	Purnell	Volk
Driver	Knight	Rainey, Ala.	Ward, N. Y.
Evans	Kraus	Reavis	Watson
Fish	Kreider	Reed, N. Y.	White, Kans.
Fitzgerald	Kunz	Robertson	White, Me.
Fordney	Lampert	Rose	Williams
Frear	Lawrence	Rossdale	Winslow
Garner	Lehlbach	Ryan	Wise
Gernerd	Lineberger	Sabath	Wyant
Gilbert	Linthicum	Sanders, Ind.	Yates
Goldsborough	Longworth	Sanders, N. Y.	Young

So the motion was agreed to.

The following additional pairs were announced:

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. NEWTON of Missouri with Mr. SMITHWICK.

Mr. WILLIAMS with Mr. PARKS of Arkansas.

Mr. FISH with Mr. PARRISH.

Mr. APPLEBY with Mr. GRIFFIN.

Mr. TINCHER with Mr. GARNER.

Mr. REED of New York with Mr. CULLEN.

Mr. VOLK with Mr. JAMES.

Mr. TILSON with Mr. DRANE.

Mr. CHANDLER of Oklahoma with Mr. OLDFIELD.

Mr. PURNELL with Mr. TAYLOR of Colorado.

Mr. LAMPERT with Mr. HARRISON.

Mr. WINSLOW with Mr. STEAGALL.

Mr. SIEGEL with Mr. TILLMAN.

Mr. SNYDER with Mr. HOOKER.

Mr. FITZGERALD with Mr. GOLDSBOROUGH.

The SPEAKER. The Clerk will read the next amendment.
The Clerk read as follows:

Senate amendment No. 20: Washington, D. C., National Archives Building: For site of building, including $25,000 for technical services, $500,000.

Mr. MADDEN. Mr. Speaker, I move to further insist on the disagreement of the House to the Senate amendment. I desire to say in this connection that there is no authority of law for the construction of an archives building. I believe there is authority to buy a lot, but the purchase of a lot does not bring you any nearer the erection of a building than you are to-day. Some years ago there was a good deal of agitation for the erection of an archives building, and the purchase of a lot was authorized, but it was not used for the purpose for which it was purchased. They erected another building on the lot that was bought to be used in connection with the construction of the archives building.

Now there is a new agitation for the erection of an archives building, and, of course, in this connection it is necessary to buy a new lot. It must be purchased within a given radius where somebody has a lot to sell. The Government within the last three months donated a very important lot situated down on the Mall to the Washington Memorial Association upon which to erect a memorial building. That lot would have been an ideal place upon which to erect an archives building. We have other property adjacent to the lot that we gave away upon which an archives building could be erected, but that will not satisfy those who have lots to sell [applause], and probably will not satisfy those who want to buy the lots.

Mr. WALSH. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. WALSH. Has the gentleman recently examined the statute under which it was intended to donate the lot for the memorial building?

Mr. MADDEN. I regret to say that I have not.

Mr. WALSH. I think if the gentleman will look at the law, he will find that it has expired and that this corner stone is located on land that does not belong to the society to which it was intended the lot should be given.

Mr. MADDEN. If that is the case, that is the place now to erect the archives building.

Mr. LANGLEY. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. LANGLEY. We had a hearing on that very question, and the matter is now under consideration by the Committee on Public Buildings and Grounds, of which I am chairman; and Col. Sherrill, in charge of public buildings and grounds, who represented the President at the corner-stone laying, admitted that the corner stone was laid without authority of law. The Judge Advocate General having rendered a ruling that in view of a law subsequently discovered his previous ruling that it was lawful was not correct. He said, however, as the hearings will show, that having practically completed the arrangements they thought they might as well go ahead with them.

Mr. MADDEN. Is it the intention of the gentleman's committee to report a bill to authorize the construction of an archives building?

Mr. LANGLEY. I do not know. I do not control the committee. I have only one vote in it.

Mr. MADDEN. If so, is it the intention to authorize that building to be erected on property owned by the Government?

Mr. LANGLEY. We certainly do not intend to authorize the beginning of a building that will take a decade to complete unless the Government of the United States expends seven or eight million dollars in order to do it, and that is the exact situation with regard to that structure. We have had some experience along that line already, as, for instance, the Washington Monument. I am inclined to favor the views of the Secretary of War and the Fine Arts Commission that the pending resolution should be amended so as to read that the Secretary of War shall have discretionary power to determine exactly how much money shall be subscribed and paid in before the project is started. I think that is the view of the committee of which I am chairman. I might add that representatives of the American Legion who have appeared before our committee are opposed to erecting any monument or memorial building for the World War veterans until the sick and disabled are properly provided for and a just compensation law has been enacted.

With regard to the other proposition, if the gentleman will yield further, we have that matter under consideration now. I concede that we need an archives building, but we also need other buildings in this country, hundreds of them. The Government business is being transacted in many places under conditions that are disgraceful to this Republic, and if we permit another body to stick in here and there a provision authorizing the construction of buildings that existing law does not permit and has not authorized, the first thing we know we country dirt-road farmer Congressmen will be knocked out of any public buildings at all, and I am opposed to any such procedure as this. [Applause.]

Mr. MADDEN. Mr. Speaker, I hope the House will concur in the motion that I have made. I wish to propound a parliamentary inquiry. If I yield to the gentleman from Massachusetts [Mr. DALLINGER], do I surrender the floor? He wants to make a motion.

The SPEAKER. The gentleman from Massachusetts, the Chair assumes, desires to offer a preferential motion.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. DALLINGER].

Mr. DALLINGER. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The gentleman from Massachusetts moves that the House recede and concur in the Senate amendment.

Mr. DALLINGER. Mr. Speaker, this archives building is authorized by law. The amendment which I have offered was recommended by the Director of the Budget, and at the time I offered this amendment it was ruled out on a point of order upon the ground that there was no authority of law for the construction of this building or the acquisition of the land. As a matter of fact, this archives building was authorized almost eight years ago in the last omnibus public-building act passed by Congress, and if I can have the attention of the Members, I want to read to them a portion of this act and leave it to them whether or not there is authority of law for the acquisition of a site for the construction of this building. I read from section 21 of an act passed on March 3, 1913:

SEC. 21. That the Secretary of the Treasury be, and he is hereby, authorized and directed to prepare designs and estimates for a fireproof national archives building of modern library-stack type of architecture, containing not less than 3,000,000 cubic feet of space, suitable for the orderly storage of records, documents, and other papers which have accumulated in the various departments, independent establishments, and executive offices and in the files of the Senate and House of Representatives and are not needed for current use.

That the said designs and estimates shall be prepared with a view to the erection of the said building in the city of Washington, District of Columbia, upon a lot of land large enough to contain ultimately a building embracing 8,900,000 cubic feet of space.

That the said designs and estimates shall make provision for a building capable of subsequent extension, without impairing its architectural appearance from a capacity of 3,000,000 cubic feet to a capacity of 8,900,000 cubic feet.

That before the said designs and estimates are completed inspection shall be made under the direction of the Secretary of the Treasury of the best modern national archive buildings in Europe, and consultation shall be had with the best authorities in Europe on the construction and arrangement of archive buildings.

That the said designs and estimates shall provide for the construction of a building the total cost of which, including heating and ventilating apparatus, elevators, and approaches, complete, shall not exceed the sum of $1,500,000.

That whenever the said designs and estimates have been approved by a commission consisting of the President of the Senate, the Speaker of the House of Representatives, the Secretary of the Treasury, the Secretary of War, and the Secretary of the Interior, then the Secretary of the Treasury shall be, and he is hereby, authorized and directed, in his discretion, to purchase, or cause to be taken for public use, by condemnation or otherwise, as a site for said building, any piece of land of the size defined in this section the purchase of which shall be approved by the said commission.

That for the preparation of said designs and estimates the sum of $5,000, or so much thereof as may be necessary, is hereby authorized to be expended for employment of technical and engineering services in the office of the Supervising Architect.

Mr. MADDEN. That is an authorization only to prepare the plans for such a building.

Mr. DALLINGER. Not at all. It contemplates the construction of a fireproof archives building, the total cost of which shall not exceed the sum of $1,500,000.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. DALLINGER. That act has never been repealed, except in so far as it has been modified by not requiring the traveling abroad by a commission to examine foreign archives buildings.

Mr. MADDEN. Would the gentleman be willing to appropriate $500,000 to-day to buy a lot, if we already have a lot where we can erect the building without any cost?

Mr. DALLINGER. In regard to that, under the plan of the Fine Arts Commission, which everyone who has seen it admires, other buildings are contemplated to be erected on the other lots that the Government owns.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. BEGG. Would the gentleman please read that first paragraph again? I took it to be an authorization to prepare plans for a building costing not to exceed $1,500,000. I do not see where the gentleman gets any authorization for the building.

Mr. LANGLEY. He can not cite it. There is no such law in existence.

Mr. BEGG. Will the gentleman kindly read it again?
Mr. DALLINGER. Certainly.

SEC. 21. That the Secretary of the Treasury be, and he is hereby, authorized and directed to prepare designs and estimates for a fireproof national archives building of modern library-stack type of architecture, containing not less than 3,000,000 cubic feet of space, suitable for the orderly storage of records, documents, and other papers which have accumulated in the various departments, independent establishments, and executive offices and in the files of the Senate and House of Representatives and are not needed for current use. * * *
* * * That the said designs and estimates shall provide for the construction of a building the total cost of which, including heating and ventilating apparatus, elevators, and approaches, complete, shall not exceed the sum of $1,500,000.
That whenever the said designs and estimates have been approved by a commission consisting of the President of the Senate, the Speaker of the House of Representatives, the Secretary of the Treasury, the Secretary of War, and the Secretary of the Interior, then the Secretary of the Treasury shall be, and he is hereby, authorized and directed, in his discretion, to purchase, or cause to be taken for public use, by condemnation or otherwise, as a site for said building any piece of land of the size defined in this section the purchase of which shall be approved by said commission.

So there is no question about the authority. We not only authorized but we directed the Secretary of the Treasury to purchase the site when the plans were approved. As a matter of fact, the plans were approved by that commission, and one of the members of the Senate Committee on Appropriations has a photostatic copy of that approval by that commission; so that the Secretary of the Treasury is not only authorized but directed to purchase this site by existing law; and the only thing that is needed is the appropriation of money by the Committee on Appropriations.

Mr. BEGG. The appropriation of what money—for the building or for the plans?

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. MADDEN. Mr. Speaker, I yield one minute more to the gentleman from Massachusetts.

Mr. BEGG. Does the gentleman contend that there is authority for the appropriation of money for the building or for the plans? I concede the plans.

Mr. DALLINGER. That act authorizes and directs the Secretary to purchase that site when the plans are approved.

Mr. BEGG. Does the gentleman contend that he would have authority to erect a building thereon, or that we would have any authority to appropriate money as the legislation stands to-day?

Mr. DALLINGER. I think that, taking that act in its entirety, there is no question whatever that the intention of Congress was to authorize a maximum authorization of $1,500,000 for the building and the site, and the Secretary was directed to purchase the site whenever those plans were approved.

Mr. LANGLEY. Will my friend yield to me?

Mr. DALLINGER. Certainly.

Mr. LANGLEY. Regardless of whether the gentleman's last answer is correct or not, does the gentleman believe that Congress ought to go ahead and purchase property when the Government already owns enough property in the District of Columbia to build five times as many buildings as the Government needs?

Mr. DALLINGER. I certainly do; because upon every one of the sites now owned by the Government of the United States, in accordance with the general plan of building up and down the Mall, other buildings are intended to be erected.

Mr. LANGLEY. Whose plan is that, the Fine Arts Commission?

Mr. DALLINGER. Yes.

Mr. LANGLEY. All right. I have very little respect for its plans.

The SPEAKER. The time of the gentleman has expired.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, I am not going to enter into a technical discussion of whether under the law without further authority there could be erected the building. The question of the gentleman from Ohio does not go to the core of the issue. This has nothing to do with the construction of the building. This is for a site for a building, including a certain amount of money for technical services, and we will dismiss that particular item altogether. Certainly nobody would question whether we have authority under the law to get the site. That is what this is for. As to whether it is wise or not——

Mr. EVANS. Will the gentleman yield?

Mr. FESS. I will yield.

Mr. EVANS. Is it not a fact that this authority mentioned in the statute to which attention was called was used to purchase property, and the site purchased was used for another purpose?

Mr. FESS. If that is true, that does not nullify what we are attempting to do here. Let me call your attention to just one item. I sympathize with the chairman of the Committee on Appropriations. I fully and deeply as well as sincerely sympathize with the efforts of the chairman of the committee and those interested in not allowing the Budget System to be broken down by additional amendments in another body, which if offered here would be subject to a point of order. All I ask is this: I would like to present just briefly the tremendous importance of this proposed building by citing the figures given to the House on June 3, 1916, by myself, on the occasion when we have under discussion this item and when I read to you the report from the fire marshal of the District of Columbia of the number of fires that they had had in Government buildings here in the Capital since 1873. The number is over 250, and of these fires 6 of them were total losses, and the amount of valuable records that was destroyed, especially by the fire of 1851, which destroyed one whole portion of the Congressional Library, simply is beyond estimate. I would like also to call your attention to this fact, that ours is the only great Government in the world that does not have an archives building. I leave that without further argument as a remarkable statement that nobody will question.

Mr. LANGLEY. Will the gentleman kindly yield to me? Is it not also true that this is the only Government in the world that has not other public buildings in which to transact other Government activities that are decently constructed?

Mr. FESS. I think the chairman of the Committee on Public Buildings and Grounds will agree with me that there are some buildings that we can easily get along without, and he will agree with me, I know, that we ought to gather these scattered archives that are some of them in cellars down here in the Patent Office where these records have been corroded and totally destroyed and we ought to put those records somewhere where a building can be erected to preserve them.

Mr. LANGLEY. The gentleman's statement is correct, but why not put all in one building and take care of the whole country while we are about it?

Mr. FESS. I would not care that that would be done, but the movement for an archives building is more than 40 years old and every time the suggestion is made it meets with just such objections as we now hear.

Mr. LANGLEY. And if it go on this way it will soon be 40 years since we have had a public-building bill.

Mr. FESS. But you must build an archives building without any reference to some little post-office building down in Podunk or some other place.

Mr. LANGLEY. I will answer the gentleman on that point in my own time.

Mr. FESS. This building ought to be built in the Capital to preserve the valuable archives that are being lost, and I know that the gentleman agrees with me. I wish the Members of the House would examine the facts I presented on June 3, 1916, on the needs of this structure.

The SPEAKER. The time of the gentleman has expired.

Mr. MADDEN. I yield five minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Speaker, the difficulty with any such proposition as this is that we are so frequently urged to the support of a particular real-estate deal through the need for a building for a special purpose. We recognize the need for an archives building, but that being granted does not mean we have to appropriate a large amount of money to buy some more real estate when the complaint now of the people of Washington is that the Government owns too much real estate here. Among the things we should know before we spend a half million dollars for real estate as a beginning of expenditure of many million dollars for an archives building would be the possibility of other buildings being available now for this purpose. If gentlemen will look at the hearings on the sundry civil bill, conducted by Mr. Good when chairman of the Committee on Appropriations last year, and note the discussion of the Patent Office Building, I think you will be convinced that the present Patent Office Building is not satisfactory for the work of that office, and good results can not be secured from that service until that organization is given a better building. The examiners who have the most important work to be done are all grouped together, a great many in one room together, subject to constant interruption. But that building would be an ideal building for the use of an archives building or for the storage of archives, because it has walls 4 feet thick of masonry and limestone which would support the necessary improvements to be made and is thoroughly fireproof. There is a large interior space

which by being covered over would give an immense amount of room to store all necessary records.

It is centrally located on Seventh Street, accessible and available for all branches of the Government. That building would be ideal for an archives building, and the money that it will take to improve it and make it properly available for the work of the Patent Office would put up a new building for the Patent Office that would be much better than the present one. And I submit we ought to take into consideration such alternatives as that before we enter upon any such real-estate speculation as this amendment provides for.

Mr. MADDEN. Mr. Speaker, I yield two minutes to the gentleman from Kentucky [Mr. LANGLEY].

Mr. LANGLEY. Mr. Speaker, the gentleman from Michigan [Mr. CRAMTON] is absolutely correct in what he says. We have had the same experience in connection with the discussion of other matters, including a botanic garden. We own here in Washington already five times as much land as is necessary upon which to construct the finest botanic garden in the world, and yet there is a propaganda on foot for the purpose of purchasing a lot of other land, owned by some real estate syndicate here in the District of Columbia, for a botanic garden. That is the point I am seeking to make. A lot of people are seeking to sell the Government more land when we have too much already. You gentlemen who have all the public buildings you need in the large populated centers do not care so much about it; but when you talk about erecting a public building, or something of that sort, here in the District of Columbia you call it patriotism. When we talk about some public building that we absolutely need in our own sections of the country, the gentleman from Ohio [Mr. FESS] refers to it as a "Podunk," or something of that sort. And the people generally, and some of the elite press, call it graft and "pork barrel." I am tired and sick of it, and I think the entire country is. And we ought to go ahead and get all these necessary buildings together in one omnibus bill and take decent care of all sections of the country. [Applause.]

Mr. BANKHEAD. Has the gentleman's committee reported out an omnibus public buildings bill since he has been chairman of it?

Mr. LANGLEY. No, sir; and if the gentleman from Alabama, my old schoolmate and friend, can devise some method of hastening the lethargic machinery of this House on that matter more than I can, I will, out of my personal fortune, small as it is, buy him a gold medal and pin it on his bosom myself as a tribute to his ingenuity and celerity. [Laughter and applause.]

Mr. MADDEN. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and gentlemen, it seems to me there are just two different propositions to be decided as to whether we shall make this appropriation. In the first place, I contend there is no authority in law to make this appropriation at this time for this purpose, and not being a lawyer I am not taking any chance of making the contention that it is not legal. The statute that was read by the gentleman from Massachusetts [Mr. DALLINGER] authorized this commission to buy a plat of ground for a particular purpose. They have exercised the right given them, namely, the buying of a plat of ground. That discharges their authority under the law. If it does not, we do not need any other authority of law to buy a piece of ground for any other purpose under the sun. Now, I am not a lawyer, as I said before, but that is simple reason and common sense. We authorize a few men to buy a piece of land under a particular statute; they buy that land; then the authority has been discharged and nullified. Now, the fact that we have used that land for something else does not warrant coming in under the same statute and saying that they have authority to buy again. The statute only further authorizes them to draw plans, in the first part of it, plus the buying of the property. Now, the other angle of the proposition, which, it seems to me, ought to warrant our consideration, is: Is it wise to buy this piece of property at this time? Every one of us knows that there are temporary buildings, set to-day on Government property, that will within a few years be torn down. Now, what are you going to do with that land in a year or two years? My distinguished colleague and friend from Ohio [Mr. FESS] says that the archives building has been before the country for 40 years, and we are still functioning, and I think it shows no very great danger of national disaster if we do not build for a little time. It is a defect in his argument to say that we must have it this year else we perish.

The SPEAKER. The time of the gentleman has expired.

Mr. BEGG. Will the gentleman give me one minute more?

Mr. MADDEN. I yield one minute more to the gentleman.

Mr. DOWELL. Will the gentleman tell us what became of the land that they bought for this purpose?

Mr. BEGG. The Treasury Annex is located upon it. Now, I do not believe that every foot of available space in our public buildings is now utilized.

Mr. COOPER of Wisconsin. Will the gentleman yield for a question?

Mr. BEGG. I would like to finish this statement, and then if I have time I will yield.

I can take the whole body of Congress into some of the temporary buildings and show them that they are good enough, warm enough, and sanitary enough for a temporary office building for another year, if we must surrender some office building that is fireproof, for the purpose of filing records. We are trying and attempting to make a record of economy, and yet every day or two we are asked to vote $500,000 or $10,000,000 or $50,000,000 for this, that, and the other thing. And I am contending that the matter can wait without any damage.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. ANDREWS].

Mr. ANDREWS of Nebraska. Mr. Speaker, I am sure that those who are deeply interested in the preservation of the records of the Government, as we all are, will not spend time in quarreling with one another as to the need of such a provision. I deeply sympathize with a proposition for an archives building, for a building for the General Accounting Office, and for other buildings where the Government needs are clearly defined, but there ought to be a very orderly course of procedure in this matter. We have had much discussion with respect to the usurpation of power by appropriation committees, thereby depriving legislative committees of the duties assigned to them under the rules of the House. This proposition, I think, makes a direct encroachment upon the prerogatives of legislative committees. I was very much gratified when the Appropriation Committee of this House in this session began to hold steadily to the regular methods of making appropriations, to comply with existing law, and thus abandoned the field of legislation which had been so fascinating for Appropriation Committees heretofore.

I believe that this House owes it to this Committee on Appropriations, because of the adoption of the plan before us, to insist upon the regular legislative course in making authorizations for this purpose.

Mr. DALLINGER. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of Nebraska. If the Senate committee is permitted to bring forward appropriations in this form, what becomes of the legislative authority of the committees of the House charged with legislation?

Mr. LANGLEY. Mr. Speaker, will my friend yield now?

Mr. ANDREWS of Nebraska. I will.

Mr. LANGLEY. I hope I do not interrupt the general course of the gentleman's remarks, but I want to call his attention to the fact that the only cases in which the committee of which he is a prominent member and of which I am the chairman has yielded on that question where when we wanted hospital legislation as quickly as possible, and therefore we yielded to the Committee on Appropriations to put it in a bill without any legislative authority.

Mr. ANDREWS of Nebraska. I concur fully with the gentleman from Kentucky in the proposition that there has been a yielding of legislative authority to the exigencies for the disabled service men, but that question is not involved in this transaction.

Mr. LANGLEY. That is right.

Mr. ANDREWS of Nebraska. The House committee has held steadily through the sessions of this Congress to the rule that it should deal fairly and squarely with every Member of this House with reference to this important question.

Mr. DALLINGER. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS of Nebraska. Suppose we opened the whole range on this subject. Where is the end? By amendments on an appropriation bill the power of legislative committees will be destroyed. The attitude of the House Committee on Appropriations, so commendably taken in this session of Congress, will be destroyed. I believe that we should stand firmly in support of the Committee on Appropriations in regard to this proposition.

Mr. DALLINGER. Mr. Speaker, will the gentleman yield now?

Mr. ANDREWS of Nebraska. I yield.

Mr. DALLINGER. I want to ask the gentleman from Nebraska if he will not tell the House frankly whether or not he does not think his committee, eight years ago, in the omnibus public building bill of 1913, intended to pass legislation contemplating an archives building costing $1,500,000 for the site?

Mr. ANDREWS of Nebraska. I will call the gentleman's attention to the fact that 113 of the buildings carried in that bill of 1913 are untouched. Why? Because they could not secure bids within the limit of the appropriation. The Treasury Department has declined to submit recommendations for appropriations thus far with reference to the enlargement of the limit of cost. Your committee has refrained from taking up that subject with the large burden that it would entail. The bills now on the calendar and those in the bill of 1913 would require at least $150,000,000 to square the record justly and equitably with the Members of this House. [Applause.]

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. MADDEN. Mr. Speaker, I yield five minutes to the gentleman from Kentucky [Mr. JOHNSON].

The SPEAKER. The gentleman from Kentucky is recognized for five minutes.

Mr. JOHNSON of Kentucky. Mr. Speaker, throughout my entire service in this House I have advocated the erection of a public building for every governmental activity. I have always been in favor of having the Government transact its business in its own buildings instead of paying exorbitant rents.

I believe there should be an archives building, but I feel that I can say with absolute certainty that if this proposition were the individual proposition of any Member on the floor of this House having hundreds of acres in the District of Columbia upon which this building could be erected not a single one of them would propose to buy land from anybody else for the purpose of erecting it on purchased land. [Applause.]

Several years ago a lot was bought immediately across Pennsylvania Avenue from the Treasury Building for the erection of an archives building. As I said the other day, the instant that property was bought the clamor for an archives building ceased. It was not for an archives building that the clamor was instituted. It was for the sale of the property. [Applause.]

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SNELL. Is not the only question before this House, so far as the amendment is concerned, simply whether we shall buy more property or not?

Mr. JOHNSON of Kentucky. That is all.

Mr. SNELL. It has nothing to do with the question of whether or not we will build an archives building in the future?

Mr. JOHNSON of Kentucky. No.

As I was saying, a few years ago Congress bought a lot just across from the Treasury Building on Pennsylvania Avenue. That was not used for an archives building, and it was used only a little while ago as the site for an annex to the Treasury Building.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield there?

Mr. JOHNSON of Kentucky. Yes.

Mr. COOPER of Wisconsin. Just to keep the record straight.

Mr. JOHNSON of Kentucky. Yes.

Mr. COOPER of Wisconsin. It always was my understanding that the site of the Interior Department building was bought for an archives building, and that that section of the square that is now covered by the annex to the Treasury was purchased for a building for the Department of Justice, and the then Attorney General objected to the size of the lot, and subsequently the annex to the Treasury was put there.

Mr. JOHNSON of Kentucky. The information I have on the subject is not in accordance with that of the gentleman from Wisconsin.

Mr. LANGLEY. I will show that fully.

Mr. JOHNSON of Kentucky. Very recently the Treasury Department went across Pennsylvania Avenue and took the vacant lot which the Government had purchased when it already had plenty of vacant land and built on it an annex to the Treasury.

Now, in three or four lines after this proposition for the purchase of more property, at an expense of half a million, it is proposed to spend a million dollars in erecting an addition to the Treasury Building at the north end of that building. If the proposition had been made to erect an archives building on land owned by the United States Government at either end of the Treasury Building, it would not have received any support whatever in Washington. The question arises, why $500,000? Why not $400,000? Why not $600,000? Whose piece of property, proposed to be sold at exactly $500,000, is to be bought? Why the specific sum of $500,000 unless a particular piece of property is sought to be sold to the Government, when, as I have just said, the Government has acres and acres of its own upon which this building could be erected?

Mr. MADDEN. Mr. Speaker, I am ready for a vote.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts [Mr. DALLINGER] that the House recede and concur in the amendment.

The question being taken, on a division (demanded by Mr. DALLINGER) there were—ayes 10, noes 116.

Mr. DALLINGER. Mr. Speaker, I raise the point of no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that no quorum is present.

Mr. MADDEN. I hope the gentleman will withdraw that.

Mr. DALLINGER. I withdraw the point.

Accordingly the motion was rejected.

The SPEAKER. The question is on the motion of the gentleman from Illinois [Mr. MADDEN] that the House further insist on its disagreement to the Senate amendment.

Mr. MADDEN. On that I ask for a division.

The House divided; and there were—ayes 131, noes 8.

Accordingly the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 21: Page 47, line 21, insert: "Washington, D. C., Treasury Building vaults: For the construction of a three-story structure in the north court of the Treasury Building, consisting of a two-story vault with office space above, including all necessary mechanical and vault equipment for the same, and all incidental changes required to the Treasury Building in connection therewith, $1,000,000.

Mr. MADDEN. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment numbered 21. I yield two minutes to the gentleman from Kentucky [Mr. LANGLEY].

Mr. LANGLEY. Mr. Speaker, I desire simply to make my position entirely clear upon this matter. When the question was first raised about giving the Committee on Appropriations jurisdiction over all the appropriation bills I favored it, and resented the criticisms against that committee. If the question were presented to me again, with the knowledge that I now have of what has occurred since that time, I am not so sure that I would be on their side. At any rate, I want to say that the chairman of a committee in another body which has the same jurisdiction as that of the committee of which I am chairman in the House has told me that he was not even consulted at all about these items that the Senate committee has surreptitiously stuck into this bill. Our committee has favorably reported one of these items. Now, why not let us go ahead and consider it in a decent and orderly fashion? If any committee other than the Committee on Appropriations is to have anything to do with legislation, let us go ahead in a decent way, as has been suggested, and consider these matters and have hearings upon them, and report the bills to the House and pass them, and then let the Senate do the same thing, and then appropriate the money necessary for the purpose. That is the proper and dignified function of Congress. If we are not going to do it in that way, let us discharge all of the other committees and go home, except the few who think they are running everything, and who will if we do not stop them. [Laughter and applause.]

The SPEAKER. The question is on the motion of the gentleman from Illinois that the House further insist on its disagreement to the amendment.

The motion was agreed to.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the House agree to the conference asked by the Senate.

The SPEAKER. The gentleman asks unanimous consent that the House agree to the further conference asked by the Senate. Is there objection?

There was no objection; and the Speaker appointed as conferees on the part of the House Mr. MADDEN, Mr. MAGEE, and Mr. BYRNS of Tennessee.

Mr. COOPER of Wisconsin. Mr. Speaker, I ask unanimous consent to speak for one minute.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. Mr. Speaker, I have just been consulting with the Office of the Supervising Architect of the Treasury, in order to have this record straight. The site on which now stands the Department of the Interior Building, the architect told me, was purchased for the archives building, and the site on which now stands the Treasury Annex was purchased for the Department of Justice. So my recollection is correct, as shown by the official records.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. COOPER of Wisconsin. I yield to the gentleman from Kentucky.

Mr. JOHNSON of Kentucky. I wish to inquire whether or not there was as little information given as to where the property to be purchased was located as there is in this particular instance?

Mr. COOPER of Wisconsin. I do not see the relevancy of the gentleman's inquiry. I stated what I knew to be the fact.

Mr. JOHNSON of Kentucky. I ask unanimous consent for one minute.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to address the House for one minute. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Speaker, I regret that I was unable to make myself clear to the gentleman from Wisconsin, but what I meant to say was this, that in the proposition which we have just had before us we knew not where the piece of land proposed for purchase lay. When the purchase of each of the other pieces of property—those referred to by the gentleman—was authorized, Congress then did not know what particular piece was going to be bought, and did not know until after it was bought. That was my information. There were conflicting rumors as to the purpose for which each piece was bought.

Mr. FESS. Will the gentleman from Kentucky yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. FESS. Did not the commission that was authorized to select the site select a site just south of the Post Office Department, and is not that the site contemplated in this bill?

Mr. JOHNSON of Kentucky. This bill does not say so, and I have no information upon the subject.

The SPEAKER. The time of the gentleman from Kentucky has expired.

IMPROVEMENT OF THE FOREIGN SERVICE.

Mr. MOORE of Virginia. Mr. Speaker, at the instance of the gentleman from New York [Mr. COCKRAN], who is not here at this moment, I ask unanimous consent that the minority of the Committee on Foreign Affairs be permitted to file the view of the minority on H. R. 10213 at any time within the next five days.

The SPEAKER. What is the subject of the bill?

Mr. MOORE of Virginia. It is H. R. 10213, for the improvement of the foreign service.

Mr. MANN. Mr. Speaker, we could not hear the gentleman's request.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the minority of the Committee on Foreign Affairs have five days in which to file minority views on H. R. 10213, for the improvement of the foreign service. Is there objection?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATIONS.

On motion of Mr. DAVIS of Minnesota, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill (H. R. 10101), with Mr. HICKS in the chair.

The CHAIRMAN. When the committee rose on Tuesday it had considered the first paragraph of the bill.

Mr. WALSH. I understood there was a point of order reserved.

The CHAIRMAN. There was no point of order reserved. The Clerk will continue reading the bill.

The Clerk read as follows:

Appropriations for the fiscal year ending June 30, 1923, heretofore or hereafter made in other acts and chargeable in any proportion against the revenues of the District of Columbia, shall be paid in the proportions of 40 per cent from the Treasury of the United States and 60 per cent from the revenues of the District of Columbia.

Mr. MANN. Mr. Chairman, I reserve a point of order on the paragraph. What is the situation with reference to the payment of the indebtedness of the District; does that come under the 60–40 provision?

Mr. DAVIS of Minnesota. We have a provision in the bill attempting to put it under the 60–40 provision. The interest and sinking fund on the 3.65 bonds. We have a proviso that they shall be paid under the 60–40 limitation.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. CHINDBLOM. Does not the language just read by the Clerk imply that all the appropriations for the next fiscal year are to be payable at the rate of 60–40, and would not that include interest and payments on the principal of the bonds?

Mr. DAVIS of Minnesota. I am mistaken in what I said. We have let that alone entirely; under the first clause that money would be distributed at the rate of 60–40. We have taken off the provision that was in the bill for a good many years that it was payable under the 50–50 proportion.

Mr. CHINDBLOM. Will the gentleman permit me another question? Is this the situation, that bonds which heretofore have been issued and sold under the arrangement of 50–50 between the Government and the District of Columbia are now to be paid at the rate of 60–40?

Mr. DAVIS of Minnesota. There is no such arrangement in the law, that they shall be paid under the 50–50 arrangement.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. JOHNSON of Kentucky. The bonds were authorized by the act of June 11, 1874, and the act which authorizes the issue of the bonds provided that they should be paid upon a proper proportional basis.

Mr. CHINDBLOM. What was the proportion then in existence?

Mr. JOHNSON of Kentucky. The 50–50 plan was adopted four years after that.

Mr. CHINDBLOM. Were the bonds sold prior to 1878?

Mr. JOHNSON of Kentucky. Shortly after they were authorized, and they sold as low as 50 cents on the dollar.

Mr. DAVIS of Minnesota. On page 65 of the bill, under the item of "Interest and sinking fund," it reads as follows:

For interest and sinking fund on the funded debt, $400,000.

The committee have added this proviso:

Provided, That no part of this appropriation shall be available for the redemption of any bonds above their par value plus accrued interest.

My opinion is that for many years past these bonds have been redeemed by the Treasury at considerably above their par value. The committee thought that when bonds were issued—for instance, Government bonds—that we should not be compelled to pay one-sixth or one-tenth plus the interest when the bonds were redeemed. We have been redeeming them heretofore in that way.

Mr. MANN. You can not redeem them in any other way. You can not buy bonds unless at the market value.

Mr. DAVIS of Minnesota. When the bonds become due and they go to the Treasury for the money they can be redeemed at their par value. Nearly all the bonds were purchased for 50 cents on the dollar.

Mr. MANN. That makes no difference.

Mr. PARKER of New Jersey. What is the interest on the bonds?

Mr. DAVIS of Minnesota. Three sixty-five.

Mr. PARKER of New Jersey. That will not sell bonds at par.

Mr. DAVIS of Minnesota. They are selling above par, and they are coming to the Treasury and they are redeeming them above par and the accrued interest.

Mr. SNELL. How can they ask for more if they go there on their own initiative?

Mr. MANN. They can not; that is not the way it is done. The only way they can get them is to buy them.

Mr. DAVIS of Minnesota. I think the Treasurer is violating the law.

Mr. SNELL. There is a difference between buying bonds in open market and redeeming them.

Mr. MANN. The reason why Government bonds to-day are less than par is because the market is less than par. You might as well say that the Government could not buy a bond at more than 90 when the market value was 100.

Mr. BRIGGS. Will the gentleman yield? I do not know that I quite understood the gentleman. Why is the Government redeeming the bonds at a premium?

Mr. DAVIS of Minnesota. I can not tell, except I believe the Secretary of the Treasury for several years past has been violating the law. In other words, he has been redeeming them when they came there, and instead of giving par he has been giving 105 and 106 with the accrued interest. There will come a time in 1924 when the limitation of time will expire.

Mr. BRIGGS. Did the subcommittee interrogate the Secretary of the Treasury as to the reasons why they were seeking to redeem the bonds above par and were redeeming them above par?

Mr. DAVIS of Minnesota. It did not.

Mr. MANN. They are not redeeming them—they are buying them.

Mr. BRIGGS. Why has this practice continued?

Mr. DAVIS of Minnesota. We do not know, but we try in this bill to head it off.

Mr. BRIGGS. And the gentleman thinks the provision in the bill does that?

Mr. DAVIS of Minnesota. We think it does.

Mr. CHINDBLOM. As I understand it, we are proceeding with the courtesy of the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, I make the point of order.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentleman will permit, I desire to read at this time the following from the Statutes at Large, volume 20, page 410:

And there is hereby appropriated, out of the proportional sum which the United States may contribute toward the expenses of the District of Columbia, in pursuance of the act of Congress approved June 11, 1878, for the fiscal year ending June 30, 1879, and annually thereafter, such sums as will, with the interest thereon at the rate of 3.65 per cent per annum, be sufficient to pay the principal of the 3.65 bonds of the District of Columbia, issued under the act of Congress approved June 20, 1874, at maturity; which said sums the Secretary of the Treasury shall annually invest in said bonds at not exceeding the par value thereof; and all bonds so redeemed shall cease to bear interest and shall be canceled and destroyed in the same manner that United States bonds are canceled and destroyed.

Mr. DAVIS of Minnesota. Now, as to the point of order on the proposition, if the gentleman from Illinois will read this, I think he will see that it does not apply especially to this matter.

Mr. MANN. I did not have particular reference to that.

Mr. DAVIS of Minnesota. This paragraph provides:

Appropriations for the fiscal year ending June 30, 1923, heretofore or hereafter made in other acts—

And so forth.

The "other acts" is the matter that we have reference to particularly. These matters have been carried heretofore in the sundry civil appropriation bill, in the legislative, executive, and judicial appropriation bill, and so forth, and the language which we are now discussing and to which the point of order is made applies to these other acts.

Mr. MANN. I understand; but I do not know whether there will be any other appropriation acts to carry appropriations or not. Does the Chair desire to hear me on the point of order?

The CHAIRMAN. The Chair would be glad to hear the gentleman from Illinois on the point of order.

Mr. MANN. This is legislation, pure and simple. It is not an appropriation at all.

Mr. DAVIS of Minnesota. It is a limitation.

Mr. MANN. It is not a limitation at all. It is legislation with reference to other appropriation bills. It is quite clear that while the paragraph itself relates only to appropriations for the fiscal year ending June 30, 1923, that it could just as well have provided that hereafter all appropriations shall be on the 60–40 basis. It is not an appropriation; it is legislation.

Mr. DAVIS of Minnesota. Mr. Chairman, to my mind, as far as the passage of this bill is concerned at this time, it is immaterial whether this provision is in the bill or not. While I am not willing to concede that it is subject to the point of order, it is immaterial to me, so far as the passage of the bill is concerned, whether it is left in or not. If the gentleman desires to have it stricken out, well and good.

The CHAIRMAN. The Chair would say that this same matter was under consideration by the Chair a year ago, when the present occupant of the chair was in the chair. At that time the Chair looked up certain precedents, and the Chair at that time found the following precedent from volume 4 of Hinds' Precedents:

A paragraph in an appropriation bill reenacting verbatim the existing law is not subject to a point of order.

While that might seem to govern, the Chair does not think so, for existing law has not been repeated verbatim in this particular bill. The bill changes the date as given in the previous act from 1922 to 1923. Therefore the Chair would feel that the citation is not binding in this particular case, and makes the section subject to the point of order.

Mr. MANN. If the Chair will pardon me, that citation relates to inserting in a bill matter which is already law. There is no law on this subject except for the fiscal year 1922.

The CHAIRMAN. The Chair realizes that.

Mr. MANN. That is not law for the next year.

Mr. ZIHLMAN. The law is that the appropriations shall be made upon the 50–50 basis.

Mr. MANN. Oh, that is a matter of dispute.

The CHAIRMAN. The Chair feels that this is not a repetition of the law verbatim.

Mr. JOHNSON of Kentucky. Mr. Chairman, the question may be raised there under the Holman rule, that this is a reduction of expenses.

The CHAIRMAN. Would the gentleman from Kentucky like to be heard upon that ground?

Mr. JOHNSON of Kentucky. I merely submit the suggestion.

The CHAIRMAN. The Chair feels constrained to rule in this regard, after an examination of the precedent, having looked into the matter a year ago, that this is subject to the point of order, and so holds. The Clerk will read.

The Clerk read as follows:

If the estimated net revenues of the District of Columbia for the fiscal year ending June 30, 1923, are not sufficient to meet the proportion of the appropriations for that fiscal year charged against such revenues by this and all other acts, or which may be estimated to be charged against such revenues by acts that may be approved during such fiscal year, the Commissioners of the District of Columbia shall increase the rates of taxation on real estate and tangible personal property sufficiently to make up the difference: *Provided, however,* That such rates of taxation shall in no event be less than 1¾ per cent nor more than 2 per cent.

Mr. ZIHLMAN. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee a question with respect to this paragraph. I note in the report that the committee states that the Federal Government's proportion of the appropriations carried in this bill will be seven and a half million dollars in round figures. I am authentically advised that the revenues of the District for the fiscal year 1923 will be about $14,000,000. If the appropriation carried in this bill, amounting to $20,000,000, becomes a law, what will become of the additional amount raised by the District revenues of a million and a half dollars?

Mr. DAVIS of Minnesota. Mr. Chairman, I reply to that question by stating that the $14,000,000 has not yet been raised. They are only anticipating that if we come up to their estimates they will raise that amount. However, if there is any so-called surplus it will go back into the Treasury under miscellaneous receipts. The $14,000,000 has not yet been raised. This bill has not yet been passed. I do not know what the Senate is going to ask; I do not know what increases the gentleman is going to ask. I understand he is going to ask a great many—among others, in the first place, for $3,000,000 for an aqueduct and for money for improving all of the roads leading into Maryland. However, the $14,000,000 has not yet been raised, and they are not obliged to raise it. I hope they will not have to raise $14,000,000 by taxation in the District.

Mr. ZIHLMAN. I will state to the gentleman——

Mr. SNELL. Will the gentleman from Minnesota yield for one question?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. SNELL. Why is the limit on District property here ever to be but 2 per cent?

Mr. DAVIS of Minnesota. The statute law is 1½ per cent. That statute law we placed in here last year as a minimum and 2 per cent as a maximum, but they have never reached the 2 per cent yet, although they came very near doing it last year, but the statute law is 1½ per cent and last year we made it 2 per cent as the maximum.

Mr. SNELL. That is the reason it was put in?

Mr. DAVIS of Minnesota. Yes.

Mr. SNELL. That makes property owners in the District pay much less taxes than any city of its size in this part of the country?

Mr. DAVIS of Minnesota. If the gentleman wants me to say so, I will say very much.

Mr. SNELL. There is no question but that the average town of which I know anything about pays at least 3 per cent on a very much higher assessed valuation.

Mr. ZIHLMAN. I want to ask, further, if the present tax rate of 1¾ is maintained the revenues of the District will be approximately $14,000,000?

Mr. DAVIS of Minnesota. I think they figure $14,000,000 on the 2 per cent; that is, on the 20 mills.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DUNBAR. Mr. Chairman, I move to strike out the last two words. I wish to ask the chairman of the committee if I am right in understanding that the rate of taxation in the District of Columbia this year was 1¾ per cent?

Mr. DAVIS of Minnesota. I think that is what they started out to raise and probably did raise, but bear in mind that is not on the full value of the property, but it is only on the assessment of two-thirds; but in many instances, to my personal knowledge, I will say instead of making it two-thirds the assessed value they made it about one-fourth the assessed value.

Mr. DUNBAR. So the purpose is to assess on two-thirds of the market value?

Mr. DAVIS of Minnesota. That is the purpose.

Mr. DUNBAR. But the gentleman's observation leads him to believe that it has only been assessed at about one-fourth of its value.

Mr. DAVIS of Minnesota. Some property I know of has been assessed at one-fourth.

Mr. DUNBAR. What does the gentleman mean by rate of taxation on tangible personal property? What is tangible personal property?

Mr. DAVIS of Minnesota. That is any kind of personal property—your automobile, your household furniture, your horses, dogs, and things of that kind. Any personal property that is not real estate is tangible personal property. Of course the gentleman understands what intangible personal property is. It means bonds, mortgages, money, credits, and so forth.

Mr. DUNBAR. Then, I am to understand that a party living in the District of Columbia who owned $1,000,000 worth of United States Steel Corporation bonds would not pay any taxes on those bonds?

Mr. DAVIS of Minnesota. If the assessor could get a return that he had them, he would tax him three-tenths of 1 per cent.

Mr. DUNBAR. Well, it is the duty of the assessor to get the returns, is it not?

Mr. DAVIS of Minnesota. It is his duty, but I am inclined to believe it has been impossible for him to get returns.

Mr. MANN. He sends blanks to all the Members of the House here; how many make those returns? Has the gentleman from Minnesota made his return on personal property? Have other gentlemen made returns on personal property?

Mr. DAVIS of Minnesota. Yes, sir; but I have not any intangible personal property, because I happen to be short of that kind of property.

Mr. MANN. Every man here has intangible personal property.

Mr. DUNBAR. I want to inform the gentleman from Illinois I have never received any of those blanks, and so, perhaps, that is indicative of the careless manner in which the property in the District of Columbia is assessed.

Mr. MANN. I do not know where the gentleman lives, but it is indicative of the careless turning over of the blanks to the gentleman.

Mr. DUNBAR. I want to answer briefly. I will say I have my affairs so managed that if any blanks were left at my office I would receive them, and I believe it indicative of the careless manner in which property is assessed. Now, in the event of the million dollars' worth of Steel Corporation bonds being returned, the amount that he could be assessed for taxation would be three-tenths of 1 per cent?

Mr. DAVIS of Minnesota. That is all.

Mr. DUNBAR. Then it is possible for all plutocrats who wish to escape the payment of taxation to come to Washington City and live here, and by living here, taking up their residence here, do so?

Mr. DAVIS of Minnesota. I have heard rumors that that had been done.

Mr. DUNBAR. May I ask another question? Why are they not paying more than three-tenths?

Mr. DAVIS of Minnesota. Because the law fixes it at three-tenths of 1 per cent.

Mr. DUNBAR. What law?

Mr. DAVIS of Minnesota. The statute law of the District of Columbia just a few years ago. Until the last three or four years they did not pay anything, but finally we passed a law, not an appropriation bill—but we passed a regular law—making it three-tenths of 1 per cent.

Mr. DUNBAR. Can the gentleman indicate what he thinks was the reason for such a law?

Mr. DAVIS of Minnesota. I should hate to express my full opinion along that line for the RECORD.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the last three words. Mr. Chairman, on January 30, when the appropriation for the Shipping Board was under consideration, I made some remarks relative to the employment of attorneys by the board, criticizing some of the high salaries being paid to attorneys and stating that many of them could not earn anything like the salaries being paid in private practice and that the salaries of many of them had been increased within the last two or three years as much as 200 and 300 per cent in some cases.

In the course of my remarks I referred to Hon. Caleb Powers, who formerly represented the eleventh district of the State of Kentucky, and made the statement that during his services here we all knew he had studied law in one of the law universities of this city. The gentleman from Texas [Mr. JONES] also on the day previous had made reference to the employment of Mr. Powers as an attorney at $5,000 a year. I have received a letter from Mr. Powers stating that he thinks that Mr. JONES and I have done him an injustice. He sent a copy of this letter to Mr. JONES. Neither of us, of course, desire to do Mr. Powers an injustice, and we wish to ask the privilege of having this letter printed in the RECORD.

Mr. Powers quotes from my remarks and also from the remarks made by Mr. JONES. It will be seen that his statement by no means contradicts what was said by either one of us, except that Mr. JONES stated that he was one of the field attorneys. Mr. Powers states that he is not a field attorney, but is employed here in the city of Washington. This, of course, was a mistake that could not possibly do Mr. Powers an injustice. The point we were trying to make was that attorneys have been employed at high salaries, without particular reference to past experience or special qualifications. Mr. Powers is only one of a great number who has been employed at a liberal salary. Without referring to Mr. Powers any more than a very great number of other attorneys employed, I think our contention has been abundantly sustained by the record. I did not say that Mr. Powers had not practiced law prior to his coming to Washington. Frankly, however, I had been under that impression, and perhaps such an inference might be drawn from my remarks. Mr. Powers states that he had practiced law for several years in a small town in Kentucky before coming to Washington, and by inference states he enjoyed a lucrative practice, though he does not say to what extent. I do wish to say, however, that after he left Congress, instead of returning to Kentucky and taking up his former practice, he remained here and was engaged in other business, not pertaining to the law, at the time he was given this very lucrative salary of $5,000 as a lawyer for the Shipping Board.

Mr. Chairman, I ask unanimous consent to have printed the letter to which I have referred.

The CHAIRMAN. The gentleman from Tennessee asks to have printed in the RECORD the letter referred to. Is there objection? [After a pause.] The Chair hears none.

The following is the letter referred to:

WASHINGTON, D. C., *February 1, 1922.*

Hon. JOSEPH W. BYRNS,
House of Representatives, Washington, D. C.

DEAR SIR: In the CONGRESSIONAL RECORD, under date January 30, 1922, pages 1918 and 1920, there appear the following statements in a speech delivered by you on the affairs of the United States Shipping Board:

"It was said the other day that a former Member of this House from the State of Kentucky, Mr. Caleb Powers, whom we all know studied law only two or three years ago while serving as a Member of this House, has been put on the salary roll at $5,000 a year. * * *

"They state that they need admiralty lawyers. Everybody knows that when they employed Mr. Massey, an admiralty lawyer from Oklahoma, and Mr. Caleb Powers, of Kentucky, they are as well equipped to try admiralty cases as a New York lawyer would be to try a replevin case about a mule."

It is true that I know but little about admiralty law. It is further true that I have nothing to do with either admiralty law or admiralty practice in the Shipping Board. I am in the contracts and opinions section.

In our conversation over the telephone you stated that you had relied for your information upon the statement of some Member made in debate upon the floor of the House a day or so ago, but could not recall who it was. It was possibly Mr. JONES of Texas.

In the CONGRESSIONAL RECORD of January 27, page 1824, Mr. JONES is reported to have made the following statement:

"Mr. Chairman, if I am in error, somebody will correct me, but I am informed that Caleb Powers first studied law while he was in Congress. He is being paid $5,000 per year, and I do not suppose he is devoting all his time to the Shipping Board. He is one of those field attorneys."

I am not a field attorney. My work is in the office, and my hours are from 9 a. m. to 5 p. m.

Mr. JONES is mistaken, too, about the time I began to study law. Before coming to Congress I had graduated in law from the Valparaiso (Ind.) University, Valparaiso, Ind., and also from Center College, Danville, Ky., where I was under the tutelage of the late ex-Gov. J. Proctor Knott, of Duluth fame, who was one of the greatest lawyers in his day.

In the former school, my class standing was about second in a class of 44; in the latter I stood first in a class of 20. Gov. Knott was partial enough to me to say that I was the best student he ever taught.

I was admitted to the bar in Barbourville, Ky., in the year 1894, and was actively engaged in the general practice there for several years, taking part in many of the leading cases in that section of the State. One of my law partners, Judge Flem. D. Tompson, is now a judge of the Court of Appeals of the State of Kentucky; and my other law partner, Mr. Sawyer A. Smith, is now United States attorney for the eastern district of Kentucky.

During the eight unfortunate years of my life I studied law most of the time. I have also taken law lectures at night during my stay in this city in two of its great universities, to wit, the George Washington University and the Georgetown University.

I feel that I am amply prepared to do the character of work in which I am engaged in the Shipping Board, and I think it is proving to be satisfactory. I am sending a copy of this letter to Mr. JONES.

I hold no brief to speak for the Shipping Board; but I must say that I feel that the present administration of its affairs has been unjustly criticized. At any rate, in so far as my connection with it is concerned, I hope you will set me right before Congress and the country. I am,

Yours, very respectfully,

CALEB POWERS.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Building inspection division: Inspector of buildings, $3,000; assistant inspectors of buildings—principal $2,000, 1 $1,500, 1 $1,400, 9 at $1,360 each; fire-escape inspector, $1,400; civil engineers or computers—1 $2,000, 1 $1,800, 1 $1,500; clerks—chief $1,800, 1 $1,050, 1 $1,000, 1 (who shall be a stenographer and typewriter) $1,000, 1 $900; messenger, $600; assistant inspector, $1,500.

Mr. SNELL. Mr. Chairman, I move to strike out the last word. I saw a report in the papers the other night to the effect that there were not sufficient inspectors for the purpose of in-

specting buildings and elevators in the District. Was there any evidence brought before the committee at the time this appropriation bill was made up to that effect?

Mr. DAVIS of Minnesota. There was not.

Mr. SNELL. What is the gentleman's idea in regard to that, as to whether we have sufficient employees to make proper inspection or not?

Mr. DAVIS of Minnesota. My opinion is that we have.

Mr. SNELL. There is no question about it?

Mr. DAVIS of Minnesota. There is no question about it.

Mr. SNELL. And you think there are competent men employed at the present time to do the work?

Mr. DAVIS of Minnesota. I do.

Mr. MOORE of Virginia. Mr. Chairman, as I understand—I do not know whether I am correctly informed or not—there is less appropriated for the purpose indicated in this particular paragraph than was recommended by the Bureau of the Budget. Certainly there is less appropriated than was asked for by the District Commissioners.

Now, replying a little bit further to the question put by the gentleman from New York [Mr. SNELL], I have read what Col. Keller, the engineer commissioner, said at the hearings. I quote from Col. Keller, under the heading of "Building inspection division," at page 5 of the hearings:

> In view of what you said I will not discuss the recommendation of the commissioners in reference to increase in salaries, but I wish to call your attention to the fact that the office of building inspector is a very important one in view of the activities now. It is on a very active scale, and we ought to have an increase in salary commensurate with the amount of the work involved.

Now, Mr. Chairman, I do not know who is correct, whether the officials of the Bureau of the Budget who made up the estimates that were submitted to the committee or whether back of them the commissioners themselves or whether Col. Keller in his expression of opinion at the hearings. But, of course, our knowledge that the service rendered by building inspectors is very important has been emphasized by the recent tragedy, and I think we ought to have some pretty full and definite and convincing information on this point and on a great many other points contained in this bill before we can feel confident that we are legislating in a wise and dependable manner. Now, I await the explanation which I suppose we may expect from my friend, the distinguished chairman of the subcommittee.

Mr. DAVIS of Minnesota. I do not know any explanation I can make except that the committee after all the hearings obtainable decided that we would give them current law as to number and payment, and that we did, after a long and full hearing. There is one item, however, that I wish to state frankly to the gentleman from Virginia—we cut out an item of $1,000 that was in the budget, called "temporary employment of additional assistant inspector, $1,000." Other than that we left the matter just as it was, and, as I say, after a full hearing, the committee was very unanimous upon the subject.

Now, I will say this, and I merely say it now for the benefit of all present, that in every instance, from the beginning to the end of this bill, the increased appropriations were asked for for salaries, and I think that is probably the case in all the appropriation bills that have come before the House. In this particular bill the increases were never, I think, less than the $240 bonus, which was an emergency proposition. In some instances it was more than double what that was. We left out, as was the program of the full committee of which the gentleman from Illinois [Mr. MADDEN] is chairman, all increases of salaries, because of this supposed $240 bonus, which we wanted to hereafter consider for all employees, and also the reclassification.

And I wish to say this, that there has been a good deal said about the law of 1878, the organic law, and so forth, and I am going to tell the House now something that I do not think even my friend from Virginia [Mr. MOORE] knows.

Even if we had stuck to the 50-50 plan, who has been paying this $240 bonus to the employees of the District of Columbia? Has the District of Columbia paid any part of it? No, sir; that has all come out of the Federal Treasury of the United States, the $240 bonus; not on the 60-40 basis, or the 50-50, but it has all come out of the Federal Treasury. Those are matters we thought of, and that is one of the reasons why we did not increase any salaries.

Mr. CONNALLY of Texas. The gentleman says all the bonus came out of the Federal Treasury?

Mr. DAVIS of Minnesota. Out of the Federal Treasury.

Mr. CONNALLY of Texas. Why did not the Committee on Appropriations provide for that?

Mr. DAVIS of Minnesota. Because the matter was not called to our attention. We never thought of it.

Mr. CONNALLY of Texas. That is the best reason—that you never thought of it.

Mr. EVANS. Mr. Chairman, may I answer the gentleman?

Mr. DAVIS of Minnesota. Yes.

Mr. EVANS. The bonus was never included in the District of Columbia bill.

Mr. DAVIS of Minnesota. No.

Mr. MADDEN. It was not included.

Mr. JOHNSON of Kentucky. That is the reason why the District did not pay any part of it on account of the District employees.

Mr. CONNALLY of Texas. Who had to do with it? Will the gentleman tell us about that?

Mr. DAVIS of Minnesota. I think the committee on the legislative bill had something to do with it.

Mr. CONNALLY of Texas. Did not the Committee on Appropriations that handled the appropriation bill provide for it?

Mr. DAVIS of Minnesota. We simply left it out. That is all we could do.

Mr. MANN. If the gentleman will permit, that was an item inserted in the Senate on one of the appropriation bills, and, like all hasty legislation, when it went to conference that point was never thought of.

Mr. CONNALLY of Texas. The reason why I asked about it was that I thought it had probably been going on two or three years.

Mr. DAVIS of Minnesota. It was an emergency matter. It passed under a general act, and included the District of Columbia, and so we let it go.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. SNELL. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Minnesota be extended five minutes. I want to ask him a question.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman from Minnesota [Mr. DAVIS] be extended five minutes. Is there objection?

There was objection.

Mr. SNELL. I saw in the newspapers a statement that no one was available for the inspection of the elevator service except inspectors who worked nights. Does the gentleman know anything about that?

Mr. DAVIS of Minnesota. There is nothing in the hearings on that.

Mr. SNELL. Do you have elevator inspectors for the District?

Mr. DAVIS of Minnesota. Certainly; we certainly have; and we have enough of them.

Mr. SNELL. Then that statement was absolutely untrue?

Mr. DAVIS of Minnesota. That statement was absolutely untrue.

Mr. SNELL. I think that statement should not be carried in the papers, or at least it ought to be refuted here, so that people may know that we are doing what is right and reasonable in the premises.

Mr. DAVIS of Minnesota. They have an adequate number of competent elevator inspectors in this city, and they are getting a good, fair salary. They are not getting that bonus, and will not until we remodel the salary list. They are not getting that.

Mr. JOHNSON of Kentucky. I may add to that the statement that the elevator inspectors are furnished with motor cycles in order the better to get about.

Mr. DAVIS of Minnesota. I do not wish to enter upon the question of motor cycles at present. That question will come up later and probably be the subject of considerable discussion.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. BRIGGS. I would like to ask the gentleman what the duties are of these inspectors? I notice the papers the other day stated—or at least that is the impression I gained—that these inspectors never inspected buildings after they were built, to find out whether they complied with the prescribed standards of structural strength or not, and so on. I would like to know what duties they do perform, if they do not do something of that kind.

Mr. DAVIS of Minnesota. I will say to the gentleman that I hold in my hand a copy of the building regulations, a small volume, and if he wants to know what their duties are he will find them in this volume, which I will hand over to him.

Mr. BRIGGS. I thought perhaps the gentleman from Minnesota had some information on that.

Mr. DAVIS of Minnesota. The gentleman is not going to get me mixed up in a discussion of the cause of the Knickerbocker Theater disaster. Somebody has neglected his duties about the inspection and the construction of buildings in the city of Washington, but I do not know who it is.

Mr. BRIGGS. Of course I did not mean to involve the gentleman in that controversy, but I may frankly state that the occurrence of that sad disaster was the thing that prompted me to ask what the duties of inspectors are, not particularly with reference to the Knickerbocker Theater building, but all buildings.

I understand that one of the commissioners of the District had been interviewed and that he said in that interview that it was to be supposed that buildings should be constructed in accordance with the specifications. If that is the case, what use is there in inspecting a building? If that is not one of the duties of a building inspector to see that the specifications are complied with, it ought to be made a part of his duties.

Mr. DAVIS of Minnesota. I think it ought to be their duty. Whether they do it or not, I do not know.

Mr. DUNBAR. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. DUNBAR. Am I to understand that the section that provides for the 60–40 proposition has gone out of this bill on a point of order?

Mr. DAVIS of Minnesota. No, sir; it has not. That only refers to another matter of legislation. I think the 60–40 feature will remain.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Virginia moves to strike out the paragraph.

Mr. MOORE of Virginia. Mr. Chairman, of course the gentleman from Minnesota knows the regard in which I hold him. I would be the last man to try to involve him in an embarrassing discussion of what recently occurred in this city, but inasmuch as our attention has been directed to building-inspection matters by that occurrence I thought it was proper for me to refer to the building-inspection item in the bill as illustrative of the way in which the bill is made up. But when I mentioned that item the gentleman began to talk about irrelevant matters, or matters that struck me as irrelevant, as to the way in which expenditures are apportioned between the District and the United States, and the matter of the salary bonus. Those things I put aside as not pertinent, but I do wish for a moment to dwell upon the building-inspection item which I took the liberty of bringing up. It can not be controverted by anybody who is familiar with the facts that the Subcommittee on Appropriations in appropriating for this particular service and many other services very heavily reduced the estimates made by both the commissioners and the Budget Bureau, and I can not find upon what evidence it acted. On the building-inspection item there was no evidence whatever before the subcommittee except the statement of Col. Keller, which I have quoted, that more money was necessary on account of the importance of the service.

With the exception of two gentlemen who made statements about matters not really within the jurisdiction of the subcommittee, the only witnesses who appeared before it were Col. Keller and other District officials, and their evidence seems to have had little weight. So as to many important matters we are very much in a fog as to what we should do in passing upon this bill. Later on I shall endeavor to show again, as I tried to show day before yesterday, not only the extent to which the Committee on Appropriations have cut the estimates of the Bureau of the Budget but the very severe extent to which the Bureau of the Budget cut the estimates that were sent in by the Commissioners of the District, who know best about the needs and the necessities of the District. Two of the commissioners, all of whom were appointed by President Harding, are among the strongest and most experienced business men in the District, and the third is an able Army engineer, taking the place of Col. Kutz, his predecessor, who was a man of equal ability. Viewed in the light of the record, the bill is unsatisfactory. And such as it is, the bill gets very limited consideration. The other day five hours were assigned for general debate and a comparatively small percentage of that time was given to the discussion of the bill. Almost everything on the face of the earth and above the earth was discussed—because there was an elaborate speech on a proposed air service—to the exclusion of much real discussion of the bill except by the gentleman from Minnesota [Mr. DAVIS] and the gentleman from Kentucky [Mr. JOHNSON]. And now, with the bill being considered under the five-minute rule, I do not think we have had as many as 40 Members of the House present at any time.

All of this inclines me to the conviction that we must try to discover some better method of procedure in governing, as we are charged by the Constitution with the exclusive duty of governing, the District of Columbia. I doubt extremely whether the budget system should have been applied to the District. I doubt extremely whether the location of all appropriation jurisdiction in a single committee is properly applicable to the District of Columbia, and at some time I shall do what I have ever hoped other men will do, try to suggest methods of procedure in substitution for those now in existence that are far from producing satisfactory results.

Mr. Chairman, I have no special interest in the affairs of the city of Washington and the outlying areas of the District. I am not a property owner here to any extent whatever. I have no business connections here of any character. I have only the same interest in the situation here that other gentlemen have, unless there is some stress to be placed on the fact that I happen to represent a constituency a part of which is closely related to Washington and concerned about its prosperity and general welfare. [Applause.]

Mr. DAVIS of Minnesota. Mr. Chairman, I wish to address the committee in just a word or two of reply.

The CHAIRMAN. The gentleman rises in opposition to the pro forma motion made by the gentleman from Virginia.

Mr. DAVIS of Minnesota. I do not care to say that I take the floor in opposition, but I want to say just a word in reply.

The chief argument of the gentleman from Virginia [Mr. MOORE] is that the commissioners made an estimate of their needs for the coming year, that the Bureau of the Budget cut those estimates, and that the Committee on Appropriations cut the Budget estimates. That is true. The gentleman also said in substance that about the only people who knew anything about the needs of the District of Columbia and how much money was required to run it, and so forth, were the Commissioners of the District of Columbia, and he praised them up very much. Now, I want to ask the gentleman one pertinent question as an illustration. I could ask many others, but I will simply ask him one question. The Commissioners of the District of Columbia know what is needed; know their financial needs. All right. In this bill are two eight-room school buildings which the commissioners demand $140,000 each for building. In the gentleman's own city of Alexandria is a 12-room school building now just completed for which the price is only $70,000, and a new contract is about to be let for a 16-room school building in Alexandria for $80,000. Now, if we are going to take the estimates of men who will double and more the cost of school buildings, I say these gentlemen have not investigated very thoroughly. That is all I care to say. I will ask the Clerk to read.

Mr. MOORE of Virginia. Mr. Chairman, the gentleman put a question to me.

Mr. DAVIS of Minnesota. The gentleman admits what I say is true, does he not?

Mr. MOORE of Virginia. I am willing to admit that things are done better in Virginia than anywhere else.

Mr. DAVIS of Minnesota. Is the gentleman willing to admit that school buildings in this city ought not to cost double what they do in Alexandria?

Mr. MOORE of Virginia. I do not know how the buildings compare with one another.

Mr. DAVIS of Minnesota. That is what they do cost.

Mr. MOORE of Virginia. I do not know what the wages of labor is here. The gentlemen, however, must not think that I have ever assumed that the Commissioners of the District of Columbia know it all.

Mr. DAVIS of Minnesota. But the gentleman has eulogized these commissioners——

Mr. MOORE of Virginia. I have.

Mr. DAVIS of Minnesota. As knowing more than anybody who is connected with this Congress.

Mr. MOORE of Virginia. I have little personal acquaintance with Mr. Rudolph, but from what I know of him I think he is a most admirable man.

Mr. DAVIS of Minnesota. So do I.

Mr. MOORE of Virginia. And I have the same opinion of Mr. Oyster, with whom I am better acquainted.

Mr. DAVIS of Minnesota. So have I.

Mr. MOORE of Virginia. And I include Col. Keller. I believe these officials know more in a day about the real needs of the District of Columbia than either my friend or I or the Budget officials would know in a week or a year.

Mr. DAVIS of Minnesota. I grant you that, but they apparently permit estimates to come to Congress for double the cost of buildings elsewhere.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk will read.

The Clerk read as follows:

Plumbing inspection division: Inspector of plumbing, $2,000; assistant inspectors of plumbing—principal, $1,550, six at $1,360 each; clerks—two at $1,200 each, one, $900; temporary employment of additional assistant inspectors of plumbing and laborers for such time as their services may be necessary, $2,000; draftsman, $1,350; sewer tapper, $1,000; three members of plumbing board, at $150 each;

In all, executive office, $126,520.

Mr. PADGETT. Mr. Chairman, I move to strike out the last word. Mr. Chairman, the economic condition of the country, as the whole world finds itself, involves a very serious consideration by the people and by the Governments, and involves the wisest and best constructive legislation. I have in my hand a circular or report from the American Exchange National Bank of New York, of the date of February 1, 1922, and it so clearly and forcefully, and I think accurately, comments upon the situation that I desire, and think it would be of benefit to the country, to have it incorporated in the RECORD. I will read it:

This is a strange world. Nothing is more apparent than the need of economic coordination, yet half of the nations of the earth are breaking their necks in ineffectual efforts to establish themselves in positions of independence from which they hope to win trade advantages. All the world aspires to produce goods and sell them to all the rest of the world, while buying nothing. The struggle for gold, the symbol of frugality and thrift, is on with a vengeance. The fight is being waged from the fancied security of tariff walls, or over the treacherously smooth roads of subsidies. The campaign is being conducted on artificial economic foods which can not sustain it through to the end. Imperial preferences, national protective tariffs and subsidies, in fact all of the machinery of economic fakerism and mock wizardry, are being employed by the nations which are ready for the struggle, while others labor under divided counsel to entrench themselves behind similar protected positions. The world perhaps does not realize the petrifying effects of all these protective measures. It would be hard to imagine anything more detrimental to the interests of coordination, the goal which our civilization must attain if it is to live, than a reversion to more intense economic nationalism. The difficulties in the way of the immediate realization of coordination mainly arise out of the fact that the industrial world is overdeveloped in some fields and underdeveloped in others. Protective tariffs mean that this obstruction to coordination will be enlarged and that when the world finally comes to consider coordination, if it ever does, it will find its difficulties even greater than they are now.

In other words, Mr. Chairman, there is profit in selling and there is profit in buying, but a nation no more than an individual can hope to sell exclusively and not buy, and I think that this comment of this bank so clearly and so forcefully, so intelligently analyzes the situation that I thought it ought to be preserved in the CONGRESSIONAL RECORD, so that the people may get the benefit of it. [Applause.]

The Clerk read as follows:

Salaries: Assessor, $3,500; assistant assessors—three at $3,000 each, one $2,000; five field men at $2,000 each; record clerks—one $1,800, two at $1,500 each, two (who shall also be typists) at $1,400 each, one $1,200; clerks—three at $1,400 each, two at $1,200 each, four at $1,000 each, one $900, one $720; draftsmen—one $1,600, two at $1,200 each; two stenographers and typewriters at $1,200 each; assistant or clerk, $900; messenger, $600; board of assistant assessors—clerk, $1,500; vault clerk, $900; messenger and driver, $600; temporary clerk hire, $500; in all, $56,920.

Mr. ZIHLMAN. Mr. Chairman, I move to strike out the last word, and I do so to make a correction in a statement by the gentleman from Minnesota, chairman of the committee, and to substantiate a statement made by me. The chairman stated that the existing tax rate was 1¾ cents.

Mr. DAVIS of Minnesota. The gentleman is mistaken; I said the existing tax law was the same as carried in this bill, but I understood that last year they attempted to levy a 1¾ rate.

Mr. ZIHLMAN. The tax rate for this year is 1.82 in the District of Columbia, and last year was 1.95.

Mr. SNELL. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. SNELL. Does the gentleman know of a city having as many improvements as they have in the District of Columbia where the tax rate is as low as 1.82?

Mr. ZIHLMAN. I am not familiar with the tax rates in all of the cities. I am simply trying to show that the tax rate in the District in existence is 1.82, and last year it was 1.95, and attempting to show that the revenues of the District will this year reach a total of at least $14,000,000, and if this bill is passed there will be a surplus, if the Government contributes the proportion which it is stated it will contribute, and there will go to surplus the sum of one and three-quarters million dollars.

Mr. EVANS. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. EVANS. Has the gentleman taken into consideration the fact that the District is to pay its share of the bonus in case the bonus is allowed?

Mr. ZIHLMAN. I have not.

Mr. EVANS. And that the levy is on a two-thirds valuation?

Mr. ZIHLMAN. I am taking into consideration that at a 2-cent rate fifteen millions will be raised from real estate, tangible, personal, and intangible property; there will be raised from taxation on real estate alone more than $12,000,000, and the miscellaneous receipts will swell it to more than $15,000,000, so that the Federal Government, if this bill is passed, instead of paying 50 per cent, as they have for the past 50 years, will be paying less than 30 per cent of the expenses of conducting the District of Columbia.

Mr. EVANS. Does not the gentleman know that the amount of $14,000,000 does not include the bonus, which in all probability will be passed, increasing the expenses of the District so that it will perhaps take up all of the surplus?

Mr. ZIHLMAN. I never heard about the bonus until a few moments ago, and I would like to know if it is excluded in the estimates?

Mr. DAVIS of Minnesota. The committee has included a good many things liable to happen in the future. There is the reclassification bill, the $240 bonus bill, and everything of that kind. Now, I wish to correct the gentleman's statement. He says that the tax is so and so and names the amount. The law is just the same in this bill as it was last year—1½ cents minimum and 2 cents maximum. We do not fix what you shall levy; you can put it down to 1½ cents or they can make it one and three-quarters. The gentleman says that the tax was so and so last year and so much this year. They fix that themselves between these two propositions. The law is just the same this year as it was last year.

Mr. ZIHLMAN. I recognize that.

Mr. DAVIS of Minnesota. As to what they will levy this year, I do not know. If they levy 20 mills it will be greater than $15,000,000; it will depend on the appropriations we make. We do not want to rob Washington; we want it cut down to 15 mills if they can.

Mr. ZIHLMAN. I will state that these commissioners fix the rate, and they endeavored to show that by a 2 per cent rate——

Mr. DAVIS of Minnesota. Have they fixed it yet?

Mr. ZIHLMAN. They have fixed it for the present year.

Mr. DAVIS of Minnesota. They have made their estimates on what they are going to fix it.

Mr. ZIHLMAN. There was submitted to the District Commissioners a report made up in the office of the auditor which showed that they could raise $15,000,000, and this bill carries only $20,000,000. My contention is that the needed improvements in the District, both those cut out by the Director of the Budget and some of those that have been cut out by the subcommittee, should be put in, because people of the District have the property and they are able to pay taxes to pay for those improvements.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. CROWTHER. Does the gentleman not think that one of the most short-sighted policies is the failure in this bill to provide for the extra water supply of the city of Washington?

Mr. ZIHLMAN. I think so.

Mr. CROWTHER. It is almost criminal in its negligence.

Mr. ZIHLMAN. I think when the President of the United States is appealing to the heads of the departments to go ahead with needed improvements in an attempt to solve in some degree this question of unemployment and actual distress in the Nation it is a very short-sighted policy to strike from this bill many important needed improvements, and one of the improvements that has been dropped was an estimate for the rebuilding of the Calvert Street Bridge, one of the most dangerous structures in the city. That bridge shakes every time an automobile goes over it. An estimate of $180,000 was struck from this bill.

Mr. EVANS. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. Yes.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. EVANS. Mr. Chairman, I ask unanimous consent that the gentleman may have an extension of one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. EVANS. Referring to the water proposition, and likewise the Calvert Street Bridge proposition, the gentleman is a member of the Committee on the District of Columbia, and will

he please tell us what action his committee has taken to authorize either the construction of a water plant or the rebuilding of the Calvert Street Bridge?

Mr. ZIHLMAN. The Senate and the House of Representatives have on several occasions passed upon the project of the building of an additional conduit and the providing of additional water supply by roll call and by record vote, and they have indicated that they want this continued. They appropriated, first, $25,000 in the bill providing for the appointment of the Water Power Commission, for the survey, for the making of preliminary plans, and then Congress by a record vote in both bodies appropriated an additional sum of $200,000 to continue the preliminary work and initiate the actual construction.

Mr. EVANS. Will the gentleman answer the question, What has the District Committee done to authorize either of these improvements?

Mr. ZIHLMAN. The District Committee passed a resolution, which was adopted by the House, providing for the appointment of a commission to study this very critical situation and to report to Congress as to the actual need for an increased water supply.

Mr. EVANS. But it has absolutely failed to authorize the construction.

Mr. ZIHLMAN. I stated that Congress, by a record vote, has put the stamp of approval on the project which was outlined by the Army engineer.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. MOORE of Virginia. Mr. Chairman, I ask unanimous consent that his time be extended for two minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. I suggest that the situation indicated in the colloquy between the gentleman from Maryland [Mr. ZIHLMAN] and the gentleman from Nebraska [Mr. EVANS] shows how undesirable it is to apply our present methods of dealing with departmental work and the ordinary activities of the Government to the government of the District. But, beyond that, the proposition for the construction of a masonry bridge in place of the wooden Calvert Street Bridge was considered by the Bureau of the Budget and was eliminated from the estimates of the commissioners. The subcommittee refused to approve any of the estimates that were discarded by the Bureau of the Budget—not simply legislative matters, but street and sewer estimates that are within the province of the Committee on Appropriations. The rule applied by the Committee on Appropriations was to take at face value the action of the Bureau of the Budget and decline to correct or modify it.

Mr. EVANS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Virginia. If I have the power, I shall be very glad to yield.

Mr. EVANS. I would just ask the gentleman from Virginia—and I have a very high opinion of his judgment—whether or not our committee would have been authorized to put in an appropriation for the construction of the Calvert Street Bridge when there is no legislation providing for it?

Mr. MOORE of Virginia. Of course, I answer that the committee could have put it in.

The CHAIRMAN. The time of the gentleman from Maryland has again expired.

Mr. MOORE of Virginia. I ask for an additional five minutes for the gentleman.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. The committee could have reported the water supply and Calvert Street items. They would have been subject to points of order, but the points of order might not have been made. What I am saying to my friend from Nebraska is that I think the committee made a great mistake in assuming that all of the estimates that were presented to the Bureau of the Budget by the commissioners and rejected by the bureau should have been rejected as a matter of course by the committee.

I want to say further that I can not deny the statement made by the gentleman from Nebraska that there may have been neglect of the affairs of the District by the District of Columbia Committee. That is something as to which I can not speak. The system under which one committee proposes legislation and another appropriations is not conducive to the best results, and if the District Committee has been derelict in failing to authorize appropriations, that is certainly no reason why the Committee on Appropriations should fail to report appropriations for needed, important improvements, though some of the items would have to risk points of order being made against them.

Mr. ZIHLMAN. When I asked the chairman of the subcommittee why this had been stricken from the bill he stated this improvement was not so essential and should give way to other needed improvements. If that is true, what becomes of the other needed improvements? They certainly are not carried in this bill. For street improvements there was asked for by the commissioners a sum total of more than $800,000, and when finally this bill reaches the floor of the House we find a paltry $133,000 to carry on new street improvements in the District of Columbia for the period of 12 months. The contention I make is that under this low tax rate that has been referred to by the gentleman from New York, that under the low tax rate on intangible property referred to by the gentleman from Indiana [Mr. DUNBAR] here a while ago, the District of Columbia is still able to raise $15,000,000, or three-fourths of the amount carried by this bill, and these needed improvements could be carried on during this fiscal year without any great hardship being placed upon the people of the District and the Federal Government not bearing a proportion of the expense greater than that carried for more than 50 years, or not as much.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEGG. Mr. Chairman, I rise in opposition to the pro forma amendment. I should like to ask a question or two of the chairman of the committee. Under the item of assessors, on what basis do they levy taxes in this District?

Mr. DAVIS of Minnesota. The law says about two-thirds, but what they act upon I do not know.

Mr. BEGG. Two-thirds of what?

Mr. DAVIS of Minnesota. The value.

Mr. BEGG. Of what value?

Mr. DAVIS of Minnesota. I do not know.

Mr. JOHNSON of Kentucky. Two-thirds of the real value.

Mr. BEGG. I suspected that was it, and I want to call the attention of the committee and of the assessors to the fact that they can derive a greater amount of added revenue if they will actually levy on two-thirds of the value of which the realtors are trying to make an income on rental property. Now, the apartment house I live in is not worth a nickle over $300,000, and yet it was sold the other day for $500,000. It has been sold to my knowledge in three years four times, and there has not been $50,000 changed hands, I suspect, in all four sales. One of the items given the other day in the last sale, according to the newspapers, as one of the many things of value received for the apartment house were 100 pounds of bacon. It was sold on the basis of $500,000. Now, I know that it is not on the tax duplicate for over $200,000. Yet the man who claims to be the owner, whether he is or not I do not know and nobody else knows, but the man who purports to be the owner says he must get 6 or 8 per cent net income on his investment. Now, the best way to get at the rent gougers of this city is to make them pay taxes on their investment income, and if the assessors are not under the thumb of the realtors and they will go and put this property on the tax duplicate at $500,000, they will get results, but you will hear the most terrible wail you ever heard in your life.

Mr. CRAMTON. If the gentleman from Ohio will just consult the hearings of the subcommittee on the District bill a year ago he will find a discussion of that very proposition. The assessor was before the subcommittee to ascertain the system of making assessments, and the point of view was urged upon him of making an assessment that should take into consideration the rental being charged for various portions of a building; that is, the value of the building had something to do in some part of the basis of the rental value, and the assessor insisted in making his finding and paid no attention whatever to rentals.

Mr. BEGG. I think that is true.

Now, there is another class of people that are nominally controllers of property, if they are not owners. They are represented by the man or woman in this city who goes out and rents 10 or a dozen apartments in a big apartment house for $50 or $60 a month and puts a little bit of furniture in them, which furniture I can duplicate for about $500, brand new. And while they pay $50 to $65 a month rent for these apartments they rent them and they are listed in to-night's paper for $200 a month.

Mr. MANN. Why does not the gentleman go into the business?

Mr. BEGG. Why do I not go into the business? In the first place, I would have too much conscience to do a thing like that. [Applause.]

Mr. MANN. The gentleman does not think anybody here will believe that? [Laughter.]

Mr. BEGG. That may be true. The gentleman is so hardened by long association here that he does not believe there is

a man living with a little bit of conscience left in him. [Laughter.] But I say to you, when they can corral all the available rental property in a city of this kind and put an artificial value on it of $100 or $150 a month as income into their pockets on an investment, say, of $1,000 they ought to be made to pay taxes.

Mr. DAVIS of Minnesota. How are you going to do it?

Mr. BEGG. I would put them on the taxable list. One of the property owners, Mr. Howe Totten, a realtor in this District, wrote me a letter, in which he bemoaned the fact and bewailed the awful laws that we were passing, and here is the summary of his letters to me: He says that he is a breeder of fine dogs, and that the more he sees of Congressmen the better he likes dogs. That is the kind of men we are dealing with in some instances. I want to say, however, that not all property owners in this city are of that stripe, but enough of them are to control the commercial commodity, the apartment houses, that were built to take care of the transient public, just like a public utility.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEGG. Mr. Chairman, I ask for one more minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BEGG. I maintain that the apartment house is built for the purpose of taking care of the transient public, of Government employees, just as much as the railroad down Pennsylvania Avenue was builded for the purpose of transporting the public. And if you will put that interpretation on the housing question, that it is a public utility, and being a public utility, there is just as much reason in regulating and controlling the greed of the individual that corrals that public commodity as there is in regulating the light rates and water rates and street car fares on the cars that haul us between our places of business and our homes.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk will read.

The Clerk read as follows:

PERSONAL TAX BOARD.

Salaries: Three assistant assessors of personal taxes, at $3,000 each; chief inspector of personal property, $1,800; appraiser of personal property, $1,800; clerk, $1,400; assistant clerk, $1,000; two inspectors, at $1,200 each; extra clerk hire, $2,000; intangible personal property—two clerks at $1,500 each, five inspectors at $1,200 each, clerk to board of personal tax assessors, $1,800, clerk, $1,200; in all, $31,400.

Mr. JOHNSON of Mississippi. Mr. Chairman, I move to strike out the last word. I do this for the purpose of asking just a question. I want to ask the chairman if the assessor of personal property is required to assess household goods, and, if so, how much, if any, is exempt from taxation?

Mr. DAVIS of Minnesota. I think he is directed under the law to assess household property, but I think there is a $500 exemption.

Mr. JOHNSON of Mississippi. Is he supposed to assess it on a 100 per cent valuation or less?

Mr. DAVIS of Minnesota. On a three-quarters valuation.

Mr. JOHNSON of Mississippi. That is all I care to ask. I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LICENSE BUREAU.

Salaries: Superintendent of licenses, $2,000; clerks—1 $1,400, 2 at $1,200 each, 1 $1,000, 1 $900; inspector, $1,200; inspector of licenses, $1,200; assistant inspector of licenses, $1,000; messenger, $600; in all, $11,700.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point there is no quorum present.

Mr. MOORE of Virginia. Will the gentleman withhold it for a minute?

Mr. DAVIS of Minnesota. I wish the gentleman would wait about 10 or 15 minutes. I intended to rise at about 5 o'clock.

Mr. GARRETT of Tennessee. I withhold it for a time.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the last word.

I would like to call the attention of the chairman of the committee, the gentleman from Minnesota [Mr. DAVIS] to this: Reference was made a while ago by the gentleman from Maryland [Mr. ZIHLMAN] to one of the subjects that we all regard as important, while there is a diversity of opinion as to how it should be dealt with, namely, the proposed increase of the District water supply. Since the committee reached its conclusion and made its report, in view of the doubt expressed in the report as to whether an appropriation should be made, and of the fact that the bill carries no appropriation in respect to the water supply matter, I addressed a letter to Maj. Tyler, who outlined in his report, submitted to Congress some time ago, a project that had the approval of the Water Power Commission, and had a reply from his superior, Gen. Beach, the Chief of Engineers, and I ask permission to have this correspondence printed in the RECORD, for the information of anybody who is studying the subject.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to place in the RECORD certain matter as indicated. Is there objection?

Mr. WALSH. Reserving the right to object, will those letters appear in the RECORD at this point, or will they be in an extension?

Mr. MOORE of Virginia. I think it would be best to have them in the RECORD at this point.

Mr. WALSH. Then will the gentleman ask that they be printed in 8-point type, so that we can read them?

Mr. MOORE of Virginia. Yes. Mr. Chairman, I make that request.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the letters be printed in the RECORD in 8-point type. Is there objection to the request?

There was no objection.

Following are the letters referred to:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, D. C., January 30, 1922.

Maj. M. C. TYLER,
Corps of Engineers,
Old Land Office Building, Washington, D. C.

DEAR MAJ. TYLER: This has reference to my conversation with you relative to the District water-supply matter.

The statement in the report of the House Appropriations Committee, explaining why the appropriation recommended by the Budget Bureau of $3,000,000 for the fiscal year 1923 was omitted, is as follows:

"The estimates included a proposal to appropriate $3,000,000 for extending work on the project for an increased water supply for the District of Columbia, for which the Army appropriation act approved June 30, 1921, carried an appropriation of $200,000 'for the preparation of plans' and 'the initiation of the work.' This bill contains no appropriation on account of that project. The committee developed the information that, in the event of any serious break in the tunnel conveying water across Rock Creek to the present and only filtration plant or between the District line and said filtration plant, the plan for this project—specifically designated in the Army appropriation act cited, and the work under which is estimated to cost $9,523,000—has not been so prepared as to afford relief to that section of the city receiving water by gravity from the reservoir adjoining the existing filtration plant, and such section consumes about 50 per cent of all the water used. In other words, the proposed project will be an auxiliary to the present system to the District line, at which point the water flowing down the proposed new conduit will be filtered and pumped to the higher levels of the northwest section of the District, and, without modification of the project and an appropriation in excess of the present estimated total cost thereof, would not be of assistance, should any serious difficulty arise between the District line and the present filtration plant, to the gravity-supplied area referred to."

As you are aware, I have introduced a bill authorizing an appropriation of $9,523,000, less the sum of $200,000 heretofore appropriated, which has been referred to the Committee on the District of Columbia.

It is obviously desirable to carry the project forward as rapidly as possible, and I understand even under the most favorable circumstances it can not be completed in less than from two to three years. I would like to have your opinion as to the expediency, in order to avoid delay, of trying to secure an immediate appropriation of $3,000,000, with its expenditure limited to the construction of the new conduit between the Great Falls and the proposed new filtration plant and the construction of that plant, leaving the details as to what shall be done east of the filtration plant to be considered when the bill now in the hands of the District Committee is taken up. It is estimated that the entire project as set forth in your report will call for an outlay of over $9,000,000, of which approximately $5,000,000 will be expended in constructing the conduit and filtration plant, as above indicated. It is, of course, clear that whatever may be the final decision as to the work east of the filtration plant, the work from the Great Falls, up to and including the filtration plant, will have to be done and will call for an expenditure of more than $3,000,000.

Should you be of opinion that the expenditure of an immediate appropriation of $3,000,000 can, without any disadvantage to the public interests, be limited in the manner pro-

posed, I will thank you to suggest how the provision should be worded in order to guard against any uncertainty.

My personal view is, from such knowledge as I have of the matter, that no more advantageous or inexpensive plan can be devised than the one outlined in your report relative to the work eastward, as well as that westward of the new filtration plant, but a different view is expressed in the report of the Committee on Appropriations.

Yours, very truly,

R. WALTON MOORE.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, January 31, 1922.

HON. R. WALTON MOORE,
House of Representatives, Washington, D. C.

DEAR MR. MOORE: In reply to your inquiry of January 30, I beg to furnish the following information:

1. The House Committee on Appropriations raises the point that the project for increasing the water supply of the District of Columbia, forwarded with my indorsement January 31, 1921, and published in Senate Document No. 403, Sixty-sixth Congress, third session, does not, in the opinion of the committee, provide adequate insurance against breakdown of service to the gravity area of the city, which, after the completion of the new works, is still to be supplied through the tunnel running under the city from the Georgetown Reservoir to the McMillan Park Reservoir and the filtration plant near the Soldiers' Home.

2. The purpose of the project is to provide a safe and adequate water supply for the District of Columbia. Before it was recommended, all possible sources of supply and methods of bringing water to the city were very carefully studied. The investigation showed conclusively that a new conduit from Great Falls to the Dalecarlia Reservoir at the District line, a new filtration plant, and suitable pumping equipment at that point, which, through new force mains and distribution reservoirs, will supply water to the high services now served by pumping through longer pipe lines from the existing filtration plant near the Soldiers' Home, would prove by far the cheapest both in first cost and operating cost. It was further found that the construction of the new works proposed would reduce the amount of water to be supplied through the existing tunnel and filtration plant to about 47 per cent of the amount now supplied through them, since 47 per cent of the total is used in the gravity area. This reduction of demand to be supplied through the tunnel and existing filtration plant will make it entirely feasible to completely repair the tunnel. The two filtration plants will be adequate to supply a population of 800,000. The new plant will supply, through relatively short pipe lines, the high-service areas, viz, those to which water is now pumped through relatively long pipe lines. The old filtration plant will supply the gravity area. Thus a maximum use is made of everything that has been built ifi the past and nothing is scrapped. It is estimated that the new plant will be adequate to supply the high services for 50 to 60 years, while the excellent old plant will be adequate to supply the gravity area for a like period. As the plan will permit complete repairs in the tunnel, and as no trouble is anticipated after such repairs are made, the extra expense of connecting the new filtration plant with the gravity area and of making that plant large enough to furnish water both to the high services and to the gravity area, viz, to the entire District of Columbia, was not considered justifiable for the sole purpose of permitting the tunnel to be put out of service at any time. Such enlargements are, however, entirely feasible and can be made now or at any date in the future if funds are provided therefor. They would consist—

First. Of an additional pipe line laid along the Conduit Road from the new filtration plant to the mains of the gravity area in Georgetown; and

Second. Of additional coagulating basins and filter beds at the new filtration plant.

If the first item, the additional pipe line, is provided now, the new plant could supply the gravity area, with the tunnel and existing filtration plant out of commission, and also supply the high services. However, as the new plant is intended to supply only the high services and meet the growth of those services, it will soon be too small to supply the whole District of Columbia. Additions would, therefore, soon be necessary, and if it is to be able to supply the whole District 50 or 60 years from now it would have to be twice its size, as now designed, which is estimated as ample to take care of the high services for that period of time.

3. The new work, contemplated by the project as submitted, is estimated to cost $9,523,000. An additional pipe line from the new plant to the gravity area, with the increase in pumping equipment made necessary thereby, it is estimated will cost $467,000. If this addition to the project is made now, the total cost will be $10,000,000, or an increase of 4.9 per cent of the estimated cost of the work recommended. If the new filtration plant is ultimately to be enlarged so as to be able at all times in the future to supply the entire District of Columbia, an added expenditure of approximately $2,675,000 will be necessary for that purpose, and it will also be necessary to provide additional large mains in the gravity area to feed it from the Georgetown instead of the McMillan Park end. This item will probably cost $500,000. All these additions, which would be for the sole purpose of permitting the tunnel and the existing filtration plant to be shut down any day in the year for a period of some 50 years into the future, total $3,642,000, or about 38 per cent of the cost of the works recommended, and give a filtration plant capacity 50 per cent greater than is actually needed.

4. The construction of the works recommended in the report as submitted will double the capacity of the water supply of the District of Columbia. It may be of interest to note that the new facilities, even with the additional connection between the new filtration plant and the gravity area, will be furnished at a cost of $151,515 per million gallons per day average capacity, while the existing supply system cost $174,954 per million gallons per day average capacity. The project as submitted, plus the extra connection to the gravity area heretofore mentioned, at a cost of $10,000,000 is $2,688,000 cheaper in first cost than any other feasible project. With the ultimate enlargement of the new filtration plant to double the size recommended the project would still be cheaper than any other project giving equal capacity.

5. It is, of course, absolutely essential that Congress feel satisfied that the project is entirely safe and adequate. Therefore, if Congress in its wisdom believes the additional insurance necessary of a connection between the new filtration plant and the gravity area and enlargement of that plant so as always to be able to supply the entire District of Columbia with the tunnel and existing filtration plant out of commission, such additions may be made to the project. It seems to me that these additions can be provided for easily by inserting in any legislation after the words—

* * * increased water supply for the District of Columbia, in accordance with Potomac Project "E," described in the report of Maj. M. C. Tyler, Corps of Engineers, published in Senate document No. 403, Sixty-sixth Congress, third session * * *.

The words—

and also including proper and adequate connection between the gravity distribution area and the new filtration plant described therein, which plant is to be of such capacity and capable of such enlargement as to be able at all times to furnish an adequate supply of water to the gravity as well as to the high-level distribution areas.

Such action should, of course, be accompanied by an immediate increase in the authorized cost from $9,523,000 to $10,000,000, and it should be understood that ultimately a total investment of about $13,000,000 will be required.

6. It should be understood that all the works cityward of the new filtration plant at the District line are for the purpose of distributing filtered water. As previously stated, the plans are believed safe and adequate, and they have had the approval of both the former and present engineer commissioners of the District of Columbia. An addition to the plans to connect the new filtration plant with the gravity area in no way affects the plans for the new conduit or the new filtration plant. The ultimate enlargement of the new filtration plant can be planned for at the present time, but such additions need not be made immediately.

The estimated costs of those works, as recommended, are:

New conduit	$3,497,000
New filtration plant and accessories	2,675,000
Total	6,172,000

It is estimated that about two and one-half years will be required for the completion of these works, consisting largely of concrete masonry. On the other hand, the work cityward of the new filtration plant consists largely of pipe lines for the construction of which two years should suffice. The urgency of the situation is such that the construction of the new conduit and new filtration plant should not wait on a decision as to whether the connection to the gravity area should be made and whether the new filtration plant is to be enlarged. The detailed plans are in such a state of advancement that contracts can be entered into by July 1, 1922.

If, therefore, Congress should not see fit to provide at this time for the connection between the new filtration plant and the gravity area and for the enlargement of the new filtration plant, but prefers that the distribution problem receive further study,

it would seem that some such provision of law as the following would fully meet all requirements:

Provided, That the funds so appropriated shall be used only in the construction of the conduit from Great Falls to the District line and in the construction of the new filtration plant and its accessories: *And provided further*, That the Secretary of War shall, on or before January 1, 1923, submit to Congress a supplemental report on the distribution of water from said plant.

LANSING H. BEACH,
Major General, Chief of Engineers.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 10101) making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1923, and for other purposes, had come to no resolution thereon.

THE TYRANNY OF THE PREVIOUS QUESTION.

Mr. LAZARO. Mr. Speaker, in reading the history of Georgetown University, founded here in 1781 by the Rev. John Carrol, I find that the first pupil to enter the university was William Gaston, of North Carolina—conceded to be first not only in time but in talents and distinction in the whole history of Georgetown—a profound scholar and an orator of the first rank.

Gaston entered the House of Representatives in 1813 and delivered here one of the few really great speeches which have been heard in Congress, upon "The Tyranny of the Previous Question." I have found and read this speech, and it is one of the most interesting speeches I ever read, and it is always interesting to members of a representative body.

I ask unanimous consent to have this speech reprinted in the CONGRESSIONAL RECORD.

The SPEAKER. About how long is it?

Mr. LAZARO. It is short.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

There was no objection.

Following is the address referred to:

Mr. Gaston rose and spoke as follows:

Mr. Chairman, the proposition which has been made by my worthy friend and colleague [Mr. Stanford] to expunge from the rules of this House what is there called "the previous question," brings distinctly forward for consideration a subject which has the most imperious claims on the attention of every individual of this honorable body. It vitally concerns the rights of the Members of this House, and the essential interests of the people whom they represent. From the moment, sir, I have been able to comprehend what from that chair and on this floor has been expounded to be "the previous question," I have believed it hostile to every principle of our Government, inconsistent with all notions of correct legislation, and without a precedent in the annals of any free deliberative assembly. At different periods of the last Congress I had thought of attempting to procure some amendment of this arbitrary rule, but I was prevented from prosecuting my purpose by a conviction that the party feelings which had grown out of the war and which had then reached their highest state of excitement, forbade all hope of that deliberate consideration which was indispensable to a correct decision. The present Congress, I have flattered myself, afforded a fit opportunity for a revision of this rule. With the return of peace to our land had returned also a spirit of mutual forbearance between the political parties of the House. Now it might be practicable to discuss and decide a great question upon its intrinsic merits, and not simply with a view to its influence on the interests or purposes of faction. Indulging this hope, it was my fixed determination not to permit the present sessions to pass away without an effort to rescue my own rights and the rights of those whom I represent from the further oppression of this instrument of tyranny. I have been anticipated by my colleague, and I rejoice that I have been thus anticipated. From none could the call upon this honorable House to emancipate itself from the thraldom of "the previous question" proceed with more authority and propriety than from its oldest surviving son; from him who has witnessed the growth of this rule from its first intrusion here to its present all-controlling domination. And, sir, I rejoice equally at the opposition which the motion of my colleague has encountered. If this hideous rule could have been vindicated, we should have received that vindication from the gentleman who has just resumed his seat [Mr. Clay]. If his ingenuity and zeal combined could form for the previous question no other defense than that which we have heard, the previous question can not be defended. If beneath his shield it finds so slight a shelter, it must fall a victim to the just though long-delayed vengeance of awakened and indignant freedom. If Hector can not protect his Troy, the doom of Troy is fixed by fate.

It is indispensable, before we proceed further in the consideration of this subject, that we should perfectly understand what is our previous question. Gentlemen may incautiously suppose that it is the same with what has been called the previous question elsewhere. This would be a most fatal mistake. Our previous question is altogether "sui generis," the only one of its kind; and to know it we must consider not merely what is written of it in our code, but what it has been rendered by exposition and construction.

Our previous question "can only be admitted when demanded by a majority of the Members present." It is a question "whether the question under debate shall now be put"—on the previous question "there shall be no debate." "Until it is decided, it shall preclude all amendment and debate of the main question." If it be decided negatively, viz, that the main question shall not now be put, the main question is of course superseded; but if it be decided affirmatively that the main question shall now be put, the main question is to be put instantaneously, and no Member can be allowed to amend or discuss it. The previous question is entitled to precedence over motions to amend, commit, or postpone the main question, and therefore when admitted puts these entirely aside. This, according to the latest improvement, is now our rule of the previous question, and certainly in your Patent Office there is no model of a machine better fitted for its purposes than this instrument for the ends of tyranny. It is a power vested in the majority to forbid, at their sovereign will and pleasure, every Member not of that majority from making known either his own sentiments or the wishes or complaints of his constituents in relation to any subject under consideration or from attempting to amend what is proposed as a law for the government of the whole Nation.

It is a fundamental principle of civil liberty that no citizen shall be affected in his rights without an opportunity of being heard in support of them. Our Constitution provides "that no citizen shall be deprived of life, liberty, or property without due process of law." Every freeman is recognized by our Constitution as possessing also the right, either by himself or peaceably assembled with others, to petition the Government for a redress of grievances. The peculiar duties of the Representatives of freemen delegated with authority to bind their constituents by law constitute these Representatives the agents of the people, to make known their grievances, their wants, and their wishes, that thus by mutual and free intercommunication rules of action may be framed fitted "to promote the general welfare." To refuse to receive the petition of the poorest and meanest member of society, alleging a grievance and applying to the competent authority for redress, is an act of tyranny prohibited by the Constitution. To impair by a judicial sentence any one of his rights, or restrain him in the exercise of his freedom, to touch either his purse or his person, until after regular process to apprise him of the charge brought against him and a full hearing of any defense he may urge by himself or his counsel, is confessedly iniquitous and unconstitutional. Yet by this detested rule he, his neighbors, the whole community, may be mulcted with taxes to an indefinite amount and subjected to obligatory rules of action, involving consequences fatal to liberty, property, and life, and their recognized agents, their constitutional counsel, their Representatives, not suffered to allege a grievance or offer a defense. No individual can be condemned unheard, no individual can be refused a hearing of his petition. But thousands petitioning through their Representatives may be commanded into silence and a whole country sentenced without a trial. The people are to be allowed Representatives in the great national council, who are forbidden to make known their wants; they are indulged with agents who are refused a hearing.

Sir, such absurdities will not bear examination. They can not be tolerated by thinking and dispassionate men. It is vain to allege, in the language of the Speaker, that as the House is permitted by the Constitution "to determine the rules of its proceeding" it has a perfect right to forbid discussion when and as it pleases. It can not (rightfully can not) so regulate its proceedings as to annihilate the constitutional franchise either of a Member or his constituents. They have a right to be heard before their money is voted or their liberty restrained, and he is their delegated agent. The whole Congress can not by law deprive them of their constitutional franchise to petition for redress of grievances, and this House is not competent to close the mouth through which the petitioners speak. Under the pretense of determining the rules of its proceedings the House has no more authority to deny to any portion of the people the fair agency of their Representatives than a court of justice under a plea of preserving decorum to forbid a criminal the assistance of counsel. The power in either case is given for the preservation and more effectual enjoyment of the rights of which it is the guardian. It may regulate, but it can not destroy them. It may prevent their abuse, but it can not forbid their exercise. The court is not obliged to hear counsel as often as they may wish to speak, nor to tolerate impertinence or contempt. The House may not allow debate on a motion for adjournment or a question whether language be indecorous, but if either forbid the duly constituted agent from performing his regular and proper functions it is then usurpation, not right; it is abuse of power, not regulation. The privilege of the Representative to declare the will, to explain the views, to make known the grievances, and to advance the interests of his constituents was so precious, in the estimation of the authors of our Constitution, that they have secured to him an irresponsibility elsewhere for whatever may be uttered by him in this House; "for any speech or debate in either House they (the Senators and Representatives) shall not be questioned in any other place." The liberty of speech is fenced round with a bulwark, which renders it secure from external injury—here is its citadel, its impregnable fortress. Yet here, even here, it is to be strangled by the bowstring of the previous question. In vain may its enemies assail it from without, but within the mutes of despotism can murder it with impunity.

The existence of this arbitrary rule is incompatible with the independence which belongs to the character of a Representative. Called by the voice of a great and free people to the high (and I had almost said sacred) office of making laws for their Government, we should all of us feel that our functions and the privileges essential to their discharge are delegations of sovereignty, not the revocable, precarious grants of a courteous majority of our own body; legislating for freemen we should ourselves be free. But what pretensions can he advance to freedom who is indebted for the exercise of his supposed rights to the grace and favor of his associates? Our English ancestors considered those tenures free which were independent of another's will. To hold by the will of another was the tenure of a "villain"—a slave. And has the constitutional right of a Representative of the people in the freest of all free countries become nothing more than a species of privileged villanage—of splendid servitude? Instead of the legislator being independent of all but God and his country in the exercise of his functions, is he to receive as a favor the permission of his fellows to take a part in legislation? The degradation is not the less, because those on whom he depends are equally degraded with himself. Each may be regarded as a slave in an association of slaves of which the majority are tyrants. Can it be that to such a body, and so composed, the people of the United States designed by their great constitutional charter to confide the mighty trust "of securing the blessings of liberty to themselves and their posterity"? Can it be that they should select as guardians of their rights those who should have no right to assert them? That never can be called a right which owes its existence to favor.

This rule of the previous question, instead of being sanctioned by the constitutional authority which the House possesses of making rules to govern its proceedings is at variance with the very object for the attainment of which this power was delegated. The great purpose of rules in every community is to protect the weak against the tyranny of the strong. The end of regulations in a society where a majority governs is to limit the power of the majority and to secure the few from the oppressions of the many. The celebrated Arthur Onslow, who held the office of speaker of the English House of Commons for more than three and thirty years, and discharged its duties with an ability and impartiality which have never been surpassed, used to remark that "nothing tended more to throw power into the hands of administration and of a majority of the House of Commons than a neglect of or departure from its rules; that the forms of proceeding as instituted by their ancestors operated as a check and control on the actions of ministers and were a shelter and protection to a minority against the attempts of those in power." And the accurate and judicious Hatsell, who has recorded this memorable observation, very properly remarks that it is founded in good sense, for that "it is always in the power of the majority, by their numbers, to stop any improper measures proposed on the part of their opponents"; but "the only weapons by which the minority can defend themselves against similar attempts from those in power are the rules of proceeding, by a strict adherence to which the weaker party can only be protected from those irregularities and abuses which these forms were intended to check and which the wantonness of power is but too often apt to suggest to large and successful majorities."

Now, sir, it must be admitted that the ordinary and correct course of legislation is to afford a fair opportunity for a free interchange of opinions. "Dieu deliberandum quod semel est statuendum" is the old maxim, which in Hakewell's quaint but expressive language is thus paraphrased: "That which is to bear the stamp of a law must be a long time molding; there must be previous debates, bandings of arguments, and clashings of opinions, pro and con, go before; for as we find that fire issueth forth from the concussion of flint and iron, so truth comes forth out of the eventillations and clashings of several opinions." It can not be denied, too, that it is in the regular order of all deliberations to weigh and dispose of amendments before a final decision on the main subject. Yet the express end and aim of our previous-question rule is to prevent an interchange of opinions and to forbid amendments. Its purpose is to reverse everything like correct legislation and to enable a "successful majority" in the "wantonness of power," unchecked "by forms of proceeding," unopposed by "the legitimate weapons of defense," to deprive the minority of every right, and to make its capricious will stand for reason, its passion for law. Surely strange notions have been broached at this inventive spot. It is right to subject the majority to the restraint of parliamentary rules, except when it chooses to be free from them. The majority shall not be permitted to oppress the minority, unless it have the inclination. Thus, also, a national bank is unconstitutional in good times and oaths are registered in heaven, but if the Government needs a bank and the times prompt to a usurpation of power, then the Constitution accommodates itself to the exigency and oaths are no longer troublesome. Constitutions and rules of proceeding are binding so long as there is no temptation to transgress them.

I have said, sir, that there is no precedent to be found in the annals of any free deliberative body for such a rule as our "previous question," and although I feel almost as great a repugnance to pledges as has been expressed by my eloquent friend from Virginia [Mr. Randolph], yet I pledge myself to maintain this position. In the English House of Commons the previous question has been known as a form of proceeding for more than two centuries, but it differs radically and essentially from our detested rule, which bears the same name. In England it can never be used so as to deprive any member of his right to discuss or to amend the question under debate. Ours is used avowedly for these purposes.

The origin of the previous question in the English House of Commons is hidden in obscurity. In Grey's Parliamentary Debates it is remarked by Sir Thomas Littleton that Sir Henry Vane was the first that ever proposed putting a question "whether the question should be now put"; in consequence of which the speaker, Mr. Seymour (afterwards Sir Edward Seymour), observes: "No man can find any precedent of Sir Henry Vane's question. By that question we can never come to an end in any business. The question in being may be the next day put, and so you usher in an impossibility of bringing things to a period"; and Sir Robert Howard adds, in the spirit of prophecy, "This question is like the image of the inventor, a perpetual disturbance." The debate which gave rise to these remarks (March, 1672) turned upon the question whether a bill of supply should be engrossed before certain grievances were redressed.

There is a debate—January, 1674—recorded in the same volume wherein the previous question was used and which respected the inquiry whether the House should proceed to the consideration of the King's speech before it should ascertain by an address to the Crown whether, by the peace mentioned in the speech, is intended a separate or a joint peace. From these it would seem that an early, perhaps the first, use of the previous question was to postpone one subject in order to take up another. But whatever might have been its original use, it was early discovered to be susceptible of a service very convenient to ministers and their adherents, and to which they have since frequently applied it—that of getting rid of an unpleasant motion which it was not convenient to reject. The first instance I have seen of this application of the previous question was in the case of this very Mr. Speaker Seymour, in October, 1673, who probably afterwards entertained a more favorable opinion of the previous question than what he had expressed about 18 months before. Sir Thomas Littleton submits a motion to remove the Speaker and appoint a Speaker pro tempore, on the ground that the Speaker holds an office incompatible with the faithful discharge of his duties to the House—the office of privy counsellor to the King. This motion is supported by others on a different, and, what was then perhaps deemed a delicate, ground, that the Speaker "exposed the honor of the House in resorting to gaming houses with foreigners, as well as Englishmen, and to ill places." The last is treated by the Speaker's friends—fashionable men and courtiers—as a trivial objection and the first is resisted by precedents. Upon the whole, however, it is found expedient to get rid of the motion by the previous question, and therefore "on the question being propounded that Mr. Speaker do leave the chair, a Speaker pro tempore be appointed, the question being put 'that the question be now put,' it passed in the negative." It will be observed that in the instances cited of the use of the previous question, and in all others which may be resorted to, it never prevented full debate of the main question. The ancient practice was, as we learn from Hakewell, "if the matter moved to receive a debate, pro and contra in that debate none may speak more than once to the matter. And after some time spent in the debate the Speaker, collecting the sense of the House upon the debate, is to reduce the same into a question, which he is to propound, to the end that the House in the debate afterwards may be kept up to the matter of that question, if the same be approved by the House to contain the substance of the former debate." It was the right of every member to speak once, if he wished it, to the matter moved, and of this right he could not be deprived by any use of the previous question. Hakewell proceeds to state, "If upon a debate it be much controverted and much be said against the question, any member may move that the question may be first made whether that question shall be put or shall be now put, which usually is admitted at the instance of any Member, especially if it be seconded and insisted on; and if that question being put pass in the affirmative, then the main question is to be put immediately, and no man may speak any further to it, either to add or alter. But before the question whether the question shall be put any person who hath not formerly spoken to the main question hath liberty to speak for it or against it, because else he shall be precluded from speaking at all to it." The previous question was simply a demand that when the main question should be ripe for decision the House should first pronounce whether it was then expedient to decide it. It was no matter at what period of the debate on the main question this demand was made, the previous question could only be put when the main question was about to be put, and the main question could not be demanded while any person who had not spoken wished to speak upon it. "It is a great mistake," says Sir Thomas Lee, "that the previous question, if asked, must necessarily be put, for you may do it all at one time and not at another." In fact, when the previous question was demanded there were two questions before the House—the one whether the main question should be decided, the other what should be the decision on it. If the first were determined negatively it, of course, precluded the necessity of determining the other; but if the first were answered affirmatively the other was to follow immediately. Before, however, either branch of this double question was put, every Member had a perfect right to be heard. In later times the previous question has been frequently resorted to, but never to destroy this right of speaking to the main question. For instance, let us take the debate on the motion of Sir James Lowther—November 3, 1775—"that the introducing of Hanoverian troops into any part of the dominions belonging to the Crown of Great Britain, without the consent of the Parliament first had and obtained, is contrary to law." The affirmative of this proposition was maintained by Gov. Johnson, Mr. Sergeant Adair, and others, and the negative by Lord Barrington and Mr. Stanly; when Mr. Gordon declared his opinion to be that the measure was illegal, but well meant and highly expedient, moved the previous question. Then it was that the solicitor general, Mr. Wedderburne, entered fully upon the subject. In opposition to the main question he contended for the legality of the practice and stated numerous precedents by which it was sanctioned; and in support of the previous question he entered into a variety of circumstances and arguments to show the propriety of the measure. He was followed by Mr. Burke, Lord North, and others, expressing their sentiments fully, as well in relation to the original motion as to the previous question demanded on it. The advantage which the ministry gained in this instance by the previous question was not to silence the minority and prevent a discussion of the main question, but to rally round their standard those who would desert them if compelled to vote directly on the main question. They sought by this measure to strengthen their main body of well-trained troops by the accession of the irregular militia, who could not be relied on in a desperate charge. Take, for another instance, Mr. Burke's motion for leave to bring in his famous bill "for composing the present troubles and for quieting the minds of His Majesty's subjects in America." After the previous question is moved the whole subject opened by the motion is debated by the great champions on either side who entered on the controversy.

I believe, sir, that some confusion has been thrown on the subject of the previous question—a confusion from which even the luminous mind of the compiler of our Manual, Mr. Jefferson, was not thoroughly free—by supposing it designed to suppress unpleasant discussions instead of unpleasant decisions. The fact is that formerly the discussions in the English House of Commons were not designed at all for the public ear, but solely for the members of the House. There are various orders, collected by Hatsell, forbidding the clerk and his assistants from taking notes or permitting copies to go forth of any arguments or speeches made in the House. And we know that when Dr. Johnson first published those specimens of British parliamentary eloquence, which spread its fame through the world, he was compelled to throw over his design the veil of fiction. They were announced as the debates of "the Senate of Lilliput," and the speakers were designated by the most barbarous appellations. To this day a publication of speeches made in either House of Parliament is, in strictness, regarded as a contempt, and may be punished as such. In a body whose discussions were not designed for the public and whose proceedings were known only by their final votes and orders, composed of men who had ever some grievances to allege, who claimed the privilege of free speaking, so essential for the exercise of that right, and whose plain habits of discourse were free from the fastidious delicacy of latter days: all subjects from which the fear of royal indignation did not restrain them were freely bandied to and fro until the House was ready to act or to declare its determination not to act upon them. The previous question could not be used to prevent the discussion of an unpleasant subject. For, whether the previous question was called or not, every Member had a right to be heard once on the main question.

The previous question in the English House of Commons deprived no member of the right to amend the main question. It has, indeed, been made a doubt whether an amendment could be received if offered after the previous question had been moved and seconded and proposed from the chair. Among the arguments by which this doubt was repelled it has been observed that to refuse the amendment because not before offered would be to put it "in the power of any two members by moving and seconding the previous question, immediately after the main question is proposed, to deprive the House of that power which they ought to have in all instances of amending and altering any question proposed to them." On the other hand, those who entertained this doubt answered, "No inconvenience can arise from the doctrine, for, if before the previous question is proposed from the chair, though it should have been moved and seconded, any member should inform the House that he wished to make amendments to the main question, he will then certainly be at liberty to do it, and the Speaker, supported by the House, will give that priority to the motion for amending to the motion for the previous question, which common sense requires." However this doubt may be decided, all concur in declaring that in the English House of Commons the previous question can not preclude the exercise of the undoubted right "in all instances of amending and

altering any question proposed to them," nor can it supersede that "priority for amendments" which "common sense requires." No, sir; it was reserved for us in this age of illumination and in this freest of all free Governments, to adopt a rule which sets common sense at defiance and prohibits the exercise of undoubted parliamentary right. It was reserved for us to declare that the previous question shall have priority of a motion to amend.

If we can find no sanction for our rule in the previous question of the British Parliament, let us examine how far it is founded on American precedents. Here we shall discover an early departure from the European management of the previous question; but a departure strictly consistent with the legitimate purpose of such a question, and which far from shackling legislative freedom simplified the rule, while it afforded full latitude for discussion and amendment. If we will examine the journals of the Continental Congress we shall perceive their practice to have been to regard the previous question as a motion to set aside the main question, which was, of course, a distinct proposition and open, like all others, for free debate. To this proposition the debate was confined. If the main question was set aside the debate proceeded no further. If the motion to set aside the main question did not prevail, it was then before the House unaffected by this motion, and necessarily in a situation to receive such a disposition as the House thought proper to give it. Postponement, amendment, debate were then as completely in order as before the unsuccessful motion had been made. This was truly an improvement of the old rule, an American graft upon the English stock. Simplicity of debate was promoted by confining the controversy, in the first instance, to the propriety of taking the main question—not only unpleasant decisions, but unpleasant and unnecessary discussions might be thus prevented. If on the preliminary inquiry the subject was pronounced a proper one for the decision of Congress, there was then scope for the exercise of their unshackled wisdom in regard to it. Two instances will be sufficient to show this American usage of the previous question in the Continental Congress. "A motion was made to resolve that the Members of this House keep secret from all but the Members of this House, under like obligations of secrecy, such information as may be derived from an inspection of the papers of the committee of secret correspondence or from hearing the same read."

After debate, the previous question was moved by Mr. Duer—10 States voted in the affirmative, "and so it was resolved in the affirmative, and the main question was set aside." Again, on Friday, July 25, 1788, "the following proposition being under debate, viz, that the Secretary at War direct the detachment of troops marching to the westward to rendezvous at Easton in Pennsylvania, and from thence into the county of Luzerne, for quelling the disturbances in that county, provided the executive council of Pennsylvania shall find the assistance of those troops necessary, and provided that the said troops shall not be delayed in their march to the Ohio more than two weeks; the previous question was moved by the State of Virginia, and seconded by the State of Massachusetts, viz, 'that the main question be not now put,' and on the question to agree to the previous question, the question was lost—on the question to agree to the main question, it was resolved in the affirmative."

In the year following Congress convened under the present Constitution. In the House of Representatives one of the first acts was to establish rules of proceeding; and the committee on whom this duty was imposed consisted of gentlemen, many of whom had served their country in the Continental Congress, and among whom, with high claims to distinction, was the present Chief Magistrate of the United States. It is manifest that this committee and the House regarded the previous question precisely as it had been viewed in the old Congress, as a preliminary inquiry into the propriety of the main question, which, if decided favorably to a hearing of that main question, left it perfectly free to the sound discretion of the House. They, indeed, altered the form of putting the previous question from the negative to the affirmative style of interrogation. "The previous question shall be in this form, Shall the main question be now put?" They also required that five Members should concur in asking for it. "It shall only be admitted when demanded by five Members." They limited the debate on this preliminary inquiry: "On a previous question, no Member shall speak more than once without leave," whereas on other questions he had a right to speak twice; but, in the full spirit of the established American practice, they confined the debate to the previous question until that was declared, and only until then. "Until the previous question is decided, it shall preclude all amendment and further debate of the main question," unequivocally evincing that "amendment and further debate of the main question" might take place after decision of the previous question. And this, sir, was the clear, settled, undeviating exposition of this rule, for upward of 20 years after its adoption by this House. I will prove this position by irrefragable testimony. In the second session of the Third Congress a resolution was moved, "That the President of the United States be requested to cause an ascertainment to be made of the losses sustained by the officers of Government, and other citizens, on their property (in consequence of their exertions in support of the laws), by the insurgents in the western counties of Pennsylvania." Upon this resolution "the previous question was called for by five Members, to wit, Shall the main question to agree to the said resolution be now put? It was resolved in the affirmative—yeas 52, nays 31. The said resolution was then amended at the Clerk's table; and the main question being put that the House do agree to the said resolution, amended to read as follows: '*Resolved*, That the President of the United States be requested to cause an ascertainment to be made of the losses sustained by the officers of Government, and other citizens, by the actual destruction of their property (in consequence of their exertions in support of the laws) by the insurgents in the western counties of Pennsylvania, together with a representation of the particular condition of the respective sufferers in relation to their ability to prosecute their several claims, and recover at law satisfaction from the insurgent aggressors.' It was resolved in the affirmative." Here was amendment after a decision that the main question should now be put. We had no Sir Henry Vane then to explain to us this emphatic "now." In the second session of the Fifth Congress (Thursday, April 5, 1798), a motion was made "That the instructions and dispatches from the envoys extraordinary to the French Republic, communicated on the 3d instant by the President of the United States, be published." The motion was referred to the Committee of the Whole House on the state of the Union, who reported a disagreement to the proposition. The report being under consideration, a motion was made and seconded, that the House concur with a Committee of the Whole. Whereupon the previous question was called for by five Members, to wit: "Shall the main question, to agree to the said motion, be now put? It was decided in the affirmative. And then, debate arising on the said main question, an adjournment was called for; whereupon the several orders of the day were postponed, and the House adjourned." On the succeeding day "the House resumed the consideration of the said main question; whereupon ordered that the further consideration be postponed until this day week." Here the main question was not only debated but postponed, after a decision that it should now be put. This, sir, was in 1798, in the days which have been falsely called "the days of terror"; but which I feel a pride in showing were the days of correct principles. We had not then discovered how to construe away the rights of the people or their representatives by a verbal criticism on the adverb "now." This illustrious discovery was reserved for the genius of modern republicanism.

The first attempt that was ever made to destroy the freedom of debate by a perversion of the previous question was resisted as it should be—I speak it to the honor of this House—was resisted by a solemn and almost unanimous protest. It was on the 15th of December, 1807, when the Speaker's chair was occupied by a gentleman from Massachusetts, who, perhaps on that account, claimed to be regarded as the lineal successor of Sir Henry Vane, and therefore the best expositor of his invention. On a motion for referring the memorial of sundry merchants of Philadelphia to a Committee of the Whole House, the previous question was called for, and on being taken in the form prescribed, "Shall the main question be now put?" it was resolved in the affirmative. The main question on the reference of the memorial then occurring, "Mr. Ely, one of the Members from Massachusetts, addressed the Chair, and was proceeding in some remarks touching the merits of the said main question, when Mr. Speaker called the Member from Massachusetts to order and decided, as the opinion of the Chair, that after the previous question is called for and answered in the affirmative, it precludes all debate on the main question; whereupon an appeal to the House, from the decision of the Chair, was made by Mr. Randolph, seconded by Mr. Bibb"; and the said decision being again stated, "that after the previous question is called for, and determined in the affirmative, it precludes all debate on the main question," the question was taken thereon to wit, "Is the said decision of the Chair correct?" and passed in the negative by yeas and nays—yeas 14, nays 103. The principle of freedom asserted in this decision was reasserted with equal solemnity and union of opinion in the next session of Congress. On the 1st of December, 1808, a resolution was pending in the following words: "*Resolved*, That the United States can not, without a sacrifice of their rights, honor, and independence, submit to the late edicts of Great Britain."

"On motion of Mr. Gardenier the previous question thereon was demanded by five Members, to wit: 'Shall the main question be now put?' and the said previous question being taken, it was resolved in the affirmative. A question of order being then called for, to wit, Is the main question open to further debate? Mr. Speaker declared that, conformably to the determination of the House on the 15th of December last, it did not preclude debate on the main question. From which decision of the Chair an appeal was made to the House by Mr. David R. Williams, and the same being seconded, the question was stated by Mr. Speaker, to wit, 'Is the decision of the Chair correct?' and, debate arising thereon, the House adjourned." On the next day the House resumed the consideration of the question of appeal, and the decision of the Chair being again read, the question was put, "Is the said decision of the Chair correct?" It was resolved in the affirmative by yeas and nays—yeas 101, nays 18." It was impossible that any rule should be more completely settled, both by uninterrupted usage and solemn deliberate adjudications, than was the rule of the previous question in this House. It was a rule perfectly consistent with good sense, with the requisite independence of the Members of the House, and with the right of the free people whom they represented. It preserved decorum; it had a tendency to prevent unnecessary discussions; it superseded improper questions, while it left perfectly untouched the fundamental principles of parliamentary and political freedom. Thus, sir, it continued the more firm, for the impotent attempts which had been made to pervert it—and the better understood, from the blunders which its examination had exposed. Such was the state of things when, on the memorable night of the 27th of February, 1811, the monster, which we now call the previous question, was ushered into existence and utterly supplanted the harmless, useful being, whose name it usurped.

Sir, of the proceedings of that night I have no personal knowledge. The Journals, however, record them with a fidelity which, however to be lamented on other accounts, is essential to the interests of truth. The House, after a busy day, and a short recess for dinner, met at 6 o'clock in the evening; they then resumed the consideration of certain amendments, reported by a Committee of the Whole to a supplemental bill prohibiting commercial intercourse with Great Britain, and the question recurred to concur with the last amendments reported by the committee. "Debate arising, the previous question was called for by Mr. Gholson, and being demanded by five Members, was taken in the form prescribed by the rules and orders of the House, to wit, 'Shall the main question be now put?' and resolved in the affirmative. After which Mr. Gardenier, one of the Members from the State of New York, was proceeding to state the main question, when a Member from Virginia [Mr. Gholson] objected to the right of the Member from New York to debate the main question, after the previous question had been demanded by five Members, taken and decided in the affirmative; on which Mr. Speaker decided that, according to the practice of the House, it was in order to debate the main question after the previous question had been taken. From which decision of the Chair an appeal was made to the House by Mr. Gholson, seconded by two Members; and debate arising on the appeal, a question of order was moved by Mr. P. B. Porter, whether the said appeal could be debated? On which Mr. Speaker decided that, conformable to the practice of the House, it was in order to debate the said appeal. From which decision of the Chair an appeal was made to the House by Mr. P. B. Porter and seconded by two Members. And on the question, 'Is the said decision of the Chair correct?' it was determined in the negative—yeas 13, nays 66. The question recurred on the appeal first stated; and on the question, 'Is the said decision of the Chair correct?' it was determined in the negative. The main question was then taken, to concur with the Committee of the Whole in their last amendment, and resolved in the affirmative."

The Journal then proceeds to state that two successive amendments were moved by Mr. Gardenier, on which, on motion by Mr. Ringgold, the previous question was immediately called, debate prohibited, and the amendments rejected. A motion was then made by Mr. Ringgold that the bill be engrossed and read a third time; on which motion the previous question was called by Mr. P. B. Porter, and resolved in the affirmative, and the bill forced to a third reading instantly. On the third reading, on motion of Mr. Ringgold, the previous question was again demanded, and, being decided in the affirmative, the bill was passed. Here we have the great precedent which has furnished the rule for the subsequent use of the previous question; a precedent which nothing could induce me to examine and lay bare to the public inspection short of an overruling sense of duty; a precedent stamped

with every mark of error, oppression, and abuse of power. It is perfectly apparent that this night session was holden for the purpose of carrying this supplemental nonintercourse bill through all its stages. This was the holy end that was to sanctify the requisite means. "Debate arising," on agreeing to an amendment reported by the committee, "the previous question was called for by Mr. Gholson." Now, sir, it is a settled principle in parliamentary practice that the previous question can not be put on an amendment. The very question on an amendment is, Whether "certain words shall be inserted into or remain part of a question"? The decision of the amendment "determines that they shall or shall not stand in a particular place, and has, therefore, all the effect of a previous question." So says Mr. Jefferson in his manual: "Suppose a motion to postpone, commit, or amend the main question, and that it be moved to suppress that motion by putting the previous question on it. This is not allowed, because it would embarrass questions too much to allow them to be piled on one another several stories high, and because the same result may be had in a more simple way, by deciding against the postponement, commitment, or amendment." A previous question on an amendment is an absurdity. It is a previous question mounted on a previous question. But parliamentary usage was of no consequence. "Debate" had arisen on the amendment, and this debate was to be put down, or the bill might not be passed that night. The previous question was therefore called. It being decided that the question on the amendment was to be put as the main question, debate was proceeding on this main question; but this did not consist with the will of the majority, and debate was objected to as out of order. The Speaker declared it in order, for he had received too impressive a lesson on this point to commit again the error which had been so solemnly corrected. It was expedient, however, to overrule this decision. An appeal was therefore taken. On this appeal a debate arose, and the Speaker was called on to pronounce whether debate on an appeal was in order. To such a question he could return but one answer; he knew, every man in the House knew, debate was in order. The rule is unequivocal and express, "on an appeal no Member shall speak more than once without leave of the House." But debate was inconvenient, and, rule or no rule, debate should not be tolerated. A second appeal was then taken. Without a reason urged it was decided, in the face of a known and positive rule, there could be no debate on an appeal. It was next decided, without argument, in opposition to 22 years of uninterrupted usage, confirmed by the most solemn decisions made after a full hearing and on deliberation, that there could be no debate on the main question. Thus liberated from every restraint, and armed with the newly forged weapon of the previous question, a mad majority, in the wantonness of power, at midnight, when all that was not passion was stupor, proceeded in their career of legislation. The call of "previous question" negatived amendment; a second cry of "previous question" engrossed the bill; a third shout made it a law. Yet this is the precedent on which our present exposition of the previous question rests for its basis! True, we reject every part of it, but that which the majority now finds an interest in retaining. We deny its propriety in forbidding debate on an appeal, for three days have not passed since we solemnly debated an appeal from the Speaker's decision. We hold it erroneous in applying the previous question to an amendment, and cause it to take effect on the bill or resolution itself, stepping over the amendment. But we follow it as a guide for prohibiting discussion on the main question. It is, sir, a well-known rule of evidence founded on common sense, that if a witness manifest a disregard for truth in any part of his testimony the whole of what he says is discredited. You can in such a case have no security that he relates the truth at all. And by the same reason, when a precedent is cited for the exposition of a rule of action, which bears on its face a violation of rule, it should be thrown aside altogether.

Full well do I remember the first instance in which I witnessed the use of this newly expounded previous question, and never shall I forget the feelings which it then excited in my bosom. It was at the first session of last Congress, and on a bill to impose a direct tax of $3,000,000 on the people of the United States. In that bill we had undertaken to assess, without any valuation, the precise sums which were to be paid by the several counties in each State. To remedy the injustice which this haphazard assessment must necessarily produce, a gentleman from Tennessee, of great influence in the House [Mr. Grundy], moved an amendment, restricted in its terms to the State of Tennessee, authorizing a correction of such injustice by the board of assessors after a valuation. The amendment was about to be adopted by an almost unanimous vote, when some gentleman moved to amend it, so as to extend its application to another State. This was agreed to by the House. It was then moved to amend it further by extending its provisions to the parent State of Tennessee, to North Carolina. Sir, the previous question was called and carried. The main question was ordered to be put; the amendment first proposed—the amendment to it, which was accepted, and the further amendment to it, when the previous question was called, were declared to be swept away by this besom of destruction; and without debate, without an opportunity of amendment, the bill was engrossed. Such a mode of laying taxes was so abhorrent from all my notions of freedom, that new as I was here—an unfledged Member—I dared to join in an appeal to the House from the decision of the Chair, and vainly, yet zealously, exerted all my powers to reverse it. Use, sir, has rendered the previous question more familiar to me, but it has not diminished my abhorrence of it. On the contrary, use has but the more fully explained the detested ends which it can be made to answer. Six times at least was the previous question used in the last session to put down discussion and the exercise of representative freedom. Once on a bill giving arbitrary powers to the deputies of collectors; twice in relation to the conscription project; three times upon the mammoth bank bill. Thank God, it once recoiled with salutary violence on those who used it. The last stupendous scheme of political folly and wickedness (such I deemed it), owed its failure to the use of the previous question. Many gentlemen on both sides of the House know this to be the fact.

By what argument is this innovation—this outrage on parliamentary law—thus hostile to the spirit, if not the letter of the Constitution, to the rights of the people, to the independence of their Representatives, to the very purpose for which law is needed—by what argument is its justification attempted? They may be all comprised in one word—"necessity." Necessity! The excuse for every folly, the pretext for every crime. Necessity! Which the miserable culprit, who steals a loaf to feed a starving family, pleads in vain at the bar of your criminal courts, but which successful tyrants in every age have made the apology of their usurpations on freedom—necessity requires this previous question. I deny it, sir! Centuries have rolled away in England since the forms of free debate belonged to their Parliament, yet the necessity of a resort to this instrument of coercion never has been there discovered. Our Continental Congress managed the momentous affairs of this Nation during many years of war and revolution, and they found not this necessity. Twenty-two years had passed under our present form of government before the necessity was pretended. No instance can be shown of a fair exercise of legislative power being prevented by the want of an unlimited authority to silence discussion. And unquestionably before a forfeiture is decreed, of the fairest and best privilege belonging to the people and their Representatives, one offense, at least, ought to be clearly proven. "But a case may be imagined in which it might be necessary to have this supreme control over the right of speech. Suppose the last day of the session and a law highly salutary about to be enacted, which a few obstinate Members are resolved to defeat by protracted debate, it would be necessary in this case to silence them." Sir, there is no species of political empiricism more dangerous than to make rules of ordinary application with a view to extreme and barely possible cases. It is, in the language of the immortal Burke, "to make the medicine of the Constitution its daily bread." Extreme cases carry their remedies with them. But I see no such necessity in the case supposed. If the law be essential, the next Congress may pass it, and if the ordinary delay be injurious it may be immediately convened. But, then, "laws can not be enacted with convenient dispatch." Let us not indulge the chimerical hope of a government exempt from every political inconvenience, more than of an animal existence free from the infirmities of nature. The ponderous strength of the elephant and the swiftness of the greyhound are not found united. The vigor and promptitude of despotism accord not with the freedom and public virtue of republican governments. While we enjoy the invaluable blessing of liberty, let us not murmur at the trivial price we pay. Dispatch in lawmaking is inconsistent with deliberative freedom. Fortunately, it is not in itself a quality of great value. Dispatch is essential in the execution of laws, but salutary caution should preside in the making of them. Five times in the course of the last session this "necessity" for speedy legislation forced the previous question on the bank and conscription bills, yet so purely imaginary was this "necessity" that no legislation took place upon them—none were enacted into laws. An intelligent individual is now scarcely to be found in the United States who will not admit that the nonintercourse project, to establish which, with convenient expedition, was the justifying end of the first outrage on free debate, was beyond measure silly and mischievous. Legislate in haste and you are sure to repent at leisure. But it is "necessary there should be a power to correct abuses of the right of speech." I admit you have the legitimate power to correct abuses, but you have none to abolish the right. You may correct them, if it is found expedient, by restricting still more the frequency of speeches; by permitting wide and general discussions only on subjects which fitly bring into view the state of the Nation; by admonition from the Chair against casual wanderings; by the censure of the House for obstinate and contemptuous abuses of its patience; by assigning specific days for specific business, and continuing the session until the business be done; and, above all, by the most powerful of all correctives—by marked inattention to the effusions of vanity and folly. The two last remedies which I have mentioned have been found all sufficient in the British House of Commons. A debate there on an interesting subject takes place at the appointed day, and is scarcely ever adjourned over. If the prolongation of debate here from day to day be injurious to the public business, why do we adjourn it from day to day? Say not that you put down freedom of speech from "necessity," when you are governed merely by the fear of a cold dinner. Inattention to vanity and folly I hold also to be a justifiable and an effectual remedy. Not that I would consent to put down a speaker by conversation, rude noises, or any such indecent expressions of dissatisfaction, but when the love of talking evidently got the better of modesty and good sense, and this superiority was often manifested, the orator should declaim to empty benches.

Every man has a right to speak, but every man has also an imprescriptible right to rescue his ears and his brain from the invasion of nonsense. This remedy might not produce an instantaneous cure, but it would prove efficacious in the end; at least as efficacious as most remedies for the disorders which infest a political community. It is not more essential to the well-being of this body to prevent abuses of the freedom of speech than to the well-being of the State to prevent abuses of the freedom of action. Because crimes occasionally escape unpunished from defects, either "in the evidence in the law, or the application of the law," does it therefore become "necessary" to abolish civil liberty through the land? So with all your correctives there will be occasional trespasses on decorum by unnecessary and tedious harangues. But is it on that account necessary to put the House under martial tyranny? Will you cure a wen by cutting off the head? Redress abuse by annihilating right?

"But the majority have a right to govern. It is for them to say when discussion shall end and action begin." If by right, sir, he meant power, the assertion is correct. Or if by government he meant only regulation within the compact of association, it is equally correct. But that a numerical majority of any society has a perfect right to do as it pleases is the most impious of political heresies; and a majority, acting on such an assumption, is the most dreadful of all despotisms. The primary object of law is an association of equals; the fundamental principle of the compact is to restrict the physical sovereignty within moral limits. In a republican government this is done by constitutional charters, by specific delegations of power to distinct and accountable agents, by oaths, by the influence of patriotism, and love of fame. In governments not republican it is effected by creating a political distinct from the physical sovereignty by vesting the power of the government in a king or an aristocracy. Sir, a majority uncontrolled by rule—unlimited in power, unembarrassed by impediments to action, find it where you may, in a nation, in a village, in a deliberative body—is misrule, tyranny, oppression, caprice, cruelty, and confusion; anything but free government. The majority here, like majorities elsewhere, where civil and political liberty prevails, have a right to govern according to the prescribed rule; and when a rule is about to be formed for limiting their action, it should be a rule which may indeed protect the rights of which it affects to have a care. Not a nominal rule, which imposes no restraint. Not a rule which leaves every right to the mercy of unlimited sway. "Strike," said the illustrious Athenian to his commander, "but hear me." The first may be your right, the second is mine. Such is the language to the majority. It is your privilege to decide, but the minority have a right to be heard.

Mr. Chairman, it is a maxim in the bill of rights of the constitution of that State, to which you, Mr. Yancey, and myself have the honor to belong, that "a frequent recurrence to fundamental principles is necessary to the preservation of political liberty." In the bustle of incessant action, in the animated contests of parties, goading and

goaded by each other, in the paroxysms of political fever, these principles will be forgotten. It is prudence, it is duty, to avail ourselves of a season when passion is lulled and reason is free to act, when the preternatural excitement has abated to review past errors and guard against their recurrence. The rule in question ought not to exist. No majority should be trusted with it. A majority never can be found who will use it discreetly. The day you make a man a slave, it has been said, you deprive him of half his virtue. The day you make him a despot you rob him of all. Human nature can not endure unlimited power, and bodies of men are not more discreet in their tyranny than individual tyrants. This rule is not needed for any legitimate purpose. Every one of its fair objects may be answered either by a motion to postpone to a day certain, or by the motion for indefinite postponement. I speak in this respect from experience. Ten years since, on a revisal of the rules of order in the most numerous branch of the Legislature of North Carolina, the previous question was expunged. It has never since been known there, nor has any subsequent legislature experienced inconvenience from the want of it.

This moment is peculiarly favorable for an impartial decision on the proposition before us. The return of peace has brought about a new order of things, which must be followed by modifications of parties impossible to be distinctly foreseen. Interests which have been heretofore opposed will be found acting in concert; and jealousies and enmities, which a common feeling has suppressed, will be roused into activity. There are few, perhaps there is no intelligent member of this body, in whose theories and maxims of political philosophy the changes and trials through which we have passed have not produced some alteration. Besides, an event approaches which in every free country is necessarily accompanied by party mutations; the Executive power is about to change hands. At this moment no one can confidently pronounce whether before this Congress closes he will be found among the majority or minority of the House. This then is the auspicious moment for putting down, with one consent, this odious tyranny. The victims of oppression should disdain to become its instruments; the possessors of arbitrary power know not how soon they may be compelled to feel its injustice.

The committee rose, without coming to any decision on the question; and the House adjourned.

ADJOURNMENT.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Friday, February 3, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

506. A communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriations required by the several departments and establishments, amounting to $180,704,281.49, for the fiscal year ending June 30, 1922, and prior fiscal years (H. Doc. No. 165); to the Committee on Appropriations and ordered to be printed.

507. A communication from the President of the United States, transmitting request for legislation in connection with the expenditure of money, but which does not involve the appropriation of additional funds (H. Doc. No. 166); to the Committee on Appropriations and ordered to be printed.

508. A letter from the president of the Washington Gas Light Co., transmitting detailed statement of the business of the Washington Gas Light Co., with a list of its stockholders, for the year ending December 31, 1921; to the Committee on the District of Columbia.

509. A letter from the Secretary of War, transmitting the Henry Ford Muscle Shoals offer (H. Doc. No. 167); to the Committee on Military Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ROGERS: Committee on Foreign Affairs. H. R. 10213. A bill relative to the foreign intercourse of the United States; without amendment (Rept. No. 646). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. COLE of Iowa: Committee on Claims. H. R. 8186. A bill for the relief of the First National Bank, of Walthill, Thurston County, State of Nebraska; without amendment (Rept. No. 645). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RADCLIFFE: A bill (H. R. 10238) to amend section 13 of the river and harbor act of March 3, 1899; to the Committee on Rivers and Harbors.

By Mr. MOORE of Virginia: A bill (H. R. 10239) for the construction of a public building at Manassas, Va.; to the Committee on Public Buildings and Grounds.

By Mr. DOMINICK: A bill (H. R. 10240) to extend the time for the construction of a bridge across the Savannah River near Haileys Ferry and between the counties of Anderson, S. C., and Hart, Ga.; to the Committee on Interstate and Foreign Commerce.

By Mr. NOLAN: A bill (H. R. 10241) to limit the effect of the regulation of interstate commerce between the States in goods, wares, and merchandise wholly or in part manufactured, mined, or produced by convict labor or in any prison or reformatory; to the Committee on Labor.

By Mr. BOND: A bill (H. R. 10242) to amend section 2 of the suits in admiralty act, Public Law No. 156, Sixty-sixth Congress, approved March 9, 1920, and for other purposes; to the Committee on the Judiciary.

By Mr. GRIEST: A bill (H. R. 10243) to authorize the construction of the Lincoln and Reynolds Memorial Bridge across the Susquehanna River; to the Committee on the Library.

By Mr. STEENERSON: A bill (H. R. 10244) repealing the law relating to the termination of leases for post-office premises; to the Committee on the Post Office and Post Roads.

By Mr. McPHERSON: A bill (H. R. 10245) to equalize the pay of aviation officers of the Navy and Marine Corps with that of officers of the Army; to the Committee on Naval Affairs.

By Mr. FAIRFIELD: A bill (H. R. 10246) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Reform in the Civil Service.

By Mr. HAYDEN: A bill (H. R. 10247) providing for a Good Roads Association convention cancellation stamp to be used by the Phoenix, Ariz., post office; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 10248) to amend the act of April 16, 1906, and the act of February 24, 1911, relative to the lease of surplus electric power on Federal irrigation projects; to the Committee on Irrigation of Arid Lands.

By Mr. KNIGHT: A bill (H. R. 10249) authorizing the erection of a public building at Akron, Ohio; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 10250) granting a pension to Mary J. Titus; to the Committee on Invalid Pensions.

By Mr. FAIRFIELD: A bill (H. R. 10251) granting a pension to Laura V. Revert; to the Committee on Invalid Pensions.

By Mr. FISHER: A bill (H. R. 10252) for the relief of Mrs. E. L. Guess; to the Committee on Claims.

Also, a bill (H. R. 10253) for the relief of Evander Williams; to the Committee on Claims.

By Mr. HUDSPETH: A bill (H. R. 10254) for the relief of Sabino Apodaca; to the Committee on Claims.

By Mr. LANGLEY: A bill (H. R. 10255) granting a pension to Edward Chaney; to the Committee on Pensions.

Also, a bill (H. R. 10256) granting a pension to John Gabbard; to the Committee on Pensions.

Also, a bill (H. R. 10257) granting a pension to William B. Woodward; to the Committee on Pensions.

Also, a bill (H. R. 10258) granting a pension to Philos S. Treadway; to the Committee on Pensions.

By Mr. OGDEN: A bill (H. R. 10259) granting an increase of pension to Mary McJenkins; to the Committee on Pensions.

By Mr. RICKETTS: A bill (H. R. 10260) granting an increase of pension to Catherine Sollenbarger; to the Committee on Invalid Pensions.

By Mr. ROBSION: A bill (H. R. 10261) granting an increase of pension to Jasper N. Stanfill; to the Committee on Pensions.

By Mr. SUMMERS of Washington: A bill (H. R. 10262) granting a pension to James G. Carmack; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 10263) granting a pension to David Huddleston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10264) granting a pension to Laura Ann Cansler; to the Committee on Invalid Pensions.

By Mr. UNDERHILL: A bill (H. R. 10265) for the relief of Horace B. Parker; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3794. By the SPEAKER (by request): Petition of the City Council of Chicago, Ill., relative to manufacture and sale of light wines and beer to raise bonus for ex-soldiers; to the Committee on Ways and Means.

3795. By Mr. BEEDY: Resolutions of employees of Baxter Paper Box Co., Brunswick, Me., urging a protective tariff based on the American valuation plan; to the Committee on Ways and Means.

3796. By Mr. BOND: Resolution of New York State legislative board of the Brotherhood of Locomotive Engineers and the Brotherhood of Locomotive Firemen and Enginemen against the payment of a soldiers' bonus by means of a sales tax; to the Committee on Ways and Means.

3797. By Mr. BURROUGHS: Petition of Mr. Harvey D. Smith and 36 others, members of Union Council No. 8, Junior Order United American Mechanics, urging the passage of H. R. 7; to the Committee on Education.

3798. By Mr. KISSEL: Petition of the Society of American Foresters, Washington, D. C., relative to certain legislation; to the Committee on Agriculture.

3799. Also, petition of the Near East Relief, New York City, relative to political and economic conditions in the Near East; to the Committee on Foreign Affairs.

3800. By Mr. MAGEE: Petition of the Fourth Presbyterian Church of Syracuse, N. Y., against tax on beer and wine for soldiers' bonus; to the Committee on Ways and Means.

3801. By Mr. MEAD: Petition of W. A. Rubb, head resident, Lackawanna, N. Y., urging suspension of payment of Austria's debt to the United States 20 years; to the Committee on Foreign Affairs.

3802. By Mr. RAKER: Letter and resolution by the Lakeview Chamber of Commerce, of Lakeview, Oreg., relative to the pine-beetle menace to the reserved and unreserved forest lands; to the Committee on Appropriations.

3803. By Mr. SNELL: Resolutions adopted by Deer River Grange, No. 702, at Lawrenceville, N. Y., urging the passage of the Voigt bill, H. R. 8086; to the Committee on Agriculture.

3804. Also, resolutions adopted by De Peyster Grange, No. 1049, at De Peyster, N. Y., urging the passage of the Voigt bill, H. R. 8086; to the Committee on Agriculture.

3805. Also, resolutions adopted by Nicholville Grange, No. 797, at Nicholville, N. Y., urging the passage of the Voigt bill, H. R. 8086; to the Committee on Agriculture.

3806. Also, resolutions adopted by Kendrew Grange, No. 891, of Rensselaer Falls, N. Y., urging the passage of the Voigt bill, H. R. 8086; to the Committee on Agriculture.

3807. By Mr. STRONG of Kansas: Petition of citizens of Kansas, urging revival of United States Grain Corporation, etc.; to the Committee on Agriculture.

3808. By Mr. TEMPLE: Petition of Grand Army of the Republic Post No. 100, New Castle, Pa., urging passage of H. R. 7213; to the Committee on Invalid Pensions.

3809. By Mr. VOLSTEAD: Petition of the Yellow Medicine Co., the Farm Bureau Association, and the Minnesota State Agricultural Society, urging construction of ocean waterway from Great Lakes to the sea; to the Committee on Interstate and Foreign Commerce.

SENATE.

FRIDAY, *February 3, 1922.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, breathing that endearing name we would recognize relationship to Thee and realize that our first service should be rendered to Thee, to our fellow men, to the great interests of the country in which we live. We pray to-day for heavenly guidance in all matters of duty, to the glory of Thy name. Through Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PROSECUTIONS UNDER ESPIONAGE AND OTHER WAR ACTS.

The PRESIDENT pro tempore laid before the Senate a communication from the Attorney General in response to Senate resolution 226, directing the Attorney General to inform the Senate relative to prosecutions under the espionage law or for conspiracy to violate war laws, agreed to January 25, 1922, which was ordered to lie on the table.

Mr. BORAH subsequently said: Mr. President, I ask the indulgence of the Senate for but a moment with reference to a letter which has just come to the Senate from the Attorney General. A few days ago I submitted a resolution asking for certain information with reference to the conviction of persons under the espionage act, with reference to those who are charged with crime and not yet tried, and so forth. The Attorney General in his letter says:

> In reply I beg to advise you that the department is not in possession of all of the information requested, nor is it readily obtainable. In fact, it is doubtful whether in some respects the information can be obtained at all. Certainly it will be necessary to circularize the United States attorneys throughout the country, and even that, in all probability, will be insufficient.

The Attorney General closes by saying:

> The department will further consider these questions and an effort will be made to comply with the request of the Senate as fully as practicable and consistent with the public interest, but a considerable delay is inevitable, and I may say its cost at this time to the department will be a substantial item.

I had understood, Mr. President, when I introduced the resolution that this information was now in the hands of the Attorney General. I had that information from such a source that I thought it was reliable. I only wish to say that I have no desire to impose upon the Attorney General work which will lead to the expenditure of a large amount of money. I do not see how obtaining the information asked for in the resolution would lead to such an expenditure, and I do not desire that, but I should like to have such information as the Attorney General now has in his possession, which can be sent to the Senate, I am sure, without any considerable cost, or, indeed, at practically none at all. I feel that if all of the information which is now in the possession of the Attorney General or the Department of Justice is sent to the Senate it will be a practical compliance with this resolution.

DISPOSITION OF USELESS PAPERS.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of Commerce transmitting a list of documents and files of papers which are not needed in the transaction of the business of the department and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The President pro tempore appointed Mr. JONES of Washington and Mr. FLETCHER members of the committee on the part of the Senate and ordered that the Secretary notify the House of Representatives thereof.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments to the bill (H. R. 9724) making appropriations for the Treasury Department for the fiscal year ending June 30, 1923, and for other purposes; also that the House receded from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, and 6 to the said bill; that the House insisted upon its disagreement to the amendments of the Senate numbered 20 and 21, agreed to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MADDEN, Mr. MAGEE, and Mr. BYRNS of Tennessee were appointed managers of the conference on the part of the House.

The message also announced that the House had concurred in the amendments of the Senate to the bill (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

The message further announced that the House had passed a bill (H. R. 4) granting relief to soldiers and sailors of the War with Spain, Philippine insurrection, and Chinese Boxer rebellion campaign; to widows, former widows, and dependent parents of such soldiers and sailors; and to certain Army nurses, in which it requested the concurrence of the Senate.

AGRICULTURAL CONDITIONS IN THE NORTHWEST.

Mr. JONES of Washington. Mr. President, I do not very often ask for the printing of letters in the RECORD, but I have had a special request to ask for the printing in the RECORD of copies of two letters which I hold in my hand, dealing very largely with the industrial conditions and the unemployment situation in the Northwest. I ask that they may be printed in the RECORD and referred to the Committee on Agriculture.

There being no objection, the letters were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

[J. L. Freeman, State manager; State headquarters, 603–604 Rookery Building; box 132. State committee: August C. Jansen, Lind; Frank Robinson, Lilliwaup; William Bouck, Sedro Woolley; C. E. Flint, Blaine; J. P. Bush, Vancouver.]

NATIONAL NONPARTISAN LEAGUE OF WASHINGTON,
Spokane, December 19, 1921.

Hon. BENJ. C. MARSH,
Care of Farmers' Council, Washington, D. C.

FRIEND MARSH: I am writing you this letter so that you may know the actual situation in the West.

There are thousands of farmers in Montana, Washington, and southern Idaho who are unable to send their children to school on account of not having books; a great many of them are living mostly on bread and milk; a good many of them have to go to their banker and beg for money enough to buy a sack of flour. Their crops were all mortgaged and all taken from them. There are a great many who have not been able to seed their summer-fallowed ground this fall, and there is not any hope of their being able to in the spring.

There are great, big, stout men walking the streets of our cities begging for sufficient money to buy a bowl of soup; they are also begging farmers to take them to the farm, where they are willing to work during the winter for their board. A great many of the farmers, even in our best districts, have not been able to pay their last summer's store bill; therefore they can not take these people who are hungry and out of work.

Farmers will be able to hire but very few men in the spring; in consequence poor farming will be done and acreage will be cut. This is a most serious condition and must be relieved. Money is not to be had by those who have the security. I have been for three months trying to borrow money, anywhere from $20,000 down, and have been able as yet to get none, although I have securities that are good, comprising wheat, live stock, city income property free of mortgage, land equities, and choice dry-farming land and irrigated land, up to $90,000. I have tried from Couer d'Alene, Idaho, to Portland, Oreg., and have failed entirely to get any money.

My sons have produced this year 35,000 bushels of wheat, which is sufficient to keep 7,000 people in bread. They have also produced forage enough, if fed to good milch cows, to furnish 3,000 babies with a quart of milk each day during the year.

We have got to have relief in the way of money or we can not carry on our farming operations this coming year. One of my neighbors who farms more extensively than we do is unable to borrow money, although he has any amount of security; the banker he is banking with loaned him $4,000 worth of time-deposit slips due in one year. He got my cousin, another large farmer, who is worth about $150,000, to accept these checks as payment in place of money, he thinking that he could borrow money on his note by putting these checks up as collateral. He tried all over the country, but found it impossible to do so.

There lies in the United States Treasury, or should be there, $55,000,000 that was taken from the wheat growers as a profit during the war. This money should be taken from the Treasury and divided equally among the wheat farmers as a present, so they may have food to eat, sufficient clothing so they can send their children to school, and funds sufficient to enable them to put in another crop.

I wish you would take this letter to Charles Barrett, president of the farmers' union, who I am sure will vouch for the truthfulness of anything I say or write, for I have known Mr. Barrett for many years. I also ask you to get this letter read before the Senate and House.

Hoping you will get quick action, I remain,
Yours, fraternally,

Y. C. MANSFIELD.
Sunnyside, Wash.

[J. L. Freeman, State manager, State headquarters, 603–604 Rookery Building; box 132. State committee: August C. Jansen, Lind; Frank Robinson Lilliwaup; William Bouck, Sedro-Wooley; C. E. Flint, Blaine; J. P. Bush, Vancouver.]

NATIONAL NONPARTISAN LEAGUE OF WASHINGTON,
Spokane, December 14, 1921.

Hon. LOUIS J. HART,
Governor of Washington, Olympia, Wash.

DEAR SIR: We write this letter to thank you for calling a meeting to discuss the unemployment situation. This we consider a very wise movement on your part, and it shows that it is your wish that best plans possible should be made to alleviate the present suffering, and we are thankful that we have a governor who is willing to listen to the people of the State in such a crisis.

There is at present a great lack of houses in our cities and smaller towns. The cities own a great many vacant lots that have reverted to them through taxation. Therefore we ask that these lots be turned over by the different municipalities to the State, the State to build houses on same. As the farmers have been feeding the people far below cost for several years, and are now facing bankruptcy in consequence, we think it no more than just that the dealers in building material be asked to furnish the material at cost, and we believe they would gladly do so. This would solve the building of homes and would give employment to a great many now idle.

There are a great many idle men walking our streets and begging for enough money to buy a bowl of soup. They are also asking farmers for the privilege of coming to their farms and working all winter for their board. The farmers are unable to take these men on, as they have not yet paid their store bills. Thousands of farmers have not been able to put in a full crop this fall on account of inability to get money, and will be unable to carry on their usual farming operations in the spring. So there is no hope for the unemployed to get work on the farms in the spring.

The War Finance Board opened an office in Spokane October 10. Up to the present date they have made but one loan, because the banks refused to cooperate with them; thousands of our farmers who have good security can not get money to carry on their farming operations, and a great many farms will be foreclosed. One of our largest and best wheat and stock farms in the State was foreclosed last week; as there were no buyers it was bid in by the mortgage company at $7 per acre. Live stock and machinery would practically bring nothing if put up at foreclosure sale at the present time.

Thousands of people in the cities who have been paying for homes on the installment plan are bound to lose the same; this is also true of many poor people who have mortgaged their household goods unless something is done to protect them.

We, therefore, beg that you ask the National Government to loan this War Finance money through our county treasurers under the supervision of our county commissioners.

We further ask that you proclaim a moratorium for at least one year.

Millions of people in Russia are starving on account of drought. Millions of people in the United States are suffering for want of food, and food products far below the cost of production. Farmers say if money can be deflated to make interest rates high, farm crops can also be deflated to make higher prices. This is the only hope they see. This will cause a great deal more unemployment and a great deal more misery and suffering.

Respectfully, yours,

A. D. ZANDER,
Chairman Executive Committee National Nonpartisan League of Washington.

PETITIONS AND MEMORIALS.

Mr. NORRIS. I present a communication embracing a resolution passed by the Nebraska Senate now in special session, and I ask that it be referred to the Committee on Appropriations and be printed in the RECORD.

The communication was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

STATE SENATE,
Lincoln, Nebr., January 28, 1922.

Hon. GEORGE W. NORRIS,
Washington, D. C.

DEAR SIR: The following resolution was adopted by the senate:

Whereas the Federal Government has, from time to time, enacted laws making sundry appropriations of moneys to the several States for various purposes upon condition of like appropriations by the States in aid of such purpose; and

Whereas the burden of taxation resulting from meeting such Federal appropriations has become grievously heavy, and an increasing number of Nebraska citizens have indicated their unwillingness to be so taxed as well as their disapproval of Federal control of State expenditures consequent upon the acceptance of Federal appropriations: Now therefore be it

Resolved by the Nebraska State Senate in special session assembled, That we condemn this form of Federal appropriations and request the Senators and Representatives of Nebraska in Congress to use their influence to prevent further Federal legislation of this kind and instruct the secretary of the senate to forward copies of this resolution to the Nebraska delegation in Congress.

Yours, very truly,

CLYDE H. BARNARD,
Secretary of the Senate.

Mr. SHEPPARD presented a memorial of members of the science teaching staff of the University of Texas, of Austin, Tex., remonstrating against the enactment of legislation imposing a tariff duty on reference and text books, which was referred to the Committee on Finance.

Mr. LADD presented 65 petitions and communications in the nature of petitions of sundry citizens of the State of North Dakota, praying for the enactment of legislation reviving the Government Grain Corporation, so as to stabilize prices of certain farm products, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Cannon Ball Community Club, of Hettinger County, N. Dak., favoring the enactment of legislation appropriating $5,000,000 for relief of farmers in drought-stricken regions, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the North Dakota Women's Christian Temperance Union of Fargo, S. Dak., favoring the extension of payment for 20 years of Austria's debt to the United States, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Blaisdell and Tagus, N. Dak., remonstrating against a revision of the tariff laws, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. CAPPER, from the Committtee on Claims, to which was referred the bill (S. 1784) for the relief of John B. Elliott, reported it without amendment and submitted a report (No. 479) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 3098) authorizing the extension of the park system in the District of Columbia, reported it without amendment and submitted a report (No. 480) thereon.

REPORT ON ST. LAWRENCE RIVER IMPROVEMENT.

Mr. MOSES. From the Committee on Printing I report a concurrent resolution and I ask unanimous consent for its present consideration.

The concurrent resolution (S. Con. Res. 18) was read as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 16,800 additional copies of Senate Document No. 114, Sixty-seventh Congress, entitled "Message of the President of the United States transmitting the Report of the International Joint Commission Concerning the Improvement of the St. Lawrence River," of which 5,000 copies shall be for the use of the Sen-

ate document room, 500 copies for the Senate Committee on Foreign Relations, 100 copies for the Senate Committee on Commerce, 10,000 copies for the House document room, 1,000 copies for the House Committee on Interstate and Foreign Commerce, and 200 copies for the Committee on Rivers and Harbors of the House of Representatives.

Mr. POMERENE. Mr. President, if I may ask the Senator a question for information, I assume the concurrent resolution simply provides for the printing of the formal report, not including the testimony which was taken before the commission.

Mr. MOSES. Oh, no; there is no testimony included. It is to print extra copies of the report, for which there is a very pressing demand.

Mr. POMERENE. I have no doubt of that; but it occurred to me that if all the testimony was to be printed, while it might be of some value for reference, I think we are more interested in the conclusions and findings of the report. I am in favor of the resolution.

Mr. MOSES. It does not include the printing of any testimony.

Mr. NORRIS. Mr. President, I notice that the resolution provides for supplying extra copies to certain committees of the Senate, the Committee on Foreign Relations and the Committee on Commerce. I certainly have no objection to any committee or any class of Senators getting all the copies of the document they may need, but I have wondered why it was that these two committees were especially selected.

Mr. MOSES. I can tell the Senator.

Mr. NORRIS. Very well.

Mr. MOSES. In the first instance the proposed legislation covering this matter was referred to the Committee on Foreign Relations, which has already been inundated with requests from various parts of the country for copies of the report. The subject matter of the legislation was also considered by the Committee on Commerce, and that committee desires certain copies for the use of its members particularly. This allocation of copies of the report, as made through the document room and to the two committees, as stated in the resolution, has been reached upon full consultation with the committees and with the people who are most interested in the legislation.

Mr. NORRIS. Why is it that the Committee on Commerce and another committee have to be specially provided for?

Mr. MOSES. Because the Committee on Commerce is one of the committees which has had a great many requests for copies of the report.

Mr. KELLOGG. Mr. President, will the Senator from Nebraska allow me to answer?

Mr. NORRIS. Let me get through first, and then I will yield the floor.

My own idea is that the class of people more interested in this proposition than any other one class are the farmers, the agriculturists of the West and Middle West. The proposed legislation was referred to the Committee on Foreign Relations. I am not complaining about that, but at least a great many members of the Committee on Commerce, for instance, are from sections of the country that will have no particular interest, and some of whom are even opposed to this waterway. In my judgment, there will not be one-third of the requests come to that class of Senators that will come to those who are on the Committee on Agriculture and Forestry.

Mr. MOSES. May I interrupt the Senator long enough to state that the 5,000 copies allotted to the document room of the Senate will take care of requests which may come to other committees?

Mr. NORRIS. That may be; I have no objection to the allotment of copies to the document room, but it does not seem to me to be right that two committees should be selected so that the members of those two particular committees will be provided for and everybody else will have to take potluck on the number of copies allotted to the document room. In my judgment, they ought all to go to the document room.

Mr. MOSES. If I may interrupt the Senator again, although I think I had the floor——

Mr. NORRIS. Yes; I concede the Senator has the floor. I am interrupting him with his consent, I hope.

Mr. MOSES. Absolutely. I should like to say to the Senator that the copies which are going to the committees are not for the use of members of the committees; they are for distribution by the clerks of the committees who are receiving these requests. It is well known that there will be hearings before the Committee on Foreign Relations with reference to this legislation, and already the clerk of that committee is receiving requests literally by the hundreds for copies of this document. The copies which are allocated to the committees are not for the use of individual members of the committee, but to take care of the distribution of copies among those persons who, I suppose, will want to be heard by the Committee on Foreign Relations when the matter is heard.

Mr. NORRIS. That would be an explanation probably satisfactory as far as designating the Committee on Foreign Relations is concerned and giving that committee a special allotment. It does not apply, however, to the Committee on Commerce. In my judgment, it does not apply to the Committee on Foreign Relations any more than in any other case where an investigation takes place by a committee, and I do not believe there should be allocated to that particular committee copies set apart from the allotment made to the Senate generally.

Mr. MOSES. That is constantly being done.

Mr. NORRIS. I do not understand it so. There are a certain number set aside to the Committee on Commerce and a certain number to the Committee on Foreign Relations, and the Senator has said that, so far as the Committee on Foreign Relations is concerned, they ought to have more or perhaps ought to have a special allotment, because requests are coming there, and because that committee will have hearings. That is true. I presume when it is known that hearings are to take place before that committee a great many requests for copies will go to that committee.

The Senator who now presides over the Senate as President pro tempore [Mr. CUMMINS] is chairman of the Committee on Interstate Commerce. That committee have had hearings in regard to various railroad propositions. Have we ever had a resolution brought in authorizing the printing of the hearings before that committee or of a document coming from that committee designating that that committee in particular shall have a certain number that will not be accessible to the Members of the Senate generally?

If we are going to do that with the Committee on Foreign Relations, then why not with every other committee? Heretofore I understand that such documents have been turned over to the document room and every Senator has been on an equal footing as far as getting a supply is concerned.

Mr. MOSES. That has already been done with one very large edition of the report.

Mr. NORRIS. And the edition has been exhausted.

Mr. MOSES. It has been exhausted, and these requests have come to the Committee on Printing in such a form as to warrant the Committee on Printing in formulating the resolution in the manner in which it has been presented this morning. Personally, as chairman of the Committee on Printing, I have no interest in any one of these copies. I am simply trying to make an allocation which will meet the demand which has already been tabulated and sent to the Committee on Printing.

Mr. NORRIS. I am not by any means accusing the Senator of having any interest in the matter that is not proper or fair, but I am calling attention to what seems to me to be apparent. In the first place, as far even as the Committee on Foreign Relations is concerned, this is not following the usual practice. As far as the Committee on Commerce is concerned my own private opinion is that there will be twice as many requests come to the Committee on Agriculture and Forestry for this document as will come to the Committee on Commerce. I am not asking that anything be set aside for that committee, but it does seem to me that other committees ought not to have special allotments made for their benefit.

Mr. JONES of Washington. Does the Senator refer to the Committee on Commerce or to the Committee on Interstate Commerce? The Committee on Commerce so far has had practically no requests for this report.

Mr. MOSES. These figures were sent, as I understand, by the clerk of the Committee on Commerce to the clerk of the Joint Committee on Printing, who drew this resolution in order to meet the demand.

Mr. JONES of Washington. I am satisfied that the clerk of my committee has not sent any such statement, for I am sure he would not have done so without conferring with me, and he has not said a word to me about it. I am not absolutely sure, but I desire to make that statement with reference to the Commitee on Commerce.

Mr. KELLOGG. Mr. President, in reference to this report being referred to the Committee on Foreign Relations, I desire to say that I consulted with the Senator from Massachusetts [Mr. LODGE], who is the chairman of that committee, and I believe the Senator from Wisconsin [Mr. LENROOT] consulted with the chairman of the Committee on Commerce as to where the report should go. The report was laid on the table for a while until the chairman of the Committee on Commerce, the Senator from Washington [Mr. JONES], who was in the chair at the time, should determine the matter. He finally determined that, on account of the fact that the first recom-

mendation was as to the negotiation of a treaty or an agreement with Canada the report ought to go to the Committee on Foreign Relations, and that any subsequent legislation for carrying it out should go to the Committee on Commerce; at least that was my information.

Mr. JONES of Washington. The only decision which I came to at that time was that, under the circumstances, the report should go to the Foreign Relations Committee. My personal judgment is, without having made any investigation especially, that subsequent legislation should be referred to the Committee on Commerce; but that is a matter which will, of course, be determined later and probably will be determined largely by the character of the proposed legislation.

Mr. MOSES. That is exactly what the Senator from Minnesota [Mr. KELLOGG] has just stated.

Mr. KELLOGG. I did not know where the report should go, but I was informed that the Committee on Commerce took jurisdiction of matters relating to the construction of canals, waterways, and so forth.

Mr. JONES of Washington. And of water powers.

Mr. KELLOGG. And of water powers.

Mr. JONES of Washington. That is correct.

Mr. KELLOGG. I have no choice at all as to where it should go.

Mr. NORRIS. I am not contesting the fact that the report should go to the Committee on Commerce. When the bill is introduced it may be that some Senator will have a different idea and that I also may change my mind; I do not know anything about that; but I am rather inclined to agree with the Senator from Washington [Mr. JONES] and the Senator from Minnesota [Mr. KELLOGG] that any bill on the subject ought to be referred to the Committee on Commerce.

That, however, is not my point; I am not asking that a bill when it may be introduced shall be referred to any particular committee; but here is a public document which is to be printed at public expense, and the resolution which provides for its printing allocates a certain number of copies to the Committee on Commerce. There is no reason on earth, in my judgment, why there should be a single copy allotted to that committee any more than there should be to any other committee of the Senate. A certain number of copies also is proposed to be allotted to the Committee on Foreign Relations, which is to hold hearings.

Mr. MOSES. The chairmen of the Committee on Rivers and Harbors and Interstate and Foreign Commerce of the House have submitted written requests for the number allotted to them in the resolution, and the two committees of the Senate which appear to be particularly concerned in this matter will receive many special requests for copies of the report.

Mr. NORRIS. But that is not the way we have been doing in the past.

Mr. FLETCHER. Mr. President, so far as the Committee on Commerce is concerned, it may be that the committee has not yet been called upon for these documents, but I am inclined to think that the legislation involved will eventually be handled by that committee, and then the committee will undoubtedly have calls for this document.

Mr. MOSES. By that time, also, may I say to the Senator, Mr. President, there will be additional matter which undoubtedly will have to be put into printed form. This is merely a preliminary report with the letter of transmittal from the President.

Mr. FLETCHER. I think the Committee on Commerce will undoubtedly need copies of the document. At present the report has been referred to the Committee on Foreign Relations, and perhaps they will be called on for copies of the report, but I think eventually the Committee on Commerce will also have need for copies of it.

The PRESIDENT pro tempore. If Senators will suspend for one moment, the Chair desires to observe—not with the expectation that the observation will be respected—that the request for unanimous consent for the present consideration of the resolution is not debatable. Is there objection?

Mr. NORRIS. As the resolution has been debated, I suppose no Senator will object to a decision of the question.

The concurrent resolution was considered by unanimous consent, and agreed to.

GOOD ROADS ASSOCIATION CONVENTION CANCELLATION STAMP.

Mr. TOWNSEND. From the Committee on Post Offices and Post Roads, I report back favorably without amendment the bill (S. 3074) providing for a Good Roads Association convention cancellation stamp to be used by the Phoenix, Ariz., post office. I call the attention of the senior Senator from Arizona [Mr. ASHURST] to the bill.

Mr. ASHURST. Mr. President, I thank the Senator from Michigan for calling my attention to the bill reported by him. It simply provides that the postmaster at Phoenix may, for a period of four or five days, during the Good Roads Convention use a cancellation stamp with the appropriate 10 words which the rule permits to be used in such cases. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to permit the use in the Phoenix, Ariz., post office of special canceling stamps bearing the following words and figures: "Visit Phoenix, Ariz., April 24–29, United States Good Roads Week."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BURSUM:

A bill (S. 3106) granting a pension to John Y. Carpenter; and

A bill (S. 3107) granting a pension to Melquiades Sanchez; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 3108) granting an increase of pension to Charles W. Smith (with accompanying papers); to the Committee on Pensions.

A bill (S. 3109) remitting the grazing fees for the use of the national forests for the calendar year 1922; to the Committee on Public Lands and Surveys.

By Mr. CALDER:

A bill (S. 3110) for the relief of the Ward Baking Co.; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 3111) to authorize the collection in monthly installments of indebtedness due the United States by general prisoners restored to duty, and for other purposes; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 3112) to extend the benefits of the employers' liability act of September 7, 1916, to Harry Simpson; to the Committee on Claims.

By Mr. CALDER:

A bill (S. 3114) to provide for the examination and registration of architects, and to regulate the practice of architecture in the District of Columbia; to the Committee on the District of Columbia.

By Mr. OWEN:

A bill (S. 3115) to amend section 11 of the Federal highway act, approved November 9, 1921; to the Committee on Post Offices and Post Roads.

COMMISSIONED PERSONNEL OF THE ARMY.

By Mr. WADSWORTH:

A bill (S. 3113) to reduce the number of officers of the Regular Army, and for other purposes; to the Committee on Military Affairs.

Mr. WADSWORTH. I ask that the bill may be printed in the RECORD, and in connection with the introduction of the bill I ask unanimous consent to have printed in the RECORD a short letter from the General of the Armies, Gen. Pershing.

There being no objection, the bill and letter were ordered to be printed in the RECORD as follows:

A bill (S. 3113) to reduce the number of officers of the Regular Army, and for other purposes.

Be it enacted, etc., That hereafter there shall be officers of the Regular Army as now authorized by law, except that, until it shall be determined by Congress that conditions justify maintenance of the numbers now provided by the act of June 4, 1920, there shall be 494 colonels, 555 lieutenant colonels, 1,850 majors, 3,700 captains, 5,735 lieutenants, including first and second lieutenants, and of whom not to exceed 3,515 may be first lieutenants, 1,053 officers of the Medical Corps, 1,077 officers of the Dental Corps, 144 officers of the Veterinary Corps, 81 officers of the Medical Administrative Corps, and 136 chaplains: *Provided*, That, until July 1, 1923, the total number of officers shall not exceed 13,000. Hereafter no officer, whose name is carried on the promotion list, shall be promoted to the grade of first lieutenant until he shall have served at least three years in the grade of second lieutenant. The number of officers herein prescribed for any grade or branch shall not be exceeded except as authorized by this act. Hereafter the number of officers of the Medical Corps, Dental Corps, Medical Administrative Corps, and chaplains shall be as prescribed herein, notwithstanding any changes that may be made in the authorized enlisted or commissioned strength of the Regular Army.

SEC. 2. That, for five months after the date of approval of this act, there shall be no promotions of officers of the Regular Army to any grade below that of brigadier general, and thereafter there shall be no promotions to any grade that would cause the number of officers authorized for such grade by section 1 of this act to be exceeded. Vacancies existing in any grade below brigadier general on the date of

approval of this act, and not actually filled by the acceptance of a tendered appointment, shall not be filled: *Provided*, That nothing in this act shall prevent promotions in the Medical Department and of chaplains as now provided by law.

SEC. 3. That within five months of the date of approval of this act the number of officers shall be reduced to not to exceed the numbers prescribed in section 1 of this act and 194 additional majors, 395 additional captains, 32 additional officers of the Dental Corps, 40 additional officers of the Medical Administrative Corps, and 22 additional chaplains: *Provided*, That the number of first lieutenants may be reduced to such number as the President may deem advisable: *Provided further*, That additional officers within the numbers herein prescribed are authorized only during such time as may be necessary by retirement, discharge, and other means to absorb such additional officers and to reduce said grades and branches to the numbers prescribed in section 1 of this act.

SEC. 4. That the Secretary of War shall convene a board of five general officers, who, under regulations prescribed by him, shall select such number of officers, hereinafter designated as supernumerary officers, as may be necessary, in addition to officers removed from the active list by other means, to reduce to not to exceed the numbers to which reduction is to be made within five months of the date of the approval of this act as prescribed in the preceding section: *Provided*, That for the Medical Corps, the Dental Corps, the Veterinary Corps, and the chaplains the number in each branch in each grade above captain shall be reduced not less than the same per cent that the whole number of officers of such branch is required to be reduced within five months of the date of approval of this act.

SEC. 5. That within five months of the date of approval of this act the President may, in his discretion, and upon application from the officer concerned, place officers upon the unlimited retired list or discharge officers under the same conditions as to length of service and pay as prescribed in the following section of this act for supernumerary officers: *Provided*, That no officer may be so retired or discharged whose retirement or discharge would reduce the number in any grade or branch below the number to which reduction is to be made within five months as prescribed in section 3 of this act: *Provided further*, That hereafter the President may, in his discretion, place upon the retired list any officer who, under existing law, may be retired on his own application.

SEC. 6. That supernumerary officers of more than 10 years' commissioned service shall, within five months of the date of approval of this act or as soon thereafter as practicable, be placed upon the unlimited retired list with pay at the rate of 3 per cent of their active pay multiplied by the number of complete years of commissioned service, not exceeding 75 per cent. Supernumerary officers of not more than 10 years' commissioned service shall, within 5 months of the date of approval of this act or as soon thereafter as practicable, be honorably discharged with one year's pay, unless they shall have more than seven and one-half years' commissioned service, in which case they shall be discharged with two years' pay: *Provided*, That supernumerary officers of more than 10 years' commissioned service, who so elect, may be discharged with 2 years' pay in lieu of retirement and retired pay as herein provided.

In computing service under this section, only service as a commissioned officer in the active service of the United States shall be counted: *Provided*, That any officer whose name is carried on the promotion list, who was originally appointed in a grade above second lieutenant, shall be credited with a length of service that shall be the same as that of the officer next above him on the promotion list who was originally appointed in the grade of second lieutenant prior to July 1, 1920; and any officer of the Medical Corps, Dental Corps, Veterinary Corps, or any chaplain originally appointed in a grade above the lowest authorized for the branch in which commissioned, shall be credited with a length of service that shall be the same as that of the officer of said branch next senior in rank who was originally appointed in such authorized lowest grade; and captains and first lieutenants of the Medical Administrative Corps shall be credited with 10 and 5 years' commissioned service, respectively, to which shall be added their actual service as commissioned officers since July 1, 1920; and any colonel, except of the Medical Department, whose name is not borne on the promotion list and who was originally appointed in a grade above second lieutenant, shall be credited with the same service as the colonel, exclusive of colonels of the Medical Department, next senior in rank who was originally appointed in the grade of second lieutenant: *Provided further*, That any officer whose length of commissioned service is actually greater than that with which he would be credited under the foregoing proviso shall be credited with such actual length of commissioned service. Service shall be credited as prescribed in this section for the purpose of this act only.

SEC. 7. That hereafter there shall be no appointments in the Medical Department that will cause the number of officers of any branch thereof to exceed the number prescribed for such branch in section 1 of this act or that will cause the total number of officers of the Medical Department to exceed 1,455, exclusive of general officers now commissioned therein, and there shall be no appointments of chaplains that will cause the number of chaplains prescribed in section 1 of this act to be exceeded.

SEC. 8. That whenever the total number of officers of the Regular Army shall be less than the maximum number authorized by this act, the President may, in his discretion, order reserve officers to active duty with their consent within the limits of funds available appropriated for pay of officers of the Army, and within the vacancies existing in the Regular Army in the numbers authorized by section 1 of this act.

SEC. 9. That the officers provided by section 1 of this act shall be assigned to the several branches of the Army so that the number assigned to each branch, exclusive of the Medical Department and chaplains, shall be 82.4 per cent of the number prescribed for such branch by the act of June 4, 1920, but the President may increase or diminish the number of officers assigned to any branch by not more than a total of 35 per cent.

SEC. 10. That all laws and parts of laws, in so far as they are inconsistent with this act, are hereby repealed.

FEBRUARY 3, 1922.

The CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
United States Senate.

SIR: The national defense act contains provisions for about 17,000 officers for the Military Establishment. Practically the full number could be suitably employed in the complete development of the national defense project contemplated by that act. The War Department appreciates fully the need for the utmost economy in proposing a reduction below that number. In fact, in the interests of economy the Secretary of War has refrained from making even sufficient appointments to offset losses, and has thereby saved many millions to the Government.

While it was possible to suspend appointments it has not been practicable to stop the promotions due under the law. As a consequence a commissioned personnel now exists that is not well balanced in the various grades. With a view to correcting this condition and to maintaining during these times of stringent economy a smaller and better officer body a bill to readjust the commissioned personnel of the Army is submitted for your consideration.

Briefly the bill will result in a reduction to about 12,000 officers on the active list. The reduction will be made in the various grades in such manner as to produce a suitable distribution throughout. The method proposed contemplates retirement and discharge of officers, some of whom will be those least effective, who can well be spared, and others who apply for retirement or discharge. The bill provides a compensation to the officers who go out that is believed to be equitable.

The reduction is so distributed in point of time that further unduly rapid promotion will not take place, because of the suggested absorption of a number of majors and captains. This method has an added advantage of making available the services of a number of additional majors and captains during the period of acute shortage in the lower grades before the contemplated procurement of new lieutenants can become effective.

Immediately following the elimination of about 1,000 officers appointments in the lower grades will be undertaken. To avoid too rapid procurement and to assure your committee of the department's sincere desire to effect economies the proposed bill fixes a limit of 13,000 officers for the fiscal year 1923. Before expiration of that year appropriations will have been made establishing a guide for future action.

In preparing the bill herewith it has been the constant aim to effect an immediate economy and at the same time maintain the morale of the Army. In its general provisions the bill has the approval of the Secretary of War, in whose absence it is submitted. I trust that the plan will meet with the approval of your committee.

Very truly, yours,

JOHN J. PERSHING,
General of the Armies,
Chief of Staff.

AGRICULTURAL ASSOCIATIONS.

Mr. CAPPER submitted an amendment intended to be proposed by him to the bill (H. R. 2373) to authorize association of producers of agricultural products, which was ordered to lie on the table and to be printed.

AMENDMENT OF CIVILIAN RECLASSIFICATION BILL.

Mr. JONES of Washington submitted an amendment intended to be proposed by him to the bill (H. R. 8928) to provide for the classification of civilian positions within the District of Columbia and in the field services, which was referred to the Committee on Civil Service, ordered to be printed, and to be printed in the RECORD, as follows:

On page 27, line 19, after the word "locomotives," insert the words "and steamboats," and in line 20, after the word "locomotive," insert the words "and steamboat."

On page 28, line 13, after the word "locomotives," insert the words "and steamboats," and in line 14, page 28, after the word "locomotive," insert the words "and steamboat."

HOUSE BILL REFERRED.

The bill (H. R. 4) granting relief to soldiers and sailors of the War with Spain, Philippine insurrection, and Chinese Boxer rebellion campaign; to widows, former widows, and dependent parents of such soldiers and sailors; and to certain Army nurses, was read twice by its title and referred to the Committee on Pensions.

ADDRESS BY SENATOR STANLEY.

Mr. SHIELDS. Mr. President, recently the senior Senator from Kentucky [Mr. STANLEY] delivered a very able address before a business organization in the city of Chicago. I have in my hand a copy of that address, which deals with the fundamental principles underlying our form of government which present conditions in this country are now challenging. It is very pertinent to the conditions which now exist and to much of the legislation that is being proposed. I think it ought to be generally read, and I ask unanimous consent that it be printed in the RECORD in 8-point type and that the introduction be printed along with the speech in the same type.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee?

There being no objection, the address was ordered to be printed in the RECORD, and it is as follows:

PERSONAL LIBERTY IS FREEDOM'S DISEMBODIED SOUL!

(Introductory remarks by Cincinnati Enquirer, Jan. 22, 1922.)

Aroused into action by the vivid consciousness of the fact that the tendency toward centralization of government is threatening the abolition of the autonomy of the State, which can only mean the destruction of the liberty of the citizen and the ending of the life of the Republic, United States Senator A. OWSLEY STANLEY, of Kentucky, recently before a gathering of 500 members of the business community of Chicago delivered what well may be described as one of the master arguments in support of the Federal Constitution.

As an historical and legal analysis of American government it ranks as a classic, and as a review of the origin and growth of Anglo-Saxon law in concise and succinct terms it easily

deserves the title of a final authority. Viewed as a prophecy of conditions to come unless the old charted course of the fathers is steered, it is alarming because of the conviction it carries.

In the main it is a philippic against the invasion of personal rights, the home dwelling, and the affairs of business in general by clouds of spies, armed officials, and prying inspectors, and the taking upon itself by the Federal Government of the regulation, restriction, and supervision of almost every walk of life. With Edmund Burke, the Kentucky statesman believes that "all innovation is not progress," and he hurls his matchless mind and eloquent voice against the despots of to-day who, ghoul-like, seek to exhume the "dead and buried despotisms of the past."

Startling in his clarity and strength is his declaration that in order to make away with the splendid structure reared by Thomas Jefferson, with the individual citizen as the base, the bigots and crass reformers of to-day are inverting the Anglo-Saxon form of government which has stood for a thousand years and are assaulting the doctrine of inalienable human rights, which is the fundamental principle of the Declaration of Independence. They are seeking to substitute the monstrous theory that in a republic the citizen has no inherent personal liberty and enjoys only such rights as are conferred upon him by the majority—a harking back to autocracy when the subject lived upon the terms of the king or emperor.

In his address upon the theme "The Constitution—Is It Amended or Abolished, Which?" Senator STANLEY said:

PERILS OF PATERNALISM.

[Address by Senator A. O. STANLEY, delivered at the Blackstone Hotel in Chicago, Thursday evening, Jan. 12, 1922.]

The mastery of the world passed with the fall of the Roman Empire from the shores of the Mediterranean to the Baltic, and for a thousand years and more the arbiters of human destiny have sprung all from the loins of a Scandinavian warrior.

Whether as Franks or freemen upon the banks of the Seine, as Saxons and Angles amidst the green hills and dales of old England, or marauding pirates from the wilds of Schleswig and Friesland, their activities in peace and their valor in war have been dominated and inspired by one master passion, the maintenance inviolate of their personal independence, a jealous and eternal love of liberty.

In savagery or civilization he has little known nor long endured the sway of a tyrant or the presence of a master. For centuries he had little to fear from feudal chieftains whom he served in peace and defended in war. These haughty barons surrounded the throne, rivaling its magnificence and dividing its power, presented a barrier between the ambition of the medieval monarch and the threatened liberties of his subjects.

AND FEUDAL SYSTEM FELL.

By and by the improvement of firearms having rendered worthless all defensive armor, the feudal system fell, with its panoplied horse and rider. Alert and cunning courtiers, filching the power from the palsied hand of knighthood, erected upon the decaying ruins of feudalism the haughty houses of Bourbon and Tudor, of Hapsburg and Hohenzollern.

Strange to say, these stupid tyrants attributed this unholy increment of power not to gunpowder but to God. English Tories made the monarch "the delegate of heaven." "Kings," according to that ecclesiastical pander, Bossuet, "are gods, and share in a manner the divine independence." "I am the State," said the Grand Monarch, and the blustering German talks about "Me und Gott." I only am master, "suprema lex regis voluntas," shouts the Prussian Mad Mullah, before setting the world on fire.

With this blasphemous assumption of omnipotence, these odious despots attempted to hold their subjects amenable to them for acts for which freemen are answerable to God alone. A sceptered and illiterate medieval marauder assumed direction of every detail of the moral, spiritual, and industrial life of an abject and helpless people.

SCARCELY ANY BOUNDS.

There were—

Says Herbert Spencer—

scarcely any bounds to governmental interference; agriculture, manufactures, trades were regulated in detail; religious beliefs and observances were imposed; and rulers said by whom alone furs might be sold, silver used, books issued, pigeons kept, etc.

The shadow of the despotisms of Tudor and Bourbon, of Hapsburg and Hohenzollern, fell like a pall upon the civilized world, hope was blighted, industry paralyzed, sacred temples transformed into chambers of horrors, and "sweet religion made a rhapsody of words."

Men fled from an intolerable oppression they were unable either to endure or to resist and the eastern shores of the new continent were dotted by colonies of exiles scattered from the Florida keys to the mouth of the St. Lawrence.

There is a vital and generic difference between the English and the continental conception of the source and character of constitutional government. One places limits upon centralized power, the other will not tolerate its existence. Those free institutions once common to all Teutonic people, while obliterated by Bourbon despotism on the continent, were only obscured by the tyranny of English Kings. The Saxon churl, having lost his liberties, did not forget them. Magna Charta, the Petition of Rights, the Bill of Rights, the Constitution of the United States are the essential instruments for the establishment and maintenance of inherent and inalienable rights which God confers and governments invade.

These great charters confer no privileges; they prevent abuses. Says Buckle:

For 500 years all advance in legislation has been made by repealing laws.

HAMMERED OUT LIBERTY.

Our Anglo-Saxon ancestors—

Says Chief Justice Taft—

hammered out their civil liberty by securing from their would-be royal oppressors not general declaration of principles * * * but distinct and definite promises.

English jurisprudence has not created, it has preserved and restored local self-government and personal independence, and for 10 centuries it has jealously guarded them against the insidious invasion of power in every shape and form.

As barbarians "the basis of their society," says Green, "was the freeman," and after fifteen hundred years they make the sovereignty of the citizen the cardinal principle of all government. To this principle is due that high sense of personal honor, that deep sense of personal obligation, that superb resourcefulness, and that marked and unique individuality hitherto unknown among the children of men.

It was to preserve this birthright that the colonists welcomed persecution and exile, the solitude and the perils of the wilderness, famine and pestilence, penury and death.

APOSTLES OF FREEDOM.

At last, wearied by a century of struggle against purblind British despotism, they proclaimed and established their absolute and eternal independence.

An age of poetry produced Homer; of art, a Raphael and an Angelo; of discovery and adventure, Columbus and Magellan; of eloquence, a Webster and a Clay. So were Washington, Jefferson, and Hamilton, Madison and Monroe and their immortal confrères the evolution and the epitome of the ardent aspirations of a century of untold sacrifice and endless endeavor to gain and to hold the priceless boon of liberty. They stand preeminent in all the tides of time as the very apostles of freedom. They erected in the Western World and for a newborn Nation the most faultless and, I hope, enduring temple ever dedicated to the liberties of mankind. Without parallel in the institutions of the past, it is the incomparable model for the emulation of the free peoples of the future.

Towering, even among his immortal confrères, like some lone mountain peak above its foothills stood the political seer of the ages. The Sage of Monticello, with the audacity of genius, took a mere man, a simple citizen endowed with inherent and inalienable rights, clothed him with all power and authority, crowned him with the ballot, and organized society was formed by having this citizen confer certain authority upon officers of the law, his servants not his masters, commissioned for a fixed time to discharge specific duties necessary to protect and secure him in the possession of property and the enjoyment of life and liberty. These Commonwealths, for the sake of mutual protection, "formed a more perfect union," and the aggregate of the powers expressly delegated by the States formed the Federal Government.

FOUNTAIN WAS CITIZEN.

But the fountain, the source, of all authority was the citizen. This was the cardinal principle of Jefferson's philosophy; the sovereignty of the States was but a corollary; the largest measure of individual liberty, not State rights, was the "summum bonum" of his whole theory of government. The individual was surrounded by the precinct or township, the county, the State, the Nation, like so many concentric circles, and each in proportion of its nearness to the citizen was invested with the greatest possible jurisdiction. Each served a double purpose. It prevented the encroachment of one citizen upon the rights of another and presented between all and the ambition of a tyrant a series of stubborn barriers, each of which must be demolished before the liberties of a people could be engulfed in a Federal despotism.

Precincts, counties, States were all established for the eternal immunity of the property and personal rights of the citizen from the despotic, sumptuary sway of a centralized government. Then and now between the tyranny of centralization and the freedom of the citizen stands the integrity of the State.

I am not concerned with the mooted political question of State sovereignty. I am contending not for the right of the State to secede, but the right of the State to exist, for the maintenance of "an indissoluble union of indestructible States."

Wise and patriotic men of all political parties are to-day vividly conscious of the fact that we stand at this hour upon the edge of the abyss, that the abolition of the autonomy of the State means the destruction of the liberty of the citizen and of the life of the Republic.

For a century after the adoption of the Constitution sages and patriots stood watch and guard against the imminent and admitted peril of Federal aggression.

Let there be no changes by usurpation—

Said Washington—

for this, though it may in one instance be the instrument of good, is the ordinary weapon by which free governments are destroyed.

It is my duty and my oath—

Said Lincoln—

to maintain inviolate the right of the States to order and control under the Constitution their own affairs by their own judgment exclusively. Such maintenance is essential for the preservation of that balance of power on which our institutions rest.

Our forefathers—

Says Senator LODGE—

founded a limited Government. The movement of to-day and the various measures of a socialistic kind extending governmental activities are breaking down those constitutional limitations and are intended to do so. It is well for us to stop and consider whether it is wise to destroy the Government which Washington founded and which Lincoln saved.

The national Republican platform of 1860 declared—

The maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic constitution according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depend.

Every Democratic convention from the nomination of Jefferson to the nomination of Parker, for over 100 years, inserted a plank in its platform condemning Federal aggressions.

No political dreamer—

Said John Marshall—

would ever be wild enough to think of breaking down the lines which separate the States and of compounding the American people into one common mass.

There will always be dangers—

Says Elihu Root—

of developing our laws along the lines which will break down the carefully adjusted distribution of powers between the National and the State Governments, and, if this process goes on, our local governments will grow weaker and the Central Government stronger in the control of local affairs, until the local government is dominated from Washington by the votes of distant majorities, indifferent to local customs and needs. When that time comes the freedom of adjustment which preserves both national and local liberty in our system will be destroyed and the breaking up of the Union will inevitably follow.

THE PROPAGANDA AND ITS PURPOSE.

For what purpose are State lines to be obliterated and State rights ignored? To do the very things that State governments and county governments were originally ordained to prevent; to enable a Federal and centralized authority to invade the privacy of the home and the personal liberties of the citizen.

Whenever, by amendment or otherwise, you make a centralized government and not the citizen the source and repository of all power, you will not have amended, you will have abolished the Constitution of the United States. You will have inverted the whole system upon which for a thousand years the structure of Anglo-Saxon liberty has rested.

Three-quarters of a century ago the youthful Gladstone defended the union of church and state. Macaulay excoriated this abominable doctrine:

Mr. Gladstone conceives that the duties of government are paternal; a doctrine which we shall not believe till he can show us some government which loves its subjects as a father loves his child and which is as superior in intelligence to its subjects as a father is to a child. * * *

DRAWS ON FANCY.

In a withering "reductio ad absurdum" the great historian draws upon his exuberant fancy for grotesque and impossible instances for the exertion of paternalistic power.

Why should they not take away the child from the mother, select the nurse, regulate the school, overlook the playground, fix the hours of labor and of recreation, prescribe what ballads shall be sung, what tunes shall be played, what books shall be read, what physic shall be swallowed? Why should they not choose our wives, limit our expenses, and stint us to a certain number of dishes of meat, of glasses of wine, and of cups of tea?

How many of these things regarded by Macaulay as grotesquely impossible and absurd in an English monarchy are now attempted by the once free Government of the United States, a Government of limited, specifically delegated powers? Over 15,000 bills introduced in the present Congress, bills by the bale, passed and pending, and a blind and intolerant propaganda still grinding at the overworked legislative mill. Bills to inspect, operate, or regulate "the butcher, the baker, and the candlestick maker."

Bills to fix the price and control the distribution of lumber and coal, to regulate the making or marketing of cloth and grain. To censor, supervise, stop, or cure baseball, horse racing, moving pictures, venereal diseases, and the social evil.

Nobody escapes, everything in the moral, industrial, and commercial world is to be owned, operated, supervised, or censored from the birth of a baby to the burial of a corpse, and the worst is not yet.

ALL INNOVATION NOT PROGRESS.

The most conspicuous "progressive" is the most ingenious inventor of new ways and means of invading the vested rights of the States and the liberties of the citizens, like legislative ghouls exhuming the dead and buried despotisms of the past, unmindful of the wise aphorism of Edmond Burke that "All innovation is not progress."

In the ownership, operation, or supervision of the industrial and commercial activities of an empire, from telegraphs and telephones, steamships and railroads to the elimination of the boll weevil and the setting of a hen, Congress has created 100 different committees and commissions, boards and bureaus, and within 10 years has actually expended the appalling sum of $3,921,360,167.55, according to the official figures of these departments. If, however, the more dependable estimates of that able and accurate statesman, Senator KING, of Utah, are accepted, it reaches the incomprehensible aggregate of $7,500,000,000.

The bulk of this money was squandered in doing for the people what they could and should have done infinitely better for themselves. The entire cost of the operation of the Federal Government from the inauguration of George Washington to the Civil War does not approach this colossal and incomprehensible sum.

BEGETS NEW BUREAUS.

And worse still, this insatiate lust for inquisitorial power daily begets new boards and bureaus. The appetite for attending to other people's business "grows by what it feeds on," and their devastating cost increases by leaps and bounds. For instance, in the year 1916 the cost of operating the Government exclusive of expenditures for war purposes was $231,625,333; for the fiscal year ending June 30, 1922, the amount appropriated for the same purpose, not including the cost of the War and Navy Departments, pensions, Veterans' Bureau, and reduction of the national debt, is $1,115,517,366, or an increase of nearly 500 per cent. The difference in expenditures for practically identical services in 1916 and 1921 is, broadly speaking, the cost of these commissions with their innumerable army of agents and inspectors.

This administration's unprecedented majority of over 7,000,000 has been attributed to the League of Nations, although the attitude of the candidate was uncertain then and is an enigma now.

The truth is that the business interests of America accepted in good faith his promise "to take business out of politics and politics out of business." Talk to me of panics and depressions; the business of America is not panicky, it is paralyzed. You are nagging and breaking the brave heart and sanguine spirit of American enterprise. Its mighty limbs are bound by the departmental red tape of a well-meaning but misguided paternalism, subtle, suffocating, and resistless as the coils of a boa constrictor.

LIKE AN OLD, SWEET SONG.

Jefferson's second inaugural address, picturing a Government reverent of the Constitution and duly observant of its delegated powers, reads at this day like some "old, sweet song."

At home, fellow citizens, you best know whether we have done well or ill. The suppression of unnecessary offices, or useless establishments and expenses enables us to discontinue our internal taxes. These covering our land with officers and opening our doors to their intrusions had already begun that process of domiciliary vexation which, once entered, is scarcely to be restrained, reaching successively every article of produce and property. * * * It may be the pleasure and pride of an American to ask what farmer, what mechanic, what laborer ever sees a taxgatherer of the United States?

Senator Foraker in 1907 bemoaned the multiplication of useless offices and officers in his "degenerate day," declaring that—

The little band of 167 special deputies, agents, and inspectors on the pay rolls of the Government 10 years ago has been swelled to an army of more than 3,000.

Three thousand agents and inspectors! There are nearer 30,000 now. Sumptuary and inquisitorial bureaus and commissions have increased since then one thousandfold and Federal agents and inspectors filling the highways and byways, tread upon each other's heels at every turn and corner, more numberless and pernicious than the fleas and frogs of Egypt.

Every business man finds an inspector at his elbow, a Federal sleuth at his heels; houses are searched, homes outraged, and the public highways dappled in the blood of unoffending citizens by a multitude of agents and inspectors, ignorant of and indifferent to the law of the land and the rights of the citizen.

And to cap the climax, a commander in chief of an inquisitorial horde advises us that sacred and ancient safeguards, ordained and established by courts and constitutions, are fragile as "line fences," trifling things, to be demolished or despised, not by any legal authority, State or Federal, but in the name of "community good."

In a recent interview published in the New York World of August 28, 1921, the Hon. Roy A. Haynes blandly asserts that—

All laws restrict our personal liberty in some degree * * *. But these laws do not bother that man who values community good more than he does his self-indulgence. Our laws in this Republic are more than line fences marking the boundary of liberty and license.

What are these "line fences"? Charter rights as old as Saxon civilization, rights engraven in the organic law of the land, rights forever reserved to the States respectively and to the people. The question which confronts the American public at this hour is, Shall these sacred barriers be demolished? Shall Mr. Haynes's "line fences" be removed and the citizen left naked and defenseless before the aggressions of an absolute Federal autocracy dominated and controlled by the mad whim of a majority, unrestrained by any character of constitutional limitation?

WHAT IS DESPOTISM?

What is despotism? What is the essence of that evil thing? It is the invasion of those rights and privileges which are inherent and inalienable, enjoyed not by the grace of governments but of God. The sacred circle which circumscribes the independence of the individual and the sanctity of his person and his property.

This immunity of the citizen from such interference has been admitted for centuries by all free Governments and defended and maintained by the political economists in every civilized country on the globe.

"The liberty of every citizen," says the Commune, "ends where the liberty of every other citizen begins."

"If my action or my condition generally," says Kant, "can coexist with the freedom of every other, according to a universal law, anyone does me a wrong who hinders me in the performance of this action or in the maintenance of this condition."

Herbert Spencer stoutly maintains that—

Every man is free to do that which he wills, provided he infringes not the equal freedom of any other man. The liberty of each is limited only by the like liberties of all.

Whatever theory we adopt respecting the foundation of the social union and under whatever political institutions we live—

Says John Stuart Mill—

there is a circle around every individual human being which no Government, be it that of one, of a few, or of the many, ought to be permitted to overstep; there is a part of the life of every person who has come to years of discretion within which the individuality of that person ought to reign uncontrolled either by any other individual or by the public collectively. That there is, or ought to be, some space in human existence thus entrenched around and sacred from authoritative intrusion, no one who professes the smallest regard to human freedom or dignity will call in question. * * * I apprehend that it ought to include all that part which concerns only the life, whether inward or outward, of the individual, and does not affect the interests of others or affects them only through the moral influence of example. * * *

NEVER MORE NECESSARY.

There never was more necessity for surrounding individual independence of thought, speech, and conduct with the most powerful defenses, in order to maintain that originality of mind and individuality of character which are the only source of any real progress and of most of the qualities which make the human race much superior to any herd of animals.

It will be admitted without cavil or question that if a king or emperor, a social or ecclesiastical oligarchy, should attempt to invade this sacred circle, to remove or demolish Mr. Haynes's "line fences," it would constitute an act of intolerable oppression, and that a free people, believing that "resistance to tyrants is obedience to God," would be justified in rising in arms against the presumptuous autocrat.

Is the tyrant less odious? Is our oppression rendered more endurable by multiplying our oppressors that a majority, not a monarch, may become the despoiler of its country and the oppressor of its countrymen?

As David Jayne Hill has aptly observed—

The fundamental question therefore is, How far may some individuals rightly enforce their own private will upon other individuals? By "some" we may mean one, in which case we would be thinking of an absolute monarchy; or we may mean a select few, in which case we would be thinking of an oligarchy; or, finally, we may mean a majority, in which case we would be thinking of a pure democracy. * * * It makes no practical difference whether that suppression of the individual is effected by one or a few or a majority of his fellow beings, since in all these cases he is equally divested of his rights. When the State does this, no matter what the form of government may be, it becomes despotic, and this tyranny should be regarded as odious.

OLDEST PROP OF DESPOTISM.

Says Nicholas Murray Butler:

The thoroughly obscurantist and reactionary doctrine is now taught, and curiously enough it is taught under the name of progress, that the individual has no rights save those which society confers upon him, and that society may by majority vote do what it pleases with him. This doctrine is the oldest prop of despotism and autocracy, and the despotism and autocracy is none the less despotic or autocratic because for an individual monarch there has been substituted a temporary and fortuitous majority.

Many—

Says Mill—

in latter times have been prone to think that limitation of the powers of the government is only essential when the government itself is badly constituted; when it does not represent the people but is the organ of a class or coalition of classes. * * * This might be true if the nation in such cases did not practically mean a mere majority of the nation, and if minorities were only capable of oppressing but not of being oppressed. Experience, however, proves that the depositaries of power who are mere delegates of the people—that is, of a majority—are quite as ready (when they think they can count on popular support) as any organs of oligarchy to assume arbitrary power and encroach unduly on the liberty of private life.

Again observes this wise philosopher:

In some countries the desire of the people is for not being tyrannized over, but in others it is merely for an equal chance to everybody of tyrannizing.

ASPECT OF OBSESSION.

This willingness to imperil one's own liberty to destroy the liberty of his neighbor has in recent years assumed in certain quarters the aspect of an obsession.

In the words of Nicholas Murray Butler—

The desire to mind other people's business is becoming a disease, and with its spread the real duty of government and the real tests of its effectiveness are lost sight of.

This desire has recently assumed the ominous proportions of a pestilence, destructive of the finest thing in the life of the Republic, the individuality and the independence of the citizen. Strange to say, the advocates of a sumptuary régime are both conscious of and indifferent to the admitted ravages of this national malady.

Recently I heard on the floor of the Senate an utterance which, if made a generation ago, would have been received by press and public with universal surprise and abhorrence:

Another objection—

Said a learned Senator—

is that it infringes the personal liberties and rights of the individual. I have been surprised to hear it made upon the floor of the Senate of the United States. Mr. President, there is no such thing as personal liberty in a republic. * * * No man in a republic has any right to do what the duly constituted majority has declared shall not be done.

The Senator at least is consistent. He admits that the loss of personal liberty is the inevitable result of sumptuary legislation.

NEVER GREATER HERESY.

There never was a more pernicious heresy than that a mere majority is ipso facto vested with despotic power. The Constitution of the United States was primarily ordained and established not to place restrictions upon kings, for kings were impossible, nor upon a social oligarchy, because titles of nobility were prohibited, but upon the people themselves, upon the wild excesses of an unrestrained and temporarily maddened majority. This predominant purpose was reiterated with ever-increasing emphasis in the debates of the Constitutional Convention and universally deplored and condemned by the framers of the Constitution and by none with greater force or emphasis than Alexander Hamilton himself.

It is—

Says the great Federalist—

of great importance in a Republic not only to guard the society against the oppressions of its rulers but to guard one part of the society against the injustice of the other part. In a society, under the forms of which the stronger faction can readily unite and oppress the weaker, anarchy may as truly be said to reign as in a state of nature.

In discussing the efforts of the Constitutional Convention "to break and control the violence of faction," Madison declared:

The friend of popular governments never finds himself so much alarmed for their character and fate as when he contemplates their propensity to this dangerous vice. * * * By a faction, I understand a number of citizens, whether amounting to a majority or minority of the whole, who are united and actuated by some common impulse of passion, or of interest, adverse to the rights of other citizens, or to the permanent and aggregate interests of the community.

LET NOT FAITH LULL YOU.

Let not a cherished and superstitious faith in a universal electorate lull you into a false and fatal security—the delusion

that because all have a voice in the selection of officers there is nothing to fear from their exercise of unwarranted and oppressive powers.

I believe—

Says De Tocqueville—

that it is easier to establish an absolute and despotic government amongst a people in which the conditions of society are equal than amongst any other. * * * I had remarked during my stay in the United States that the democratic state of society similar to that of the Americans might offer similar facilities for the establishment of despotism.

There is but one difference between the despotism of a monarchy and the tyranny of a majority, the tyranny of the majority is all-pervading and infinitely more unendurable than the wanton exercise of the same powers by a single individual.

De Tocqueville has well observed that—

When the Roman Emperors were at the height of their power the different nations of the Empire still preserved manners and customs of great diversity; although they were subject to the same monarch, most of the Provinces were separately administered; they abounded in powerful and active municipalities; and although the whole Government of the Empire was centered in the hands of the Emperor alone, and he always remained, in case of need, the supreme arbiter in all matters, yet the details of social life and private occupations lay for the most part beyond his control. The Emperors possessed, it is true, an immense and unchecked power. * * * They frequently abused that power arbitrarily to deprive their subjects of property or of life; their tyranny was extremely onerous to the few, but it did not reach the many; it was fixed to some few main objects, and neglected the rest; it was violent, but its range was limited.

THERE IS LITTLE TO FEAR.

So long as a centralized government exercises only delegated powers there is little to fear from the tyranny of the majority. Unwise and inquisitorial statutes may be enacted, but against their pernicious effects stands the invincible barrier of a sovereign state. It is the house of refuge—freedom's last and sacred sanctuary against every form of federal oppression.

A centralized government is impotent without a centralized administration.

Says De Tocqueville—

If the directing power of the American communities, having regulated the great interests of the country, could descend to the circle of individual interests, freedom would soon be banished from the New World. * * * When the central government which represents that majority has issued a decree it must intrust the execution of its will to agents, over whom it frequently has no control, and whom it can not perpetually direct. The townships, municipal bodies, and counties form so many concealed breakwaters, which check or part the tide of popular determination. * * * This point deserves attention, for if a democratic republic similar to that of the United States were ever founded in a country where the power of one man had previously established a centralized administration and had sunk it deep into the habits and the laws of the people, I do not hesitate to assert that in such a republic a more insufferable despotism would prevail than in any of the absolute monarchies of Europe, or, indeed, than any which could be found on this side of Asia.

LIBERTY NOT ENTIRELY DEAD.

The Attorney General happily assures us that personal liberty is not entirely dead as a result of Federal aggression and sumptuary regulation; it has just been rendered "academic," which is infinitely worse. With our liberties dead and buried, in time, perchance, we may become reconciled to our chains. But if it is "academic" they will talk about it forever, and we shall not even be permitted to forget that we are slaves.

What is this thing they glibly say is now dead or "academic"? It is the assured enjoyment of every privilege, of every right which can not be bought or sold; it is a spiritual, not a material, thing; it is freedom's disembodied soul.

The recent and stupid attempt of bigotry to raise a false issue, to confuse the whole vital question by confounding personal liberty and sensual indulgence, is ridiculous and absurd. Liberty is as far from license as the zenith from nadir. That man is to be pitied who confounds an inestimable blessing and a mere carnal indulgence. The mental caliber of the alleged jurist or statesman who can make no distinction between an aspiration and an appetite is to be commiserated or despised. Compared with human rights, property rights are dross. This confounding of independence and indulgence has no warrant in common law, common sense, or common decency.

Prior to the startling pronouncement of the senior Senator from Washington and the Attorney General of the United States no statesman and no jurist has ever been guilty of so egregious a blunder. It is abhorrent to every sane conception of civil government and confounded by the most simple and elementary principles of the law.

RIGHT TO HAPPINESS.

Bouvier defines "personal liberty" as—

Freedom from physical and personal restraint; the right to the pursuit of happiness; freedom to go where one chooses and to pursue such lawful occupations as may seem suitable.

In its broad sense personal liberty would include freedom from unlawful arrest and restraint, from unlawful seizures and searches, from assault and battery, from libel and slander, from general warrants of arrest, from unfair monopolies in trade, and from quartering soldiers in time of peace; and it would include also the right of trial by jury, liberty of conscience, freedom of the press, the right to travel and emigrate, to bear arms, and to petition the Government for redress of grievances.

In a recent stump speech delivered before the American Bar Association at Cincinnati the Attorney General is credited with the most remarkable assertion ever made by an alleged jurist before any bar association, State or National:

The questions of the limitations of personal liberty—

Said he—

is, in the first instance, a question of political philosophy and not of law. * * * There will be differences of opinion among the constituent members of society on questions of this sort. As long as they remain purely speculative questions in the realm of the political philosophy proposed by their respective advocates as the basis for social organization there is and can be no objection to them.

Looking back over the blood and tears and turmoil, ever present and ever enduring between the despoilers and the defenders of human liberty, my heart is filled with a vain regret that some such original and ingenious philosopher could not have made his appearance at an earlier date. Think of the tumults he could have quelled and the dynasties he could have saved.

MADE ENGLAND LIKE CALDRON.

The lawless attempt of Charles I to seize the persons of five members of Parliament made England boil like a caldron and transformed the city of London into a maddened mob. That invasion of the personal rights of an individual plunged a nation into civil war and cost a foolish king his head.

What a pity the Attorney General was not a member of the Long Parliament! How easy it all would have been, how simple was the solution! He could have enlightened an indignant assembly, quieted the turbulence of a seething city by the all-consoling assurance that immunity from false arrest is a strictly personal privilege, a harmless invasion of the personal liberty of the citizen with which legislators and courts are in no way concerned, that it is in fact a matter of philosophy and not of law. Pym and his friends would in all probability have gone to jail, and Charles would have saved his scalp and his crown.

A century or so ago Bourbon despots weary of "the law's delay" fell into the rather reprehensible habit of just handing a little billet-doux to a convenient pimp or pander, and forthwith some hapless soul found himself in a dungeon, left to wonder why he was in jail and how he was to get out. One fine July day a whole city mutinied against this unspeakable outrage; "the mud took fire and a tattered rag became a banner," and all Paris moving against the royal prison razed it to the ground, and then they chopped off the head of the sceptered fool who had peopled it with misery and despair.

MATTER OF METAPHYSICS.

If only Mr. Daugherty had been a citizen of Paris then, how easy to have explained the whole situation to an unreasonable populace. "Lettres de cachet," after all, are not legal documents, just a new and comparatively harmless form of philosophical disquisition; for the cruel and causeless arrest of unoffending citizens is, according to this unique solon, a matter not of law but of metaphysics, a question not for courts but for the encyclopedists and the Royal Academy; not a cause for revolution, just a fitting subject for a high-school debate.

I commend to the country's legal adviser the illustrious example of a learned and immortal predecessor. A civilian by the name of Milligan, having been tried without the intervention of a jury and condemned to death by a drumhead court-martial, the Attorney General, outraged at this invasion of the personal liberty of a comparatively obscure and simple citizen, appeared in person before the Supreme Court of the United States.

In the greatest defense of human rights and free institutions ever uttered in the English tongue, Jeremiah Black, pleading for the personal liberty of a condemned felon, expressed his abhorrence of this cavalier contempt of human rights by officers of the law sworn to preserve and protect them.

In the opening sentence of an immortal plea he impresses the court with the vital importance and the far-reaching effect of the violation of personal privilege and a constitutional right not by an individual but by the deliberate act of an organized society.

I am not afraid—

Said the great jurist—

that you will underrate the importance of this case. It concerns the rights of the whole people. Such questions have generally been settled by arms. But since the beginning of the world no battle has ever been lost or won upon which the liberties of a nation were so distinctly staked as they are on the result of this argument. The pen that writes the judgment of the court will be mightier for good or for evil than any sword that ever was wielded by mortal arm.

The words of the greatest forensic orator of his day will go "sounding down the ages" to thrill the hearts of the free and to inspire the valor of the daring so long as the love of liberty is the highest aspiration of a human soul.

From my boyhood I have abhorred the institution of chattel slavery—that barbarous custom imposing chains and stripes upon the body of a cowering wretch to make him work to suit you. It is only less abhorrent, it is only less barbarous, than that still more savage thing, intolerance—the servitude of the soul—invoking the thumbscrew, the rack and the boot, the stake and the jail to make men think and act to suit a self-constituted master.

Yesterday we embattled 4,000,000 men to save the Old World from the sumptuary sway of a military martinet, from the dominance of a despotism which, having enthralled the spiritual, moral, and industrial life of the German Empire, threatened to fasten its odious chains upon the civilized world. Have we made the Old World "safe for democracy" only to leave the new a hapless prey to intolerance and oppression? God forbid!

By the valor and the blood and the new-made graves of our deathless dead, I appeal to the free spirit of America to stand for our liberties here as they stood for freedom there on the bloody fields of Soissons and of Chateau-Thierry and in the hell of the Argonne.

For a time unmindful, we can not long forget "the proud and tender memories of the past."

To save us from a bigot's sumptuary sway, the ragged Continentals fought and fell, and patriots and sages laid deep and strong the institutions of the free; for the security of the citizen, the sanctity of the home, heroes have reddened a hundred fields of fame and with their precious blood incarnadined the seas. We shall not surrender, we will never betray, the palladium of a people's liberties—the Constitution. It must and it shall be preserved.

MICHIGAN SENATORIAL ELECTION.

Mr. POINDEXTER. Mr. President, I ask unanimous consent to have printed in the RECORD, in 8-point type, a copy of a letter which I have written to a constituent in regard to the so-called Newberry case.

There being no objection, the letter was ordered to be printed in the RECORD, in 8-point type, as follows:

JANUARY 26, 1922.

Mr. THOS. MARSHALL,
Lock box 561, Kirkland, Wash.

DEAR MR. MARSHALL: I appreciate very much your courteous letter of 20th. I have made several statements as to my views of the Newberry case, but do not suppose the newspapers to which they were sent have printed them in such a way as to attract attention.

There is no dispute about the central features of the case. Senator NEWBERRY was not in Michigan during either the primary campaign or the final campaign, but during all that time was serving in the Navy at the place to which he was ordered, New York City. At the same time he had three sons and a brother in the military service. He paid little attention to what was going on in Michigan. It is not charged that he expended any money, or at least no amount subject to criticism. A large amount of money was raised by Republicans in Michigan in his behalf and expended in advertising and other legitimate purposes, although the amount, of course, was larger than it should have been. The incentive, no doubt, which influenced the Republicans in this effort was to offset the tremendous publicity carried on at perhaps ten times the expense of the Republican campaign by Mr. Ford through his various business agencies, probably the greatest publicity organization in the country. The campaign was in 1918, in the spring and early summer, at the critical stage of the war, and it was made a war issue. The entire Wilson administration, with every powerful agency under its command, was for Henry Ford, who was attempting to be nominated on the Democratic ticket as well as on the Republican ticket, and who was a pacifist, had opposed the effort to bring the war to a victorious conclusion, was in favor of a compromise peace, and who had secured the military exemption of his son. I only mention these circumstances to show the conditions under which the campaign was carried on.

Another circumstance, which is not disputed at all, is that there is no evidence whatever that any improper amount of money was used in the general election campaign, at which NEWBERRY was elected to the Senate. The only evidence introduced was as to the expenditure of money in the primary election, at which he was nominated. In the general election at which he was chosen Senator the very question of the expenditure of money in the primary election was submitted to the voters of Michigan and made the chief issue in the campaign. In it the people of Michigan, without any undue influence of any kind, and with none charged, vindicated Mr. NEWBERRY from the charges against him and elected him, by a fair majority, in a fair election, to the United States Senate. It is difficult to go back of that election and say to the people of Michigan that it shall have no effect in view of the circumstances related above, in which it is not charged that NEWBERRY was guilty of any misconduct, and when the election was carried on under the circumstances described.

Senator NEWBERRY was prosecuted, with great venom, by the Democratic administration which had backed Ford, and the powerful machinery of the Government, with its myriad of secret-service agents, and with its machinery of district attorneys and marshals, was ordered to the task of securing evidence against NEWBERRY and sending him to prison. This, of course, was also backed up by the powerful influence of Henry Ford, controlling and owning one of the greatest and most powerful and wealthy industrial organizations in the world.

Fortunately for the liberties of the country this tremendous combination was halted by the Supreme Court of the United States, which, in a decision going most thoroughly into the matter in every respect, completely vindicated Senator NEWBERRY of any offense. They also held that the law under which he was prosecuted was unconstitutional, but, in addition to that, they went into the merits of the case and held that he had not received a fair trial and that he was not guilty of any misconduct.

Upon a vote in the Senate, in which every Democrat who voted was arrayed against Senator NEWBERRY, following the partisan attacks which had been made upon him in the election and in the prosecution referred to above, the Senate, following the Supreme Court of the United States, exonerated him from blame and declared his election to the Senate valid.

The country has been filled with malicious propaganda and false charges as to this case. The assertion is constantly made that Senator NEWBERRY'S seat in the Senate was bought for $200,000. As stated above, there is not a single word of evidence to show that a dollar was improperly spent in the general election at which NEWBERRY was elected, and in which the whole matter was fairly submitted to the people of Michigan. It is also repeatedly stated that NEWBERRY bought his seat in the Senate. The evidence shows that he expended no undue amount of money and took no interest in the campaign, but devoted himself to his work in the Navy throughout the campaign, both the primary and final.

Various false assertions have been made as to influences brought to bear to secure votes in NEWBERRY'S behalf in the Senate. I notice a detailed statement in that connection published in several Washington State papers as to my own vote. This statement is libelous and false from beginning to end, as no such influences were brought to bear and no such statements, or anything resembling them or anything to that effect, were made to me.

On the contrary, certain multimillionaire organizations, profiting financially by any popular excitement which they can arouse, were seeking by every means in their power to influence and intimidate Senators to vote against NEWBERRY. This may be referred to in more detail later on.

To have condemned an innocent man, under the whip and lash of powerful agencies of the kind mentioned above, seeking to control the public affairs of the country, would have been a gross act of injustice.

With sincere regards, very truly yours,

MILES POINDEXTER.

MEAT PACKERS AND UNRELATED LINES OF BUSINESS.

Mr. LA FOLLETTE. Mr. President, I desire to call up Senate resolution 211, which is now lying on the table. I ask that it may be laid before the Senate.

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution, which will be read.

The resolution (S. Res. 211) submitted by Mr. LA FOLLETTE January 16, 1922, was read as follows:

Whereas the former Attorney General, in 1919, following a public announcement that indictments would be sought against the five principal meat-packing companies for alleged violation of the Sherman law, did enter into negotiations with certain representatives of the said meat-packing companies or others, as a result of which on February 27, 1920, a consent decree was entered in a case brought for that purpose in the Supreme Court of the District of Columbia, to wit, United States *v.* Swift & Co. et al.; and

Whereas there was much publicity as to the alleged benefits that were to result to the public from said consent decree, and particularly that it was to take the packer defendants out of unrelated lines, such as the grocery business, and make them "butchers and nothing more"; and

Whereas in the last three years there have been several reorganizations of packer companies, both before and since the decree, such as those by which the stockholders of Swift & Co. and of Wilson & Co. (Inc.) continue to control very large grocery businesses through Libby, McNeil & Libby and through Austin, Nichols & Co. (Inc.), respectively, and Armour interests likewise still control the Conway Hotel Supply Co., formerly Smith, Richardson & Conroy, a grocery and meat-distributing concern in Florida, and other reorganizations, such as the Armour Leather Co. and the Swift Internacional, some of these reorganizations being tantamount to evasions of the decree, and others tending to confuse the public as to the real extent of packer control in various industries; and

Whereas the existence of said consent decree was a factor affecting the consideration of legislation by the committees of Congress and by Congress itself, to wit, packer and stockyards act, 1921, in that while this legislation was pending the consent decree was agreed to, and based upon that fact provisions concerning unrelated items were stricken from the bill and the said act was passed on the assumption that the decree would stand unchanged; and

Whereas strong efforts have been and are now being made to have the Attorney General seek modification of the decree, so as to permit all the packer defendants to engage without hindrance in the unrelated lines, including groceries: Therefore be it

Resolved, That it is the sense of the Senate that the Attorney General should not, without specific authorization of Congress, advocate nor consent to any modification of the decree already entered in this cause, and that the Committee on Agriculture be authorized and directed to investigate this entire matter and recommend to the Senate what action it deems necessary in the premises.

The Senate proceeded to consider the resolution.

Mr. LA FOLLETTE. Mr. President, I offer an amendment in the nature of a substitute, which I ask to have read.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Wisconsin will be stated.

The ASSISTANT SECRETARY. In the nature of a substitute for Senate resolution 211, it is proposed to insert the following:

Whereas it is a current report in the newspapers that the Attorney General of the United States has been considering, and is about to apply to the Supreme Court of the District of Columbia for a modification of the decree entered by that court on February 27, 1920, against the Big Five meat packers upon their written consent in an action brought under the Sherman antitrust law, which decree prohibited them, among other things, from (a) continuance of ownership of stockyards and stock-market newspapers, (b) owning and operating retail meat markets, (c) owning capital stock in public cold-storage warehouses, (d) handling fresh milk and cream, except as common carriers, (e) transporting and engaging in the manufacture and sale of certain food and other products not related to the meat industry referred to as unrelated lines; and

Whereas the Senate at the time of the passage of public act No. 51, Sixty-seventh Congress, entitled "An act to regulate interstate and foreign commerce in live stock, live-stock products, dairy products, poultry, poultry products, and eggs, and for other purposes," commonly known as the packer and stockyards act, 1921, had before it the decree of the court above referred to, and in determining the various provisions of the said packer and stockyards act, 1921, as finally passed, did so in reliance on said court decree, consented to by the packer defendants in a prosecution under the Sherman antitrust act, to cover the subjects contained in said consent decree; and

Whereas any modification under said decree upon agreement between the Attorney General and the defendant packers, or at the request of either, would entail upon Congress the reconsideration of the subject in part covered by the packer and stockyards act, 1921: Therefore be it

Resolved, That the Attorney General of the United States be requested to report to the Senate (a) what steps, if any, have been taken to enforce and carry out the terms of said decree, (b) what modification, if any, has been proposed to him, or is being considered by him, with a view to his applying to the court for the adoption thereof, (c) any and all evidence which may have been taken in the recent hearings on the subject before the representatives appointed by the Attorney General's office; and be it

Resolved further, That the Committee on Agriculture and Forestry be authorized and directed to investigate this entire matter fully and recommend to the Senate what action it deems necessary and desirable.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment in the nature of a substitute.

Mr. LA FOLLETTE. Mr. President——

Mr. POMERENE. Will the Senator yield for a suggestion?

Mr. LA FOLLETTE. Certainly.

Mr. POMERENE. The resolution as read refers to the proceedings of the committee as appointed by the Department of Justice or the Attorney General. My advice was some time ago—and I made inquiry because I have had, as, no doubt, the Senator has had, a great many inquiries touching on that question—that the plan at that time was that there would be a hearing before a committee to be composed of one representative from the Department of Justice, one representative from the Agricultural Department, and one representative from the Department of Commerce, and it was suggested that those who desired to be heard—and there were a great many of them, as I understood—would be heard by this committee. There is simply that little variance between what I understand the facts to be and the facts as stated in the resolution.

Mr. LA FOLLETTE. I think I have recited those facts in the preamble to the resolution substantially as the Senator has stated them. Such a committee was appointed, the committee has had its hearings, now has the subject under consideration, and is likely very soon to make some recommendation to the Attorney General. I very much fear that the committee will recommend a modification of the consent decree. The purpose of this resolution is to call for the testimony that has been taken by this interdepartmental committee and to have the matter thoroughly looked into by the Committee on Agriculture and Forestry before any action is taken by the Department of Justice on the recommendation of this committee.

Mr. POMERENE. Mr. President, I think I am in entire sympathy with the purpose of the Senator. Possibly I did not gather the full import of the resolution from the one reading.

Mr. LA FOLLETTE. I think I have recited in the preamble substantially the facts, and a succinct statement is there set forth as reasons why the resolution should pass. As it is a resolution looking merely to the securing of information by the Committee on Agriculture and Forestry and reporting such information to the Senate, I am disposed to submit it to a vote without taking the time of the Senate to discuss it at length. I do not think that a valid objection can be offered to its adoption. I am quite prepared, however, to go into it very fully if it is the desire of the Senate that it should be debated.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. LA FOLLETTE. I yield, of course, to the Senator.

Mr. ROBINSON. I think the resolution should pass. The Congress will need the information that it calls for, and need it in the early future.

For some months a somewhat unusual proceeding has been in progress. A committee composed of one representative from the Department of Justice, another from the Department of Agriculture, and a third from the Department of Commerce, have been conducting a quasi judicial proceeding——

Mr. LA FOLLETTE. Entirely extra legal, however.

Mr. ROBINSON. And without any authority of law, within my knowledge, to determine the question of policy underlying a decree of the court affecting very important subjects. The decree of the court is intimately related to questions of legislation, not only those which Congress has heretofore considered, but others which Congress is now considering and may be called upon to determine in the early future.

I have received hundreds of communications relative to proposed modifications of this decree, and I am anxious to know what has been done and what is proposed to be done by this unusual committee, created as has been explained. I think the resolution calls for information that Congress should have in the immediate future, in order that we may be able to decide whether it is necessary to legislate upon the subject.

Mr. NORRIS. Mr. President, may I interrupt the Senator to make a suggestion in regard to this resolution?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. LA FOLLETTE. I yield.

Mr. NORRIS. The Senator's resolution has two parts, as I look at it. The first one calls upon the Attorney General for certain information. The second one directs the Committee on Agriculture and Forestry to make an investigation. I want to suggest to the Senator from Wisconsin that at the present time he take out the second resolution, directing the committee to make an investigation, and have the resolution passed—to which I can see no possible objection, either in this form or in any other, so far as that is concerned—calling on the Attorney General for this information. When the information comes in, it may be that the Senator and the Senate will be satisfied with the information; and, if not, then they can instruct the committee to go on and make an investigation. It struck me that it would be unnecessary for the committee to make an investigation while the Attorney General had instructions from the Senate to send certain information to the Senate.

The Committee on Agriculture and Forestry is equipped, I think, to make this investigation and to get all the facts. There is no doubt but that the committee would be able to do it in a short time; but, if I correctly understand the resolution, the Attorney General may give all the information that is necessary, and make an investigation unnecessary.

I should like to inquire of the Senator if he does not believe that that would be the proper course to pursue?

Mr. LA FOLLETTE. Mr. President, I must say that I think it very important that the Committee on Agriculture should investigate this whole matter, as provided in the resolution. If such an investigation is made, I am convinced that facts would be disclosed which would result in such a report to the Senate as would insure legislation which would so safeguard this consent decree that neither the present Attorney General nor any successor will give assent to its modification.

Mr. NORRIS. I see the point the Senator makes. I think it is a good one, and it probably will be well for the Senate to take

some action after the committee reports; but I think I ought to add that probably the Committee on Agriculture and Forestry would feel just a little bit embarrassed about starting out and making an investigation at the same time that we ask the Attorney General for practically the same information. When the information comes in—and I have an idea that it will come in fully and be satisfactory—it seems to me it would then be very proper for the Senator from Wisconsin to have the reply of the Attorney General referred to the Committee on Agriculture and Forestry with a view of getting, if the return of the Attorney General is not satisfactory, a further investigation, but in any case to report to the Senate what action, if any, ought to be taken in regard to the decree. If they reported that it ought not to be modified, that it ought to stand, and the Government ought to insist on its standing, and the Senate affirmed that kind of a resolution, it would accomplish, as I understand, just what the Senator from Wisconsin is trying to do.

Mr. LA FOLLETTE. Mr. President, the consent decree is of vital importance to all lines of business which directly and indirectly compete with packer products. There is ample evidence which the committee can secure that there is a strong movement to modify the terms of the decree and destroy the protection which it now affords to the grocery trade and to other lines of business. I believe that this resolution should be passed and this investigation ordered; and if it is necessary to go into the matter fully to secure that action of the Senate, I am quite prepared to do it.

Mr. POMERENE. Mr. President, may I ask the Senator, in view of the fact that the defendants in the case consented to the decree, what has been the change in the facts which would now justify a change in a decree to which they consented?

Mr. LA FOLLETTE. Mr. President, I am very certain that there have been no changes in the situation; that the menace of the invasion into the field of unrelated businesses by the packers' organization is just as great to-day and in no respect different from what it was when this consent decree was signed and agreed to; and I ask for a vote upon the resolution.

Mr. SPENCER. Mr. President, may I ask the Senator from Wisconsin a question?

Mr. LA FOLLETTE. Certainly.

Mr. SPENCER. If I am right in my information, the Supreme Court of the District of Columbia entered its packers' decree some time ago.

Mr. LA FOLLETTE. Certainly.

Mr. SPENCER. Now, upon what the Senator recites in Senate resolution 211, there is a current report in the newspapers that the Attorney General of the United States has been considering and is about to apply to the Supreme Court of the District of Columbia for a modification of that decree. Has there been any application to the court for any modification of the decree, or is it a matter which, so far as the Senator from Wisconsin knows, is now or may be now in the Attorney General's office for consideration? I am asking for information.

Mr. LA FOLLETTE. There has been an appearance before the court here on the part of a representative of the Southern Wholesale Grocers' Association seeking the right to intervene on the ground that the decree was about to be modified. That right was granted by the court, and in a hearing on the motion H. J. Galloway, representing the Department of Justice, made statements which indicated his prejudice against the association which was trying to prevent a modification of the consent decree, but he was nevertheless appointed as a member of the interdepartmental committee of three, another member of the committee being selected from the Department of Commerce, and another member of the committee from the Department of Agriculture.

At the instance of the department this extra-legal committee was created and an investigation was started. Hearings have been had before this committee. These hearings covered a period of some two or three weeks. Testimony was taken. One of the packers, Mr. Armour, who is interested in a California fruit canners' organization but who himself has remained in the background, has, through this California fruit canners' organization, been the chief promoter of the movement to secure the modification of that decree.

Some 12 or 15 witnesses have appeared on the part of those seeking a modification of the decree. To be a little more specific about it, two representatives of the California Cooperative Canneries—a Mr. Campbell and a Mr. Gray—two representatives of the National Sauerkraut Packers' Association, two Virginia tomato canners, a tin-can manufacturer and a banker, two Maryland oyster canners and a tomato canner, and one Michigan farmer—Mr. Roland Morrow—were the witnesses who appeared and who have been examined by those proposing a modification of this consent decree.

The representatives of more than 2,000,000 business men and producers in this country have appeared in opposition to the modification of that decree. Much testimony has been taken. The matter has been argued. I have gone over the record pretty carefully. I can not escape the conviction that this committee has manifested a strong bias in favor of a modification of this decree. I believe that the decree is in danger. I think action should be taken to remove that danger, both for the present and the future, in so far as may be. I have conferred with the representatives of the Wholesale Grocers' Association, those representing farmer and other organizations, some of whom have taken part in the hearings before the Attorney General's interdepartmental committee, and I know that they are very apprehensive that unless the Senate acts upon this resolution this consent decree will be speedily so modified that the packers may be given an opportunity to capture the entire grocery business of the country.

Mr. President, that is not a thing which the American people will submit to, and I believe that the Senate should move in this matter, and should move promptly.

Mr. SPENCER. Mr. President, I am indebted to the Senator from Wisconsin for answering the question, and my information leads me to be sympathetic with the purpose he has in mind. As far as I have information, my present judgment is that the decree should not be modified; but what occurs to me is the impropriety of saying to the Attorney General of the United States in a pending case where as yet no definite action in regard to modification has even been applied for, much less granted, "Send us down a statement of what your plans are, what you propose to do."

As lawyers we know that is premature. We have no business to ask the Attorney General to send us information with regard to his plans in connection with a pending case until that case is determined. If the Attorney General seeks a modification and consents to it and there is a modification granted, it may well be that Congress may have to act; but as the Senator from Wisconsin outlines it, no modification of that decree has yet been asked for by the Government. There is no modification of that decree pending. There is a newspaper rumor that the Attorney General is considering the possibility or the desirability of seeking some modification of that packers' decree.

I agree with the Senator from Wisconsin that the decree should not be modified, but I can not agree with the Senator from Wisconsin that we have any right to ask the Attorney General for the information, which this resolution asks for, at this stage of the proceedings, and I am wondering whether the Senator from Wisconsin would feel that the purpose of his resolution, with which I sympathize, would be entirely carried out if the first resolution—that is, lines 1 to 9 on page 2—were eliminated, and the second resolution, by which the Committee on Agriculture and Forestry are authorized and directed to investigate the entire matter fully and recommend to the Senate what action it deems necessary and desirable, were adopted.

Mr. LA FOLLETTE. Mr. President, if the suggestion of the Senator from Missouri were coupled with the suggestion of the Senator from Nebraska, it would wholly destroy the resolution and leave nothing for the Senate to consider.

Mr. President, there is information enough before the Senate to warrant action on the part of the Senate for the protection of legislation which the Senate, in conjunction with the House of Representatives, enacted into law less than a year ago. At the extra session of the Congress we passed a bill to regulate the packers. In the passage of that bill it was argued, not only before the committee of the Senate and the committee of the House but before the Senate and before the House and finally in conference, that there was no reason why Congress should write into that bill any provision to prevent the packers from monopolizing the grocery and other unrelated lines of business because this consent decree had been entered into and could be relied on to restrain the packers and to protect the unrelated lines of business from being captured by this great monopoly.

Relying upon the consent decree Congress enacted the packer bill and left out of it all provisions for the protection of the grocery business and other unrelated lines of business.

I have before me a paragraph taken from the conference report on the packers' bill, which related to the packers' surrender of the ownership of the stockyards. The conferees struck out that provision, relying upon the consent decree for its enforcement.

The report of the managers at the conference on amendment No. 8 reads as follows:

This amendment adds to the bill a provision that after two years from the passage of the act no packer engaged in interstate or foreign commerce shall own or control, or have any interest in, any stock-

yards unless the Secretary of Agriculture determines that such ownership or control or interest "is not in violation of the purposes of this act, or that the packer has been able, 'despite due diligence,' to dispose thereof, in which case the Secretary may by order extend the period during which such ownership, control, or interest may continue." The matter is now dealt with more effectively in the consent decree as it relates to the large packing concerns; and the Senate recedes.

The Senate receded from that provision of the bill because of the existence of this consent decree, and now, after the packers appeared before the committees of Congress and secured immunity in the legislation which we passed last session from any interference with these unrelated lines of business, and time has been allowed to elapse so that the interest of the public in the matter is somewhat less sharp and watchful, a movement is started to modify this consent decree. It is not a matter of mere newspaper rumor and report; hearings have been held by this committee appointed by the Attorney General, the facts are before us, and it is high time for the Senate to act in this matter.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LA FOLLETTE. I will ask the Senator from Ohio to wait just a moment, if he will.

Mr. WILLIS. Very well.

Mr. LA FOLLETTE. The Southern Wholesale Grocers' Association became alarmed last September and obtained the right to intercede after a hearing on September 30. In the hearing on that motion the Wholesale Grocers' Association protested through its counsel, Senator Hoke Smith, and Mr. Galloway, of the Department of Justice, who is now one of the impartial judges upon this committee which is to make recommendations to the Attorney General, resented in this language the appearance of the representatives of the grocers' association to protest against a modification of the consent decree. Addressing the court in opposition to the motion, Mr. Galloway said:

> This Government, your honor, does not need any Ku-Klux Klan or any Southern Wholesale Grocers' Association or any similar association to enforce its laws.

Mr. McNARY. Will the Senator yield for a question?

Mr. LA FOLLETTE. Certainly.

Mr. McNARY. What form did the request for modification take? What did they ask for in the way of a modification? That point has not been made clear to me.

Mr. LA FOLLETTE. I will refer to the record and state exactly what it was.

Mr. McNARY. If it will require any time, I will not ask the Senator to do so.

Mr. OVERMAN. I would like to have the Senator read further what was said by this man who represents the Government in speaking of the Southern Wholesale Grocers' Association. I would like to know what he means by that.

Mr. LA FOLLETTE. I can only determine his meaning by what he says.

Mr. OVERMAN. I suppose the southern grocers have a right to intervene.

Mr. LA FOLLETTE. I would suppose so myself.

Mr. OVERMAN. I suppose they had a right to protest against the action of a Government officer who slanders the representatives of the South who are there looking after their interests.

Mr. FLETCHER. May I inquire of the Senator whether the Southern Wholesale Grocers' Association have not, by order of the court, been allowed to intervene in the case——

Mr. LA FOLLETTE. I understand they have.

Mr. FLETCHER. And become a party to the suit? So perhaps any modification of the decree would have to be based on their consent, as well as the consent of the others.

Mr. ROBINSON. Mr. President, with the indulgence of the Senator from Wisconsin, while he is looking up his notes——

Mr. LA FOLLETTE. I yield for a moment.

Mr. ROBINSON. Probably in a proper proceeding the power inheres in the Supreme Court of the District of Columbia to modify its decree in this or in any other case to meet what it finds to be the requirements of justice. It is certainly an unusual proceeding, after an application for a modification of a decree has been made to the court, that proceedings there should be temporarily suspended while an extrajudicial body enters upon a prolonged investigation to determine whether the decree already entered by the court shall be modified.

The Attorney General, of course, in determining whether he will consent to a modification or advise it, has the right to inform himself by any means that he selects. I apprehend that after the objection to the modification was made the committee, composed of one representative from each of the three departments—Justice, Commerce, and Agriculture—was created for the purpose of obtaining information and advising the Attorney General as to the propriety of entering the supplemental decree applied for.

The question in that view of the matter assumes an aspect of extraordinary importance to the Congress. Underlying the decree and underlying any material modification of it are involved questions of important public policy. That the proceeding of the extrajudicial committee created at the instance of the Attorney General should have extended over a period of some three or four months emphasizes the comprehensive scope and character of the investigation being made for the Attorney General.

The statement quoted by the Senator from Wisconsin and attributed to the representative of the Department of Justice indicates that he felt the question of modification was one solely for the Department of Justice, and that the business interests affected or to be affected by the modification had no right to express an opinion or to intervene. The statement in any view was intemperate, indicative of passion, and lacking in any element that could have contributed to an impartial judicial determination of the public interest involved. It therefore becomes of very great importance that the information called for in the pending resolution be obtained before the modification has occurred. Congress, of course, can not control the discretion of the Attorney General in consenting to a decree or in consenting to a modification of a decree, but Congress can legislate on subjects within its jurisdiction to prevent what it deems to be action harmful to the public through the exercise of powers conferred by law on coordinate branches of the Government.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

Mr. ROBINSON. By courtesy of the Senator from Wisconsin, certainly.

Mr. OVERMAN. Suppose we got a report from this man Galloway, a representative of the Government, who goes into court when the Wholesale Grocers' Association asked to intervene to protest against what was about to be done, and who asks for a modification of the decree and denominates them as Ku-Klux Klan? Does the Senator think such a man could sit as an impartial judge or make an impartial report?

Mr. ROBINSON. I have stated that the character of that remark is indicative of the fact that the proceeding, in so far as that representative of the Department of Justice is concerned, was controlled by passion and not characterized by attributes which are usually considered characteristic of able and honorable representatives of the Department of Justice. That is as modest a manner as any in which I can find language to characterize the conduct of this officer.

The point I am making is that if we are to do anything at all we should, paraphrasing the old adage, lock the stable door before the horse is stolen. Congress should move promptly in this matter, and if it is going to do anything it should act now, because the necessity appears.

I favor the resolution substantially as it is presented. We should get the information and go into the subject fully. Congress, as the proper authority of the Government to determine questions of public policy, should decide whether, if the decree should be so modified as to permit the packers to engage in businesses which they have been restrained or enjoined from pursuing, further legislation is necessary to protect the public against threatened monopoly. I think this is peculiarly a question for the Congress, and under all the facts and circumstances I shall take pleasure in supporting the resolution.

Mr. LA FOLLETTE. Mr. President, manifestly the executive departments have nothing to do with matters of policy. It is for Congress to fix the policies that are to be pursued by the Government.

The Senator from Oregon [Mr. McNARY] asked me a question which I did not have the opportunity to reply to at the time, and I wish to answer him now. The consent decree, among other things, provided that the defendants should be prohibited from owning any interest in public stockyard companies or stockyard terminals or in any stockyards, markets, newspapers, or journals. That was No. 1 of the consent-decree provisions.

No. 2 provided that the defendants are prohibited from permitting any other person, firm, or corporation to use their distributive system except that they were permitted to lease refrigerator cars to common carriers for public use.

No. 3 provided that the defendants are prohibited from engaging in any way in the manufacturing, selling, or distributing, except as common carriers, of a large number of specified food products, commonly known as unrelated lines.

No. 4 provides that the defendants were prohibited from owning, operating, or conducting retail meat markets; No. 5

enjoined them from owning any capital stock in public cold-storage warehouses; and No. 6 prohibited them from handling fresh milk or cream except as common carriers, and except as the same was used in the manufacture of products.

The proposed modification of the decree would entirely eliminate paragraphs 3, 4, and 5, which I have just read, and paragraph 12 of such decree, and also parts of other paragraphs.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER (Mr. ODDIE in the chair). Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LA FOLLETTE. With pleasure.

Mr. WILLIS. The Senator from Wisconsin has been very patient, and others have been very generous with his time. I do not desire to interrupt him. It may be that he has responded to the inquiry I am about to make, but I did not hear the inquiry made by the Senator from Nebraska.

The suggestion I wish to make to the Senator is quite the reverse of that made by the Senator from Missouri, with whom I do not agree in this matter. I think the purpose which the Senator from Wisconsin has in view in the first resolution is perfectly proper and I think I am in sympathy with it. He is asking there that the Attorney General should be requested to report to the Senate what steps, if any, have been taken to enforce and carry out the terms of the decree, and so forth. I see no objection to that.

But I am wondering whether the Senator would not consent to a modification of his resolution by striking out the second resolution, because it seems to me that it puts the matter in a light that the Senator does not intend. If I may be pardoned for saying it, I know the Attorney General and know him to be a man of courage, directness, and character. I have not any doubt at all that if the first resolution is adopted there will be full and immediate response. I would rather dislike to vote for a resolution that seems to put the Attorney General's department under inquiry and under investigation.

Why could not the Senator do this, or why would he not do it? Let the first resolution be adopted. Then, when the information comes back here, as one Member of the Senate I will say to him that if such information seems to warrant the investigation, I shall join with him in having it referred to the committee, but it seems a little bit ungracious to call for a committee investigation before we have given the department any opportunity to respond. I ask him, therefore, if he would not consent to let the vote be had on the second resolution, striking out the second resolution until we get the information? We can then determine that latter question. What does the Senator think about that?

Mr. LA FOLLETTE. That is precisely the suggestion that was made by the Senator from Nebraska [Mr. NORRIS]. I answer now as I answered then. I think that the Senate is in possession of facts which should admonish us to act, and to act promptly and thoroughly, in the premises.

I am apprehensive that action may be taken by the Department of Justice and, I think, so long as the consent decree which the Department of Justice secured was made a basis for certain definite legislative action by the Senate that when a proceeding is under way in a department which can have no other purpose than to affect that legislation most harmfully that we are not called upon to wait until the injury is done. I contend that we should be prompt in taking action to forestall the modification of that decree.

I would like to call your attention to the fact that the Attorney General has inaugurated this investigation. There can be no dispute about that. He is already proceeding in the matter with a purpose that can have no other apparent objective than a modification of this decree. He has taken that action, as appears from the record, upon the application of no one who was a party to the decree, unless Mr. Armour, who stands in the background, can be considered as being on the record. This action by the Attorney General on the part of the Government to take up this question, with a modification of the decree as a possible outcome, does not give me the same confidence in resting secure without taking thoroughgoing action that it appears to afford the Senator from Ohio [Mr. WILLIS].

Mr. WILLIS. The Senator, with his usual sense of justice and fairness, says "apparently." That is right; that is just what I am driving at; "apparently" this may be so; but does not the Senator think it is a fair way to proceed, even if these things are "apparently" true, to give the head of this department, before the department is investigated, a chance to state to the Senate the facts?

Mr. LA FOLLETTE. But in the meantime the head of the department may consent to this decree; and I do not myself want to take the chances of losing that position which we have secured through his predecessor in office of having these gentlemen on the record sign a consent agreement in the form of a judgment to stay out of these unrelated fields.

Mr. WILLIS. The Senator has been so patient that I hesitate to interrupt him further, but I desire to ask one other question. If the resolution shall be adopted in its present form, does the Senator contemplate that the Committee on Agriculture should immediately institute an investigation of the Attorney General's Department? What are they going to do? Are they to wait until they get the information called for in the first portion of the resolution?

Mr. LA FOLLETTE. I think that is a matter that can well be left to the Committee on Agriculture and Forestry. They will take these two resolutions and act upon them with intelligence and interpret them as related one to the other. If they get all the information they want from the Attorney General without pursuing the requirements of the second resolution, and are satisfied that the entire matter is in their hands, perhaps they will not find it necessary to act under the second resolution.

Mr. WILLIS. The Senator from Wisconsin, I trust, understands my position. The resolution directs the committee to investigate somebody, and meanwhile we call on that somebody to report the facts to the Senate. It seems to me that the fair way to do is to let the report come to the Senate, and if such facts are shown as to warrant an inquiry, then let the department be investigated.

Mr. LA FOLLETTE. I am perfectly willing to take the judgment of the Senate upon it, and the Senator has a right to call for a division on the vote if he desires to do so.

Mr. OVERMAN. Mr. President, I should like to ask the Senator from Wisconsin who is this man Galloway? I have been unable to find by examining the record.

Mr. LA FOLLETTE. He is an employee or an assistant in the department of the Attorney General.

Mr. OVERMAN. Is he acting under the Attorney General's orders?

Mr. LA FOLLETTE. He is.

Mr. OVERMAN. That is a fact which we ought to know. We should find out who he is, in view of his having made such a statement as that which has been quoted.

Mr. LA FOLLETTE. We shall find out all about it when the resolution shall have been agreed to and executed.

Mr. President, the decree is inextricably involved in the packers' and stockyards' act that we have passed, in the administration of that act, in the administration of our anti-trust laws. The questions covered in this consent decree and its proposed modification are questions of public policy which Congress alone should decide. The dignity of the legislative branch of the Government, the rights of the public which are vitally affected by this decree, demand that these issues be brought before a legislative committee for full hearing and consideration. Congress ought to have opportunity to act in the light of adequate information. The matter is urgent. I hope this resolution will be passed promptly, for when it is passed I think the Attorney General will very properly and gladly defer action, pending the inquiry under the resolution.

Mr. OWEN. Mr. President, as I understand this matter, in effect the consent decree was the basis of most important legislation in this body. Having obtained that legislation upon that consent decree the parties now desire to change the contract upon which the Congress of the United States acted. I can not see any reason why we should not institute this inquiry in order to be informed, and I see every reason why we should demand to know before it is too late, because after the decree has been entered it will be too late.

Mr. NORRIS. Mr. President, I desire to say that I still believe the suggestion which I made and which was afterwards made by the Senator from Ohio [Mr. WILLIS] would be the proper course, although I am not very particular about it; I do not consider it vital, as it involves merely the method of procedure. I have no objection to the amendment as it stands, except in so far as it seems to me that it is not the proper procedure, although the difference between what I think we ought to do and what the amendment proposes to do is not, probably, very great.

I have never had an opportunity to discuss the question before the Senate, and I shall not be able to go into the matter fully now; at any rate, it is not my intention to do so; but the consent decree, which an attempt has been made to modify, was a very peculiar proceeding in court, in my judgment. I have always believed that the decree was entered in court for the purpose of influencing legislation on the part of Congress. That it did influence Congress there can be no doubt, although it may be that if the decree had not been entered as an excuse for influencing Congress some other reason would have been given that might have accomplished the same result.

Mr. President, before the decree was entered, the newspapers were full of statements to the effect, and the country was led to believe, that an action had been commenced by the Government of the United States through the then Attorney General, Mr. Palmer, against the packers. Items of news which were printed and circulated all over the United States in practically all of the newspapers conveyed that idea. I believed it; I got my information from the newspapers. I supposed an action had been commenced by the Attorney General, Mr. Palmer. Various interviews from him and all kinds of propaganda went out over the country as to the wonderful results he was going to accomplish by that action against the five big packers. Then it was afterwards said that the packers thought it was such a "cinch" that they consented to it and did not go to trial.

At that time the Senate Committee on Agriculture was investigating questions relating to the packers. We had been investigating them for weeks; we had been conducting hearings which lasted over months, and made, I think, as nearly as a committee can, a complete investigation of the subject with a view of legislating. Everybody knew that; the country knew that; the Attorney General knew that.

I happened to be a member of the committee which was making that investigation. I know the committee discussed the matter, and I was of the opinion then, and so stated, that the agitation about an action in court was intended to cut us off.

I do not wish to be placed in the attitude of one who after a long time has elapsed says, "I told you so"; but I did tell you so; I said that if we paid any attention to that decree the time would come when the decree would be set aside or modified, after the agitation for the legislation had ceased, and thus the packers would obtain indirectly what they were satisfied they could not obtain directly.

The Senate committee did not pay very much attention to that decree, although it developed later that the action which the Attorney General was alleged to have commenced against the packers had not been commenced at all. That action never was commenced until the decree was ready to be signed. The petition was filed the day the decree was entered, and the answer was also filed at that time. It was a friendly lawsuit from beginning to end; the packers and the Government got together and agreed upon what they would do. Probably the packers consented to some things which they did not wish to consent to, but they were afraid they would get something worse in the way of legislation, and in order to head off legislation—I think they imagined they might head it off entirely—the consent decree was entered into. There never was any argument in court, there never was any evidence taken, and there never was a witness sworn; but the whole thing was shoved up to the judge, who had nothing to do but sign his name on the dotted line. When we obtained the facts it looked more like a "put up job" than anything else; it seemed to me there was nothing else to it. I think its sole object was to defeat legislation on the part of Congress.

I realize, Mr. President, that I can not prove that statement, but I believe it from the evidence, and I have said so in writing outside of this Chamber. I remember that when I sent to a farm paper, in response to their request to give my views, a statement concerning the matter, the editor of the paper was afraid he would be prosecuted if he printed what I had written, and wrote back to me and asked, "Can it be possible that what you have stated about this decree being agreed upon before the papers were filed and that there really never was any case commenced is true?"

Mr. POMERENE. Mr. President, may I interrupt the Senator?

Mr. NORRIS. I yield to the Senator from Ohio.

Mr. POMERENE. How soon after the filing of the bill in equity was the decree entered?

Mr. NORRIS. My understanding, from my recollection of the testimony of the Attorney General himself, is that the decree was entered about three seconds after the bill was filed. All the papers were filed at once. It may be that, as a matter of fact, the decree was signed first; I do not know; but it was all done at one time.

There was not any suit pending; there was not any summons issued; there was not any evidence taken; the whole thing was fixed between the Attorney General and the packers.

As to the legislation affecting the packers which was passed by Congress, I did not get what I wanted. The Senate by a majority of two or three votes defeated the proposal of those who thought as I did and accepted the House bill and turned down the Senate bill. The House bill was less drastic than was the Senate bill. It was drafted around the consent decree to some extent. The amendment which was placed on the House bill in the Senate and which went out in conference was designed to avoid the very condition that we are facing now.

Mr. President, in order that the record may be properly understood, and because it shows that I was one of the conferees on that bill—in fact, it shows that I was chairman of the conferees on the part of the Senate—I wish now to state how it came about that the conference report was agreed to and submitted to the House and to the Senate.

The conference report was presented to the Senate just after I had broken down and had been carried to my home. I had a solemn agreement with the other Republican member of the conferees on the part of the Senate—and together we constituted a majority of the Senate conferees—that no conference report should be agreed to unless something would be conceded by the House in reference to the Federal Trade Commission during that session of Congress, which adjourned, as Senators will remember, some time late in November. But after I had been stricken down and taken to my home in this city and was in bed sick, hovering between life and death, the very next day the conference report came out and the Senate conferees receded, as the record shows, not only from the most important Senate amendment but from practically all other amendments which, in my judgment, were of any value and which would have made the bill better if they had been agreed to. I concede that men disagree as to that, and I may be entirely wrong and others right; but, while I was unable to be here, while my voice was stilled and I could not be heard, contrary to the agreement which had been solemnly made, that conference report came into the Senate and into the House of Representatives and was agreed to and became a law. Word of that action was brought to me on my sick bed. So, if the record be examined closely, it will be disclosed that when the report came my name was not attached to it. I wish to make this statement now, so that when the historian, whoever he may be, undertakes to investigate the subject and goes into it to find out what actually did happen, if he goes far enough, if he goes to the bottom of the matter, at least he must give me a clear record.

Mr. President, I understand from the newspapers that several interested parties want to have this decree changed. It is difficult for a man to say that a decree should not be changed, and I would not want to say it, because the changing of a decree of court is a matter of evidence. The court ought to look into it and see, and if there is reason for a change it ought to be changed, so I should hate to go on record as laying down a hard-and-fast rule and say that this decree never should be changed. It is different, however, from the ordinary decree, While it does not show on its face how it was put together and how it was gotten together, or that it was gotten on the record for the purpose of influencing legislation of Congress or of defeating legislation, everybody knows that that was true in regard to this decree.

It may be that somebody can show a reason why the decree ought to be modified. I do not know of any, but I do not want to foreclose anybody to show it; but it ought to be shown to Congress rather than to the Attorney General, because, as a matter of fact, as I have said, this is really a legislative decree, and the Attorney General never ought to modify it until the law is changed by Congress or until he is instructed by Congress to enter into a modification of it.

In other words, this decree is one about which legislation was to a certain extent drafted, and Congress did certain things in the legislation that it would not have done had it not been for the decree. Assuming that what the decree did would be permanent law, as the act of Congress was permanent, it omitted to legislate on some of the things included in the decree. We might have passed it as an act of legislation, and afterwards another Congress might have been convinced that we were wrong and modified it, so that there is nothing sacred about the decree or about an act of Congress. My contention is, however, under the peculiar conditions that surrounded this decree, that it ought to be treated the same as an act of Congress, and that the Congress ought to act before the decree is changed in the same way that it would be required to act if the decree, instead of being a decree, were an act of Congress.

I am entirely in sympathy with the proposition of passing the resolution here, or of passing a law—perhaps it ought to go through both Houses—instructing the Attorney General or the Department of Justice not to consent to any decree without submitting the facts to Congress and first obtaining their consent. I am inclined to think that when the Attorney General thinks of the matter in the light of what is shown by the record of the court and the Congress put together he would not do that.

This decree was brought about not by the present Attorney General but by his predecessor, and it may be that the present Attorney General does not know what moved the bringing about of this decree or how intimately it was connected with

the legislation on the part of Congress; and I want to say to the Senator from Wisconsin that I do not want to take any chance of having something happen while we are legislating.

The only objection I see to the suggested change that I think ought to be made in this resolution is that in the meantime this decree might be changed. That is true. I concede that, and if I thought that were true I would not want to change the resolution; but, in the first place, the resolution calls on the Attorney General for certain information, and then it instructs the Agricultural Committee to make an investigation along those same lines.

Mr. WILLIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. I yield.

Mr. WILLIS. I understand the Senator from Nebraska to say that he realizes that if the suggestion he made, and which I had the honor to follow, should be adopted this decree might then be changed.

Mr. NORRIS. Yes.

Mr. WILLIS. If we are to assume that the Attorney General is going to do any such rash thing as that, there is nothing in the resolution that would prevent it.

Mr. NORRIS. No; it might be changed anyway.

Mr. WILLIS. I am arguing with the Senator in favor of his own suggestion.

Mr. NORRIS. Yes; I know the Senator is; but I do not want the Senator to get the idea that I think the Attorney General is going to do anything underhanded or wrong about this matter. I have said that the Attorney General probably is uninformed as to how this decree came about, and how intimately it was connected with the legislation of Congress, and that if his attention is called to it and he finds out how it is connected I do not believe he will ever consent to a new decree—I do not see how in all fairness he can—unless he gets his instructions either directly or indirectly by a modification of the law from an act of Congress itself. It seems to me that if I were Attorney General, and I had brought to my attention how this decree came about and how it was connected with legislation, I should feel that while technically I could consent to any kind of a change, as a matter of equity and right I would not have a moral right to consent to any change unless I were directed to do so by the legislative body that was influenced by the decree in its official acts.

Mr. HARRIS. Mr. President, several days ago I brought this matter to the attention of the Senate and urged that the Attorney General not modify the decree, as the packer legislation that was passed was based on that decree, and it would be unjust to the Congress to modify it in any way. I strongly favor the resolution of the Senator from Wisconsin.

Mr. POMERENE obtained the floor.

Mr. CARAWAY. Mr. President, will the Senator from Ohio yield to me for just one moment? I desire to ask the Senator from Nebraska a question.

Mr. POMERENE. I yield.

Mr. CARAWAY. I am not quite sure that I understood the Senator from Nebraska. Did the Senator take the position that even Congress would have the moral right to direct the Attorney General to assent to a modification of this decree?

Mr. NORRIS. I would not put it on the moral ground; but, in my judgment, Congress would have the same right and the same duty to consent to a decree that it would have to pass a law or to modify a law that had already been passed.

Mr. CARAWAY. Without being at all antagonistic to the Senator, I had made up my mind that the people have a right under this decree that the Attorney General has neither the legal nor the moral right to give away. I think the people acquired a right under this decree.

Mr. NORRIS. To the same extent, I will say to the Senator, that they would have acquired a right if the decree, instead of being a decree of court, had been an act of Congress. I think that decree, on account of the peculiar conditions that surround it, is practically the same as an act of Congress.

Mr. CARAWAY. I thought the people had a right to rest securely on a decree of court; that they had a right that nobody could take away.

Mr. NORRIS. There might be a right acquired under a decree of court, as there might be under an act of Congress, that could not be taken away without just compensation, at least; but I do not believe the decree had any more force than an act of Congress would have had.

Mr. CARAWAY. I rather think so, and I thoroughly agree with the Senator in the view that the decree was assented to by the packers because they thought it would be to their interest rather than to have an act of Congress. In view of what the Congress did with the other packer legislation, however, I rather think they made a mistake; I think they would have done better to rely upon Congress, but they were afraid to do it.

Mr. POMERENE. Mr. President, I have not seen this decree; but I can understand how the court might keep a continuing jurisdiction of the subject matter of the case, as is often done.

I am going to vote for this resolution as it is presented by the Senator from Wisconsin. I would not so vote if I took the view of it which my distinguished colleague [Mr. WILLIS] seems to take. I do not regard this resolution as a reflection upon the Department of Justice. I do not think it was so intended. I certainly would not want to reflect upon the Attorney General in the least before I knew what his conclusion may be. I think he was within his rights in trying to get all of the information he could touching the question as to what policy he should pursue. On the other hand, I think the Senate is entirely within its rights if, under all of the circumstances, it thinks that there ought to be some additional legislation.

It is true that we ask for information from the Attorney General. It is true—and this is the only construction, it seems to me, that can be justly placed upon this resolution—that conditions are such that it may be necessary for the Congress to pass some further legislation. There is no reason why we can not pursue such course as seems fitting to us or why the Attorney General can not pursue such course as seems fitting to him. From the statements that have been made here it looks very much as if the entering of that decree might have had some influence with the conference committee in the preparation and presentation of its report. If that is so, then there is an additional reason why the Congress should be on its guard so as to protect the interests of all the people.

I certainly want it to be understood when I cast my vote on this question that I am not in the least reflecting upon the Department of Justice, and I do not think the head of that department would so construe it.

Mr. WILLIS. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 3 of the proposed substitute strike out lines 1, 2, 3, and 4. The words "and be it" should be stricken out also, on page 2, line 9.

Mr. WILLIS. Yes; that is correct.

Mr. President, I do not desire to be contentious about this matter. I shall support the resolution whether this amendment is adopted or not; but in view of what I have already said I want to call the attention of the Senate again to what we are about to do here.

Of course, it is perfectly proper to ask for this information. It is a very important matter. I suppose all Senators have received many letters and inquiries about it, and I think the matter embodied in the first portion of the resolution is perfectly proper. As I stated before, from what I know of the present Attorney General—who is a man of character and ability and courage; I know of his courage both as friend and as foe—I am perfectly confident that the information requested in the resolution will be promptly forthcoming.

Mr. President, it seems to me that it is an ungracious act, a thing that I do not believe the Senator from Wisconsin really had in mind in drafting the resolution, to say to a Cabinet officer: "We want this information, and meanwhile, while you are getting it ready for us, we will start another investigation of the department."

That, in effect, is what the second resolution means. Would it not be logical to adopt the first portion of the resolution and get the information? Then, when we have the information, if it becomes apparent that the subject should be gone into further, the Senate can readily act. It seems to me that is the fair thing to do, and better than to condemn the department by implication before there has been any investigation of them.

Mr. LA FOLLETTE. Mr. President, the language of the resolution which the Senator from Ohio proposes to strike out, on page 3, is very broad in its terms, and was intended to elicit information not only from the Department of Justice but from the Federal Trade Commission, from the Department of Commerce, and from the Department of Agriculture. There is much information which the committee should have before it acts upon this matter, and I trust, sincerely, that the amendment of the Senator from Ohio will not prevail.

Mr. JONES of Washington. May I ask the Senator a question?

Mr. LA FOLLETTE. Certainly.

Mr. JONES of Washington. As I read the latter part of the resolution, it seems to me the only effect of it is a direction to the Committee on Agriculture to investigate, and my understanding is that the committee could do that now. If it saw fit to do it and thought the exigency required it, the committee could proceed to make all the investigation it is directed by this resolution to make. Does not the Senator so understand?

Mr. LA FOLLETTE. Does the Senator mean that it has that power without any direction from the Senate?

Mr. JONES of Washington. That is what I mean.

Mr. LA FOLLETTE. I am not certain about that, and I would not want to leave it uncertain. I think the preservation of this decree just exactly as it stands on the record is very important to the people of the country, and I believe that the resolution should be passed in the amended form in which I have offered it.

Mr. JONES of Washington. I agree entirely with the Senator in that respect, but I am inclined to sympathize with the view against directing the Committee on Agriculture to proceed with an investigation at any rate before we get the information we call for from the Attorney General, and for the further reason that I think the committee has full authority to make whatever investigation it thinks ought to be made along this line, and that the only effect of that part of the resolution is to direct the committee to do something which it has full authority to do now if it thinks wise to do it.

Mr. CARAWAY. Mr. President, I do not want to delay the passage of the resolution, because I am heartily in sympathy with it. I am opposed to any modification of the decree entered, the so-called consent decree. I think it is more helpful than the legislation which went through at this session of Congress. I think the bill which passed the Senate would have been very valuable, but the one which finally passed was not.

I think there are rights construed under this decree which ought not to be displaced. I do not think the Attorney General has the moral right to consent to a modification of the decree, nor do I think Congress has. Therefore I hope the resolution will be adopted with the language in it which the junior Senator from Ohio seeks to strike out. I think there ought to be a full inquiry. There is no criticism of the Attorney General, either expressed or implied, in that part of the resolution, any more than there is in the part of the resolution which goes before. It simply asks for information. The assumption is that we are entitled to know, and that the Attorney General will be glad for us to know everything he knows, or anyone else knows, about this matter, and therefore I hope the amendment will not be adopted and that the resolution will be agreed to as introduced.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Ohio [Mr. WILLIS] to the amendment in the nature of a substitute proposed by the Senator from Wisconsin.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the resolution as amended.

The resolution as amended was agreed to, as follows:

Whereas it is a current report in the newspapers that the Attorney General of the United States has been considering, and is about to apply to the Supreme Court of the District of Columbia for a modification of the decree entered by that court on February 27, 1920, against the Big Five meat packers upon their written consent in an action brought under the Sherman antitrust law, which decree prohibited them, among other things, from (a) continuance of ownership of stockyards and stock-market newspapers, (b) owning and operating retail meat markets, (c) owning capital stock in public cold-storage warehouses, (d) handling fresh milk and cream, except as common carriers, (e) transporting and engaging in the manufacture and sale of certain food and other products not related to the meat industry referred to as unrelated lines; and

Whereas the Senate at the time of the passage of Public Act No. 51, Sixty-seventh Congress, entitled "An act to regulate interstate and foreign commerce in live stock, live-stock products, dairy products, poultry, poultry products, and eggs, and for other purposes," commonly known as the packer and stockyards act, 1921, had before it the decree of the court above referred to, and in determining the various provisions of the said packer and stockyards act, 1921, as finally passed, did so in reliance on said court decree, consented to by the packer defendants in a prosecution under the Sherman Antitrust Act, to cover the subjects contained in said consent decree; and

Whereas any modification under said decree upon agreement between the Attorney General and the defendant packers, or at the request of either, would entail upon Congress the reconsideration of the subject in part covered by the packer and stockyards act, 1921: Therefore be it

Resolved, That the Attorney General of the United States be requested to report to the Senate (a) what steps, if any, have been taken to enforce and carry out the terms of said decree; (b) what modification, if any, has been proposed to him, or is being considered by him, with a view to his applying to the court for the adoption thereof; (c) any and all evidence which may have been taken in the recent hearings on the subject before the representatives appointed by the Attorney General's office; and be it

Resolved further, That the Committee on Agriculture and Forestry be authorized and directed to investigate this entire matter fully and recommend to the Senate what action it deems necessary and desirable.

AGRICULTURAL ASSOCIATIONS.

Mr. KELLOGG. Mr. President, I ask the Chair to lay before the Senate the unfinished business and that it be proceeded with.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2373) to authorize association of producers of agricultural products.

Mr. FLETCHER. Mr. President, for a long while we have generally appreciated the fact that we have no well-established system of distribution of farm products in this country. It is one of the great problems in which the people everywhere are vitally interested. It is a question affecting the well-being not only of the producers but also affecting very greatly the highest interests of the consumers of the country.

We have done very little toward solving that problem, toward establishing some system of economical distribution of farm products. The effort now being made is in that direction. I do not know that this measure, if enacted into law, will cure the evils which we have experienced owing to a lack of system or that it will accomplish all that we would hope it might accomplish. It is, however, certainly a step in the right direction and one which we ought, without a moment's delay, to take, in my judgment.

It provides that the producers may organize into associations, may incorporate, if they like; that they shall be privileged to cooperate for the purpose of processing, preparing for market, handling, and marketing their products in interstate and foreign commerce.

The feature about it especially interesting to my mind is that it is based upon the true principle of cooperation. If there are associations formed or if there are corporations organized, they will not be controlled by those having the largest interest in the capital produced and furnished for the use of these associations or corporations. A member of such association or corporation is allowed one vote. No member is allowed more than one vote. That feature itself would prevent a large amount of capital being handled so as to control such a corporation as may be formed, or such an association, and thereby create to a certain extent a monopoly. So, I say, the bill is based upon the true principle of cooperation, and it does not by its terms or by implication, and can not be made to, establish a monopoly or an association or organization in restraint of trade. I see no possible danger of the farmers of the country organizing in any way so as to establish a monopoly in the distribution of their farm products.

The farmers are in violent competition with each other at all times, and in competition with the world, and you can not change that situation. All you can do is to provide facilities whereby they may cooperate in the matter of marketing their products, assembling them, preparing them, and that sort of thing, for their own benefit, and which ultimately would be likewise for the benefit of the consuming public. This system would result in advancing the interests of both the producers and the consumers of the country.

I am cordially in full sympathy with the ideas and the plans which are back of this bill. I do not agree that it is necessary to amend the bill as proposed by the committee in order to avoid the establishment of a monopoly and I think it is advisable to place these associations or organizations outside the provisions of the Sherman antitrust law.

In my judgment there could be no monopoly established under the bill, and sufficient safeguards are provided in the original bill to protect the public against any sort of tendency toward a monopoly that would be injurious to them or unsound in principle.

Mr. President, whether this system, if established, will result in all we hope for it or not will depend a very great deal upon the management of the associations or organizations and upon their proper operation.

I venture to say that nothing has ever been done by Congress quite so beneficial to agriculture as the passage of what is known as the Farm Loan Act.

That act has been fully sustained by the Supreme Court of the United States as being in all respects constitutional and valid. Under that act the farmers of the country have been receiving some of the advantages and benefits which we contemplated, but they have not been receiving all that they were entitled to receive under that act, because it has not been allowed to function as it should have functioned.

The system was intended as a system of farm finance, based upon the cooperative principle, to be controlled by the farmers, managed by them, and independent of private capital and independent of political influence.

Conclusive evidence has come to me to the effect that although the needs of the farmers of the country have never been as great as they are to-day for the use of the facilities provided by this act, they have been denied the benefits which they were entitled to have and should have had if that act had been allowed its proper scope and function and operation.

There have been a few amendments to the act since it was first passed, some of them helpful. One amendment, however, has been distinctly detrimental. That was the amendment which provided that the temporary organization of the Federal land banks should be continued so long as the Federal Government held any of the bonds issued by those banks. The temporary organization of those banks was arranged by the Farm Loan Board. They designated the directors of the Federal land banks; and under that amendment, therefore, the Federal Farm Loan Board will appoint the directors and control the management of every Federal land bank in the country, notwithstanding the original act provided that the stockholders of any of those banks, namely, the farm loan associations, after the subscriptions to stock in the banks, respectively, by national farm loan associations shall have reached the sum of $100,000, were to have the right to elect six of the directors in such banks, known as local directors, and the Farm Loan Board was to name three of the directors, ultimately, to be known as district directors. In other words, the farmers themselves, for whose benefit the system had been established, who were the parties chiefly concerned and interested in the system, who were the owners of the stock of the bank through the national farm loan associations they organized and of which they were members, who were obligated as borrowers not only for the amount of the stock but in double the amount of the stock held in those banks, were entitled under the law to elect six out of the nine directors of the banks when the stock had been taken by the associations to the amount of $100,000 in the bank thus ready for permanent organization. But they have been denied that privilege by reason of the amendment mentioned.

The system therefore is at present almost entirely in the control of the Farm Loan Board, sitting here in Washington, appointed by the President, instead of being under the management of the people mostly concerned and interested, namely, the farmers of the country, who own the stock through their associations, and who are, as it is, denied their proper influence and direction and cooperation in connection with the operation of the system.

That situation is not only most harmful at present, it is not only denying to the farmers of the country the advantages to which they are entitled under the original act, but the result is to deny to them the benefits which they have a right to derive from it and expect as members of the farm loan associations, over 4,000 in number throughout the country, and as producers who are eligible under the act to enjoy the benefits for which the act provides. They are notified by Federal land banks, by direction of the Farm Loan Board, that they are to send in no more applications for the present; they are notified that the available funds have been exhausted.

They are discouraged and disappointed, unnecessarily so, because the law provides that when mortgages to the amount of $50,000, based upon appraisals through the Farm Loan Board, by its own appraisers, are tendered to and approved by the Federal land banks, then the Federal land banks are authorized to vote for the issue of bonds against those mortgages and offer those bonds to the public, subject, however, to the approval of the Farm Loan Board. No Federal land bank can issue the bonds and put them upon the market and obtain funds for the accommodation of the farmers until the Farm Loan Board approves such issue in writing.

So that at present the entire supervision of the whole system is in the hands of the Farm Loan Board; practically the control of the whole system is in the hands of that board, and the system is not allowed to function so as to meet the needs of agriculture and the crying demands of the farmers of the country who are prepared to come within the provisions of the act in respect to their applications.

It is now proposed by the Farm Loan Board that they shall have additional authority and power. In their last report they have made five recommendations, showing that their purpose is not only to continue this most unsatisfactory and unnecessary condition, but they are asking for additional power in order to perpetuate what will ultimately mean, I very much apprehend, a course that will result in the destruction of the system.

What do they recommend? First, that the executive management of the Federal land banks be permamently vested in the Federal Farm Loan Board. A conclusive answer to that proposal is the present situation of the farmers of the country and the present condition as to agriculture. Their management and control has resulted in such an inadequate supply of funds, such delays, and halting as to give rise to widespread complaint and dissatisfaction. They do not permit it now to function as it should function, and yet they say that they want Congress to so provide by law that they shall name a majority of the directors of each bank, thus giving to them the executive management of the banks for all time to come.

They boldly "recommend immediate legislation authorizing the permanent organization of the banks on the basis of seven directors, four selected by themselves and three by the national farm-loan associations. That means, of course, that they themselves would control those banks, because they would name a majority of the directors of each of the banks. I say the complete answer to that, without going into detail, is the present situation which has been brought about by the Federal Farm Loan Board, or which has arisen under their management. Up to this time they have selected all the directors in these 12 banks.

Second, they recommend in their last report that the Federal land banks be authorized to make loans direct to borrowers. That is an absolute departure from the principle upon which the farm loan act is based. It violates every notion of cooperation. Not only will they in that way destroy the farm-loan association and the principle of cooperation involved in the original act, but they will take from the bonds themselves one of the obligations upon which they rest, and that is the obligation of the farm-loan association.

Every farm-loan association is required to indorse and thereby become liable for the payment of mortgages taken from its shareholders by the Federal land bank of its district.

The bonds are secured by mortgages on real estate, by the personal obligation of the borrower, by the indorsement of the farm-loan association, and by the obligation of the bank. This recommendation would remove from their protection and deprive them of the additional security afforded by the indorsement of the farm-loan association in each case.

Mr. POMERENE. Mr. President, may I ask the Senator what reason they give for the suggested change which the Senator is now discussing?

Mr. FLETCHER. They do not exactly give it, but the only reason I can imagine is that the present Farm Loan Board wishes to do away with the national farm loan associations. They apparently wish to destroy the national farm loan associations. They seem to regard them as nuisances. I think they might have spared themselves the reflection which they make upon the farmers of the country in their annual report when they said, as they did on page 6:

> Numerous instances have arisen where after the organizers of an association have obtained their loans the association ceases to function, to the detriment of others in the community. This arises from two sources—selfishness and indifference. For example, a dozen farmers, each with a good farm and abundant security and confidence in each other, organize an association. After having obtained their loans, as to which they feel no uncertainty, they selfishly decline to enlarge their responsibility and let other neighbors in.

That seems to be the idea upon which they base this recommendation. They deliberately charge to the farmers of the country selfishness and indifference in connection with the system which they themselves refuse to allow or do not cause to function.

Mr. KING. Mr. President, will the Senator yield?

Mr. FLETCHER. Certainly.

Mr. KING. I have not been in the Chamber to hear all of the remarks of the Senator. It seems to me the language which I have just heard, and heard for the first time, does not quite warrant the broad charge of the Senator that the condemnation, if it be a condemnation, or the criticism by the Farm Loan Board of the farmers, is so comprehensive and general as indicated by the Senator. It seems as though the Farm Loan Board differentiated between those who had obtained the charters for the land banks. They instance cases where there have been failures, and they give two grounds for the failures—selfishness and indifference. They are not criticizing those organizations which do function. The criticism applies to those organizations which do not function.

If it be true that charters have been obtained and, after the charters have been obtained, those who procured them ceased to carry on the corporation after they had made their own loans, then undoubtedly those particular organizations would be subject to the criticism to which the Senator has called our

attention. I hold no brief for the Farm Loan Board. They may have been guilty of very serious mistakes; I do not know; but it occurred to me as I listened to the Senator's reading of the statement and then listened to his remarks that perhaps the statement might be misunderstood and construed as a criticism of all farmers of the United States and of all the land banks, whereas, as I read it, it is a criticism only of those which have ceased to function.

Mr. FLETCHER. The Farm Loan Board would not indulge in a general wholesale denunciation of farmers as being selfish and indifferent people. They were referring to the members of those associations now in existence, and they do not approve of the associations, otherwise they would not make this recommendation. The law requires that before a farmer can take advantage of the facilities provided by the act he must become a member of a farm-loan association. There must be 10 or more natural persons owning or about to own land, qualified as security for a mortgage loan under section 12 of the act, unite to form one of those associations. They must be persons desiring to borrow money on farm-mortgage security under the terms of the act.

For the purposes named in the act—and they are limited purposes, too—high purposes, such as (a) to provide for the purchase of land for agricultural uses; (b) to provide for the purchase of equipment, fertilizers, live stock necessary; (c) to provide buildings and for the improvement of farm lands; (d) to liquidate indebtedness of the owner of the land mortgaged in certain circumstances, only borrowers can be members or shareholders of the farm-loan association. Ten or more farmers must get together, and when their applications are filed they must take 5 per cent of the amount of the loan which they propose to obtain in the stock of the national farm-loan association, and they are also liable for 5 per cent more on that stock. He must take one share of stock, par value $5, for each $100 of the face of his loan. That stock is held as collateral for the loan. The law provides that "said capital stock shall be paid off at par and retired upon full payment of said loan." In the meantime the owner of the stock is entitled to any dividends accruing and payable on the stock while it is outstanding. The farm-loan association must, to secure a loan for any of its members, subscribe for capital stock of the Federal land bank to the amount of 5 per cent of such loan, to be paid in cash upon the granting of the loan, the stock to be held as collateral security for the payment of the loan, the association to be paid any dividends accruing, precisely as stated with reference to the member's stock in the farm-loan association.

The security back of the bonds, I may mention, has these features: First, the note is executed for the amount of the loan; and to secure the note the mortgage is given by the individual borrower upon real estate which has been appraised by an appraiser who has been sent out by the Farm Loan Board, who has been appointed by the Farm Loan Board, and who is under the control and direction of the Farm Loan Board. The amount of the loan can not exceed 50 per cent of the value of the land mortgaged, and 20 per cent of the value of the permanent, insured improvement thereon. There is the first security—a mortgage upon that sort of property. In addition to that, there is the personal obligation of the borrower; and in addition to that, there is the indorsement of the National Farm Loan Association; then there is the obligation of the bank issuing the bonds and of every other bank in the system.

Now, the recommendation of the Farm Loan Board is to do away with the National Farm Loan Association, and, of course, when that is done, the indorsement of the association on each loan which is made to each member of that association is also taken away. Therefore I object to that recommendation. I object to it also because the cooperative principle involved in the act would be destroyed when the National Farm Loan Associations are destroyed. Their third recommendation is:

> That provision be made for the voluntary liquidation of national farm loan associations, their members becoming direct borrowers and direct holders of Federal land bank stock.

I object to that. That is another method and means of getting rid of the farm loan associations. I can see no other purpose than that—the eventual elimination of the national farm loan associations. There would be an utter disregard of the rights and interests of the minority in those associations.

The fourth recommendation is:

> That the board be empowered to remove the secretary-treasurers of the national farm loan associations.

In other words, more power in the Federal Farm Loan Board, less power in the national farm loan associations. Such associations are chartered by the Farm Loan Board; they have the perfect right to elect and they ought to elect their secretary-treasurers, and that officer ought to be responsible to the directors of the farm loan association in each case. It is now proposed that he shall be named by the Farm Loan Board, and thereby they will control whatever may remain of the national farm loan associations. At present the secretary-treasurers are required to furnish a suitable surety bond, to be prescribed and approved by the Federal Farm Loan Board.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. POINDEXTER in the chair). Does the Senator from Florida yield to the Senator from Montana?

Mr. FLETCHER. I yield to the Senator.

Mr. WALSH of Montana. In connection with the statement made by the Senator from Florida, I wish to observe that some time ago the farm loan associations of the country, taking counsel with each other, deemed it advisable to organize themselves into a national federation of farm loan associations for the promotion of their general and common interests. Such an association was formed, and asked a membership fee of $10 from each of the constituent associations. Some of them paid the amount from their association funds, when the Farm Loan Board served notice upon the associations that such use of the money of the associations was in violation of the law, and a suggestion was made that criminal prosecutions would be instituted against any association which utilized any of its funds, even to the extent of $10, for such a purpose.

A careful study of the law has convinced me that the Farm Loan Board is entirely in error in its interpretation of the law, and I have introduced a bill, which is now pending before the Agricultural Committee, to authorize the expenditure of this amount of the association's funds. I hope to secure action by the Committee on Agriculture upon the bill very shortly.

The point is that the Farm Loan Board does not want these associations to organize and federate themselves for the purpose of considering the legislation that is here pending before Congress or to suggest legislation to improve the present Federal farm loan act. It prefers to be the sole body making recommendations to Congress as to what legislation should be enacted or as to what legislation should not be enacted.

Another act on the part of the Farm Loan Board that seems to me to be open to serious criticism is the obvious obstacle that it places in the way of the farm loan associations being appropriately represented upon the directorate of the farm land banks, the stock of which, of course, is held to a very large extent by these associations themselves.

Mr. FLETCHER. I quite agree with the Senator. The board is in error, in my judgment, in the position which it takes in regard to the effort of the national farm loan associations to cooperate for the protection of their rights and interests under the act of Congress and for recommending such further legislation as may be needed to carry out the purposes of the act. I think the board is wholly mistaken in its position regarding that matter. It bases its assertion upon some ex parte opinion by the Attorney General rendered at one time or another at the request of somebody; but there is nothing in the law that justifies the board in that position, in my judgment, and their course is ill-advised. There could be no harm and there might be great good come from stimulating and encouraging the national farm loan associations to more active interest that would be helpful to themselves and the board, which finds them selfish and indifferent now. The board, however, seems to desire to increase their own power by the elimination of farm-loan associations and by the control and designation of the secretary-treasurers of those farm-loan associations which survive. That is its proposition; that is its recommendation in this report. If the board has the naming of the secretary-treasurer of these farm-loan associations, who is a very important factor in connection with transacting the business of the association—he is the very life of the association in nearly every case—it will practically control those associations. In other words, the board proposes to build up this system upon inadequate foundations, reduce its supporting columns and walls, and put a great roof over it—the Farm Loan Board—and then the roof will fall in. That is about the end it will come to if the recommendations are adopted to centralize at the top all control and power.

It says that one reason why it is not accommodating farmers as it should is that there is a question of doubt about its capacity to do the business. Suppose the New York Life Insurance Co. should send out notices all over the world and say, "We are behind in our business; we have more applications than we can attend to; we will take no more applications until we catch up with our work," how long do you suppose they would last? Sup-

pose any bank in the country should send out a notice, "Do not bring any more deposits to us; do not come to us for any more discounts or loans; we are behind with our business; wait until we catch up," how long do you suppose they would last? Yet that is the position the Federal land banks are in, because the Farm Loan Board does not authorize a sufficient issue of bonds in order to raise the money to enable those banks to uninterruptedly continue their operations.

Mr. HITCHCOCK. Mr. President——

Mr. FLETCHER. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. Mr. President, I think the criticisms of the Farm Loan Board are a little severe. The Senator will recall that it has not been very many months since Congress was compelled to authorize the Farm Loan Board to increase the interest rate on its bonds; that is to say, at that time the operations of the farm land banks were greatly restricted because of the difficulty in providing money for making loans, and, at the request of the Farm Loan Board, Congress authorized a higher rate of interest in order that the bonds might find a market and the board be put in funds. It seems to me that when we recall that history we will appreciate how in the past the operations of the farm land banks have been restricted by the difficulty of finding a market for 5 per cent bonds. Fortunately at about the time the legislation was passed the bond market improved so that the board has not been under the necessity of putting the rate of interest at 5½ per cent, but before that time the operations of the farm loan system were greatly restricted because of the fact that the Government of the United States was in the market borrowing money at a low rate of interest, and the Secretary of the Treasury objected to having a large amount of farm loan bonds put upon the market at that time. Furthermore, previous to that there was the case which was pending in the Supreme Court of the United States for something like two years, which restricted the operations of the farm land banks. Now, notwithstanding all these things, the actual amount of loans made by the farm land banks is something like $400,000,000, as I recall.

Mr. FLETCHER. Something over $500,000,000 now, including the joint stock land banks.

Mr. HITCHCOCK. I am speaking of the farm land banks proper.

Mr. FLETCHER. The amount is a little over $400,000,000 under those banks.

Mr. HITCHCOCK. I understand that that system is placing loans at the present time at the rate of something like $200,000,000 a year, which is making a reasonably satisfactory progress in extending this credit system. It must be realized that with their facilities it is not possible to go beyond a certain rate of speed, and if it is desired to speed those banks up in making loans it will be necessary to take some chances on the loans.

Mr. ROBINSON. Mr. President, will the Senator from Florida yield to me at that point?

Mr. FLETCHER. I yield.

Mr. ROBINSON. I have had occasion to look into this question at some length. There is now, at least in some sections, a great demand for loans from the farm loan banks. A policy of restriction has been adopted and pursued by the Federal Farm Loan Board which I think is very detrimental and which ought to be reversed in the immediate future. Not the slightest difficulty would be experienced by the board in selling these bonds under existing law. In my judgment, the board ought to proceed at once to procure additional funds with which to meet the requirements for loans in the various districts.

Take, for instance, the land bank in the St. Louis district, which embraces the State of Arkansas. No applications have been accepted by the bank for several months. Hundreds of attempts to make applications have been refused by the bank because no blanks are available and because funds to make the loans are not on hand. In the St. Louis district $17,000,000 in applications are now pending—applications that are undetermined. If one-half of this amount should be accepted, approximately eight or nine million dollars would be required to meet the loans that have been pending for a period of six months to one year.

The bank states that for the next six months, to meet the applications that are already on file and those that may hereafter be made, there exists approximately $7,000,000, and that for want of funds and for lack of a sufficient number of agents to consider and determine the loans the bank is unable to meet the requirements of the district.

Mr. POMERENE. Does the Senator mean in the St. Louis district alone?

Mr. ROBINSON. In the St. Louis district. I have received hundreds of letters from persons who have made application, or attempted to do so, some of whom have informed me that they can not get answers to their inquiries. They state they have been informed that no blanks are available on which to make the applications. This has no relation to the value of the security offered, because in most instances the question as to the acceptability of the applications has not been gone into by the farm land bank. It does show, however, that the bank is not functioning so as to meet the requirements for loans in the district.

We are passing through a period of great stringency. Instead of adopting a restrictive policy, I believe that the Federal farm land banks should be permitted and encouraged by the Farm Loan Board to adopt a liberal policy in making loans. Certainly bad loans should not be accepted; but when applications are made they should be investigated and determined with reasonable promptness. How can any Senator justify the existence of applications in the pigeonholes of the Federal farm land bank of St. Louis for a period of a year or a year and a half undetermined?

Mr. FLETCHER. That illustrates the situation very clearly, and it obtains all over the country. But the banks can not make loans without funds, and outside of Government deposits, which help quite a little, they can not get funds except from the sale of bonds, and they can not issue and sell bonds without the authorization and approval of the Farm Loan Board.

Mr. ROBINSON. If the Senator will permit me just a moment further, I have made some inquiries of members of the Federal Farm Loan Board. No difficulty has been experienced and none will be encountered by that board if it should attempt to sell bonds sufficient to meet the urgent requirements of the various farm-loan districts throughout the country. I have been unable, from any inquiries I have made, to ascertain why the policy was adopted or why it is being pursued. It seems to me axiomatic that in a time of financial stringency these banks ought to function with more promptness than in periods when there is less demand for loans. It is failing pitiably in the St. Louis district to meet the requirements for loans, and if the Federal Farm Loan Board does not act itself in the early future I hope that Congress will do something to require the procurement of additional funds by the Farm Loan Board for the uses of the various districts. I have some information that that may be done in the early future, and indeed I believe public announcement of its purpose to sell $70,000,000 in bonds has just been made by the board.

I ask unanimous consent to have inserted in the RECORD my letter to the president of the Farm Loan Bank of St. Louis, and his reply thereto, setting forth some of the facts which I have related.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 13, 1922.

Hon. H. W. DANFORTH,
Farm Loan Bank, St. Louis, Mo.

DEAR MR. DANFORTH: I am daily receiving complaints of applicants for loans and representatives of farm loan associations to the effect that the authorities in that district are declining to receive additional applications and are deferring unduly consideration and determination of requests for loans.

In my opinion the farm loan banks and related institutions furnish an available means for relieving in part the stringent financial conditions now existing throughout the Southwest as respects agriculture. I would be pleased to have you advise me at once fully regarding this subject. Please give me all available information concerning the number of applications pending in your district and the reason underlying the policy which appears now to be in effect.

With expressions of personal regard, I am,

Very truly, yours,

JOE T. ROBINSON.

THE FEDERAL LAND BANK OF ST. LOUIS,
St. Louis, Mo., January 16, 1922.

Hon. JOE T. ROBINSON,
United States Senate, Washington, D. C.

DEAR SENATOR ROBINSON: I have your letter of the 13th instant, and in reply will say that we have endeavored to curtail in every way within reason the receipt of applications in such volumes as they have been coming in so that we might be able to handle what we have on hand and give better service. But in spite of all our efforts, we have accumulated over $17,000,000 in applications and we are working overtime trying to handle them.

Our past experience has demonstrated that only about 50 per cent of the applications received are finally closed, the other 50 per cent being canceled or rejected for various reasons, viz, defective title, eligibility, etc.

We have been informed by the Farm Loan Board that our next allotment of funds from the sale of bonds will amount to about $7,000,000. This will mean that we could not close all of the applications that we now have on hand if we used every possible effort to do so. Our executive committee feels that we should take care of such applications as we have on hand and give these applicants as prompt service as is possible, and curtail the sending in of new applications until we are in a position to take care of them. The demand for assistance is not confined to the State of Arkansas only, but comes from both Illinois and Missouri also, and, while the number of applications is not as great

as we receive from Arkansas, the aggregate amount is considerably more, due to the fact that the loans are larger. We do not feel that it would be good policy to make commitments in excess of our ability to close, and inasmuch as our funds for the next five or six months are to be limited to $7,000,000 we have decided to hold our commitments as near as possible to that amount.

Yours, very truly, H. W. DANFORTH, *President.*

Mr. POMERENE rose.

Mr. FLETCHER. May I now answer the Senator from Arkansas? I will yield to the Senator from Ohio in a moment. Let me take up one thing at a time. I am not able to pursue logically the argument I had in mind, because of the interruptions.

Mr. POMERENE. Mr. President, I was simply going to confirm what the Senator from Arkansas this moment said. I think either yesterday or to-day I saw a statement to the effect that $70,000,000 worth of farm loan bonds would soon be sold—in the next few days.

Mr. FLETCHER. Yes; $75,000,000, I think.

In the first place, I desire to disabuse the minds of Senators of the idea that I have any grievance against the Farm Loan Board. I do not want to be unjust to them at all. I know the members of the board. I have always had very pleasant relations with them. I esteem them most highly. I like them very much, personally. I think they are in error, that they make a mistake, in the recommendations which they submit. I differ with them as to the theory upon which, evidently, they are administering this act, and I differ with them in their view of the principle upon which the act is based. I can not agree with them, and I think I have the right to point out what I conceive to be their viewpoint and wherein and why I differ with them. I am not doing it in a spirit of criticism or faultfinding merely. There is too much at stake for that sort of thing, if I was capable of it. The very life of this great, beneficent scheme for meeting the financial needs of agriculture is involved. The board apparently has not realized the importance of finding and furnishing the money, which the instrumentalities provided by the act make possible, as and when it is so greatly needed by those entitled to it under the law. The board appears to wish to ignore or minimize to a dangerous degree and to depart from the principle upon which the system is founded, namely, a cooperative system. As to their position, I feel bound to say that it never was intended that this entire system and all its elements, factors, and agencies should be in the absolute control, the complete domination, under the arbitrary dictation of a board made up of political appointees sitting here in Washington. When that aim is achieved the whole plan will come down in ruin. That is why I try to protest in the face of those recommendations.

It was never intended to create here in Washington, at the very top of this system and in complete command of all details, a board of political appointees with full and exclusive power to run this whole system throughout the whole country. That never was the idea. They seem to have that in mind as the principle upon which the act was founded. Just the contrary is the case. It was founded upon the idea of cooperation among the farmers themselves. They are the foundation; they are the ones who own the stock in these banks through their farm loan associations; and they are the ones who ought to manage their own system so as to be independent of any other financial arrangements and of private capital. They can originate their own source of supply and manage their own affairs under this system according to their judgment and their best interests under the very ample supervision the Farm Loan Board already has and exercises; but the idea of the board seems to be that these farmers are incapable of managing these affairs, that they are too selfish or indifferent, or what not, and that the board must have the supreme power and authority over the whole system, and that unless they can have that the system can not function. They are wrong about that.

I do not mean to criticize the members of the board or question their motives, because I can see some excuse for some of the things that have been happening. In the first place, I believe that the board themselves would have recommended the issue of bonds and supplied funds heretofore faster than they have been supplied but for the fact that the Treasury Department has been opposed to their issuing the proper amount of bonds to furnish the needed funds. I may be in error about that, but the indications are that way. I think the Treasury Department has so advised and managed and perhaps directed that the board themselves have been unable to do the things that in their judgment ought to have been done; and I go further and say that the farm loan associations are not to blame, the Federal land banks are not to blame, because they have not the funds.

They, however, are not themselves allowed to function as they should. They are now controlled by the Farm Loan Board, because all the directors are appointed by that board. They are not recommending to the Farm Loan Board the issue of the bonds as they are authorized to do under the act.

They are the instruments of the Farm Loan Board. They recommend only what the Farm Loan Board wants them to recommend. They control the banks.

Mr. HITCHCOCK. Mr. President——

Mr. FLETCHER. Just let me finish this thought. I am afraid that the Treasury does not want the farm loan bonds to compete with certificates of the Treasury, or other obligations that might be issued by the Treasury; but that is not fair to the farmers of the country.

Mr. HITCHCOCK. Mr. President, I have no brief to defend the policy of the Treasury Department, but I think the Senator perhaps is a little in error there. Most of the purchases of farm-loan bonds which the Treasury made were made by special authority of Congress; and they were purchased because, owing to the financial conditions, they could not be sold upon the open market at 5 per cent.

Mr. FLETCHER. There the Senator is absolutely and wholly in error. There never was a time when those bonds would not sell in the public market. The fact of the matter was that the Treasury did not want them to compete with Liberty bonds. The public would buy farm-loan bonds when they would not buy Liberty bonds, and that was the whole secret of the matter.

Mr. HITCHCOCK. Mr. President, I participated in those discussions and in the legislation that passed through the committee, and I know from statements made to the committee that while the order of the Supreme Court was being withheld those 5 per cent bonds could not be sold upon the market. They were not marketable bonds, and the testimony before the Banking and Currency Committee shows that fact, and because they could not be sold in the open market we passed through Congress several acts directing the Secretary of the Treasury to purchase them, and he did purchase them, because they could not be sold.

Mr. FLETCHER. He very gladly purchased them; and there is another thing——

Mr. HITCHCOCK. Let me finish.

Mr. FLETCHER. Yes.

Mr. HITCHCOCK. The decision of the Supreme Court, which finally validated the farm loan act, was not handed down until February 28 of last year.

Mr. FLETCHER. I understand.

Mr. HITCHCOCK. Since that decision was handed down there has been a possibility of selling the bonds, and I want to cite the fact that at once $40,000,000 of those bonds were put upon the market.

Mr. FLETCHER. Yes; I know, and $60,000,000 in November.

Mr. HITCHCOCK. And later on $60,000,000 more were put upon the market.

Mr. FLETCHER. Exactly; I know that.

Mr. HITCHCOCK. And now $70,000,000 more are to be put upon the market.

Mr. FLETCHER. Yes.

Mr. HITCHCOCK. Making $170,000,000 of money provided within a year for the use of these banks.

Mr. FLETCHER. Yes. That is about one-quarter as much as they ought to have.

Mr. HITCHCOCK. That is a matter of judgment. I am told that the officers of these banks themselves, not the members of the board, are not able safely to put out a larger amount of money than is being provided in this way; that is, from $150,000,000 to $200,000,000 a year.

Mr. FLETCHER. Then they ought to increase their force.

Mr. HITCHCOCK. It is easy to say they ought to increase their force, but as the Secretary of the Treasury says in his report: "It should be borne in mind that the Federal farm loan system was not designed as an emergency measure, but is a steady-going and permanent enterprise."

Mr. FLETCHER. Absolutely. I agree with that.

Mr. HITCHCOCK. "It should be treated accordingly, responding, of course, as far as circumstances permit, to extraordinary conditions; but it must not be asked or permitted to sacrifice its permanent and safe upbuilding to temporary expediency."

Mr. FLETCHER. Certainly.

Mr. HITCHCOCK. Mr. President, those banks can operate only by selling their bonds. Their bonds can only be sold upon the market in case the banks are carefully and conservatively managed.

Mr. FLETCHER. Certainly.

Mr. HITCHCOCK. Any attempt to speed up those banks, creating a suspicion in the money market that the bonds are not good, will throttle the sale of those bonds, and I am in sympathy with having those banks proceed carefully, as well as with enterprise, in making their loans.

I do not quite understand why the statement is made here that the funds of the cooperative farm associations can be used without any restriction. Those funds are provided for a certain purpose. They are provided as a part of the security back of the farm loan bonds, and it seems to me it would not do to permit those associations to use those funds without any restriction.

Mr. WALSH of Montana. The restriction is undoubtedly contained in the statute. No one contends that they should be at liberty to use the funds for any purpose they see fit. The contention I was making was that the use which they sought to make of them, the small sum of $10, easily falls, as I think, within the power granted by the statute as it stands; but, in order to avoid controversy, I have introduced a bill allowing the use of that small amount.

Mr. FLETCHER. These national farm loan associations are not without certain powers and responsibilities. Section 11 of the act gives them power "to acquire and dispose of such property, real or personal, as may be necessary or convenient for the transaction of its business."

Mr. HITCHCOCK. The Senator is wise in introducing that bill. I would like to see them specifically authorized to use that small amount of money for the purpose of cooperating with the national organizations, but I do not like to hear criticism of the board when it is carrying out the very spirit of that law. I was one who had something to do with the passage of that law, and I have been one who has had to defend it against the great sentiment of the country that has antagonized it. We have a great thing for the agricultural West and the agricultural South, and we should so use it as to keep it sound and safe, and not impair the marketability of the bonds upon which we have to depend in order to secure our funds.

Mr. ROBINSON. Will the Senator from Florida let me ask the Senator from Nebraska a question?

Mr. FLETCHER. I want to get through with this, but I yield to the Senator.

Mr. ROBINSON. I want to ask the Senator from Nebraska if he anticipates that there would be any difficulty in selling, say, a hundred million dollars of these bonds at the present time?

Mr. HITCHCOCK. Mr. President, perhaps the Senator was out at the time I showed that we have sold a hundred million dollars within a year and are now offering seventy millions more. I have not had a chance to go into it. I have talked with the officers of one of the Federal reserve banks, the one located at Omaha, and I know from conversations with them that they feel that they have adequate funds, and they are making their loans. I have never heard any complaint there.

Mr. FLETCHER. I can show the Senator a number of letters from his own State making complaint.

Mr. HITCHCOCK. I have not received one complaint, but I have received a great many letters in commendation.

Mr. FLETCHER. From May 1, 1921, to December 31, 1921, there were $9,900,000 allotted to the Omaha bank. They loaned, absolutely disposed of, up to December 31, 1921, $9,426,700. They loaned their entire allotment by the 31st of December and have not had anything since. They can not get anything.

Mr. HITCHCOCK. The Senator is in error there. There were funds on hand before that last allotment was received.

Mr. FLETCHER. I think I can put into the RECORD, if the Senator wants to know about it, a statement showing what the situation is, and if that bank out there has funds, it is in a more fortunate position than any other bank in the country, I think.

But I want to say this, further, with reference to what the Senator has been observing, we never were under any pressure to pass any law authorizing the Federal land banks to charge 5½ per cent interest. A bill on that subject was introduced for the purpose of enabling the joint-stock land banks to raise the rate of interest on their bonds from 5 to 5½ per cent. They are still restricted to a charge of 6 per cent to borrowers. The joint-stock land banks and the Federal land banks can not charge any borrower over 6 per cent. But the joint-stock land banks were finding difficulty in disposing of their bonds bearing 5 per cent, and they asked permission to raise the rate to 5½ per cent, still being restricted as to the amount they must charge the borrower to 6 per cent, as under the old law. That legislation was introduced for the benefit of the joint-stock land banks. It was made so broad, however, as to cover both; but, as a matter of fact, that is where the whole thing originated.

That was the situation with reference to the joint-stock land banks. They could not readily sell their bonds bearing 5 per cent at that time, and they wanted authority to make the rate 5½ per cent, being willing to do business on one-half of 1 per cent.

The Senator is quite right in saying that the system was paralyzed for about 15 months. The Farm Loan Board is not to blame for it, and I am not blaming them for it. For about 15 or 18 months this litigation lasted. But the case was decided on the 28th of February, 1921, by the Supreme Court of the United States, and there never was, from the beginning to the end of that litigation, any restraining order at all against the Federal land banks or the Farm Loan Board from proceeding with their business. No injunction or restraining order was ever issued. The case involved the constitutionality of the act, and the pendency of the case had the effect of paralyzing the operation of the system.

The organization was there, the Farm Loan Board was there, the members drawing their salaries all that time, and they should have been ready, in my judgment, to go right on at once with the disposition of the applications which had previously been on file. They changed the plates; they got out a new bond issue; they junked all the applications which were then pending and ordered everybody to put in new applications; and they issued $40,000,000 of bonds, which they got on the market about the 1st of May, and it was the 1st of June before any money got out. From February 28 to the 1st of June the farmers were held by the eyelids, not knowing what to do, or what would be the result of their applications.

Bonds to the amount of $40,000,000, a mere bagatelle, were issued. The applications in two of the districts amounted to more than $40,000,000. There were 12 districts. Those $40,000,000 of bonds were sold promptly; they were distributed to the 12 land banks and the proceeds were soon taken up.

Then, in November, $60,000,000 more were issued, and those were taken up at once. Does the Senator mean to tell me that there is any question about the public taking these bonds? The experience is that every time they are offered, they are immediately taken up by the public. You can not buy one of those bonds to-day for less than 103, and probably not for less than 104. They are not for sale by any land banks in the country. No land bank in the country has a single bond, so that if you buy them, the money does not go to the farmers; it goes to the holder of the bond. Every one of those bonds is selling above par in the open market, where it is sold at all, at from 103 to 104. There is no question but what the public will take those bonds.

I am delighted to know that $75,000,000 will soon be issued; I do not know how soon, but I hope very soon. It is the plan to issue $75,000,000 soon, and I have not any question but what they will sell immediately and sell above par. I venture to say that the board will not offer those bonds at less than 102 or 103. They will not put them on the market for less than that. Then why is there any question about whether the public will take the bonds or not?

Mr. HITCHCOCK. I have said distinctly that there is no question about the marketability of those bonds now. I know that they will sell for 103, but the Senator knows, if he is familiar with the facts, that those farm-loan banks were urged to press the people in their own neighborhoods to buy the bonds at par, because they were not marketable, and I bought some myself at the solicitation of my bank, because they could not sell them at par; and the Senators know that when the Secretary of the Treasury made his annual report in June of last year he reported that there were $189,000,000 of those farm-loan bonds in our Treasury because they could not be sold at par.

Mr. FLETCHER. Mr. President, the Secretary of the Treasury is authorized to make certain deposits in Federal land banks, and the Treasury has been paid 5½ per cent on such deposits. See page 2 of the fifth annual report of the board. It is a very profitable transaction for the Treasury. If the Senator knows where he can get a farm-loan bond below par I wish he would let me know about it.

Mr. HITCHCOCK. I have not said that. I said the farm-loan banks were urging the people in their neighborhoods to buy the bonds at par, because they could not be marketed last summer at par, and it was a matter of favor for public-spirited men to buy those bonds at the banks, because they could not sell them at par in the open market.

The Senator must remember when the officers of the board came before the committee and asked us to authorize them to issue 5½ per cent bonds, because they might not be able to market them at 5 per cent, and if the Senator had read the market reports, he knows that the bonds could not be sold in the open market.

Mr. FLETCHER. I think the Senator is confused. I think it was the joint-stock people who came before the Banking and Currency Committee, that they were the people who wanted the legislation. This is borne out by the last report of the board, on page 10, under the heading "Joint-stock land banks."

Mr. HITCHCOCK. The Federal Farm Loan Board also came before us, and they asked to have the law apply to the Federal farm loan banks, not the joint-stock land banks.

Mr. FLETCHER. They had no objection to it. That issue of $40,000,000 of bonds was sold within 30 days, and the $60,000,000 was sold within 30 days. Before I go into that question a little further, I want to read to the Senate what the farm loan commissioner, Mr. Lobdell, wrote to the Senator from Iowa [Mr. KENYON] on October 15, 1921. The Senator from Iowa [Mr. KENYON], the Senator from Georgia [Mr. HARRIS], and I were a subcommittee who went to see him about speeding up the operations of the board, and he said in his letter:

> Leaving out then the question of direct loans from the Treasury the question arises as to the rapidity with which the investing public will absorb farm loan bonds.
>
> That question has never been fairly tested out, because until the present time we have never been permitted to make two successive sales in a single year, the Treasury heretofore preferring to take the bonds rather than have us make repeated offerings.

That is a statement by the commissioner of the board, that the board have never been permitted to make offerings they felt ought to be made, the Treasury preferring to take the bonds rather than have them make repeated offerings. So, you see, according to their own statement, what the power behind the throne is. I can see no other meaning than that it is the Treasury Department that is holding back the Farm Loan Board in the matter of supplying the funds needed by the farmers of this country. That is their own statement.

Mr. HITCHCOCK. Mr. President, he was referring to the time when the Government of the United States was marketing its Liberty bonds at 4¼ to 4½ per cent interest.

Mr. FLETCHER. Yes; up to that time.

Mr. HITCHCOCK. He was not referring to last year, because they had two issues last year. He could not have been referring to the two years during which bonds could not be marketed because of the Supreme Court decision being held up. He was referring to the time that the Government of the United States was marketing its Liberty bonds.

Mr. FLETCHER. This letter is dated October 15, 1921. Of course, when the system was not functioning on account of the litigation, there was no question about the Treasury having to intervene. This $75,000,000 is not going to be sufficient to go very far. There are over 4,000 farm loan associations in this country. Divide the $75,000,000 by the 4,000 and see how much they will get for the next six months or the next year. It may be another year before they have another issue. We do not know when the next issue will come along.

With reference to the bank mentioned by the Senator from Arkansas, the one at St. Louis, they were allotted out of two bond sales $9,900,000, and they loaned up to December 31, 1921, the sum of $7,617,400.

They had at that time a loanable balance of $2,282,600, but, of course, that was December 31. I do not know what their applications were.

The last recommendation of the board is as follows:

> That a corporation, to be controlled by the presidents of the Federal land banks and the members of the Farm Loan Board, be created to manage for all of the banks the business of buying and selling farm-loan bonds.

Under the law, the Federal land banks themselves were to market these bonds. The Farm Loan Board was not given any authority to put the bonds on the market. They were simply to approve and authorize the issuance of the bonds, but the Federal land banks were to offer the bonds and sell them in their various districts, as contemplated by the original act. It was the thought that those banks would not necessarily market the whole issue within 30 days or within any specified time, but in the course of the operation of the system there would be on hand all the while bonds of the Federal land banks, affording a safe and desirable investment for anyone in the district having funds he or she would like to invest.

Suppose a man has a thousand dollars which he would like to invest in farm-loan bonds. He goes to the farm land bank and inquires, "Can I get a bond? I would like to invest this amount in your bonds." He is told, "We have none. They are all sold; all gone." "When are you going to have any more?" "We can not tell. That is left entirely to the Farm Loan Board. We do not know whether it will be 6 months or 8 months or 10 months." The man with the thousand dollars to invest is not going to put it in his bank and hold it there for an indefinite time to invest in a security at an indefinite price, because he does not know at what price the bonds eventually will be offered. The result is he will go and buy something else or lend it out on some other basis.

There are hundreds of thousands of dollars in the various communities where these banks are located and in the States which they serve, money that is not being used at all, farmers' money, money that is buried, money that is in stockings or put away, which people would like to invest in these bonds if they had the opportunity to do it, and they would do it if the banks had the bonds.

Mr. WATSON of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Florida yield to the Senator from Georgia?

Mr. FLETCHER. I yield.

Mr. WATSON of Georgia. I wish to say to the Senator that the condition which he has related as existing in his district is precisely the same as that which exists in mine. The farmer can not get the money and can not even get his application acted on.

Mr. HARRIS. Mr. President, I agree with my colleague, and I wish to make the further statement that they have even stopped receiving applications, let alone acting on those already on hand.

Mr. FLETCHER. As bearing on that phase of the matter, I have 25 or more letters from various portions of the country, all to the same effect, illustrative of what I have said and what my colleagues from the various other States have said of the situation as it exists to-day. I have one here from Caldwell, Idaho, dated January 27, 1922, signed by Mr. E. L. Shaw, who said:

> I wish to state the position that this association—
>
> The Caldwell National Farm Loan Association—
>
> is in at this time. A short time ago I had a customer who wished to buy $500 worth of Federal land bank bonds. I immediately wrote the Federal land bank at Spokane for these bonds, and they replied that they had no bonds on hand at this time.
>
> Now, this seems to be a queer situation. At present this association has applications before the bank for consideration amounting to about $200,000 and a good many of them were filed in November, 1921, and no action has been taken on them yet.

Here is a letter from my own State, dated January 29, 1922. This is just a sample of those coming from elsewhere throughout the country. This letter says:

> I have had an application in for a loan since March 2, 1921, and have had no action on it yet. Unless I can get some relief in 30 days I am afraid it will be too late.
>
> Our local secretary can give no light on the question and we have to struggle in the dark, not knowing whether the bank at Columbia, S. C., is ever going to come to our aid. There are 71 applications in the Ocala branch, and if every one is as urgent as mine there will be 71 less farmers in this country in a very short time, for if relief does not come soon in the shape of a loan I can not say what the consequences will be. We can not even get an appraiser to come here.

From the Federal land bank at Houston, Tex., is a letter sent to me dated December 26, 1921. I ask to have that inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

> THE FEDERAL LAND BANK OF HOUSTON,
> *Houston, Tex., December 26, 1921.*
>
> To the SECRETARY-TREASURER, addressed:
>
> In view of the many repeated and urgent calls for application blanks, we find it necessary to write you.
>
> The demand for farm loans is, as you know, overwhelming, coming with equal force from every quarter of the State. To meet this appeal for money the Federal land bank has used all of its offices as adequately as possible to extend loans to worthy farmers now in pressing need of help. During the months of November and December we loaned approximately $4,000,000 to 1,200 farmers.
>
> To extend maximum service we have accepted applications much in excess of our present funds and have already anticipated funds to become available to us under the first bond sale of 1922. This means we have already approved applications for loans sufficient to exhaust both the funds now on hand and the funds that will be available to us for the first few months in 1922.
>
> In view of the foregoing facts, prudence compels us to address you again on this same subject in order that in our zeal to serve we may not overreach the limit which present calculations impose. To do otherwise would result in greater disappointment and needless confusion.
>
> For the present, or until there is assurance of provision for funds beyond that now promised, it is considered best not to make further distribution of application blanks. We trust this necessity will only be temporary and that changed conditions will permit us within a short time to resume the sending out of application blanks as they are requested.
>
> Yours, very truly,
>
> THE FEDERAL LAND BANK OF HOUSTON,
> By JOHN V. VAN DE MARK, *Secretary.*

Mr. DIAL. Mr. President, I would like to ask the Senator if it is not very important that these loans be passed upon as quickly as possible in order to enable the farmers to make a crop for the coming year?

Mr. FLETCHER. Precisely. The situation is just as this farmer in Florida states, that if something is not done in a few months they are going to quit.

From Parkers Prairie, Minn., I have a letter from N. A. Jacobson in which he says:

I have had several letters from the land bank at St. Paul, Minn., in response to inquiry, that they are not forming any new associations, as they have not enough money to take care of the applications they now have on hand from the old associations, and they say it would be bad business to create a still larger demand until they can meet it.

Mr. FLETCHER, the farmers need money and need it quick, or from 50 to 75 per cent of them will go out of business, judging from conditions here, and I have been told by people that I know well and know to be truthful that conditions are good here compared to what they are in other places.

From a former Member of this body, ex-Senator W. H. Milton, now secretary and treasurer of the Marianna National Farm Loan Association. I ask that this letter may be inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection it is so ordered.

The letter referred to is as follows:

MARIANNA NATIONAL FARM LOAN ASSOCIATION,
Marianna, Fla., January 30, 1922.

Senator DUNCAN U. FLETCHER,
Washington, D. C.

DEAR SENATOR FLETCHER: I received the Fifth Annual Report of the Federal Farm Loan Board, and there are some portions of it which I think should call for corrections and criticism.

Page 2, fourth paragraph, indicated that for a Government deposit they paid 5½ per cent interest. It seems to me that this interest was excessive, as the Government has at various times placed with banks money at 4 per cent interest, to be used in handling cotton crops, and I am satisfied did not receive as high interest from other depositories.

Page 3, first paragraph, would indicate that the delay in making loans had been eliminated. According to my experience, this is incorrect. This association now has with the Federal land bank over 130 applications for loans which have been on file from early in August to the latter part of October of 1921, a period of from three to five months, and no decision has been made on any of them, nor have they even been appraised by the Federal appraiser. Our association has not been visited by the Federal appraiser since June of 1921, more than seven months. If any of these applications are granted, the applicants will hardly receive their loans within a year from the time they made application.

The recommendation contained in the last paragraph on page 3, I think, is a good one.

The first paragraph of page 6 shows that the Federal Farm Loan Board has been furnishing the States with their determination of farm values for the purpose of taxation. I do not think that this information should be furnished States or municipalities for taxation purposes, but that it should be confidential information; and from the reading of the law I understood that all information obtained from farmers would be confidential.

In regard to the information and recommendation in regard to secretary-treasurers of national farm-loan associations, pages 7 and 8, I do not agree with their recommendation that the Farm Loan Board should have the power to appoint acting secretaries who should be authorized to serve until such time as the association shall legally elect a successor. Secretary-treasurers are all under bond by a bonding company, and there are ample laws to punish them for misappropriation of funds and neglect of duty, and as the board says they can not only get rid of the secretary-treasurer but of the entire board of managers of the association by refusing to make loans through the associations, and I can not see where the board could need any more authority or law to handle secretary-treasurers for misappropriation of funds or other neglect of duty; but if they are authorized to remove secretary-treasurers and appoint acting secretary-treasurers, it would take away from the local association entirely their control of their association. Within a short time the secretary-treasurers would all be appointees of the Federal Farm Loan Board and the entire system would be controlled from Washington, and in my opinion would defeat to a great extent the intentions of the Federal land bank act. The compensation of the secretary-treasurer as paid by the local association is small but satisfactory; if the secretary-treasurer was an employee of the Federal Farm Loan Board, he would necessarily receive a greater compensation than he now receives, and this compensation would necessarily be paid from the proceeds of the banking system which would reduce the dividends paid by the banks to the associations. From my experience it seems to me that the Federal Farm Loan Board should not have such entire control of the entire system as would result from giving them the power to appoint acting secretary-treasurers to the local associations.

I do not agree with their recommendation, second paragraph, page 9, authorizing a permanent organization of the bank on a basis of seven directors, four appointed by the president of the Farm Loan Board, and three selected by the National Farm Loan Association. I think that the majority of these directors should be selected by the National Farm Loan Associations and be more in touch with the borrowers and less in touch with the Treasury Department. The national banks all have their local directors and are more than sufficiently controlled by the Treasury Department through their bank examiners, and I really see no reason why all of the directors of the Federal land bank should not be elected by the National Farm Loan Association; certainly they should be controller of the system.

The entire report, however, shows very clearly that in order for the Federal land banks to obtain money to lend it is only necessary for them to offer their bonds for sale, for if they sold forty millions of bonds in May and June and sixty millions more by October 3 of last year, when interest rates were high and investment funds scarce, there is no doubt that they can sell these bonds in almost unlimited amounts. And if the banks would increase their force, they could give relief to the farmers by closing loans within three to four months from date of applications for loans and not delay applications for loans for from 8 to 12 months.

If 12 Federal land banks can not handle annually all of the applications, it seems to me that it would be advisable to increase the number of land banks, for these 12 can not or are not giving the needed relief; and the law, as I understand it, was passed for the relief of farmers and not for the upbuilding of the system for the making of money by the Federal land banks or the furnishing of employment to a number of employees of a bureau in Washington.

With kindest regards, I am,

Yours, sincerely, M. H. MILTON.

Mr. FLETCHER. Mr. President, the situation has been very clearly discussed in a calm, forceful way by a gentleman who has studied the farm loan act and plainly knows whereof he speaks. The discussion bears not only on the present situation but on the recommendations made by the Farm Loan Board in their last report. Those recommendations are considered in this communication by Mr. Lester C. Manson, attorney for the National Union of Farm Loan Associations, addressed to the committee on credit and insurance, National Conference on Agriculture, held in Washington last week. The communication is dated January 24, 1922. It is so able a discussion of the whole subject, and particularly of certain very important provisions of the Federal farm loan act, that I know it will be enlightening and helpful, not only to the Congress but to people generally throughout the country, if they could have the benefit of it. Therefore I ask to have it inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

The communication referred to is as follows:

WASHINGTON, D. C., *January 24, 1922.*

TO COMMITTEE ON CREDIT AND INSURANCE,
National Conference on Agriculture.

GENTLEMEN: In accordance with your request, at the conclusion of my remarks before your committee to-day, I am submitting, for your consideration, the following memorandum of my objections to the recommendations of the Federal Farm Loan Board as to amendments to the farm loan act.

The original farm loan act created a cooperative system of farm finance, to be owned by the farmers, through which they could reach the sources of money supply by independent means entirely within their control.

The cooperative control of the system has never been permitted to function.

Cooperation is to be permanently eliminated, and the political management of Federal land banks is to be perpetuated, if the recommendations of the Federal Farm Loan Board are adopted.

PROPOSALS OF FARM LOAN BOARD.

By permitting Federal land banks to make direct loans to borrowers upon less security than required upon loans made through farm-loan associations, the Federal Farm Loan Board proposes to drive the associations out of business and into liquidation.

By dispensing with the indorsement of the associations, backed by the double liability of stockholders, the risk of the present stockholders and bondholders is increased, and future bonds will be less salable and require higher interest.

By giving the national farm loan associations a minority representation until direct loaning eliminates voting stockholders from the Federal land banks, the Farm Loan Board proposes to forever kill cooperation and perpetuate political control of the Federal farm loan system.

Through the power of removal, the Farm Loan Board proposes to make the secretary-treasurers their servants and the associations, so long as they last, their subjects.

Through the organization of a corporation to handle all farm loan bonds, the board proposes to perpetuate the system which has failed to supply the farmers' needs for money.

Such will be the effect of legislation recommended to Congress by the Federal Farm Loan Board in its fifth annual report, just filed.

COOPERATION AND INDEPENDENCE.

The cooperative system provided for in the farm loan act was intended to make the farmer financially independent. To borrow, he is required to furnish the capital for the Federal land banks in proportion to the amount borrowed. This he does by subscribing for stock in a farm loan association, which in turn subscribes for stock in the Federal land bank. These subscriptions equal 5 per cent of the loan—no more, no less. Each borrower is also liable for losses to an amount equal to 5 per cent of his loan in addition to his stock.

When his loan is paid, the stock of the association in the bank issued upon his loan and his stock in the association are retired at par. Thus none but borrowers are to be stockholders, and only so long as they are borrowers, and only in a fixed ratio to their loans.

Outside capital was barred from the system to insure its independence; that the farmer might own and control the means of financing himself; that outside influence might not interfere with agriculture getting the money it requires and its credit deserves.

For the same reason, as well as because they owned the system, the borrowers were to be given control of the management of the banks. The farm loan act provides that the Federal land banks shall be managed by boards of directors consisting of nine members, six of whom shall be elected by and be representative of national farm loan associations, and three of whom shall be appointed by the Federal Farm Loan Board.

Solely for the purpose of "priming" the system—to get it started—the Government advanced $8,892,130 by subscribing for the stock of the 12 Federal land banks in that amount. The act provides that when the subscriptions of farm loan associations to the stock of any bank reach $750,000, 25 per cent of the subsequent subscriptions shall be applied to the retirement of the stock held by the Government.

Solely for the purpose of getting the system into operation the act provides that the Federal land banks shall be temporarily managed by boards of five directors appointed by the Federal Farm Loan Board. By the terms of the act these "temporary" boards were to be succeeded by the permanent directors when stock in any bank had been subscribed to $100,000 by farm loan associations.

The borrowers, through farm loan associations, now own and hold $21,109,215 of the capital stock of the Federal land banks. The Gov-

ernment's subscription has been reduced to $6,598,770. The balance of the Government stock will soon be retired and the borrowers will own all of the stock.

Notwithstanding the fact that the borrowers own 78 per cent of the stock, are liable for all the losses, and the whole system was designed to make agriculture independent of all outside influence, the borrowers have so far had no voice in the management of the banks.

FARM LOAN BOARD OPPOSES COOPERATION.

In the first annual report of the Federal Farm Loan Board the following statement appears:

"It is doubtful if the direct management and control of any bank which is dependent upon borrowed capital for its control and operation can be safely delegated to the borrowers from such bank.

"An amendment to the act providing for a lengthened period of governmental control has therefore been prepared and is respectfully submitted for the consideration of the Congress."

The foregoing extract from the report of the board demonstrates conclusively that they do not believe in the cooperative system established by Congress, and that they do not consider the farmers of the country competent to select the directors in the banks in which they own the stock and for the losses of which they stand a double liability. The cooperative features of this law were borrowed from Europe, where for 150 years they had proven a success. They were adopted upon the recommendations of a Government commission which went to Europe for the purpose of making an exhaustive investigation of rural credits.

On December 31, 1917, the stock of eight of the banks had been subscribed to the required amount by the associations. Notwithstanding the plain provisions of the act, no steps were taken by the Farm Loan Commissioner to enable the associations holding stock in these eight banks to exercise their right to elect directors.

In January, 1918, Congress, at the instance of the Farm Loan Board, enacted the amendment suggested by the board and referred to in the report above quoted. The purpose and effect of this amendment was carefully concealed. On its face it does not appear to destroy the cooperative features of the law and to transfer from the stockholders to political appointees the management and control of these banks. Such, however, is its effect.

The amendment authorizes the Secretary of the Treasury to purchase $200,000,000 of the bonds of Federal land banks, and provides that so long as any of the bonds of any such bank shall be held by the Treasury the temporary organization of such bank shall continue in power. The amendment "authorizes" the Secretary of the Treasury to require the banks to repurchase any bonds held in the Treasury one year after the termination of the war.

TWENTY YEARS TEMPORARY CONTROL.

The bonds sold to the Government do not mature for 20 years. The question whether bonds would be sold to the Treasury, and the stockholders thereby deprived of a voice in the bank's affairs, was passed upon by the "temporary" boards. As these boards could perpetuate themselves in office by selling to the Government, it is needless to say they did so sell. The question whether these bonds will be repurchased for resale is up to these same "temporary" boards, and, as by buying back the bonds they will be ousting themselves from office, it is needless to say that they will not do so. As a bank can not be forced to rebuy a bond when it has no money available, the power given to the Secretary of the Treasury to require the repurchase is meaningless.

Thus, under the guise of giving security for a loan, the Federal Farm Loan Board secured action by Congress, the effect of which was to change the whole system for a period of 20 years, from a cooperative to political control.

It can not be believed that, had Congress realized the purpose and effect of this amendment, it would have been enacted. The subject of farm finance had been under discussion for years before this act was passed, but no one ever suggested a bank, the stock of which should be bought and paid for by private individuals, but the management of which would be in political appointees.

This amendment was, furthermore, a fraud upon those who had bought and paid for their stock under a law which gave them the right to elect the directors, and then deprive them of that right without receiving back their money, or being released from their liability as stockholders.

Furthermore, it was not until July, 1920, that the board notified the associations of this change in the law. After this amendment had been adopted, they continued to send out to the associations copies of the original act without the amendment, and they continued to subscribe for stock in the banks, believing that the law had not been changed.

AMENDMENT IS UNCONSTITUTIONAL.

This amendment is clearly unconstitutional. The stock of many of the associations was purchased at a time when the law provided that, when subscriptions by farm loan associations amounted to $100,000, boards of directors, upon which the association would be represented, should be elected. When the subscriptions reached $100,000 this right to vote for directors became a vested property right. Lord *v.* Equitable Life Assurance Society, 194 N. Y., 212.

In Union Pacific Railway Co. *v.* United States, 99 U. S., 700, the Supreme Court of the United States held that under the power to alter, amend, or repeal the charter of a corporation, organized under act of Congress, Congress could not constitutionally deprive the corporation of vested property rights.

ACTION TO RECOVER VOTE.

A mandamus proceeding has been commenced in the name of the Brentwood National Farm Loan Association in the Supreme Court of the District of Columbia to compel the farm loan commissioner to take the steps necessary to enable the associations to elect directors in the Federal Land Bank of Berkley.

This action is a test case for the purpose of determining the constitutionality of the amendment of 1918 continuing in power the "temporary" organizations of the banks.

PROPOSE PERMANENT POLITICAL CONTROL.

The Farm Loan Board does not mention this suit in their report. However, by offering a compromise they admit defeat. They recommend that Congress enact a law providing for the immediate installation of permanent organizations for the Federal land banks, to consist of seven directors, four of whom shall be chosen by the Farm Loan Board and three of whom shall be chosen by the farm loan associations.

Thus they seek to evade the issue we have raised in this suit by offering the stockholders three directors, who may attend meetings and watch their four appointees run the banks.

Thus the Federal Farm Loan Board attempts to permanently deprive the stockholders of the right to manage their own property. Thus they attempt to permanently destroy cooperative control of the Federal land banks.

INTERESTS OF BONDHOLDERS AND STOCKHOLDERS—BONDS PURCHASED UNDER EXISTING LAW.

The board says in its report (p. 8):

"Experience has fully demonstrated that the stability of the Federal farm loan bonds rests very largely, if not almost entirely, upon the close Government control and supervision of the Federal land banks. Deprived of these, the board can but feel that the continued sale of bonds in any considerable volume would be at least very uncertain."

Prior to the enactment of the amendment of January, 1918, and between the first and second Liberty loan issues, "there was no difficulty in marketing nearly $30,000,000 farm-loan bonds at a substantial premium." (First Annual Report Federal Farm Loan Board, p. 19.)

The purchasers of these bonds were certainly not relying upon the continuance of the political management of the system because the law then provided for the management of the banks by boards of directors, two-thirds of whom were to be elected by farm-loan associations, to succeed the temporary boards, as soon as the subscriptions by associations in any bank reached $100,000. Eight of the banks had reached this point when this report was issued.

The provisions of the act providing for permanent organizations have never been changed. Every bond sold since January, 1918, has been sold under the law providing for boards of directors, to be controlled by those to be elected by the associations, to assume office upon the repurchase of the bonds held by the Government. As this might happen at any time, it can not be said that the bondholders were induced to purchase these bonds, by the fact that the banks were to be managed by political appointees. These bonds sold because they were secured by gilt-edged farm mortgages.

I assume that every member of the committee knows something of bonds and the attitude of investors toward them.

I will go along in all that has been said about the investing public being conservative, cautious, and timid. I know that the part of the investing public which buys bonds will not invest unless satisfied as to the adequacy of the security. That part of the investing public which buys stocks (in ordinary times) often has not so much concern about the safety of the investment, being more keen for large returns. But the bond buyer consults his lawyer, examines the law under which the bonds are issued, inquires as to the stability and the current and prospective condition of the general industry, and asks for reports on the financial responsibility of the particular corporation issuing the bonds.

Frequently I am called upon to advise clients in such matters. Indeed, conducting such inquiries for investors constitutes the major portion of the business of many large and reputable law firms.

Knowing this—and we all know this to be the practice—how can any sane man ask you to believe that the present holders of Federal land bank bonds, which now aggregate more than half a billion, purchased these securities in ignorance of the provisions of the present law?

Every bond that has been issued and every bond that has been sold by the Federal land banks has been issued and sold under a law which provides, always did provide, and still does provide, that these banks shall be owned and managed by the borrowers; that the borrowers shall elect six of the nine directors and that the Government shall appoint only three.

True, an amendment was passed that the temporary organization (which means an organization appointed wholly by the Government) of any Federal land bank should continue so long as the United States Treasury holds a bond of the said bank. But the same amendment provides that any Federal land bank bond held in the Treasury "one year after the termination of the war shall, upon 30 days' notice from the Secretary of the Treasury, be redeemed or repurchased by such bank at par and accrued interest."

No sane man believes that an investor who is so conservative and so cautious and so timid that he would not buy a bond of a bank managed by the borrowers would be so careless and so negligent of his own interests as to depend upon some secret arrangement or understanding between a group of bond houses, of whom he made the purchase, and a politically created administrative board of the Government, the personnel of which may be changed at any time, or which, by act of Congress, may be wiped out of existence, for the continuance of the temporary organization which protects him as an investor against the mismanagement or bad judgment or self-interest of directors representing the borrowers.

The point I would make is this: Either these bonds were purchased freely and gladly for what they are—bonds of a bank to be controlled by the borrowers—or they were sold by the bond houses under fraudulent representations.

Mind you, I am not charging that they were sold under fraudulent representations. I am merely pointing out how ridiculous is the claim that the investing public will not buy these bonds if the borrowers are given control of their own banks, as the law originally and still provides. These securities were not sold on fraudulent representation. They can not be sold on fraudulent representation. The only fraudulent thing about this whole proceeding is the present claim that they can not be sold at all if the borrowers are given their rights. In other words, the only fraud I know of in connection with it is the one which the Farm Loan Board is now seeking to perpetrate upon borrowers who own the stock of these banks.

PERMANENCY OF STOCKHOLDING.

As another reason for making political control permanent, the board says:

"The stockholdings in the Federal land banks are unlike those in any other bank, in that they are not permanent and the shareholder knows that he has not a permanent interest in the institution."

The stock in the Federal land banks is held by national farm loan associations. These were intended to be a permanent part of the system. By taking in new members, from year to year, old maturing stock is constantly being replaced by new subscriptions.

If the board was referring to the stockholder in the farm loan associations, it is safe to say that no present stockholder will have had his stock retired during the incumbency of the present members of the Federal Farm Loan Board. Neither the stock of the borrower in an association, nor the stock of an association in the bank can be sold. The sale of the latter is expressly prohibited by the act, and the sale of the former is prevented by the fact that it must be deposited as collateral security for the loan.

Thus each stockholder, unless he sells his farm, is a stockholder for at least 33 years. It is safe to say that in no other corporation is such permanency assured.

COMPARATIVE INTEREST.

The board says that the purchaser of a $10,000 bond has an interest equal to twenty times that of a borrower of $10,000, because the latter only buys $500 of stock. They overlook the additional liability of $500 imposed upon the borrower.

But even considering this additional liability, it can not be said that the stockholders have but one-tenth the interest of the bondholders. If each were to share the profits and losses, and secure the return of his principal in proportion to his contributions to the funds of the bank, the proposition of the board would be sound. Such, however, is not the case. The stockholder assumes the risk of losing his stock, his profit, and an additional amount equal to his stock before the bondholder loses even his profit.

On the theory advanced by the board the Federal Reserve Board should name the majority of the directors of national banks, because the deposits exceed the capital stock.

Because the owner loses everything before a mortgagee loses anything, the bondholders of a corporation are never considered to have such an interest in the mortgaged property as to give them the right to manage until there has been default in payment of either the principal or interest of the debt.

BONDHOLDERS FULLY REPRESENTED.

The board claims to represent the bondholders and therefore should name a majority of the directors of the Federal land banks.

The directors of Federal land banks have no discretion, not subject to the approval of the Federal Farm Loan Board, over any matter which can adversely affect the interests of the bondholders.

Loans by Federal land banks must be secured by first mortgage on farm lands and can not exceed 50 per cent of the value of the land mortgaged and 20 per cent of the value of the improvements thereon. (Sec. 12.)

No loan can be made without the approval of appraisers, who are appointed by, and are under the direction of, the Federal Farm Loan Board. (Sec. 10.) Federal land banks can not issue bonds without the approval of the Farm Loan Board (sec. 18), nor in excess of twenty times the amount of their capital and surplus (sec. 14); and such bonds shall be issued only upon such mortgages as shall be accepted for that purpose by the Federal Farm Loan Board. (Sec. 18.)

In case of default by any Federal land bank in the payment of the principal or interest of its bonds, all other Federal land banks are proportionately liable (sec. 21), which liability is to be enforced by the Federal Farm Loan Board. (Sec. 17.)

Twenty-five per cent of the net earnings of Federal land banks shall be carried to a reserve, until such reserve equals 20 per cent of the outstanding capital stock, and thereafter 5 per cent of the net earnings shall be annually carried to such reserve. Whenever any reserve shall be impaired below 20 per cent of the capital it shall be restored to such amount before any dividends are declared. Such reserves shall be invested as directed by the Federal Farm Loan Board. (Sec. 23.)

All salaries fixed by the directors of Federal land banks are subject to the approval of the Federal Farm Loan Board. (Sec. 4.)

The Federal Farm Loan Board is also authorized "to exercise general supervisory authority over the Federal land banks * * *." (Sec. 17.)

From the above-mentioned provisions of the act it is clear that Congress has specifically given to the Federal Farm Loan Board direct authority over every element which may affect the security of the bondholders.

INTERESTS OF PROSPECTIVE BORROWERS.

The Federal farm loan act makes all charges against borrowers to be made by Federal land banks subject to regulation by the Federal Farm Loan Board. (Secs. 13-9 and 17d.)

The act fixes the maximum interest rates to be charged (sec. 12), and authorizes the Federal Farm Loan Board to review and alter such interest rates. (Sec. 17.)

Thus nothing which can affect the prospective borrower is left to the discretion of the directors of the land banks.

GOVERNMENT AS STOCKHOLDER.

By the provisions of section 5 of the act, when subscriptions by national farm loan associations to the stock of any bank reach $750,000, 25 per cent of the subsequent subscriptions are to be used to retire the Government's stock. The stock owned by the Government is not entitled to participate in dividends. (Sec. 5.)

Thus no action by the directors can adversely affect the Government as a stockholder.

INTERESTS OF NATIONAL FARM LOAN ASSOCIATIONS SUBJECT TO CONTROL BY DIRECTORS.

While, as we have already shown, the discretionary powers of the boards of directors of these banks are so limited that neither the interests of the Government as a stockholder or as a bondholder, the interests of any other bondholder, nor the interests of the prospective borrowers can be impaired by their action, yet they are vested with powers, the proper exercise of which is of vital importance to the national farm loan associations as stockholders.

NO CONTROL OVER LOANS.

While the directors of a Federal land bank can not prejudice the interests of bondholders by making loans without the approval of the Farm Loan Board, the national farm loan associations, as stockholders, have no protection to-day against the making of loans by the appointees of the Farm Loan Board which meet with the approval of that board but which do not meet with the approval of the farm loan associations.

LOSSES REDUCE DIVIDENDS.

Losses are chargeable, first, against reserves set aside out of net earnings, and these reserves must be made good before net earnings are available for dividends. (Sec. 23.) As the farm loan associations own practically all of the dividend-earning stock, they are the ones primarily interested in preventing losses.

LOSSES FALL ON ASSOCIATION STOCKHOLDERS.

The stock of the Government is to be retired at par out of the proceeds of subscriptions by farm loan associations. Thus any losses which can not be met out of reserves and earnings fall upon the farm loan associations as stockholders. Their entire investment is wiped out before either the Government or a bondholder can lose a cent, yet they are deprived of any voice in the management of this property.

DIRECTORS DETERMINE DIVIDEND RATE.

As the owners of practically all of the dividend-earning stock, the national farm loan associations are solely interested in the extent to which net earnings available for dividends shall be distributed as such. This is a matter of more vital importance to these stockholders than to the stockholders in any ordinary business corporation.

In an ordinary business corporation any surplus accumulated enhances the value of the stock, and the stockholder receives the benefit of such undivided surplus upon the sale of the stock. The stock of national farm loan associations can neither be sold nor hypothecated (sec. 5) and must be paid off at par upon the repayment of the loan in connection with which it was subscribed (sec. 7). Thus any net earnings available for dividends but not distributed as such are lost to those who owned stock when such earnings accrued.

DIRECTORS INITIATE BOND ISSUES.

While no bonds can be issued without the approval of the Farm Loan Board, yet none can be issued without the bank applying for that privilege. Whether the business of the bank shall be speeded up and expanded, so as to meet the demands upon it and do the largest possible business with the least overhead expense, is a matter entirely within the control of the directors of the banks.

The ability to name the personnel of the bank's organization is another factor which has a direct bearing on the percentage of expense to business done.

The policy of the management of the banks with respect to the amount of business to be done and the character of the personnel are the two most important factors affecting dividends.

We believe that the foregoing review of the provisions of the Federal farm loan act warrants the conclusion that Congress has protected the Government against loss as a stockholder by the provisions of the law, and the bondholders by the discretion it has vested in the Federal Farm Loan Board, but has vested in the boards of directors of the Federal land banks most important discretionary powers vitally affecting the property rights and interests of the national farm loan associations as stockholders.

DIRECT LOANS BY FEDERAL LAND BANKS.

The recommendation of the board is that the Federal land banks be permitted to make direct loans "in the same manner as the joint-stock land banks."

Thus, these loans need not be indorsed by either a farm loan association, or by a financially responsible agent, as the law now requires. This indorsement is one of the most important elements in the security of both the bondholders and the stockholders.

If losses occur on such direct loans, they will fall first upon the farm loan associations, as stockholders, and after the exhaustion of the assets of the bank, on the bondholders.

As the associations now have no representation on the boards of directors of the banks, they have no voice in determining what loans shall be made. Even under the scheme of permanent organizations suggested by the Farm Loan Board, the associations will have but a powerless minority in passing upon unindorsed loans.

The board recommends that such direct borrowers be required to purchase Federal land-bank stock equal to 5 per cent of the loan.

There is no double liability attached to the stock of Federal land banks as there is to the stock of the associations. The result is a discrimination against borrowers through associations who must assume a double liability of loss and must have their loans indorsed by the association. This advantage will be an inducement to try to borrow direct.

The stock in the hands of direct borrowers has no voting power. This recommendation is a part of a general plan to eliminate the associations, to get the stock in hands having no power to vote, and thus entirely destroy the cooperative feature of the system.

If the law is amended in accordance with this suggestion, the Farm Loan Board and the Federal land banks can ignore the associations entirely, make loans direct to whoever they choose, and the associations thus ignored will have no functions except to make collections. When they reach this stage the overhead expense will make it desirable that they be wound up. To complete their purposes of destroying the cooperative side of the farm loan system, the Federal Farm Loan Board makes a further suggestion providing for winding up the associations.

LIQUIDATION OF ASSOCIATIONS.

The Federal Farm Loan Board recommends that the farm loan act be amended to permit a majority of the stockholders to liquidate an association. Under the scheme proposed, when an association votes to liquidate, its stock in the Federal land bank will be canceled and reissued to the borrowers in exchange for their stock in the association.

Under this provision the borrowers would be in the same position as the direct borrowers contemplated by the amendment above discussed. There would be no associations secondarily liable for the payment of the loan, no double liability of the stockholder to look to, and the stock would be in the hands of nonvoters.

The National Farm Loan Association is the corner stone of the whole cooperative theory. The law was based upon the principle that the borrowers in a community, knowing each other, and knowing the value of each other's property, would, by cooperation, mutually guarantee the repayment of each other's loan through the farm loan association's indorsement, and thus secure money more advantageously than could anyone acting alone. These farmers, being on the ground, would know to what purpose the borrowed money is applied, and their associations, being liable as an indorser of the loan, would have an interest in seeing that the interest and amortization payments were made when due. Through this association the borrowers would own the Federal land banks and exercise their right to manage the banks by electing directors. The adoption of these amendments means the destruction of the very foundations of the system.

LESS MONEY AND HIGHER INTEREST.

Eliminating the indorsement of the association from loans made direct is bound to make the bonds less salable. This means less money available to loan. Having less security behind them it will be necessary to increase the interest rates on bonds. This means higher interest must be paid by the borrower.

REMOVAL OF SECRETARY-TREASURERS.

The Farm Loan Board recommends that it be authorized to remove the secretary-treasurer of a national farm loan association "for willful neglect of duty, misuse of funds, or the refusal to carry out an authorized order of the Farm Loan Board" and appoint an acting secretary in his place until his successor is elected.

The farm loan associations are independent, private corporations, in which no one except their stockholders have a cent of interest. The

secretary-treasurer is an officer of the association, not an employee of the Government.

The secretary-treasurer is selected by, and removable by, the directors of the associations who represent the stockholders. He owes no duty except to the stockholders, therefore no one except the stockholders, or the directors representing them, have any just cause to complain if he neglects his duty.

The association alone has cause to complain for misuse of funds. If funds are misused it is either the funds of the association, or funds for which the association is responsible.

The Federal Farm Loan Board has no authority to order the secretary-treasurer of an association to do anything, therefore there can be no such thing as an authorized order to disobey.

This proposed admendment is an attempt to make the secretary-treasurers, and through them the associations, subservient to the Federal Farm Loan Board. Having destroyed the cooperative control of the Federal land banks, the Farm Loan Board now seeks to destroy the cooperative control, and arrogate to itself the control of the national farm loan associations.

CORPORATION TO HANDLE BONDS.

It was the intention of the farm loan act that the several land banks would each dispose of its own bonds, when and where it could, and if a borrower elected, bonds should be delivered to him instead of cash.

The law contemplated that when a bank had accumulated mortgages amounting to $50,000 or more, it would issue and offer bonds for sale. If the sale of bonds did not produce sufficient money, and a borrower elected, he could take bonds and sell them to his local bank, or to his friends and neighbors. Thus these bonds would always be available for sale, and money would keep coming into the system as fast as the market absorbed them.

Instead of following this plan the board, arbitrarily and without any apparent reason, concluded that these bonds must be offered in immense issues once or twice a year, when the market would be flooded and glutted with them. They also concluded in the same arbitrary fashion and with as little show of reason that the market would only absorb $150,000,000 of these bonds in a year. They admit that they have had no experience to vindicate this judgment, because continuous offerings have never been made.

In the last two instances the market absorbed all that were offered in about 30 days. Does it not stand to reason that the purchasers of these bonds were those who happened to have money to invest during the particular 30-day periods while the bonds were being offered? Is it not also reasonable to believe that there are as many people whose money becomes available for investment during the remaining 10 months of the year?

We firmly believe that were the bonds issued and offered for sale continuously the market would absorb sufficient to meet the demand of the farmers for money.

The law gives the Farm Loan Board authority to approve bond issues, but gives them no authority over the sale of bonds.

This amendment proposed by the Farm Loan Board is for the purpose of legalizing its usurpation of the functions of the banks with respect to the sale of bonds and of perpetuating the method which has resulted in the failure of the system to produce more than one-third of the money required.

RESULTS UNDER FARM LOAN BOARD MANAGEMENT.

During the last year applications amounting to $296,859,381 were approved by national farm loan associations and forwarded to Federal land banks. Loans amounting to only $73,238,626, or 25 per cent of the amount applied for, were made. The board admits that even under their system of selling bonds the market will absorb them at the rate of $150,000,000 a year. Only $100,000,000 were issued during the last year. The bonds are selling at a premium, yet the farmers can not get the money.

DIVIDENDS.

The 6 per cent dividends paid by the Federal land banks are a mere return to the stockholder of the money borrowed to pay for his stock. They represent no profit to offset the risk of loss he incurs as a stockholder.

This report shows that after setting aside the reserve required by law and paying the dividends which have been declared the Federal land banks were, on November 30, 1921, holding undivided profits amounting to $2,355,309.78.

Under the provisions of section 23 of the Federal farm loan act this money is available for dividends. It averages $573.34 per association. If directors elected by the national farm loan associations were in control of the land banks, this extra dividend would be paid at once.

This sum would provide an average dividend of more than 11 per cent on the capital stock eligible for dividends. It equals 0.5673 of 1 per cent of the outstanding loans and carried on to the borrower of $10,000 amounts to $56.73. If declared as dividends and applied on the interest on loans, it would average a reduction of over one-half of 1 per cent in the interest rate the borrowers are required to pay.

Unless this money is declared as dividends the associations and their stockholders lose the benefit of it.

In an ordinary corporation an accumulated surplus adds to the value of the stock, and the stockholder receives the benefit of it when he sells his stock. But the farm loan act provides that an association can not sell its stock in a Federal land bank, and on the repayment of the loan its stock shall be retired at par. Thus the benefit of any accumulated surplus or undivided profits is lost forever.

It was the intention of the law that the cooperative borrower would receive his money at cost. The purpose of the act in requiring borrowers to subscribe for stock for no more and no less than 5 per cent of the amount of the loan, to assume an extra liability of 5 per cent in case of loss, to retire as a stockholder when the loan is paid, and in forbidding any except borrowers from becoming stockholders, was to make the system strictly and purely cooperative. The stockholdings of the borrowers, being in exact proportion to the amount of their respective loans, was intended to be the means of so distributing the profits and losses as to give the borrower his money at cost.

To carry out the spirit of the law, the money available for dividends must be declared as such from year to year as earned. Even deferring dividends works an injustice. If this money were distributed now it would be divided among the stockholders in proportion to their present holdings, regardless of the length of time stock has been held. This fund is made up of surplus earned during preceding years when many present stockholders had no interest in the system. Thus a borrower, who has held his stock and paid interest on his loan for four years, will receive no more than the borrower of an equal amount, who has held his stock and paid interest only one year. A borrower of $10,000 who had been in the system since 1918 would have received about $110 in dividends, in addition to those paid, had this surplus been distributed annually. He will receive about $56 if the fund is distributed now.

An injustice has already been done to all stockholders of preceding years. This injustice will increase with each succeeding year until this fund is distributed.

Thus the Federal Farm Loan Board is denying to the borrowers the fruits of cooperation. The farmer suffers the disadvantage of being liable for losses with no compensating advantage of receiving the profits.

GIVE COOPERATION A TRIAL.

Political management having failed to meet the demands upon the banks, cooperative management, by the stockholders, should at least be tried before it is forever condemned, executed, and buried.

Respectfully submitted.

LESTER C. MANSON,
Attorney for National Union of Farm Loan Associations.

Mr. FLETCHER. Mr. President, I have taken more time than I had expected, and I shall not at this time ask for any further exercise of patience on the part of the Senate.

Mr. DIAL obtained the floor.

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Harris	Nicholson	Sheppard
Brandegee	Heflin	Norris	Spencer
Broussard	Hitchcock	Oddie	Stanley
Capper	Johnson	Overman	Sterling
Caraway	Jones, Wash.	Owen	Sutherland
Culberson	Kellogg	Page	Swanson
Cummins	Kendrick	Pepper	Townsend
Curtis	Keyes	Phipps	Wadsworth
Dial	King	Pittman	Walsh, Mass.
Fernald	Ladd	Poindexter	Walsh, Mont.
Fletcher	Lenroot	Pomerene	Watson, Ga.
France	McNary	Ransdell	Williams
Hale	Moses	Robinson	Willis

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH] is detained on official business of the Senate. I will let this announcement stand for the day.

Mr. SWANSON. I desire to announce that my colleague [Mr. GLASS] is detained from the Senate on account of sickness in his family. I ask that this announcement stand for the day.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is unavoidably detained, and I ask that this announcement stand for the day.

Mr. TOWNSEND. I wish to announce that my colleague [Mr. NEWBERRY] is absent on account of serious illness in his family.

Mr. CURTIS. I wish to announce that the Senator from North Dakota [Mr. MCCUMBER], the Senator from Utah [Mr. SMOOT], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Vermont [Mr. DILLINGHAM], the Senator from Connecticut [Mr. MCLEAN], the Senator from Indiana [Mr. WATSON], the Senator from New Jersey [Mr. FRELINGHUYSEN], and the Senator from New York [Mr. CALDER] are detained from the Senate on official business in connection with the work of the Committee on Finance.

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. A quorum is present.

Mr. DIAL. Mr. President, I desire to call attention to the injustice of the present cotton futures contract law and to propose necessary amendments thereto. To my mind a change in this law is needed more than any other or, perhaps, all other remedial legislation combined to benefit the producers of cotton in the United States. It is a compound proposition, but is as simple as A, B, C's.

I want to apologize, but I make bold to assert that both the old custom and the present law of marketing have always been wrong, and only during a few exceptional years since the adoption of the exchange has the grower of cotton ever realized its value.

Let us get the foundation of my argument in your mind. Under my contention the price of the spot cotton is controlled almost absolutely by the future contract market. The interest of the grower and that of the purchaser of a future contract is identical—both want the price to go up—but as soon as the latter becomes a seller, his interest is turned against the grower. The interest of the seller of a contract is diametrically opposed to that of the grower and of the purchaser of a contract. He desires the price to go down. My father, who was a practical, successful farmer in a modest way, complained most bitterly as long as he lived that the exchanges kept a quantity of "dog-tail" cotton on hand to tender on contracts, and thereby depressed the price of his actual cotton.

Before the Civil War there was no such thing as a cotton exchange. The actual commodity was sold either on the spot or shipped to commission merchants. During the Civil War it was impossible to get a sufficient amount of cotton through the lines,

hence great premiums were offered for the "staple to arrive." This is the origin of the cotton exchange. The first year after the exchange was established there were sold 101,665 bales of contract, whereas eight hundred and seventy-three thousand and odd bales of spot were sold in New York. Since that time dealing in contracts has increased and dealing in spots has diminished.

About 1868 the cable was laid to Liverpool, and at once the practice of selling "cotton to arrive" was put into operation. There was no law on this subject, but the custom was for all contracts to be made on the basis of middling, with the right of the seller of the contract to deliver any one of 32 grades of cotton. Of course, if he delivered below middling, a discount was allowed the purchaser, or if above middling, a premium was added. This was a very injurious practice to the grower and manufacturer.

This practice became so odious that practically all the Southern States passed legislation on the question of bucket shops, but to little avail. Congress was appealed to for many years; from 1884 to 1914 bills were continuously before both Houses. In the latter year the present cotton futures contract law was passed. This was a victory for the people and remedied a great many evils that existed under the custom of the exchanges, and no doubt was intended to correct all of the injustices. At first the law reduced the number of grades tenderable from 32 to 20, and later it was amended, and as it now stands allowing 10 grades tenderable. It went too far in one view and not far enough in another.

There are two provisions in it, one which authorizes a specific grade of cotton to be specified in the contract. This is as it should be, but there has never been one of these contracts sold on the New York exchange.

Under the second provision the seller of the contract has the right to deliver all the quantity in any one or in any number of the 10 tenderable grades. This is a one-sided contract, and is where all the injury is done the grower of cotton. This was the most vicious part of the old custom and is the burden of my song. It is my subject. Let me repeat: The seller of the contract has the right to deliver all the quantity in any one or all of the 10 tenderable grades. The buyer has no rights except to accept whatever is tendered him or to sell out.

The people who actually produce cotton are principally of small means, and something like half of them are Negroes. They procure advances from time to time on which to make the crop. They are compelled to dispose of their crop in a short space of time—something like 75 per cent in four months—and thereby supply the actual cotton needed. The cotton world knowing this condition sells futures. The owner of the contract, who has hedged, knowing he has no choice of selection, sells out, hence the price of the actual cotton is depressed.

It is claimed that any change of the present law would ruin the exchanges. I am not an enemy of the exchanges and am not trying to put them out of business. I believe they would serve a good purpose under proper laws and regulations. They tend to bring the buyer and seller together, and if it were not for them the users of cotton might combine and the producer would be at their mercy. There is some question, however, whether they serve a useful purpose. There are no such places to sell eggs, poultry, lumber, hay, iron, steel, wool, and many other products. My only object is to get a fair and equitable contract, and if the exchanges can not exist under a fair and just law then let them retire.

There are something like 160,000,000 spindles in the world, with only 35,000,000 in the United States, with 60,000,000 in England. Liverpool, with a great exchange, not to help her people sell cotton, because they raise none, but for the purpose of supplying spindles of England and elsewhere, will sell contracts. This affects the New York and New Orleans markets; hence the price of spot cotton all over the world is immediately affected.

It is claimed that Liverpool fixes the price of cotton. This is partially true. The price is fixed wherever the surplus is sold. Anyway, let us look at this proposition in a broad view. The annual world's consumption of cotton is around 21,000,000 bales. Assuming that every mill should by its requirements aggregating this amount, then if parties are permitted to continue to sell on the exchanges, would not this depress the price? Consider the figures of 1919, where 104,860,000 bales of contract were sold. Who purchased the excess over 21,000,000 bales? Speculators, of course. There being no other purchasers who are users of cotton, the market would get in the hands of the speculators, and they knowing the inequality in the contract, would not purchase except at a tremenduous discount. We are taught that overproduction depresses prices. Does not overselling in this instance have the same effect?

It is claimed that the exchanges are used for the exporters and mills to hedge their contracts, but under the present law they, knowing that they have no choice of selection, will join the multitude of sellers. Therefore the parties who desire the actual cotton have their buyers all over the cotton-growing sections and purchase the article for less than its value.

The question might be asked whether or not the farmer is interested in the exchanges. At once we will say no, he has nothing to do with contracts; but indirectly he is most vitally interested. When contracts go up or down, the price of spot cotton follows.

For example, under the rules of the exchange, cotton can only decline 2 cents a pound per day, and often this is the case, and for several successive days. Does any reasonable person believe that the intrinsic value of the article has so declined?

In other words, the interest of the grower is affected by every transaction on the exchange and he is totally unable to help himself. Another great injury that is done the grower no doubt is the difference between the value of the grades of cotton, but I know of no legal way to remedy this.

I am not particularly concerned about the parties who deal in contracts and would care nothing about the exchanges provided the effects of operations upon it could be severed from the result on the price of the actual commodity. When the price so declines and the people of the other countries of the world buy the actual cotton for less than it is worth, the people of the United States are deprived of that much wealth, and we in the South are crippled to that amount of our buying capacity from other sections of this country and the other parts of the world. Therefore this question is not sectional, but national and international. The exchanges have become so subject to manipulation—even the mills and exporters will not rely upon getting their supplies through them. The mills do not object to paying high prices for cotton, but what they do object to is such violent fluctuations. The present practice of these parties is to purchase contracts against sales of goods, then procure cotton and close out contracts. This is used as a kind of insurance.

Candidly, I am endeavoring to help the grower, and all other interests will regulate themselves.

In 1919 there were produced in the United States less than 12,000,000 bales of cotton. On the New York and New Orleans exchanges alone there were sold 104,860,000 bales of contract, and yet there were only delivered 139,100 bales of cotton. In 1920 there were grown in the United States 13,340,000 bales of cotton and there were contracts sold for 128,907,500 bales of cotton. From August 1, 1920, to July 31, 1921, the actual number of bales delivered in New York was 267,700; in New Orleans, 106,600 bales. This clearly demonstrates the uselessness of the exchange as a practical hedge. If the purchaser of the contract knew that he could select under this contract the kind of cotton suitable to his purpose, he would naturally demand delivery before he would sacrifice his contract, but when he realizes that the seller of the contract has a right to tender any one of 10 grades, and that he has no choice whatever, he almost invariably sells out.

It will be said that no one is hurt, because there is a purchaser for every sale. My answer is that he is not a purchaser at value. No one would buy a contract under this law unless he thought he was getting it under the value of the commodity. He buys it as a depreciated commodity—an outlawed and a blacklisted commodity, I might say.

Suppose a drummer were to sell a hat merchant 10 dozen hats at $6 a dozen to $60 a dozen and when delivery day comes the drummer would deliver all of the quantity in $6-a-dozen hats under similar authority to the cotton futures contract law. Does anyone think that these hats would bring their value under such conditions? Would not the merchant tell the drummer to dispose of them and save him whatever he could out of the margin? Certainly no one would make such a purchase unless he obtained it at a great discount; and it so operates on the cotton contract.

A few years since some friends of cotton combined to demand delivery and were prosecuted by the United States Government.

It is true that under the classifications of the present law any of the tenderable grades is spinnable cotton, but different mills can not use all the grades of cotton. It is unsuitable for their machinery and for the kind of goods they are manufacturing, hence it is necessary for them to have a particular grade or grades of cotton.

Some time since the Government had a test made of the 10 tenderable grades of cotton. This showed that there was not so great a difference between the strength and bleaching qualities of each grade, but there was more waste in the lower grades. A short time since I asked a practical millman why he was so particular about certain grades and why he did not

mix more of them. He stated that this was impractical; that, for example, one of his mills was manufacturing a cloth under a certain trade-mark and that he attempted to manufacture similar cloth at another mill and mixed the grades of cotton. From one shipment of this to China he had to pay a claim of $20,000.

The value of a commodity is its intrinsic worth coupled with the use to which it is to be put.

I desire the contract to be more definite, that it be mutual, so that the purchaser and the seller will be on equal terms. There is no custom or law in the world, so far as I know, that allows the seller of a commodity to select the quality for the purchaser. More particularly would this be inappropriate when the commodity is to be used in machinery. Corn, wheat, and other products are not sold under any such practice. This rule reverses the laws of common sense and the custom of merchandising. Under this practice even the lower grades of cotton are not sold at their value because you have not brought the right parties together. For instance, many people would not pay $2 for a pair of brogan shoes, not that they are not worth $2 but that party would not want to wear them, neither would he want to pay out his money and hunt someone who would care for them. Just so in the different grade cotton; unless the mill could use that kind of cotton it would not care to purchase it and then have to pay carrying charges and dispose of it as best it could, hence the result is a great drove of sellers of contracts. The maturity day will be approaching, and when the seller realizes that he has no choice of selection, and not wanting to tie up his funds, necessarily he will sell out, and this depresses the price of the actual commodity. He will not necessarily want high-grade cotton; on the contrary, the kind of cotton that suits his purpose.

Furthermore, the prices quoted on the exchanges do not reflect the price of the market. For example, on March 23, 1920, March contracts in New York were 36.52, spot 40 cents a pound; in July spots 43.75, contracts 36.50.

Not only this, but the quotations are misleading, to put it mildly, and operate along the line of false pretenses. I mean, take any day's quotations for any month; the buyer of cotton can quote that to the holder and tell him he can not expect to get more for his cotton than is quoted for a future month, whereas the owner of that contract can not command any particular grade on it, still the farmer parts with his cotton, on the belief that the quotation can be turned into middling cotton. The same argument is used to force or induce the manufacturer of goods to part with them.

Another objection that could be urged is the unlimited amount of contracts that are sold. The 10 years' average of the cotton crop in the United States is 13,300,000 bales. After all that is grown has been sold, it does seem that the sale of contracts should cease, and this would be the case if anyone were dealing in the actual cotton and hedges. But, take the example of the year 1919. There were something like 93,000,000 bales of cotton sold by future contract over the amount produced. In other words, every bale of cotton grown in the United States was sold over nine times. Artificial supplies are created at the pleasure of the sellers of contracts without enlarging the demand. The law of supply and demand is thus hobbled. Whoever puts up the most margins can carry prices his way. I am not endeavoring to legislate value into a commodity. This should not be attempted.

To my mind, the foregoing clearly demonstrates the inequality of the present law and its unjust operations against the grower.

Allow me to reiterate, the price of the future market controls the spot market.

The interest of the grower and the purchaser of contracts is identical; that of the seller of the contract is the opposite.

There is no equality or mutuality in the present contract—the seller having the right to deliver any one or all of 10 tenderable grades of cotton, and the purchaser of the contract having no choice of selection, ninety-nine times out of a hundred sells out, hence the price of the spot cotton is depressed. A more ingenious plan could not be devised to depress the price of a commodity than for a person to be permitted to sell one grade or quality and then be allowed to deliver another. The game is one of marked cards.

I suggest either one of three remedies, which I am satisfied will greatly improve conditions, but urge the last one, to wit:

First, require the specific grade to be specified at the time the contract is made.

Second, allow the purchaser and the seller of a contract to each select half of the quantity; but in order to avert the possibility of a corner, either up or down, let them divide each half equally in two, or even three grades.

Third, do away with the middling-fair as one of the grades tenderable and divide the other nine grades into three classes, to wit, A, B, and C, with three grades in each class, and make the middle class the basis, with a discount for a grade below and a premium for a grade above.

Briefly, the objection that would be raised to the first suggestion would be that we would drive off a great many dealers in contracts. This would not affect legitimate dealers, but no man should be allowed to sell what he has not or what he does not expect to have. It is also claimed we would practically convert the exchange into a spot market, but I do not think so. Another objection would be that there would be 10 quotations instead of one. I want to require the contract on the exchange to represent the actual commodity and to be a fair index of its value.

The objection to the second proposition might be that the purchaser would be required to take half of a quality that he did not want in order to get half that he could use. This is true; but it would be a great improvement over the present law.

I can see no objection whatever to the third proposition. This limits the tender of the seller from 10 grades to 3 in a given contract. I do not claim to be an expert, but I am satisfied that the final user of the cotton—the mills—could handle any one of the three contiguous grades under this division, and by specifying the class he could get the desired grade. I understand the custom of the trade in filling a given contract is to allow a latitude of one grade, up or down.

I am satisfied beyond a peradventure of a doubt that an amendment along the above lines would stabilize the price of cotton and would increase the price of every pound at least several cents. Under the present and former systems there is no question but what the South has been deprived of a great proportion of the value of every crop since the adoption of the exchange. Under the present condition and laws our people will not be able longer to produce cotton and exist, much less to make a decent living or any profit. We have come to a parting of the ways.

I have introduced amendments in the Senate along the lines suggested above, but I am told that the task is too monumental to be accomplished, and that it would cause a revolution in marketing. I believe in revolutions when they are necessary to accomplish justice. Because the practice is old is no reason why it should not be changed. I am not asking favors, but simply demanding justice. Congress has the good of the people at heart, and I am satisfied when we all look into this subject we will agree along the lines of the above suggestions. There is no use telling farmers to make a living at home, diversify their crops, build warehouses, organize cooperative marketing associations, hold meetings in Washington and elsewhere, and to do other things which are essential, and then for us to stumble around like a set of blindfolded schoolboys, professing not to know the real reason why our section of the country does not prosper. The cotton industry is in bondage and everyone knows that something is wrong, but they do not realize the exact trouble nor the remedy. An amendment along the above lines would bring immediate relief and would be more beneficial than all others combined.

Mr. WALSH of Montana obtained the floor.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Harris	McNary	Robinson
Brandegee	Heflin	Moses	Sheppard
Broussard	Hitchcock	Nicholson	Spencer
Calder	Jones, Wash.	Norris	Sutherland
Capper	Kellogg	Oddie	Swanson
Caraway	Kendrick	Overman	Townsend
Cummins	Keyes	Owen	Walsh, Mont.
Curtis	King	Page	Watson, Ga.
Dial	Ladd	Pepper	Williams
Ernst	La Follette	Poindexter	Willis
Fletcher	Lenroot	Pomerene	
Hale	McCormick	Ransdell	

Mr. CURTIS. I was requested to announce the absence on official business, in attendance upon the Committee on Finance, of the following Senators:

The Senator from North Dakota [Mr. McCUMBER], the Senator from Utah [Mr. SMOOT], the Senator from Vermont [Mr. DILLINGHAM], the Senator from Connecticut [Mr. McLEAN], the Senator from Indiana [Mr. WATSON], and the Senator from New Jersey [Mr. FRELINGHUYSEN].

The PRESIDING OFFICER. Forty-six Senators have answered to their names. There is not a quorum present. The Secretary will call the names of absent Senators.

The reading clerk called the names of the absent Senators, and the following Senators answered to their names when called:

Wadsworth Walsh, Mass.

The following Senators entered the Chamber and answered to their names:

Bursum Phipps Sterling Warren

The PRESIDING OFFICER. Fifty-two Senators have answered to their names. There is a quorum present.

ORDER FOR RECESS UNTIL MONDAY.

Mr. WALSH of Montana. Mr. President——

Mr. CURTIS. Will the Senator yield to me to make a request for unanimous consent?

Mr. WALSH of Montana. I yield.

Mr. CURTIS. I ask unanimous consent that at the conclusion of to-day's business the Senate take a recess until 11 o'clock on Monday morning next.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that when the Senate concludes its business to-day it take a recess until 11 o'clock on Monday morning next. Is there objection?

Mr. POMERENE. Just one moment. What reason is there for taking a recess rather than having an adjournment so as to permit morning business on Monday?

Mr. CURTIS. The Senator from Minnesota [Mr. KELLOGG], in charge of the pending measure, desires to conclude it on Monday, as he has been called away and must leave as soon as may be possible.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent asked by the Senator from Kansas [Mr. CURTIS]?

Mr. TOWNSEND. Mr. President, I do not understand the explanation of the reason why we should take a recess over to-morrow. I wish to know why that should be done?

Mr. KELLOGG. I am perfectly willing to proceed to-morrow and then take a recess until Monday.

Mr. BRANDEGEE. Mr. President——

Mr. CURTIS. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. I wish to state that we have been notified that the concluding session of the International Conference is to take place to-morrow morning at 10.45 o'clock. There are many Senators, of whom I am one, who have not had an opportunity to attend a single session of the conference, and we would like to be present once before the conference ends.

Mr. TOWNSEND. I have no objection, if there is a good reason why Senators want to have a recess, but I am particularly interested in continuing with the work of the Senate. In view of the delays which are occurring every day on every measure that comes up, and the unlimited debate that is indulged in, it seems to me that we have not any too much time in which to transact the business which is before Congress. However, if Senators desire to be present on the occasion to which the Senator from Connecticut has referred, and which is a most important one, I shall make no objection to taking the recess as suggested by the Senator from Kansas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas that when the Senate concludes its session to-day it take a recess until Monday next at 11 o'clock a. m.? The Chair hears none, and it is so ordered.

AGRICULTURAL ASSOCIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2373) to authorize association of producers of agricultural products.

Mr. WALSH of Montana. Mr. President, in view of the wide range which the discussion has taken this afternoon, I dare say the attention of Senators may have been diverted from the bill which is before the Senate. I therefore ask that it may be stated.

The PRESIDING OFFICER. Does the Senator desire the entire bill read?

Mr. WALSH of Montana. I merely ask that the bill be stated by title.

The PRESIDING OFFICER. The Secretary will read the bill by title.

The READING CLERK. A bill (H. R. 2373) to authorize association of producers of agricultural products.

Mr. WALSH of Montana. Mr. President, I am very sure that but few of the Senators have followed the discussion of the bill, the title of which has just been stated, and so far as it has proceeded are aware that the bill was reported by and is now before the Senate from the Committee on the Judiciary, accompanied with a report on the bill. I ask that the report may be read. The committee is under obligation to the Senator from Minnesota [Mr. KELLOGG] for calling the measure to the attention of the Senate and for opening the debate upon it.

Mr. BRANDEGEE. Mr. President, would not the Senator from Montana be satisfied to have the report printed in the RECORD?

Mr. KING. Let us have the report read.

Mr. WALSH of Montana. The report succinctly states the position of the Committee on the Judiciary with respect to the bill. It draws a distinction between the bill as reported by the Senate committee and the bill which came to us from the House of Representatives, to which I should like to have particular attention invited, in view of the fact that in the comments of the Senator from Kansas [Mr. CAPPER] on yesterday he stated that the bill as reported proposed to strike out everything in the House bill and to substitute something in lieu of it that is quite different. Apparently, therefore, at least the Senator from Kansas is not familiar with what was done by the Senate committee, nor the relation that exists between the bill reported by the committee and the House bill. The report of the committee undertakes to point out the difference between the two.

Mr. BRANDEGEE. I have no objection to the reading of the report. My suggestion was simply in the interest of saving time.

Mr. WALSH of Montana. Of course, I would not be understood as desiring the report to be read simply for the enlightenment of the Senator from Kansas. I rather suspect that the view entertained by him is also shared by other Members of the Senate.

Mr. BRANDEGEE. I shall not object to the reading of the report; but I know that all Senators can probably read and many of them have read the report. However, if the Senator from Montana wants personal and present treatment for those Senators who do not see the light on this matter, I do not object.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The Secretary will read the report.

The reading clerk read the report (No. 236) submitted by Mr. WALSH of Montana on July 27, 1921, as follows:

[Report to accompany H. R. 2373.]

The Committee on the Judiciary, to whom was referred the bill (H. R. 2373) to authorize association of producers of agricultural products, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendment:

Strike out all of said act after the enacting clause and substitute therefor the following:

"That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, nut or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively handling and marketing in interstate and foreign commerce such products of the persons so engaged and in processing or preparing such products for so marketing the same. Such associations may have marketing agencies in common; and such associations and their members may make the necessary contracts and agreements to effect such purposes: *Provided, however,* That such associations are operated for the mutual benefit of the members thereof, as such producers, and conform to one or both of the following requirements: First, that no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein; or, second, that the association does not pay dividends on stock or membership capital in excess of 8 per cent per annum: *And provided further,* That the association shall not deal in products of nonmembers to an amount greater in value than such as are handled by it for members.

"Nothing herein contained shall be deemed to authorize the creation of, or attempt to create, a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes,' approved September 26, 1914, on account of unfair methods of competition in commerce."

The foregoing is a reproduction of the House bill, omitting therefrom section 2, and adding thereto the provision to guard against the establishment of a monopoly, in substance like the amendment proposed by this committee and adopted by the Senate to a like bill which passed the House at the last session, and the further provision to meet an important change appearing in the bill before us, the purpose of which evidently is to permit the associations to deal in products of nonmembers. A slight change is made in the language of the bill that its scope may not be so extensive as to be in part without the field of interstate or foreign commerce, the expression "in collectively processing, preparing for market, handling, and marketing in interestate and foreign commerce" becoming "in collectively handling and marketing in interestate and foreign commerce such products of persons so engaged and in processing or preparing such products for so marketing the same."

The hearings conducted by the subcommittee have confirmed the members thereof in the conviction that the amendment insisted upon by the Senate at the last session is essential for the protection of the consuming public and can do no possible harm to the great body of farmers in whose interest the legislation is demanded.

Inasmuch as it is utterly impossible to establish a monopoly of any of the ordinary farm products, cereals, cotton, live stock, etc., an inhibition of monopoly must be unobjectionable to the producers of such. Moreover, your committee is entirely satisfied that they have no desire or purpose to establish a monopoly. Why anyone should insist, under these circumstances, on the enactment of a law which, in terms, would authorize them to do so, your committee finds it impossible to understand.

It is possible, however, to establish a monopoly with respect to farm products which can be produced profitably only in a very limited area, or in the case of highly perishable products, like milk, which

will not stand shipment long distances. It would not be in the public interest, your committee believes, to permit all producers of milk within the area from which one of our great cities is supplied to effect a single organization having thus a monopoly which might or might not be utilized to exact extortionate prices of consumers. Your committee sees no good reason why two, three, a half dozen, or a dozen cooperative associations might not properly be organized for the purpose of supplying a city with its milk, nor why, in the case of raisins, for instance, produced only within a limited area in the State of California, a monopolistic organization should be permitted and encouraged, rather than two or three cooperative associations organized and operating on similar lines.

Section 2 of the House bill has for its purpose the alleviation of the evils of monopoly, or those that may follow from authorized combinations, by the granting of something like supervisory control to the Secretary of Agriculture. It was quite generally understood by the committee when the bill was before it at the last session that this section gave to the Secretary of Agriculture the authority to fix prices. The proponents of this bill, however, repudiate that idea and insist that it is not the proper construction of the bill, and assert that they are resolutely opposed to reposing such power in the Secretary of Agriculture. They assert that the bill gives to the Secretary power to declare that a price charged is unreasonable, but gives him no power to fix what is a reasonable price. It is quite likely that even if he were given power to determine what is a reasonable price the provision would be inoperative, as conditions might so change pending a hearing as that the result arrived at would be eminently unjust so far as prices for the future are concerned. However that may be, the experience of the Interstate Commerce Commission under a similar provision, giving it power to determine what is an unreasonable rate but no power to determine what is a reasonable rate, satisfies your committee that as this provision is construed by the proponents of the bill, and perhaps correctly, it is utterly valueless. If competition is preserved—that is to say, if no monopoly can exist under the act—regulatory provisions are superfluous.

The bill before us during the last session authorized the organization of associations dealing in "products of their members." The bill now under consideration authorizes them to deal in the "products of persons so engaged." Obviously, under the former the associations would be restricted in their dealings to members; in the latter, though they are restricted as to the character of the products in which they may deal, it is clear that they may deal with any person in such products, whether he be a member or not.

The bill has for its purpose the removal of obstacles, if such there be in the Federal statutes, in the way of the organization of cooperative farm marketing associations, a purpose with which the majority, at least, of your committee is in full sympathy. It may be, and probably is, true that such associations can not operate with the highest degree of success, or with that degree of success which your committee would be glad to see attend their efforts, unless they are permitted to deal to some extent in the products of nonmembers similar in character to those handled for the members. But the protection of the statute ought not to be given to a small number of persons of the classes named in the bill who contribute from their own farms an inconsiderable quantity of the products handled by the association.

A further condition is accordingly added to those set out in the bill as requisite in order that the benefit of the act may be enjoyed, namely:

"*And provided further*, That the association shall not deal in products of nonmembers to an amount greater in value than such as are handled by it for members."

By the terms of the bill the persons mentioned therein are authorized to associate themselves "in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of persons so engaged," namely, agricultural products. If the processing or preparing for market is not limited to activities of that character, directly connected with interstate or foreign commerce, they would not be within the domain of Federal legislation, and the phrase in the bill "in interstate and foreign commerce" can not be read as qualifying "processing," whatever may be the case as to "preparing for market." The language of the bill is accordingly modified, or perhaps transposed, so as to read "in collectively handling and marketing, in interstate and foreign commerce, such products of persons so engaged and in processing or preparing such products for so marketing the same."

Mr. WALSH of Montana. Mr. President——

Mr. POMERENE. Mr. President, may I ask the Senator a question to get his thought about this matter?

This bill provides that these members may associate themselves together—

in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of persons so engaged.

Assuming that one of the great millers of Minnesota had a farm, and that one of the great packers of Chicago had a ranch, what is there under this bill to prevent those two men and half a dozen other farmers of very modest means organizing together, and in that way fixing exorbitant prices for meat or flour?

Mr. WALSH of Montana. Nothing, if the conditions of which the Senator speaks should exist; but they do not exist. I do not believe that the word "persons" here would include corporations. If there is any doubt about it, it might be corrected. Of course, Mr. Ogden Armour and Mr. Crosby, both being farmers, might join with other farmers, and under this bill they would be entitled not only to handle the products of their own farms but to engage in the handling of the products of others; but the Senator will notice that their power to deal is restricted by a further amendment proposed by the committee, to the effect that they shall not deal in the products of nonmembers to an amount greater than the amount which they contribute from their own farms.

Mr. KING. Mr. President, the Senator is speaking now of the Senate amendment?

Mr. WALSH of Montana. I am speaking of the Senate amendment; yes. No provision of that kind is embodied in the House bill, and the condition to which the Senator refers would find no provision applying to it in the House bill.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. WALSH of Montana. I really intended, however, to take up the details of the bill a little later on, and if Senators will follow that course I would rather take that order.

Mr. KELLOGG. I shall not interrupt the Senator then.

Mr. WALSH of Montana. After discussing the general features of the bill I shall be very glad to answer and, indeed, invite any questions that Senators may care to propound concerning the details of the bill.

Mr. POMERENE. The question I asked was for information. I did not want to divert the Senator from his line of argument.

Mr. WALSH of Montana. Oh, I understand perfectly. The question which the Senator propounds is one of very grave importance and one that ought to be reflected on very carefully. Some other features of the bill, I think, also are worthy of serious consideration. To those I shall invite the thought of the Senate as we proceed.

Mr. President, it has been justly said that agriculture is the great basis of the wealth of this country at the present time, as it has been at all times in our history; and it may doubtless be said, unfortunately, that perhaps there never was a time in the history of this country when this great, basic industry was suffering from such intense depression as prevails at the present time. The hardships which the growers of agricultural products in my own State suffer at this time are extreme, and are accentuated by the fact that we have suffered a series of extreme droughts. Anything which could be proposed to alleviate the present condition, characterized by the depression of which I have spoken, or which would tend to promote the welfare of the farming industry generally, even under normal conditions, ought to have the earnest consideration of Members of this body, and it certainly has my sympathy.

Moreover, Mr. President, I am profoundly convinced that the salvation of the industry of this country depends in no small degree upon the adoption and the extension of the principle of cooperative marketing. The enormous spread which exists between the price which the producer of the agricultural product gets when he puts it on the market and that which the consumer pays for it is little less than a national scandal, and anything which can be done to take up that expense will be at the same time a benefit to the producers of the agricultural products on the one hand and the ultimate consumer on the other. I am, as I said, a profound believer in the wisdom of giving every encouragement possible to the extension of the cooperative principle.

I had occasion some years ago to make a very careful and exhaustive examination into the organization of the California Fruit Growers' Association. I am satisfied that it has made fruit growing a great and profitable industry, when it was of doubtful success, and I am entirely confident that upon the whole the people of the United States have paid less for citrus fruits than they would have paid if the product were not put upon the market by the present organization which it represents.

In the northwestern section of our country, including my own State, is a great and powerful cooperative organization, for the marketing of grain chiefly, known as the Equity Association. It had to struggle for its life against the competition of what is known as the old-line elevator system. Most Senators are familiar with the character of those organizations. Some grain company will secure something in the nature of a concession or the right to establish elevators through the grain-growing sections at each of the little towns, and there practically controls the market for the farm products of the Northwest.

One company will have something in the nature of a concession along a certain line, another company along another line, and a third upon another line. The exactions of those old-line elevator companies have been such in the estimation and judgment of the farmers in the territory that they serve, or are organized for the purpose of serving, as to induce them to organize cooperatively, the most powerful organization being the Equity Association, of which I have spoken.

The farmers in a certain locality would gather together and associate themselves and build an elevator of their own, and through their own elevators transport to the terminal markets their products, and there put them upon the market and secure

the profits. They thus secured what was believed to be perfect grading and the going market price for their products.

But it was found, some way or other, that when these local associations transported their products to the terminal markets they were there met with all manner of difficulties about marketing their products. In some way or other they never were able to get cars when they needed the cars. When they got to the terminal points they needed switches and there were not switching engines to do their switching. They met with difficulty about getting money at banks with which to finance their operations, and they were obliged to federate and extend their association, and eventually, against great odds, to construct at the terminal points elevators of their own, to which they made shipments. Increasing in their financial strength and ability, they eventually overcame the difficulty of getting money for the purpose of moving the crops. All of this is to be commended, and has my most hearty support.

I might say, in that connection, that during the past summer I had the good fortune to be in Denmark for a brief period, and there learned of the wonderful development of the cooperative system of marketing in that country. The details of it were given to me by a very intelligent citizen of Copenhagen, who speaks English perfectly, having served for some time as a professor in one of the English universities. He told me that the farmers of the entire country are federated into an organization which puts their products—butter, cheese, eggs, and poultry—directly upon the London market, with no intervener at all. Under the old system, the farmer would bring a dozen or two dozen eggs of uncertain date and more uncertain condition to the local buyer, the local buyer would sell to some transportation company, possibly, and the transportation company would take them to London, and there they would be turned over to a commission merchant, and the result was what might have been expected.

As it is now, they put their own products right on the London market, and he told me they had the system so perfect, that the eggs, for instance, are all marked as they are laid, and if a bad egg goes upon the London market, they can trace the egg back to the farmer who put it in, and the penalty for anything of that kind would be expulsion from the association.

So they preserve the reputation of their association in that way.

On the other hand, I was going to say that in my State is the celebrated Bitter Root Valley, a section for the culture of apples probably without an equal, certainly not surpassed, in any section of the country. Perhaps all Senators will recall that some five or six, possibly ten, years ago a great campaign was organized to sell lands in the Bitter Root Valley for the culture of apples. Lands were sold at as high as four or five hundred dollars an acre, but for the want of a marketing system the whole thing has fallen flat. They are cutting down the apple trees and turning the ground again into alfalfa and other forage products. They never were able, some way or other, to develop a marketing system.

So, Mr. President, I am not to be put down at all as being opposed to any measure which would forward that great purpose. The simple question before us, however, is as to whether we ought to enact the bill as it passed the House, or whether we ought to enact the Senate substitute. I want to explain what the difference is between the two bills, and it is a very simple one.

This is not the first time this measure has been before the Senate. It was considered by the Senate in the month of December, 1920, upon a bill, which came from the House, substantially like that which is the subject of consideration here at the present time. There is a feature of difference to which I shall invite attention a little later. To the bill as it came from the House the Senate Committee on the Judiciary, to which it was referred, proposed certain amendments. Among other things, the bill as it passed the House provided for a supervisory authority in the Secretary of Agriculture. The Senate proposed to put the supervisory authority, or revisory authority it might perhaps be more appropriately described, in the Federal Trade Commission.

Mr. POMERENE. So that I may be able to follow the Senator, do I understand he is referring to the bill before the Senate one year ago?

Mr. WALSH of Montana. I am now referring to the bill considered by the Senate in 1920—that is, a year ago last December. This further amendment was proposed by the Senate committee:

> Nothing herein contained shall be deemed to authorize the creation of or attempt to create a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to supplement existing laws against restraints and monopolies, and for other purposes," approved October 15, 1914, on account of unfair methods of competition in commerce.

The question as to where the revisory authority should be placed was not a matter of very serious consideration. The bill went to conference, and the conference was unable to agree, the Senate conferees insisting upon that amendment proposed by them, to the effect that nothing in the act was to be deemed to authorize the creation or the attempt to create a monopoly, and that, Mr. President, is the only substantial difference now, the only real subject of contention between the bill as it passed the House and now before us, and the Senate substitute, namely, whether we should authorize, under the protection of this act, the creation of or the attempt to create a monopoly in the products to which the bill refers.

Accordingly, Mr. President, quite at variance with the statement made on yesterday by the Senator from Kansas [Mr. CAPPER], the Senate substitute differs from the bill as it passed the House only in this respect, with just a verbal change to which I shall call attention after a time. Section 1 of the bill as it passed the House is section 1 of the Senate substitute. Section 1 of the bill as it passed the House is the part of the bill which authorizes the existence of these corporations.

Section 2 of the bill as it passed the House provides for correcting any wrongs which these corporations may do. We take that out. The report has advised Senators that in our judgment it offers no remedy at all for any wrongs which may be done. But Senators will bear in mind that under the Senate bill the parties in whose interest the legislation is enacted are authorized, just as they are in the bill as it passed the House, without any let or hindrance at all, to go on and organize, so that by taking out section 2 of the bill as it passed the House the Senate substitute is more liberal to the farmer than is the bill as it passed the House.

We say that we do not feel there are evils to be taken care of likely to arise from the enactment if we put in a provision, such as is suggested in another section, that no authority is granted by the act to set up a monopoly.

So that the sole matter of difference—in substance, the sole question for determination—is the question as to whether we shall authorize the setting up of monopolies under the protection of this bill. That is the one question for the Senate to determine.

The Senate committee insists that we shall not authorize that to be done. I understand the position of Senators on the other side to be that we shall, and that is a plain statement of the issue between us.

Mr. POMERENE. Mr. President, am I right in this, then, that the difference between the two is that under the House bill, if I understand the Senator correctly, there may be a monopoly, but subject to regulation——

Mr. WALSH of Montana. Exactly.

Mr. POMERENE. And under the Senate committee bill there may be a monopoly, but without any regulation.

Mr. WALSH of Montana. No; the Senate committee bill forbids monopoly utterly.

Mr. POMERENE. What is the provision to which the Senator refers as forbidding the monopoly?

Mr. WALSH of Montana. It will be found on page 5 of the committee substitute, as follows:

> Nothing herein contained shall be deemed to authorize the creation of or attempt to create a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, on account of unfair methods of competition in commerce.

Mr. McNARY. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Oregon.

Mr. McNARY. I agree with very much that has been said by the distinguished Senator from Montana, but in view of the provision in the Senate committee amendment which the Senator has just read, may I inquire what rights are given to these associations that they do not now have under existing law?

Mr. WALSH of Montana. I shall be glad to answer the Senator, and that is the course my argument would naturally take.

Mr. President, this legislation is asked because, it is said, the organization of such associations as those authorized by the bill is fraught with peril of prosecution under the Sherman Act as in violation of its provisions. Bear in mind that no prosecution, so far as the committee was able to ascertain, has ever been instituted under the Sherman Act against any organization of farmers except the proceedings brought against what is known as the California Raisin Growers' Association, of which I shall speak later. I have indicated to the Senate that at the present

time vast cooperative associations are actually in operation, the Equity, for instance. Recently there has been organized a great cooperative association known as the National Grain Dealers' Association. The California Fruit Growers' Association has been operating for something like 15 years.

At no time has any prosecution been instituted against any of these organizations upon the ground that they are violative of the Sherman Act, I take it, because it is the view of those charged with the operation of the law that such combinations as are in existence are not in unreasonable restraint of trade, and that therefore they do not fall under the condemnation of the statute. That seems to have been the judgment of everybody up to this time.

But it is said that when advocates of the organization of these cooperative farm associations go about for the purpose of inducing farmers thus to cooperate and to associate themselves in cooperation for the purpose of marketing their products, interested parties, those who handle the business now, the old-line elevator companies in our section of the country, the old commission men dealing in raisins in California, and generally throughout the country the dealers in milk products, noise it about and circulate a rumor to the effect that organizations of that character are violative of the Sherman Act and prosecutions are likely to be instituted if they are organized. Thus it is said, though I do not know how effectively, that farmers are deterred from associating themselves with these associations by reason of fear of prosecution under the Sherman Act.

It is my purpose, and I think the purpose of most of the members of the committee, at least a majority of the members of the committee, to relieve these people from the peril, if there be peril, of prosecution under the Sherman Act, so far as section 1 is concerned.

Now, I will answer the question of the Senator from Oregon. The Sherman Act in its important provisions deals with two problems. It penalizes two different things. Section 1 of the Sherman Act forbids any combination, contract, or conspiracy in restraint of trade. Section 2 forbids monopolies and penalizes monopolies wherever they may exist. I read section 1:

> Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is hereby declared to be illegal. Every person who shall make any such contract or engage in any such combination or conspiracy, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by fine not exceeding $5,000 or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

That is, every contract, combination in the form of a trust or otherwise, or conspiracy in restraint of trade is punishable by section 1. Section 2 reads as follows:

> Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons to monopolize any part of trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding $5,000 or by imprisonment not exceeding one year, or by both said punishments, in the discretion of the court.

The answer to the Senator from Oregon is that it is our purpose to relieve these associations from all possible risk of being prosecuted under section 1 of the act, but not under section 2.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. WALSH of Montana. Certainly.

Mr. KELLOGG. Is it not a fact that every monopoly constitutes elements also of restraint of trade, and that nearly every restraint of trade has the elements of monopoly, and in very nearly every case, and I do not know but in every case, both sections of the act are involved.

Mr. WALSH of Montana. Of course, that is a hypothetical question.

Mr. KELLOGG. No; it is not a hypothetical question at all.

Mr. WALSH of Montana. I do not believe a discussion of it would be helpful at all.

The argument is that the statute is called to the attention of these people who want to organize one of these associations, and it is said to them that "every contract, combination, and so forth, in restraint of trade is involved, and therefore you will be guilty." If they read section 2 to the farmers out West they will say, "Take the National Grain Dealers' Association; it was a monopoly." They say, "There is no monopoly, because we can not possibly organize a monopoly." I will discuss that a little later on. You can not possibly organize a monopoly of wheat growers, you can not organize a monopoly of cotton growers, you can not organize a combination of hay growers, you can not organize a combination of potato growers that will constitute a monopoly in interstate commerce, in my judgment, but you can organize a combination of various producers that might possibly be held to be in violation of section 1 of the Sherman Act,

But I may say now, in anticipation, that I shall call attention presently to the fact that monopolies can be organized with reference to certain limited products of the farm that are grown only within a very restricted area or that are perishable in character and will not stand shipment from one end of the country to the other. I may say here, anticipating, that I shall show that milk is one of those things the supply of which to the great industrial centers, to the great populous cities of the country, can be monopolized, and just as easily as not under this act.

I desire to acquaint Senators further with the fact that that is why this provision is included in the bill. The gentlemen are in the gallery now just watching the course of this, one of them representing the association that to-day supplies 60 per cent of the milk consumed in the city of New York.

Mr. POMERENE. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Ohio.

Mr. POMERENE. The discussion by the Senator is very interesting and it leads to this question. I note that the Senate committee bill provides—

> That nothing herein contained shall be deemed to authorize the creation of or attempt to create a monopoly.

That language is slightly different from the language of section 2 of the Sherman antitrust law. That speaks of monopolization or an attempt to monopolize any part of the trade or commerce. Was it the intention of the committee to make the exemption in the Senate committee bill as comprehensive as the language contained in section 2?

Mr. WALSH of Montana. I think it was.

Mr. POMERENE. The Senator spoke of monopoly generally in the Senate committee bill, but the Sherman Act speaks of the monopolization of any part of the commerce.

Mr. WALSH of Montana. That is true.

Mr. POMERENE. There certainly is a difference in the phraseology. I am not entirely clear in my own mind whether there is a distinction.

Mr. WALSH of Montana. I think the language of the amendment is ample to cover the case, but the purpose was to leave subject to it the parties who attempted to do anything in contravention of section 2 of the Sherman Act.

Mr. POMERENE. Then, if that be true, the Senator would not object to an amendment to make the Senate committee bill read thus:

> Nothing herein contained shall be deemed to authorize the creation of or attempt to create a monopoly as defined in section 2 of the Sherman antitrust law.

Mr. WALSH of Montana. I should not have any objection to it myself, but I would not like to complicate the situation any further. I think the language is sufficient.

Mr. KING. Mr. President——

Mr. WALSH of Montana. I yield to the Senator from Utah.

Mr. KING. It is now a quarter past 5. Unfortunately, speaking for myself and possibly others, we made appointments at 5 o'clock expecting that the Senate would adjourn or recess by that time. It is evident that the Senator from Montana will not conclude to-night. I was wondering if it would meet his pleasure and the pleasure of other Senators that we take a recess at this hour?

Mr. WALSH of Montana. I should be very glad to yield for that purpose.

Mr. CURTIS. We desire to have an executive session if the Senator from Montana is willing to yield at this time.

Mr. WALSH of Montana. Certainly.

Mr. JONES of Washington. Will the Senator from Kansas yield to me for a moment?

Mr. CURTIS. I yield.

PATRIOTISM VERSUS CRIMINAL SYNDICALISM.

Mr. JONES of Washington. Mr. President, I have two documents showing the attitude of the Seamen's Union toward the Industrial Workers of the World organization, and also their attitude toward laws passed to prevent that organization. It is so patriotic that I think it should go in the RECORD.

I hope that the shipowners' organization will consider well the charges here made that men who have been expelled from the Seamen's Union because of their affiliation with the Industrial Workers of the World are being taken into crews of ships going all over the world, carrying their red cards and propagating their doctrine. If that is true the shipowners who are permitting that are doing something that is not patriotic, to say the least.

I ask that these papers may be printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Circular No. 2.

WASHINGTON, D. C., *October 10, 1921.*

To the officers and members of the International Seamen's Union of America, and more especially to the members of the sailors of the Pacific, the members of the marine firemen, oilers, and water tenders, the marine cooks and stewards:

The agitation against our union and in favor of the Marine Transport Workers' Industrial Union No. 510 makes it my duty to furnish to you such information as I have with reference to this new and antagonistic organization, antagonistic to the seamen generally and to our union especially, because we are standing in their way. They want to use the seamen for their own purposes. These purposes are to use the seamen as an obstruction to be thrown into and destroy the functions of present society like any obstruction thrown into machinery will destroy the machinery; but you know what happens to the wrench or bolt or other obstruction. It is ground to powder—utterly destroyed. The leaders of this movement to draw the seamen from the International Seamen's Union of America into Marine Transport Workers' Industrial Union No. 510 know as well as we do that it means the absolute sacrifice of all the hopes that we have had, and still have to liberate the seamen, to make us in the eyes of the law as free as other men, to gradually raise our wages so that we can marry and live like other men and so that any self-respecting young man may choose our calling for his life work. The real leaders of this attack upon us know this as clearly as they know that they are living, but they are not only willing but eager to sacrifice us to their own ends.

They also know that the sacrifice is as useless as was the sacrifice of men, women, and children practiced in ancient times in order to seek the favor of what they at the time believed to be the angry gods. These leaders are attacking human society. They desire to use us seamen. They know that we shall be crushed, but to this they are willing. Human society as organized here in America and in Europe outside of Russia know all about their purpose. Human society will defend itself. It will crush the agitators and the agitation, therefore we will be crushed if we permit ourselves to be thrown in.

Less than two in a thousand of the population are either directly or closely connected with the sea and marine transportation; such is the fact in Europe. Less than one in a thousand is so connected here in these United States. If all those so connected to the marine transportation here in the United States were organized it would not amount to more than 1,000,000 men. There are at least 35,000,000 grown men here in this country. This will give 1 man in each 35. You, if you be not a fool, must be able to see that you can not possibly do anything for either yourselves or for others by going outside the law and the policy followed by us. I am telling you this because it is my duty to warn you. I am telling you because I am one of you, I never was anything else. Many of you know that I could have been away from this struggle. This I would not do. Quite a number of us have been in this struggle for the seaman as seaman for some 30 years. I and those with me are in this struggle to our own finish—to the time when we can struggle no more. We are not quitters. We do not join a cause to quit it or to betray it. We do not beg mercy from enemy or bread from friend. We are in this fight to our own finish or the finish of those who would betray us and you by destroying our union and then repeal our charter of freedom. I am not now speaking to the crooks. I am trying to speak to the enthusiasts, the honest but sorely misguided young men. Mark where you stand, my young brother. Read the signs of the times. With these times you are one. You may help to restore to yourselves and all other seamen our proper place in human society or you may help to destroy all that has been done. You may help in shackling yourselves and others for the ages. Following the policy of the Seamen's Union we have made progress—more progress than any other union in centuries. The Scandinavian seamen were on the point of getting free, as free as we are here. They permitted themselves to be branded with the one big union branding iron and now their hopes are squashed.

THE MARINE TRANSPORT WORKERS' INDUSTRIAL UNION NO. 510—WHAT IS IT?

According to the constitution of the Industrial Workers of the World—the I. W. W.—it is part of and absolutely subordinated to the I. W. W. It is listed on page 46 of the I. W. W. constitution published officially in 1920. The Marine Transport Workers' Industrial Union No. 510 has no constitution. It has a set of by-laws prepared by the I. W. W. and enforced by the I. W. W. general executive board. "The secretary-treasurer of M. T. W. I. U. No. 510 shall handle all funds and supplies and other property of the industrial union, and be held responsible to the G. O. C. for all transactions in the conduct of his office." (Sec. 4, p. 5, by-laws.)

"SEC. B. The chairman of the G. O. C. of the M. T. W. I. U. No. 510 shall receive all communications that pertain to organization in the field. * * *" (Pp. 5 and 6.)

"SEC. 5. Secretary-treasurer and chairman of the G. O. C. shall turn over weekly all important union news to the I. W. W. papers." (P. 6.)

"SEC. 8. The G. O. C. shall have general supervision over the affairs of the organization and see that the interests of the members are protected at all times, and the rules and by-laws passed by the convention enforced. They shall have the power to look over and examine all books and reports of any part of the M. T. W. I. U. No. 510. They shall meet twice a year; once prior to the convention of the M. T. W. I. U. No. 510, and also upon the call of the G. E. B. of the I. W. W." (P. 7, by-laws.) (G. O. C. evidently stands for general organizing committee, and G. E. B. for general executive board.)

"SEC. 16. The secretary-treasurer and the organization committee must be members of the I. W. W. in good standing 18 months, and members of the M. T. W. I. U. No. 510 at least six months." (P. 9.)

If there be any possibility of convincing you that the Marine Transport Workers' Industrial Union No. 510 is in fact a subordinate part of the I. W. W. the above quotations must be sufficient. If this be not sufficient, it will be because you are either so blinded by propaganda as to be incapable of using your head or else you are receiving some financial advantage by pretending not to believe.

Having now dealt with the M. T. W. I. U. No. 510, the question may be:

THE ONE BIG UNION—WHAT IS IT?

Please note that its advocates always use the expression "the one big union." The declared purpose of the I. W. W. is to organize all workers into one union on industrial lines divided up according to industries. On pages 45 and 46 of the constitution such division is tentatively made of all the workers or those recognized by the I. W. W. as workers. There is no other organization existing to which the title "the one big union" could possibly be given. The one big union is a loving nickname applied to the I. W. W. sometimes in the spirit of love, but now it is used as a disguise, because most States in the United States have passed laws against the Industrial Workers of the World or, as they are sometimes called, "syndicalists." This transparent deception being disposed of, we will now make a comparison between the constitution and laws of the I. W. W. and the constitution and district laws of the International Seamen's Union of America.

HERE IS NO SMOKE SCREEN.

Excerpts from constitution of the I. W. W., of which the Marine Transport Workers' Industrial Union No. 510 is a part, and from constitutions of the International Seamen's Union of America and the Sailors' Union of the Pacific. The I. W. W. mouths democracy; but when it writes its laws for the rank and file, you will find that it is purely bureaucratic, the elected officials having autocratic powers over the rank and file. Here you will find the democracy of the International Seamen's Union of America and the Sailors' Union of the Pacific written in plain language. We do not speak much of democracy, but we try to practice it in our own organization. Read them, compare them, and draw your own conclusions:

Constitution of I. W. W., 1920.

ART. 2. SEC. 1. The general officers of the Industrial Workers of World shall be a general secretary-treasurer and a general executive board composed of the above-named officer and seven members. The general secretary-treasurer shall have a vote, but no vote in the affairs of the general executive board. (P. 10.)

ART. 3. SEC. 3. The decisions of the general executive board on all matters pertaining to the organization or any subordinate part thereof shall be binding, subject to an appeal to the next convention or to the entire membership of the organization: *Provided*, That in case of referendum vote of the membership is demanded by any subordinate part of the organization, the expense of submitting the matter to the referendum shall be borne by the organization taking that appeal, except wherein the decision of the general executive board shall be reversed by a vote of the membership; then the expense shall be borne by the general organization. (P. 15.)

ART. 3. SEC. 5. In case the members of any subordinate organization of the Industrial Workers of the World are involved in a strike regularly ordered by the organization or involved in a lockout, if, in the opinion of the general executive board, it becomes necessary to call out any other union or unions or organizations, they shall have full power to do so.

ART. 1. SEC. e. No legislation conflicting with the constitution of the I. W. W. shall be passed by the district. The general industrial district bears the same relation to the district as the general convention bears to the organization as a whole. (P. 8.)

REVENUE.

ART. 6. SECS. 2, 3, AND 4. Industrial departments shall pay as dues into the general treasury at the rate of 10 cents per month per member.

Industrial unions shall pay at the rate of 25 cents per month per member.

Industrial union branches shall purchase all due stamps and other supplies from headquarters for their industrial union.

The initiation fee for members of industrial unions shall be $2. The regular dues of industrial unions directly united with the general organization shall be $1 per month.

No part of the initiation fee or dues above mentioned shall be used as a sick or death benefit, but shall be held in the treasury as a general fund to defray the legitimate expenses.

Industrial union secretaries shall give a statement of their assets and liabilities in their monthly financial report at least every three months.

FEES, DUES, AND GOOD STANDING.

ART. 4. SECS. 2 AND 3. Monthly dues are payable on the first day

Constitution of International Seamen's Union of America, 1920.

OFFICERS AND ELECTION.

ART. 5. SEC. 1. The officers of the union shall consist of 1 president, 11 vice presidents, and 1 secretary-treasurer. They shall be elected at the annual convention for the term of one year, and shall hold office until his successor qualifies.

EXECUTIVE BOARD.

ART. 7. SEC. 3. It shall have power to hear and act upon all appeals from affiliated organizations and branches thereof and to otherwise act in the interests of the International Seamen's Union of America between conventions. But their action shall be subject to approval of the next convention.

APPEALS.

ART. 12. SEC. 1. Appeals by individual members shall be to their respective organizations and shall there be finally disposed of. The term "member" in this section shall be construed so as to include both full and probationary members.

ART. 12. SEC. 2. Appeals by affiliated organizations or branches thereof shall be made to the executive board or the convention, whose decision shall not be final, but may be appealed from to the membership at large.

Sailors' Union of the Pacific.

REVENUE.

ART. 22. SEC. 2. The initiation fee shall be $10 and shall accompany application for membership; and the dues shall be $1 per month, payable in advance.

EXEMPTION OF DUES.

ART. 8. SEC. 1. Members shall be exempt from payment of dues in case of sickness upon bringing ample evidence that sickness actually prevented them from going to sea, and in cases of retirement, as provided in article 9.

ASSESSMENT.

ART. 23. SEC. 1. Assessment not to exceed 20 per cent of one month's wages may be levied annually upon all members except such as may be specifically exempted by a vote of two-thirds majority on a general ballot. Notice of a vote on a proposed assessment shall be given not less than two weeks in advance and shall be given to all members on board vessels lying in the vicinity of headquarters and branches.

Taken from constitution and by-laws of the Sailors' Union of the Pacific.

BY-LAWS.

2. Every member must bring his certificate of membership to the meeting and exhibit same to the sergeant at arms.

3. Members more than three months in arrears in dues or assessment or unpaid fines shall be deemed in bad standing and shall forfeit all claim to benefit and all other rights and privileges of the union.

Constitution of I. W. W., 1920—Con.

of each month. Members who do not pay dues for 60 days shall be in bad standing. Members in bad standing are not entitled to benefits of any kind from the union nor from the Industrial Workers of the World.

Members who become delinquent from failure to pay dues shall not again be entitled to any benefits until 30 days after such dues shall have been paid.

DEFENSE RELIEF.

ART. 8. SECS. 1 AND 2. The general executive board shall issue a voluntary general defense stamp to all industrial unions and subordinate parts of the Industrial Workers of the World, who shall dispose of same and remit all moneys so collected to the general secretary-treasurer.

The general executive board shall issue a voluntary $1 general organization stamp to all industrial unions and subordinate parts of the organization, who shall dispose of same and remit 50 cents on all stamps sold to the general secretary-treasurer, the remaining 50 cents to go to the industrial union disposing of same.

BENEFITS?

Sailors' Union of the Pacific.

BENEFITS—READING ROOMS.

ART. 25. SEC. 1. The union shall provide and maintain reading rooms or halls where members, free from outside interference, may discuss whatever may be thought of interest to the membership or the craft, and thus in an orderly manner arrive at collective opinion and action.

THE SEAMEN'S JOURNAL.

ART. 25. SEC. 2. Every member in good standing shall be entitled to a copy of each issue of the Seamen's Journal: *Provided, however*, That back numbers shall be supplied only when available.

SHIPWRECK BENEFIT.

ART. 25. SEC. 3. A shipwreck benefit is hereby established in aid of full members in good standing who have lost their clothing in shipwreck, fire, or any other accident to a vessel in which they were employed as members of the crew at the time of such shipwreck or accident.

ART. 25. SEC. 5. Shipwrecked members shall present their claims for benefit in person to the secretary, or agent, or to the regular meeting, immediately upon reaching a port where an office of the union is located. Thereupon a committee of five full members in good standing shall be elected to examine into and pass upon such claims. In cases of immediate necessity, the secretary or agent shall be empowered to appoint such committee. In all other cases the committee shall be elected by the regular meeting.

ART. 25. SEC. 6. Said committee shall ascertain the financial standing of the claimants from the secretary, appraise the value of the clothing lost, and shall make their award accordingly. The committee shall submit a report in writing, setting forth the names and roll numbers of, and the amount awarded to, each claimant. The shipwreck benefit awarded to any claimant shall not exceed $75.

BURIAL BENEFIT.

ART. 25. SEC. 9. Deceased full members shall, if in good standing at the time of death, be buried by the union, provided death occurs at headquarters or any branch or in the immediate vicinity thereof.

The burial benefit shall not exceed $75.

HOSPITAL SUPPLIES, ETC.

ART. 25. SEC. 1. Every member in good standing shall be entitled to hospital supplies or the equivalent thereof in cash, amounting to $1 per week, (1) while a patient in any United States marine hospital; (2) while a patient in any other institution for the care of the sick, except when confined for mental alienation, provided such institutions are located at headquarters, or in any branch, or in the immediate vicinity thereof.

ART. 25. SEC. 2. Full members in good standing who have been regularly admitted to Sailors' Snug Harbor shall be furnished with transportation to New York from headquarters or any branch.

STRIKE BENEFIT.

ART. 25. SEC. 10. Whenever the union has ordered a strike in the manner described in article 27, sections 1 to 4, every member who is idle in consequence of such order shall report daily to the office of the union and perform such duties as the union may require.

When such members have been on strike two weeks they shall be granted a benefit of not more than $5 weekly, payable during the continuance of the strike, or until such members have obtained other employment.

STRIKE OR LOCKOUT.

ART. 14. SEC. 1. The following rules must be closely observed by local unions contemplating a strike or in danger of being locked out.

Constitution I. W. W., 1920—Con.

TRANSFERS.

ART. 7. SECS. 8 and 9. There shall be a free interchange of cards between all organizations subordinate to the Industrial Workers of the World, and any union or industrial department shall accept, in lieu of initiation fee, the paid-up membership card of any recognized labor union or organization.

Whenever an applicant wishes to retain his membership in another labor union, said applicant shall be required to pay an initiation fee.

All departments and other subordinate organizations of the Industrial Workers of the World shall use the official Industrial Workers of the World stamps in membership books. All stamps shall be paid for as provided in article 6, section 2, and no member shall be considered in good standing who fails to pay dues and assessments inside of 60 days.

Sailors' Union of the Pacific—Con.

Failure on the part of any union to comply therewith shall work a forfeiture to all claims to financial assistance.

ART. 14, SEC. 2. In case a disagreement occurs between any local union and its employers, which may result in a strike or lockout, the matter in dispute shall first be submitted to the local district grievance committee for adjustment. Should such committee fail to reach a settlement, the secretary-treasurer shall immediately be communicated with. He shall at once proceed to the seat of the trouble, or appoint some other member, preferably a member of the executive board, to act as his deputy there. Together with the district grievance committee or a subcommittee thereof he shall use all honorable means to reach a peaceable settlement.

If his efforts shall prove futile, he shall order a vote to be taken by all the local unions represented in the district grievance committee on the question of indorsing the proposed strike and of calling a strike of all the members employed on the vessels belonging to the employers involved.

ART. 14. SEC. 3. Should such a vote be decided in the affirmative by a two-thirds majority the secretary-treasurer shall at once make a report to the members of the executive board, giving a full statement of the difficulty, the efforts at settlement, the number of men involved, and also his recommendations as to the course to be pursued, and the executive board shall have power to submit to a vote of the membership the proposition of levying an assessment for the support of such a strike.

ART. 14. SEC. 5. Assessments shall not be levied in excess of $1 per month per member, nor for more than three months in any one fiscal year.

ART. 14. SEC. 6. If any local union is financially unable to meet the assessment, such local union shall file a statement of its financial standing with the executive board, which shall have the power to release such local union from paying assessment in whole or in part.

International Seamen's Union of America.

ART. 9, SEC. 4. A member of one affiliated organization shall be admitted to another affiliated organization of the same kind without charging an initiation fee, but he shall pay up all arrears to the organization that admits him as provided for in section 6 of this article and shall receive the benefits in accordance with the constitution of said organization, provided he shall have been a member of the International Seamen's Union of America six months.

Sailor's Union of the Pacific.

EXCHANGE OF MEMBERSHIP.

ART. 6, SEC. 1. A member of any other bona fide seamen's union, duly qualified as prescribed in article 3, shall be eligible to admission into the union without payment of initiation fee, and to receive therein the rating and standing shown by his certificate of membership. If the candidate is more than one year in arrears, he shall be admitted under the provisions of article 2. A member admitted under the provisions of this section shall not be eligible to hold any office until six months from the date of his admission.

COMMENT.

The I. W. W. would permit a switchman, a warehouseman, a longshoreman, or anybody within the same industrial union, to transfer into the sailors and ship as an able seaman, as a fireman, or as a cook. Just consider what that will mean on board of a ship where those who know how must do the work for those who do not know how. We all must eat the food that a switchman or a longshoreman might cook. The seamen's laws provide for transfers from one sailor's district organization to another, or national sailor's union to another. It is the same with firemen or with cooks.

Constitution of I. W. W., 1920.

REFERENDUM.

SEC. 6. (a) The general executive board or any industrial union in good standing with the general organization may initiate a referendum on any subject.

(b) They shall be submitted to the general office at once with reasons and arguments for same.

(c) On receipt of the initiative call for referendum, the general office shall publish same in the official organ with arguments for and against, and must submit it to all industrial unions and industrial departments for seconds within 30 days.

(d) All seconds from industrial unions must be in the general office within 45 days from the time the call is submitted to the industrial unions for seconds. Should sufficient seconds not be raised at the general office within 45 days, the call for referendum shall be null and void.

(e) After sufficient seconds are received, the general office must submit the motion for referendum vote within 15 days. Tabulated returns of the vote of the industrial unions must be returned to the general office within 60 days from the date the referendum is submitted to the industrial unions.

(f) The returns of the referendum vote shall remain in headquarters in sealed envelopes until the election committee, as provided for in paragraph (g) meets. Such committee shall meet not later than 90 days from the date the referendum is submitted to the industrial unions.

The general secretary-treasurer shall notify industrial unions or body initiating referendum of date set for committee meeting.

(g) The election committee to canvass the vote on referendum shall be composed as follows: Four members in continuous good standing for one year prior to their election on this committee, shall be elected by the industrial unions in the city in which headquarters is located, to act as election committee. They shall have charge of all election and referendums. In reporting through the monthly bulletin the reports of referendum and elections, the general secretary-treasurer shall give the names of the election committee, together with their card numbers, of the industrial unions of which they are members.

(h) The industrial unions or body initiating a referendum shall pay the expenses of its own delegate on election committee, unless the referendum is carried, in which event the expense shall be borne by the general organization as provided for in the constitution under "Officers' salaries."

(i) Referendums initiated to change dates for any action or to defer action or postpone the dates already set, must have sufficient indorsement to be operative and to allow the vote to be sent out at least 60 days prior to the date which referendum seeks to change.

(j) Referendum returns from the industrial unions or departments can not exceed the everage paid up membership of the industrial union or department for the three months prior to the vote on the referendum in question.

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ART. 2, SEC. 4. Salary of secretary-treasurer shall receive $5 per day, which shall be paid out of the funds of the organization. Page 13.

ART. 3, SEC. 2. All organizers shall at all times work under the instruction of the chairman of the general executive board. All organizers and general executive board members while in the employ of the Industrial Workers of the World shall report to the chairman of the general executive board in writing on blanks provided for that purpose at least

Sailor's Union of the Pacific.

REFERENDUM OF GENERAL VOTE.

ARTICLE 29, SECTION 1. When any proposition is submitted to a general vote of the union, headquarters shall fix the time of taking such vote, which shall be in the same week at headquarters and branches, not less than two or more than four weeks from the date of its submission. Headquarters may order the balloting continued during a number of successive regular meetings, not exceeding five, provided that no member shall be entitled to vote more than once upon the same proposition.

SEC. 2. General votes shall be taken by secret ballot, and the manner of taking such votes shall conform to the procedure prescribed by article 14, sections 4, 5, and 6.

SEC. 3. General votes shall be taken upon the subject matter as it appears in the minutes of headquarters, or as printed upon the ballot, without alteration or addition.

SEC. 4. The ballots cast at the branches shall be tallied and counted in the place cast, except as provided in article 27, section 2, and the result obtained shall be recorded in the minutes. Ballots shall be forwarded to headquarters under sealed cover, marked "ballots," where they shall be dealt with in accordance with article 14, section 8.

AMENDMENTS.

ART. 30, SEC. 1. This constitution may be amended in the following manner:

Any proposed amendment shall be submitted to a regular meeting at headquarters or any branch. When submitted at a branch, it shall be forwarded to headquarters for further action.

When any proposed amendment has been submitted to headquarters, it shall be read, recorded in full in the minutes, and referred to a committee for consideration. The proposed amendment shall be considered in connection with the report of the committee and any amendment to the amendment that may be offered. If the proposed amendment, or a substitute therefor, be indorsed by a majority vote, it shall be referred to a general vote of the union to be taken in conformity with article 29, and if, upon such vote, it shall have received a two-thirds majority of the votes cast (excluding blank and disqualified ballots), it shall be declared adopted.

Unless otherwise specified in the amendment, it shall take effect two weeks from the date of its adoption.

Taken from constitution and by-laws of the Sailors' Union of the Pacific.

SALARY OF OFFICERS.

ART. 17, SEC. 1. The salaries of the regular officers shall be such as are determined upon from time to time by a majority vote on general ballot.

FINANCE COMMITTEE.

ART. 19, SEC. 2. There shall be elected at headquarters and each branch at the close of each quarter (but not later than the first regular meeting in January, April, July, and October), or at any other time when deemed expedient, a finance committee of five full members, whose duty it shall be to examine the finances of the union for the previous quarter, to see that the books are kept correctly and that the respective officers and banks have on hand amounts corresponding to the balance shown by the books.

Comment.

The seamen's organization, beginning as far back as 40 years ago, set for itself the aim to organize the seamen of the world, to liberate them from serfdom, and make them as free as other working people, to promote skill, to abolish crimping, to increase wages, and to improve conditions afloat. Its methods have been and are evolutionary. It works within the law, whether in changing the law or in improving conditions. It has liberated the seamen of the United States and all other seamen coming within the jurisdiction of the United States. It has, in many instances, trebled the wage. It has improved forecastles, caused the vessels to furnish bedding, mess gear, and, in most instances, mess rooms. It has regulated and very materially reduced working hours. It has abolished advance and any recognition of an advance within the United States and has abolished it completely in American vessels everywhere. It has abolished crimping, properly so-called, through the stoppage of the payment of advance and the abolition of involuntary servitude. It is affiliated with the International Seafarers' Federation in order that seamen may find friends everywhere, and for the further purpose of working together with seamen of other nations, to establish at least a like freedom and a like condition in other countries.

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once each week. They shall receive as compensation for their services $5 per day and all organization and transportation expenses.

DISCIPLINE.

"Organization in any sense implies discipline through the subordination of parts to the whole and of the individual member to the body of which it is a part."

Comment.

The I. W. W., of which the Marine Transport Workers' Industrial Union, No. 510, is a part of the Industrial Workers of the World, which was organized in 1905, for the purpose of transforming human society. Its methods being to disregard the law, to overcome it through industrial power, and for that reason has been branded revolutionary. Its more immediate declared purpose was to organize the unskilled, and its stated reason was that the American Federation of Labor had failed to organize the unskilled. After 16 years of an intensive (?) organizing campaign, it has evidently abandoned and forgotten the unskilled and the unorganized and is now seeking instead to disorganize the organized. Its records of achievements are found in Lawrence, Mass., at Winnipeg, in British Columbia, among the sawmill and timber workers in the Pacific and Northwestern States. Its record, so far as the seamen are concerned, are found in the ruins, which it left behind itself on the Atlantic coast in 1913, in British Columbia, and at Buenos Aires, Argentine, in 1920. Like a blighting pest coming through the air it has descended upon place after place to leave nothing but wreckage, misery, and despair behind. It is always to be found watching, especially the losing struggles of the workers, waiting like the buzzards to finish and consume the sick and the wounded; then, gorged by its feast, it flaps its wings and raucously croaks democracy while passing from its latest place of achievement.

If you have not read, read, compare, study, in order that you may understand and wisely choose.

Most respectfully,

ANDREW FURUSETH,
President I. S. U. of A.

A SOUND WARNING.

Believing that a considerable number of seamen have been innocently flirting with ideas and methods of the Industrial Workers of the World or the Marine Transport Workers' Industrial Union No. 510, or the one big union, or the International Transport Workers' Federation, or whatever name it may assume in furtherance of so-called revolutionary tactics, I deem it my duty to such men, but more especially to the young among them, to submit to the Seamen's Journal for publication a copy of the law of the State of California defining and dealing with criminal syndicalism:

An act defining criminal syndicalism and sabotage, proscribing certain acts and methods in connection therewith and in pursuance thereof, and providing penalties and punishments therefor. (Approved Apr. 30, 1919. In effect immediately.)

The people of the State of California do enact as follows:

"SECTION 1. The term 'criminal syndicalism' as used in this act is hereby defined as any doctrine or precept advocating, teaching, or aiding and abetting the commission of crime, sabotage (which word is hereby defined as meaning willful and malicious physical damage or injury to physical property), or unlawful acts of force and violence, or unlawful methods of terrorism as a means of accomplishing a change in industrial ownership or control, or effecting any political change.

"SEC. 2. Any person who—

"1. By spoken or written words or personal conduct advocates, teaches, or aids and abets criminal syndicalism, or the duty, necessity, or propriety of committing crime, sabotage, violence, or any unlawful method of terrorism as a means of accomplishing a change in industrial ownership or control, or effecting any political change; or

"2. Willfully and deliberately by spoken or written words justifies or attempts to justify criminal syndicalism, or the commission or attempt to commit crime, sabotage, violence, or unlawful methods of terrorism with intent to approve, advocate, or further the doctrine of criminal syndicalism; or

"3. Prints, publishes, edits, issues, or circulates, or publicly displays any books, paper, pamphlet, document, poster, or written or printed matter in any other form, containing or carrying written or printed advocacy, teaching, or aid and abetment of, or advising, criminal syndicalism; or

"4. Organizes or assists in organizing, or is or knowingly becomes a member of any organization, society, group, or assemblage of persons organized or assembled to advocate, teach, or aid and abet criminal syndicalism; or

"5. Willfully, by personal act or conduct, practices, or commits any act advised, advocated, taught, or aided and abetted by the doctrine or

precept of criminal syndicalism, with intent to accomplish a change in industrial ownership or control, or effecting any political change;

"Is guilty of a felony and punishable by imprisonment in the State prison not less than one nor more than 14 years.

"SEC. 3. If for any reason any section, clause, or provision of this act shall by any court be held unconstitutional, then the legislature hereby declares that, irrespective of the unconstitutionality so determined of such section, clause, or provision, it would have enacted and made the law of this State all other sections, clauses, and provisions of this act.

"SEC. 4. Inasmuch as this act concerns and is necessary to the immediate preservation of the public peace and safety, for the reason that at the present time large numbers of persons are going from place to place in this State advocating, teaching, and practicing criminal syndicalism, this act shall take effect upon approval by the governor."

It is not a question of whether such law is really wise. It is not a question of whether it is in accord with what you may believe to be fundamental Americanism. It is the law of this State. It is your first duty, whether you be a citizen or merely a temporary resident in this State, to respect and obey its laws. A very large number of men and some women have been convicted under this law and are serving terms in prison under its provisions.

I am fully aware that there are men who in whispers or in other places loudly proclaim their belief, assumed or genuine, to the effect that it is the real man's duty to resist such law and to take the consequences for the purpose of making the law odious. If the native American, who has received his education in an American school, feels like acting that way, he may be presumed to know what he is doing. And while I urge him to think carefully, to stop, look, and listen, before he proceeds to violate the law of his country, I do not presume to be his special adviser on such questions; I speak especially to seamen who come from foreign countries.

America has given you freedom to quit your vessels in American ports. The United States struck the shackles from your limbs. It raised all the seamen from serfdom to the freedom granted to all other workers within its borders. You have a right to think highly of such a country; but you must realize that with freedom comes responsibility. This you can not shirk. If you fail to do your own duty, you can not complain when others fail in their duty to you. To listen to proposals that are contrary to law you can not at all times help. Your shipmate brings it up in the forecastle. You hear it urged, there is no other place to go; but there is no good reason why you should encourage it or really tolerate it. If you are a real man, you must be able to see and understand that when you do you are returning evil for good. America gave you freedom, and if you listen and agree to proposals that the American people have stamped as criminal, you become allied with those who advocate it and must take the consequences.

Now please read the law over again and note that if you have such literature—as is prohibited in the law—in your possession, you will be sent to prison. If you should for one reason or another be arrested—and you know this might easily happen—and you have an I. W. W. card on your person or in your possession, you are guilty under the law and you may be sent to prison. If you distribute such literature, you are violating the law. If you advocate such ideas, you violate the law and you may be sent to prison. So you will see that, while it is morally wrong, it is also dangerous to you, because you may be punished by loss of liberty for years.

We seamen have other work to do. We were bondmen. America made us free men. It is our duty, as it was our promise in our hours of bondage, to assist other seamen to become at least as free as we are. This can only be accomplished by working to this end within the law. We are free men entitled to participate in the political work of society. Bad laws, and there are unquestionably many such, can only be repealed or amended in one way, and that is by legislation.

We were tied to the ship in the same way as the serf to the soil. That was the law. We succeeded in changing it by working in the regular way within the law. If we leave this beaten path, we will lose everything that has been gained. The seamen's act will be repealed and the imprisonment clauses of the old law will be restored.

If the wobblies had succeeded in getting control of our union, it would have come under the criminal syndicalist law. We would have been under constant police supervision, and finally we would have been abolished by the State, which then would have taken or confiscated our building and our funds, and a great many of us would have been sent to prison. The chief danger now seems to be over, but there must be no compromise with this danger. You must resist it everywhere, and you must attend the meetings in order that you may be able to help in guarding what we have and to assure progress for ourselves and others in the legal and only possible way.

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SHIPOWNERS' QUEER POLICIES.

The following self-explanatory letter was forwarded by the Sailors' Union of the Pacific to the Pacific American Shipowners' Association, Alaska Commercial Building, San Francisco, and to the Shipowners' Association of the Pacific Coast, Santa Marina Building, San Francisco:

"GENTLEMEN: The situation among the seamen along this coast seems to call for a plain speech, and believing this I beg to lay before you the following facts, to which I hope you may give such attention as they deserve.

"The seamen on this coast threw up their hands and quit the struggle on July 29, 1921. The action was taken in accordance with advice given to the men by me. After this action had been taken I visited several shipowners and suggested that they might reconsider their action with reference to the establishment of shipping offices at San San Francisco and San Pedro. In these offices you registered the men, and you began to ship them according to their turn as registered.

"I called your attention to the fact that while you had told the seamen and the public that you especially wanted to get rid of the members of the Industrial Workers of the World from the merchant marine of this coast and this country, the system of registration and shipping by turns could not accomplish that purpose. The open shop is their playground, and the registration and shipping by turn is their system, which they impose upon all and in all places where they can exercise any power.

"Your answer was, 'No; we know the wobblies and how to deal with them.' The system of registration is still continuing, although the turn system has, under pressure from shipowners, been so changed that the officers are permitted to choose among the registered men. This became necessary because the inefficient men were sailing and the really efficient men were leaving, as I had suggested would be the result.

"I visited San Pedro with Patrick Flynn, and we were told that wobblies had known before the steam-schooner agreement was voted down by the seamen as to what the shipowners were going to do when it was voted down. The wobblies program was: First, vote down the proposed agreement, then the shipowners will establish shipping offices, where the shipping will be done by turn. Be on hand and ready to register when the offices are open, so we can be in the vessels and make wobblies of those who as yet are not lined up.

"On my return from San Pedro I asked such wobbly leaders as I knew if there was a strong agitation to declare the struggle off as soon as shipping offices were opened. I was told yes. This fits in so well with the advice given from the wobbly office in Chicago that the whole thing seemed clear. But how did the wobblies know what the shipowners were going to do? There must have been a leak, or did some shipowners double-cross their committee just as our committee was double-crossed by the wobblies on our side.

"On September 22 last Capt. Walter Peterson called a few sailors, firemen, and cooks into his office and informed them that offices would be opened in Portland, Aberdeen, and Seattle, and that a continuous discharge book, with the seaman's picture in it, would be issued. Two days later I visited several shipowners and urged that such policy would be destructive to the personnel, because the real seamen would quit the sea—or at least this coast.

"I insisted that the shipowners should postpone establishing the offices and the books for at least 60 days, and thus give us a chance to show that the seamen on this coast can be trusted to clean their own house of the wobblies. This was agreed to on Monday, the 26th.

"Now, here let me record that I understood fully what was at stake. If we failed to clean house, we would be stamped in the eyes of the public and of the law as an organization so tainted as to be subject to prosecution under the criminal syndicalist law of the State of California. But while I was aware of this, I knew also that if the books were issued the men worth while would quit and the personnel of the service here would be given a blow from which it would take years to recover. The law would be used anyway, and the union, such as we have struggled to make it—an organization to help building a real personnel for a real American sea power—would temporarily pass away. I reported the main points to the meeting of the union that night, and the union passed the following resolution:

"Whereas the Seamen's Journal has for some considerable time advocated the ideas of the I. W. W., the Marine Transport Workers' Industrial Union No. 510, which is a section of the I. W. W. and of the One Big Union, which is only another name for the I. W. W.; and

"Whereas this propaganda is directly against the seamen and destructive of all the hopes and aspirations of the seamen; and

"Whereas this propaganda is growing more virulent and aggressive; and

"Whereas there can be no divided allegiance: Therefore be it

"*Resolved*, That the editor, John Vance Thompson, be, and is hereby, instructed to cease all such propaganda in the Journal at once; and be it further

"*Resolved*, That he edit the Journal on principles laid down in our constitution and according to our policy, namely, for the seamen as seamen, to the end that the Journal shall again become what it was instituted to be—the champion of the seamen's cause.

"I was compelled to go East, and remained away until October 29. In the meeting of October 31 John Vance Thompson brought charges against me for destroying the union's property, to wit, the Seamen's Journal. I brought counter charges against him for editing the Journal in violation of the constitution and the resolution of September 26. When the trial committee was about to be elected the wobblies threw the meeting into confusion and compelled an adjournment by beginning a physical row, but on November 7 the committee was elected and the following resolution was adopted:

"Whereas the Sailors' Union of the Pacific is recently being invaded by a number of advocates of revolutionary doctrines and principles wholly contrary to the policy of this union; and

"Whereas the constitution of the Sailors' Union, article 3, section 3, strictly provides that 'no one shall be admitted to membership in this union who is a member of any dual organization or any other organization hostile to the aims and principles of this union': Therefore be it

"*Resolved*, That article 3, section 3, of the constitution be strictly enforced, and any member found violating same be expelled in accordance with the constitution; and be it further

"*Resolved*, That this resolution be conspicuously posted at headquarters and in the branches of this Union.

"The trial committee's report was submitted November 14. The report exonerated me and found John Vance Thompson guilty. Whereupon he was expelled. To expel a member in the Sailors' Union requires a two-thirds majority vote, and thus it was proven beyond any question that the Sailors' Union was not so tainted but that it could clean itself. The Sailors' Union was not only abut but it was willing to clean itself. From such information as I have received this was not expected by some of the shipowners. Was the wish the father to this thought? Eighteen more were expelled on November 21, and since then some 10 more."

"The following resolutions were adopted on November 14:

"Resolution 1.

"Whereas it has become know that membership books in the East and elsewhere have been illegally stamped: Therefore be it

"*Resolved*, That no transfers be made until it has been properly ascertained that the book of the possessor thereof is right; and be it further

"*Resolved*, That any books offered for transfer be taken up and sent to the Atlantic or the Great Lakes, as the case may be, for verification.

"Resolution 2.

"Whereas threats have been uttered against this building; and

"Whereas all kinds of men are coming into our reading room during the day: Therefore be it

"*Resolved*, That none except members in good standing, or such as are given permission by the secretary, be permitted in the reading room, under penalty of being prosecuted for trespassing; and further

"*Resolved*, That placards be posted at the head of the stairs, in the reading room, and the office warning all who are prohibited from the use of the reading room to keep out.

"The 60 days' grace being about passed, I visited some of the shipowners with the suggestion that in order to get the wobblies out of the vessels the owners ought to give us passes to the docks and ships. To expel them from the Sailors' Union was our part of the cleaning

process. We did that for our own sake; but to clean the vessels is the shipowners' job. They alone can do that. They own the vessels, and they alone can determine who shall sail in them. With the wobblies—at least some of them—having one name in the union, one on the streets, and then some other name when registering at the owners' office, names and even pictures mean nothing. They must be identified if the work is to be done at all.

"The labor committee of the shipowners met and decided against the passes. The wobblies are sailing. Expelled men are sailing. At least one of the owners has informed me that they know who are the wobblies better than we do. And yet they are sailing. They carry the paraphernalia necessary to join men on the vessels. They joined a good many, some under coercion in the past, and this is still going on. Of course, we being forbidden to visit some of the vessels, it will take us a long time and there may be some trouble here and there if we are to stop this alone. But why should we?

"There are already quite a number of men who believe that the wobblies are carried on the vessels by the shipowners for their own purposes; that they protect them not only on the vessels but in the courts as well. I do not charge that this is so, but it certainly looks like it. They are expelled and their names are published in our official minutes, yet they keep sailing. Why? They are arrested and are out on bail; their trials are delayed. Why? We offer to point them out, but this offer is not accepted. Why? They are not, except in a few instances, even fair seamen, yet they are permitted to sail and carry on their propaganda on the vessels and in the harbors. Why?

"Industrial Solidarity of November 26 has the following to say:

"'In one industry, that of marine transport, the I. W. W. has gone far toward realization of its international ideal. The Marine Transport Workers have their flourishing branches from Scandinavia to South America. Wobbly seamen carry the propaganda of the one big union wherever they go, which means to every seaport on the globe. They have the greatest opportunity of any group of wage earners to make our organization in fact as well as in name the Industrial Workers of the World.'

"This is no mere boast. There is some truth in it, though it is, of course, exaggerated. One would not be willing to believe that there are wobbly shipowners, and I don't believe there are; but that they, for reasons of their own, in some way employ and protect them seems at least reasonable. Are they using them to kill real, honest unionism, with the purpose of dealing with them later or not at all? Just now the real seamen are certainly between two millstones—the shipowners and the wobblies.

"Please do not make the mistake of thinking that we are complaining. We will find ways and means to protect ourselves in some way. But all the shipowners, and the public as well, should be made to understand what is going on here. Whether the same situation is to be found on the Atlantic I, as yet, know not. That will be found out and dealt with later.

"With great respect and in the interest of a real and lasting American merchant marine, I beg to remain on behalf of real seamen,

"Yours, very truly,

"ANDREW FURUSETH,
"Secretary Sailors' Union of the Pacific.

"DECEMBER 5, 1921."

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session the doors were reopened, and (at 5 o'clock and 22 minutes p. m.) the Senate, in accordance with the order previously made, took a recess until Monday, February 6, 1922, at 11 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 3, 1922.

COLLECTOR OF INTERNAL REVENUE.

Rex B. Goodcell to be collector of internal revenue for the sixth district of California.

UNITED STATES MARSHAL.

Rippon W. Ward to be United States marshal for the eastern district of North Carolina.

POSTMASTERS.

ALABAMA.

Thomas W. Naugher, Chase.
Leonard E. Blackwell, Deatsville.
James Alexander, Marion Junction.
George W. Graves, Russellville.
James B. Washington, Tuskegee Institute.
Judson Strock, Verbena.

ARKANSAS.

Alexander C. Gillies, Black Oak.
Samuel C. Scott, Wheetley.

CONNECTICUT.

John L. Eliot, Clinton.

ILLINOIS.

Bruce C. Krugh, Homer.
John W. Miller, Okawville.
Robert Murphy, Tilden.

INDIANA.

Harvey S. S. Bell, Galveston.
John W. Rudolph, Montgomery.
Gay R. Paul, Ray.

IOWA.

Benjamin A. Brown, Colfax.
Rufus W. McKnight, Marengo.

KANSAS.

Maggie Dowell, Gaylord.
Marion W. Covey, Miltonvale.
W. F. Bomgardner, Palco.

KENTUCKY.

Joseph R. Kimmel, Drakesboro.

LOUISIANA.

Margaret Berger, McDonoghville.

MONTANA.

Jessie M. Tripp, Gardiner.

NEBRASKA.

Alfred G. Taylor, Chappell.

NEW HAMPSHIRE.

Hiram W. Eldredge, Antrim.
Caroline G. Colby, New Market.

NEW JERSEY.

Frank E. Marinaccio, Madison.

NEW YORK.

Mary H. Dunn, Bellmore.
Robert B. Irwin, Nichols.
Charles H. Huntoon, Sayville.

NORTH CAROLINA.

Sam L. Franks, Franklin.
George T. Whitaker, Franklinton.
Grover L. Harbinson, Maiden.
Arthur H. Gibbs, Whittier.

OHIO.

John M. Doan, Marietta.
Harold L. Sansbury, Vinton.
George W. Hurless, Waterville.
William G. Hoffer, Willshire.

TEXAS.

Lewis E. Wigton, Alamo.
William C. Kenyon, Amarillo.
Grover C. Chambliss, Anahuac.
Jewell D. Woodard, Bardwell.
John H. Atterbury, Benjamin.
John W. Ward, Big Springs.
Hugh B. Eades, Blossom.
Oria H. Sieber, Crosbyton.
Joseph N. Johnson, Dalhart.
Charles E. Bradford, Decatur.
George L. Fitch, Handley.
Maggie Beck, Hillsboro.
Nora M. Kuhn, Paige.
Robert Montgomery, Ponta.
Oscar Yeager, Ringgold.
Roland B. Paul, Riohondo.
Peter G. Lucas, San Antonio.

VERMONT.

Lester C. Rhodes, Chester.
Ida H. Holton, Newbury.
Roberts C. Olds, Norwich.

WEST VIRGINIA.

Madge M. Hager, Hamlin.

HOUSE OF REPRESENTATIVES.

FRIDAY, *February 3, 1922.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, through Him whose name is above every name do we come to Thee. Thou will surely look with favor upon us who are created in Thy image, and we hope destined to come into Thy likeness. Another one has gone, heroic in our country's defense and skilled in the affairs of government. O be in the chamber of affliction and with those who are in the shadow of this great loss. What is so dark to us is light to Thee, and there is a plan, a purpose, and a goal for everyone. Then give us the trust that lifts skyward and sees beyond the night line. There is nothing in life, nothing in death, and nothing beyond the grave that is able to separate us from the Father

and His love. Give us the power of faith and courage to break through earth's cares, earth's burdens, and earth's sorrows, and wait patiently and rest sweetly until the dawning of the perefect day. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

ADDRESS ON ABRAHAM LINCOLN.

Mr. TOWNER. Mr. Speaker, I ask unanimous consent that my colleague, Judge WILLIAM R. GREEN, be allowed to address the House for 40 minutes, after the reading of the Journal on February 13, on the life and public service of Abraham Lincoln. February 12, Lincoln's birthday, comes on Sunday this year, and Monday is the day following.

The SPEAKER. The gentleman from Iowa asks unanimous consent that his colleague [Mr. GREEN] may address the House for 40 minutes on February 13, on the life and services of Abraham Lincoln. Is there objection?

There was no objection.

RELIEF OF DESTITUTION AMONG INDIANS.

Mr. CRAMTON. Mr. Speaker, by direction of the Committee on Appropriations I report a joint resolution and ask unanimous consent for its present consideration.

The SPEAKER. The gentleman from Michigan asks unanimous consent for the present consideration of a joint resolution which the Clerk will report.

The Clerk read House joint resolution 264 to provide for the relief of destitution among Indians, as follows:

Resolved, etc., That there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, or so much thereof as may be necessary, to be available until June 30, 1922, for the relief of destitution among Indians, to be used in the discretion of the Secretary of the Interior, for the furnishing of food, clothing, and other supplies: *Provided*, That where able-bodied Indians have no means of support this appropriation may be used to pay such Indians for work performed in the construction of roads or other improvements on the reservation, or for the purchase of necessary seeds and implements to enable them to cultivate their farms: *Provided further*, That no part of this appropriation shall be used for the purchase of food, clothing, or other supplies that can be furnished by the War or Navy Departments or by the United States Shipping Board from surplus stock in time to meet the present emergency; and the War and Navy Departments and the United States Shipping Board shall, upon receipt of formal request therefor, and without charge, turn over to the Indian Service at the point of storage any such surplus food, clothing, or other supplies: *And provided further*, That a sum equal to the total value of all supplies furnished by the other governmental agencies shall be reserved from the appropriation made herein and be covered back into the Treasury.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. WALSH. Reserving the right to object, where is this destitution among Indians?

Mr. CRAMTON. If the gentleman desires I will take a couple of minutes to make a statement with reference to the resolution.

Mr. WALSH. I reserve the right to object.

Mr. CRAMTON. For the information of the House I will state that a short time ago the Interior Department sent to Congress through the Bureau of the Budget an estimate for an appropriation of $155,000 for this purpose. After the consideration of the matter by the subcommittee of the Committee on Appropriations on the Interior Department, the Bureau of Indian Affairs took up with the War Department and the Shipping Board the possibility of securing from surplus stocks on hand food, blankets, and clothing for this purpose.

As a result of their further investigation they came again to the Appropriations Committee and stated that by reason of these facts and because of some lapse of time, as the winter is passing, the amount might be reduced from $155,000 to $100,000.

The resolution before the House provides for that amount, to include the value of any supplies of that kind that are furnished from surplus stock, so that the resolution does not involve the expenditure of the entire $100,000 in cash—probably not over half of it.

The destitution among these Indians is referred to in House Document No. 155 of this session, covering the transmission of the estimates, and on page 3 of that document, in the statement of the Commissioner of Indian Affairs, the need is set forth that because of drought and crop failures, and so forth, particularly in Montana among the Blackfeet Indians, and in Arizona and New Mexico conditions have been brought about that mean great suffering and possible starvation unless some relief is given.

The current appropriation for relief of distress and prevention of disease among the Indians was $375,000, of which nearly $325,000 is for maintenance of hospitals and sanatoria, leaving a total of about $50,000 for general purposes, and of that only $700 has not been obligated. The present Commissioner of Indian Affairs, Mr. Burke, was for a long time chairman of the Committee on Indian Affairs in this House, and it is only due to the Bureau of Indian Affairs that I should state that in the consideration of the bill for the Interior Department we found that the estimates submitted were on a very economical basis, and your subcommittee in charge of that bill feel that the Indian Office has gone further than any other branch of the Interior Department—and they have all done very well—in the effort for real economy and retrenchment. And we are very well satisfied that unless there was a very real necessity Commissioner Burke would not have submitted this request.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. JOHNSON of Washington. What is gained by the Indian Service in the Department of the Interior trimming its figures for the support of the Indians in submitting the Budget figures, which are the basis for the appropriation, and then turning around and asking an appropriation in a lump sum for the relief of the same Indians?

Mr. CRAMTON. The gain probably is in this, that the reduction is in other items where a reduction could be made. There was not a reduction in this particular item for the relief of distress and the prevention of disease among the Indians.

Mr. JOHNSON of Washington. I do not want to take time to discuss it, but I notice the small appropriations made for the Indians in my part of the country. They are trimming a hundred off each thousand dollars, which amounts to trimming nothing to nothing.

Mr. CRAMTON. I can hardly agree with the gentleman on that.

Mr. GARNER. Mr. Speaker, do I understand that the gentleman has asked unanimous consent for the consideration of this matter?

Mr. WALSH. I asked the gentleman from Michigan under a reservation to object to give me a little information about the matter.

Mr. GARNER. Then, this is furnishing information to the gentleman from Massachusetts.

Mr. WALSH. Yes; and as the gentleman has not satisfied me I object.

The SPEAKER. The gentleman from Massachusetts objects.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2022. An act promoting civilization and self-support among the Indians of the Mescalero Reservation in New Mexico; and

S. 3086. An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following title were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 2022. An act promoting civilization and self-support among the Indians of the Mescalero Reservation in New Mexico; to the Committee on Appropriations.

S. 3086. An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia; to the Committee on the District of Columbia.

REFUNDING OF OBLIGATIONS OF FOREIGN GOVERNMENTS.

Mr. FORDNEY. Mr. Speaker, I call up the bill (H. R. 8762) for the refunding of obligations of foreign Governments, with Senate amendments, and I move that the Senate amendments be agreed to.

The SPEAKER. The Clerk will report the title to the bill.

The Clerk read as follows:

An act (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments owing to the United States of America, and for other purposes.

The Senate amendments were read.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOPER of Wisconsin. Does the consideration of this bill or resolution at this time require unanimous consent?

The SPEAKER. It does not. It is a House bill with Senate amendments.

Mr. WALSH. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WALSH. Do we act on the Senate amendments separately or in gross?

The SPEAKER. The Chair thinks that any Member has the right to have them acted upon separately.

Mr. WALSH. I would like to ask for a separate vote on the next to the last amendment which the Clerk read.

Mr. MANN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MANN. Are not the amendments of the Senate of a character that requires consideration in Committee of the Whole House on the state of the Union?

The SPEAKER. It does not seem to the Chair that these amendments involve an expenditure by the Government. It does not seem to the Chair at first blush that they require action in the Committee of the Whole House on the state of the Union.

Mr. MANN. There is an amendment fixing the rate of interest which is not in the House bill.

The SPEAKER. That is a limitation on the provisions of the House bill.

Mr. MANN. Does not that propose to fix the rate of interest on Government security? And is not that a proposition which would require consideration in Committee of the Whole House on the state of the Union?

Mr. LONGWORTH. It is not designed to fix the rate of interest, but it is a limitation.

Mr. MANN. That amounts to the same thing.

The SPEAKER. The bill as passed gives the commission full control over the rate of interest, and this reduces rather than increases their power, it seems to the Chair. It does not seem to the Chair that it requires consideration in Committee of the Whole House on the state of the Union.

Mr. FORDNEY. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. GARNER].

Mr. GARNER. Mr. Speaker, I did not happen to be here when the bill passed the House in December, I believe it was. This is purely a question of whether or not the House will agree to certain amendments put on by the Senate. I think the bill is a better bill as it comes back from the Senate than it was when it went there. It contains some things that the membership of the House on this side sought during the consideration of it when it passed this body. In fact, it contains nearly everything they fought for here except the proposition of bringing back to Congress for ratification the action of the commission. In the first place, it guards the appointment of a commission by requiring them to go to the Senate for confirmation. In the second place, it has the limitation of the rate of interest that the Secretary and the commission may agree upon, and third, and the most important of all, it limits the time to which they can extend the payment.

There is also another amendment in the proposition that is a very desirable one, and that was sought to be put on at the time it passed this body, but which was declined, and that is that when once refunded it is to be a final action as far as that is concerned. As it passed the House you could have a funding for a certain year, and that same year it could be refunded again. Mr. Speaker, as a matter of fact, it developed no longer ago than in the past 24 hours that it was the purpose of the administration to extend some of these debts as much as 50 years if the limitation had not been put on in the Senate.

I predict now that when this final consummation is completed you will have some of this interest and some of these payments extended for 25 years, the limit of this bill. It is my belief, from information that has come to me, that it is the purpose of the administration to extend the payment of this interest due on these bonds until the international bankers can collect their four or five billion dollars now owing to them from Europe. That is the whole fight in this matter, and has been from the beginning to now. This will afford an opportunity for the international bankers to collect their money before Uncle Sam can get his, and in the meantime the taxpayers of the country will continue to contribute $500,000,000 in order that they may collect their debt in preference to ours. What does the bill provide? It provides that you can extend the interest due at this time or that will be due next month, and which you criticized the Treasury Department for extending. It provides that you can extend that for 25 years through your commission, and not collect a cent in principal or interest until 1947. I do not want to do that. An effort was made to limit that in this House, and an effort was made to limit it in the Senate, but the Republican organization defeated it. No longer than yesterday when this bill came back from the Senate it was understood that it should be taken up and agreed to at once, but the administration did not want the limitation, and the matter was postponed until to-day. However, it was feared that if the matter went back to the Senate it was questionable whether you could get it through at all if you took off the limitation.

I mention that so that in the future in discussing this matter in the House of Representatives, as you will within the next decade, you may know from discussion that has gone on in this House and in the other end of the Capitol what the purpose of the administration is in asking for this law. I repeat their purpose is twofold. First, it is to extend the interest payment on this debt and the principal a sufficient length of time so that the international banker may collect his four or five billion dollars from Europe before Uncle Sam can collect his, and the taxpayers will come in for taxes to pay the difference.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. GARNER. Yes.

Mr. LONGWORTH. The gentleman recalls that under a previous administration a request was made of the Committee on Ways and Means to give that administration certain authority. At that time did the then Treasury Department ask for a limitation either of interest or of principal?

Mr. GARNER. No. But, Mr. Speaker, that only illustrates the difference between the Democratic and the Republican organizations. We declined to give a Democratic administration this power, while the Republicans give it to a Republican administration. [Applause on the Democratic side.] That is the difference. When the Democratic Secretary of the Treasury came to the Democratic committee asking for unlimited power, we said, No; you can not have it; but when it comes to a Republican administration asking it of a Republican committee, that committee says, Oh, yes; and more if you desire. [Applause on the Democratic side.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. FORDNEY. Mr. Speaker, the gentleman from Texas [Mr. GARNER] is in error in summing up the reasons for the passage of this bill. There is no proposition before the committee to postpone the time of collecting the interest until the bankers of New York settle with their creditors abroad, nor has there been any such proposition before the committee since the present administration came into power. That was the proposition presented to the committee by the last administration through a Mr. Davis, Assistant Secretary of the Treasury, and although the gentleman from Texas [Mr. GARNER] and the gentleman from North Carolina [Mr. KITCHIN] did disagree with that gentleman and told him that Congress would not give the authority to extend the time of payment or interest, yet he—Mr. Davis—did say, and the gentleman will admit it, that whether Congress would give the authority or not, the Treasury had the authority and were going to do it, and they did do it; they extended the time of payment by letting the interest payments lapse for three years. The gentleman from Texas knows that. There is no such proposition here.

Again, the gentleman says that the Senate amendment provides for confirmation by the Senate of appointments to this commission. The bill as it passed the House provided that the Senate should confirm such appointments if they were other than Cabinet officers, the Committee on Ways and Means believing that Cabinet officers having already been confirmed by the Senate to perform Government duties it was not necessary to reconfirm them when appointed to this commission.

The only amendment to this bill that is of importance is an amendment fixing the rate of interest by limitation only and the limitation of time that the bonds can be taken for. The act that authorized the loans provided that the bonds of foreign Governments should not be taken for a greater length of time than our bonds ran for, on which we borrowed the money to make the loans. There is no serious objection to that, because that is quite in compliance with the provisions of the original act that authorized the loans. Personally, I think it is a mistake to agree that the minimum rate of interest charged on these foreign loans should be 4½ per cent. It was never intended that we should charge them more interest than we pay to our own people. I believe—and I believe that you believe—that inside of 5 or 10 years our Government bonds, sold bearing a rate of interest at 3 per cent, will be sold at a premium. Rates of interest are excessively high at the present time, due to unsettled conditions the world over, brought about by the war. The gentleman will remember that during the Cleveland administration something over $400,000,000 of Government bonds was disposed of in panic times in the United States, and that those bonds brought a premium of $30,000,000. They bore interest at the rate of 4 per cent. Since that time some Government bonds bearing a rate of interest at 3 per cent sold at a premium, and, in fact, our 2 per cent bonds which can be used for national bank issues have sold at a premium, and the rates of interest paid by our Government will be materially reduced within a few years.

Mr. CHANDLER of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CHANDLER of Oklahoma. Is it not a fact that our 2 per cent bonds issued at that time are to-day selling on the market at a premium?

Mr. FORDNEY. That is correct. I do not think it would be just and equitable on the part of our Government to at any time impose on those people abroad a higher rate of interest than we have to pay here. They stood the brunt of this Great War, and when we made those loans we all agreed, and we do now, that the more money we at that time would furnish to those Governments that were engaged in that Great War to better equip their men that were in the field the less number of men we would be called upon to send there, and if it came to be a question of human blood or money, then money had no value as far as we were concerned. That is the way the loans were so freely made.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BLANTON. Has not our Government been paying 4¼ per cent and 5 per cent and even 5½ per cent for this money?

Mr. FORDNEY. Yes; and as low as 2 per cent.

Mr. BLANTON. If we have been paying these high rates, then why is 4¼ per cent high?

Mr. FORDNEY. We hold their demand obligations now drawing interest at 5 per cent.

Mr. BLANTON. The 4¼ per cent is not a high rate.

Mr. FORDNEY. Not just now. I say within 5 or 10 years. We expect a much lower rate of interest, and it is right, my friends, to impose upon these people a rate of interest equal to our own in order to help them in their great distress. Let me say to you, gentlemen, my reason for making that statement is this: Great Britain to-day owes 46 per cent of her total wealth, everything, real and personal. France owes 53; Italy, I do not know, but a percentage somewhat above that sum. The Governments that owe us are in much worse financial condition than the people of the United States. Our public debt to-day is but 7 per cent of our total wealth, real and personal. There is no country on earth, no principal country anywhere, but what has a greater percentage of debt in proportion to their wealth than the people of the United States, notwithstanding the fact our debt is very great. I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. CHALMERS. Will the gentleman answer a question before he yields?

Mr. FORDNEY. Yes.

Mr. CHALMERS. Is it true, as stated by the gentleman from Texas [Mr. GARNER], that the commission would have authority to extend the payment of this interest for 25 years?

Mr. FORDNEY. There is nothing in the bill to that effect.

Mr. CHALMERS. Have they the power under the bill?

Mr. FORDNEY. I do not think so; no, sir.

Mr. WALSH. Is the gentleman in favor of all these Senate amendments?

Mr. FORDNEY. Oh, I would rather have this provision I am talking about stricken from the bill. But after consulting with the President and the Secretary of the Treasury, they think it is workable and that they can proceed under its provisions. I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Speaker, there are only two amendments put on by the Senate of anything like major importance, and as the bill is not in the hands of those Members present I will read those two provisions. Page 2, line 20, after "therefor," insert:

Provided, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or other obligations due the United States of America by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 4½ per cent per annum.

Mr. OLDFIELD. Where does the gentleman find that in the bill?

Mr. LONGWORTH. That is an amendment put on in the Senate. I read it because most of the bills gentlemen have are those reported by the Finance Committee. These amendments were both adopted in open Senate. I entirely disagree with my friend from Texas [Mr. GARNER] in the statement that these amendments improve the bill. On the contrary, I believe they will damage the bill, and the House believed it, too, for when the bill was originally before it amendments of this nature were voted down by a large majority. Gentlemen will recall that an amendment fixing the rate at not less than 5 per cent was substantially voted down and an amendment limiting the number of years that the bonds could run was voted down. I am one of those who believe that as a rule the House is more apt to be right than the body at the other end of the Capitol. [Applause.] I think so in this case. The situation simply is that if we fail now to agree to these amendments, if we have a conference, and if the House should prevail, as I believe it would, in restoring the House provision and striking out these limitations, there may be serious danger in another body that the obstructors of all legislation that we are attempting to enact would filibuster against this, as they do against most of the major constructive measures which our party is endeavoring to pass. [Applause on the Republican side.] I understand that there is no serious objection to the acceptance of these amendments, because, while they will to an extent tie the hands of the commission, it is difficult to imagine a case where any refunding operation extending over a period of more than 25 years or at a less rate of interest than 4½ per cent would be apt to be agreed upon. For these reasons I shall support the motion of the gentleman from Michigan to agree to these amendments and close the matter up once for all.

Mr. FESS. Will the gentleman yield?

Mr. LONGWORTH. I will yield to the gentleman from Ohio.

Mr. FESS. I think the gentleman has relieved my mind of a query that in case this passes Congress still later the commission could have the power to make better terms for the profit of the Nation?

Mr. LONGWORTH. I have not any question that if the commission should find itself seriously hampered—if, for instance, some nation could not find it to be practical to limit the bonds to 25 years or 30 or 35 years, to which I can see no objection—Congress can grant additional authority.

Mr. FESS. But if Congress has not that power it seems to me very unwise to tie up the whole situation for a definite length of time.

Mr. LONGWORTH. I agree with my colleague it is unwise, but it was done by a body less wise in this instance than this House, which placed no limitation upon it. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Speaker, the gentleman from Michigan [Mr. FORDNEY] in response to an inquiry from some one on the Republican side said that there was no authority in the bill to extend the payment of interest for 25 years. I think the gentleman from Michigan is in error. The bill, section 2, says:

SEC. 2. That, subject to the approval of the President, the commission created by section 1 is hereby authorized to refund or convert, and to extend the time of payment of the principal or interest, or both, of any obligation of any foreign Government now owing to the United States of America, or any obligation of any foreign Government hereafter received by the United States of America, etc.

In other words, this bill authorizes this commission to not only extend the time of payment of the principal, but specifically authorizes it to extend the time of payment of interest that is now due.

Mr. FORDNEY. Will the gentleman yield?

Mr. WINGO. I will.

Mr. FORDNEY. Does the gentleman think from the language in the bill the commission would extend the time of payment to the 15th of June, 1947, and make the principal and all the interest due on the same day? It would not be expected that the act intended any such thing.

Mr. WINGO. Candor compels me to state that I do not believe they would extend all the principal and interest for 25 years, but they could extend, and I think they will probably extend, the time of payment of principal at least 25 years, and I should not be surprised, and it is my understanding it is the intention, if they convert the interest that is now due into a principal obligation and extend the time of interest that is now due 25 years. I think that is the scheme. They have the power to do it. Not only that, if there is default in the payment of interest on any obligation, this commission is authorized under this bill then to defer the payment of interest hereafter, because it authorizes them to defer the payment of principal and interest not only on obligations now held but on any other obligations which we may hereafter receive. To my mind, there is no doubt as to the intention. What they intend to do is to convert the accrued interest into a principal sum, taking a bond therefor, and extend the time of payment 25 years. In addition to that, it is intended, and they have the power specifically authorized by this bill to do so, to do just as the gentleman from Texas [Mr. GARNER] has charged.

The main strength of the influences back of having this commission appointed is that the international bankers who hold the other bonds and obligations of these Governments shall get

their money first. Is the gentleman deceived by the rise in the market of these foreign bonds in the last few weeks, since it was evident this administration was to put this through? There is no doubt, I think, in the minds of any man who is conversant with what is trying to be done, that that is the object and that that will be done by the commission.

Mr. FORDNEY. Will the gentleman yield?

Mr. WINGO. I will.

Mr. FORDNEY. The language of the section the gentleman read is "now held by the United States." All of the world's demand obligations must be extended. That is the purpose.

Mr. WINGO. Of course, the gentleman, though not willfully, has not noticed. It says, "Any obligations of any foreign Government hereafter received." The original bill goes further than provided by the Senate amendment. It can not only extend the time of payment for all the interest that is now due, but they intend to treat the accrued interest as a sum and include it in the bonds, or else make the rate of interest so high as to absorb it. The obligations they take under this bill will be obligations hereafter received and will mean that this same commission may then defer the interest as it may fall due in the future and defer it from year to year in order to meet the exigencies and the interests of these private bankers. That is what is behind the bill, and without that it would not pass.

The SPEAKER. The time of the gentleman has expired.

Mr. PARKER of New Jersey. Mr. Speaker, will the gentleman yield? There is one amendment by the Senate that has not been called to the attention of the House, and that is that the whole power of the commission ceases in three years. That, of course, bars them from anything beyond three years.

Mr. FORDNEY. I yield three minutes to the gentleman from New York [Mr. COCKRAN].

Mr. COCKRAN. Mr. Speaker, I think the description of the bill as it is now before us, its effect and probable operation, by the gentleman from Arkansas [Mr. WINGO], is very clear, succinct, and convincing. The aspect of the situation, however, with which it deals that I think the House ought to consider, and which, it seems to me, has been overlooked, is the necessity for making provisions to deal with just such a contingency as he describes—and that is failure by one of those debtor Governments to meet their obligations to us. We are not dealing here with individual debtors. We can not go to a court and after obtaining judgment for what may be due against a delinquent nation send the sheriff to collect it. Let us assume for a moment a condition which I think is not merely a possibility but a very strong probability, that some of these Governments can not pay their interest. What, then, are we to do? Are we to treat it as an act of war and send an army and a navy to make war upon them and thus put them in a worse condition for meeting their obligations than they were before? We must reserve somewhere power to deal with such a condition should it arise, and if it be found they are unable to pay—to pay this year or next year—to make arrangements by which we may at least have some prospect in the event of better times to collect as much of what is due us as the situation will allow.

I ask the House to remember, what I think we should never forget for a moment, that we are dealing here with perhaps the most difficult, delicate condition that ever arose in the history of civilized nations. It is the first time that the world has faced a condition when enormous, almost inconceivable, sums are due as the result of a war when the debtors as well as the creditor are all sovereigns. The very essence of sovereignty is that it can not be conditioned or coerced except by war. We can not proceed on the assumption that there is any way in which we can force these debtor nations to settle their debts to us except by war. When that fact is realized I do not think anybody here would contemplate the possibility of sending armed forces to collect the debt or the interest that was in default.

I agree with the gentleman from Texas [Mr. GARNER] that this bill is very much improved by the amendment fixing a minimum limit on the interest that can be accepted. Otherwise, the commission would have the power practically to cancel the debt. Even though specifically prohibited to cancel it, yet if the commission had plenary power to fix the interest it might fix a nominal rate, and that would be virtual cancellation of the debt.

It seems to me therefore that the bill as at present framed is about as effective and fair a measure as this House could adopt. It provides for the collection of this interest as it can be collected, and if it can not be collected it provides a method by which that default can be adjusted. This is the very utmost we could hope to accomplish in the situation actually confronting us. If you attempt to go further than that you risk raising complications graver than we can now realize, and at the same time you will defeat your immediate purpose by attempting the impossible. [Applause.]

Mr. FORDNEY. Mr. Speaker, I yield five minutes to the gentleman from Iowa [Mr. GREEN].

The SPEAKER. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Speaker, I had not supposed that the gentleman from Texas [Mr. GARNER] was in the confidence of the administration, and therefore knew fully in relation to its plans, as he has stated to the House. [Laughter.] I still have some doubt as to whether he is. At all events, I do not profess to speak with authority from the administration as to its intentions and purposes in operating under this bill, but I do believe that this administration will act under this bill for two purposes—to maintain the trade and business of the United States between us and foreign nations, and to realize as much as possible from debtor nations which are financially embarrassed.

Now, as the gentleman from New York [Mr. COCKRAN], who has just preceded, has very well stated, there are some of these nations that at the present time are unable to pay. Gentlemen have only to look at the statement of amounts of the debts of European nations which were inserted in the RECORD some time ago to realize that some of these nations owe more than all their total wealth. I doubt whether many of those nations can pay interest at this time, and if they can not, as the gentleman from New York asked, how are we going to get it? When a debtor nation is in such a position it is folly to undertake to force collection. The only way to collect from a bankrupt is to give time for rehabilitation, and if the commission is not given power to do this we might as well have no commission. So also this power must be general. Obviously in a bill of this kind we can not specify how much time should be given each nation. It all depends on the circumstances of the case.

Gentlemen upon the other side have criticized this bill, but they never have presented any other. They have made some suggestion in the way of limitations, but they never have told this House and they never have told the committee what plan they would take.

Mr. COLLIER. They have a better law now than this bill.

Mr. GREEN of Iowa. Will the gentleman from Mississippi state what can be done under the present law? The legal advisers of the Treasury say nothing can be done.

Mr. COLLIER. I say they have a better law than this bill. But I believe in these Senate amendments, because they are, in my opinion, almost everything that we asked for and which the House refused to give. But the Senate has done it.

Mr. GREEN of Iowa. There were good reasons given at that time on account of which we could not accept your suggestions. Under the previous administration the Treasury officials came before our committee, as stated, asking additional power, and they were forced to go without any law, and they did go without any law.

Gentlemen talk about extending the time of the interest. The previous administration, without any law, proceeded to extend the time of payment of interest for three years, and there it stands. Gentlemen say now that it is thought this will be made part of the principal. Why should it not be part of the principal? Why not, with the understanding that the previous administration gave to these foreign debtors as to what would be done with this interest at the expiration of the three years? There is but one thing to do in this situation, and that is to take it and meet it as we find it. The debt can only be collected by force of arms in some instances, and even then, if the property is not there, we can not get it. We should deal with these nations in the same manner as if we had individual debtors in a similar situation—put them on their feet, if possible, and enable them to pay these debts, and enable them to continue to do business with us. [Applause.]

Mr. SMITH of Michigan. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. May I have two minutes more?

Mr. FORDNEY. I will yield to the gentleman two minutes more.

The SPEAKER. The gentleman from Iowa is recognized for two minutes more.

Mr. GREEN of Iowa. Now, as to this bugaboo about these $5,000,000,000 of foreign indebtedness due to these bankers, who knows anything about the amounts that are due these banks? The principal amount that is due us is due on account of the great amount of agricultural products that we have sold to Europe; and this administration wants, and all the

Members on this side want, to have the trade in our agricultural products continued.

Mr. SMITH of Michigan. Can the gentleman inform the House whether or not all these nations are willing to give bonds? Are they willing to settle their debts by giving bonds?

Mr. GREEN of Iowa. They are willing to issue evidences of indebtedness, so far as I know, except Russia.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. COOPER of Wisconsin. The records of the Treasury Department show that the Government of the United States loaned to the Kerensky government, first and last, $187,000,000 in gold, and that it was used not only by the Kerensky government, which lasted only four months, but also by the Wrangel government and by the Kolchak government—two revolutionary governments fighting people with whom we were at peace. Now, will the gentleman say how we are going to refund the $187,000,000 of obligations of the Kerensky government, a government which expired in 1917?

Mr. GREEN of Iowa. I would suggest that the gentleman ask some of the parties who were responsible for those loans. This administration had nothing to do with them. I do not know how that can be done.

Mr. COOPER of Wisconsin. In other words, in the opinion of the gentleman from Iowa [Mr. GREEN], who is very familiar with the facts, and whose judgment we respect, that loan of $187,000,000 to the Kerensky government, on a demand note signed by Mr. Bakhmeteff, is a dead loss?

Mr. GREEN of Iowa. We certainly are not able to collect it at the present time.

Mr. COOPER of Wisconsin. One thing more.

The SPEAKER. The time of the gentleman has expired.

Mr. COOPER of Wisconsin. I ask that the gentleman's time be extended one minute.

The SPEAKER. The gentleman from Michigan [Mr. FORDNEY] has control of the time.

Mr. FORDNEY. I yield to the gentleman one more minute.

Mr. COOPER of Wisconsin. Is the gentleman from Iowa aware that in the office of the Senate Committee on Finance is a report of facts obtained from the official records of the Treasury Department by that committee's special counsel, Don M. Hunt, which shows that $56,000,000 of the $187,000,000 loaned to the Kerensky government was in the National City Bank of New York City when the Kerensky government failed, subject to the check of Mr. Bakhmeteff?

Mr. GREEN of Iowa. Personally, I have no knowledge, but I have no doubt the gentleman from Wisconsin is correct.

Mr. FORDNEY. Mr. Speaker, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Will the gentleman make that 10 minutes?

Mr. FORDNEY. Yes; I yield 10 minutes to the gentleman from Wyoming.

Mr. MONDELL. Mr. Speaker, there is no man so hard to please as the man who has made up his mind not to be pleased whatever happens. My friend, the gentleman from Texas [Mr. GARNER], is just now the best example of that frame of mind. I believe the gentleman from Texas [Mr. GARNER] said he was not here when this bill originally passed the House, but he assumed to favor certain propositions that were made at the time; that is, we are to understand that he would have been favorable to them had he been here. He then proceeds to make the assertion that the Senate amendments which we are asked to adopt are in line with the effort then made, which failed, and therefore are just what they should be; and yet, being in a fair way to having accomplished all this through the adoption of these Senate amendments, the gentleman is just as much dissatisfied as he ever was. He is not happy, even though we do the thing which he says he would have been favorable to having done had he been here when he was away.

Mr. Speaker, I am going to vote for these Senate amendments, but I shall not vote for them on the theory that they are wise or that they ought to be adopted if we could readily avoid it. The Secretary of the Treasury seems to have been impressed with statements that have been made to the effect that it might greatly delay the legislation if we were to go to conference after insisting on a disagreement to the Senate amendments. I think the members of the committee are also somewhat impressed with that suggestion. I have heard so many times of the difficulty in the way of getting another body to recede from an untenable position that it does not impress me as much as it once did. My own idea is that when we are quite sure we are right it is always well to go to the limit in attempting to secure legislation in the best possible form. But I am accepting the judgment of those directly responsible, and shall vote for the adoption of the Senate amendments, though I do not approve them. There are two of them that are important, and the wisdom of which is questionable. One places a limit of 25 years on the bonds that we are to accept. The other fixes a minimum interest charge of 4¼ per cent. Just now there is a form of jingoism that seems popular in some quarters with regard to this foreign debt. I am one of those who have always believed that our foreign debtors should meet their obligations to us and that we should proceed on the theory that the debt owed us by Europe is to be paid, at least, in the main. But while holding to that view always and at all times, I have not been impressed with the jingoism that loudly proclaims that we insist on payment instanter and forthwith and beyond question, with a good, round, fat interest charge. That may be popular, but it is neither sane nor sensible in my opinion. It is true that interest rates are high now, but if God is good and the world comes back to normal, the international obligations of sound Governments will not carry an interest rate of 5 per cent or 4¼ per cent for all of the next 25 years. They will eventually be lower; and I am not one of those who believe that it is consistent with the spirit of America, or that it is good business for America, to appear before the world as demanding, over a period of a quarter of a century, an interest rate higher than what is likely to be the average interest rate on sound international obligations. I do not think we shall gain anything, either in prestige or in material benefit, by assuming such an attitude; and as to some of these obligations, those referred to by the gentleman from Wisconsin [Mr. COOPER] and some others, we shall do exceedingly well if we ever receive even the principal of the loans made by a former administration. And we are least likely to secure the principal if in the running of the years great interest charges are piling up. Outside of Great Britain there is some question whether any of the foreign Governments indebted to us are to-day in a position to begin to pay upon their debts.

As to some of the lesser nations of Europe, we can scarcely hope or expect that they can begin to make payments immediately. Therefore, not only from the standpoint of a proper posture and attitude toward our debtors, but from the standpoint of good business, those whom we authorize to settle our foreign debts should have a free hand in the matter of fixing the time and the terms of the obligations. I object to these Senate amendments because they are hampering, because they do not give the commission the authority it ought to have to make these settlements in the way, for the time, and on the terms best calculated to enable the people who owe us to pay as speedily as possible and without feeling that they have had the heavy hand of the usurer laid upon them.

The SPEAKER. The time of the gentleman has expired.

Mr. MONDELL. Will the gentleman give me two minutes more?

Mr. FORDNEY. I yield two minutes more to the gentleman.

Mr. MONDELL. Now it may be wise, and I am assuming from the attitude of the chairman of the committee [Mr. FORDNEY] that it is wise to agree to these amendments, because not to agree to them and to contest the point might unduly delay the legislation. So far as I am concerned I yield, but I give my vote with reluctance. I still hold to the opinion that the House in this case, as in the case of most of the legislation of this Congress, was right in its judgment and is still right.

Mr. FESS. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. FESS. I agree fully with what the gentleman has said. Is it the gentleman's opinion that the Treasury might have its hands so tied that we could not by subsequent legislation under a refunding act untie them?

Mr. MONDELL. Of course nothing we do now can bind a future Congress, and the probability is that by reason of the Senate amendments some future Congress will be called upon to make provision which will modify what shall be done under this legislation. We accept the situation because the gentlemen of the committee suggest to us that it is the quickest way to settle the matter.

Mr. FORDNEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. WALSH. Mr. Speaker, can a separate vote be had on amendment No. 7?

The SPEAKER. The Chair thinks so.

Mr. WALSH. I ask that the amendment No. 7 be reported and that a separate vote be had on it at the proper time.

The SPEAKER. The other amendments will be considered in gross.

The other amendments were agreed to.

The SPEAKER. The Clerk will report amendment No. 7.

The Clerk read as follows:

Page 2, line 20, after the word "therefor," insert:

"*Provided*, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or obligations due the United States by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 4½ per cent per annum: *Provided further*, That when the bond or other obligation of any such Government has been refunded or converted as herein provided, the authority of the commission over such refunded or converted bond or other obligation shall cease."

Mr. COOPER of Wisconsin. Mr. Speaker, I would like to ask the gentleman from Michigan a question.

The SPEAKER. The previous question has been ordered.

The question is on the motion to concur in amendment No. 7 just reported.

The question was taken, and the Speaker announced that the ayes had it.

Mr. BLANTON. Mr. Speaker, I object to the vote because there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point that no quorum is present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll.

The question was taken, and there were—yeas 299, nays 27, answered "present" 2, not voting 102, as follows:

YEAS—299.

Ackerman	Dominick	Kelley, Mich.	Rayburn
Almon	Doughton	Kelly, Pa.	Reber
Andrews, Nebr.	Dowell	Kincheloe	Reece
Arentz	Drane	King	Reed, W. Va.
Aswell	Dunbar	Kinkaid	Rhodes
Atkeson	Dunn	Kirkpatrick	Ricketts
Bacharach	Dupré	Kissel	Roach
Bankhead	Dyer	Kleczka	Robsion
Barbour	Echols	Kline, Pa.	Rose
Barkley	Edmonds	Knutson	Rosenbloom
Beck	Elliott	Kopp	Rouse
Beedy	Ellis	Kraus	Sanders, Tex.
Begg	Evans	Lampert	Sandlin
Bell	Fairchild	Lanham	Schall
Benham	Fairfield	Lankford	Scott, Mich.
Bird	Faust	Larsen, Ga.	Scott, Tenn.
Black	Favrot	Layton	Sears
Blakeney	Fenn	Lazaro	Shelton
Bland, Va.	Fess	Leatherwood	Shreve
Boies	Fields	Linthicum	Sinclair
Bond	Fish	Little	Sinnott
Bowling	Fisher	Logan	Sisson
Box	Fitzgerald	Longworth	Slemp
Brennan	Focht	Lowrey	Smith, Idaho
Briggs	Fordney	Luhring	Smith, Mich.
Britten	Foster	Lyon	Snell
Brooks, Ill.	Frear	McClintic	Snyder
Brooks, Pa.	Free	McCormick	Speaks
Brown, Tenn.	Freeman	McDuffie	Stafford
Browne, Wis.	French	McKenzie	Steagall
Buchanan	Frothingham	McLaughlin, Mich.	Stedman
Bulwinkle	Fuller	McLaughlin, Nebr.	Stephens
Burdick	Fulmer	McLaughlin, Pa.	Stevenson
Burroughs	Funk	McPherson	Stoll
Burtness	Gallivan	Madden	Strong, Kans.
Butler	Garrett, Tenn.	Magee	Sumners, Tex.
Byrnes, S. C.	Garrett, Tex.	Maloney	Swank
Byrns, Tenn.	Gensman	Mann	Taylor, N. J.
Cable	Glynn	Mapes	Taylor, Tenn.
Campbell, Pa.	Goodykoontz	Martin	Temple
Cannon	Graham, Ill.	Michener	Ten Eyck
Cantrill	Green, Iowa	Millspaugh	Thomas
Carew	Greene, Mass.	Mondell	Thompson
Carter	Greene, Vt.	Montoya	Tillman
Chalmers	Griest	Moore, Ill.	Timberlake
Chandler, N. Y.	Griffin	Moore, Ohio	Tinkham
Chandler, Okla.	Hadley	Moore, Va.	Towner
Chindblom	Hammer	Morgan	Tyson
Christopherson	Hardy, Colo.	Murphy	Upshaw
Clague	Harrison	Nelson, A. P.	Vaile
Clarke, N. Y.	Haugen	Nelson, J. M.	Vestal
Clouse	Hawes	Newton, Minn.	Vinson
Cockran	Hawley	Nolan	Volstead
Codd	Hayden	Norton	Walters
Cole, Iowa	Herrick	O'Connor	Ward, N. C.
Cole, Ohio	Hersey	Oldfield	Wason
Collins	Hickey	Oliver	Watson
Colton	Hicks	Osborne	Weaver
Connally, Tex.	Hoch	Padgett	Webster
Connell	Hogan	Paige	Wheeler
Cooper, Ohio	Hooker	Park, Ga.	White, Kans.
Cooper, Wis.	Huddleston	Parker, N. J.	Williams
Copley	Hudspeth	Parks, Ark.	Williamson
Coughlin	Hukriede	Patterson, Mo.	Wilson
Crisp	Hull	Patterson, N. J.	Wingo
Crowther	Humphreys	Perkins	Wood, Ind.
Curry	Ireland	Porter	Woodruff
Dallinger	Jacoway	Pou	Woods, Va.
Darrow	James	Pringey	Woodyard
Davis, Minn.	Jefferis, Nebr.	Purnell	Wright
Davis, Tenn.	Johnson, Ky.	Quin	Wyant
Deal	Johnson, Wash.	Rainey, Ill.	Yates
Dempsey	Jones, Pa.	Raker	Young
Denison	Jones, Tex.	Ramseyer	Zihlman
Dickinson	Kearns	Rankin	

NAYS—27.

Andrew, Mass.	Garner	Lea, Calif.	Mills
Blanton	Gorman	Lee, Ga.	Montague
Brand	Hardy, Tex.	London	Moores, Ind.
Burton	Hill	Luce	Overstreet
Cramton	Jeffers, Ala.	McArthur	Underhill
Dale	Johnson, Miss.	McFadden	Walsh
Gahn	Larson, Minn.	Merritt	

ANSWERED "PRESENT"—2.

Collier	Langley

NOT VOTING—102.

Anderson	Hutchinson	Mudd	Siegel
Ansorge	Johnson, S. Dak.	Newton, Mo.	Smithwick
Anthony	Kahn	O'Brien	Sproul
Appleby	Keller	Ogden	Steenerson
Bixler	Kendall	Olpp	Stiness
Bland, Ind.	Kennedy	Parker, N. Y.	Strong, Pa.
Bowers	Ketcham	Parrish	Sullivan
Brinson	Kiess	Perlman	Summers, Wash.
Burke	Kindred	Petersen	Sweet
Campbell, Kans.	Kitchin	Radcliffe	Swing
Clark, Fla.	Kline, N. Y.	Rainey, Ala.	Tague
Classon	Knight	Ransley	Taylor, Ark.
Connolly, Pa.	Kreider	Reavis	Taylor, Colo.
Crago	Kunz	Reed, N. Y.	Tilson
Cullen	Lawrence	Riddick	Tincher
Drewry	Lee, N. Y.	Riordan	Treadway
Driver	Lehlbach	Robertson	Vare
Gernerd	Lineberger	Rodenberg	Voigt
Gilbert	McSwain	Rogers	Volk
Goldsborough	MacGregor	Rossdale	Ward, N. Y.
Gould	Mansfield	Rucker	White, Me.
Graham, Pa.	Mead	Ryan	Winslow
Hays	Michaelson	Sabath	Wise
Himes	Miller	Sanders, Ind.	Wurzbach
Houghton	Morin	Sanders, N. Y.	
Husted	Mott	Shaw	

So the amendment was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. NEWTON of Missouri with Mr. SMITHWICK.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. RODENBERG with Mr. RUCKER.

Mr. TREADWAY with Mr. COLLIER.

Mr. HIMES with Mr. KITCHIN.

Mr. OLPP with Mr. DREWRY.

Mr. MUDD with Mr. SABATH.

Mr. CAMPBELL of Kansas with Mr. PARRISH.

Mr. GRAHAM of Pennsylvania with Mr. TAGUE.

Mr. KAHN with Mr. RIORDAN.

Mr. REED of New York with Mr. GOLDSBOROUGH.

Mr. LEHLBACH with Mr. MANSFIELD.

Mr. ROSSDALE with Mr. O'BRIEN.

Mr. KLINE of New York with Mr. RAINEY of Alabama.

Mr. BLAND of Indiana with Mr. MCSWAIN.

Mr. TILSON with Mr. SULLIVAN.

Mr. VARE with Mr. TAYLOR of Arkansas.

Mr. RADCLIFFE with Mr. DRIVER.

Mr. CONNOLLY of Pennsylvania with Mr. MEAD.

Mr. APPLEBY with Mr. WISE.

Mr. TINCHER with Mr. KINDRED.

Mr. WINSLOW with Mr. BRINSON.

Mr. LAWRENCE with Mr. CULLEN.

Mr. KELLER with Mr. GILBERT.

Mr. KIESS with Mr. TAYLOR of Colorado.

Mr. HUTCHINSON with Mr. KUNZ.

Mr. COLLIER. Mr. Speaker, has the gentleman from Massachusetts [Mr. TREADWAY] voted?

The SPEAKER pro tempore (Mr. WALSH). He has not.

Mr. COLLIER. Mr. Speaker, I voted "yea." I have a pair with the gentleman from Massachusetts. I withdraw that vote of yea and answer "present."

The name of Mr. COLLIER was called, and he answered "Present."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. A quorum is present. The Doorkeeper will open the doors.

The doors were opened.

On motion of Mr. FORDNEY, a motion to reconsider the vote by which the several amendments were agreed to was laid on the table.

Mr. FORDNEY. Mr. Speaker, inasmuch as there are no copies of this bill available as passed by the House and the Senate, I ask unanimous consent that the bill as passed be printed in to-day's RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill referred to is as follows:

An act (H. R. 8762) to create a commission authorized under certain conditions to refund or convert obligations of foreign Governments held by the United States of America, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a World War foreign debt commission is hereby created consisting of five members,

one of whom shall be the Secretary of the Treasury, who shall serve as chairman, and four of whom shall be appointed by the President, by and with the advice and consent of the Senate.

SEC. 2. That, subject to the approval of the President, the commission created by section 1 is hereby authorized to refund or convert, and to extend the time of payment of the principal or the interest, or both, of any obligation of any foreign Government now held by the United States of America, or any obligation of any foreign Government hereafter received by the United States of America (including obligations held by the United States Grain Corporation, the War Department, the Navy Department, or the American Relief Administration), arising out of the World War, into bonds or other obligations of such foreign Government, in substitution for the bonds or other obligations of such Government now or hereafter held by the United States of America, in such form and of such terms, conditions, date or dates of maturity, and rate or rates of interest, and with such security, if any, as shall be deemed for the best interests of the United States of America: *Provided*, That nothing contained in this act shall be construed to authorize or empower the commission to extend the time of maturity of any such bonds or other obligations due the United States of America by any foreign Government beyond June 15, 1947, or to fix the rate of interest at less than 4½ per cent per annum: *Provided further*, That when the bond or other obligation of any such Government has been refunded or converted as herein provided the authority of the commission over such refunded or converted bond or other obligation shall cease.

SEC. 3. That this act shall not be construed to authorize the exchange of bonds or other obligations of any foreign Government for those of any other foreign Government, or cancellation of any part of such indebtedness except through payment thereof.

SEC. 4. That the authority granted by this act shall cease and determine at the end of three years from the date of the passage of this act.

SEC. 5. That the annual report of this commission shall be included in the Annual Report of the Secretary of the Treasury on the state of the finances, but said commission shall immediately transmit to the Congress copies of any refunding agreements entered into, with the approval of the President, by each foreign Government upon the completion of the authority granted under this act.

THE MILITARY ESTABLISHMENT.

Mr. COCKRAN. Mr. Speaker, I ask unanimous consent that the privileged resolution submitted by me yesterday, respecting the right of Congress to fix the size and nature of the Military Establishment, be referred to the Committee on Foreign Affairs.

Mr. MANN. Mr. Speaker, did not the gentleman from New York withdraw the reservation yesterday?

Mr. COCKRAN. I am offering it now with this suggestion, and it is so understood by the Speaker.

The SPEAKER pro tempore. The present occupant of the chair would ask the gentleman from New York to defer his request until the Speaker is in the chair.

Mr. COCKRAN. Certainly.

LEGISLATIVE APPROPRIATION BILL.

Mr. CANNON, by direction of the Committee on Appropriations, reported the bill H. R. 10267, making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1923, and for other purposes, which was read a first and second time, and together with the report thereon referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. GARRETT of Tennessee. Mr. Speaker, I reserve all points of order.

The SPEAKER pro tempore. The gentleman from Tennessee reserves all points of order.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10101, making appropriations for the government of the District of Columbia for the fiscal year ending June 30, 1923, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. HICKS in the chair.

The Clerk reported the title of the bill.

The Clerk read as follows:

Salaries: Municipal architect, $3,600; engineering assistant, $2,400; superintendent of construction, $2,000; chief draftsman, $1,800; draftsmen—one $1,400, one $1,300; heating, ventilating, and sanitary engineer, $2,000; superintendent of repairs, $1,800; assistant superintendent of repairs, $1,350; clerks—one $1,200, one $1,050, one $1,000, one $720; copyist, $840; driver, $600; in all, $23,060.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to strike out the last word for the purpose of saying that the committee has stricken from this item of the bill, under the title of "Municipal architect's office," four positions. It has stricken out the position of "boss carpenter," "boss tinner," "boss painter," and "boss steamfitter." The reason for abolishing these places was, for instance, that the position of "boss carpenter" was filled by a clerk who had perhaps never had a hatchet or a saw in his hand during his life. The positions of boss painter, boss steamfitter, and boss tinner were filled by people who knew nothing of these trades. Inasmuch as the Commissioners of the District have seen fit to fill those positions with men who knew nothing of that kind of occupation, men who were totally unfitted for the positions, we eliminated the places from the bill.

The Clerk read as follows:

PUBLIC UTILITIES COMMISSION.

Salaries: Executive secretary, $3,500; accountant, $3,000; traffic engineer, $3,000; assistant accountant, $2,000; chief clerk, $1,800; statistical clerk, $1,400; inspectors—one $1,800, one $1,600, one $1,400; inspector of gas and meters, $2,000; inspector of electric meters, $1,800; assistant inspectors—one $1,200, two at $900 each; clerks—two at $1,400 each, one $1,200; messenger, $720; in all, $31,020.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last word. Some question has arisen in the minds of a good many Members of the House as to whether there should not be a slight amendment to the title of the Public Utilities Commission. Some have thought that an apostrophe should be put after the letter "s" in the word "utilities" to indicate the possessive aspect, because it has been a question whether the title should indicate a commission to regulate public utilities or a commission to serve the purposes of the public utilities.

The transportation system of the District is abominable from every aspect. There seems to be no effort upon the part of the Public Utilities Commission to improve that condition. Outrageous rates of fare are charged. In order to baby along one of the companies rates of fare must be charged for transportation on the other line that are admittedly too high, and in the recent snow blockade as late as yesterday the papers announced that this company that is being petted and babied along by the Utilities Commission was unable even yesterday to resume service on some of its most important lines, the lines to Takoma, to Anacostia, and to some other points.

I have immediately in mind, however, a recent development touching the public services of this Utilities Commission in keeping with the tender attitude it always assumes toward the welfare of the public utilities. I have recently noted in the stormiest days of the winter, on the coldest days, that always there were in service street cars in this city with open vestibules, front and rear, so that the motormen and the conductors were exposed to the most inclement weather that Washington ever has. While much of our weather here is mild, we all know that there are many days when the weather is very severe. Even on the most severe days, the coldest, the stormiest, you will see those open vestibule cars in service upon the Washington Railway & Electric Co. lines.

To my mind that is an abomination which should not be permitted and would not be permitted in the States. I wrote a letter in December to the Public Utilities Commission asking them whether they felt they had authority by order to stop such a practice and insist upon more humane treatment of the street railway company's employees. In reply I have a letter from the commission, under date of January 3, in which the commission sets forth an act of Congress which was passed on March 3, 1905, to prevent this very thing.

Gentlemen are familiar with the fact that the most popular sport of the citizens of Washington is, whenever anything happens that is not entirely pleasant, to blame the Congress for it. If there is anything lacking in equipment it is because Congress did not appropriate the money for it. Perhaps it was never asked for, but nevertheless Congress is to blame. But here we have a case where Congress 16 years ago passed an act to end an abomination, and the companies have had 16 years in which to comply with its terms, and yet to-day this letter from the commission informs me that there are something over 200 cars in service that are not fully inclosed; that 104 cars have the front of the platform only inclosed, 96 with the front and one side of the platform inclosed, and 38 with the front platform entirely inclosed and the rear platform with the end and one side inclosed.

The act of Congress provided that these companies must "provide each car with a glass vestibule, surrounding, as nearly as possible, the place where the motorman operating his car stands, so that said motorman shall be protected from inclement weather." There may be a Negro in the fence, or there may be some vagueness about the language, but it seems pretty clear, because it says "as nearly as possible" the motorman must be surrounded, so that he will be "protected from inclement weather." Notwithstanding they quote the law which required that to be done 16 years ago, which I was asking the commission to enforce, now they come back, having referred it to the railway company to get their full defense of two pages, and quote to me the statement of Mr. Ham, president of the Washington Railway & Electric Co., in which he admits that the company uses——

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. I ask unanimous consent to proceed for five minutes additional.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. In the statement of Mr. Ham transmitted by the commission he admitted that they are operating numbers of these cars that are not vestibuled, but the excuse is made that they are only operated during the rush hours. Well, I have made inquiry about this from only one of the street car employees. I rode on such a car the other day, and I asked the conductor whether they operated those during only the rush hours, and he said the car he was on then was out 11 hours that day, one of these stormy days, and the employees were out in that kind of weather, and the only time they are not operated is a little while at noon, when the least damage is done to operate them. Mr. Ham further says in his letter that "We do not feel that the men assigned to these cars during the very short rush periods are subject to undue hardship."

The car is taken out at daybreak and it is used in the harshest weather at that time of day, and again at night, so during the coldest periods these cars are operated, and still Mr. Ham in his swivel chair and steam-heated office thinks there is no undue hardship. What is the duty of this Public Utilities Commission? Are they there to enforce the laws of the Nation intrusted to them to enforce, or are they the apologists of the street car companies for their failure to observe the law? May they at will suspend or repeal acts of Congress? They state the law and say:

In view of the large amount of money involved in entirely inclosing the platforms of the 238 cars referred to above, as indicated in the inclosed copy of a letter from the president of the Washington Railway & Electric Co., and in view also of the proposed remodeling of some of these cars into a more modern type—

Sixteen years proposing, and still simply proposing—

the commission believe it is inadvisable to require the company to make this larger capital outlay at this time.

How much would it cost to put doors upon these cars, surrounding these platforms so that the men operating them would be protected in a fair degree from the inclement weather? It does not seem to me it would cost very much compared with the suffering now caused the motormen, and in charging 8 cents fare the company can afford to do it. But, in any event, Congress has passed the law and it is the business of this Public Utilities Commission to enforce that law and not to respond to us that they "do not think it is advisable" to enforce the law. With evidence of that kind multiplied by every occasion when the public comes in contact with the Public Utilities Commission I do not believe that we would be far wrong if we were to amend its title and put a possessive apostrophe following the words "Public Utilities," to read "Public Utilities' Commission." [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, I rise in opposition to the amendment. I agree fully with the gentleman that the law ought to be observed, observed by everybody, by the President of the United States, by Congress, not only the statute laws but the Constitution, by the Public Utilities Commission of the District of Columbia and all other governmental agencies and officials. If there has been any failure by the commission, all of whose members are appointees of President Harding, to observed any law, why the commission is subject to criticism. I for one am not inclined to be unduly critical in this day of confusion and difficulty, when there is such a general tendency to criticize, and I certainly do not mean to be unduly critical of this body of which I have the honor to be a Member. But the gentleman has called attention to the railway situation here and to the opinion of the commission that some of the companies are subjected to great financial pressure. This seems to point to the need for legislation in order to enable the street railways to function properly. Now, I ask attention of the gentlemen to the fact that while we have legislated with regard to the steam railways of the country with a great deal of promptness and with considerable liberality, we have failed to legislate with regard to the local street railways. That matter has been agitated——

Mr. DOWELL. Will the gentleman yield there?

Mr. MOORE of Virginia. Yes, sir.

Mr. DOWELL. Is it not because they brought a bill in here which practically relieved them from taxation, and is not that the reason they did not get any legislation?

Mr. MOORE of Virginia. Well, I do not know why the failure has continued since that bill was disposed of.

Mr. FOCHT. If the gentleman will yield, is it not a fact that one of the best reputed business men in this section of the country is one of the members of the District Committee?

Mr. MOORE of Virginia. Certainly he is; and I am not arraigning any committee or any individual.

Mr. CRAMTON. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. CRAMTON. The point involved here is where Congress did legislate, and the commission charged with the duty of enforcing the law fails and refuses to act.

Mr. MOORE of Virginia. I agreed a while ago that the law should be executed by those who are charged with the execution. But I passed on to the other point, that it is the admission that railway legislation is necessary and that we do not legislate, as has been stated. A bill was brought in some time ago and was recommitted, and months have elapsed and no other bill has been brought in. Now, whose fault is that? I am not preferring any charge against the distinguished gentlemen who compose the District Committee. But it has not been done. That is the fact. And the further fact is that it ought to be done.

Mr. GREENE of Vermont. Why should the District behold the mote that is in our eye and not the beam in its own? This District likes to criticize Congress all the while for things it does not do. But we will somewhat paraphrase that by saying or suggesting that the District ought to shovel the snow off from its own sidewalks before it tries to dig us out of our troubles.

Mr. MOORE of Virginia. I will say to the gentleman, who is a man of judgment and fairness, that I do not think, to be entirely candid, that the District is quite as critical of Congress as Congress is of the District.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. I ask for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. We very rarely lose any opportunity to level criticism at the conduct of affairs in the District. There is naturally countercriticism. But the point I am trying to emphasize now is that when we talk about the local railway situation it is a matter that is up to us to deal with; it is a matter that we have got to deal with by legislation, and we will not have a satisfactory condition until we do it.

Mr. GREENE of Vermont. Mr. Chairman, I move to strike out the last word. I had no intention of getting onto this very delicate subject, and more or less hesitate to venture upon it now.

I never have taken the floor to make any criticism of the District, and I am not in that censorious mood at the present time. I realize that the psychology—to use a much abused expression—of a community that "hangs on princes' favors," as the District of Columbia does on the Federal Government, is a somewhat abstruse one anyway, and is not likely to be analyzed by laymen very particularly. I know the present situation only represents the inevitable consequence to people who "inure" themselves after generation and generation of practice to depend on somebody else to do for them the things they ought to do for themselves.

There is a continual complaint going up from the District all the time that Congress ignores it, and is unfair, unjust, and even parsimonious in its appropriations for it. That is the only reason I ventured the very facetious suggestion in the remarks of my friend about the snow. In almost every community I ever saw the people would either have such a desire to realize their own self-respect or else to keep their feet dry, or maybe to do both, that they would shovel the snow off their own sidewalks. I cite that as a remarkable example of what a century or more of dependence on the Federal Government may do for folks. Now, they do not want even to do that. I dare say they want a congressional commission to do it for them. So it goes.

And I wish to be considered seriously when I say that the problem of Government in a district like this can not be compared on all fours with that in a self-governing community. We ought not to be too censorious and ought not to be mean in our criticism. But I do think that instances of that kind tend to exasperate popular opinion, as we see it expressed in this Chamber. I think there is a good deal in these newspaper views on Congress as to its attitude toward the District of Columbia that is wholly unjustified. Men are here from States that are self-supporting, and they find these examples of the wretched helplessness and shiftlessness, of dependency on political caprice, and constant watchfulness for hand-outs.

We all know that about this time will begin the annual tirade in the newspapers of the District that the business of Congress is so important that we can not take time to go home about June 1. I sometimes think that the District newspapers are rather more or less run in the interests of the boarding-house people here than in the interests of the country. That may be a bit unfair, perhaps, but it is a hint on the right track.

I have a great respect for most of the people of this District. As for the others, they have not asked me for my opinion. [Applause.]

Mr. FAIRFIELD. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Indiana has an amendment, which the Clerk will report.

Mr. FAIRFIELD. Page 9, line 6, strike out "$3,500" and insert "$4,000."

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FAIRFIELD: Page 9, line 6, strike out "$3,500," and insert in lieu thereof "$4,000."

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on that.

Mr. FAIRFIELD. Mr. Chairman, after the castigation of the Civil Service Commission, I am not sure but that I may add fuel to the fire. I have no personal interest in this matter. I am doing this only as what I think is a matter of fairness to the individual who is involved.

Under the reclassification, under Part IV, covering professional services, this particular profession is given a rating of $4,000 per year. I understand that the gentleman who is occupying the position is a graduate of the University of California, and that for 15 years he was an electrical engineer, and that for six or seven years he has been connected with the Public Utilities Commission. In 1920 the salaries were paid from a lump sum, and in 1920 the salary of this gentleman was placed at $4,000. This year it has been reduced to $3,500.

I do not know whether the Utilities Commission is functioning as it ought to function, but I am thoroughly convinced that the position of executive secretary for the commission, if the work is efficiently done, would be important to every man, woman, and child in the District, and that $4,000 is not at all an exorbitant salary for a man holding that position. I understand that the Commissioners of the District were favorable to the retention of the salary as it has been carried ever since the commission was organized. That it was urged upon the part of the Public Utilities Commission, to be sure, might be taken as a matter of course. I simply bring the matter before you, feeling that while men of that kind have no particular Representative here, because they lose their citizenship in the States, it is but fair that a drop at least of $500 in the salary of a man holding that position, which if the work is efficiently conducted is not too great a salary, should not be made without full consideration.

Mr. ZIHLMAN. Mr. Chairman, will the gentleman answer a question before he sits down?

Mr. FAIRFIELD. I will.

Mr. ZIHLMAN. I would like to ask the gentleman if this is not the only official of the District of Columbia whose salary has been cut by the committee reporting this bill?

Mr. FAIRFIELD. I think not. There were two others at least.

Mr. DAVIS of Minnesota. There were three others.

Mr. FAIRFIELD. There were three others, all told. There was no objection to the cutting of the other two. One of them was cut upon the recommendation of the commissioners. Am I right about that?

Mr. DAVIS of Minnesota. I believe so.

Mr. FAIRFIELD. But there was a protest against the cutting of the salary of this man, who, they say, is a very high-grade man, thoroughly efficient, with long years of service to his credit, and who suddenly now, after those long years, finds that he has been dropped $500 on his salary. With me it is only a matter of giving a man a hearing before the committee. I have no personal interest in the matter, and, as I said before, it may be that the Utilities Commission is worthless. If that is true, it should be abolished. But if it is to do the work that it ought to do, that salary is not too great for the man who ought to be the dynamo in the commission to see that the law is enforced. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I withdraw the point of order I made, so that it will not be subject to a point of order.

The CHAIRMAN. The Chair would like to ask the gentleman from Kentucky in that regard if the current salary is $3,000 or $4,000?

Mr. DAVIS of Minnesota. It is $4,000. It is not subject to a point of order. This salary was cut by the Budget.

The CHAIRMAN. Does the gentleman from Minnesota rise in opposition to the amendment?

Mr. DAVIS of Minnesota. Emphatically.

This salary was cut by the Budget. I did not know that the commissioners were for it or against it. It was not a question of dispute. But I wish to say this: I do not question but that this man performs his duties all right, but I do question the amount of duties that he has to perform. And in that connection I will say that the general secretary to the commissioners themselves, who I think performs more labor than this man does, gets only $2,700 a year. This is an exceptional case in which a man has been getting a large salary because he was put on there for the Utilities Commission. I certainly object to the raising of his salary. In fact, I do not think he is earning as much money as is the general secretary to the commissioners at $2,700 a year.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. HARDY of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. HARDY of Texas. Mr. Chairman and gentlemen, I think in reference to this amendment that, of course, we certainly ought to have some very definite or clear evidence before we raise the salary of this official above the recommendation of the Budget Bureau and over the objection of the chairman of the committee [Mr. DAVIS of Minnesota], who has just spoken to us. But while I have never injected myself into District of Columbia matters I do want to say just a little along the line spoken of by my friend from Michigan [Mr. CRAMTON]. It does seem a strange thing that the United States, which is able to enforce its laws in all parts of the Union, in the remotest sections of the country, can not enforce its laws here in the District of Columbia. I understand from the current newspapers that one of the street car companies was able to earn over 10 per cent on its capital investment, the capitalization being at least as high as it ought to be for its assets.

Now, it seems to me that a company that earns over 10 per cent in these days and times on its capital investment would be able to put doors in its cars for the protection of its operators. It is strange that any kind of public utility commission can find an excuse for not compelling this company to obey a law that has been 16 years on the statute books, especially the excuse that it would be a pecuniary hardship.

Another matter: I have been here now some 14 or 15 years, and my recollection is that when I first came here Congress was trying to secure universal transfers, and we have never done it yet, and we do not seem to know how to handle the street car railway systems of the District of Columbia. If we pass a law which they do not like, they will not obey it unless they see proper so to do, and then we can not pass a law that is unsatisfactory to them. Some reference has been made to the fact that Congress refused the other day to pass a bill affecting the street car companies. I voted against that bill, that was brought in here this term, and I will do it again, because it not only gave no relief from the evils we complain of but it seemed intended still further to relieve the street car systems of this city from the burdens properly placed upon them. They were relieved of an expense that they ought to pay; and that seemed to me to be the biggest thing in the bill. But I think it is time that Congress should rouse itself not only to pass laws compelling equity and justice and fair charges to the citizens here but to see to it that the laws passed are enforced with reference to the street car companies. I spoke of one of these companies earning over 10 per cent. I do not know about the other company, but I understand the reason for not enforcing the 5-cent fare or the universal transfer is that, although one company would prosper, the other would suffer losses from lack of business. I go from here to Dupont Circle on the Mount Pleasant road, which is said to be the road that can not stand fare reduction, and if that company is not earning a dividend and would not earn a dividend on 5-cent fares upon its real investment, then I do not know how patronage could enable a company to earn a dividend.

These cars are crowded night and morning until you can not get on or off, and the conductors frequently have friction with the passengers. There is an amount of travel on that road that ought to make it earn on a 5-cent fare a good income on every dollar that is really invested. I say the time has come when Congress ought to see to it that the citizens of this town have universal transfers and that the laws passed by this Congress be obeyed by the public functionaries, the Public Utilities Commission, and by the railroads that seem to own this city so far as doing as they please is concerned. I do not like to criticize.

This is the first time, as far as I remember, that I have injected my remarks into the discussion of this subject, but I do think that the time has come for Congress to assert itself and have its commands obeyed. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. The question is on the amendment offered by the gentleman from Indiana [Mr. FAIRFIELD].

The question being taken, the amendment was rejected.

The Clerk read as follows:

For incidental and all other general necessary expenses authorized by law, including the employment of expert services where necessary, $8,000.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word. May I ask the gentleman in charge of the bill if this provision is not made to take care of the three experts who were discharged because they did not know anything about their business? If that is the purpose of it, I think this paragraph should be stricken out. I will ask the chairman of the committee what is the necessity for this paragraph?

Mr. DAVIS of Minnesota. This paragraph is usually carried in this bill and is for the purpose of covering everything that they could not get a distinct subhead for.

Mr. DOWELL. Should not the paragraph be stricken out and the commissioners held to what is actually needed as provided in the other paragraphs?

Mr. DAVIS of Minnesota. This is pretty well guarded. It says:

For incidental and all other general necessary expenses authorized by law, including the employment of expert services where necessary, $8,000.

If that was not in there they might use $18,000. We have cut them down. This bill has been trimmed a little bit and we have fixed this as close as we dare, and as close as economy will permit.

Mr. DOWELL. According to the statement of the gentleman from Kentucky [Mr. JOHNSON] the experts do not know anything about the business for which they are employed, and I am just wondering if these experts provided for in this paragraph are of the character described by the gentleman from Kentucky? If there is no reason for the expenditure of this money, and it is purely for the purpose of putting on a limitation, why not limit it to less than $8,000?

Mr. DAVIS of Minnesota. I will read the gentleman what the law is on the subject:

The commission is hereby authorized, within the appropriation made by Congress, to incur and pay incidental expenses for postage, printing, blanks, books, law books, books of reference, and periodicals, stationery, binding, rebinding, repairing and preservation of records, desks, office furniture and supplies, traveling expenses of the commission, the commissioners, and every officer, agent, and employee thereof, and all other general expenses reasonably necessary to be incurred in carrying out the purposes of this section.

The gentleman will see that that covers a great many probable expenses, and your committee thought $8,000 would be neither excessive nor too little, so we settled on this amount of $8,000.

Mr. DOWELL. And this was for the purpose of limiting the commission rather than for the purpose of giving them additional authority?

Mr. DAVIS of Minnesota. I think the commissioners asked for a little more money than this, but your committee decided to give them only $8,000.

Mr. DOWELL. I move to strike out the words in line 14, page 9, "including the employment of expert services when necessary."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DOWELL: On page 9, line 14, after the word "law," strike out "including the employment of expert services when necessary."

Mr. DAVIS of Minnesota. I really think that after the committee has investigated this as it has, we ought not at this time to cut out a matter of this kind, and I think in all sincerity that the motion of the gentleman ought not to prevail. I appreciate his motive, why he has done it, and everything of that kind, and ordinarily it would be all right, but in this case I think $8,000 is not too much. Therefore I oppose the amendment.

Mr. DOWELL. Mr. Chairman, the statute just read by the gentleman included entirely different matter than the expert services, and it seems to me we ought to dispense with some of these expenditures. The amount for stationery and things of that character should be allowed. There is no question about that. But from the statement of the chairman that this is merely a limitation on the things that are authorized by law, it seems to me we ought not to include expert services, after the testimony here that they had discharged three who absolutely knew nothing of their business, who were employed as experts.

Mr. DAVIS of Minnesota. I will read a further line from the same law.

Mr. DOWELL. Whatever it may be, I am trying to strike out the employment of experts any further than they have been provided for in the preceding paragraphs.

Mr. DAVIS of Minnesota. It says further in the law—

And to employ any assistance—

Which would include expert services.

Mr. CLOUSE. Mr. Chairman, I will ask the gentleman from Iowa this question: They have an accountant, an assistant accountant, and a statistical clerk, as well as a chief clerk. Can you imagine why they should need any expert services?

Mr. DOWELL. My private opinion is that they do not need anything more than they have in the paragraph above, and if this amount is placed in the bill they will expend it. I think we ought to save every dollar we can here. The chairman of the committee has not shown that there is any reason whatever for this expenditure, and I think we ought at least to cut out the experts, who seem to come high, and, according to the testimony before us, are of but little account.

Mr. JOHNSON of Kentucky. It was necessary for me to step out of the Chamber a few moments, and in consequence I missed part of what has just been said; but, taking up the thread of the discussion during the last few moments, I feel that I should say that all along I have been in sympathy with the motion which has just been made. The item which it is proposed to strike out is "including the employment of expert services."

Mr. DAVIS of Minnesota. The gentleman from Iowa moves to strike out the whole paragraph.

Mr. DOWELL. No; I did not.

The CHAIRMAN. The Clerk will again report the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Page 9, line 14, strike out the words "including the employment of expert services where necessary."

Mr. JOHNSON of Kentucky. Then I correctly understood that that was the language proposed to be stricken out. When this commission was valuing the street railway property they employed a man to aid them in that work; and, at another time, they employed an expert to advise them as to facilitating or expediting the transit of the cars. I think the principal advice he gave them was that the street cars should jump every other square in making their stops.

For a long time they paid him $100 a day, and when he was not at work for them at $100 a day he was at work for the Interstate Commerce Commission at $50 a day. I was not able then, and am not able now, to see why he could work for a nation-wide commission, the Interstate Commerce Commission, on much more expensive and important work for $50 a day and at the same time this District of Columbia commission should see fit to find an excuse to pay him $100 a day for this work which of necessity has been of less importance.

But, more than that, out of this $8,000 is to come a fee of $5,000 which, for personal reasons, I would be very much gratified, indeed, to see paid; but from the standpoint of an official, seeking always to do his duty, I feel constrained to say that it should not be paid. In other words, when this commission was created the corporation counsel for the District of Columbia had his salary increased $1,000 a year in order to serve the Public Utilities Commission. When the Public Utilities Commission became involved in litigation with the street car companies, and with the gas and electric light companies, the then corporation counsel resigned his position, which, I think, paid a salary of $4,500 a year, and instantly was given a $5,000 fee to represent the commission in court before which these questions were then pending. It was my judgment, upon reading the law, that the payment was unauthorized. In the hearings I asked the Utilities Commission to furnish the provision of law which authorized the expenditure of $5,000. They did furnish what they said was their authorization, but there can be no question that that was not an authorization for the expenditure of that money.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. JOHNSON of Kentucky. I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. The next day the auditor for the District of Columbia, who was present with the Utilities

Commission, read aloud from the far end of the table at which the committee was sitting another part of the law which he thought authorized this employment. I misunderstood its reading for the moment, as no doubt the hearings will show, and I expressed the opinion that what he read was authority for the employment. However, afterwards I read the language which had been read aloud to me, and I found that I had not heard distinctly some of the words, and I reached the conclusion that there was no authorization for that employment. The employment for that one year did not stop, and the litigation is hanging in the courts now, so that if my memory serves me correctly the second sum of $5,000 has been paid, and now it is contemplated to pay an additional $5,000, when already the salary of the corporation counsel has been raised $1,000 a year to meet the very contingency about which we are now speaking.

Mr. MOORE of Virginia. Mr. Chairman, may I ask the gentleman a question?

Mr. JOHNSON of Kentucky. Certainly.

Mr. MOORE of Virginia. Does the $8,000 item include the prospective fee which the gentleman is speaking of?

Mr. JOHNSON of Kentucky. The $8,000 item includes the $5,000 to this special attorney of whom I was just speaking.

Mr. MOORE of Virginia. I want to say to my friend, in whom I have a great deal of confidence, that it does seem to me, in view of the enormous importance of the litigation pending and in view of the fact that Mr. Syme has grown up with it and is the only lawyer on the Government side familiar with it, it would be rather unfortunate not to continue his services.

Mr. JOHNSON of Kentucky. I think it more unfortunate that his services were not continued as corporation counsel. He grew up with the work in the office in the District of Columbia; it would look far better if he had remained at a salary of $4,500 rather than to resign for the purpose of getting a larger fee, not only for one but for three or four years, and we do not see the end yet.

Now, as an additional reply to the gentleman from Virginia, I want to say that it is my judgment that Congress had better enact legislation for the employment of legislative counsel rather than undertake to do it through an appropriation bill that has no legislative jurisdiction. The language used is not subject to a point of order, because under that language they would have the right to employ a $100-a-day man to advise them of the "skip-stop" plan, or stopping at every other corner instead of every corner. I do not believe the Comptroller of the Treasury would say, if the question were put to him, that this language authorized the employment under expert service of additional counsel. Therefore I thoroughly agree with the gentleman that the item ought to be stricken from this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. DAVIS of Minnesota) there were—ayes 16, noes 14.

Mr. DAVIS of Minnesota. Mr. Chairman, on that I demand tellers.

The CHAIRMAN. Those in favor of taking the vote by tellers will rise and stand until counted. [After counting.] Not a sufficient number, and tellers are denied.

So the amendment was agreed to.

Mr. DOWELL. Mr. Chairman, I move to amend, on page 9, line 15, by striking out "$8,000" and inserting in lieu thereof "$3,000."

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DOWELL: Page 9, line 15, strike out "$8,000" and insert in lieu thereof "$3,000."

Mr. DOWELL. Mr. Chairman, in view of the statement of the gentleman from Kentucky [Mr. JOHNSON] that $5,000 of this $8,000 is to be expended for special counsel, and that $3,000 is all that is necessary for incidental expenses referred to by the chairman of the committee, it seems to me there is no excuse whatever for leaving the $8,000 in this item, and I think we ought to start right now to cut these items. I am surprised that the committee did not tell us frankly what the $8,000 was for. In view of the revelation made by the gentleman from Kentucky there is no excuse whatever for leaving the $8,000 in the item.

Mr. DAVIS of Minnesota. I would say to the gentleman that the Budget authorized $12,000.

Mr. DOWELL. I do not know what the Budget provided, but it is a poor reason for the committee to come before the House and submit an item of $8,000 simply because the Budget did not cut it less than $12,000. If the statements made to-day are correct, the committee should have reduced it to $3,000.

Mr. DAVIS of Minnesota. I would state to the gentleman that there will be an attorney employed just the same, because they have some cases now that are going to last a year or two, and the same attorney will be employed. He has to be employed, because there is no one else to take his place.

Mr. DOWELL. Permit me to say that if an attorney is to be employed, he should be employed in such a way that we may know where the money is being expended and not in this indirect way provided in this paragraph.

Mr. DAVIS of Minnesota. They have already engaged him to carry those cases through.

Mr. CROWTHER. Mr. Chairman, I propose, if possible, to digress from this acrimonious discussion for just a moment to call attention to the insertion in the RECORD of yesterday on page 2321 of a statement taken from a pamphlet issued by the American Exchange National Bank of New York. The matter to which I refer was inserted by the gentleman from Tennessee [Mr. PADGETT]. I call the attention of those of you who have had this circular on your desks to the fact that in reading it over the gentleman saw the words "This is a strange world," and that then he discovered following that what appears to be an article entitled "Artificial economics," and what he thought was a specious argument in favor of free trade. At the time he asked that this be put into the RECORD I wondered why he did not hand it in at the desk and have it printed, but instead he read the portion that he wanted inserted. On examination I find that he read only a part of the paragraph, just so much of the subject matter of the article as seemed to apply to what was in his mind. At the sentence commencing "As a practical matter," he balked, for he had been quoting Democratic theory thus far, and in discussing tariff the word "practical" never appeals to a Democrat. So the gentleman from Tennessee finished as follows:

> Protective tariffs mean that this obstruction to coordination will be enlarged and that when the world finally comes to consider coordination, if it ever does, it will find its difficulties even greater than they are now.

Mr. Chairman and gentlemen, there are six more lines in the paragraph that seem to me give an entirely different view as to protective tariff, and especially apply to the delay in the Senate's action on a tariff bill. I quote:

> As a practical matter, the business world is more interested in getting the protective measures established than in their forms. So far as this country is concerned, it is evident that some of the fancied advantages of tariffs are to be nullified by conflicting provisions, but anything is better than uncertainty, and if the legislators will only agree upon some measure or other they will deserve the gratitude of the country for that much at least.

That is the point I want to make; let the Senate agree on some definite plan of valuation and pass the tariff bill. This Congress is the public utilities commission for this great country of ours. The people sitting at home are not so much concerned about this $5,000 that is being saved here on this District of Columbia appropriation bill. What John Brown and Jim Jones and their wives are wondering about is where a ton of coal is going to come from this week, where the shoes for the children are coming from next week, where the new bag of flour is coming from, and how long the mill is to remain shut down and the family pocketbook empty. The Fordney tariff bill is in the Senate ice box, and the shelves of the stores from San Francisco to New York are filled to overflowing with the products that are made in Europe and in the oriental lands, by the cheapest labor in the world, while our men and women are out of employment.

The emergency tariff bill has been functioning long enough to show that it was an advantageous measure. The gentleman from Kansas [Mr. WHITE] sitting over there I saw yesterday with a broad smile upon his face. He told me that he was feeling good, because he had received 75 cents a hundred more for his No. 2 cattle than he had expected and that they weighed 75 pounds a head more than he guessed they would. I reckon that the extra 75 cents in price was due to slightly improved business conditions and the 75 pounds they had added in weight was due to their being contented cattle, because a Republican administration has given them the emergency tariff bill. [Laughter and applause.]

Gentlemen, I want to say to you that it is necessary that some action be taken to hasten tariff legislation in the Senate. The emergency tariff bill has been functioning long enough to show that it has been beneficial to the wool industry of the country, and it has helped tremendously the dairy products of the country, as well as the grain industry; but this bill was designed as a temporary measure. What we need is a real protective tariff. Waiting has been termed the "essence of wisdom," and if this

is so, then the Senate deserves to be acknowledged as wiser than Solomon and all the sages of his generation.

The people of this country expressed their faith in our party in 1920. Let us keep the faith. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Will the gentleman yield?

The CHAIRMAN. For what purpose does the gentleman from Alabama rise?

Mr. BANKHEAD. I merely desired to get permission to interrupt the gentleman to ask a question, but his time expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

STREET CLEANING DIVISION.

Salaries: Superintendent, $3,000; assistant superintendent, $1,800; chief clerk, $1,400; stenographer and clerk, $1,000; clerks—2 at $1,200 each, 1 $1,100, 1 $1,000, 2 at $720 each; chief inspector, $1,300; inspectors—4 at $1,200 each, 2 at $1,100 each; foreman of repairs, $1,200; foremen—1 $1,300, 4 at $1,200 each, 8 at $1,100 each, 1 $1,000, one $900; assistant foremen—3 at $900 each; 2 at $720 each; messenger and driver, $600; in all, $44,180.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee if we have such a department in the District at the present time?

Mr. DAVIS of Minnesota. What, the department of insurance?

Mr. DOWELL. Street cleaning. Is there such a department now in the government of the city of Washington?

Mr. DAVIS of Minnesota. Well, I understand they have.

Mr. DOWELL. Does the gentleman know anything about this department?

Mr. DAVIS of Minnesota. Do I know anything about it?

Mr. DOWELL. Yes.

Mr. DAVIS of Minnesota. Does the gentleman want me to give my opinion from what I see going on or from what I read in the newspapers?

Mr. DOWELL. I want to know the duties of this department and whether or not this department is functioning?

Mr. DAVIS of Minnesota. The duties are to clean the streets. Now, the gentleman can judge whether it is being done or not. I want to say this: I have heard intimations have gone forth that Congress is not giving them money enough and they can not do it. The day the snow first fell they had $174,000, and they have not used any considerable portion of it up yet. They have been promised by the chairman of this grand Committee on Appropriations, and I joined in, that if they would clean the streets, we would see they got some more money. Then I have heard intimations given out that they can not get the men to work; that they can not get the employees who will go out and work. Last evening, or yesterday rather, I got positive information that the United States Employment Agency down here said they had from one to three hundred men to go to work on these streets and they were all rejected, for what reason I know not.

Mr. DOWELL. What is the matter with this department that it does not function?

Mr. DAVIS of Minnesota. I can not tell you, sir. And no investigation I am able to make will tell you.

Mr. DOWELL. Mr. Chairman, I do not want to move to strike out the paragraph because I believe this is one of the necessary departments of this government here.

Mr. DAVIS of Minnesota. I think so.

Mr. DOWELL. But it does seem to me that this committee ought to find out and ought to know, in view of what has transpired here in the past few days, what is the matter with this department and why it does not even make some effort to function?

Mr. SNELL. Will the gentleman yield in order to enable me to ask a question?

Mr. DOWELL. Yes, sir.

Mr. SNELL. The proposition has been put forth in the newspapers that they are only paying 20 cents an hour, and they were not getting the men to shovel snow.

Mr. DAVIS of Minnesota. I do not know except what I see from the newspapers, and I do not always believe all of that, but my information is that from one to three hundred men were ready and they were so notified by the United States Employment Bureau and they were rejected. I do not know why.

Mr. EVANS. The wages, I understand, for the gentleman's information, are fixed by a commission.

Mr. DOWELL. What commission?

Mr. EVANS. A commission that is appointed for that purpose to fix the wages here in the District of Columbia, and the wages were fixed here at $2.80 per day of eight hours.

Mr. DOWELL. And that is the reason they are not employed?

Mr. EVANS. I can not tell you the reason they are not other than what is stated in the newspapers.

Mr. DOWELL. It seems to me there should be some effort by some one to see that this department functions. Apparently no one has been trying to do anything. I am not blaming the committee, but when we are appropriating $44,000, and we know it is not being expended for any purpose resulting in good to the community, we ought to make some further inquiry, and I am suggesting to the committee that before any further money is expended this department of the city should be required in some way to show some action.

Mr. DAVIS of Minnesota. I will say to the gentleman we had a rather exhaustive examination of the street cleaning department. That was done some two or three weeks or more ago, and we completed it before this present avalanche of snow came on the ground. I do not say we would have increased the appropriation any if we knew the snow was coming, but I know we gave them all that we thought was necessary in the opinion of the committee, and I think the street cleaning department were satisfied with it. We did not give any too much, I think, but we gave them a proper sum. Of course, this snow has come on and they will have to use more money, and I for one am willing to give more money if they show that they properly use it, but as to whether officers are performing their duties properly I can not tell you.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CLOUSE. I would just like to know, as I am somewhat interested in this matter, if the chairman of the committee can tell us just why this department needs 7 inspectors and 14 foremen, if their duties are no greater than they appear to have been in the last week or 10 days?

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. CLOUSE. I will be glad to do so.

Mr. CONNALLY of Texas. Does not the gentleman realize that the city has to be cleaned all during the year and not only when it is snowing?

Mr. CLOUSE. I realize that, and I realize that the streets need to be cleaned most of all at a time like that which we are passing through. In traveling about in the city of Washington for the past few days I have seen no work on the streets except on Pennsylvania Avenue, no sidewalks opened, but with the snow packed and frozen tight on the main residential streets of this city. I think what ought to be done—and I am just handing this out as a suggestion—is that we ought to provide for fewer inspectors and less foremen and get somebody in the department that will do a little work. With $44,180 appropriated out of the Treasury of the United States to pay no one except the superintendent, his assistant, chief clerk, and a stenographer or two, 7 inspectors and 14 foremen, I believe if we would provide for these men to get picks and shovels and go down and dig snow and sweep the streets, rather than to sit in an office with stiff collars and official titles, we would probably be in better shape.

Mr. DAVIS of Minnesota. If the gentleman will listen for a moment.

Mr. CLOUSE. I shall be glad to do so.

Mr. DAVIS of Minnesota. Of course, the section you have been referring to, on page 9, called the "Street-cleaning division," is made up of salaries amounting to $44,180. If you will turn to page 26 of the bill you will find what all of these inspectors and employees do. They attend to all the dust prevention, cleaning, and snow removal, and if you will go down still further you will see disposal of city refuse. Then go down still further and it takes in trees and parkings. And on the next page you will find that some of these people have to do with the bathing beach and playgrounds. And then there are other things. In fact, this little list here—I call it a little list—is a pretty small list of people to look after all these proceedings.

Mr. CLOUSE. I figure it to be approximatey $1,170,000, but nothing done to show for it.

Mr. DAVIS of Minnesota. I am trying to get the items of that. I see that $1,369,000 is spent altogether for streets, a matter the duties of which are chiefly performed by this $44,000 list.

Mr. CLOUSE. What I say, then, is if they have the appropriation that has been made and the balance unexpended, as the chairman of the committee has stated, what we need to-day is to clean out the official end of the street-cleaning department and put some one down there that will spend the money that is appropriated.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make the pro forma amendment to strike out the paragraph.

Mr. DAVIS of Minnesota. Right in connection with that——

Mr. JOHNSON of Kentucky. I would rather the gentleman should be recognized in his own time.

Mr. DAVIS of Minnesota. I want only a minute. In connection with that I wish to inform the gentleman of this. I made a memorandum here, from which I would like to quote: Assessment and permit work, $225,000; paving new streets, $113,600; streets, avenues, and alleys, repairs, $431,250; sidewalks and curbs around public reservations, $15,000; dust prevention, cleaning, and snow removal, $350,000; repairs to suburban roads, $200,000; grading alleys and roads, $231,000; or, in other words, $1,565,850. Whether this $1,565,850 is enough to take care of the streets that is for this Congress to determine.

Mr. ZIHLMAN. Under the item of street cleaning, however, your committee cut the appropriation $25,000 below that of last year and $50,000 below that which the commissioners asked for.

Mr. DAVIS of Minnesota. I wanted to say something on that. However, it is within my knowledge for estimates to come before our committee and where they have said, "We make them large, because we know you are going to cut them."

Mr. DOWELL. Will the gentleman yield for a question?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. DOWELL. The gentleman stated the amount in this bill is $350,000 for cleaning snow.

Mr. DAVIS of Minnesota. That is in the 1923 bill, the one now before you. That is for cleaning snow, and so forth.

Mr. DOWELL. How much is in the bill of 1922, the one under which we are acting now?

Mr. DAVIS of Minnesota. Three hundred and seventy-five thousand dollars.

Mr. DOWELL. Three hundred and seventy-five thousand dollars?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. DOWELL. Is not this the first snow we have had?

Mr. DAVIS of Minnesota. Well, no; it is not the first snow we have had.

Mr. DOWELL. This year?

Mr. DAVIS of Minnesota. No. We have had other snows.

Mr. DOWELL. This appropriation commenced last July and is running until next July. Is not this the first snow we have had that required any of the appropriation?

Mr. DAVIS of Minnesota. You are talking about the current appropriation?

Mr. DOWELL. Yes, sir.

Mr. DAVIS of Minnesota. That was $375,000.

Mr. DOWELL. And I am saying this is the first snow.

Mr. DAVIS of Minnesota. Of any very great depth; yes.

Mr. DOWELL. Has this fund been exhausted?

Mr. DAVIS of Minnesota. I said in my opening statement that the day before this snow fell, or the day it began falling, we had a balance in the Treasury of $174,000 for them to take care of this emergency.

Mr. DOWELL. But what I am inquiring about is, if there is $375,000 for the clearing of snow, and this is the first snowstorm of this year, how did this fund become in any part exhausted before the snow fell?

Mr. DAVIS of Minnesota. It was for dust prevention also.

Mr. DOWELL. Oh, they used the other part for taking dust off the street?

Mr. DAVIS of Minnesota. Yes. It is for the prevention of dust and the removal of snow.

Mr. DOWELL. How much has been expended for the removal of snow?

Mr. DAVIS of Minnesota. I am not the auditor for the District, and I can not tell the gentleman.

Mr. DOWELL. Does not the gentleman think that some of the money spent for taking dust off the streets ought to have been saved and used to take care of a condition that has been very awkward to some of us in the last few days?

Mr. DAVIS of Minnesota. If I had known that the snow was going to fall as it did, I believe I would have sent a special messenger down there suggesting to them that they save their money and not take up so much dust and use the money for the removal of snow.

Mr. DOWELL. But they had this fund down there before the snow began of $175,000?

Mr. DAVIS of Minnesota. Yes; they had it the day it began to snow.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I believe that it will be accepted that I am not too stingy with criticism of the management of the District of Columbia affairs; but I do believe that the present criticism of the street cleaning department is unjustified, if it be borne in mind that the present snowfall is perhaps the greatest that has ever fallen here since the location of the National Capitol, and since it is reasonably certain that it will not occur again in the lifetime of any of us. It may be compared, I think, to the San Francisco earthquake. The people of the city of San Francisco were not prepared to meet that catastrophe any more than the street cleaning department of the District of Columbia is prepared to meet this situation.

Then another thing must be borne in mind, that the lodging house for the unemployed down here is a most comfortable place, indeed, and in addition to that it must be borne in mind that the laboring population of the District of Columbia is largely made up of colored labor, and anybody who knows as much about that character of labor as I do will readily agree with me that they are not quick to go out into the snow. They will work, and work hard in hot weather, but they like the fireside when the weather is cold, and a few cents more or even an appreciable addition to a day's pay does not appeal to them.

Mr. DOWELL. Does not the gentleman think it is entirely unfair to limit that to the colored people?

Mr. JOHNSON of Kentucky. If the gentleman will bear fully in mind what I have just stated, he will recall that I spoke of the inviting lodging house here, where many of the white idle go rather than work. They go there and seek charity when half of them are not entitled to it, and these other people go home because they are not constitutionally built to stand severe weather, and you can not entice them out into it.

But I do believe there is one criticism in this connection that is just, which the gentleman from Tennessee [Mr. CLOUSE] referred to in an indirect way, and that is that the system is top-heavy. There is no department of the government of the District of Columbia that is not top-heavy. Take the schools, for example. Every school-teacher, if she knows she will not be told on for making the statement, will tell you that the schools are top-heavy in the way of principals. Every branch of this local government is top-heavy, and this particular branch is. They have too many officers. They have plenty of money.

Now, I recall that a number of times I have seen men going about the streets marking the "goose nests," I think they are called, little round holes that come in the pavement, made by automobiles. It always takes two men and sometimes three to draw a chalk mark around those holes, so that when the repair outfit comes along they will see the holes marked and know that they are to be repaired. One man will take a piece of chalk and draw one-third of a circle around it and the next will draw the next third and the third man will complete the circle, when any ordinary man with a piece of chalk in his hand can in a moment draw the ring entirely around it himself. But they are the supervisors or the inspectors of streets. That is where the fault lies.

But this city, located in the climate in which it is, is not now, can not be, and never will be provided to meet such an emergency as we are in now, because if the appropriation is made year after year to remove a volume of snow such as we now have, that money will be wasted, because it will stand appropriated and will be available. It will be wasted, and in my judgment it will be better to accept the situation, horribly bad as it is, rather than to continue through many, many years to make an appropriation to meet a condition that perhaps will never come again. But the department has the money now available for the purpose of cleaning streets, and that money can be used for the purpose of cleaning off the snow. But in justice to the department, and in justice to the Commissioners of the District of Columbia, I do not believe that they can get it done. I do not believe that the working force is here to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. FOCHT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. FOCHT. Mr. Chairman, I feel that I must give expression to my agreement with the distinguished gentleman from Kentucky [Mr. JOHNSON], who was my predecessor as chairman of the Committee on the District of Columbia, and who is probably more familiar with the actual practical government of this District than any other individual on the floor and whose knowledge probably extends as far as that of any commissioner, because he was chairman of the District Committee

longer than any member of the present commission has been in office.

It is well enough for some gentlemen who come from the land of the oriole, where they hear the mocking bird forever singing, to talk about cleaning the snow from the streets. But I live just 200 miles directly north from this great city and know something about the snow as it falls in the wintertime and continues to remain on the streets, and while our sidewalks are made passable we are glad to have the snow on the streets for three months of the year. Now, this is a most extraordinary occasion. At only one previous time that I can remember have we had anything like this great snowfall in the District of Columbia, and that was on the day on which President Taft was inaugurated. The heavy snowfall has caused a great deal of inconvenience for the moment, but I am reminded of what Senator Penrose once said when we were on our way from Harrisburg to Pittsburgh in an automobile. It commenced to rain, and some of the gentlemen guests complained about the rain. Senator Penrose said, "What are you complaining about? It is going to rain some time, and you are going to be somewhere when it rains. It is raining now, and here we are. Quit your growling." And so it is with the snowstorms that come. You can not control them, and if we are a little patient, as well we may be in all the events of life, something more powerful than we administers the remedy, and here it comes, and the glory of the sunshine takes away all the cause for complaint. You really have not had time to complain. You did not get in yesterday in time to offer your complaints. You waited until it was too late and until the sun had melted the snow, and it has gone out to the salted sea, to be returned again in the pure snow of the winter and the gentle rain of the spring.

Mr. DOWELL. Will the gentleman yield?

Mr. FOCHT. Now, what is it? Has the gentleman any more complaints about the appropriations for these poor fellows who work for the District of Columbia?

Mr. DOWELL. I agree thoroughly with the gentleman from Pennsylvania that this snow will be cleared away by the sunshine.

Mr. FOCHT. Yes.

Mr. DOWELL. But it does not cost the taxpayers $375,000 when it is done in that way.

Mr. FOCHT. I am not complaining or making any observations concerning the appropriation, because I will say in all candor that when it comes to paying a fair wage to men for cleaning the streets or for working on the farm or in the factory, or working for the Government in a public capacity anywhere, in all the years of my public service I have voted when advisable for increased employees and increased salaries, and the last time I ran for this office I had a larger majority than I ever had before in my life.

I do not believe in being a demagogue or in being niggardly about salaries. If people earn them, and if we need the men or women, let us vote for the appropriation and nobody will criticize it. Now, the gentleman from Iowa is a judge, and he must well remember the decision of the Supreme Court in regard to cleaning snow from sidewalks in the District of Columbia. That may have something to do with the indifference of the people here in regard to removing the snow. The decision of the court was that these sidewalks belong to the Government. Nevertheless, I thoroughly agree that with all the civic organizations there are in this city, the Monday Evening Club, and the Northeastern Club, and the Northwestern Association, and the Georgetown Association, and the Southeastern Association, and the Central Union Association, there ought to be enough civic pride to meet all contingencies like this without having any debate on the floor of the House, in the Capitol of our great Nation, and that it ought not to be necessary for the Senate to pass the bill that it passed yesterday, which will be considered by the Committee on the District of Columbia of the House tomorrow and reported favorably, compelling citizens under penalty to remove the snow from the sidewalks. [Applause.]

Mr. STEVENSON. I am interested in the decision of the Supreme Court. Has not the Supreme Court held that a citizen can not be compelled to remove the snow from the sidewalk in front of his house?

Mr. FOCHT. I rather think the Supreme Court has so held.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FOCHT. Mr. Chairman, I would like five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. STEVENSON. Do I understand the bill which is now contemplated is different from the one which the Supreme Court held was not enforcible because the sidewalks are the property of the Government?

Mr. FOCHT. I think this bill becomes really an ordinance of the town council, which Congress is in its relationship to the District of Columbia, and in this bill we propose to compel them to remove the snow or submit to a fine which will be assessed against their property.

Mr. STEVENSON. Suppose a man has no property?

Mr. FOCHT. The property will be there.

Mr. STEVENSON. Suppose a man rents the house he lives in?

Mr. FOCHT. The day before yesterday I heard some one—I think it was the gentleman from South Carolina [Mr. STEVENSON]—speaking in a scientific way about a man owning everything up to the sky and everything down to the center of the earth.

Mr. STEVENSON. Suppose a man is a tenant and you fine him. You can not put that on the property which he inhabits, because that belongs to another man, does it not?

Mr. FOCHT. There is a vested right of ownership somewhere.

Mr. KEARNS. If the gentleman will yield, I think every State in the Union has found a way to put a fine or an assessment against the tenant.

Mr. FOCHT. The judge knows all about it and is correct.

Mr. CONNALLY of Texas. Did I understand the gentleman from Pennsylvania to agree with the gentleman from South Carolina that the Supreme Court had held that a man could not be compelled to remove the snow from the sidwalk in front of his house?

Mr. FOCHT. I do not believe the Supreme Court held that. I believe an inquiry was made of the commissioners, and they referred it to the corporation counsel, who said they could not compel the occupant of a house to remove the snow on the adjoining sidewalk under penalty because of the decision of the Supreme Court that when the original owners of the 19 farms now comprising the District of Columbia turned over their land for the purpose of making this the seat of the National Government they donated these streets to the Government and also the sidewalks.

Mr. CONNALLY of Texas. Did the gentleman say that bill will be reported from his committee to-morrow?

Mr. FOCHT. Yes; with great pleasure. Now, what question does the next judge want to ask me? [Laughter.]

Mr. WINGO. I am not a judge; I am a colonel. [Laughter.]

Mr. FOCHT. All right, Colonel.

Mr. WINGO. I was just wondering how you can expect people to clean their sidewalks off in eight hours when they can not clean the sidewalks in this great city in five days with thousands of dollars appropriation?

Mr. FOCHT. I do not. Our distinguished colleague, Mr. Moore, who left this House to become mayor of Philadelphia, announces that this day marks the eclipse of the street contract cleaning business in Philadelphia, where they are talking about doing it in another way, and they are going to do away with the contract system and have the city do it. There is a contradiction, therefore, between that situation and the gentleman's suggestion of a contract system here, and I am very sorry that our friend "Hampy" is not present to give us his ideas about it.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. FOCHT. Certainly.

Mr. MOORE of Virginia. Suppose the gentleman reports the bill to the House, does he think he will be successful in having the House give him a day on which it may be considered? Has not my friend been quite unfortunate in getting time for the consideration of District measures?

Mr. FOCHT. I may say that if it had been late in the session we might have more strongly urged an opportunity to be heard, but in my judgment, with all the appropriation bills ahead, and various other contingencies arising, I thought that we might not only win the favor of those who occupy the positions of obstructionists and have them remove it, but also to give us their help.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FOCHT. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks that his time be extended five minutes. Is there objection?

Mr. DAVIS of Minnesota. Mr. Chairman, we have 100 pages of this bill, and if we are going to discuss all of the principles of government, city and otherwise, we never will get through the bill.

Mr. FOCHT. We are discussing the legislative, actual, and practical features of it.

Mr. DAVIS of Minnesota. That would apply to provisions all through the bill of 100 pages.

Mr. FOCHT. I am only speaking as to the District.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOORE of Virginia. I was hoping that the District Committee might be given to-morrow in view of the many days that have been assigned for District matters, and the committee has given it up for other measures. Instead of taking an adjournment until Monday I hoped that the House might give the gentleman to-morrow.

Mr. FOCHT. I quite agree with the gentleman. The District Committee has worked very constantly all this year and through the last summer—no one more so than the ranking Member from that side, Mr. WOODS of Virginia. And, by the way, I want to say right here that of all the delegation, with rare exception, I know of no delegation from any State at any time since I have been here that has shown more or reflected more of what I would regard as real statesmanship and courtesy and ability than the Texas delegation. [Applause.] They would make you think that they probably had come from some other part of the country—from some section. I want to say that I have the highest regard for the delegation from Texas, and——[Applause.]

Mr. WINGO. Will the gentleman yield?

Mr. FOCHT. Yes, Major; I will yield. [Laughter.]

Mr. WINGO. The gentleman expatiated a good deal on the oriole and the mocking bird, and I hope before he gets through he will give us his opinion on the customs of the ground hog. [Laughter.]

Mr. FOCHT. Well, there is one thing certain, as far as the gentleman and his party is concerned, they will see their shadow for many, many years. Oh, you do not understand the language of the Lancaster almanac—when the ground hog sees his shadow he goes back into his hole for six weeks. The Democratic Party saw its shadow in 1920, and you can infer the rest.

Now, before my time is up I want to say, pertaining to the District of Columbia and legislation, that you have had very able chairmen before me, and I know I have a hard time to fill the shoes of the gentleman who preceded me. I do not look upon the District of Columbia as a place for exploitation for rent grafters, or real estate pikers, nor market-house crooks; I look upon it as the great center of the greatest Government in the world, and I want to see it progress in that way; I want to see it developed, beautified, and glorified, and make it as great as I once said at a banquet it would be, which was very much exaggerated by one gentleman from Texas, whom, if disposed to do so, I should except from what I have said before. [Laughter.]

On the question of the railroads, my good Texas friend [Mr. HARDY], with whom I have served a long time, said that he was impelled to vote against the bill. If such men as Mr. WOOD, Mr. ZIHLMAN, Mr. REED, Mr. HAMMER, and Mr. MILLSPAUGH, who I see here, are willing to sit up days and nights and formulate a railroad bill, I think their efforts should be given attention, and if you will help us we will get through a bill that will ultimately bring down the fares and give you transfers and greatly improve the service. Anyone who has ever studied the subject of industrial economy knows that the consolidation of these two traction lines, and held to the law by a utilities commission, assuming that the commission is made up of people who are honest, will tend inevitably to reduce the carfare.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. FOCHT. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that all debate on the paragraph be now closed.

The CHAIRMAN. The question is on the motion of the gentleman from Minnesota that debate do now close.

The motion was agreed to.

The Clerk read as follows:

DEPARTMENT OF INSURANCE.

Salaries: Superintendent of insurance, $3,500; deputy and examiner, $2,000; statistician, $1,700; clerks—one $1,200, two at $1,000 each; stenographer, $1,000; in all, $11,400.

Mr. RAINEY of Illinois. Mr. Chairman, I rise to call attention to a joint resolution, which I send to the desk and request that it be read in my time, providing for the appointment of an ambassador and minister to the new Irish Free State. The resolution calls for a new departure in United States diplomacy. However, I am confident that it meets with the approval of this country, because no longer is the world asked to consider Ireland merely as "England's domestic problem" but as a free and independent State, one to be governed by the self-determination of the Irish people.

That magic formula "self-determination" has marched armies and tumbled empires these last few years, playing too large a part in the world consciousness to be limited by any arbitrary discrimination in the hour of victory and adjustment. Poles, Czechs, Jugo-Slavs, Ukrainians, and Finns have succeeded in securing the respect and attention of the United States; and now that the land that has ever been dear to so many millions of liberty-loving Americans is about to start her onward march to prosperity, what other country more than ours should have a representative on her shores to help her in every honorable way to the success that lies before her?

In December, 1919, Congress, through the agency of the Foreign Affairs Committee, held hearings at which delegates from large bodies of citizens all over the United States discussed a bill authorizing appropriations to send diplomatic representatives from this Government to Ireland. At that time many Members—and, I think, even a majority—were deeply interested. But the thought then arose that if we as a Government should act then, when the question of autonomy for Ireland was still a subject of bitter contest, it might well be construed as an unfriendly act by Great Britain.

Now that Great Britain, as a great Government, has officially before the world of nations acknowledged Ireland as a Free State, there can no longer be any question of unfriendliness for Great Britain on our part.

It is still, of course, a much-debated question whether the Irish plenipotentiaries should have accepted Great Britain's concession of an Irish Free State or should have continued the contest for an independent nation. But the Free State has come into existence and will begin to function, demonstrating to the world that Irishmen can govern themselves and care for the political, commercial, social, economic, and humanitarian interests of Ireland, as well as contribute to the arts and sciences and to the sum total of the world's culture. In the evolution of time, and possibly somewhat sooner if there is an American ambassador and minister and consuls in Ireland, England will give that people a distinct life as a separate nation, if it appears that England's own interests are not hampered or endangered.

One of the reasons that appeals to me strongly why a separate diplomatic mission should be sent from the United States to Ireland is to safeguard against what many fear. The warm-hearted, trusting, ambitious Irish nature is amenable to flattery. Some of our most prominent students of history, and especially Irish sympathizers, can not forget readily what happened in Ulster when the then leaders of the Irish people were cajoled with flattery, with titles, and gifts of land, and for the most part with mere promises.

With the establishment of the Irish Free State the question has arisen on many sides, Will England repeat her achievement of winning over a few leaders, thus leaving the mass of people worse off than before through bitter disappointment of a great expectation blighted? The point I particularly want to make is this: With an American ambassador and minister there keeping in touch with the political situation it will be the duty of such agents of the United States to report to the United States Government, and we here would know the truth. Then, with our loyalty to the Irish cause on account of blood ties, we could prevent any such attempt at British diplomacy. Also the very presence of official representatives of the United States Government would cause Great Britain to go very slow in making any efforts inducing leaders to play traitor to the cause of the Irish people.

When would be a more fitting time for action by the United States Government to show sympathetic desire to aid in the setting up of an effective and stable government in Ireland than now, when the nations of the world are here gathered in the spirit of "peace on earth," and when the negotiations between these two great countries, the United States and Great Britain, could be carried on by the accredited representatives of each in conference?

The time is ripe, the conditions are opportune.

As never before the Irish are united. With the exception of a few pro-[illegible]ing majorities in the north of Ireland, which, press reports assure us, are fast dying out, Ireland to-day needs the guiding hand of a friendly American Government, not to rankle old sores of hatred and discontent but to assist her with sound, practical advice as to the best procedure for her to follow during this trying period of her reconstruction.

In America the Irish have put aside the factional bitterness of the past and stand solidly and squarely in support of Ire-

land's aspirations to develop and maintain her distinctiveness as a nation.

It is this that makes the movements of the Irish people at present of vital interest to nearly one-fifth of the American people, for in this fair land of ours there are approximately 20,000,000 people of Irish birth or descent woven into the warp and woof of our national life by common aspirations and devotions.

With the silver showing through the clouds after 750 years of trials, tribulations, and suffering never equaled by any race in history, it is not necessary to detail the oft-repeated story of Ireland's struggle, identical with what the patriots of our own country fought and bled and died for.

We have always been proud to follow the leadership of Gen. George Washington, "Father of His Country," "first in war, first in peace, and first in the hearts of his countrymen"—the only President ever unanimously elected. Where can we find better guidance to-day than to follow the noble example he set, offering his warm heart's strongest freedom-loving sympathies to the oppressed people of Ireland raising their heads in the struggle for human liberty? For Gen. George Washington, with Edward Hand, Adjutant General of the Continental Army, signed their names to the membership roll of the Society of the Friendly Sons of St. Patrick in Philadelphia.

Glance over the brightest pages of American history and you will find written there most gloriously the names of Irishmen unnumbered who signed the Declaration of Independence, who sat in the Continental Congress, and on whom Gen. Washington placed the utmost dependence as trusted officers during the fight of this country for freedom. You will find that 38 per cent of the Revolutionary Army that won American independence was Irish. You will find also that the leading advocate of American rights in the British Parliament and America's best friend in Parliament were men of Irish birth. Here are a few names taken from the most priceless annals of the Revolutionary period:

James Duane, Member of the Continental Congress, son of Anthony Duane, of County Galway, Ireland.
Charles Thomas, secretary of the Continental Congress, born in County Derry, Ireland.
Edmund Burke, the leading advocate of American rights in the English Parliament, born in Dublin, Ireland.
Isaac Barre, "America's greatest friend in Parliament," born in Dublin, Ireland.
Maj. Gen. John Sullivan, of the Continental Army, son of John Sullivan, of Limerick, and Marjery Sullivan, of Cork, Ireland.
George Read, signer of the Declaration of Independence, son of John Read, of Dublin, Ireland.
James Smith, signer of the Declaration of Independence, born in Dublin, Ireland.
Stephen Moylan, colonel of Cavalry, Continental Army, and aid-de-camp to Gen. Washington, born in Cork, Ireland.
Thomas Lynch, jr., signer of the Declaration of Independence, grandson of Thomas Lynch, of Galway, Ireland.
Edward Rutledge, signer of the Declaration of Independence, a native of Ireland.
Maj. Charles McHenry, private secretary to Gen. Washington, born in Antrim, Ireland.
John Barry, father of the American Navy, born in County Wexford, Ireland.
Gen. Andrew Lewis, of the Continental Army, born in Donegal, Ireland, whose statue has been raised in Richmond, Va.
Charles Carroll, of Carrollton, signer of the Declaration of Independence, grandson of Charles O'Carroll, a native of Kings County, Ireland.
George Taylor, signer of the Declaration of Independence, born in Ireland.
Matthew Thornton, signer of the Declaration of Independence, born in Limerick, Ireland.
Thomas McKean, signer of the Declaration of Independence, son of William and Letitia McKean, of County Derry, Ireland.
Gen. Richard Butler, of the Continental Army, born in Dublin, Ireland.
Edward Hand, colonel and adjutant general, Continental Army, born in Kings County, Ireland.
Gen. Richard Montgomery, of the Continental Army, born in County Donegal, Ireland.
Gen. John Shee, of the Continental Army, born in County Meath, Ireland.
Count Arthur Dillon, colonel regiment de Dillon, French-Irish Brigade, a native of Ireland.
Col. Walter Stewart, of the Pennsylvania line, Continental Army, born in Donegal, Ireland.
George Bryan, patriot of the Revolution and governor of Pennsylvania, born in Dublin, Ireland.
Gen. William Irvine, of the Continental Army, born in County Fermanagh, Ireland.

The story of the heroic sacrifices of the men at Valley Forge, Princeton, Trenton, continued for seven centuries would only partly tell the tale of the fight put up by these indomitable people. From 1195 to 1867 virtually every Irish generation had bared its naked breasts against the might of England, only to sink down to defeat and new despair under sheer weight of numbers. From 1870 to 1916 home rule meant Ireland and Ireland meant home rule. The movement and the nation were one and rang through the world with a single great appeal.

For the first time in seven centuries the Irish put armed force aside and submitted their demand for independence to the arbitral justice of an English Parliament. The Irish Republican Brotherhood was a memory, the Fenian leaders lived as exiles, Sinn Fein was not even an anticipation, and a crushed and dispirited Irish people indorsed the decision to substitute constitutional methods for the sword.

Isaac Butt, a Presbyterian Ulsterman, was the father of home rule. As an honest man his sense of fair play made him place his brilliant legal talents at the service of these unhappy scores who were dragnetted after the Fenian uprising of 1867. The infamy of the trials, the packed juries, the bitter prejudice of the judges, all combined to change the intense conservatism of his youth and he soon took rank as a leader in the fight for Irish freedom. The futile rebellions of the past, however, no less than his legal training, led him sharply away from force and he evolved the doctrine of evidence and argument.

For full seven centuries the island had pitted itself against the overwhelming resources of England in war after war, but defeat, exile, and famine joined at last to rob the Irish of strength to continue the struggle on any open field of battle. Yet there was no surrender, no formal submission, no pledge of loyalty, and the period between 1691 to 1916 is one long record of protest, agitation, and insurrection against what? Against the very English rule that your sires and my sires gave their life's blood on the battle fields of the American Revolution.

We find them performing the same deeds of bravery, fighting the same old fight, in 1691; again in 1698. Another century rolls by, and once more, 1716, they cry for their freedom, proclaiming to all the world similar words as those of our own great patriot, "Taxation without representation is tyranny."

Famine scourged the unhappy land in 1726 and again in 1740. Lecky, the noted English historian, recording these instances of human agony as related by an eyewitness, said:

I have seen the laborer endeavoring to work at his spade, but, fainting from want of food, forced to quit it. I have seen the aged father eating grass like a beast, and in the anguish of his soul wishing for his dissolution. I have seen the helpless orphan exposed on the dunghcap, and none to take him, for fear of infection, and I have seen the hungry infant sucking his mother's breast, of the already expired parent.

Helpless, for the army of occupation was always crouched to spring, the Irish were confined to sporadic uprisings until the American Revolution came with its message of courage and inspiration. The shot at Concord echoed nowhere more loudly than in Ireland, and when King George tried to draft 4,000 Irishmen for service against Washington, offering to send Hessians in return, the red hand of Ulster lifted again in one of its old fierce gestures. Ostensibly for the protection of the coast against the French, a volunteer force of 100,000 sprang into being, drawing in men from south and west, Catholics as well as Protestants, and it was this mailed hand that caught at the throat of Parliament.

Threatened, weakened, and sorely tried, England did attempt to alleviate matters for the Irish by promising reforms and enacting legislation, including an Irish Parliament, but once more Ireland was fooled and one of her greatest opportunities for freedom went by. This was 1783.

In 1791 we find scattered bands together once more as the united Irishmen, under the leadership of Wolfe Tone, Lord Edward Fitzgerald, and Arthur O'Connor, Protestants all, and Presbyterian in its essence, but with the broad platform of parliamentary reform and Catholic emancipation.

The story of 1797 and 1798, the terrible reign of suffering and oppression that was visited on these unfortunate people, culminating three years later in the infamous "act of union," which the great Gladstone referred to as the blackest page in English history, saying, "I know no blacker or fouler transaction in the history of man than the making of the union between England and Ireland," are too well known to dwell upon here. Nor is it necessary to detail the subsequent uprisings, the failure of the potato crop in 1845, which preceded the famine in 1847.

Between 1848 and 1855 two million left Ireland to find homes in other lands, the bulk of them coming to the United States. Those remaining were oppressed by the most unjust laws, and in 1858 James Stephens first sounded the call for the Irish Republican Brotherhood, a movement dedicated to physical force.

John Mitchel, whose grandson was destined to rule as mayor of the great metropolis of New York, and Thomas Francis Meagher, both leaders in a previous uprising, were in America, after a dramatic escape from Van Dieman's Land, the former wielding his brilliant pen and the latter rising to heights of popularity through heroic leadership of the Irish Brigade in the Civil War.

It was in America that the Fenians formed in 1861, and the spirit of the organization, marching to Ireland with men and

dollars, joined hands with the brotherhood and planned the rising of 1867. Again, however, the English spy and the informer were in the inner circles, treachery resulted in the arrest of all the leaders, and the most terrible storm in the history of Ireland broke the force of the uprising as effectively as British arms. From 1870 to 1916, first under the leadership of Butt, then Parnell, then Redmond, the fight for independence was the fight in the English Parliament for home rule.

It is in 1916 that we return again the Irish tradition, the ancient faith that Ireland's freedom can only be won with Irish blood, either shed in battle with victory as the wild hope or in martyrdom to shock the world into attention and some sympathy.

The resentment of the Irish people at the trickery of England and Ulster's unnatural actions in 1914; the bloody battles in the streets of Dublin, Easter week, 1916; the execution of Pearse, the first president of the Irish republic, with his compatriots; the bitter campaigns raged through 1917, 1918, 1919, 1920, 1921, and up to the signing of the Anglo-Irish treaty, are too familiar to all here for me to repeat; but now that the whole wretched story is ended and Ireland has an opportunity to stand upon her own feet and take her rightful position among the peoples of the world, I say let this country, for which she has such unbounded love and affection, leave nothing undone that might help her make that future rich and prosperous.

The Clerk read as follows:

DISTRICT OF COLUMBIA EMPLOYEES' COMPENSATION FUND.

For carrying out the provisions of section 11 of the District of Columbia appropriation act approved July 11, 1919, extending to the employees of the government of the District of Columbia the provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, $7,000.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, I have a resolution here which I shall ask the Clerk to read in my time.

The Clerk read as follows:

Joint resolution expressing the intention of the United States to grant complete and absolute independence to the Philippine Islands within one year and requesting the President to consider the expediency of effecting a treaty of recognition for said republic.

Whereas the Congress of the United States in the Jones law proclaimed its intention to withdraw sovereignty from the Philippine Islands and to recognize their independence "as soon as a stable government can be established therein"; and

Whereas the last previous American Governor General of the islands, who served in that capacity more than seven years, officially reported to Congress and the President of the United States that the Filipino people had established the specified stable government, and were therefore entitled to independence; and

Whereas President Wilson in a message to Congress reported the same facts as to the existence of a stable government in the Philippines, recommending that Congress grant independence; and

Whereas the report of the Wood-Forbes special Philippine mission does not show the absence of a stable government in the Philippines, thereby failing to justify longer American sovereignty therein; and

Whereas recent reports from the islands indicate that if the United States does not now keep faith and carry out its solemn pledge of independence to the Philippines the inhabitants thereof will not continue to have the same measure of confidence in and respect for the United States that they now maintain; and

Whereas the loss of the friendship of a nation of 10,500,000 Christian people in the Orient can be avoided and their friendship, affection, and cooperation secured forever by the granting of the independence which the Filipino people are entitled to both by divine right and because the Congress of the United States definitely promised it to them; and

Whereas failure to do this justice to the Filipino people will seriously embarrass the United States before the other nations of the world, especially in view of the principle proclaimed in the Declaration of Independence that "governments derive their just powers from the consent of the governed," and by the further fact that the United States championed the principle of "self-determination" during the recent war; and

Whereas the recognition of Philippine independence would amount to a saving to the American taxpayers of millions, if not hundreds of millions, of dollars annually: Therefore be it

Resolved, etc., That it is the purpose of the United States to cease exercising sovereignty over the Philippine Islands and to establish an independent government in said islands within one year from the date of the adoption of this resolution; that in pursuance of such purpose the President is respectfully requested to consider the expediency of opening negotiations with the Governments of Great Britain, France, Japan, Italy, Spain, China, and other powers for the purpose of effecting a joint treaty with such Governments by which such independent Philippine government shall be recognized; and that the Philippine government thus established shall agree that it will maintain equality of trade relations with all the signatory powers.

Mr. RANKIN. Mr. Chairman, I do not wish to take up the time of the House at this time to discuss this resolution, but shall do so at a later date.

Mr. DAVIS of Minnesota. Mr. Chairman, I wish to give notice now that hereafter I shall object to anything that does not pertain to the item under consideration.

The Clerk read as follows:

For assessment and permit work, including maintenance of motor vehicles, $225,0000.

The CHAIRMAN. The Clerks calls attention of the Chair to the fact that there is a clerical error in line 12, page 20.

Mr. DAVIS of Minnesota. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. DAVIS of Minnesota: Page 20, line 12, strike out a cipher.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Streets, alleys, and roads.

Mr. CROWTHER. Mr. Chairman, I move to strike out the last word. I do this for the purpose of asking the chairman if the District has a paving plant of its own for repairs, or are those repairs made by letting contracts for repairs on the streets of the city?

Mr. DAVIS of Minnesota. This work is done by contract. There is some repair work done by the city, but very little; the major part of all this work is done by contract.

Mr. ZIHLMAN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 20, after line 17, insert a new paragraph, as follows:
"Northwest: For paving west side of Connecticut Avenue, Chappell Road to Chevy Chase Circle, 60 feet wide, $58,500."

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent to revert back to that page, as I happened to be out when the paragraph was read. This relates to the item of street improvement.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to offer his amendment, notwithstanding the fact that the paragraph was passed. Is there objection?

Mr. DAVIS of Minnesota. There is no objection to that.

The CHAIRMAN. The Chair hears no objection.

Mr. DAVIS of Minnesota. I shall demand on this a quorum.

The CHAIRMAN. The gentleman from Minnesota makes the point of order there is no quorum present. The Chair will count.

Mr. DAVIS of Minnesota. Mr. Chairman, I will withdraw that demand.

Mr. ZIHLMAN. Mr. Chairman, I wish to state that this item for the paving of the west side of Connecticut Avenue was in the estimates submitted by the commissioners and was approved by the Director of the Budget, but cut out of the estimates which were sent to the committee, as were fully 60 per cent of the items under the head of street improvements. Connecticut Avenue is one of the main thoroughfares of the city, connecting up entirely with the Maryland road system. It is the main artery of travel used by approximately 50,000 people, thousands of whom live in the District of Columbia. The District has already paved the east side of the street, and if this item is not included under this head this west side of Connecticut Avenue, one of the main thoroughfares of the city, will remain in the condition it now is for another 12 months. This improvement is necessary. The unemployment conference which was held here in Washington a few months ago recommended that public improvements of this nature be taken up and completed in order to relieve the deplorable condition of unemployment prevailing in the country. There can be no substantial reason advanced why this improvement should not be made. I asked the chairman of the subcommittee the other day why this item was not included, and he stated that this improvement would have to make way for other necessary improvements. Now, as I have previously pointed out, this bill cuts the estimate for street improvements fully 85 per cent. This is one of the essentially needed improvements in the northwestern section of the city. It has been approved by the Director of the Budget. The east side of the street is now paved, and I know of no substantial reason that can be advanced why this improvement should not be made during the coming fiscal year. The District of Columbia is able to raise under the plan of taxation proposed by the commissioners three-fourths of the sum total carried by this bill. This will be no hardship upon the people of the District, because many Members of this House complain that the present taxation is too low and is inadequate at the present time, and under the plan of financing the District that has been adopted, the Govern-

ment will, of course, pay its 40 or 50 per cent, whatever rate the Congress in its wisdom deems is wise to be expended.

Mr. CRAMTON. Will the gentleman yield?

Do I understand the gentleman to advocate a ratio of 75 to 25?

Mr. ZIHLMAN. No; I did not state that. I stated yesterday, and I repeat now, that if the District raises the sum in taxation the commissioners propose—$14,000,000—and the Government does not contribute any more than is proposed to be contributed by this bill, it will not be much more than 30 per cent. Congress determines on the ratio, but that does not detract from the necessity of this improvement of one of the great thoroughfares leading into this city.

Mr. CROWTHER. Will the gentleman yield?

Mr. ZIHLMAN. I will.

Mr. CROWTHER. Is not that the great thoroughfare that leads out to the principal golf links here in the District of Columbia?

Mr. ZIHLMAN. It is.

Mr. CROWTHER. I want to ask seriously if the gentleman knows whether or not it can be well done for the amount of money; if he has any idea of road construction?

Mr. ZIHLMAN. I will state to the gentleman that the figures I carry in my amendment are the figures presented by the Engineer Department of the District of Columbia, who stated that it can be done for the sum carried.

Mr. CROWTHER. Will the gentleman tell me also whether or not when these contracts are made there is a provision made for the commissioners to appoint inspectors to see that the foundation, which is the very substance of a good road, is laid according to specifications or not?

Mr. ZIHLMAN. The gentleman will notice that in this bill a great many inspectors are carried. It has been pointed out there are too many inspectors.

Mr. CROWTHER. I know we voted here a year and a half ago for some $60,000 for the improvement of this Bladensburg Road, and I know to-day that $60,000 was wasted.

Mr. ZIHLMAN. That was not expended, I will state to the gentleman. The District Commissioners could not have the work done for that sum. The present work there was repair work and does not constitute repaving as provided in the appropriation.

Mr. CROWTHER. All the money that was spent for repairing was wasted, because the road is worse than it ever was before.

Mr. ZIHLMAN. I understand what they are trying to do is to get an added sum in order to repave the road.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. DAVIS of Minnesota. Mr. Chairman——

The CHAIRMAN. Does the gentleman desire to speak in opposition?

Mr. DAVIS of Minnesota. I do.

The CHAIRMAN. The gentleman is recognized.

Mr. DAVIS of Minnesota. Now, the gentleman says that one side of this street is paved and the other is not. I wish very briefly to recite the history of this proposition. Two years ago this matter was up before the committee and was stricken out, but afterwards it got in in the Senate for the improvement of one side of the street. The street has already been asphalted and paved for many years and last year one side repaved as far out as Chevy Chase Circle. The gentleman said here that this street leads out to Chevy Chase Circle, where the big bugs live, and so forth.

Mr. CROWTHER. And where our people go for amusement.

Mr. WYANT. Does not that road lead to Ridgeville and other points in Maryland?

Mr. DAVIS of Minnesota. I think it does.

Mr. WYANT. And is not this a very much traveled thoroughfare, leading to this road?

Mr. DAVIS of Minnesota. It may be, but there are many other roads leading toward Baltimore more than there are this way. I wish to simply state the fact, and I only wish more Members were here in order that I might tell them what the facts are.

This street clear to the circle has been asphalted for many years, but two years ago an appropriation was made, after considerable controversy, and going to the Senate, so that one side of it was repaved. Now, the other side is paved but it is not in as good shape as the new pavement on the right side going out. But I will state that in the hearings two years ago when this matter was up Commissioner Kutz said this:

I know, in fact, that this does not absolutely need repaving anew, but it will be economical to do it, because it will cost less to keep it in repair.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes, sir.

Mr. ZIHLMAN. Is it not a fact that the Commissioners of the District of Columbia have already laid the water mains and sewers and underground work necessary to paving this street, and that it is in a torn-up condition at this time?

Mr. DAVIS of Minnesota. I do not know about that. I am talking about the street and its condition now. The point about that was, that if we repave both sides of it, it will take less money each year to keep it in repair. I will admit that the side that was repaved two years ago is in better condition than the other side. We drove down over it the other day. There are some places I know that need repair and improvement. But it is a good, fair pavement all the way, except in certain spots. Now, if the Government wants to appropriate $50,000 to make this a little better all right. I say, a little better, because it would be hardly noticeable except for a slight break or hole in it. I have been over it often. And it leads, furthermore, gentlemen, out into a locality that is used chiefly by men who live in Chevy Chase, outside of the District of Columbia, and in the State of Maryland. Of course, I do not object to that.

I have assisted in making many appropriations for roads leading into Maryland. And they have good roads out there. Mr. Chairman, while it would improve this street by repairing, yet a little repair each year will keep it in very good shape, where you can drive an automobile at a rapid rate over it, without hurting the automobile at all. It is a good street now. But, of course, the other side being paved, the argument is that, "In as much as you have one side paved, you ought to have the other paved." They have got the head of the camel under the tent, and the whole animal must go in now.

The gentleman has misquoted me in one respect, by saying we did not do this because we needed the money for other improvements. I said this, that we ought not to do this thing, because there are other streets of this city that need improvement more than this—a great deal more. Now, we left out only two or three of the 15 or 20 items mentioned in the Budget. Now, the gentleman from Kentucky made the statement the other day, and I agree with him, that where it is built up on both sides with residences, solid, or even 75 per cent, the street ought to be paved, and I do not think we left out a single street where it was built up on either side 75 per cent.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. ZIHLMAN. Has the gentleman ever traveled out that road and into Maryland?

Mr. DAVIS of Minnesota. I have.

Mr. ZIHLMAN. Is not that the worst mile of road between the Capitol Building here and Ridgeville? The city of Rockville has even paved its main street.

Mr. DAVIS of Minnesota. If the gentleman is going to ask at this time to pave every road in the State of Maryland, it is a different proposition.

Mr. ZIHLMAN. Is the gentleman opposed to building roads because they lead out into Maryland?

Mr. DAVIS of Minnesota. No, sir. You have gotten many hundreds of thousands of dollars out of this city and the Government to build your roads in Maryland outside of the District line, and I have helped put them on for you. But it does not follow that this small road, leading to Chevy Chase Circle, needs $57,000 at this time.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Maryland [Mr. ZIHLMAN].

The question was taken, and the Chair announced that the "noes" seemed to have it.

Mr. ZIHLMAN. Division, Mr. Chairman.

The committee divided; and there were—ayes 8, noes 14.

So the amendment was rejected.

Mr. ZIHLMAN. Mr. Chairman, I wish to offer another amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ZIHLMAN: Page 21, after line 21, insert "Northwest: For paving Wisconsin Avenue between Thirty-fifth Street and Thirty-seventh Street, $55,000."

Mr. ZIHLMAN. Mr. Chairman, I will state that this amendment calls for the paving of two squares on Wisconsin Avenue just above Georgetown, which are now paved with Belgian blocks. I am advised by the office of the engineer commissioner that $20,000 of the $55,000 will be paid by the street car company for paving between the tracks, and under the laws of the District of Columbia the property owners will pay half of the

remaining $35,000, so that the expense to the District of Columbia will be only $17,500.

Wisconsin Avenue below this section was paved some years ago, and the street car company, that has two tracks on the street, made the plea of poverty and said that because of the condition of their treasury they were unable to build the paving between the tracks, and that has never been paved. But these two squares provided for in this amendment are in an almost impassable condition. The bed of the street car tracks, which occupy the middle of the street, was never intended for the weight of the heavy cars that now use those tracks, and they have sunk down into the middle of the street, and that is pried up with Belgian blocks on each side, so that it is almost impassable for an automobile coming from the west down Wisconsin Avenue to Georgetown.

I may say that I am offering this amendment at the request of some of the business men of Georgetown, who contend that all traffic is diverted down Massachusetts Avenue because people are unable to use Wisconsin Avenue in coming from Maryland to Georgetown.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. CRAMTON. Do I understand that the gentleman is prepared to assure the House that the street car company is finally prepared to do its duty in the premises? Has the gentleman any assurance that they will pay for their share of the paving if it is done?

Mr. ZIHLMAN. No. I will say to the gentleman that under the law the Commissioners of the District of Columbia can assess the cost of paving between the tracks against the street car company and can collect the amount due under the law.

Mr. CRAMTON. But is it not a fact that for a number of years they have not succeeded in having that done by the street car companies? Has the gentleman from Maryland any assurance that the Public Utilities Commission can collect it?

Mr. ZIHLMAN. There has never been any difficulty about collecting for the paving between the street car tracks in the city, to my knowledge. What I stated in this instance was that the street car company did not pave the streets between the tracks. There has never been any difficulty on the part of the corporation counsel to collect from these companies, one of which is paying over 10 per cent on its capital and collecting more for its fares than it is entitled to.

Mr. CRAMTON. I am not definitely informed, but I recall that a year ago the commissioners stated they were not able to, in compliance with the law. I was wondering whether the tender feelings of the commission would permit them to see to it that the street car companies shall do their part.

Mr. ZIHLMAN. Under this amendment there will be sufficient money to pave the street from curb to curb. The street car companies will have to pay $20,000, and the property owners will have to pay one-half of the remainder, and therefore the District of Columbia government will have to pay only one-half of $35,000, or $17,500. I do not see anything in the contention of the gentleman from Michigan that the District Commissioners will not be able to collect this money from the street car companies.

Mr. EVANS. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. EVANS. What is the fact as to the ownership of this line of the company? Is it the Washington Railway & Electric Co., or is it a subsidiary company—that is, the liability is not on the principal company but on the company that really has not the means?

Mr. ZIHLMAN. I will say to the gentleman that, under the charter granted by Congress, all these companies that are now within the Washington Railway & Electric Co. are merged, and the common stock which the other day paid a little over 6 per cent dividend is all under one company, and that company controls the Potomac Electric Power Co., which is a very profitable institution.

Mr. EVANS. Does the gentleman say that a judgment against the company owning the line on Wisconsin Avenue could be collected against the property of the Washington Railway & Electric Co.?

Mr. ZIHLMAN. Yes.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. DAVIS of Minnesota. Mr. Chairman, this is another street, not quite so fashionable as the one to Chevy Chase. It is pretty well paved on either side. A portion of it is paved with Belgian blocks, and all that is necessary to keep that in repair is for the able men handling the repairs of streets to repair it a little. That is all. It seems to me unnecessary to appropriate $55,000 for that purpose at this time.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maryland [Mr. ZIHLMAN].

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. ZIHLMAN. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 7, noes 13.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the last two words. In spite of the fact that we seem to have an attendance of only about 20 or perhaps as many as 25, I am going to take the liberty of calling attention to one general feature of this bill.

The estimates sent in by the commissioners to the Bureau of the Budget were cut by the bureau to the extent of over $2,600,000. The commissioners requested the subcommittee to consider the items that had been eliminated by the bureau and the reduction which it had made in many other items. The committee, however, declined to do so. Very many of the eliminations and reductions were of estimates proposed for street construction and street repair, but the committee took the view that there was such sanctity attaching to the conclusions of the bureau as to preclude any interference with them. That was stated at the outset by the chairman. I read from the hearings, page 5. The chairman said—and this is the view that he expressed later, and this is the view that was carried into the report and into the bill that we are now considering—

> I am inclined to believe this committee now—I will consult the committee hereafter—will consider they can not take up anything that does not appear in the estimates as they come from the President.

And they did not take up anything except one item, a trifling item of about $700. So we are here now allowing ourselves to be controlled absolutely to the extent of upward of $2,600,000 by the action of the Bureau of the Budget.

Mr. DAVIS of Minnesota. I should like to ask the gentleman if he voted for the Budget?

Mr. MOORE of Virginia. Yes; and I approve the budget law now, except that I am perfectly satisfied—and this is parenthetical because it is not in the line of the statement I am proposing to make—that the law ought not to be applied to appropriations for the District of Columbia. But how did the bureau proceed? We have every reason to believe that one individual was intrusted with the duty of passing on the estimates submitted by the commissioners—a gentleman who formerly represented the State of Illinois in the Senate, Mr. Sherman. It seems therefore that the House in dealing with this bill, so far as a great variety of matters are concerned, including the matters to which the gentleman from Maryland [Mr. ZIHLMAN] has asked attention, is now expected to defer altogether and finally to the judgment of Mr. Sherman.

Mr. DAVIS of Minnesota. May I ask the gentleman a question?

Mr. MOORE of Virginia. Yes.

Mr. DAVIS of Minnesota. Did Senator Sherman, while he was in the Senate, six or eight years or longer, have anything to do with the District of Columbia?

Mr. MOORE of Virginia. Yes; but it does not seem to me that because of that circumstance we should now follow him blindly in this vitally important business.

Mr. DAVIS of Minnesota. Was he not chairman of the District Committee for several years?

Mr. MOORE of Virginia. Even though he was chairman of the District Committee he should not be permitted to take complete charge of our legislative functions and responsibilities. We should not put the House of Representatives in the hands of a gentleman, however able and reputable he may be, because at one time he happened to be the chairman of the Senate Committee on the District. Now, let us see what occurred at the hearing.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Virginia. I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. MOORE of Virginia. I am going to quote from the record of the hearings. Following the statement of the chairman of the committee, already quoted, Mr. Rudolph, one of the commissioners of the District, said:

> Then, Mr. Chairman, the bill here does not reflect the judgment of the commissioners.
>
> Mr. DAVIS. That I grant you; but we have got to go upon the Budget here submitted to us by the President as our estimates.

Mr. RUDOLPH. There may be some mistakes, and some very glaring ones have been made in this bill.
Mr. DAVIS. That is true.
Mr. RUDOLPH. I say that in all deference to the Budget Bureau.
Mr. DAVIS. Anyway, the committee will consider that hereafter; but I say that has been the universal custom of this committee—not to consider any item that did not appear in the estimates.

The gentleman from Kentucky [Mr. JOHNSON], who did not share the opinion of the chairman, said:

Commissioner Rudolph, had those who prepared this bill seen your minute and specific statements before this was written?
Mr. RUDOLPH. Yes, sir. What we did, Mr. Johnson, was to send our estimates to the Treasury Department on the 15th day of September for the Bureau of the Budget to consider.
Mr. JOHNSON. And did you have in your estimates then the items to which you now refer?
Mr. RUDOLPH. Yes, sir; a matter of something over $3,000,000 additional. And, as you know, Mr. Dawes called in former Senator Sherman when this bill came up.
Mr. JOHNSON. You were not consulted about any item that was taken out?

Now, listen to this, as indicating how little consideration the estimates of the commissioners received:

Mr. RUDOLPH. Mr. Sherman did confer with Col. Kutz and Capt. Oyster and briefly with me over the phone.

From this we can understand what transpired. Mr. Sherman was called in, and when the critical moment came, he at one end of the telephone and the Commissioners of the District of Columbia at the other end of the telephone, had some conference, and later the decisions of Mr. Sherman were incorporated in the Budget submitted to Congress. His decisions were accepted by the subcommittee and the Committee on Appropriations as conclusive, and are now pressed upon us as an adjudication which is beyond question. I appeal to the common sense of Members as to whether it is not little less than monstrous that the House should for a moment consider abdicating its authority in any such way as that? I read again from the hearings another conversation between the gentleman from Kentucky [Mr. JOHNSON] and Commissioner Rudolph.

Mr. JOHNSON again inquired upon whose judgment so many street items were cut out by the bureau. Mr. Rudolph said, "I do not know." Mr. Keller said, "We were not consulted." Then Mr. JOHNSON asked, "Have you any information as to who went with the Budget committee or anybody else to review these projects that were cut out?" Mr. Rudolph said, "No, sir." Mr. BUCHANAN, a member of the subcommittee, asked, "Did they actually review these projects?" Mr. Rudolph said, "I do not know, sir." Then Mr. TINKHAM, who is also a member of the subcommittee, asked this very relevant question, "Is there anyone here who represents the Budget committee?" Mr. Rudolph said, "I do not know, sir." In fact, no one appeared to explain or defend Mr. Sherman's action.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MOORE of Virginia. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Virginia. The subcommittee accepted Mr. Sherman's drastic reduction of the estimates of the commissioners, declining to interfere with them, and inviting no disclosure of the reasons on which they were based. When the matter of sewers was reached by the subcommittee, Mr. Rudolph said:

Appropriations for sewers, cleaning, and repairing. We asked for $100,000, and they put in $80,000.
Col. KELLER. Right there, on behalf of the sewer department, I want to say that $100,000 won't begin to do the work and, with $100,000 only, a great deal of necessary cleaning and the routine portion of the work will have to be neglected.
Mr. JOHNSON. Are you advised, Colonel, on what authority the reduction from $100,000 to $80,000 was made?
Col. KELLER. I have not the faintest idea what the explanation is.
Mr. JOHNSON. You have no means of knowing whether it was based on scientific information or guesswork?

Is not the situation most remarkable? We, who are charged with the grave duty of legislating for the District, are told that we perform that duty and divest ourselves of responsibility by a wholesale, uninformed submission to the views and opinions of Mr. Sherman as to streets, sewers, and many other matters.

I have nothing unpleasant or derogatory to say of Mr. Sherman. But I do condemn the construction that is being placed on the Budget law and the system that construction has created. I hope very much that my distinguished friend from Kentucky [Mr. JOHNSON] will give us the benefit of his opinion during this debate. I have great respect for him. I know that some have reckoned him as hostile to the District, but I know him to be a man of very fine qualities of intellect and character, who is guided by the sincerest desire to do what is best for the country and the District.

I heartily wish that there might be substituted for this bill such a bill as he, having wide knowledge of conditions here, might, in conference with the commissioners, determine to be a wise and just measure.

Mr. DAVIS of Minnesota. Mr. Chairman, I do not care to take up very much time. I am a little surprised to hear the gentleman from Virginia say that he is in favor of abolishing the Budget system, in so far as it applies to the District of Columbia. It is good enough for the balance of the United States, but not good enough for the District of Columbia. I am a little surprised at that, although he says he voted for the Budget system. I know that the District of Columbia is different from any other part of the United States. But I am about as conversant with the action and conduct of the management of the business of the District of Columbia as is the gentleman from Virginia. I have been on the floor of this House for nearly 20 years, and three-quarters of that time I have been connected with the District of Columbia affairs. Now, I wish to say further that while the gentleman says he does not wish to criticize Senator Sherman, I would like to state what experience Senator Sherman had with the District of Columbia.

I believe he was there five or six years as chairman of the Committee on the District of Columbia in the Senate. Of course, I know that he knows perhaps more than I do, but I will not say that he knows more about the District of Columbia than my friend from Virginia [Mr. MOORE]. However, I think he has gone more into details concerning the District of Columbia in the last six or eight years than has my friend from Virginia. I am satisfied that I have also gone into them as much as he has. Let us see now who these other men are—lovely men, big men. Commissioner Rudolph is one of the finest men I ever met. What experience has he had compared with Senator Sherman? He has been commissioner for only lately—only a few months—but a number of years ago, 8 or 10 years ago, he was connected for a short time with the District of Columbia government. That was years ago. His recent knowledge is based upon a few months.

How about Commissioner Oyster? What wonderful experience has he had with the District of Columbia affairs, outside of the private business that he has been engaged in? Has he been examining these streets; has he been examining these sidewalks and alleys? Has he been examining the schools and other matters of governmental nature? While he is an estimable gentlemen, I must insist that his experience is somewhat limited along this line. How about Commissioner Kutz? He is the engineer commissioner. When Commissioner Kutz left here with six years' experience he knew very much about the affairs of the District of Columbia. Commissioner Keller has been acting only a few months.

Are men like Senator Sherman, who had particularly to do with the District for five or six years as chairman of the committee in the Senate, and myself, with an experience of 18 or 20 years in connection with the subject, to be set aside and have it said that we know nothing about the District of Columbia?

How about the Budget? The gentleman from Virginia has said that he voted for the Budget, but he does not think it ought to apply to the District of Columbia. He thinks it ought to apply to the city of Chicago, the city of New York, and the balance of the United States. I was surprised to hear him make that statement. I propose to put into the RECORD exactly what my views are in respect to the Budget.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. DAVIS of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. The Budget act, which is permanent law, requires that the President shall transmit to Congress on the first day of each regular session the Budget, and provides that the Bureau of the Budget, under such rules and regulations as the President may prescribe—and he has prescribed these rules—shall prepare for him the Budget and any supplemental or deficiency estimates, and to this end shall have authority to assemble, correlate, revise, reduce, or increase the estimates of the several departments and establishments. That refers to all of the departments of the Government. My friend from Virginia says that ought not to apply to the District of Columbia, but to all of the other departments of the Government in which 110,000,000 people are interested. The Budget is all right for them.

No one will contend, not even myself, that the President or the Director of the Bureau of the Budget within the time allotted personally could go into the multitudinous details of the estimates presented by the several spending agencies, not only of the District of Columbia, but of all of the United States. I think I should say here that my friend from Virginia [Mr. MOORE], without a dissenting voice from me, put in the estimates of the commissioners. Have you ever before heard of the estimates of any other department going into the record? No; but it was done in this particular instance. The estimates put into the record are usually the Budget Bureau estimates set forth in this particular case. It so happened that the Director of the Budget prevailed upon Senator Sherman to make a study of the estimates for him and for the President, and we must certainly all concede that the director acted wisely in getting the aid and service of a man of such caliber as former Senator Sherman, who is so well versed in District matters. The director certainly would not have felt like relying on some one without experience or who was not conversant with District matters.

I think those who are criticizing him now would be among the first to condemn him if he had pursued a course and picked out a man who had no knowledge of the affairs of the District. He picked out a man who, I think, knew as much about it as any man, barring possibly my friend, the gentleman from Kentucky [Mr. JOHNSON]. I am somewhat amused to see the pride and glory with which some men are praising Mr. JOHNSON now. Look at some of the things that occurred a few years ago, how the gentleman from Kentucky was then condemned for his attitude on matters respecting the District. It must be borne in mind that under the Budget system appropriations and revenues go hand in hand. That was the principal object of the Budget system. The law requires, as in the case of the regular estimates, that whenever supplemental or deficiency estimates reach an aggregate which, if they had been contained in the Budget, would have required the President to make a recommendation for new taxes, loans, or other appropriate action looking to the provision of means to pay the bills, that such a recommendation shall be submitted, and where we add accounts here in excess of the Budget proposals, we are adding to the Treasury demands without knowledge as to whether or not the demands can be met, and are running directly opposite to what we require of the President.

If we should begin here to ignore the Budget proposals, as suggested by my friend from Virginia [Mr. MOORE], the first thing that will happen is that when our action has been summed up at the end of the session we will find that we have appropriated beyond our means. That applies to the whole United States. Of course, it may be said that a thousand dollars or so here and there would make no particular difference, but we do not wish to begin the practice, because if the precedent should once be established we will find it very difficult to stem the tide of future onslaughts. Either follow the Budget, take their estimates, and do the best we can with them, or else abolish the Budget system. Shall we follow the advice of my friend from Virginia and abolish the Budget system as far as the District of Columbia is concerned and let the balance of the United States operate under it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Virginia. Mr. Chairman, I move to strike out the paragraph. Mr. Chairman, I do not think my friend from Minnesota has answered the proposition that I advanced. He does not answer it when he says that I disapprove of the Budget plan so far as the District is concerned. I could, if time permitted and the patience of the House afforded an opportunity, draw a very distinct line between the operation of the plan as to the District and its operation as to various governmental departments. Whatever I may think on that point, however, the fact remains that there is nothing in the budget law that compels the Committee on Appropriations and this Congress to "go it blindly" in following the recommendations of the bureau. The gentleman in undertaking to defend what has occurred—the appointment of Mr. Sherman—and leaving the entire subject to be dealt with by him, says where could anybody have been found who knows more about the District, and that Mr. Sherman has more knowledge of District conditions than the gentleman from Minnesota or myself.

Mr. DAVIS of Minnesota. The gentleman stated he was appointed. He was not appointed; he was simply asked to be an advisor to Mr. Dawes.

Mr. MOORE of Virginia. Even so. Whatever the gentleman from Minnesota may know or not know about conditions in the District and whatever I may know or not know, the cold fact remains, and this is the only thing I am directing attention to now, that the officials of the Government did not themselves act, but selected an outsider to act for them.

The Budget officials drew into the situation a gentleman who was once, but is not now, connected with the Government and apparently turned over to him the entire subject, to be dealt with in his discretion. And now it is argued that that having been done, and the heart having been cut out of the estimates of the commissioners, we must stand in a wholly submissive and uncomplaining attitude.

Mr. DAVIS of Minnesota. Excuse me, sir; I contradict that flat-footedly. I said he came before the committee, of which I was the chairman, the committee upon which I have served for 20 years, and I exercised some discretion about this matter, and the gentleman from Kentucky [Mr. JOHNSON] is on that committee and he did also.

Mr. MOORE of Virginia. Any gentleman on this floor who chooses to read the hearings, whether he is a lawyer or a layman, will find out that there was practically no investigation of estimates sent in by the commissioners which were turned down by Mr. Sherman. A few hours of talk about them, occupying a few pages, and that was all, but there was no real inquiry as to why the estimates were mutilated or as to whether they were meritorious in whole or meritorious in part. On one side was Mr. Sherman, who did not confer with the commissioners, and on the other side the committee saying, "We will take what he did and we will reject the recommendations and protests of the commissioners."

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I had hoped that I had said all that was necessary relative to the Budget estimates which had been made for the District of Columbia. During the hearings I arrived at the conclusion that the Budget recommendations had been perfunctorily made rather than scientifically made. For that reason I asked the questions which have just been read from the hearings by the gentleman from Virginia [Mr. MOORE], and others in the same direction which he has not read. We all recognize ex-Senator Sherman as a man of very great ability; but I for one am unable to see why, as an ex-Member of the Senate, his judgment should be conceded to a greater extent than when he was a Member of the Senate. As a Member of the Senate, he had much to do with District of Columbia legislation, but I do not believe with his experience in that direction, and from what I know of his former life and general character, that he is sufficiently equipped to compete in judgment with an engineer Army officer of admitted ability as to the cost of construction of sewers and streets. I can see very well how he can exercise good judgment as to whether or not a street is in good or bad condition, but I am unable to see how he can go so far as to reduce the actual estimate made by the Engineer Department as to what a street or a sewer is to cost. Having more confidence in the capacity of the Engineer Department for that peculiar character of work than I have in that of an untrained man for that sort of work, throughout the hearings I preferred to accept the opinion, particularly as to scientific subjects, of the Engineer Commissioner and his assistants rather than that of a layman.

Throughout my service here I have never been guided by either friendship or enmity toward the District of Columbia. Instead, I have undertaken to hew to the line as judgment and conscience told me I should, regardless of whether it pleased or displeased. I am following that policy to-day. Until this session I have never been upon an appropriating committee. If, long ago, I had been upon an appropriating committee I would have recognized the opinions of men trained in a science rather than the opinions of those, no matter what their ability in other directions may be, who are not so trained. I would have great respect for the opinion of Senator Sherman relative to any law of the District of Columbia. As to his legal opinion, I would as soon defer to it as to that of any other man I know, but when it comes to the construction of streets and sewers I must insist that I prefer to have the opinion of competent engineers. And for that reason I have taken the position which I now take relative to these matters.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. Without objection the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For current work of repairs of streets, avenues, and alleys, including resurfacing and repairs to asphalt pavements with the same or other not inferior material, and including the maintenance of motor vehicles used in this work, and including an allowance of not to exceed $26 per month for an automobile for use for official purposes, $431,250. This appropriation shall be available for repairing pavements of street railways when necessary; the amounts thus expended shall be collected

from such railroad companies as provided by section 5 of "An act providing a permanent form of government for the District of Columbia," approved June 11, 1878, and shall be deposited to the credit of the appropriation for the fiscal year in which they are collected.

Mr. ZIHLMAN. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment which the Clerk will report.

Mr. ZIHLMAN. On page 22, line 18, I move to strike out the figures "$431,250" and insert "$575,000" in lieu thereof.

And I wish to say for the information of the House that——

Mr. WALSH. Let the amendment be reported.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. ZIHLMAN: Page 22, line 18, strike out the figures "$431,250" and insert in lieu thereof the figures "$575,000."

Mr. ZIHLMAN. Mr. Chairman, I wish to state that the figures I have offered as an amendment are the figures carried in the appropriation bill for the present fiscal year. This appropriation, under the head of repairs of streets, avenues, and alleys, has been cut, in round figures, about $140,000. As previously pointed out, this bill has been cut by the Director of the Budget and the subcommittee more than $8,000,000 below the actual needs for improvement work here in the District of Columbia, and in order to show where these cuts apply and the drastic reductions that have been made, I offer this amendment.

Mr. DAVIS of Minnesota. Mr. Chairman, I certainly oppose the amendment, and I do so with the unanimous consent, I think, of the entire subcommittee. After full discussion, we considered that this amount was all that was necessary at this time for this purpose.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Maryland.

The question was taken, and the amendment was rejected.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. WALSH. I notice that this appropriation is available for repairing pavements of street railways and the amounts to be collected. As I recall, when the last appropriation bill was under consideration, there was a large amount of money due the Government or the District from one of the street railway companies, arising out of repairs and construction of a bridge. Has that money ever been collected? Does the gentleman know?

Mr. DAVIS of Minnesota. The gentleman is talking of repairs to bridges, or about collecting fees for carrying passengers?

Mr. WALSH. Yes; the latter.

Mr. DAVIS of Minnesota. The law is that they shall pay half a cent for each passenger carried. As to whether there has been a correct count kept of that or not I have my doubts, but at the time the last bill was before the committee here they were $60,000 behind, and the committee put in a provision increasing the power of the legal body in the District of Columbia to enforce collection, and I am sorry to say that my friend here made a point or order on the provision. It was afterwards put in, and now they have it all paid up but $6,000, as I understand.

Mr. WALSH. Mr. Chairman, I withdraw my pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. TEMPLE having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had passed the following concurrent resolution:

Senate concurrent resolution 18.

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 16,800 additional copies of Senate Document No. 114, Sixty-seventh Congress, entitled "Message of the President of the United States, transmitting the report of the International Joint Commission concerning the improvement of the St. Lawrence River," of which 5,000 copies shall be for the use of the Senate document room, 500 copies for the Senate Committee on Foreign Relations, 100 copies for the Senate Committee on Commerce, 10,000 copies for the House document room, 1,000 copies for the House Committee on Interstate and Foreign Commerce, and 200 copies for the Committee on Rivers and Harbors of the House of Representatives.

The message also announced that the Vice President had appointed Mr. JONES of Washington and Mr. FLETCHER members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Commerce.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

REPAIRS TO SUBURBAN ROADS.

For current work of repairs to suburban roads and suburban streets, including maintenance of motor vehicles used in this work, $200,000.

Mr. ZIHLMAN. Mr. Chairman, I wish to offer an amendment to this paragraph. On page 23, line 17, I move to strike out the figures "$200,000" and insert "$250,000."

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ZIHLMAN: Page 23, line 17, strike out the figures "$200,000" and insert in lieu thereof the figures "$250,000."

The CHAIRMAN. The gentleman from Maryland is recognized for five minutes.

Mr. ZIHLMAN. Mr. Chairman, I wish merely to call the attention of the committee to the fact that this is the amount carried in the appropriation bill for the current fiscal year for the repair of suburban roads. The commissioners have stated that this fund is inadequate, and I have therefore offered an amendment carrying the same sum as was appropriated for this same purpose last year.

Mr. DAVIS of Minnesota. I will inform the gentleman, Mr. Chairman, that there was not much objection to this when the Commissioners themselves said that the cost of materials for these repairs had been reduced about 25 per cent, so that this extra $50,000 which was cut off was cut off in consequence of the reduction in the cost of material and labor, so that they themselves said this $200,000 would do as much work in the coming year as $250,000 would do a year ago.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Highway Bridge across Potomac River: Draw operators—2 at $1,020 each, 2 at $720 each; 4 watchmen, at $720 each; labor, $2,000; power and miscellaneous supplies and expenses of every kind necessarily incident to the operation and maintenance of the bridge and approaches, $6,340; in all, $14,700.

Mr. ZIHLMAN. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ZIHLMAN: Page 25, line 2, after the figures "$14,700," insert "Masonry bridge across Rock Creek on line of Calvert Street, $180,000."

Mr. WALSH. Mr. Chairman, I reserve a point of order on the amendment.

Mr. ZIHLMAN. Mr. Chairman, I merely wish to state that this is one of the estimates that was submitted by the commissioners. Four years ago the unsafe condition of the bridge on Calvert Street across Rock Creek was called to the attention of Congress, and Congress in the appropriation bill for 1917 appropriated $6,000 for the drafting of plans for this bridge. The present bridge is a dangerous wooden structure and is unsafe. It carries the entire street car traffic that goes out Connecticut Avenue. A number of Members of this House have spoken to me of the urgent need for this bridge. It carries the heaviest street cars, the Chevy Chase street cars, operating here in the District of Columbia.

Congress recognized the need of a modern structure at that point four years ago, and there has been spent $6,000 on plans, and my amendment provides an initial appropriation of only $180,000 for this new bridge, which, when completed, will cost approximately $1,200,000.

Mr. DAVIS of Minnesota. Mr. Chairman, in yesterday's Evening Star the following item appears:

Says cars are safe on Calvert Bridge. Traction engineers declare every precaution will be taken there.

The text is as follows:

The Capital Traction Co. and its engineers feel that the snow has not endangered the safety of the Calvert Street Bridge, but will take every precaution to assure the continued safety of street car traffic across it, President George E. Hamilton said to-day.

This is said by President George E. Hamilton, of the Capital Traction road, whose roads runs across it.

Mr. ZIHLMAN. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. ZIHLMAN. I infer from the gentleman's reading that article that there was some doubt about the safety of this bridge.

Mr. DAVIS of Minnesota. No; there was some question as to the snow, as there has been all over the city, concerning roofs and everything else. The question was asked, "Will not the snow smash that bridge?"

Mr. ZIHLMAN. I will say to the gentleman that the bridge was closed to traffic.

Mr. DAVIS of Minnesota. I am going to read the article:

Fear that the heavy snow of a few days past had placed the bridge in a perilous condition was discounted by the traction company officials to-day, and unless some direct evidence that the structure is in a precarious condition comes up, the street cars will continue in operation across it. The snow was cleared off the bridge before traffic across it was resumed.

That is something commendable.

I have read this article simply to show that the man most interested, who is at the head of the street car company whose tracks and cars cross that bridge, says it is in no danger at all, that it is perfectly safe—George E. Hamilton:

The District Commissioners included an item for $180,000 for the start of construction of a new bridge across Rock Creek at Calvert Street in their recently submitted estimates for the next fiscal year. The item was stricken from the list of District appropriations in the office of the Budget Director. The total cost of the proposed bridge, plans for which have been approved by both the commissioners and Fine Arts Commission, is estimated at $1,200,000.

It would be a five-span structure of masonry. The central span in the plans measures 155.7 feet and is flanked on each side by a 103-foot span, while one 16-foot span would be placed on each side of these smaller spans.

Since 1917 the plans have been lying unused in the District Building. In that year George O. Totten drew them up and presented them to the commissioners, following authorization for such steps by Congress. Since that time the commissioners have made repeated attempts to obtain the initial appropriation, but have failed.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. SMITH of Michigan. He does not say anything about making provision for this structure in the future. I understood from what the gentleman said that it is dangerous and dilapidated and being worn out.

Mr. DAVIS of Minnesota. I am simply reading the statement of the man highest up in authority; that is George E. Hamilton, president of the Capital Traction Co., who says it is not true; that the bridge is all right and perfectly safe for traffic.

Mr. SMITH of Michigan. Of course, that is pretty good authority.

Mr. DAVIS of Minnesota. In my judgment George E. Hamilton would not allow his cars to run over a bridge if there was any danger of its going down.

Mr. SMITH of Michigan. I should hope not.

Mr. DAVIS of Minnesota. I should hope not, too.

Mr. JOHNSON of Kentucky. I believe that when the history and the use of this bridge are thoroughly understood this proposition will have no support. A good many years ago the street car company built this bridge for its necessary street car operation. After a little while the street car company generously (?) made to the District of Columbia a present of half the bridge in order that the District of Columbia might contribute toward its maintenance. Within perhaps 200 or 250 feet of the north end of the Calvert Street bridge is the north end of the million dollar cement bridge on Connecticut Avenue, and the distance between the million dollar bridge on Connecticut Avenue and the south end of this bridge is only about two squares. Now, at public expense, there has been built a million dollar cement bridge along Connecticut Avenue for the use of the general public, but the street car company must have a new bridge for their own use within a few hundred feet of where we now have a million dollar cement highway bridge. No provision is made in this contemplated appropriation that the street car company shall pay one cent for its construction or maintenance, when the street car company will be the principal user of it. Now, tell me why, in the name of common sense, should the people be taxed to build a bridge for the street car company with no provision in it that the street car company shall participate even in its maintenance?

Mr. ZIHLMAN. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. ZIHLMAN. Is not this bridge on a line with Calvert Street, which is one of the great thoroughfares of the city?

Mr. JOHNSON of Kentucky. It is on Calvert Street.

Mr. ZIHLMAN. It is not a bridge over a river. It is a bridge over the valley of Rock Creek Park.

Mr. JOHNSON of Kentucky. But the public does not need it, because there is a public highway bridge right along by the side of it. But the street car company does need it, because it can not operate its cars over the million dollar cement bridge on Connecticut Avenue, which is within a few hundred feet of it.

Mr. EVANS. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I will.

Mr. EVANS. Is there a legal or a moral obligation to construct a bridge where a street crosses Rock Creek Park, as does Calvert Street.

Mr. JOHNSON of Kentucky. I am unable to see that there is.

Let us take another view of it. We have two street car systems, one the Washington Electric, which has about 131 miles of tracks in the District, the other, the Capital Traction Co., which has about 70 miles in the District. The Capital Traction Co. has its trackage through the congested part of the town, and the cars are always full. The other company not only has trackage through the congested part of the town but into the suburbs of the District of Columbia, where empty cars frequently run, and from which they get little revenue and which are consequently operated at a loss. In order to keep the weaker company in operation an 8-cent fare has been fixed by the Public Utilities Commission of the District of Columbia. In order to keep the people from leaving the company which is not making a living and flocking to that which is making a living the fare has to be made the same for both companies. The Capital Traction Co. admits, if we can rely on newspaper statement, that they are receiving nearly 11 per cent on their investment, and, admittedly, they are receiving more than they are asking for. Tell me why they should not take the money surplus derived from a too large car fare and build their own bridge, instead of coming to Congress and asking the taxpayers to build a bridge for them, when for the public there is a bridge within 250 feet of the site of this bridge?

The CHAIRMAN. The time of the gentleman from Kentucky has expired. Does the gentleman from Massachusetts insist on his point of order?

Mr. WALSH. I do, that it is unauthorized by law.

The CHAIRMAN. The point of order is sustained.

The Clerk read line 1, page 26 of the bill.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. We are getting to an important item, which is likely to evoke some comment, the item for streets, and I wondered how late the gentleman from Minnesota intends to run.

Mr. DAVIS of Minnesota. I am ready to continue or ready to quit.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word. In the frame of mind in which gentlemen seem to be, I regret to take up any of the time even for a moment; but if I may be allowed just a moment, having reached this question of streets and street cleaning, I want to make a few observations relative to the situation in the city. Coming down from my home this morning, walking to the Capitol, the street the sidewalks of which were the best cleaned of snow and ice was a street bordered by plain, two-story buildings, occupied I think wholly by colored people. For the entire length of the street the sidewalks were cleaned their full length and width and were in a dry and excellent condition. The dwellers along that street had sufficient civic pride and sufficient realization of their responsibility to clean their sidewalks.

On the same journey I passed a palatial residence that cost at least half a million dollars and not a particle of snow had been removed from the sidewalk abutting and adjacent to that palatial property. I passed the homes of the fairly comfortable and well to do, in front of some of which there had been no effort to clean the snow during the five days since it fell. I found stores in this city transacting large business with the sidewalks covered with snow and ice, dangerous for customers and pedestrians that pass along. I commend to these white folks, to these rich folks, these folks engaged in business, the example of the colored dwellers along the street to which I first referred.

Since I have been in Congress we have enacted, I do not know how many, laws compelling the removal of snow and ice from the sidewalk by adjacent property owners. The courts have held them unconstitutional. I have a high regard for the judgments and decisions of the courts, and yet I find it very difficult to understand how it is that it is unconstitutional for a municipality to require owners and occupants to keep the sidewalks in front of the premises owned or occupied by them in a condition to render them reasonably safe for the passing public.

I can not quite understand why people are allowed to build residences at great cost and hold vacant lots which the growth of population renders valuable and still be relieved of all re-

sponsibility in the matter of keeping their premises clean of snow and ice.

I hope the District Committee will be able to frame a law that will stand, a law so carefully framed that it will get by these tender-hearted judges, these judges tender of the alleged rights of property holders and tenants—a law under which the people of this Capital City will be required to keep their sidewalks clean and free from snow and ice and in a condition in which they are safe for those who find it necessary to use them.

While we are discussing this matter it might be well to recall that the newspapers of this city, when they have not been blaming the Congress for an alleged failure to provide funds for the cleaning of ice and snow from the streets, have been blaming the commissioners because they did not use the funds they have for the purpose. Up to this time, however, I have not seen any reference in any newspaper of the city to the flagrant, almost criminal, failure on the part of many of the very respectable people of this city to clean their sidewalks of snow and ice. The Federal Government is expected to do much for Washington, and does do much for Washington, and expects to do much for Washington; it is high time, however, that the people of Washington realized their duty and responsibility and acquired a civic pride which will incline them to clean away from their premises the snow and ice which is a menace to life and limb. If I may be so bold, may I suggest to the newspapers of this city that in discussing the question of cleaning away the snow and the ice they suggest to the good people of this town that if they can not hire some one to clean their sidewalks, they get a shovel and do it themselves? [Applause.]

Mr. WALSH. Mr. Chairman, I think there should be a quorum here to listen to the reply to this speech.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10101, and had come to no resolution thereon.

THE MILITARY ESTABLISHMENT.

Mr. COCKRAN. Mr. Speaker, I ask unanimous consent to have the privileged resolution which I introduced yesterday, respecting the right of Congress to fix the size and nature of the Military Establishment to be maintained by the United States, be referred to the Committee on Foreign Affairs.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I do not see what jurisdiction the Committee on Foreign Affairs has over a resolution referring to the military and naval forces of the United States and appropriations therefor.

Mr. COCKRAN. This does not refer to the question of appropriations. It merely raises the right of treaties with foreign powers.

Mr. WINGO. Mr. Speaker, does not the gentleman from Massachusetts think that the committee having jurisdiction of this is the Committee on the Judiciary?

Mr. WALSH. It does not apply to foreign affairs, in my judgment.

Mr. COCKRAN. I submit it does, because it deals with the question of treaties with foreign powers.

Mr. WALSH. It is dealing with the right of treaties to be made and depriving Congress of the jurisdiction of appropriations for military and naval forces in the United States.

The SPEAKER. The Chair is inclined to think that if the Chair would refer it he would refer it to the Committee on the Judiciary.

Mr. WINGO. Mr. Speaker, may I offer this suggestion: I said what I did to the gentleman from Massachusetts in all seriousness, because those of the Committee on the Judiciary who were present know that the Supreme Court has settled this question. The Constitution says that a treaty is the supreme law of the land. The courts have held that a treaty is like any other law and may be repealed by an act of Congress. It involves a judicial question, and it occurs to me that the Committee on the Judiciary is the proper committee to which to refer a resolution of this kind. If it is necessary for this House to express itself upon that question, it is a judicial question, and I think the Committee on the Judiciary ought to have the resolution and not the Committee on Foreign Affairs.

The SPEAKER. As the Chair recollects, this question came up before and Judge Tucker, of Virginia, chairman of the Committee on the Judiciary, made a very elaborate report upon it. However, the gentleman from New York asks unanimous consent that the resolution be referred to the Committee on Foreign Affairs. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

SENATE CONCURRENT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, the following concurrent resolution was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

Senate concurrent resolution No. 18.

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 16,800 additional copies of Senate Document No. 114, Sixty-seventh Congress, entitled "Message of the President of the United States, transmitting the report of the International Joint Commission concerning the improvement of the St. Lawrence River," of which 5,000 copies shall be for the use of the Senate document room, 500 copies for the Senate Committee on Foreign Relations, 100 copies for the Senate Committee on Commerce, 10,000 copies for the House document room, 1,000 copies for the House Committee on Interstate and Foreign Commerce, and 200 copies for the Committee on Rivers and Harbors of the House of Representatives.

To the Committee on Printing.

ADJOURNMENT OVER.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

LEAVES OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BIRD, for 10 days, on account of important business.

To Mr. GERNERD, for three days, on account of illness.

To Mr. SUMMERS of Washington, for to-day, on account of illness.

ADJOURNMENT.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 24 minutes p. m.), in accordance with the order heretofore adopted, the House adjourned until Monday, February 6, 1922, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

510. Under clause 2 of Rule XXIV, a letter from the Secretary of Commerce, transmitting list of useless papers in the various bureaus of the Department of Commerce which are not needed or useful in the transaction of current business and have no permanent value or historical interest, was taken from the Speaker's table and referred to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BUTLER: Committee on Naval Affairs. H. R. 9953. A bill to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes"; without amendment (Rept. No. 648). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOCHT: Committee on the District of Columbia. H. R. 8792. A bill to make the necessary survey and to prepare a plan of a proposed parkway to connect the old Civil War forts in the District of Columbia; without amendment (Rept. No. 649). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOCHT: Committee on the District of Columbia. H. R. 5027. A bill to amend an act approved February 28, 1899, entitled "An act relative to the payment of claims for material and labor furnished for District of Columbia buildings"; without amendment (Rept. No. 650). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOCHT: Committee on the District of Columbia. H. R. 5018. A bill to authorize the widening of First Street NE., and for other purposes; without amendment (Rept. No. 651). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOCHT: Committee on the District of Columbia. H. R. 5020. A bill to provide for the sale by the Commissioners of the District of Columbia of certain land in the District of Columbia acquired for a school site, and for other purposes; without amendment (Rept. No. 652). Referred to the Committee of the Whole House on the state of the Union.

Mr. CRAMTON: Committee on Appropriations. H. J. Res. 264. A joint resolution to provide for the relief of destitution among Indians; without amendment (Rept. No. 653). Referred to the Committee of the Whole House on the state of the Union.

Mr. KAHN: Committee on Military Affairs. H. J. Res. 263. A joint resolution authorizing the purchase of land for cemeteries for American military dead in Europe and the improvement thereof; without amendment (Rept. No. 656). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. MILLSPAUGH: Committee on the District of Columbia. S. 1312. An act to amend the charter of the Potomac Insurance Co. of the District of Columbia; without amendment (Rept. No. 654). Referred to the Committee of the Whole House.

Mr. ROSE: Committee on Claims. S. 1767. An act for the relief of the owner of the derrick *Capitol*; without amendment (Rept. No. 657). Referred to the Committee of the Whole House.

Mr. ROSE: Committee on Claims. H. R. 4365. A bill for the relief of the owner of the steamer *Mayflower* and for the relief of passengers on board said steamer; with amendments (Rept. No. 658). Referred to the Committee of the Whole House.

Mr. COLE of Iowa: Committee on Claims. H. R. 8374. A bill for the relief of the estate of Frank W. Knight; without amendment (Rept. No. 659). Referred to the Committee of the Whole House.

ADVERSE REPORTS.

Under clause 2 of Rule XIII,

Mr. FOCHT: Committee on the District of Columbia. H. R. 4903. A bill authorizing the Commissioners of the District of Columbia to vacate and close a part of M Street NW., in the District of Columbia (Rept. No. 655). Laid on the table.

Mr. SNYDER: Committee on Indian Affairs. H. R. 6872. A bill to defray the expenses of litigation and proceedings instituted by direction of the General Council of the Chippewa Indians of Minnesota, and for other purposes (Rept. No. 660). Laid on the table.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9387) granting a pension to Mary Yancy; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 5040) granting a pension to Thomas A. De Berry; Committee on Pensions discharged, and referred to the Committee on Interstate and Foreign Commerce.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BOIES: A bill (H. R. 10266) to amend section 24 of the Judicial Code; to the Committee on the Judiciary.

By Mr. CANNON: A bill (H. R. 10267) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1923, and for other purposes; committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

By Mr. McARTHUR: A bill (H. R. 10268) to provide for the relief of certain officers of the Naval Reserve Force, and for other purposes; to the Committee on Naval Affairs.

By Mr. REBER: A bill (H. R. 10269) to amend an act entitled "An act for the preservation of the public peace and the protection of property within the District of Columbia," approved July 29, 1892; to the Committee on the District of Columbia.

By Mr. KELLY of Pennsylvania: A bill (H. R. 10270) to provide for the retention of books, charts, and similar supplies by beneficiaries of vocational training; to the Committee on Interstate and Foreign Commerce.

By Mr. KAHN: A bill (H. R. 10271) to reduce the number of officers of the Regular Army, and for other purposes; to the Committee on Military Affairs.

By Mr. ZIHLMAN: A bill (H. R. 10272) to authorize an appropriation for the construction of a masonry bridge over Rock Creek Park on the line of Calvert Street; to the Committee on the District of Columbia.

By Mr. CANTRILL: A bill (H. R. 10273) to amend the seed importation act; to the Committee on Interstate and Foreign Commerce.

By Mr. HICKS: A bill (H. R. 10274) authorizing the acquisition of certain sites for naval aviation stations; to the Committee on Naval Affairs.

By Mr. FOCHT: A bill (H. R. 10275) authorizing the extension of the park system in the District of Columbia; to the Committee on the District of Columbia.

By Mr. GRIFFIN: A bill (H. R. 10276) to provide for the return to soldiers, sailors, marines, and others serving in the United States forces during the World War the premiums deducted from their pay for war-risk insurance, the refunding of all allotments deducted from their pay, and the issuance of paid-up policies of insurance; to the Committee on Ways and Means.

By Mr. LONDON: Concurrent resolution (H. Con. Res. 44) urging participation in the Genoa conference; to the Committee on Foreign Affairs.

By Mr. CRAMTON: Joint resolution (H. J. Res. 264) to provide for the relief of destitution among Indians; committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

By Mr. RAINEY of Illinois: Joint resolution (H. J. Res. 265) providing for the appointment of an ambassador and minister to the Irish Free State; to the Committee on Foreign Affairs.

By Mr. RANKIN: Joint resolution (H. J. Res. 266) expressing the intention of the United States to grant absolute independence to the Philippine Islands within one year and requesting the President to consider the expediency of effecting a treaty of recognition for said republic; to the Committee on Insular Affairs.

By Mr. RAMSEYER: Resolution (H. Res. 278) for the consideration of H. R. 64, commonly known as the "truth-in-fabric" bill; to the Committee on Rules.

By Mr. COCKRAN: Resolution (H. Res. 279) concerning the Military Establishment of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANSORGE: A bill (H. R. 10277) granting a pension to Bridget McCormick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10278) granting a pension to Katherine Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10279) for the relief of Benjamin Stern, Louis Stern, and Arthur H. Hahlo; to the Committee on Claims.

By Mr. BUTLER: A bill (H. R. 10280) for the relief of Pay Inspector Charles R. O'Leary, United States Navy; to the Committee on Naval Affairs.

By Mr. COLE of Iowa: A bill (H. R. 10281) granting a pension to Sarah S. B. Haines; to the Committee on Invalid Pensions.

By Mr. DUPRÉ: A bill (H. R. 10282) providing for the appointment of William Henry Connolley Carey, R727507, master sergeant, Air Service, United States Army, as captain, Officers' Reserve Corps, United States Army; to the Committee on Military Affairs.

By Mr. HOGAN: A bill (H. R. 10283) for the relief of Ida Smith; to the Committee on Claims.

By Mr. KOPP: A bill (H. R. 10284) granting an increase of pension to Mary E. Riley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10285) granting an increase of pension to Maria Hill; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 10286) granting an increase of pension to Mary Devany; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 10287) for the relief of John Calvin Starr; to the Committee on Claims.

By Mr. SNYDER: A bill (H. R. 10288) granting a pension to Mary Wotherspoon; to the Committee on Pensions.

By Mr. WILLIAMS: A bill (H. R. 10289) for the relief of Stephen B. Vandeveer; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3810. By Mr. ANSORGE: Petition of the Department of New York American Legion, demanding discharge of all inefficient employees of the Veterans' Bureau; to the Committee on Interstate and Foreign Commerce.

3811. By Mr. BIXLER: Petition of the faculty of Grove City College, Grove City, Pa., against tariff on imported books; to the Committee on Ways and Means.

3812. By Mr. CAMPBELL of Pennsylvania: Petition of residents of the thirty-second Pennsylvania congressional district, requesting legalizing of sale and manufacture of beer and light wines, the tax on which to go to a soldier bonus; to the Committee on Ways and Means.

3813. By Mr. FULLER: Petition of the national legislative committee of the American Legion, favoring immediate enactment of the adjusted compensation bill; to the Committee on Ways and Means.

3814. Also, petition of the Streator (Ill.) Chamber of Commerce, favoring Hill bill 9691; to the Committee on Ways and Means.

3815. Also, petition of 80 employees of the Burson Knitting Co., of Rockford, Ill., for immediate enactment of a protective tariff bill based on American valuation; to the Committee on Ways and Means.

3816. By Mr. KISSEL: Petition of the Contemporary Club of Women, of Brooklyn, N. Y., opposing the American valuation plan in Fordney tariff bill; to the Committee on Ways and Means.

3817. Also, petition of the Carolina Bagging Co., Henderson, N. C., relative to certain sections in tariff revision; to the Committee on Ways and Means.

3818. By Mr. MAGEE: Petition of citizens of Syracuse, N. Y., opposing tax on light wines and beer for the purpose of raising money for soldiers' bonus; to the Committee on Ways and Means.

3819. By Mr. MORIN: Petition signed by 1,500 citizens of Pittsburgh, Pa., for the manufacture and sale of beer and light wines, the tax on which will provide for a soldiers' bonus; to the Committee on Ways and Means.

3820. By Mr. MURPHY: Memorial of the J. S. McCready Post, No. 456, Grand Army of the Republic, Cadiz, Ohio, requesting Congress to pass House resolution 7213, known as the Morgan bill; to the Committee on Invalid Pensions.

3821. Also, memorial of Local No. 9, Bricklayers, Masons, and Plasterers' International Union, of Bellaire, Ohio, wishing to be recorded as being against any change in the Labor Board; to the Committee on Labor.

3822. By Mr. ROGERS: Petition of the First Congregational Church of Woburn, Mass., urging the suspension of Austria's debt to the United States for 20 years; to the Committee on Foreign Affairs.

3823. By Mr. SNELL: Resolutions adopted by the North Lawrence Dairymen's League Cooperative Association, at North Lawrence, N. Y., urging the passage of the Voigt bill (H. R. 8086); to the Committee on Agriculture.